

# HUBTOWN

**Regd. Office:** Plaza Panchsheel, "A" Wing, 5th floor, Hughes Road, Behind Dharam Palace, Grant Road (West), Mumbai - 400007 INDIA  
Tel.: +91-22-67037400 • Fax: +91-22-67037403 • www.hubtown.co.in. • CIN:L45200MH1989PLC050688

October 31, 2017

To,

The Corporate Relationship Department <b>BSE Limited</b> P. J. Towers, Dalal Street Fort, Mumbai 400001  <b>Scrip Code: 532799</b>	The Listing Department <b>The National Stock Exchange of India Limited</b> Exchange Plaza, Bandra Kurla Complex Bandra (East), Mumbai 400051 <b>Symbol: HUBTOWN</b>
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Dear Sirs,

Sub : Summary of the proceedings at the 29<sup>th</sup> Annual General Meeting (AGM) of Hubtown Limited

We write to inform you that the Twenty Ninth Annual General Meeting (AGM) of the Company was held on Monday, October 30, 2017 at 10.00 a.m. at 'Walchand Hirachand Hall', 4<sup>th</sup> floor,

**SUMMARY OF THE PROCEEDINGS OF THE TWENTY-NINTH ANNUAL GENERAL MEETING OF THE COMPANY**

The Twenty Ninth Annual General Meeting (AGM) of the members of Hubtown Limited was held on Monday, October 30, 2017 at 10.00 a.m. at 'Walchand Hirachand Hall', 4<sup>th</sup> floor, Indian Merchants Chamber Building, Indian Merchants Chamber Marg, Churchgate, Mumbai 400020.

Mr. Hemant M. Shah, Chairman chaired the meeting. After ascertaining that the requisite quorum was present, the Chairman declared that the meeting was validly constituted and commenced the proceedings of the meeting.

The Chairman informed that the requisite registers were open for inspection by the members till the conclusion of the meeting.

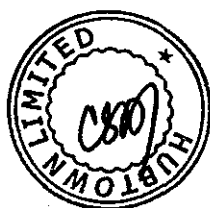
With the consent of the members present, the Notice convening the Twenty-Ninth AGM was taken as read. The Chairman further informed that the Statutory Auditor's Report on the financial statements for the financial year ended March 31, 2017 did not contain any qualifications, observations or comments on financial transactions or matters, which had adverse effect on the functioning of the Company and therefore, the Audit Report was not required to be read at the meeting.

The Chairman further informed that since the Secretarial Audit Report for the financial year ended March 31, 2017 did not contain any qualifications, observations, comments or other remarks, which had any material adverse impact of the functioning of the Company, the Secretarial Audit Report was not required to be read at the meeting.

The Chairman further stated that the facility for remote e-voting on all the resolutions as set out in the Notice of the AGM has been provided to the members in proportion to their voting rights as on the cut-off date of October 23, 2017. Those members who did not have e-voting facility, were provided with the facility to vote through Postal Ballot. He also stated that voting by ballot was also made available at the AGM venue to those members who had not already voted by means of remote e-voting/postal ballot. There would be no voting by show of hands. He further informed that Mr. Ashish Bhatt, of M/s. Ashish Bhatt & Associates, Practicing Company Secretary had been appointed as Scrutinizer for scrutinizing the e-voting and ballot process in a fair and transparent manner.

The Chairman then read his statement and gave an overview of the operations and financial performance of the Company for the financial year ended March 31, 2017. Thereafter, he invited questions from the members on the financials and the business listed to be transacted at the meeting.

After listening to all the queries, the Managing Director gave suitable replies and thereafter, the Chairman concluded his speech by placing on record his appreciation to all the shareholders, investors, suppliers, contractors, vendors, lenders and regulatory authorities for having reposed their confidence in the Company and to the employees of the Company for their hardwork and dedication.



## HUBTOWN LIMITED

The following items of business, as per the Notice dated October 4, 2017 were taken up for consideration :

No.	Resolution
	<b>Ordinary Business :</b>
1.	Adoption of the Audited Financial Statements (Standalone and Consolidated) of the Company for the year ended March 31, 2017 together with the reports of the Board of Directors and Auditors thereon.
2.	Reappointment of Mrs. Priti K. Shah (DIN: 01880436) as a Director liable to retire by rotation.
3.	Appointment of M/s. M. H. Dalal & Associates, Chartered Accountants as Statutory Auditors of the Company.
	<b>Special Business :</b>
4.	Ratification of the remuneration payable to the Cost Auditors for 2017-2018.
5.	Authority to the Board of Directors to make offer(s) or invitation for subscription to Non-convertible Debentures on private placement basis.

The Chairman then informed that the results of the remote e-voting, postal ballot and voting by ballot at the AGM, together with the report of the Scrutinizer thereon, will be communicated to the Stock Exchanges and would also be placed on the website of the Company at [www.hubtown.co.in](http://www.hubtown.co.in).

The Chairman thanked the shareholders for attending the 29<sup>th</sup> AGM of the Company and declared the meeting as closed.

The meeting concluded at 11.30 after the members cast their votes.

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For HUBTOWN LIMITED  
*Chetan S. Mody*  
CHETAN S. MODY  
COMPANY SECRETARY



# HUBTOWN

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## CORPORATE INFORMATION

### BOARD OF DIRECTORS

HEMANT M. SHAH, Executive Chairman  
ABHIJIT DATTA  
SUNIL C. SHAH  
PRITI K. SHAH  
SHIRISH GAJENDRAGADKAR  
VYOMESH M. SHAH (VIMAL M. SHAH), Managing Director

### COMMITTEES OF THE BOARD

#### AUDIT AND COMPLIANCE COMMITTEE

ABHIJIT DATTA, Chairman  
SUNIL C. SHAH  
SHIRISH GAJENDRAGADKAR  
VYOMESH M. SHAH

#### NOMINATION AND REMUNERATION COMMITTEE

ABHIJIT DATTA, Chairman  
SUNIL C. SHAH  
SHIRISH GAJENDRAGADKAR  
HEMANT M. SHAH

#### STAKEHOLDERS' RELATIONSHIP COMMITTEE

SUNIL C. SHAH, Chairman  
SHIRISH GAJENDRAGADKAR  
PRITI K. SHAH

#### CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

HEMANT M. SHAH, Chairman  
SUNIL C. SHAH  
VYOMESH M. SHAH

#### RISK MANAGEMENT COMMITTEE

ABHIJIT DATTA, Chairman  
SHIRISH GAJENDRAGADKAR  
HEMANT M. SHAH  
VYOMESH M. SHAH

#### CHIEF FINANCIAL OFFICER

ANIL AHLUWALIA [upto September 30, 2016]  
NANCY PEREIRA [from October 1, 2016]

#### COMPANY SECRETARY

CHETAN S. MODY

#### STATUTORY AUDITOR

DALAL DOSHI & ASSOCIATES, Chartered Accountants

#### COST AUDITOR

D. C. DAVE & CO., Cost Accountants

#### INTERNAL AUDITOR

MAHAJAN & AIBARA, Chartered Accountants

#### SECRETARIAL AUDITOR

ASHISH BHATT & ASSOCIATES, Company Secretaries

#### REGISTERED OFFICE

PLAZA PANCHSHEEL, 'A' WING, 5TH FLOOR, HUGHES ROAD  
BEHIND DHARAM PALACE  
GRANT ROAD (WEST), MUMBAI 400007  
CIN : L45200MH1989PLC050688  
Phone : 022 66040800  
Fax : 022 66040812  
Investor E-mail : [investorcell@hubtown.co.in](mailto:investorcell@hubtown.co.in)  
Website : [www.hubtown.co.in](http://www.hubtown.co.in)

#### REGISTRAR & TRANSFER AGENT

LINK INTIME INDIA PRIVATE LIMITED  
C-101, 247 PARK, LAL BAHADUR SHASTRI MARG, VIKHROLI (WEST)  
MUMBAI 400 083  
Phone : 022 49186200  
Fax : 022 49186195  
e-mail : [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)  
Website : [www.linkintime.co.in](http://www.linkintime.co.in)

#### BANKERS

AXIS BANK  
BANK OF MAHARASHTRA  
CANARA BANK  
DENA BANK  
HDFC BANK  
ICICI BANK  
IDBI BANK  
KOTAK MAHINDRA BANK  
ORIENTAL BANK OF COMMERCE  
UCO BANK  
UNION BANK OF INDIA  
UNITED BANK OF INDIA

#### 29<sup>th</sup> ANNUAL GENERAL MEETING

MONDAY, OCTOBER 30, 2017 AT 10.00 A.M.  
'WALCHAND HIRACHAND HALL', 4TH FLOOR  
CHURCHGATE, MUMBAI 400 020

Shareholders attending the AGM are requested to bring with them the enclosed ATTENDANCE SLIP

## HUBTOWN LIMITED

### NOTICE OF 29<sup>TH</sup> ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT THE TWENTY NINTH ANNUAL GENERAL MEETING OF THE MEMBERS OF HUBTOWN LIMITED WILL BE HELD ON MONDAY, OCTOBER 30, 2017 AT 10.00 A.M. AT WALCHAND HIRACHAND HALL, 4TH FLOOR, INDIAN MERCHANTS' CHAMBER BUILDING, INDIAN MERCHANTS CHAMBER MARG, CHURCHGATE, MUMBAI 400020 TO TRANSACT THE FOLLOWING BUSINESS :**

#### **ORDINARY BUSINESS :**

1. To receive, consider and adopt :
  - (a) the Audited Financial Statements of the Company for the financial year ended March 31, 2017 and the Reports of the Board of Directors and the Auditors thereon.
  - (b) the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2017 and the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mrs. Priti K. Shah (DIN : 01880436), who retires by rotation and being eligible, offers herself for reappointment.

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

#### **3. APPOINTMENT OF STATUTORY AUDITORS IN PLACE OF THE RETIRING STATUTORY AUDITORS**

"RESOLVED THAT pursuant to the provisions of Sections 139, 142 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 thereof, for the time being in force), Messrs M. H. Dalal & Associates, Chartered Accountants (Firm Registration No. 112449W) be and are hereby appointed as Statutory Auditors of the Company in place of the retiring Statutory Auditors Messrs Dalal Doshi & Associates, Chartered Accountants (Firm Registration No. 121773W), to hold office for a period of 5 (five) years from the conclusion of this Annual General Meeting until the conclusion of the 34th Annual General Meeting, subject to ratification of their appointment by the members at every Annual General Meeting on such remuneration as may be agreed upon by the Board of Directors and the Auditors, plus applicable taxes and re-imbursement of out-of-pocket expenses incurred by them in connection with the audit of Accounts of the Company for the Financial Year 2017-2018."

#### **SPECIAL BUSINESS :**

To consider and if thought fit, to pass with or without modification(s), the following resolutions :

#### **As an Ordinary Resolution :**

#### **4. RATIFICATION OF REMUNERATION PAYABLE TO THE COST AUDITOR OF THE COMPANY FOR THE FINANCIAL YEAR 2017-2018**

"RESOLVED THAT pursuant to the provisions of Section 148 (3) 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 thereof for the time being in force), the members hereby ratify and approve the payment of remuneration of ₹ 5,00,000/- (Rupees Five Lakh) per annum plus applicable taxes and out-of-pocket expenses actually incurred during the course of audit to Messrs D. C. Dave & Co., Cost Accountants (Firm Registration No. 000611) appointed as Cost Auditor by the Board of Directors to conduct the audit of the cost records of the Company for the year ending March 31, 2018;

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

#### **As a Special Resolution :**

#### **5. ISSUANCE OF REDEEMABLE NON-CONVERTIBLE DEBENTURES ON A PRIVATE PLACEMENT BASIS**

"RESOLVED THAT pursuant to the provisions of Sections 42, 71 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 as amended and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any amendment, modification, variation or re-enactment to any of the foregoing and other applicable guidelines, directions or laws, the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the 'Board' which term shall be deemed to include any committee(s) constituted / to be constituted by the Board, from time to time, to exercise its powers conferred by this resolution), to issue Redeemable Non-convertible Debentures ('NCDs') secured or unsecured, in one or more series for an amount not exceeding ₹ 5,000/- crore (Rupees Five Thousand Crore only) on a private placement basis through issue of private placement offer letter, on such terms and conditions and to such person(s) as the Board may, from time to time determine and consider proper and most beneficial to the Company including without limitation, as to when the said NCDs are to be issued, the consideration for the issue, mode of payment, coupon rate, redemption period, utilization of issue proceeds and all other matters connected therewith or incidental thereto;

## NOTICE (CONTD.)

RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolution, the Board be and is hereby authorised to finalise, settle and execute such documents / agreements including but not limited to the listing agreement / affidavits / declarations / undertakings as may be necessary in connection therewith and to do all such acts, deeds, matters and things as may be considered necessary or expedient, including appointment of intermediaries, arrangers, Registrars, Depositories, Trustees, Legal Advisors, Bankers and other appropriate entities and also to delegate all or any of the above powers to any officers / one or more directors/managing director or any other principal officer of the Company on such conditions as the Board may deem fit.”

By Order of the Board  
For **Hubtown Limited**

**Chetan S. Mody**  
Company Secretary  
FCS – 2196

Mumbai  
October 4, 2017

### Notes :

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (AGM) IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. The Proxy Form, in order to be valid and effective, should be duly completed and signed and be lodged with the Company at its registered office not less than forty-eight hours before the scheduled commencement of the AGM.
3. A Proxy shall not have a right to speak at the AGM and shall not be entitled to vote except on a poll.
4. A person can act as a proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights.
5. A member holding more than ten percent of the total share capital of the Company may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
6. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.
7. Corporate members intending to send their authorised representatives to attend the Annual General Meeting are requested to send a duly certified copy of their Board Resolution authorizing their representatives to attend and vote on their behalf at the AGM.
8. The Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013, setting out all material facts relating to special business at Item Nos. 4 and 5 of this Notice is annexed herewith and should be taken as part of this Notice.
9. Members/Proxies/Representatives should bring the enclosed duly filled Attendance Slip, for attending the Meeting. Copies of the Annual Report or the Attendance Slip will not be distributed at the AGM.
10. The Register of Beneficial Owners, Register of Members and Share Transfer Books of the Company remain closed from Monday, September 18, 2017 to Tuesday, September 26, 2017 (both days inclusive) in connection with the AGM.
11. Members having any questions on the Annual Report are requested to send their queries atleast ten days before the AGM, which will enable the Company to furnish the replies at the AGM.
12. Members are requested :
  - a. to notify immediately any change in their registered addresses alongwith PIN CODE number to their respective Depository Participants (DPs) in respect of equity shares held in electronic form and to the Registrar and Share Transfer Agent of the Company at Link Intime India Private Limited in respect of equity shares held in physical form; and
  - b. to register their e-mail address and changes therein from time to time with Link Intime India Private Limited for shares held in physical form and with their respective Depository Participants for shares held in demat form.
13. In accordance with the provisions of Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the SEBI Listing Regulations) and the provisions of the Secretarial Standard on General Meetings, the relevant details of the Director retiring by rotation and seeking appointment in the ensuing AGM is given in the Annexure to this Notice.
14. The Notice of the 29th AGM and the Annual Report of the Company for the year 2016-2017 circulated to the members of the Company will also be made available on the Company's website [www.hubtown.co.in](http://www.hubtown.co.in) and also on the website of the respective Stock Exchanges at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com). The physical copy of the Annual Report will also be available at the Registered Office of the Company for inspection during normal business hours on working days.



## NOTICE (CONTD.)

15. The Securities and Exchange Board of India has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their respective Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Registrar and Transfer Agent.
16. Pursuant to the provisions of Section 124 (5) of the Companies Act, 2013, the dividend which remains unclaimed/unpaid for a period of seven years from the date of transfer to the Unpaid Dividend Account is mandatorily required to be transferred by the Company to the credit of 'Investor Education and Protection Fund' (IEPF) established by the Central Government under sub-section (1) of Section 125 of the said Act. In accordance with the above provisions, the unclaimed dividend that are due for transfer to IEPF are as under :

Sr. No.	Financial Year	Date of Declaration of Dividend	Tentative Date for transfer to IEPF
1.	2009 – 2010	29.09.2010	03.11.2017
2.	2010 – 2011	11.08.2011	08.09.2018
3.	2011 - 2012	07.11.2012	12.12.2019
4.	2012 - 2013	30.09.2013	03.11.2020

The details of the unclaimed dividends of the aforesaid years are available on the Company's website at [www.hubtown.co.in](http://www.hubtown.co.in) and Ministry of Corporate Affairs at [www.mca.gov.in](http://www.mca.gov.in).

17. As per the provisions of Section 72 of the Companies Act, 2013 read with Rule 19 of Companies (Share Capital and Debentures) Rules, 2014, facility for making nominations is available to the members in respect of the equity shares held by them. The nomination form can be downloaded from the Company's website [www.hubtown.co.in](http://www.hubtown.co.in) under the section 'Investors', sub-section 'Investor Services'.
18. Electronic copy of the Notice of the 29th AGM of the Company inter-alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to the members whose e-mail IDs are registered with the Company / Depository Participants for communication purposes unless any member has requested for a physical copy of the same. For members who have not registered their e-mail address, physical copies of the Notice of the 29th AGM of the Company inter-alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode. Members who desire to receive documents/communication in electronic mode are requested to register their e-mail address with Registrar and Transfer Agent of the Company by filling up the 'e-communication Registration Form' printed at the end of this Annual Report. Members holding shares in electronic form are requested to register their e-mail address with their respective Depository Participant. Even after registering for e-communication, members are entitled to receive annual reports and other communication in physical form, upon making a request for the same.
19. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
20. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
21.
  - a. Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014 ('the Rules') and Regulation 44 of the SEBI Listing Regulations, the aforesaid businesses may also be transacted through electronic voting system and accordingly, the Company is pleased to provide remote e-voting facility (e-voting from a place other than venue of the AGM) to all its shareholders in addition to voting in person in the AGM;
  - b. The facility for voting through polling paper shall also be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting or by ballot shall be able to vote at the AGM; and
  - c. The members who have already cast their vote by remote e-voting or by ballot prior to the AGM may also attend the AGM, but shall not be entitled to cast their vote again.
22. The Company has signed an agreement with CDSL for facilitating remote e-voting and is pleased to offer remote e-voting facility as an alternate, to its shareholders to enable them to cast their votes electronically instead of exercising their votes by physical Postal Ballot Forms. The instructions for remote e-voting are annexed to this Notice.
23. The members can opt for only one mode of voting i.e. either by Ballot or remote e-voting. In case, members cast their votes through both the modes, voting done by Ballot shall be considered valid and the votes cast through remote e-voting shall be considered as invalid.
24. The voting rights of the members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date i.e. October 23, 2017.
25. Pursuant to Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and the SEBI Listing Regulations, the Company, in order to enable its members, who do not have access to remote e-voting facility, to send their assent or dissent in writing in respect of the resolutions as set out in this Notice, is enclosing a Ballot Form along with the Annual Report.

## NOTICE (CONTD.)

26. A member desiring to exercise voting by using the Ballot Form shall complete the enclosed Ballot form with assent (FOR) and dissent (AGAINST) and send it to the Scrutinizer, Mr. Ashish Bhatt, Practicing Company Secretary, duly appointed by the Board of Directors of the Company, in the enclosed postage pre-paid self-addressed envelope. Ballot Form deposited in person or sent by post or courier at the expense of the member will also be accepted at the Registered Office of the Company.
27. Please convey your assent in Column 'FOR' and dissent in column 'AGAINST' by placing a tick (✓) mark in the appropriate column in the Ballot Form only. The assent / dissent received in any other form /manner will not be considered.
28. The duly completed and signed Ballot Forms should reach the Scrutinizer on or before Sunday, October 29, 2017 (5.00 p.m. IST). The Ballot Forms received after the said date/time shall be strictly treated as if the reply from the member has not been received.
29. Unsigned / incomplete Ballot Forms will be rejected. The Scrutinizer's decision on validity of the Ballot Form shall be final.
30. A member may request for a duplicate Ballot Form, if so required by writing to the Company at its Registered Office or by sending an e-mail to investorcell@hubtown.co.in by mentioning their Folio No./DP ID and Client ID. However, the duplicate Ballot Form should reach the Scrutinizer not later than Sunday, October 29, 2017 (5.00 p.m. IST).
31. Any person who acquires shares of the Company and becomes a member of the Company after the dispatch of this Notice and holds shares as of the cut-off date i.e. October 23, 2017, may obtain login ID and password by sending a request to helpdesk.evoting@cdslindia.com by mentioning his/her Folio No./ DP ID and Client ID. However, if you are already registered with CDSL for e-voting, then you can use your existing user ID and password for casting your vote.

### INSTRUCTIONS FOR E-VOTING

#### The instructions for shareholders voting electronically are as under:

- i. The voting period begins at 9.00 a.m. on Friday, October 27, 2017 and ends at 5.00 p.m. on Sunday, October 29, 2017. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of October 23, 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- iii. Click on Shareholders.
- iv. Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- v. Next enter the Image Verification as displayed and Click on Login.
- vi. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- vii. If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.</li> </ul>
	For Members holding shares in Demat Form and Physical Form
Dividend Bank Details or Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or the Company please enter the member ID / folio no. in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

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

## NOTICE (CONTD.)

- ix. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting on resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- x. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xi. Click on the EVSN of <HUBTOWN LIMITED> on which you choose to vote.
- xii. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiii. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xiv. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xv. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xvi. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- xvii. If a demat account holder has forgotten the login password then enter the User ID and the image verification code and click on Forgot Password and enter the details as prompted by the system.
- xviii. **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- xix. **Note for Non – Individual Shareholders and Custodians**
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

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

## ANNEXURE TO THE NOTICE

### EXPLANATORY STATEMENT IN RESPECT OF SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

As required by Section 102 of the Companies Act, 2013 (the Act), the following explanatory statement sets out all material facts relating to the business mentioned under Item Nos. 4 and 5 of the accompanying Notice.

Explanation to business mentioned under Item No. 3 has been provided on a voluntary basis.

#### Item No.3

In terms of the provisions of Section 139 of the Companies Act, 2013 (the 'Act') read with Rule 6 of the Companies (Audit and Auditors) Rules, 2014 (the 'Rules'), an audit firm can be appointed as auditors of a company for not more than two terms of five consecutive years each. For the purpose of calculating the period of ten years, the period for which the audit firm had held office as auditors, prior to April 1, 2014 had to be taken into account. The Companies Act, 2013 also provides a transition period of three years, within which the concerned companies are required to mandatorily rotate its auditors.

Accordingly, the present Statutory Auditors, Messrs Dalal Doshi & Associates, Chartered Accountants (Firm Registration No. : 121773W) would retire on conclusion of this Annual General Meeting (AGM) on completion of their term of appointment. Since Messrs Dalal Doshi & Associates, Chartered Accountants are not eligible for reappointment as Statutory Auditors of the Company in view of the rotational policy for auditors under the provisions of Section 139 of the Act and Rule 6 of the Rules, the Board of Directors on the recommendation of the Audit and Compliance Committee, recommended the appointment of Messrs M. H. Dalal & Associates, Chartered Accountants (Firm Registration No. 112449W) as Statutory Auditors of the Company for a term of 5 (five) years, in place of Messrs Dalal Doshi & Associates to hold office as such from the conclusion of this Annual General Meeting until the conclusion of the 34th Annual General Meeting, subject to ratification of their appointment at every AGM held after this AGM.

Messrs M. H. Dalal & Associates have consented to the said appointment and issued a certificate to the effect that their appointment, if made, would be in accordance with the conditions prescribed in Sections 139 and 141 of the said Act and the Rules.

The Board recommends the appointment of Messrs M. H. Dalal & Associates, Chartered Accountants as Statutory Auditors of the Company as set out at Item No. 3 of the accompanying Notice.

None of the Directors, Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise in the said resolution.

#### Item No. 4

The Board of Directors of the Company in its meeting held on May 29, 2017, on the recommendation of the Audit and Compliance Committee, has approved the appointment of Messrs D. C. Dave & Co., Cost Accountants (Firm Registration No. 000611) as the Cost Auditor to conduct the audit of the cost records of the Company for the Financial Year ending March 31, 2018.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor requires to be ratified by the members of the Company. Accordingly, ratification of the members is sought, as referred to in the resolution at Item No. 4 of the accompanying Notice, for the payment of the remuneration amounting to ₹ 5,00,000/- (Rupees Five Lakh) for cost audit plus applicable taxes and out-of-pocket expenses to the Cost Auditor for the Financial Year ending March 31, 2018.

The Board recommends the resolution at Item No.4 of the accompanying Notice for the approval of the members.

None of the Directors, Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested, financially or otherwise in the said resolution.

#### Item No. 5

Section 42 of the Act read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 (the Rules), deals with private placement of securities by a company. Sub-rule (2) of the said Rule 14 states that in case of an offer or invitation to subscribe for non-convertible debentures on private placement basis, the company shall obtain previous approval of its shareholders by means of a special resolution only once in a year for all the offers or invitation for such debentures during the year. Rule 18 of the Companies (Share Capital and Debentures) Rules, 2014 deals with the issue of secured debentures.

Keeping in view the aforesaid legal provisions, the members of the Company had at the 28th Annual General Meeting of the Company held on September 29, 2016, authorised the Board of Directors of the Company to offer or invite subscription for non-convertible debentures, in one or more series / tranches, aggregating upto ₹ 5,000/- crore on private placement basis. The members may note that the Company has not made any private placement of non-convertible debentures pursuant to the said authorization during the Financial Year ended March 31, 2017.

However, in order to augment the long term resources for financing, inter-alia, the ongoing capital expenditure and for general corporate purposes, the Board may, at an appropriate time, offer or invite for subscription for secured / unsecured redeemable non-convertible debentures, in one or more tranches on private placement basis, issuable / redeemable at par or premium depending upon the then prevailing market conditions.

## ANNEXURE TO THE NOTICE (CONTD.)

Accordingly, the consent of the members is sought for passing the special resolution as set out at Item No. 5 of the accompanying Notice. This resolution is an enabling resolution authorizing the Board of Directors of the Company to offer or invite for subscription to non-convertible debentures on a private placement basis, as may be required by the Company, from time to time upto an aggregate amount not exceeding ₹ 5,000/- crore for a period of one year from the date of passing of this resolution.

The Directors recommend the special resolution at Item No. 5 of the accompanying Notice for your approval.

Save and except for the shares of the Company held by them, none of the Directors and Key Managerial Personnel of the Company and their relatives, are in any way, concerned or interested, financially or otherwise, in the said resolution.

By Order of the Board  
For **Hubtown Limited**

**Chetan S. Mody**  
Company Secretary  
FCS – 2196

Mumbai  
October 4, 2017

### Details of Director seeking reappointment in the ensuing Annual General Meeting

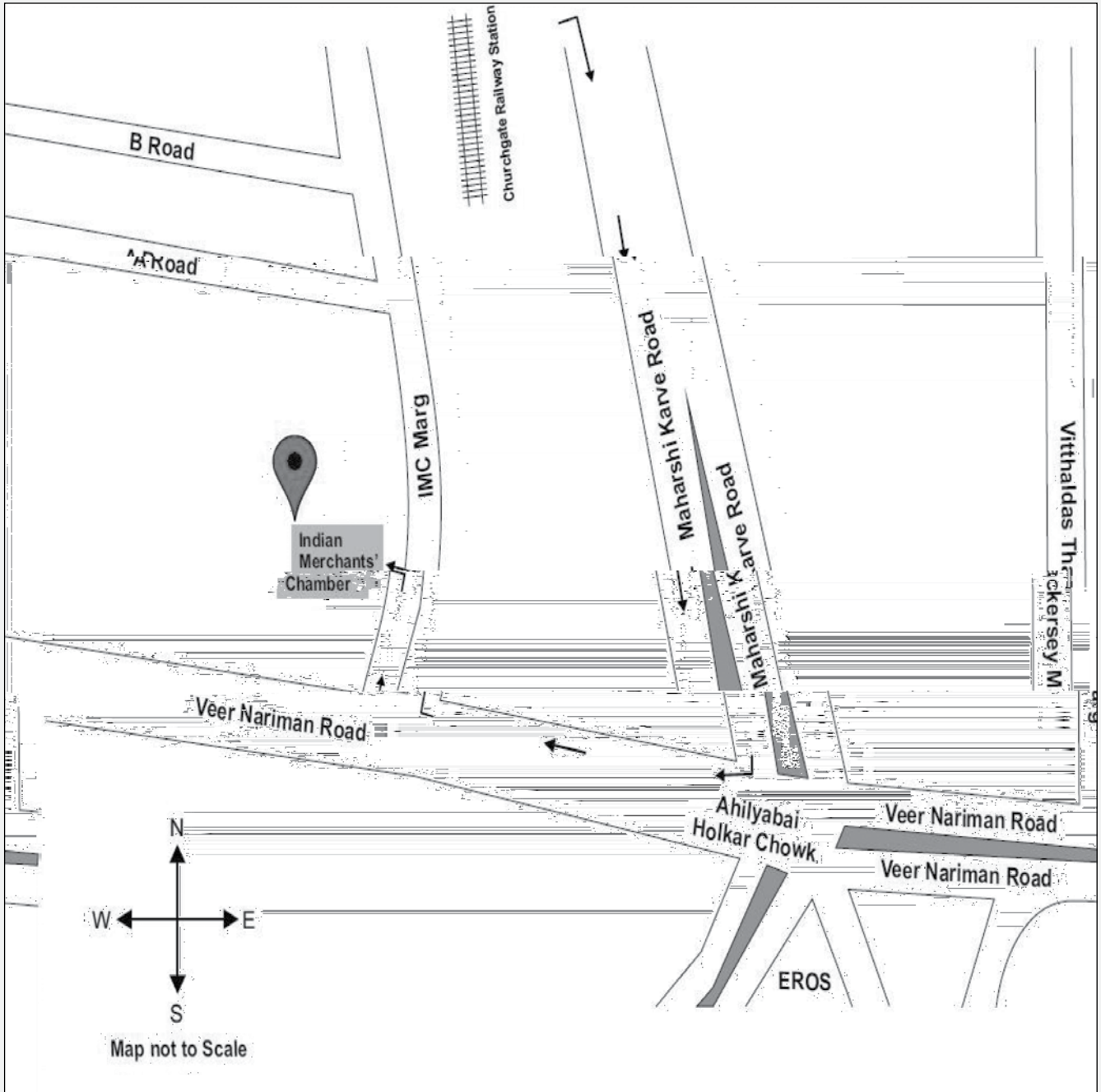
[pursuant to Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with clause 1.2.5 of Secretarial Standard SS- 2 on General Meetings]

#### PRITI K. SHAH [DIN: 01880436]

Age	46 years
Qualification	Commerce Graduate
Experience	Over 13 years of experience in the field of business management and administration
No. of shares held	Nil
Terms and conditions of reappointment	Liable to retire by rotation
Remuneration last drawn	Please refer MGT-9, forming part of the Annual Report 2016-2017.
Remuneration sought to be paid	Sitting fees for attending the meetings of the Board of Directors and Committees thereof and commission.
No. of Board meetings attended during the year	6
Original date of appointment	August 14, 2014
Relationship with other Directors, Manager and Key Managerial Personnel	Nil
Directorships held in other companies	Nil
Membership/Chairmanship of committees of other companies	Nil

## ANNEXURE TO THE NOTICE (CONTD.)

### ROUTE MAP TO THE VENUE OF 29TH AGM OF HUBTOWN LIMITED



#### **AGM Venue Address:**

Walchand Hirachand Hall, 4th Floor, Indian Merchants Chamber Building, Indian Merchants Chamber Marg, Churchgate, Mumbai - 400020

## DIRECTORS' REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS

To  
The Members

Your Directors have pleasure in presenting their Twenty-Ninth Annual Report and the Audited Financial Statements of the Company for the Financial Year ended March 31, 2017 together with the Independent Auditors' Report thereon.

### 1. FINANCIAL HIGHLIGHTS :

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standard) Rules, 2015 as amended. The financial statements for the Financial Year ended March 31, 2017 are the Company's first Ind AS compliant annual audited financial statements with comparative figures for the year ended March 31, 2016 also under Ind AS. The transition date is April 1, 2015.

The standalone and consolidated financial highlights of your Company for the financial year ended March 31, 2017 are summarized below:

(₹ in lakh)

	STANDALONE		CONSOLIDATED	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
Income from Operations	60304	37015	54060	40661
Total Income	63421	39737	57323	43816
Total Expenses	62187	37322	62682	44513
Profit / (Loss) before Tax	1234	2415	(5359)	(697)
Profit / (Loss) after Tax	654	2680	(5656)	(449)
Balance brought forward from the Previous Year	71181	68565	57092	59527
<b>APPROPRIATION :</b>				
Debenture Redemption Reserve	----	----	----	----
Proposed Dividend	----	----	----	----
Dividend Distribution Tax	----	----	----	----
General Reserve	----	----	----	----
<b>Balance carried to Balance Sheet</b>	<b>71837</b>	<b>71181</b>	<b>50691</b>	<b>57092</b>
<b>Earnings per Share (₹) (EPS)</b>	<b>0.90</b>	<b>3.69</b>	<b>(8.81)</b>	<b>(3.24)</b>
<b>Earnings per Share (₹) (EPS)</b>	<b>0.90</b>	<b>3.69</b>	<b>(8.81)</b>	<b>(3.24)</b>

### 2. PERFORMANCE REVIEW AND STATE OF AFFAIRS OF THE COMPANY :

#### Standalone and Consolidated Financials

##### Standalone Financials

- Income from operations stood at ₹ 60304 lakh as against ₹ 37015 lakh in the previous year representing an increase of 62.92 %;
- Total Income stood at ₹ 63421 lakh, higher by 59.60 % as against ₹ 39737 lakh in the previous year;
- Total Expenses stood at ₹ 62187 lakh as against ₹ 37322 lakh in the previous year;
- Profit before Tax was ₹ 1234 lakh as against ₹ 2415 lakh in the previous year;
- Profit after Tax was ₹ 654 lakh as against ₹ 2680 lakh in the previous year;
- Earning per Share before and after Extraordinary Item was ₹ 0.90 as against ₹ 3.69 in the previous year ; and
- Networth of the Company stood at ₹ 172822.13 lakh as against ₹ 172166.41 lakh in the previous year.



## DIRECTORS' REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS (CONTD.)

### Consolidated Financials :

- Income from operations stood at ₹ 54060 lakh as against ₹ 40661 lakh in the previous year representing an increase of 32.95 %;
- Total income stood at ₹ 57323 lakh as against ₹ 43816 lakh in the previous year representing an increase of 30.83 %;
- Total Expenses stood at ₹ 62682 lakh as against ₹ 44513 lakh in the previous year;
- Loss before Tax was ₹ (5359) lakh as against loss of ₹ (697) lakh in the previous year;
- Loss after Tax, Minority Interest and Other Items was ₹ (5656) lakh as against loss of ₹ (449) lakh in the previous year;
- Earning per Share before and after Extraordinary Item was ₹ (8.81) as against ₹ (3.24) in the previous year ; and
- Networth of the Company stood at ₹ 164680.20 lakh as against ₹ 171179.94 lakh in the previous year.

### 3. DIVIDEND :

In the long-term interest of all the stakeholders, the Board felt that the Company utilize the internal accruals on its projects rather than paying dividend to the shareholders. The Directors have, therefore, not recommended any dividend on the equity shares for the Financial Year ended March 31, 2017.

### 4. TRANSFER TO RESERVES :

No amount is proposed to be transferred to Reserves out of the profits earned during the Financial Year 2016-2017.

### 5. TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND:

Pursuant to the provisions of Section 124 of the Companies Act, 2013, the unclaimed dividend amount of ₹ 59,281/- for the Financial Year 2008-2009 was transferred to the Investor Education and Protection Fund (IEPF) after giving due notices to the members. During the Financial Year 2017-2018, the dividend declared by the Company for the Financial Year 2009-2010 remaining unclaimed in terms of Section 124 of the Companies Act, 2013 will be transferred to IEPF.

### 6. SHARE CAPITAL :

The paid-up equity share capital of the Company as on March 31, 2017 was ₹ 7273.59 Lakh. During the year under review, the Company has not issued any shares with differential voting rights or granted stock options or sweat equity.

### 7. DEBENTURES :

During the year under review, the Company had not made any fresh issue of debentures.

### 8. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS :

The details of loans and advances, which are required to be disclosed in the annual accounts of the Company pursuant to Regulation 34 (3) read with Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the SEBI Listing Regulations) are provided in Notes 9 and 10 of the standalone financial statements.

### 9. DISCLOSURE IN RESPECT OF VOTING RIGHTS NOT DIRECTLY EXERCISED BY EMPLOYEES :

There are no shares held by trustees for the benefit of employees and hence no disclosure under Rule 16 (4) of the Companies (Share Capital and Debentures) Rules, 2014 has been furnished.

### 10. NATURE OF BUSINESS :

The Company is engaged in the business of execution and development of real estate projects. There was no change in the nature of the business of the Company during the year under review.

### 11. BUSINESS OVERVIEW :

Your Company is one of India's leading real estate companies, engaged in the business of execution and development of real estate projects and currently operates both - on its own and through its subsidiaries / joint ventures / associate companies, partnerships firms and public private partnerships encompassing the construction and development of Residential and Commercial Premises, and Build Operate Transfer (BOT) Projects.

The Company has a Western India focus with presence in major cities such as Mumbai, Thane, Pune, Ahmedabad, Surat, Vadodara and Mehsana.

#### OVERVIEW OF THE COMPANY'S PROJECTS

(includes projects being developed / to be developed through subsidiaries / associates / joint ventures / public-private partnerships)

#### Residential:

#### **Projects completed :**

Hubtown Heaven - Matunga (East) 'A' and 'B' Wings;



## DIRECTORS' REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS (CONTD.)

Hubtown Gardenia – Mira Road;

Hubtown Countrywoods Phase II – Kondhwa, Pune;

### **Ongoing Projects:**

Hubtown Sunmist - Andheri (East) 'C' Wing	Hubtown Serene – Bandra (East)
Hubtown Seasons - Chembur	Hubtown Celeste – Worli
Hubtown Greenwoods – Thane	Hubtown Premiere – Andheri (West)
Hubtown Heaven – Matunga (East) 'C' Wing	Rising City – Ghatkopar-Mankhurd Link Road
Hubtown Vedant – Sion (East)	Hillcrest – Andheri (East)
Hubtown Sunstone – Bandra (East)	Twenty Five South - Prabhadevi

### **Future Projects:**

Hubtown Divinity – Thane ; Hubtown Square – Thane;

### **Commercial:**

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## DIRECTORS' REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS (CONTD.)

- Service tax exemption for affordable housing construction
- Demonetization of high value currency notes
- Permanent residency status for foreign investors.

### SEGMENT WISE PERFORMANCE :

#### Residential :

Residential real estate constitutes almost 80 % of the real estate market in the country. A Pan-India trend that emerged in 2016 was that a higher number of units were sold every quarter for the first three quarters than new project launched in the same period, which helped to reduce the inventory overhang. In the fourth quarter, demonetization brought the market to a complete standstill with sales volume dropping by 44 % YoY in Q4 2016 and new launches dropping by a massive 61 % YoY during the same period. Capital values across cities saw gentle appreciation in 2016 and this trend is expected to continue in 2017 as the residential markets mature and become more end-user driven. Affordable housing continued to attract significant attention driven by continued and accelerating urbanization, rising home ownership aspirations and an urban housing shortage estimated at 18.8 million units as per the White Paper – Indian Housing Industry' by research firm RNCOS.

Sales across eight cities rose 21 % in January – March 2017 on a quarterly basis. However, on year-on-year basis, the sales figure was lower by 5 %. During the same period, the inventory of unsold houses came down 3.12 %.

#### Commercial :

The office market across top cities in India performed exceedingly well in 2016 despite major challenges such as uncertainty due to Brexit and slowdown in IT/ITeS spending by Europe and USA. This can be credited to India's consistent and accelerated economic performance resulting from strong government spending, greater economic activity and improving investor environment. In the last couple of years, economic growth in India has been better than most global economies, which has been pushing brisk office space leasing, with both international and domestic occupiers increasing their office portfolio. On the demand side, office space requirements of sectors such as manufacturing, logistics, FMCGs, etc., showed positive signs in 2016 and this is expected to continue in 2017 as well. Office space required by e-commerce/start-ups and consulting firms rose, as these sectors are expected to continue with headcount addition to accommodate their business growth in the years to come. The IT/ITeS sector continues to be the largest driver of office space in India with the sector accounting for half of the transactions in the second half of 2016. This was followed by other services such as consulting, media, telecom and infrastructure at 21 %.

Gross office take-up amounted 9.3 million sq. ft in Q1 2017. The technology sector continued to generate demand for office space across cities, representing 51 % of the total take-up in Q1 2017. Co-working operators leased about 1.2 million sq. ft. in 2016 and accounted for 3 % of the overall leasing volume.

#### Retail :

On the supply front, a couple of malls which were to be operational in 2016 are now expected to be completed in 2017. Absorption was twice the supply in 2016 thanks mainly to quality vacant spaces being absorbed quickly. The retail space across key Indian cities stood at 75.8 million sq. ft. as of third quarter of 2016. All three segments of retail – apparel, F&B (food and beverages) and entertainment & cinema did well in 2016. High streets and malls saw more and more people eating out, which helped the F&B category. A relatively new format of retailing – the 'Office-Retail Complex (ORCs) found favour from retailers and developers in 2016. The domestic consumption was impacted by demonetization in the last two months of 2016. Business is expected to normalize from second quarter of 2017.

### OPPORTUNITIES :

India's real estate sector is the third largest contributor to the Gross Domestic Product of the country. Pegged at US \$ 93.8 billion in 2014, the sector is estimated to grow to US \$ 180 billion by 2020. Supporting this growth, a number of factors are working in favour of the real estate, including the need for Houses for All by 2022, 100 Smart Cities Project, easing of FDI Rules and focus on affordable housing among others. The enactment of the Real Estate Regulatory Act, 2016 (RERA) is also expected to give boost to the realty sector.

#### Residential segment opportunity

Residential demand is expected to pick-up only towards the end of 2017 – but the recovery will be sustainable and based on much sounder market fundamentals. Affordable housing has been granted the much-coveted infrastructure status with relaxations in completion timelines and area measurements. This step is well aligned with the government agenda of 'Housing for All by 2022'. One crore houses are to be built in rural India by 2019 for the homeless and those living in kutcha houses. This will not only provide houses to the poor but also promote residential sector in rural areas. With tax sops announced in the Union Budget for 2017-2018 for 'Affordable Housing', there is now considerable focus on 'affordable housing', given the historic deficit of affordable housing projects and the huge latent demand. Several PE firms are partnering with developers to fund their affordable housing projects.

## DIRECTORS' REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS (CONTD.)

### Commercial segment opportunity

#### Office :

Newer Fortune 1000 companies are already looking to increase their exposure in India. Higher FDI is expected to flow into India as it improves on the 'ease of doing business' rankings and policies are made more investor-friendly. Demand has been steady so far and if GDP growth sustains, demand will start looking healthier. Demand for office space is evolving, and more corporates across industries will adopt innovative workplaces in the near future. Collaborative office spaces with open areas to boost employee productivity geared to attract and retain talent will gain importance from 2017.

Looking ahead in 2017, leasing growth could be impacted as occupiers adopt a cautious expansion strategy though expected to be limited to first half of 2017 because of uncertainty in global markets due to the changes in the US trading and immigration policies, a slowdown in the Chinese economy and BREXIT.

The demand is expected to remain firm in 2017 driven by technology and banking, financial services and insurance companies. Prime rents are likely to see a growth of 5 % in 2017 across India's tech driven cities.

#### Co-working :

Co-working spaces are being set up across Indian metros as well as Tier – II cities, providing start-ups with flexible working options at affordable rents. This segment is slowly but surely moving towards boom mode across India, given the many advantages that such spaces offer : cost efficient ; employee motivation and retention; boosted productivity.

#### Retail :

2017 is likely to see the highest mall space becoming operational, second to 2011. High levels of activity are expected in 2H 2017 onwards after a prolonged slowdown from 2014 that lasted through 2016.

### RISKS AND CONCERNS :

#### REAL ESTATE SPECIFIC RISKS :

- Fluctuations in market conditions may affect the ability to sell units at expected prices, which could adversely impact revenues and earnings.
- Competition from existing as well as new players, both domestic as well as foreign.
- Increase in interest rates may dampen the growth rate of demand for housing units.
- Real estate price cycles have the maximum impact on the margins of the developers.
- Unfavourable changes in government policies including change in tax structure would affect the growth of the real estate sector.
- Liquidity Risk – liquidity crisis on account of stoppage of lending funds to real estate sector by banks, financial institutions and other lending agencies, leading to stoppage of development activity.
- Operational Risks – longer gestation period for acquisition of land, non-availability of critical raw materials such as cement and steel, failure to comply with rules and regulations.
- Shortage or sharp increase in prices of building materials could impact the project schedule and impact thereby the revenues and margins.
- Delays in obtaining approvals from regulatory authorities.
- Perennial shortage of semi-skilled and skilled labour.
- Economic uncertainty and political fluidity can adversely impact the economy.
- Human Resource Risk – high attrition of skilled/trained manpower.
- Retrospective policy changes and regulatory bottlenecks could impact the performance of real estate companies.
- Legal and Statutory Risk – ownership and land title issues.
- Lack of supporting infrastructure such as roads, highways, electricity, water, sewerage can hamper the growth of real estate.
- Shift in consumer preference may adversely affect the Company's business and operating results.

#### CONCERNS :

The real estate sector offers ample opportunities for development across verticals, but there are certain intrinsic challenges that hinder growth of the sector. The challenges in the Indian real estate can be broadly classified under five categories which are lack of suitable developable land, delays in obtaining approvals, issues in land title and insurance, inadequate funding challenges and shortage of manpower.

- Lack of suitable developable land : Suitable developable land with basic infrastructure has become scarce in Indian cities. This has resulted in significant surge in land prices in the urban areas.

## DIRECTORS' REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS (CONTD.)

- Strict and prolonged regulatory process leading to delays : The process of obtaining construction permit has become difficult over the last several years and is among the major reasons contributing to the delays in real estate development. The delay in obtaining approvals and adhering to regulatory processes results in avoidable time and cost overruns.
- Land related issues : Lack of clear land titles and title insurance often makes difficult to acquire suitable land parcels. Absence of clear land titles sometimes results in long-drawn and expensive litigation for developers. Further, there is no single land policy in India and each state has its own policy which adds to the complexities.
- Inadequate funding channels : Reserve Bank of India has set threshold for the total maximum exposure to real estate, including individual housing loans and lending to developers for construction finance. Absence of long term funding from banks results in developers tapping alternative sources of funds, most of which do not offer affordable interest rates and hence the supply is stifled.
- Shortage of manpower and technology : Despite being the second largest employer in the country, the real estate sector as a whole faces manpower shortage. The sector is heavily dependent on manual labour, faces longer time lines for construction completions, which results in supply getting deferred.
- High construction costs : As the raw material costs increase over a period, it becomes very difficult to provide housing at a reasonable cost.
- Restrictive development norms : Low floor area ratio, density norms, ground coverage, parking provision, etc. also pose as a challenge for the real estate.
- Development norms : Stringent development and environmental norms lead to sub-optimal utilization of land, which lead to increase in cost per unit value.
- Cost overruns and project delays : Owing to lack of advanced technology and skilled manpower, the overall project economics is not achieved leading to delays in completion of the projects.
- Uneven consumption and slow development pattern of urban infrastructure.

### OUTLOOK :

India's real estate market is expected to reach US \$ 180 billion by 2020 from US \$ 93.8 billion in 2014. Emergence of nuclear families, rapid urbanization and rising household incomes are likely to remain the drivers for growth in spheres of real estate, including residential, commercial and retail. The implementation of RERA and GST, lower home loan interest rate regime and fiscal benefits for tax payers will infuse 'feel good factor' which is extremely important for growth of the real estate sector. The end of 2017 is most likely to see the initiation of a robust and sustainable growth trajectory for India's real estate industry and will be recognized as the base for the future growth of this sector.

Indian real estate is on its way to become a well-regulated, consolidated and moderately efficient industry by the year 2020.

### 13. HUMAN RESOURCES :

The Company recognizes that its people are the key to the success of the organization and in meeting its business objectives. The Human Resources function endeavors to create a congenial work environment and synchronizes the working of all the departments of the organization to accomplish their respective objectives, which in turn helps the Company to build and achieve its goals and strategies. Employee relations during the year remained cordial. The Company had 231 employees on its payroll as on March 31, 2017.

### 14. INTERNAL FINANCIAL CONTROLS :

The Company has in place adequate internal financial controls with reference to the financial statements. Significant audit observations and follow-up action thereon are reported to the Audit and Compliance Committee.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the Internal, Statutory and Secretarial Auditors and the reviews performed by the Management, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the Financial Year 2016-2017.

### 15. DIRECTORS AND KEY MANAGERIAL PERSONNEL :

#### Directors :

Pursuant to the provisions of Section 149 of the Companies Act, 2013, Mr. Shirish Gajendragadkar was appointed as an Independent Director at the Twenty Eighth Annual General Meeting of the Company held on September 29, 2016 for a term of 5 (five) consecutive years with effect from July 28, 2016. The terms and conditions of the appointment of the Independent Director is in accordance with Schedule IV to the said Act.

In accordance with the provisions of Section 152 (6) (e) of the Companies Act, 2013 and the Articles of Association of the Company, Mrs. Priti K. Shah (DIN : 01880436), Director of the Company, who retires by rotation, and being eligible, offers herself for reappointment. Mrs. Priti K. Shah is not disqualified from being reappointed as Director by virtue of the provisions of Section 164 of the Companies Act, 2013. The Notice convening the ensuing Annual General Meeting includes the proposal for reappointment of the aforesaid Director.

Brief resume of Mrs. Priti K. Shah, as required under the SEBI Listing Regulations and Secretarial Standards – 2 on General Meetings, is provided in the explanatory statement to the Notice convening the ensuing Annual General Meeting.

## DIRECTORS' REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS (CONTD.)

During the year under review, the Non-Executive Director of the Company had no pecuniary relationship or transactions with the Company.

Except for the Executive Chairman and the Managing Director who are related to each other being brothers, none of the other Directors of the Company are inter-se related to each other.

The details of familiarization programme for Independent Directors have been disclosed on the website of the Company and is available at the link <http://www.hubtown.co.in/investors/codesandpolicies>.

### Key Managerial Personnel :

Mrs. Nancy Pereira was appointed as Chief Financial Officer of the Company under Section 203 of the Companies Act, 2013 with effect from October 1, 2016 in place of Mr. Anil Ahluwalia who took over as Vice President – Risk Management and Compliance.

### 16. PAYMENT OF REMUNERATION/COMMISSION TO EXECUTIVE DIRECTORS FROM SUBSIDIARY COMPANIES :

During the year under review, neither the Executive Chairman nor the Managing Director was in receipt of any remuneration/commission from any of the subsidiary companies of the Company.

### 17. DECLARATION BY INDEPENDENT DIRECTORS :

Pursuant to the provisions of Section 149 (7) of the Companies Act, 2013, the Company has received individual declarations from all the Independent Directors confirming that they meet the criteria of independence under Section 149 (6) of the said Act and Regulation 16 (1) (b) of the SEBI Listing Regulations and that there has been no change in the circumstances which may affect their status as Independent Directors during the year.

### 18. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS :

The Board of Directors met 7 times during the financial year ended March 31, 2017 in accordance with the provisions of the Companies Act, 2013 and the Rules made thereunder and Regulation 17 (2) of the SEBI Listing Regulations. During the year ended March 31, 2017, the Independent Directors held a separate meeting in compliance with the requirements of Schedule VI to the Companies Act, 2013 and Regulation 25 (3) of the SEBI Listing Regulations. For details, kindly refer to the section on Corporate Governance forming part of this Annual Report.

### 19. COMMITTEES OF THE BOARD :

There are currently five Committees of the Board, as under :

- Audit and Compliance Committee
- Nomination and Remuneration Committee
- Corporate Social Responsibility Committee
- Stakeholders' Relationship Committee
- Risk Management Committee

During the year under review, the Board of Directors has reconstituted the Audit and Compliance Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee and the Risk Management Committee. Details of the aforesaid Committees including their composition, terms of reference and meetings held during the year under review, are provided in the section on Corporate Governance, which forms part of this Annual Report.

### 20. AUDIT AND COMPLIANCE COMMITTEE :

Kindly refer to the section on 'Corporate Governance' under the heading 'Audit and Compliance Committee' for details relating to composition, terms of reference, meetings and functions of the said Committee.

### 21. AUDIT AND COMPLIANCE COMMITTEE RECOMMENDATIONS :

During the year under review, all the recommendations put forth by the Audit and Compliance Committee were duly considered and accepted by the Board of Directors. There were no instances of non-acceptance of such recommendations.

### 22. ANNUAL EVALUATION OF PERFORMANCE :

The Board of Directors has carried out an annual evaluation of its own performance, its Committees and individual Directors pursuant to the requirements of the Companies Act, 2013 and the corporate governance requirements as prescribed by the SEBI Listing Regulations. The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of criteria such as the board composition, information and functioning, etc. as provided in the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017.

The Nomination and Remuneration Committee reviewed the performance of individual directors on the basis of criteria such as qualification, attendance at Board/Committee meetings, preparedness on the issues to be discussed, etc. Further, the Independent Directors at their separate meeting held during the year, reviewed the performance of the Board as a whole, its Chairman and Non-Executive Director and other items as stipulated under the SEBI Listing Regulations. Performance of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

## DIRECTORS' REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS (CONTD.)

### 23. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION :

The Nomination and Remuneration Policy of the Company on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under Section 178 (3) of the Companies Act, 2013 and Regulation 19 (4) (Part 'D' of Schedule II) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is appended as **Annexure – 'A'** to this Report.

### 24. DIRECTORS' RESPONSIBILITY STATEMENT :

Pursuant to sub-section (3) (c) of Sections 134 (3) (c) and 134 (5) of the Companies Act, 2013, in relation to the annual financial statements of the Company for the year ended March 31, 2017, the Directors of your Company, to the best of their knowledge and belief and on the basis of the information and explanations received by them, hereby state and confirm that :

- (i) in the preparation of the Annual Accounts for the year ended March 31, 2017, the applicable accounting standards read with the requirements under Schedule III to the said Act have been followed alongwith proper explanation relating to material departures, if any;
- (ii) they 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 at the end of the financial year on 31st March, 2017, and of the Profit of the Company for the year ended on that date;
- (iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) the annual accounts have been prepared on a 'going concern' basis;
- (v) they have laid down internal financial controls to be followed by the Company and that such internal financial controls were adequate and were operating effectively; and
- (vi) they have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

### 25. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES :

As on March 31, 2017, the Company had 21 subsidiaries, 3 associates and 7 joint venture companies. The Company did not have any material subsidiary company as on March 31, 2017. There has been no change in the nature of business of any of the said subsidiaries, associates and joint venture companies.

During the year under review, Pristine Developers Private Limited and Giraffe Developers Private Limited ceased to be associates of the Company.

The Policy for determining 'material subsidiary' under the SEBI Listing Regulations as approved is posted on the Company's website at the link: <http://hubtown.co.in/admin/uploaddir/Policy%20on%20Subsidiaries%20.pdf>.

In accordance with third proviso of Section 136(1) of the Companies Act, 2013, the Annual Report of the Company, containing therein its standalone and the consolidated financial statements has been placed on the website of the Company at the link: <http://hubtown.co.in/admin/uploaddir/Annual%20Report%20-%202015-2016.pdf>. Further, as per fourth proviso of the said Section, the audited annual accounts of subsidiaries have also been placed on the website of the Company at the link: [http://hubtown.co.in/admin/uploaddir/All%20Subsidiaries-BS-2015\(1\).pdf](http://hubtown.co.in/admin/uploaddir/All%20Subsidiaries-BS-2015(1).pdf).

The Company will make available the financial statements of its subsidiaries, joint venture companies and associates (collectively referred to as 'Subsidiaries') and the related information to any member of the Company who may be interested in obtaining the same. The financial statements of the Subsidiaries will also be available for inspection at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m. on all working days. The Consolidated Financial Statements of the Company forming part of this Annual Report, include the financial statements of its subsidiaries.

During the financial year ended March 31, 2017, the Company was not required to appoint an Independent Director of the Company on the Board of any of its non-listed Indian subsidiary under Regulation 24 (1) of the SEBI Listing Regulations.

Additional information as required under Schedule III to the Companies Act, 2013 in respect of entities consolidated as subsidiaries/associates/ jointly controlled entities is furnished in Note 3.1 to the consolidated financial statements.

### 26. REPORT ON THE PERFORMANCE AND THE FINANCIAL POSITION OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES :

The statement pursuant to Section 129 (3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, containing the salient features of the performance and the financial statements of the subsidiaries, associates and joint venture companies for the financial year ended March 31, 2017 in the prescribed **Form AOC 1** is appended to the consolidated financial statements as Schedule - I.

## DIRECTORS' REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS (CONTD.)

### 27. AUDITORS :

#### STATUTORY AUDITORS :

Messrs Dalal Doshi & Associates, Chartered Accountants (Firm Registration No. : 121773W) will retire on conclusion of the ensuing Annual General Meeting on completion of their term of appointment. Messrs Dalal Doshi & Associates, Chartered Accountants are not eligible for reappointment as Statutory Auditors of the Company in view of the rotation policy under the provisions of the Companies Act, 2013 and the Rules made thereunder. Pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, it is proposed to appoint Messrs M. H. Dalal & Associates, Chartered Accountants (Firm Registration No. 112449W) as Statutory Auditors of the Company for a term of 5 (five) years, in place of Messrs Dalal Doshi & Associates to hold office from the conclusion of the 29th Annual General Meeting until the conclusion of the 34th Annual General Meeting, subject to ratification of their appointment at every Annual General Meeting held after the ensuing Annual General Meeting. Consent and certificate from the said firm has been received to the effect that their appointment as Statutory Auditors of the Company, if approved at the ensuing Annual General Meeting would be in accordance with the conditions prescribed under Section 139 of the said Act and the Rules framed thereunder. They have also confirmed that they meet the criteria for independence, eligibility and qualification as prescribed in Section 141 of the said Act and do not have any pecuniary interest in the Company or its subsidiaries, associates and joint venture companies.

A resolution seeking their appointment forms part of the Notice convening the 29th Annual General Meeting and the same is recommended for your consideration and approval.

Further, the Directors of your Company confirm that no instances of fraud were reported by the Auditors under Section 143 (12) of the Companies Act, 2013 and the Rules made thereunder either to the Company or to the Central Government.

#### AUDITORS' REPORT AND AUDIT OBSERVATIONS :

The Statutory Auditors have : (i) stated an 'Emphasis of Matter' and "Other Matters" in their Report on the Standalone Financial Statements for the year ended March 31, 2017; (ii) stated an 'Emphasis of Matter' and "Other Matters" in their Report on the Consolidated Financial Statements for the year ended March 31, 2017 and the response of your Directors thereto is as follows

#### EMPHASIS OF MATTER:

In respect of clauses (a)- [Note 3 (I) (b) (i)], (b)- (footnote to Note 18), (c)- (footnote (b) to Note 14), (d) - [Note 38 (i) (B)], (e)- (footnote (c) to Note 38), (f) – (footnote (b) to Note 38), (g) – (Note 44), (h)- (footnote to Note 13), (j) – Footnote (a) to Note 10), (k) – (footnote (a) to Note 19), (l) (footnote e to Note 7) and (m) (footnote (b) to Note 31) of the Auditors' Report on Standalone Financial Statements and in respect of clauses (a) – [Note 3 (C) (II) (A)], (b) – (footnote to Note 18), (c) – (footnote (b) to Note 14), (d) – [Note 34 (E)], (e) – (footnote (c) to Note 34), (f) – (footnote (b) to Note 34), (g) – (Note 42), (h) – (footnote to Note 13), (j) – (footnote (a) to Note 10), (k) – (footnote (c) to Note 19), (l) – (footnote (d) to Note 7) and (m) – (footnote to Note 31) of the Auditors' Report on Consolidated Financial Statements, the relevant Notes to the Standalone Financial Statements and the Consolidated Financial Statements respectively and the Auditors' observations are self explanatory and do not call for further clarification/elaboration.

Regarding clause (i) – (footnote to Note 9) of the Auditors' Report on Standalone Financial Statements and clause (i) – (footnote to Note 9) of the Auditors' Report on Consolidated Financial Statements respectively with respect to the Company not charging interest on advances given to various group entities developing real estate projects, which the Company has business interest, the Directors have to state that as per its business model, the Company executes and develops real estate projects either directly or through its subsidiaries, associates, joint ventures, special purpose vehicles and partnership firms, each of which has a different partner(s). All these entities need huge infusion of funds into their respective business operations and given the long gestation period of a real estate project, the Company is, therefore, required to provide financial support by way of business advances. These business advances are nothing but financing of the projects by the Company in which it has an interest, and which are deployed with the ultimate objective of fetching returns for the Company once these projects are completed.

#### OTHER MATTERS:

In respect of clauses (1) and (2) of the Auditors' Report on the standalone financial statements, the Auditors' observations thereon are self explanatory and do not call for further information/clarification.

In respect of clauses (a), (b) and (c) of the Auditors' Report on the consolidated financial statements, the Auditors' observations thereon are self explanatory and do not call for further information/clarification.

#### COST AUDITORS :

Based on the recommendation of the Audit and Compliance Committee, the Board has appointed Messrs D. C. Dave & Co., Cost Accountants (Firm Registration No. : 000611) as Cost Auditors to conduct audit of the cost records of the Company for the year ending March 31, 2018, subject to the ratification of the remuneration payable to them by the members in the ensuing Annual General Meeting pursuant to Section 148 of the Companies Act, 2013.



## DIRECTORS' REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS (CONTD.)

### **COST AUDIT REPORT :**

The Cost Audit Report for the Financial Year 2016-2017 pursuant to the Companies (Cost Accounting Records) Rules, 2011 will be filed within the period stipulated under the Companies Act, 2013.

### **SECRETARIAL AUDIT REPORT :**

Pursuant to the provisions of Section 204 (3) of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors has appointed Messrs Ashish Bhatt & Associates, Practicing Company Secretary, to conduct the Secretarial Audit of the Company. The report on Secretarial Audit is appended as **Annexure – 'B'** to this Report.

The Secretarial Auditor has in his report made an observation in respect of delay in submission of the Annual Audited Financial Results of the Company for the year ended March 31, 2016 within 60 days from the close of the financial year as required under Regulation 33 of the SEBI Listing Regulations and the response of your Directors is given below :

'Due to unavoidable circumstances, beyond the control of the Company, the Audited Annual Financial Results of the Company for the year ended March 31, 2016 could not be submitted within 60 days from the close of the relevant financial year. However, the Company submitted the Audited Annual Financial Results for the year ended March 31, 2016 on June 22, 2016.'

### **28. EXTRACT OF ANNUAL RETURN :**

Pursuant to the provisions of Section 134 (3) (a) of the Companies Act, 2013, the extract of the Annual Return for the Financial Year ended March 31, 2017 made under the provisions of Section 92 (3) of the said Act in **Form No. – MGT 9** is appended as **Annexure – 'C'** to this Report.

### **29. MATERIAL CHANGES AND COMMITMENTS :**

No material changes or commitments which could affect the financial position of the Company have occurred between the end of the financial year of the Company to which the financial statements relate and the date of this Report, other than those disclosed in this Report.

### **30. DEPOSITS :**

During the year under review, the Company neither accepted any public deposits nor there were any amounts outstanding at the beginning of the year which were classified as 'Deposits' in terms of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 and hence, the requirement for furnishing of details of deposits which are not in compliance with Chapter V of the said Act is not applicable.

### **31. VIGIL MECHANISM :**

Pursuant to Section 177 (9) and (10) of the Companies Act, 2013 and Regulation 22 read with Regulation 4 (2) (d) (iv) of the SEBI Listing Regulations, the Company has established a Whistle Blower Policy as the vigil mechanism for Directors and employees of the Company to report their genuine concerns, details of which have been given in the Corporate Governance Report appended to this Annual Report. During the year under review, no such incidence was reported and no personnel were denied access to the Chairman of the Audit and Compliance Committee.

The Whistle Blower Policy has been uploaded on the Company website at the link:<http://hubtown.co.in/admin/uploaddir/REVSIED%20WHISTLE%20BLOWER%20POLICY%2029.05.2014%20-%20Copy.pdf>.

### **32. RISK MANAGEMENT :**

Presently, the provisions of Regulation 21 of the SEBI Listing Regulations relating to the 'Risk Management Committee' are not applicable to your Company. However, the Board of Directors had constituted a 'Risk Management Committee' under Clause 49 of the erstwhile Listing Agreement and framed a 'Risk Management Policy' to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the functions are systematically addressed through mitigating actions on a continuing basis. The details of the Risk Management Committee are provided in the Section on 'Corporate Governance' forming part of this Annual Report.

### **33. PARTICULARS OF LOANS, INVESTMENTS OR GUARANTEES UNDER SECTION 186 OF THE COMPANIES ACT, 2013 :**

As the Company is engaged in the business of 'real estate development' included in the term 'Infrastructure Facilities' as defined in Clause (8) (a) of Schedule VI to the Companies Act, 2013, the provisions of Section 186 of the said Act related to loans made, guarantees given or securities provided are not applicable to the Company. However, the details of the same are provided in the notes to the financial statements. Particulars of investments made under Section 186 of the said Act are provided in the standalone financial statements at Note 7.

### **34. CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES :**

All contracts / arrangements / transactions with related parties that were entered into by the Company during the year under review were on an arm's length basis and in the ordinary course of business. The Company has obtained prior approval for transactions which are of repetitive nature and/or entered in the ordinary course of business and on an arm's length basis.

The Company in its ordinary course of business extends financial assistance by way of loan(s)/provision of security(ies) / corporate guarantee(s) to its subsidiaries including wholly owned subsidiaries, associates and joint ventures in which it has business interest, for furthering the principal business operations of the respective entities. However, the transactions with its wholly owned subsidiaries are outside the purview of Section 188 (1) of the Companies Act, 2013 and Regulation 23 of the SEBI Listing Regulations.



## DIRECTORS' REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS (CONTD.)

During the year under review, the Company had not entered into any contract/arrangement/transaction with its related parties which could be considered material under Section 188 of the Companies Act, 2013 and the Rules made thereunder read with Regulation 23 of the SEBI Listing Regulations.

There were no materially significant related party transactions with the Company's Promoters, Directors, Key Managerial Personnel or their relatives which could have had a potential conflict with the interest of the Company at large. All related party transactions are placed before the Audit Committee and also before the Board for approval.

Attention of the members is drawn to Note 35 to the standalone financial statements and Note 35 to the consolidated financial statements which sets out related party disclosures.

The Policy for determining the materiality of related party transactions and dealing with related party transactions as approved by the Board is uploaded on the Company's website at the link: <http://hubtown.co.in/admin/uploaddir/Policy%20on%20Related%20Party%20Transactions.pdf>.

### 35. CODE OF CONDUCT:

The Board of Directors has laid down a Code of Conduct for Board Members and Senior Management Personnel. The said Code has been posted on the Company's website at <http://www.hubtown.co.in/investors/codes> and policies. As prescribed under Part 'D' of Schedule V read with Regulation 17 (5) of the SEBI Listing Regulations, a declaration signed by the Managing Director affirming compliance with the Code of Conduct by the Directors and Senior Management Personnel of the Company for the Financial Year 2016-2017 is appended to and forms part of the Corporate Governance Report.

### 36. DISCLOSURE OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNAL :

During the year under review, there were no significant or material orders passed by any regulatory / statutory authorities or courts / tribunals against the Company impacting its going concern status and the Company's operations in future.

### 37. CORPORATE SOCIAL RESPONSIBILITY (CSR) :

The Company has constituted a Corporate Social Responsibility Committee in accordance with the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 (the Rules). The details required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 are given in the CSR Report appended as **Annexure 'D'** to this Report. Further, the CSR Policy has been uploaded on the Company website at the link : <http://hubtown.co.in/admin/uploaddir/HUBTOWN%20CSR%20POLICY.pdf>.

During the year under review, the Company, due to severe liquidity constraints, has not expended the amount earmarked for corporate social responsibility activities as required under the CSR Rules and the CSR Policy of the Company. However, the Board had approved that the entire unspent amount of ₹ 39 lakh being the minimum required CSR expenditure of the F.Y. 2016-17 to be carried forward to the next year (F.Y. 2017-2018) provided that the carried forward amount shall be over and above the next year's CSR allocation equivalent to atleast 2% of the average net profit of the Company of the immediately preceding three years.

The Company has fulfilled its obligation towards corporate social activities for the previous financial year during the current financial year.

### 38. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013 :

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. The Company affirms that during the year under review, no complaints were received by the Committee for redressal.

### 39. CORPORATE GOVERNANCE :

The Report on Corporate Governance as stipulated under the SEBI Listing Regulations forms part of this Annual Report. The Certificate from a practising company secretary confirming compliance with the conditions of Corporate Governance as stipulated under Schedule V to the aforementioned Listing Regulations is appended to and forms part of the Corporate Governance Report.

### 40. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO ;

The nature of operations of the Company does not require disclosure of particulars relating to conservation of energy and technology absorption, as prescribed under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014. During the year under review, the Company had 'Nil' foreign exchange earnings and had not incurred any expenditure in foreign exchange. However, the Company has paid advances to suppliers amounting to ₹ 65.96 lakh in foreign exchange.

### 41. INSURANCE :

All the insurable interests of your Company including inventories, buildings and other assets are adequately insured.

### 42. REVISION OF FINANCIAL STATEMENTS OR BOARDS' REPORT :

During the year under review, no revision was made in the previous financial statements or the Board's Reports.

## DIRECTORS' REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS (CONTD.)

### 43. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES :

The disclosure required under Section 197(12) of the Companies Act, 2013 read with the Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is appended as **Annexure – 'E'** to this Report.

The statement containing names of top ten employees in terms of the remuneration drawn and the particulars of employees as required pursuant to Section 197 (12) of the Companies Act, 2013 read with Rules 5 (2) and 5 (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of the employees of the Company are available at the Registered Office of the Company 21 days before the AGM, during business hours on working days of the Company upto the date of the ensuing AGM. Any member who is interested in obtaining a copy thereof, may write to the Company Secretary at the Registered Office of the Company. None of the employees of the Company, employed throughout the financial year or part thereof, was in receipt of remuneration during the year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the Managing Director and holds by himself / herself or along with his/her spouse and dependent children more than two percent of the equity shares of the Company.

### 44. CEO AND CFO CERTIFICATION :

A certificate from the Managing Director and the Chief Financial Officer, pursuant to Regulation 17 (8) of the SEBI Listing Regulations for the year under review was placed before the Board of Directors of the Company at its meeting held on May 29, 2017 which is appended to and forms part of the Corporate Governance Report.

### 45. APPRECIATION AND ACKNOWLEDGEMENTS :

Your Directors place on record their deep appreciation to employees at all levels for their hard work, dedication and commitment. The Directors also take this opportunity to thank all Investors, Suppliers, Vendors, Banks, Financial Institutions, Business Associates, Contractors, Government and Regulatory Authorities and Stock Exchanges for their continued support during the year.

Your Directors would also like to thank the members for reposing their confidence and faith in the Company and its management.

#### DISCLAIMER :

*Certain statements made in the Directors' Report and the Management Discussion and Analysis may constitute 'forward looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ from those expressed or implied. Several factors could make significant difference to the Company's operations that include labour and material availability, and prices, cyclical demand and pricing in the Company's principal markets, changes in interest rates, changes in government regulations, tax regimes, economic development within India and other incidental factors. The Company does not undertake any obligation to publicly update any forward looking statements, whether as a result of new information, future events or otherwise.*

For and on behalf of the Board  
**Hemant M. Shah**  
 Executive Chairman  
 DIN : 00009659

Place: Mumbai  
 Date: July 24, 2017

## DIRECTORS' REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS (CONTD.)

ANNEXURE - 'A'

### REVISED NOMINATION AND REMUNERATION POLICY

#### 1. PREAMBLE :

- i. **Pursuant to Section 178 (2) and (3) of the Companies Act, 2013 (the Act) and Part 'A' of Part 'D' of Schedule II to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations, 2015), provides inter-alia that:**  
  
 'The Nomination and Remuneration Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors, a policy relating to, the remuneration of the directors, key managerial personnel and other employees.'  
  
 'The Nomination and Remuneration Committee shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal and shall carry out evaluation of every director's performance.'
- ii. Therefore, in order to ensure compliance with the aforesaid provisions of the Act and SEBI Listing Regulations, 2015, the Nomination and Remuneration Committee (N&RC) of the Board of Directors of Hubtown Limited has formulated this Nomination and Remuneration Policy.
- iii. This Policy shall replace the existing Nomination and Remuneration Policy recommended by Nomination and Remuneration Committee and approved by the Board of Directors in its meeting held on February 12, 2015.

#### 2. GUIDING PRINCIPLES :

The objectives of this Policy is to ensure that :

- i. 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;
- ii. Relationship of remuneration to performance is clear and meets appropriate performance benchmark; and
- iii. Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goal.

#### 3. DEFINITIONS :

- i. **'Board'** means the Board of Directors of the Company;
- ii. **'Company'** means 'Hubtown Limited';
- iii. **'Executive Directors'** shall mean the Wholtime Director and the Managing Director of the Company;
- iv. **'Independent Director'** means a director referred to in Section 149 (6) of the Companies Act, 2013;
- v. **'Key Managerial Personnel'** means
  - Chief Executive Officer or the Managing Director or the Manager;
  - Company Secretary;
  - Wholtime Director;
  - Chief Financial Officer ; and
  - Such other officer as may be prescribed
- vi. **'Nomination and Remuneration Committee'** shall mean a Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 (1) of SEBI Listing Regulations, 2015;
- vii. **'Policy or This Policy'** means the 'Nomination and Remuneration Policy';
- viii. **'SEBI Listing Regulations, 2015'** shall mean Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- ix. **'Senior Management'** means personnel of the Company who are members of its core management team excluding the Board of Directors. This would include all members of management one level below the Executive Directors including all functional heads.

Words and Expressions used in this Policy but not defined shall have the same meaning as given in the Companies Act, 2013 read with the Rules made thereunder and SEBI Listing Regulations, 2015, as may be amended from time to time.

## DIRECTORS' REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS (CONTD.)

### Revised Nomination and Remuneration Policy (Contd.)

#### 4. TERMS OF REFERENCE OF THE NOMINATION AND REMUNERATION COMMITTEE :

The terms of reference of the Nomination and Remuneration Committee (N&RC) are as under :

- i. to identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down in this Policy and recommend to the Board their appointment and removal;
- ii. to carry out evaluation of every director's performance;
- iii. to formulate the criteria for determining the qualifications, positive attributes and independence of a director, and recommend to the Board a policy relating to the remuneration for the directors;
- iv. to formulate the criteria for evaluation of Independent Directors and the Board;
- v. to devise a policy on Board diversity;
- vi. to recommend/review the remuneration of the Wholetime Director(s) and the Managing Director based on their performance and defined assessment criteria;
- vii. to ensure that the level and composition of remuneration is reasonable and sufficient and the relationship of remuneration to performance is clear and meets appropriate performance benchmark;
- viii. to assist the Board in ensuring that plans are in place for orderly succession for appointments to the Board and to senior management;
- ix. to carry out any other functions as may be mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable; and
- x. to carry out such other functions as may be necessary or appropriate for the performance of its duties.

#### 5. MEMBERSHIP OF THE N&RC COMMITTEE :

- i. The Committee shall consist of atleast 3 (three) Directors, all of whom shall be Non-Executive Directors and atleast half of such Directors shall be Independent Directors;
- ii. The Board shall reconstitute the Committee as and when required to comply with the provisions of the Companies Act, 2013 and applicable statutory requirement;
- iii. Minimum 2 (two) members shall constitute a quorum for the Committee meeting;
- iv. Membership of the Committee shall be disclosed in the Annual Report;
- v. Terms of the Committee shall continue unless terminated by the Board.
- vi. The Chairperson of the Company may be appointed as a member of the Company but shall not chair such Committee.

#### 6. CHAIRMAN OF THE N&RC COMMITTEE :

- i. The Chairman of the Committee shall be an Independent Director;
- ii. In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as a Chairman;
- iii. The Chairman of the Committee could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

#### 7. FREQUENCY OF MEETINGS :

The meeting of the Committee shall be held at such regular intervals as may be required.

#### 8. N&RC COMMITTEE MEMBERS' INTEREST :

- i. A member of the Committee is not entitled to be present when his or her own remuneration is being discussed at a meeting or when his or her performance is being evaluated; and
- ii. The Committee may invite such Executives of the Company, as it considers appropriate, to be present at the meetings of the Committee.

#### 9. SECRETARY OF N&RC COMMITTEE :

The Company Secretary of the Company shall act as Secretary of the Committee.

## DIRECTORS' REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS (CONTD.)

### Revised Nomination and Remuneration Policy (Contd.)

#### 10. VOTING AT N&RC MEETINGS:

- i. Matters arising for determination at Committee meetings shall be decided by a majority of votes of members present and voting and any such decision shall for all purposes be deemed a decision of the Committee;
- ii. In the case of equality of votes, the Chairman of the meeting shall have a casting vote.

#### 11. APPOINTMENT AND REMOVAL OF EXECUTIVE AND NON-EXECUTIVE / INDEPENDENT DIRECTORS, KEY MANAGERIAL PERSONNEL (KMP) AND SENIOR MANAGEMENT PERSONNEL :

##### • Appointment criteria and qualifications :

- i. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his/her appointment as per the Company's Policy;
- ii. A person should possess adequate qualification, expertise and experience for the position he/she is being considered for appointment. The Committee shall have the discretion to decide whether qualification, expertise and experience possessed by a person is/are sufficient / satisfactory for the concerned position; and
- iii. The Company shall not appoint or continue the employment of any person as Managing Director/Wholetime 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 by a special resolution based on the explanatory statement annexed to the notice for such motion indicating justification for extension of appointment beyond seventy years.

##### • Tenure of Office :

##### **Executive Directors**

The Company shall appoint or reappoint any person as its Managing Director or Wholetime Director for a term not exceeding 5 (five) years at a time. No reappointment shall be made earlier than one year before the expiry of the term.

##### **Independent Director**

- i. An Independent Director shall hold office for a term upto 5 (five) consecutive years on the Board of the Company and will be eligible for reappointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's Report;
- ii. An Independent Directors shall not be liable to retire by rotation.
- iii. No Independent Director shall hold office for more than 2 (two) consecutive terms, but such independent Director shall be eligible for appointment after the expiry of 3 (three) years of ceasing to be an Independent Director;  
  
Provided that the Independent Director shall not, during the said period of 3 (three) years, be appointed in or be associated with the Company in any capacity, either directly or indirectly; and
- iv. At the time of appointment of an Independent Director, the Committee shall ensure that the no. of Boards on which such Independent Director serves is restricted to 7 (seven) listed companies as an Independent Director and 3 (three) listed companies as an Independent Director in case such person is serving as a Wholetime Director of a listed company.

##### • Evaluation :

- i. The Committee shall carry out evaluation of performance of each Director on a yearly basis;
- ii. The Committee shall monitor and review Board evaluation framework, conduct an assessment of the performance of the Board, each Board Committee, the Independent Directors and the Chairperson of the Board against criteria determined and approved by the Committee;
- iii. The performance evaluation of Independent Directors shall be done by the entire Board of Directors, on the basis of recommendations of the Committee (excluding the Director being evaluated);
- iv. The Independent Directors shall review the performance of Non-Independent Directors and the Board as a whole;
- v. The Independent Directors shall review the performance of the Chairperson of the Company taking into account the view of the Committee, and the Non-Executive Directors; and
- vi. The criteria for performance evaluation is given in Annexure 'I'. However, these criteria are only suggestive and the Board /Directors may consider such other criteria as it/they may deem necessary for effective evaluation of performance.

##### • Removal :

Due to any reason for any disqualification mentioned in the Companies Act, 2013, the Rules made thereunder or under any other applicable Act, Rules and Regulations, the Committee may recommend to the Board with reasons recorded in writing, the removal of a Director, KMP or Senior Management, subject to the provisions and compliance of the said Act, Rules and Regulations and the Policy of the Company.

## DIRECTORS' REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS (CONTD.)

### Revised Nomination and Remuneration Policy (Contd.)

- **Retirement :**

The Director, KMP and Senior Management shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP and the Senior Management Personnel in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

#### 12. POLICY RELATING TO THE REMUNERATION OF EXECUTIVE AND NON-EXECUTIVE / INDEPENDENT DIRECTORS, KMP AND SENIOR MANAGEMENT PERSONNEL :

- **Remuneration Policy for Executive Directors :**

- The remuneration and commission to be paid to the Executive Directors shall be as per the statutory provisions of the Companies Act, 2013 and the Rules made thereunder, for the time being in force;
- Payment of remuneration to the Executive Directors is governed by the respective agreements executed between each of such Executive Directors and the Company;
- The remuneration / commission to be paid to the Executive Directors will be determined by the Committee and recommended to the Board for approval.
- The break-up of the pay scale and the quantum of perquisites and allowances shall be decided by the Committee;
- The remuneration / commission, etc. shall be subject to prior/post approval of the shareholders of the Company and the Central Government, wherever required;
- Increments to the existing remuneration/compensation structure may be recommended by the Committee to the Board which should be within the time scale approved by the shareholders. The effective dates of increments shall be at the discretion of the Board;
- If, in any financial year the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managerial Person in accordance with the provisions of Schedule V to the said Act and if it is not able to comply with such provision, with the prior approval of the Central Government;
- If any Executive Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he/she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive the recovery of such sum refundable to it unless permitted by the Central Government.

- **Remuneration Policy for Non-Executive / Independent Directors :**

- The remuneration and commission to be paid to the Non-Executive / Independent Directors shall be in accordance with the statutory provisions of the Companies Act, 2013 and the Rules made thereunder for the time being in force;
- The Non-Executive/Independent Directors are paid remuneration by way of fees for attending the meeting of the Board/Committee thereof. Provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013 per meeting of the Board/Committee or such amount as may be prescribed by the Central Government from time to time;
- The commission may be paid within the monetary limits approved by the shareholders, subject to the limits not exceeding 1 % of the net profit of the Company computed as per the applicable provisions of the Companies Act, 2013 and
- An Independent Director shall not be entitled to any stock option of the Company.

The overall managerial remuneration shall not exceed 11 % (eleven) percent of the net profit of the Company computed in the manner laid down in Section 198 of the Act,

- **Remuneration for KMP, Senior Managerial Personnel and Other Employees:**

- This Policy aims at attracting, retaining and motivating high caliber talent and ensures equity, fairness and consistency in rewarding the employees.
- The performance of the individual, as well as that of the Company from the basis of this Policy.
- The KMP, Senior Management Personnel and other employees of the Company shall be paid monthly remuneration as per the Company's HR Policies and/or as may be approved by the Committee;
- The salary structure of the employees including KMP and Senior Management comprises of basic salary, perquisites, allowances and performance incentive. The salary involves a balance between fixed and variable pay which reflects the performance objective of the individual as against the earmarked Key Performance Indicator and the strategic objective and the performance of the Company.

## DIRECTORS' REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS (CONTD.)

### Revised Nomination and Remuneration Policy (Contd.)

- v. The components of total remuneration vary for different grades of employees and are based on the qualifications and experience of the employee, responsibilities handled and the individual performance.
- vi. In case any of the relevant Statute/Rules/Regulations require that the remuneration of KMPs, Senior Management or other employees of the Company is to be specifically approved by the Committee and/or the Board of Directors, then such approval(s) shall accordingly be obtained.

#### 13. FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS :

The Company shall familiarize the Independent Directors with the Company, its business model, their roles, rights, duties and responsibilities in the Company, the nature of the industry in which the Company operates, through various programmes.

The details of such programmes shall be disclosed on the Company's website and a web link thereto shall also be given in the Annual Report.

#### 14. INSURANCE POLICY :

Where any insurance policy is taken by the Company on behalf of the Executive Directors, Non-Executive and Independent Directors, KMP, Senior Management Personnel and any other employees of the Company, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

#### 15. IMPLEMENTATION OF THE POLICY :

The N&RC Committee may issue guidelines, procedures, formats, reporting mechanism and manuals as supplement(s) to this Policy and for better implementation thereof.

#### 16. DELEGATION OF AUTHORITY :

The Committee may delegate any of its powers to one or more of its members as may be deemed necessary for proper and expeditious implementation.

#### 17. DEVIATIONS FROM THE POLICY :

Deviations from elements of this Policy in extraordinary circumstances, when deemed necessary in the interests of the Company shall be made if there are specific reason to do so in an individual case.

#### 18. EXTERNAL ASSISTANCE :

The Committee, may in its sole discretion, seek the advice of external experts/consultants at the Company's expense for enabling it to discharge its duties and responsibilities.

#### 19. DISCLOSURE OF THE POLICY:

This Policy and the evaluation criteria shall be uploaded on the Company's website and be also disclosed in the Annual Report as part of the Board's Report therein.

#### 20. AMENDMENTS TO THE POLICY :

This Policy is based on the requirements of the Companies Act, 2013 read with the Rules made thereunder and SEBI Listing Regulations, 2015. In case of any amendment(s), clarification(s), circular(s), etc., issued by the relevant authorities, not being consistent with the provisions of this Policy, then such amendment(s), clarification(s), circular(s), etc., shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date stated under such amendment(s). The provisions in this Policy would then be modified in due course to make it/them consistent with law.

## DIRECTORS' REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS (CONTD.)

### SUCCESSION PLAN FOR APPOINTMENT TO THE BOARD AND SENIOR MANAGEMENT

#### 1. INTRODUCTION :

Regulation 17 (4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations) provides that the Board of every listed company shall satisfy itself that plans are in place for orderly succession for appointment to the Board of Director and Senior Management. Regulation 16 (1) (d) of the Listing Regulations defines 'Senior Management' to mean officers /personnel of the listed entity who are members of its core management and normally this shall comprise all members of the management one level below the executive directors including all functional heads.

#### 2. OBJECTIVE :

The objective of this Policy is to make a plan for orderly succession for appointment to the Board and the Senior Management.

#### 3. PROCESS :

##### I. Board Level Appointment(s) :

The Nomination and Remuneration Committee of the Board of Directors of the Company shall identify suitable persons from among the existing top management or from the external sources to fill up the vacancy at the Board level. The appointment of such person at the Board level shall be in accordance with the applicable provisions of the Companies Act, 2013 and the Rules made thereunder and the terms of Corporate Governance under the Listing Regulations.

##### II. Senior Management Level Appointment :

The vacancy at Senior Management Level shall be filled up by the Chairman or the Managing Director as the case may be in line with the HR Policy adopted by the management, keeping in view the Company's mission, vision, values, goals and objectives.

#### 4. REVIEW OF THE POLICY :

The Board shall review the Succession Policy periodically and if required, will make suitable changes keeping in view the regulatory changes or changes in the business/industry norms.

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## DIRECTORS' REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS (CONTD.)

ANNEXURE – I

### PERFORMANCE EVALUATION CRITERIA

1. Section 178 (2) of the Companies Act, 2013 stipulates that the Nomination and Remuneration Committee of Directors shall carry out evaluation of every Director's performance.
2. Para 'A' of Part 'D' of Schedule II to SEBI Listing Regulations, 2015 provides that the Nomination and Remuneration Committee shall formulate criteria for evaluation of Independent Directors and the Board.
3. Pursuant to Regulation 25 (3) and (4) of SEBI Listing Regulations, 2015, the Independent Directors shall hold atleast one meeting in a year without the presence of non-independent directors and members of the management to inter-alia :
  - i. Review the performance of the non-independent directors and the Board as a whole;
  - ii. Review the performance of the Chairperson of the Company, taking into account the view of the Executive Directors and Non-Executive Directors; and
  - iii. Assess the quality, quantity and timeliness of the flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonable perform their duties.
4. Pursuant to Regulation 17 (10) of SEBI Listing Regulations, 2015, the performance evaluation of the Independent Directors shall be done by the entire Board excluding the Director being evaluated.
5. Section 134 (3) (p) of the Companies Act, 2013 provides that there shall be attached to the Board's Report, a statement indicating the manner in which formal annual evaluation has been made by the Board of its own performance and that of its Committees and individual Directors.
6. The assessment criteria for determining the effectiveness of Board / Director's performance is given below. However, these criteria are only suggestive / illustrative and the Board/ Directors may consider such other criteria as they may deem necessary for effective evaluation of performance.
7. The Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India on January 5, 2017 also provide criteria for enabling listed entities to improve the evaluation process, derive the best possible benefits and achieve the objectives of the entire process.

#### BOARD OF DIRECTORS :

1. Leadership.
2. Stewardship.
3. Contribution to achievement of corporate objectives.
4. Contribution to robust and effective risk management.
5. Communication of expectations and concerns clearly.
6. Assuring appropriate Board size, composition, independence, structure.
7. Timely resolution of issues at meetings.
8. Identify, monitor and mitigate significant corporate risks.
9. Effective meetings.
10. Company's approach to Corporate Governance.
11. Clearly defining roles and monitoring activities of Committees.
12. Review of Company's ethical conduct.
13. Assess policies, structures and procedures.
14. Communication of the Board with the management team, key managerial personnel and other employees.
15. Regular monitoring of corporate results against projections.
16. Accountability.
17. Review and approval of strategic operational plans, objectives and budgets.
18. Board's relationships inside and outside the board room.
19. Board's handling of crisis or problems.
20. Adequacy and quality of feedback to the management on its requirements.

## DIRECTORS' REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS (CONTD.)

### Performance Evaluation Criteria (Contd.)

#### COMMITTEE OF BOARD OF DIRECTORS :

1. Suitability of matters reserved for the Committee(s).
2. Diversity of experiences, backgrounds and appropriate composition.
3. Committee monitors compliance with corporate governance norms, law, regulations and guidelines.
4. Communication of the Committee(s) with the management team, key management personnel and other employees.
5. Committee demonstrates integrity, credibility, trustworthiness, willingness to actively participate, ability to constructively handle conflict, interpersonal skills, and proactiveness.
6. Committee dedicates appropriate time and resources to execute its responsibilities.
7. Committee meetings are conducted in an effective manner, with time being spent primarily on significant issues.
8. The quality and timeliness of the flow of information to the Committee.
9. Adequacy and quality of feedback by the Committee(s) to the management on its requirements.

#### NON-EXECUTIVE DIRECTORS :

1. Contribution to corporate leadership and stewardship.
2. Commercial and business acumen.
3. Familiarity with the Company's operations and the industry in which the Company operates.
4. Contribution to achievement of corporate objectives.
5. Constructive contribution to resolution of issues at meetings.
6. Promotion of the Company's interest externally.
7. Interpersonal relationship with other Directors and management.
8. Level of ethical awareness
9. Willingness to devote necessary time including attendance at meetings, extent of preparedness for meetings, willingness to participate in Committee work.
10. Effective and proactive follow-up on any areas of concern.
11. Updated on the latest developments in areas such as corporate governance framework and financial reporting, the industry and market conditions.

#### INDEPENDENT DIRECTORS (ID) :

1. Level of preparedness for the meetings of the Board / Committee(s).
2. Willingness to devote time and effort to understand the Company and its business model.
3. Quality and value of their contribution to the Board / Committee(s) deliberations.
4. Attendance at the meetings of the Board / Committee(s) of which he/she is a member
5. Helps in bringing an independent judgment to bear on the Board's deliberations.
6. Relationship with fellow Board members. the management team, key management personnel and other employees.
7. Knowledge and understanding of current industry and market conditions.
8. Effective and proactive follow-up on any areas of concern.
9. Refrains from any action that would lead to loss of his / her independence
10. Participates constructively and actively in the Committee(s) of the Board of which he/she is a Chairperson or member.
11. Exercises his / her responsibilities in a bonafide manner in the interest of the Company.
12. Devotes sufficient time and attention to his / her professional obligations for informed and balanced decision making.

## **DIRECTORS' REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS (CONTD.)**

### **Performance Evaluation Criteria (Contd.)**

#### **EXECUTIVE DIRECTORS :**

1. Actively manages shareholder, board, management and employee relationships and interests.
  2. Meets with the potential investors – equity and debt capital.
  3. Manages shareholder meetings effectively and promotes a sense of participation in all shareholders and shareholder confidence in the Board.
  4. Promotes effective participation of all board members in the decision making process.
  5. Demonstrates effective leadership of the Board .
  6. Takes action to correct deficiencies / short comings noted.
  7. Provides opportunities to the Board members to raise issues and express concerns on significant matters.
  8. Relationship and communication within the Board is constructive.
-

**FORM NO. MR - 3**

**SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2017**

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

To,  
The Members,  
Hubtown Limited  
'Plaza Panchshil' 'A' Wing, 5th floor  
Hughes Road, Behind Dharam Palace  
Grant Road (West), Mumbai 400007

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Hubtown Limited (hereinafter called the Company). The Secretarial Audit was conducted in a manner which provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby

## DIRECTORS' REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS (CONTD.)

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except for *Regulation 33(3)(d) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015*.

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

Adequate notice is given to all directors to schedule the Board Meetings and 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. Majority decision is carried through while the dissenting members' views, if any are captured and recorded as part of the minutes.

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

I further report, that the correctness and appropriateness of financial records and books of accounts of the Company and the compliance by the Company of applicable direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by the Statutory Auditor and other designated professionals.

I further report that during the audit period the Company has not passed any resolution which are having major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

**For Ashish Bhatt & Associates**  
**Ashish Bhatt**  
 Practicing Company Secretary  
 FCS No: 4650  
 C.P. No. 2956

Place: Thane  
 Date: July 24, 2017

**Annexure I**

### LIST OF APPLICABLE LAWS TO THE COMPANY

Under the Major Group and Head

1. Labour Laws and other incidental laws related to labour and employees appointed by the Company either on its payroll or on contractual basis as related to wages, gratuity, provident fund, ESIC, compensation etc.;
2. Acts prescribed under prevention and control of pollution;
3. Acts prescribed under Environmental protection;
4. Land Revenue laws of respective States;
5. Labour Welfare Act of respective States;
6. Trade Marks Act 1999 & Copy Right Act 1957
7. Acts as prescribed under Shop and Establishment Act of various local authorities.

**For Ashish Bhatt & Associates**  
**Ashish Bhatt**  
 Practicing Company Secretary  
 FCS No: 4650  
 C.P. No. 2956

Place: Thane  
 Date: July 24, 2017

## DIRECTORS' REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS (CONTD.)

ANNEXURE – 'C'

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2017

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

### I. REGISTRATION & OTHER DETAILS:

1.	CIN	L45200MH1989PLC050688
2.	Registration Date	16-02-1989
3.	Name of the Company	Hubtown Limited
4.	Category/Sub-category of the Company	Company having Share Capital
5.	Address of the Registered office & contact details	Plaza Panchsheel, "A" Wing, 5th Floor, Hughes Road, Behind Dharam Palace, Grant Road (West), Mumbai- 400007. Tel: 022 66040800; Fax: 022 66040812
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Link Intime India Private Limited C-101, 247, Lal Bahadur Shastri Marg, Gandhi Nagar, Vikhroli West, Mumbai, Maharashtra 400083. Tel No.: 022 2594 6970 / 4918 6270; Fax: 022 4918 6060 E-mail: rnt.helpdesk@linkintime.co.in

### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Real Estate Construction and Development	4100	100%

### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES-

Sr. No.	Name And Address Of The Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1	<b>ABP Realty Advisors Private Limited</b> Unit No. 116, First Floor, Rehab Building No. 4, Akruti Annexe, Road No. 7, Marol MIDC, Andheri (E), Mumbai-400093	U67190MH2007PTC172390	Subsidiary	100%	2(87)(ii)
2	<b>Akruti Safeguard Systems Private Limited</b> D-89/3, TTC Industrial Area, MIDC Turbhe, Navi Mumbai, Thane - 400705	U51909MH1999PTC176073	Subsidiary	88.27%	2(87)(ii)
3	<b>Citywood Builders Private Limited</b> Unit No. 116, First Floor, Rehab Building No. 4, Akruti Annexe, Road No. 7, Marol MIDC, Andheri (E), Mumbai-400093	U51909MH1999PTC176073	Subsidiary	88.27%	2(87)(ii)
4	<b>Citygold Education Research Limited</b> Unit No. 116, First Floor, Rehab Building No. 4, Akruti Annexe, Road No. 7, Marol MIDC, Andheri (E), Mumbai-400093	U45202MH2009PTC191711	Subsidiary	100%	2(87)(ii)
5	<b>Citygold Farming Private Limited</b> Unit No. 116, First Floor, Rehab Building No. 4, Akruti Annexe, Road No. 7, Marol MIDC, Andheri (E), Mumbai-400093	U80100MH2006PLC158595	Subsidiary	2.17%	2(87)(i)
6	<b>Devkrupa Build Tech Limited</b> Raheja Chamber, Office No. 317, 3rd Floor, Free Press Marg, Nariman Point, Mumbai – 400021	U01122MH2006PTC163517	Subsidiary	0.38%	2(87)(i)

## DIRECTORS' REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS (CONTD.)

Sr. No.	Name And Address Of The Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
7	<b>Diviniti Projects Private Limited</b> Unit No. 116, First Floor, Rehab Building No. 4, Akruti Annexe, Road No. 7, Marol MIDC, Andheri (E), Mumbai-400093	U70100MH1995PTC087713	Subsidiary	100%	2(87)(ii)
8	<b>Gujarat Akruti - TCG Biotech Limited</b> 102, Sarthik Square, Plot No. 357, Bodakdev, Ahmedabad, Gujarat - 380015	U70102GJ2007PLC050966	Subsidiary	74%	2(87)(ii)
9	<b>Halitious Developer Limited</b> Unit No. 116, First Floor, Rehab Building No. 4, Akruti Annexe, Road No. 7, Marol MIDC, Andheri (E), Mumbai-400093	U70101MH2007PLC172784	Subsidiary	100%	2(87)(ii)
10	<b>Headland Farming Private Limited</b> Unit No. 116, First Floor, Rehab Building No. 4, Akruti Annexe, Road No. 7, Marol MIDC, Andheri (E), Mumbai-400093	U74999MH2006PTC163511	Subsidiary	100%	2(87)(ii)
11	<b>Heddle Knowledge Private Limited</b> Unit No. 116, First Floor, Rehab Building No. 4, Akruti Annexe, Road No. 7, Marol MIDC, Andheri (E), Mumbai-400093	U01122MH2006PTC163518	Subsidiary	100%	2(87)(ii)
12	<b>Heet Builders Private Limited</b> 72, Nakhodia Street, 1st Floor, J R Shetty Building, Pydhonie, Mumbai - 400 003	U70102MH1985PTC037030	Subsidiary	94.40%	2(87)(ii)
13	<b>India Development And Construction Venture Capital Private Limited</b> Unit No. 116, First Floor, Rehab Building No. 4, Akruti Annexe, Road No. 7, Marol MIDC, Andheri (E), Mumbai-400093	U67190MH2007PTC172391	Subsidiary	100%	2(87)(ii)
14	<b>Joynest Premises Private Limited</b> CTS No. 469-A, Chembur, Mumbai - 400071	U45202MH2008PTC183715	Subsidiary	62.07%	2(87)(ii)
15	<b>Twenty Five South Realty Limited</b> Hindoostan Mills Compound, Kashinath Dhuri Marg, Patilwadi, Off Veer Savarkar Road, Prabhadevi, Mumbai - 400025	U51100MH1996PLC100876	Subsidiary	47.49%	2(87)(i)
16	<b>Upvan Lake Resorts Private Limited</b> B-5, Building No 9, Devidaya Nagar, Pokhran Road No 1, Thane 400606	U55204MH2008PTC183084	Subsidiary	75%	2(87)(ii)
17	<b>Urvi Build Tech Limited</b> Unit No. 116, First Floor, Rehab Building No. 4, Akruti Annexe, Road No. 7, Marol MIDC, Andheri (E), Mumbai-400093	U15400MH1996PLC101031	Subsidiary	100%	2(87)(ii)
18	<b>Vama Housing Limited</b> Unit No. 116, First Floor, Rehab Building No. 4, Akruti Annexe, Road No. 7, Marol MIDC, Andheri (E), Mumbai-400093	U45200MH1995PLC085167	Subsidiary	100%	2(87)(ii)
19	<b>Vega Developers Private Limited</b> 14, Ashok Niwas, Ground Floor, South Pond Road, Vile Parle (West), Mumbai - 400056	U45200MH2006PTC159794	Subsidiary	100%	2(87)(ii)
20	<b>Vishal Techno Commerce Limited</b> Unit No. 116, First Floor, Rehab Building No. 4, Akruti Annexe, Road No. 7, Marol MIDC, Andheri (E), Mumbai-400093	U45200MH1986PLC041348	Subsidiary	100%	2(87)(ii)

## DIRECTORS' REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS (CONTD.)

Sr. No.	Name And Address Of The Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
21	<b>Yantti Buildcon Private Limited</b> G2, Plumeria Apartments, No.1, John Armstrong Road, Richards Town, Bangalore, Karnataka - 560005	U45201KA2009PTC052006	Subsidiary	100%	2(87)(ii)
22	<b>Pristine Developers Private Limited</b> 3, Narayan Building, 23 L N Road, Dadar (East), Mumbai- 400014 (Upto May 27, 2016)	U45200MH2005PTC152142	Associate	40%	2(6)
23	<b>Shubhsiddhi Builders Private Limited</b> Unit No. 116, First Floor, Rehab Building No. 4, Akruiti Annexe, Road No. 7, Marol MIDC, Andheri (E), Mumbai-400093	U70100MH2006PTC159241	Associate	50%	2(6)
24	<b>Vinca Developer Private Limited</b> Unit No. 116, First Floor, Rehab Building No. 4, Akruiti Annexe, Road No. 7, Marol MIDC, Andheri (E), Mumbai-400093	U45202MH2008PTC185408	Associate	0.05%	2(6)
25	<b>Whitebud Developers Limited</b> Unit No. 116, First Floor, Rehab Building No. 4, Akruiti Annexe, Road No. 7, Marol MIDC, Andheri (E), Mumbai-400093	U70100MH1994PLC082882	Associate	50%	2(6)
26	<b>Hubtown Bus Terminal (Adajan) Private Limited</b> Adajan Bus Depot, Near Shital Police Chowki, Adajan Patia, Surat -395009	U45203GJ2008PTC069636	Associate	47.28%	2(6)
27	<b>Hubtown Bus Terminal (Ahmedabad) Private Limited</b> 102 Sarthik Square, Plot No. 357, Bodakdev, Ahmedabad - 380015	U60200GJ2009PTC058763	Associate	46.30%	2(6)
28	<b>Hubtown Bus Terminal (Mehsana) Private Limited</b> GSRTC Quarters Class-II, Block No. 2, Ground Floor, Behind Vibhagiya Kacheri, Modhera Crossing, Mehsana - 384002	U45400GJ2008PTC069638	Associate	42.86%	2(6)
29	<b>Hubtown Bus Terminal (Vadodara) Private Limited</b> Makarpura Bus Depot, Nr.G.I.D.C, Opp. Toyota Show Room, Makarpura Main Road,Vadodara - 390010	U45203GJ2008PTC069640	Associate	47.22%	2(6)
30	<b>Joyous Housing Limited</b> Tulsiwadi Project Office, Ambedkar Nagar, S.K. Rathod Marg, Behind Income Tax office, Tardeo, Mumbai – 400034	U70100MH1995PLC092856	Associate	25%	2(6)
31	<b>Rare Townships Private Limited</b> No. 24, CTS No.194 B, Nirankari Baba Ground, Opp. Great Height, Ghatkopar - Mankhurd Link Road, Chheda Nagar, Chembur - 400 071	U70102MH2000PTC126999	Associate	35.10 %	2(6)
32	<b>Sunstream City Private Limited</b> Akruiti Trade Centre, Road No. 7, Marol MIDC, Andheri (East), Mumbai - 400 093	U99999MH2006PTC182177	Associate	43%	2(6)
33	<b>Giraffe Developers Private Limited</b> 111, G-wing, Akruiti Commercial Complex, Co-op Soc. Ltd, next to Akruiti Centre Point, Andheri (East), Mumbai-400093 (Upto February 15, 2017)	U51900MH2006PTC159247	Associate	7.20%	2(6)



## DIRECTORS' REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS (CONTD.)

### VI. 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 [As on 31-March-2016]				No. of Shares held at the end of the year [As on 31-March-2017]				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A.</b>	<b>Promoters</b>									
	<b>(1) Indian</b>									
	(a) Individual/ HUF	51536816	0	51536816	70.85	51473272	0	51473272	70.77	(0.09)
	(b) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
	(c) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
	(d) Bodies Corp.	600000	0	600000	0.82	600000	0	600000	0.82	0.00
	(e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
	(f) Any other	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Total share- holding of Promoter (A)(1)</b>	<b>52136816</b>	<b>0</b>	<b>52136816</b>	<b>71.68</b>	<b>52073272</b>	<b>0</b>	<b>52073272</b>	<b>71.59</b>	<b>(0.09)</b>
	<b>(2) Foreign</b>									
	(a) NRIs - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
	(b) Other – Individuals	0	0	0	0.00	0	0	0	0.00	0.00
	(c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
	(d) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
	(e) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Sub-total (A) (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
	<b>Total shareholding of Promoter (A) = (A)(1)+(A)( 2)</b>	<b>52136816</b>	<b>0</b>	<b>52136816</b>	<b>71.68</b>	<b>52073272</b>	<b>0</b>	<b>52073272</b>	<b>71.59</b>	<b>(0.09)</b>
<b>B.</b>	<b>Public Shareholding</b>									
	<b>1. Institutions</b>									
	(a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
	(b) Banks / FI	175550	0	175550	0.24	171275	0	171275	0.23	(0.01)
	(c) Central Govt	5	0	5	0.00	5	0	5	0.00	0.00
	(d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
	(e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
	(f) Insurance Companies	56937	0	56937	0.08	56937	0	56937	0.08	0.00
	(g) FIs	2659500	0	2659500	3.66	2659500	0	2659500	3.66	0.00
	(h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
	(i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Sub-total (B)(1):-</b>	<b>2891992</b>	<b>0</b>	<b>2891992</b>	<b>3.98</b>	<b>2887717</b>	<b>0</b>	<b>2887717</b>	<b>3.97</b>	<b>(0.01)</b>
	<b>2. Non-Institutions</b>									
	<b>(a) Bodies Corp.</b>									
	(i) Indian	9942530	0	9942530	13.67	8230839	0	8230839	11.32	(2.35)
	(ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
	<b>(b) Individuals:</b>									
	(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	1381744	342	1382086	1.90	1365040	342	1365382	1.88	(0.02)
	(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	3639956	0	3639956	5.00	3500214	0	3500214	4.81	(0.19)
	<b>(c) Others (specify)</b>									
	(i) Trusts	45	0	45	0.00	30	0	30	0.00	0.00
	(ii) Non-Resident Indians	2314544	0	2314544	3.18	2313115	0	2313115	3.17	(0.01)
	(iii) Hindu Undivided Family	113189	0	113189	0.16	98719	0	98719	0.14	(0.02)
	(iv) Overseas Corporate Bodies	11	0	11	0.00	11	0	11	0.00	0.00
	(v) Clearing Members	314702	0	314702	0.43	2266572	0	2266572	3.12	2.69
	<b>Sub-total (B)(2)</b>	<b>17706721</b>	<b>342</b>	<b>17707063</b>	<b>24.34</b>	<b>17774540</b>	<b>342</b>	<b>17774882</b>	<b>24.44</b>	<b>(0.10)</b>
	<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>20598713</b>	<b>342</b>	<b>20599055</b>	<b>28.32</b>	<b>20662257</b>	<b>342</b>	<b>20662599</b>	<b>28.41</b>	<b>(0.09)</b>
<b>C.</b>	<b>Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
	<b>Grand Total (A+B+C)</b>	<b>72735529</b>	<b>342</b>	<b>72735871</b>	<b>100.00</b>	<b>72735529</b>	<b>342</b>	<b>72735871</b>	<b>100.00</b>	<b>0.00</b>

## DIRECTORS' REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS (CONTD.)

### ii) Shareholding of Promoter-

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year [As on 31-March-2016]			Shareholding at the end of the year [As on 31-March-2017]			% 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	Hemant M. Shah	5800000	7.97	7.97	5800000	7.97	4.36	0.00
2	Vyomesh M. Shah	7540000	10.37	10.35	7540000	10.37	10.35	0.00
3	Mahipatray V. Shah HUF	9600000	13.20	11.82	9600000	13.20	12.92	0.00
4	Hemant M. Shah HUF	4980500	6.85	6.16	4980500	6.85	6.50	0.00
5	Vyomesh M. Shah HUF	3925000	5.40	5.40	3925000	5.40	5.40	0.00
6	Kunjal H. Shah	3308000	4.55	3.78	3308000	4.55	2.40	0.00
7	Falguni V. Shah	5993316	8.24	8.12	5929772	8.15	7.95	(0.09)
8	Rushank V. Shah	1600000	2.20	2.20	1600000	2.20	2.20	0.00
9	Khilen V. Shah	2600000	3.57	3.13	2600000	3.57	3.13	0.00
10	Kushal H. Shah	3600000	4.95	3.85	3600000	4.95	3.85	0.00
11	Lata M. Shah	2400000	3.30	3.30	2400000	3.30	2.44	0.00
12	Hemant M. Shah and Vyomesh M. Shah	190000	0.26	0.19	190000	0.26	0.19	0.00
13	Ukay Valves and Founders Private Limited	300000	0.41	0.00	300000	0.41	0.00	0.00
14	Vishwajeet Consultancy Private Limited	300000	0.41	0.00	300000	0.41	0.00	0.00
	<b>Total</b>	<b>52136816</b>	<b>71.68</b>	<b>66.27</b>	<b>52073272</b>	<b>71.59</b>	<b>61.69</b>	<b>(0.09)</b>

### (iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	<b>Falguni Vyomesh Shah</b>				
	At the beginning of the year (April 01, 2016)	5993316	8.24	5993316	8.24
	Shares invoked on May 16, 2016	(1567)	(0.002)	5991749	8.24
	Shares invoked on May 17, 2016	(4444)	(0.006)	5987305	8.23
	Shares invoked on May 18, 2016	(580)	(0.001)	5986725	8.23
	Shares invoked on May 19, 2016	(1073)	(0.001)	5985652	8.23
	Shares invoked on May 24, 2016	(996)	(0.001)	5984656	8.23
	Shares invoked on May 25, 2016	(8026)	(0.011)	5976630	8.22
	Shares invoked on May 26, 2016	(1089)	(0.001)	5975541	8.22
	Shares invoked on May 27, 2016	(4205)	(0.005)	5971336	8.21
	Shares invoked on May 30, 2016	(2210)	(0.003)	5969126	8.21
	Shares invoked on May 31, 2016	(6596)	(0.009)	5962530	8.20
	Shares invoked on June 02, 2016	(2820)	(0.004)	5959710	8.20
	Shares invoked on June 15, 2016	(10000)	(0.014)	5949710	8.18
	Shares invoked on June 16, 2016	(3568)	(0.004)	5946142	8.18
	Shares invoked on June 17, 2016	(4931)	(0.007)	5941211	8.17
	Shares invoked on June 20, 2016	(8918)	(0.012)	5932293	8.16
	Shares invoked on June 21, 2016	(1644)	(0.002)	5930649	8.15
	Shares invoked on June 22, 2016	(877)	(0.001)	5929772	8.15
	At the end of the year (March 31, 2017)	-	-	5929772	8.15

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### iv) Shareholding Pattern of top ten Shareholders:

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

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	<b>LSO SUBCO NO.2 COMPANY</b>				
	At the beginning of the year (April 01, 2016)	2652700	3.6470	2652700	3.6470
	No change in shareholding during the year				
	At the end of the year (March 31, 2017)	-	-	2652700	3.6470
2	<b>ANAND RATHI SHARE AND STOCK BROKERS LIMITED</b>				
	At the beginning of the year (April 01, 2016)	292214	0.4017	292214	0.4017
	Sale of Shares on 08-04-2016	(10100)	(0.0139)	282114	0.3879
	Purchase of Shares on 15-04-2016	20	0.0000	282134	0.3879
	Sale of Shares on 22-04-2016	(20)	(0.0000)	282114	0.3879
	Purchase of Shares on 03-06-2016	150	0.0002	282264	0.3881
	Sale of Shares on 17-06-2016	(475)	(0.0006)	281789	0.3874
	Purchase of Shares on 24-06-2016	73	0.0001	281862	0.3875
	Purchase of Shares on 30-06-2016	52	0.0000	281914	0.3876
	Sale of Shares on 01-07-2016	(19)	(0.0000)	281895	0.3876
	Purchase of Shares on 08-07-2016	177	0.0002	282072	0.3878
	Sale of Shares on 15-07-2016	(333)	(0.0005)	281739	0.3873
	Purchase of Shares on 22-07-2016	60	0.0000	281799	0.3874
	Sale of Shares on 29-07-2016	(60)	(0.0000)	281739	0.3873
	Purchase of Shares on 05-08-2016	100	0.0001	281839	0.3875
	Sale of Shares on 12-08-2016	(80)	(0.0001)	281759	0.3874
	Sale of Shares on 19-08-2016	(20)	(0.0000)	281739	0.3873
	Purchase of Shares on 30-09-2016	785	0.0011	282524	0.3884
	Sale of Shares on 07-10-2016	(685)	(0.0009)	281839	0.3875
	Sale of Shares on 14-10-2016	(100)	(0.0001)	281739	0.3873
	Purchase of Shares on 21-10-2016	10	0.0000	281749	0.3874
	Purchase of Shares on 28-10-2016	50086	0.0689	331835	0.4562
	Sale of Shares on 04-11-2016	(50095)	(0.0689)	281740	0.3873
	Purchase of Shares on 11-11-2016	5130	0.0071	286870	0.3944
	Sale of Shares on 18-11-2016	(5131)	(0.0071)	281739	0.3873
	Purchase of Shares on 25-11-2016	237	0.0003	281976	0.3877
	Sale of Shares on 02-12-2016	(237)	(0.0003)	281739	0.3873
	Purchase of Shares on 09-12-2016	737	0.0010	282476	0.3884
	Sale of Shares on 16-12-2016	(637)	(0.0008)	281839	0.3875
	Sale of Shares on 23-12-2016	(100)	(0.0001)	281739	0.3873
	Purchase of Shares on 24-02-2017	100	0.0001	281839	0.3875
	Sale of Shares on 03-03-2017	(50)	(0.0000)	281789	0.3874
	Sale of Shares on 10-03-2017	(50)	(0.0000)	281739	0.3873
	Purchase of Shares on 17-03-2017	100	0.0001	281839	0.3875
	Sale of Shares on 24-03-2017	(100)	(0.0001)	281739	0.3873
	Purchase of Shares on 31-03-2017	1723034	2.3689	2004773	2.7562

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Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
3	<b>NILESH RAMESHCHANDRA PETHANI</b>				
	At the beginning of the year (April 01, 2016)	1840876	2.5309	1840876	2.5309
	No change in shareholding during the year				
	At the end of the year (March 31, 2017)	-	-	1840876	2.5309
4	<b>CITY GOLD INVESTMENTS PRIVATE LIMITED</b>				
	At the beginning of the year (April 01, 2016)	2073335	2.8505	2073335	2.8505
	Sale of Shares on 08-04-2016	(68164)	(0.0937)	2005171	2.7568
	Purchase of Shares on 15-04-2016	700	0.0009	2005871	2.7577
	Purchase of Shares on 22-04-2016	1638	0.0023	2007509	2.7600
	Purchase of Shares on 29-04-2016	12034	0.0165	2019543	2.7765
	Purchase of Shares on 13-05-2016	12970	0.0178	2032513	2.7944
	Purchase of Shares on 20-05-2016	2425	0.0033	2034938	2.7977
	Sale of Shares on 27-05-2016	(79155)	(0.1088)	1955783	2.6889
	Purchase of Shares on 03-06-2016	10866	0.0149	1966649	2.7038
	Sale of Shares on 10-06-2016	(40004)	(0.0550)	1926645	2.6488
	Purchase of Shares on 17-06-2016	2900	0.0040	1929545	2.6528
	Purchase of Shares on 24-06-2016	100	0.0001	1929645	2.6529
	Purchase of Shares on 30-06-2016	4500	0.0062	1934145	2.6591
	Purchase of Shares on 01-07-2016	3330	0.0046	1937475	2.6637
	Sale of Shares on 08-07-2016	(45108)	(0.0620)	1892367	2.6017
	Purchase of Shares on 15-07-2016	192654	0.2649	2085021	2.8666
	Sale of Shares on 22-07-2016	(19900)	(0.0274)	2065121	2.8392
	Sale of Shares on 12-08-2016	(1000)	(0.0014)	2064121	2.8378
	Purchase of Shares on 19-08-2016	500	0.0007	2064621	2.8385
	Purchase of Shares on 02-09-2016	5007	0.0069	2069628	2.8454
	Purchase of Shares on 09-09-2016	22750	0.0313	2092378	2.8767
	Sale of Shares on 16-09-2016	(30000)	(0.0412)	2062378	2.8354
	Purchase of Shares on 23-09-2016	1600	0.0022	2063978	2.8376
	Purchase of Shares on 30-09-2016	1211	0.0017	2065189	2.8393
	Purchase of Shares on 07-10-2016	11025	0.0151	2076214	2.8545
	Purchase of Shares on 14-10-2016	190000	0.2612	2266214	3.1157
	Sale of Shares on 28-10-2016	(265000)	(0.3643)	2001214	2.7513
	Purchase of Shares on 04-11-2016	75550	0.1039	2076764	2.8552
	Purchase of Shares on 18-11-2016	2628	0.0036	2079392	2.8588
	Purchase of Shares on 25-11-2016	8153	0.0112	2087545	2.8700
	Purchase of Shares on 02-12-2016	67193	0.0924	2154738	2.9624
	Purchase of Shares on 09-12-2016	500	0.0007	2155238	2.9631
	Purchase of Shares on 03-02-2017	2400	0.0033	2157638	2.9664
	Purchase of Shares on 31-03-2017	120000	0.1650	2277638	3.1314
	At the end of the year (March 31, 2017)	-	-	2277638	3.1314

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Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
5	<b>SPACELINE PROJECTS PRIVATE LIMITED</b>				
	At the beginning of the year (April 01, 2016)	1427264	1.9623	1427264	1.9623
	No change in shareholding during the year				
	At the end of the year (March 31, 2017)	-	-	1427264	1.9623
6	<b>CELLO PENS AND STATIONERY PRIVATE LIMITED</b>				
	At the beginning of the year (April 01, 2016)	960000	1.3198	960000	1.3198
	No change in shareholding during the year				
	At the end of the year (March 31, 2017)	-	-	960000	1.3198
7	<b>PANKAJ LATA NIGAM</b>				
	At the beginning of the year (April 01, 2016)	912484	1.2545	912484	1.2545
	Purchase of Shares on 08-07-2016	489	0.0007	912973	1.2552
	At the end of the year (March 31, 2017)	-	-	912973	1.2552
8	<b>PRAKHAR ADVISORS AND TRADERS PRIVATE LIMITED</b>				
	At the beginning of the year (April 01, 2016)	869000	1.1947	869000	1.1947
	No change in shareholding during the year				
	At the end of the year (March 31, 2017)	-	-	869000	1.1947
9	<b>ANAND RATHI GLOBAL FINANCE LIMITED</b>				
	At the beginning of the year (April 01, 2016)	2000000	2.7497	2000000	2.7497
	Purchase of Shares on 04-11-2016	50000	0.0687	2050000	2.8184
	Purchase of Shares on 18-11-2016	5100	0.0070	2055100	2.8254
	Purchase of Shares on 25-11-2016	334	0.0005	2055434	2.8259
	Purchase of Shares on 02-12-2016	487	0.0007	2055921	2.8266
	Purchase of Shares on 16-12-2016	737	0.0010	2056658	2.8276
	Purchase of Shares on 30-12-2016	550	0.0008	2057208	2.8283
	Sale of Shares on 31-03-2017	(1356803)	(1.8654)	700405	0.9629
	At the end of the year (March 31, 2017)	-	-	700405	0.9629
10	<b>DLF RETAIL DEVELOPERS LIMITED</b>				
	At the beginning of the year (April 01, 2016)	430621	0.5920	430621	0.5920
	No change in shareholding during the year				
	At the end of the year (March 31, 2017)	-	-	430621	0.5920

### v) Shareholding of Directors and Key Managerial Personnel:

	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1)	<b>Mr. Hemant Shah (Whole Time Director)</b>				
	At the beginning of the year (April 01, 2016)	58,00,000	7.97	58,00,000	7.97
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year (March 31, 2017)	58,00,000	7.97	58,00,000	7.97

## DIRECTORS' REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS (CONTD.)

	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
2)	<b>Mr. Vyomesh Shah (Managing Director)</b>				
	At the beginning of the year (April 01, 2016)	75,40,000	10.37	75,40,000	10.37
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year (March 31, 2017)	75,40,000	10.37	75,40,000	10.37
3)	<b>Mr. Arvind Kumar Joshi (Independent Director upto April 29, 2016)</b>				
	At the beginning of the year (April 01, 2016)	-	-	-	-
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year (March 31, 2017)	-	-	-	-
4)	<b>Mr. Abhijit Datta (Independent Director)</b>				
	At the beginning of the year (April 01, 2016)	-	-	-	-
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year (March 31, 2017)	-	-	-	-
5)	<b>Mr. Sunil Shah (Independent Director)</b>				
	At the beginning of the year (April 01, 2016)	-	-	-	-
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year (March 31, 2017)	-	-	-	-
6)	<b>Ms. Priti Shah (Non-Executive Director)</b>				
	At the beginning of the year (April 01, 2016)	-	-	-	-
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year (March 31, 2017)	-	-	-	-
7)	<b>Mr. Shirish Gajendragadkar (Independent Director w.e.f July 28, 2016)</b>				
	At the beginning of the year (April 01, 2016)	-	-	-	-
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year (March 31, 2017)	-	-	-	-
8)	<b>Mr. Anil Ahluwalia (Chief Financial Officer upto September 30, 2016)</b>				
	At the beginning of the year (April 01, 2016)	1	-	-	1
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year (March 31, 2017)	1	-	-	1

## DIRECTORS' REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS (CONTD.)

	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>9)</b>	<b>Ms. Nancy Pereira (Chief Financial Officer w.e.f. October 1, 2016)</b>				
	At the beginning of the year (April 01, 2016)	200	-	-	200
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year (March 31, 2017)	200	-	-	200
<b>10)</b>	<b>Mr. Chetan Mody (Company Secretary)</b>				
	At the beginning of the year (April 01, 2016)	-	-	-	-
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year (March 31, 2017)	-	-	-	-

### V) INDEBTEDNESS –

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	89463.40	45921.78	-	135385.18
ii) Interest due but not paid	6509.66	3485.54	-	9995.20
iii) Interest accrued but not due	2099.50	-	-	2099.50
<b>Total (i+ii+iii)</b>	<b>98072.56</b>	<b>49407.32</b>	<b>-</b>	<b>147479.88</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	117067.33	75775.70	-	192843.03
* Reduction	125742.74	51036.75	-	176779.49
<b>Net Change</b>	<b>(8675.41)</b>	<b>24738.95</b>	<b>-</b>	<b>16063.54</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	75035.68	69146.39	-	144182.07
ii) Interest due but not paid	8775.17	4999.87	-	13775.04
iii) Interest accrued but not due	5586.30	-	-	5586.30
<b>Total (i+ii+iii)</b>	<b>89397.15</b>	<b>74146.26</b>	<b>-</b>	<b>163543.41</b>

## DIRECTORS' REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS (CONTD.)

### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

(₹ in Lakhs)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Mr. Hemant Shah (Executive Chairman)	Mr. Vyomesh Shah (Managing Director)	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	43.20	38.40	81.60
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	6.48	5.33	11.81
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit			
	- others, specify...			
5	Others, please specify	-	-	-
	<b>Total (A)</b>	<b>49.68</b>	<b>43.73</b>	<b>93.41</b>
	Ceiling as per the Act	₹ 146.81 Lakhs (being 10% of the net profit computed in accordance with Section 198 of the Companies Act, 2013).		

#### B. Remuneration to other directors:

(₹ in Lakhs)

Sr. No.	Particulars of Remuneration	Name of Directors					Total Amount
		Mr. Arvind Kumar Joshi (upto April 29, 2016)	Mr. Abhijit Datta	Mr. Sunil Shah	Mr. Shirish Gajendragadkar (w.e.f. July 28, 2016)	Ms. Priti Shah	
1	Independent Directors						
	Fee for attending Board/ Committee meetings	-	4.10	4.40	2.80	-	11.30
	Commission	0.32	3.83	3.83	2.87	-	10.85
	Others, please specify	-	-	-	-	-	-
	<b>Total (1)</b>	<b>0.32</b>	<b>7.93</b>	<b>8.23</b>	<b>5.67</b>	<b>-</b>	<b>22.15</b>
2	Other Non-Executive Directors						
	Fee for attending Board/ Committee meetings	-	-	-	-	1.60	1.60
	Commission	-	-	-	-	3.83	3.83
	Others, please specify	-	-	-	-	-	-
	<b>Total (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5.43</b>	<b>5.43</b>
	<b>Total (B)=(1+2)</b>	<b>0.32</b>	<b>7.93</b>	<b>8.23</b>	<b>5.67</b>	<b>5.43</b>	27.58 (including sitting fees) 14.68 (excluding sitting fees)
	Total Managerial Remuneration						108.09
	Overall Ceiling as per the Act	₹ 161.49 Lakhs being 11% of the net profit computed as per Section 198 of the Companies Act, 2013.					



## DIRECTORS' REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS (CONTD.)

### C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER / WTD

(₹ in Lakhs)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		Mr. Chetan Mody (Company Secretary)	Mr. Anil Ahluwalia (CFO upto September 30, 2016)	Ms. Nancy Pereira (CFO w.e.f October 1, 2016)	
1	Gross salary	28.30	25.85	19.20	73.35
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	<b>Total</b>	<b>28.30</b>	<b>25.85</b>	<b>19.20</b>	<b>73.35</b>

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

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty	—	—	—	—	—
Punishment	—	—	—	—	—
Compounding	—	—	—	—	—
<b>B. DIRECTORS</b>					
Penalty	—	—	—	—	—
Punishment	—	—	—	—	—
Compounding	—	—	—	—	—
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	—	—	—	—	—
Punishment	—	—	—	—	—
Compounding	—	—	—	—	—

## DIRECTORS' REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS (CONTD.)

ANNEXURE - 'D'

### ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

[Pursuant to Clause (o) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014]

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 weblink to the CSR Policy and projects or programs.

Weblink : <http://hubtown.co.in/admin/uploaddir/HUBTOWN%20CSR%20POLICY.pdf>.

2. Composition of the CSR Committee

Mr. Hemant M. Shah – Chairman of the Committee

Mr. Vyomesh M. Shah

Mr. Sunil C. Shah

3. Average Net Profit of the Company for the last three financial years

Average Net Profit : ₹ 1901.47 lakh

4. Prescribed CSR expenditure (two percent of the amount as in Item 3 above)

The Company is required to spend : ₹ 39 lakh

5. Details of CSR spend for the financial year.

a. Total amount spent for the financial year : Nil

b. Amount unspent, if any : ₹ 39 lakh

c. Manner in which the amount spent during the financial year is detailed below :

Sr. No.	CSR project or activity identified	Sector	Location	Amount outlay (budget) or program wise (₹ in lakhs)	Amount spent on the project or program (₹ in lakhs)	Cumulative Expenditure upto the reporting period (₹ in lakhs)	Amount spent direct or through implementing agency
Nil							

6. In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the Company shall provide reasons for not spending the amount in the Board Report.

Due to liquidity constraints, the Company was unable to expend the earmarked amount of Rs.39 lakh for corporate social responsibility activities during the financial year 2016-2017. However, the Board had approved that the entire unspent amount of Rs.39 lakh being the minimum required CSR expenditure of F.Y. 2016-17 to be carried forward to the next year (F.Y. 2017-2018) provided that the carried forward amount shall be over and above the next year's CSR allocation equivalent to atleast 2% of the average net profit of the Company of the immediately preceding three years. The Company has fulfilled its obligation towards corporate social activities for the previous financial year during the current financial year.

7. A responsibility statement of the CSR Committee

The CSR Committee of the Company hereby confirms that the implementation and monitoring of the CSR Policy, is in compliance with CSR Objectives and Policy of the Company.

**For and on behalf of the Corporate Social Responsibility Committee**

Place: Mumbai  
Date: July 24, 2017

**Hemant M. Shah**  
**Chairman of CSR Committee**

## DIRECTORS' REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS (CONTD.)

ANNEXURE - E

### DISCLOSURES ON MANAGERIAL REMUNERATION

Details of remuneration as required under Section 197 (12) of the Companies Act, 2013 read with Rule 5.1 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

1.	Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2016-2017		
	Name	Designation	Ratio of remuneration to the median employees' remuneration
	Mr. Hemant M. Shah, Executive Chairman	Executive Chairman	10:1
	Mr. Abhijit Datta	Independent Director	0.72:1
	Mr. Arvind Kumar Joshi [upto April 29, 2016] **	Independent Director	Nil
	Mr. Shirish Gajendragadkar [w.e.f July 28, 2016] **	Independent Director	Nil
	Mr. Sunil C. Shah	Independent Director	0.72:1
	Mrs. Priti K. Shah	Non-Executive Director	0.72:1
	Mr. Vyomesh M. Shah	Managing Director	9:1
	** - Since the remuneration for these Directors is only for part of the year, the ratio of their remuneration to median remuneration is not comparable. Remuneration considered is by way of commission only in case of Independent and Non-Executive Directors.		

2.	Percentage increase / (decrease) in the remuneration of each Director and Key Managerial Personnel in the Financial Year 2016-2017		
	Name	Designation	Increase / (Decrease) in Remuneration (%) over 2015-2016
	Mr. Hemant M. Shah #	Executive Chairman	Nil
	Mr. Vyomesh M. Shah #	Managing Director	Nil
	Mr. Arvind Kumar Joshi [upto April 29, 2016] # #	Independent Director	Nil
	Mr. Abhijit Datta ^	Independent Director	2.13 %
	Mr. Shirish Gajendragadkar [w.e.f July 28, 2016] # #	Independent Director	Nil
	Mr. Sunil C. Shah ^	Independent Director	2.13 %
	Mrs. Priti K. Shah ^	Non-Executive Director	2.13 %
	Mr. Anil Ahluwalia [upto September 30, 2016] # #	Chief Financial Officer	Nil
	Mrs. Nancy Pereira [w.e.f. October 1, 2016] # #	Chief Financial Officer	Nil
	Mr. Chetan S. Mody # # #	Company Secretary	Nil
	# - The Executive Chairman and the Managing Director have waived their respective managerial remuneration for the last four months of the Financial Year 2016-2017 i.e. from December 2016 to March 2017 and hence remuneration received in Financial Year 2016-2017 may not be strictly comparable with the remuneration received in the previous year.		
	# # - These persons held office for part of the year and hence remuneration received in Financial Year 2016-2017 may not be strictly comparable with the remuneration received in the previous year.		
	^ - Remuneration considered is by way of commission only. Sitting fees received not included in the computation of remuneration received.		
	# # # : Employees at various levels have voluntarily waived salaries for varying periods during the Financial Year 2016-2017. There was further reduction in salaries of all employees at various levels also effected from December 1, 2016. Hence remuneration received in Financial Year 2016-2017 may not be strictly comparable with the remuneration received in the previous year.		

- The percentage increase in the median remuneration of employees in the Financial Year 2016-2017.  
The increase is approx. 4 % due to new employees recruited during the year under review.
- The number of permanent employees on the rolls of the Company.  
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- Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.  
N. A.
- Affirmation that the remuneration is as per the remuneration policy of the Company.  
The Company affirms that the remuneration is as per the remuneration policy of the Company.

## CORPORATE GOVERNANCE REPORT

### INTRODUCTION

Corporate Governance is the combination of voluntary practices and compliance with laws and regulations leading to effective control and management of the organization. Corporate Governance strengthens investors' trust and ensures a long-term partnership that helps in fulfilling a company's quest for higher growth and profit.

### MANDATORY REQUIREMENTS

#### 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

The basic philosophy of Corporate Governance in your Company has been to achieve business excellence, to enhance stakeholder value, keeping in view the needs and the interest of all its stakeholders. The Company's corporate governance philosophy has been further strengthened through 'Hubtown Code of Conduct and Ethics for its employees and Senior Management', 'Hubtown Code of Conduct for Prevention of Insider Trading', Terms of Reference of various Board Committees and the Company's Disclosure Policies.

Your Company is in compliance with the requirements stipulated under Regulations 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as applicable, with regard to Corporate Governance.

#### 2. BOARD OF DIRECTORS:

##### COMPOSITION :

As on March 31, 2017, the Board comprised of 6 (six) Directors, of whom 2 (two) were Promoter Executive Non-Independent Directors, 3 (three) Independent Directors and 1 (one) Non-Executive Director. The composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations and Section 149 of the Companies Act, 2013 ('the Act').

None of the Directors on the Board are directors in more than 10 (ten) public companies or act as an Independent Director in more than 7 (seven) listed companies. Further, none of them is a member of more than 10 (ten) committees and chairman of more than 5 (five) committees across all listed entities in which he is a director as specified in Regulation 26 (1) of the SEBI Listing Regulations. Except for the Executive Chairman and the Managing Director who are related to each other, none of the other Directors of the Company are related to each other. Further, every Director informs the Company about the committee positions he/she occupies in other companies and notifies the changes as and when they take place.

The Independent Directors have confirmed that they meet the criteria of independence as stipulated in Section 149(6) of the Companies Act, 2013 and Regulation 16 (1) (b) of the SEBI Listing Regulations.

The composition of the Board represents an optimal mix of professionalism, knowledge and experience which enable the Board to discharge its responsibilities and provide effective leadership to business. Presently, the Board does not have any Nominee Director representing any institution.

The day-to-day operations are conducted by the Executive Chairman and the Managing Director of the Company, under the supervision and control of the Board of Directors.

None of the Non-Executive Directors hold any shares in the Company. The Company has not issued any convertible instruments.

##### RESPONSIBILITIES :

The Board's mandate is to oversee the Company's strategic operations, review corporate performance, assess the adequacy of risk management and mitigation measures, authorise and monitor strategic investments, ensure regulatory compliance and safeguard interests of all the stakeholders.

During the year 2016-2017, information mentioned in Part 'A' of Schedule II of Regulation 17 (7) of the SEBI Listing Regulations, has been placed before the Board for its consideration.

## CORPORATE GOVERNANCE REPORT (CONTD.)

The composition of the Board of Directors and the number of Directorships and membership in committees of public companies (excluding Hubtown) are as under :

Name of Director	Category of Directorship	Directorship in other public companies (*)	No. of Board Committee positions held in other public companies		Relationship with other Directors inter-se
			Chairman	Member @	
Mr. Hemant M. Shah Executive Chairman DIN : 00009659	Promoter, Executive Non-Independent	2	—	—	Related to Mr. Vyomesh M. Shah
Mr. Abhijit Datta DIN : 00790029	Independent	5	2	2	Not related to any other Director of the Company
Mr. Shirish Gajendragadkar (w.e.f. July 28, 2016) DIN : 01681405	Independent	—	—	—	
Mr. Sunil C. Shah DIN : 06947244	Independent	—	—	—	
Mrs. Priti K. Shah DIN : 01880436	Non-Executive	—	—	—	
Mr. Vyomesh M. Shah Managing Director DIN : 00009596	Promoter, Executive Non-Independent	3	—	—	Related to Mr. Hemant M. Shah

1. Independent Director means a Director as defined under Regulation 16 (1) (b) of the SEBI Listing Regulations and Section 149 (6) of the Act.
2. (\*) – excludes Alternate Directorships, Directorships in Indian Private Limited Companies and Foreign Companies and membership of Managing Committees of various bodies.
3. @ - Member includes Chairman.
4. For the purpose of determination of limit of the Board Committees, only memberships of Audit Committee and Stakeholders' Relationship Committee of public limited companies have been considered as prescribed under Regulation 26 (1) (b) of the SEBI Listing Regulations.

### BOARD DIVERSITY :

Pursuant to Regulation 19 (4) read with Part 'D' of Schedule II to the SEBI Listing Regulations, the Nomination and Remuneration Committee has framed a policy on Board Diversity to ensure diversity of knowledge, experience, gender, age and culture. The policy has been disclosed on the Company's website at <http://www.hubtown.co.in/investors/codesandpolicies>.

### APPOINTMENT AND TENURE :

The Company has framed the Nomination and Remuneration Policy for Directors, Key Managerial Personnel and other employees pursuant to Section 178 of the Companies Act, 2013 read with Part 'D' of Schedule II to the SEBI Listing Regulations. The said Policy lays down the criteria, qualifications, term/tenure and remuneration of the Directors. The said Policy has been annexed to and forms part of the Directors' Report.

The total strength of the Board shall not be more than 15 Directors. As per the provisions of the Act, two-third of total number of Directors, other than the Independent Directors would be liable to retire by rotation. One-third of these Directors are required to retire every year and if eligible, the retiring directors qualify for reappointment. One-third of the total number of directors so appointed, subject to a minimum of at least 2 (two) directors shall be Independent Directors.

The Independent Directors shall not be liable to retire by rotation. The Independent Directors will serve a maximum of two terms of five years each. The Company has issued formal letters of appointment to the Independent Directors in the manner as provided in the Companies Act, 2013 and the erstwhile Listing Agreements. The terms and conditions of the appointment of Independent Directors have also been disclosed on the Company's website at <http://www.hubtown.co.in/investors/directorate>.

A detailed profile of the Director to be reappointed along with additional information as required under Regulation 36 (3) of the SEBI Listing Regulations is annexed to the Notice of the Annual General Meeting.

### FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS :

As required by Regulation 25 (7) the SEBI Listing Regulations and the provisions of the Act, the Board has framed a Familiarization Programme for the Independent Directors of the Company to enable them to update with the nature of industry in which the Company operates in order to familiarize them with their rights, duties and responsibilities. The abovementioned familiarization program has been uploaded on the website of the Company at <http://www.hubtown.co.in/investors/codesandpolicies>.

## CORPORATE GOVERNANCE REPORT (CONTD.)

### ROLE OF INDEPENDENT DIRECTORS :

Independent Directors play a key role in the decision-making process of the Board by participating in framing the overall strategy of the Company and overseeing the performance of the management. The Independent Directors are committed to acting in what they believe to be in the best interest of the Company and its stakeholders.

The Independent Directors bring to the Company a wide range of experience, knowledge and judgment as they draw on their varied proficiencies in finance, management, accountancy, law, public policy and corporate strategy. This wide knowledge of both, their field of expertise and boardroom practices helps foster varied, unbiased, independent and experienced perspective. The Company benefits immensely from their inputs in achieving its strategic direction.

### MEETINGS OF INDEPENDENT DIRECTORS :

The Independent Directors meet atleast once a year, without the presence of Executive Directors or Management Representatives. During the year under review, the Independent Directors met once on June 22, 2016.

Subsequent to the close of the year under review, the Independent Directors met on May 29, 2017 to discuss :

- Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole;
- Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors; and
- Evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonable perform its duties.

All the Independent Directors were present in both these meetings.

### SUCCESSION POLICY :

The Board constantly evaluates the contribution of its members and recommends to the shareholders their reappointment periodically as per the statute. Executive Directors are appointed by the shareholders for a maximum period of five years at one time, but are eligible for reappointment upon completion of their term. Non-Executive Directors do not have any term, but retire by rotation as per the law.

### BOARD EVALUATION :

The Board of Directors has adopted a policy on Board Evaluation. The policy provides for evaluation of the Board, the Committees of the Board and individual Directors, including the Chairman of the Board. As per the Policy, the Company has carried out an evaluation of the performance of the Board as a whole, Board Committees and Directors for the year under review.

### BOARD MEETINGS AND PROCEDURE :

The Board Meetings are normally held at the Registered Office of the Company in Mumbai. The Board meets atleast once in every quarter to review and approve quarterly/half yearly unaudited financial results and the audited annual financial statements, corporate strategies, business plans, projects and capital expenditure. The Board Meetings are generally scheduled well in advance and the notice of each Board Meeting is given in writing to each Director. The meetings are governed by a structured agenda. All the items on the agenda are accompanied by comprehensive agenda notes and relevant supporting documents containing all the vital information so as to enable the directors to have focused discussion at the meeting and to take informed decisions. In certain matters such as financial/business plans, financial results, detailed presentations are generally made. The agenda papers and the relevant notes are sent in advance separately to each Director. Where it is not practicable to send the relevant information/documents as part of the agenda papers, the same are tabled at the meeting. In special and exceptional cases additional or supplementary agenda items are taken up for consideration with the permission of the Chairman. The members of the Board have complete access to all information of the Company. The members of the Board are free to recommend the inclusion of any matter in the agenda for discussion in consultation with the Chairman.

In case of a special and urgent business need, the Board's approval is taken by circulating the resolution, which is confirmed in the subsequent Board Meeting.

The Chief Financial Officer and other Senior Management Personnel are invited to the Board/ Committee meetings to present reports on items being discussed at the meeting. The information as specified in Part 'A' of Schedule II to Regulation 17 of the SEBI Listing Regulations is regularly made available to the Board. The Board periodically reviews the compliance status of all the applicable laws, rules and regulations. Action Taken Report in respect of matters arising out of the previous meetings is placed at every meeting of the Board/Committee for noting.

The draft minutes of each Board Meeting is circulated to all Directors for their confirmation before being recorded in the minutes book. The minutes of the Board Meetings of unlisted subsidiary companies in a summarized form are tabled at the Board Meetings on a quarterly basis. The Board periodically reviews the statement of significant transactions and arrangements entered into by the unlisted subsidiary companies. The Company Secretary records the minutes of each Board / Committee meeting.

Pursuant to Regulation 16 (1) (c) of the SEBI Listing Regulations, the Company has formulated a policy for determining 'material subsidiaries' and the same has been posted on the Company's website at [http:// www.hubtown.co.in/investors/codesandpolicies](http://www.hubtown.co.in/investors/codesandpolicies).

## CORPORATE GOVERNANCE REPORT (CONTD.)

The members of the Board have complete freedom to express their opinion and have unfettered and complete access to information in the Company. Senior management personnel are invited to provide additional inputs for the items being discussed by the Board as and when necessary. The important decisions taken at the Board/Committee meetings are promptly communicated to the concerned departments.

During the year under review, the Board met 7(seven) times. The meetings were held on June 11, 2016; June 22, 2016; September 13, 2016; October 14, 2016; December 10, 2016; January 2, 2017; and February 13, 2017.

The maximum time gap between any two consecutive meetings did not exceed 120 days. The necessary quorum was present for all the meetings.

The attendance of the Directors at the above mentioned Board Meetings and the 28th AGM held on September 29, 2016 are detailed hereunder :

Name of the Director	No. of Board Meetings attended	Attendance at last AGM held on September 29, 2016
Mr. Hemant M. Shah	7	Attended
Mr. Abhijit Datta	6	Absent
Mr. Shirish Gajendragadkar (w.e.f. July 28, 2016)	5	Attended
Mr. Sunil C. Shah	7	Attended
Mrs. Priti K. Shah	6	Attended
Mr. Vyomesh M. Shah	7	Attended

Leave of absence was granted to the concerned directors who could not attend the respective Board meetings.

The Board met on May 29, 2017, to inter-alia approve the audited annual financial results and audited annual consolidated financial results of the Company for the year ended March 31, 2017.

### MEETING COMPLIANCES :

The Company is in compliance with the provisions of the SEBI Listing Regulations pertaining to the intimation of notice of board meeting, publication of notice and results, outcome of the meeting, etc.

### 3. BOARD COMMITTEES :

With a view to have a more focused attention on business and for better governance and accountability, the Board has constituted the following mandatory committees namely : Audit and Compliance Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Risk Management Committee and Corporate Social Responsibility Committee and non-mandatory committee namely Committee of Directors. The terms of reference of these Committees are determined by the Board and their relevance reviewed from time to time.

Matters requiring the Board's attention / approval, as emanating from the Board Committee meetings, are placed before the Board.

The Committees operate as empowered agents of the Board as per their charter / terms of reference. The Minutes of the Committee Meetings are sent to all Directors individually and tabled at subsequent Board Meetings for noting.

#### I. AUDIT AND COMPLIANCE COMMITTEE :

##### BROAD TERMS OF REFERENCE :

The object of the Audit and Compliance Committee is to oversee the quality and integrity of accounting, auditing and financial reporting process including review of the internal audit report and action taken report. The Committee acts as a link between the Statutory and Internal Auditors and the Board of Directors of the Company.

The terms of reference specified for the Audit Committee under the provisions of Section 177 of the Companies Act, 2013 and Part 'C' of Schedule II of Regulation 18 (3) of the SEBI Listing Regulations are as hereunder :

- a. oversight of financial reporting process ;
- b. recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- c. approval for payment to statutory auditors for any other services rendered by the statutory auditors;
- d. reviewing with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - i. matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of Clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;
  - ii. changes, if any, in accounting policies and practices and reasons for the same;

## CORPORATE GOVERNANCE REPORT (CONTD.)

- iii. major accounting entries involving estimates based on the exercise of judgment by the management;
- iv. significant adjustments made in the financial statements arising out of audit findings;
- v. compliance with listing and other legal requirements relating to financial statements;
- vi. disclosure of any related party transactions; and
- vii. modified opinion(s) in the draft audit report;
- e. reviewing with the management, the quarterly financial statements and the auditor's report thereon before submission to the Board for approval;
- f. reviewing with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency, monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- g. reviewing and monitoring the auditor's independence and performance and effectiveness of audit process;
- h. approval or any subsequent modification of transactions of the Company with related parties;
- i. scrutiny of inter-corporate loans and investments;
- j. evaluation of undertakings or assets of the Company, wherever necessary;
- k. evaluation of internal financial controls and risk management system;
- l. reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- m. reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- n. discussion with internal auditors of any significant findings and follow up thereon;
- o. reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- p. discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern;
- q. looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- r. reviewing the functioning of the Whistle Blower mechanism;
- s. approving the appointment of Chief Financial Officer (i.e., the Wholetime Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc., of the candidate;
- t. carrying out any other function as is mentioned in the terms of reference of the Audit Committee;
- u. to review the Management Discussion and Analysis of financial condition and results of the operations;
- v. to review the statement of significant related party transactions as defined by the Audit Committee, submitted by the management;
- w. to review the management letters / letters of internal control weaknesses issued by the statutory auditors;
- x. to review the Internal Audit Reports relating to internal control weaknesses;
- y. to review the appointment, removal and terms of remuneration of the Chief Internal Auditor;
- z. to secure attendance of outsiders with relevant expertise, if it considers necessary;
- aa. to seek information from any employee;
- bb. to obtain outside legal or other professional advice;
- cc. to investigate any activity within its terms of reference; and
- dd. such other matters as may be prescribed from time to time by the Companies Act, 2013 and the SEBI Listing Regulations.

The Company has appropriate internal control systems for business processes, covering operations, financial reporting and compliance with applicable laws and regulations. The Audit and Compliance Committee actively reviews the adequacy and effectiveness of internal control systems and suggests improvements for strengthening them, as appropriate.



## CORPORATE GOVERNANCE REPORT (CONTD.)

The Committee reviews the reports of the Internal and Statutory Auditors and ensures that adequate follow-up action is taken by the management on observations and recommendations made by the respective auditors.

During the year under review, the Committee on a quarterly basis discussed and reviewed with the statutory auditors of the Company, the highlights of the limited review of the unaudited standalone financial results of the Company before recommending the same to the Board for its approval.

The Audit and Compliance Committee while reviewing the Annual Financial Statements also reviews the applicability of various Accounting Standards (AS) notified pursuant to Companies (Accounting Standards) Rules, 2006. Compliance with the Indian Accounting Standards (IND AS) as applicable to the Company has been ensured in the Financial Statements for the year ended March 31, 2017.

The draft minutes of the Audit and Compliance Committee are circulated among members of the Committee before the same is confirmed and placed before the Board. The minutes of the Audit and Compliance Committee forms part of the Board Agenda.

### **EVALUATION :**

The Committee has carried out self assessment of its performance during the year. The assessment broadly covers composition, structure and committee meetings; overview of the financial reporting process; internal control systems and overview of internal and external audits.

### **COMPOSITION :**

The Audit and Compliance Committee presently comprises of 4 (four) Directors, 3 (three) of whom are Non-Executive, Independent Directors. All the members of the Committee are financially literate and have accounting and financial management expertise. The Chairman of the Committee is a Non-Executive, Independent Director. The Company Secretary acts as Secretary to the Audit Committee.

## CORPORATE GOVERNANCE REPORT (CONTD.)

### INTERNAL AUDITORS:

Messrs Mahajan & Aibara, Chartered Accountants act as Internal Auditors to the Company to review the internal control systems of the Company and to report thereon.

### II. NOMINATION AND REMUNERATION COMMITTEE:

#### COMPOSITION :

The Nomination and Remuneration Committee (NRC) is constituted in accordance with the provisions of Regulation 19 of the SEBI Listing Regulations. The Nomination and Remuneration (NRC) Committee presently comprises of 4 (four) Directors, of whom 3 (three) are Non-Executive, Independent Directors. The Company Secretary of the Company acts as Secretary to the NRC.

The present composition of the NRC is as follows:

Name of the Director		Category
Mr. Abhijit Datta	Chair	Independent

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#### TERMS OF REFERENCE

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## CORPORATE GOVERNANCE REPORT (CONTD.)

### REMUNERATION OF DIRECTORS :

Details of remuneration paid to the Directors of the Company are as follows :

#### A. Remuneration to Non-Executive Directors :

The Non-Executive Directors are entitled to remuneration by way of commission for each financial year as approved by the shareholders. Non-Executive Directors' commission is determined by the Board based, inter-alia, on Company's performance and regulatory provisions and is payable on a uniform basis to reinforce the principles of collective responsibility. Non-Executive Directors are also entitled to sitting fees for attending meetings of the Board and the Committees thereof, the quantum of which is determined by the Board. The sitting fees payable to Non-Executive Directors, as determined by the Board w.e.f April 01, 2015 are as hereunder :

- i. ₹ 40,000/- for every meeting of the Board attended by each of them;
- ii. ₹ 30,000/- for every meeting of the Committees of the Board (except for the Committee of Directors).

The Non-Executive Directors are also entitled to reimbursement of expenses incurred in the performance of the duties as Directors and Members of the Committee.

The role of Non-Executive Directors and their involvement as members of the Board has undergone a significant change pursuant to more stringent accounting standards and corporate governance norms. The Non-Executive Directors are required to take far more complex business decisions and are required to commit their time and provide their expertise for the Company's business. Accordingly, the Board has approved the payment of commission of an amount not exceeding 1% of the net profit of the Company computed in accordance with the provisions of Section 198 of the Companies Act, 2013, for the financial year ended March 31, 2017, to be apportioned among the Independent and Non-Executive Directors in proportion to the period for which each of them held office as Director during the year under review.

The service contract, notice period and severance fees are not applicable to the Independent and Non-Executive Directors.

None of the Independent and Non-Executive Directors have any material pecuniary relationship or business transactions with the Company except for the commission payable to them annually.

#### B. Remuneration to Executive Chairman and Managing Director :

Payment of remuneration to the Executive Chairman and the Managing Director is governed by the terms and conditions of their appointment as recommended by the NRC and approved by the Board subject to the approval of the members. Annual increments are decided by the NRC within the salary scale approved by the members. The NRC decides on the performance incentives payable to the Executive Chairman and the Managing Director, out of the profits of each financial year and within the ceilings prescribed under the Act based on the performance of the Company as well as that of the Executive Chairman and the Managing Director.

The remuneration structure consists of basic salary, perquisites and allowances and other benefits including use of the Company's car with driver, telephone and other communication facilities (expenses whereof would be borne and paid by the Company), contribution to provident fund and performance incentive.

There is no separate provision for payment of severance fees under the resolutions governing the appointment of the Executive Chairman and the Managing Director.

Presently, the Company does not have a scheme for grant of stock options for its Directors.

### DETAILS OF REMUNERATION TO ALL DIRECTORS FOR THE YEAR ENDED MARCH 31, 2017

#### NON-EXECUTIVE DIRECTORS :

Name of the Director	Sitting Fees (Gross) ₹	Commission (Gross) ₹	No. of Shares held
Mr. Arvind Kumar Joshi	Nil	31,920	Nil
Mr. Abhijit Datta	4,10,000	3,82,990	Nil
Mr. Sunil C. Shah	4,40,000	3,82,990	Nil
Mr. Shirish Gajendragadkar	2,80,000	2,87,240	Nil
Mrs. Priti K. Shah	1,60,000	3,82,990	Nil

## CORPORATE GOVERNANCE REPORT (CONTD.)

### EXECUTIVE CHAIRMAN AND MANAGING DIRECTOR :

Name of the Director	Salaries and Allowances ₹	Contribution to Provident Fund ₹	Performance Incentive ₹	Service Contract (Present)
Mr. Hemant M. Shah, Executive Chairman	49,68,000	5,18,400	Nil	5 years
Mr. Vyomesh M. Shah, Managing Director	43,73,333	4,60,800	Nil	5 years

The aforesaid remuneration paid to the Directors is in line with the remuneration policy of the Company.

### PERFORMANCE EVALUATION :

Pursuant to the provisions of the Companies Act, 2013 and Part 'D' of Schedule II of the SEBI Listing Regulation, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Committees. A structured questionnaire was prepared covering various aspects of the Board's as well as the Committees functioning based on the criteria determined by the Nomination and Remuneration Committee.

A separate exercise was carried out to evaluate the performance of the individual Directors including the Chairman of the Board. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman was carried out by the Independent Directors.

### III. STAKEHOLDERS' RELATIONSHIP COMMITTEE :

#### FUNCTIONS :

The Committee deals with stakeholder relations and security holders grievances related to non-receipt of annual report, non-receipt of declared dividend and such other issues as may be raised by the investors from time to time. In additions to this, the Committee also looks into share transfer, issue of duplicate share certificates, dematerialization, rematerialisation of shares and monitors servicing of investor requirements. The Committee ensures that the investor grievances /complaints/ queries are redressed in a timely and effective manner and to the utmost satisfaction of the investors. The Committee also oversees the performance of the Registrar and Transfer Agent of the Company relating to investor services and recommends measures for improvement.

The role and the terms of reference of the Committee are in consonance with the requirements mandated under Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI Listing Regulations.

The minutes of the Committee Meetings are noted by the Board of Directors in subsequent Board Meetings.

#### COMPOSITION :

The present composition of the Stakeholders' Relationship Committee is as under :

Name of the Director		Category
Mr. Sunil C. Shah	Chairman	Independent
Mr. Shirish Gajendragadkar (w.e.f. July 28, 2016)	Member	Independent
Mrs Priti K. Shah	Member	Non-Executive

In accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI Listing Regulations, the Chairman of the Committee is a Non-Executive, Independent Director.

The Company Secretary acts as Secretary to the Committee.

#### MEETINGS AND ATTENDANCE :

The Committee met once during the year under review on June 11, 2016.

The attendance of each member at the Stakeholders' Relationship Committee Meetings is as under :

Name of the Director	No. of meetings attended
Mr. Sunil C. Shah	1
Mr. Shirish Gajendragadkar (w.e.f. July 28, 2016)	—
Mrs. Priti K. Shah	1

Mr. Chetan S. Mody, Company Secretary is the Compliance Officer.

## CORPORATE GOVERNANCE REPORT (CONTD.)

### DETAILS OF SHAREHOLDERS' COMPLAINTS RECEIVED, NOT SOLVED AND PENDING SHARE TRANSFERS :

During the financial year 2016-2017, no complaints were received by the Company from the investors.

The status of Investor's complaints as on March 31, 2017, is as follows :

No. of complaints pending as on April 1, 2016	Nil
No. of complaints received during the financial year 2016-2017	Nil
No. of complaints resolved upto March 31, 2017	Nil
No. of complaints pending as on March 31, 2017	Nil

The number of pending requests for dematerialization as on March 31, 2017 were Nil. Shareholders'/Investors' complaints and other correspondences are normally attended to within seven working days except where constrained by disputes or legal impediments.

### IV. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE :

The Committee is entrusted with the responsibility of formulating and monitoring the Corporate Social Responsibility (CSR) Policy of the Company.

The role and terms of reference of the Committee are in consonance with the requirements mandated under Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended.

#### TERMS OF REFERENCE :

- to formulate and recommend to the Board, the Corporate Social Responsibility (CSR) Policy which shall indicate the activities to be undertaken by the Company;
- to recommend the amount of expenditure to be incurred on the activities mentioned in (i) above;
- to monitor the Corporate Social Responsibility Policy of the Company from time to time;
- to prepare an annual report on Corporate Social Responsibility initiatives for inclusion in the Board's Report; and
- to perform such functions as may be detailed in the Companies Act, 2013 and the relevant Rules made thereunder and any other applicable legislation.

The Corporate Social Responsibility Policy devised in accordance with the provisions of Section 135 of the Companies Act, 2013 and the details about the initiatives taken by the Company on CSR during the year under review as per the annexure attached to the Companies (Corporate Social Responsibility Policy) Rules, 2014 has also been appended as **Annexure 'D'** to the Board's Report.

The CSR Policy has been disclosed on the website of the Company at <http://www.hubtown.co.in/investors/codesandpolicies>.

#### COMPOSITION :

The present composition of the Committee of Directors is as under :

Name of the Director		Category
Mr. Hemant M. Shah	Chairman	Promoter, Executive, Non-Independent
Mr. Sunil C. Shah	Member	Independent
Mr. Vyomesh M. Shah	Member	Promoter, Executive, Non-Independent

During the financial year ended March 31, 2017, the CSR Committee met once on February 13, 2017.

All the members of the CSR Committee were present at the said meeting.

The minutes of the CSR Committee Meetings are noted by the Board of Directors in subsequent Board Meetings.

The Company Secretary acts as Secretary to the CSR Committee.

### V. RISK MANAGEMENT COMMITTEE :

The Risk Management Committee was constituted under Clause 49 (VI) of the erstwhile Listing Agreement. Presently, the provisions of Regulation 21 of the SEBI Listing Regulations pertaining to 'Risk Management Committee' are not applicable to the Company. The provisions of the said Regulation 21 are applicable to the top 100 listed entities, determined on the basis of market capitalization, as at the end of the immediate preceding financial year.

## CORPORATE GOVERNANCE REPORT (CONTD.)

The Risk Management Committee of the Board of Directors is entrusted with the responsibility of establishing policies to monitor and evaluate the risk management systems of the Company. It also oversees the functioning of the risk management, internal compliance and control policies and procedures of the Company.

### TERMS OF REFERENCE :

- i. to oversee and approve the risk management, internal compliance and control policies and procedures of the Company;
- ii. to oversee the design and implementation of the risk management and internal control systems in conjunction with the existing business processes and systems and to manage the Company's material business risks;
- iii. to establish policies for the monitoring and evaluation of risk management systems in order to assess the effectiveness of those systems in minimizing risks that may adversely affect the operations/business of the Company;
- iv. to oversee and monitor management's documentation of the material risks that the Company faces and update the same as events change and risks shift;
- v. to review reports on any material breach of risk limits and the adequacy of the proposed actions undertaken; and
- vi. to review its own performance, constitution and terms of reference to ensure that it is functioning at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.

### COMPOSITION :

The present composition of the Risk Management Committee of Directors is as under :

Name of the Director		Category
Mr. Abhijit Datta	Chairman	Independent
Mr. Shirish Gajendragadkar (w.e.f. July 28, 2016)	Member	Independent
Mr. Hemant M. Shah	Member	Promoter, Executive, Non-Independent
Mr. Vyomesh M. Shah	Member	Promoter, Executive, Non-Independent

The Committee met once on June 11, 2016 in which all the Committee members were present.

The Company Secretary acts as Secretary to the Committee.

## VI. COMMITTEE OF DIRECTORS :

In addition to the above Committees, the Company also has a functional committee known as the Committee of Directors. This Committee has been constituted to meet the various day-to-day requirements and to facilitate the seamless operations of the Company. The Committee has relieved the full Board from the burden of considering routine matters.

### COMPOSITION :

The present composition of the Committee of Directors is as under :

Name of the Director		Category
Mr. Hemant M. Shah	Chairman	Promoter, Executive, Non-Independent
Mr. Sunil C. Shah	Member	Independent
Mrs. Priti K. Shah	Member	Non-Executive
Mr. Vyomesh M. Shah	Member	Promoter, Executive, Non-Independent

The Committee meets generally on a monthly basis. The Committee may also meet additionally, if so required. The minutes of the Committee Meetings are noted by the Board of Directors in subsequent Board Meetings. The Company Secretary acts as Secretary to the Committee.

## CORPORATE GOVERNANCE REPORT (CONTD.)

### 4. GENERAL BODY MEETINGS :

#### a. Location and time, where last three Annual General Meetings were held is given below :

Financial Year	Date	Location of the Meeting	Time	Particulars of the Special Resolution
2013-2014	September 25, 2014	Walchand Hirachand Hall, 4th floor, Indian Merchants' Chamber Building Indian Merchants' Chamber Marg, Churchgate, Mumbai 400 020	10.00 A.M.	No special resolution was passed in the meeting.
2014-2015	September 29, 2015	Walchand Hirachand Hall, 4th floor, Indian Merchants' Chamber Building Indian Merchants' Chamber Marg, Churchgate, Mumbai 400 020	9.30 A.M.	i. payment of commission pursuant to Sections 197 and 198 of the Companies Act, 2013, to Non-Wholetime Directors of the Company for a period of three Financial Years from April 1, 2015 to March 31, 2018. ii. approval of Related Party Transactions under Section 188 of the Companies Act, 2013 and Clause 49 of the Listing Agreement. iii. issue of Non-convertible Debentures on private placement basis.
2015-2016	September 29, 2016	Kilachand Conference Room, 2nd floor, Indian Merchants' Chamber Building, Indian Merchants' Chamber Marg, Churchgate, Mumbai 400 020	10.00 A.M.	i. issue of Non-convertible Debentures on private placement basis.

The special resolutions for the financial years 2014-2015 and 2015-2016, which were put to vote by e-voting, ballot and on poll, were passed with requisite majority.

#### b. Location and time, where Extraordinary General Meetings were held for last three years :

No Extraordinary General Meetings were held during the last three financial years i.e. 2013-2014, 2014-2015 and 2015-2016 respectively.

#### POSTAL BALLOT :

Details of special resolution passed through Postal Ballot during the year under review are as hereunder :

Financial Year	Date of passing of the resolution	Nature of the resolution Ordinary / Special	Particulars of the resolution	No. of votes in favour of the resolution	No. of votes against the resolution
2016-2017	July 29, 2016	Special	Making investments in the securities of other companies in excess of the limits prescribed under Section 186 of the Companies Act, 2013.	58250006	292
	December 10, 2016	Special	Providing Corporate Guarantee and Securities for the obligations of Joynest Premises Private Limited	4836006	100
		Ordinary	Approval and ratification of material related party transactions	4836006	100
		Ordinary	Service of documents on members of the Company	57567651	0

The aforesaid special resolutions and the first ordinary resolution were passed with requisite majority. The second ordinary resolution was passed unanimously. The results of the above Postal Ballots have been posted on the Company's website at <http://www.hubtown.co.in/investors/postalballot/votingresults>.

The Company had appointed Mr. Ashish Bhatt, Practicing Company Secretary, as the Scrutinizer for conducting the both the Postal Ballot voting processes in a fair and transparent manner.

#### Procedure for Postal Ballot :

In compliance with the provisions of Sections 108 and 110 of the Companies Act, 2013 (the Act) read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014 (the Rules) and Regulation 44 of the SEBI Listing Regulations, the Company availed services of CDSL to provide remote e-voting facility to all its members, to cast their vote electronically.

## CORPORATE GOVERNANCE REPORT (CONTD.)

The Notices of the Postal Ballot dated June 11, 2016 and October 14, 2016 respectively were sent to all the members alongwith a self addressed postage pre-paid business reply envelopes whose e-mail is not registered with the Company and through e-mail along with details of Login ID and Password to the members whose e-mail id was registered with the Company. The Company also published notices in the newspapers furnishing the details of completion of the Postal Ballot Notices and Forms and other requirements as mandated under the provisions of the Act and the Rules.

The voting under the Postal Ballots was kept open from June 28, 2016 (9.00 a.m. IST) to July 27, 2016 (5.00 p.m. IST) and from November 9, 2016 (9.00 a.m. IST) to December 8, 2016 (5.00 p.m. IST) respectively. Upon completion of the scrutiny of the Postal Ballot forms and the votes cast through remote e-voting, Mr. Ashish Bhatt, Company Secretary in Practice, Scrutinizer, submitted his reports to the Company. The result of the Postal Ballot were announced on July 29, 2016 and December 10, 2016 respectively. The voting results were also intimated to the listed stock exchanges and also uploaded on the website of the Company.

During the current financial year (2017-2018), a special resolution is proposed to be passed through Postal Ballot pursuant to the provisions of Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014, for issue of securities through Qualified Institutions Placement (QIP) on a private placement basis to Qualified Institutional Buyers (QIBs) under Sections 23, 42, 62 (1) (c) of the Companies Act, 2013 read with the Companies (Share Capital and Debentures) Rules, 2014 and the Companies (Prospectus and Allotment of Securities) Rules, 2014.

The Company has appointed Mr. Ashish Bhatt, a practicing company secretary, as the Scrutinizer for conducting the aforesaid Postal Ballot voting process in a fair and transparent manner.

### 5. SUBSIDIARIES:

During the year under review, the Company did not have any 'material subsidiary' as defined under Regulation 16 (1) (c) of the SEBI Listing Regulations. Hence, the Company was not required to have an Independent Director of the Company on the Board of such material subsidiary company.

As required under Regulation 16 (1) (c) of the SEBI Listing Regulations, the Company has framed a policy for determining 'material subsidiaries' which has been posted on the Company's website at <http://www.hubtown.co.in/investors/codesandpolicies>.

In terms Regulation 24 of the SEBI Listing Regulations, the Company monitors the performance of its subsidiaries, inter-alia by the following means :

- the minutes of the Board Meetings of the subsidiary companies are noted at the Board Meetings of the Company.
- the investments made by the subsidiary companies, financial statements, and working are reviewed by the Audit and Compliance Committee every quarter.
- details of significant transactions and arrangements entered into by subsidiary companies are regularly placed at the Board Meetings of the Company.

The minutes of the subsidiary companies in summarized form as well as statement of significant transactions and arrangements entered into by the unlisted subsidiary companies are placed before the Board meeting every quarter for their review and noting.

### 6. CODE OF CONDUCT :

The Board of Directors has adopted Code of Conduct and Ethics for the Board of Directors and Senior Management Personnel of the Company in terms of Regulation 17 (5) of the SEBI Listing Regulations. All Board members and Senior Management Personnel have affirmed their compliance with the said Code for the financial year ended March 31, 2017. A declaration to this effect signed by the Managing Director is appended at the end of this report.

The said Code of Conduct can be viewed on the Company's website at <http://www.hubtown.co.in/investors/codesandpolicies>.

### 7. INSIDER TRADING :

#### 7.1 CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE :

Pursuant to Regulation 8 of the SEBI Listing Regulations, the Company has formulated a Code of Practices and Procedures for fair disclosure of unpublished price sensitive information. This Code can be viewed on the Company's website at <http://www.hubtown.co.in/investors/codesandpolicies>.

#### 7.2 CODE OF CONDUCT FOR REGULATING, MONITORING AND REPORTING OF TRADING BY EMPLOYEES :

Pursuant to Regulation 8 of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (the Regulations), the Company has formulated a Code of Conduct for regulating, monitoring and reporting of trading by its employees and other connected persons.

Mr. Chetan S. Mody - Company Secretary has been appointed as the Compliance Officer to administer the Code of Conduct and to monitor compliance with the Regulations.

This Code can be viewed on the Company's website at <http://www.hubtown.co.in/investors/codesandpolicies>.



## CORPORATE GOVERNANCE REPORT (CONTD.)

### 8. RECORD MANAGEMENT POLICY :

Pursuant to Regulation 9 of the SEBI Listing Regulations, the Board of Directors of the Company has approved the Policy for Archival and Preservation of Documents. The same has been implemented with effect from December 1, 2015. The Policy can be viewed on the Company's website at <http://www.hubtown.co.in/investors/codesandpolicies>.

### 9. POLICY FOR DETERMINING MATERIALITY OF AN EVENT OR INFORMATION AND FOR MAKING DISCLOSURES TO STOCK EXCHANGES :

Pursuant to Regulation 30 of the SEBI Listing Regulations, the Board of Directors of the Company has approved the Policy for determining the materiality of an event or information and for making disclosures to the stock exchanges. The same has been implemented with effect from December 1, 2015. The Policy can be viewed on the Company's website at <http://www.hubtown.co.in/investors/codesandpolicies>. All disclosures made to the stock exchanges can be viewed on the Company's website at <http://www.hubtown.co.in/investors/disclosuresundersebieregulations>.

### 10. CERTIFICATION FOR FINANCIAL REPORTING AND INTERNAL CONTROLS :

The Managing Director and the Chief Financial Officer of the Company have certified to the Board that all the requirements of Regulation 17 (8) of the SEBI Listing Regulations as specified in Part B of Schedule II to the SEBI Listing Regulations, inter alia, dealing with the review of the financial statements and cash flow statements for the year ended March 31, 2017, transactions entered into by the Company during the said year, their responsibility for establishing and maintaining internal control systems for financial reporting and evaluation of the effectiveness of the internal control system and making of necessary disclosures to the Auditors and the Audit and Compliance Committee have been duly complied with. A certificate to that effect signed by the Managing Director and the Chief Financial Officer is appended at the end of this Report.

### 11. OTHER DISCLOSURES :

#### i. DISCLOSURE ON MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTIONS THAT MAY HAVE POTENTIAL CONFLICT WITH THE INTERESTS OF THE COMPANY AT LARGE :

There were no transactions with related parties that may have potential conflict with the interest of the Company. Details of related party transactions entered into by the Company in the ordinary course of its business are included in the notes forming part of the financial statements. All material related party transactions have been approved by the Audit and Compliance Committee. The Board approved policy for related party transactions has been uploaded on the website of the Company at <http://hubtown.co.in/investors/codesandpolicies>.

#### ii. DETAILS OF NON-COMPLIANCE BY THE COMPANY, PENALTIES, STRICTURES IMPOSED ON THE COMPANY BY STOCK EXCHANGES OR SEBI OR ANY STATUTORY AUTHORITY, ON ANY MATTER RELATED TO CAPITAL MARKETS, DURING THE LAST THREE YEARS :

The National Stock Exchange of India Limited and BSE Limited imposed penalties of ₹ 8,47,727/- and ₹ 78,750/- respectively on the Company for non-compliance with the provisions of Regulation 33 of the SEBI Listing Regulations relating to submission of Annual Audited Standalone and Consolidated Financial Results for the year ended March 31, 2016. The Company has paid the penalties and thus settled the matter.

Barring the above, during the year no penalties or strictures have been imposed on the Company by any stock exchange, SEBI or other statutory authority on any matter relating to the capital markets.

#### iii. WHISTLE BLOWER POLICY :

Pursuant to Section 177 (9) and (10) of the Companies Act, 2013 and Regulation 22 of the SEBI Listing Regulations, the Company has framed its Whistle Blower Policy as a vigil mechanism to enable the Directors and all employees to report in good faith genuine concerns regarding unethical behavior, actual or suspected fraud or any violation of the Company's Code of Conduct and Ethics. This mechanism also provides for adequate safeguards against victimization of persons who use this mechanism and for direct access to the Chairman of the Audit and Compliance Committee. The Company affirms that no employee of the Company was denied access to the Audit and Compliance Committee.

The said Whistle Blower Policy is available on the Company's website at <http://www.hubtown.co.in/investors/codesandpolicies>.

#### iv. POLICY AGAINST SEXUAL AND WORKPLACE HARASSMENT :

The Company has put in place a 'Policy on Prevention of Sexual Harassment at Workplace' as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Aof 784(w)10.023.uale10SolimnyTd[(78,750/o r)10.0098(epo02/(l, Saith genuin3.9aer)9.917  
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## CORPORATE GOVERNANCE REPORT (CONTD.)

### 13. DIVIDEND DISTRIBUTION POLICY :

Regulation 43A of the SEBI Listing Regulations mandates all top five hundred listed entities based on market capitalization (calculated as on March 31 of every financial year) to formulate a dividend distribution policy, to be disclosed in the Annual Report and on their respective websites.

The provisions of the said Regulation 43A are presently not applicable to the Company and hence a dividend distribution policy has not been formulated and disclosed in the Annual Report.

### 14. MEANS OF COMMUNICATION :

- (i) the main channel of communication to the shareholders is through Annual Report which includes inter-alia, the audited Standalone and Consolidated Financial Statements, the Directors' Report, the Auditors' Reports and other relevant information;
- (ii) the Annual General Meeting of the Company is the principal forum for face-to-face communication with the shareholders, where the Board answers specific queries of the shareholders;
- (iii) the unaudited quarterly financial results are announced within forty-five days of the close of the relevant quarter. The audited annual financial results are announced within sixty days from the close of the relevant financial year
- (iv) the approved financial results are forthwith sent to the Listed Stock Exchanges- BSE Limited and National Stock Exchange of India Limited and are published in widely circulated local daily newspapers namely 'Free Press Journal' and 'Navshakti', within forty-eight hours of approval thereof;
- (v) the approved financial results are also posted on the Company's website at <http://www.hubtown.co.in/investors/financialresults>;
- (vi) the Company discloses to the Stock Exchanges, all information required to be disclosed under Regulation 30 read with Part A of Schedule III to the SEBI Listing Regulations. All information is filed electronically on BSE on-line portal – BSE Corporate Compliance & Listing Centre and on NSE Electronic Application Processing System (NEAPS), the on-line portal of National Stock Exchange of India Limited; and
- (vii) all news releases as and when made are also posted on the Company's website.

### 15. COMPLIANCE WITH NON-MANDATORY REQUIREMENTS :

The status of compliance with the non-mandatory requirements as specified in Part 'E' of Schedule II to the SEBI Listing Regulations is provided below :

#### a. Non-Executive Chairman's Office :

The Chairman of the Company is an Executive Chairman and hence the provisions pertaining to Non-Executive Chairman are not applicable to the Company.

#### b. Shareholder Rights :

The quarterly, half yearly and annual financial results of the Company are published in local leading English and Marathi newspapers and are also posted on the Company's website. Significant press releases as and when made are also posted on the Company's website. The complete Annual Report is sent to every shareholder of the Company and is also made available on the website of the Company.

#### c. Audit Qualifications :

Appropriate management explanations to the Auditors' observations made in their respective reports have been provided in the Directors' Report.

#### d. Separate posts of Chairman and Chief Executive Officer :

The Company has separate posts for Chairman and Managing Director/Chief Executive Officer.

#### e. Reporting of Internal Auditors :

The Internal Auditors report directly to the Audit and Compliance Committee.

### 16. TRANSFER OF UNPAID/UNCLAIMED DIVIDEND AMOUNT TO INVESTOR EDUCATION AND PROTECTION FUND :

As per the provisions of Section 124 (5) of the Companies Act, 2013, any money transferred to the Unpaid Dividend Account which remains unpaid or unclaimed for a period of seven years from the date of such transfer shall be transferred to the Investor Education and Protection Fund.

### 17. GENERAL SHAREHOLDER INFORMATION :

Detailed information in this regard is provided in the Section 'Shareholder Information' which forms part of this Annual Report.

## CORPORATE GOVERNANCE REPORT (CONTD.)

### 18. EQUITY SHARES IN SUSPENSE ACCOUNT :

Members are hereby informed that as per Regulation 34 (9) read with Schedule VI to Listing Regulations, the Company has opened a demat account in the name and style of "Hubtown Limited – Unclaimed Shares Suspense Account". These shares would be held by the Company on behalf of the holders of such shares and at the end of seven years hereof, these shares shall be transferred by the Company to IEPF. Dividend remaining unclaimed in respect of these shares shall also be held in a separate suspense account and would likewise be transferred to IEPF at the end of seven years.

At the beginning of the year, 270 equity shares belonging to 20 shareholders were lying in the account. No shareholder claimed any share from the account. At the end of the year under review, 270 equity shares belonging to 20 shareholders were lying in the account. The voting rights on the outstanding unclaimed shares as on March 31, 2017 shall remain frozen till the rightful owner of such shares claims the shares by submission of the requisite documentary proof of their identity to the Company's Registrar and Transfer Agent, Messrs Link Intime India Private Limited.

### 19. SEBI COMPLAINTS REDRESS SYSTEM (SCORES) :

Securities and Exchange Board of India (SEBI) administers a centralized web based complaints system (SCORES). It enables investors to lodge and follow up complaints and track the status online on website [www.scores.gov.in](http://www.scores.gov.in). The Company has registered itself on SCORES and endeavours to resolve all investor complaints received through SCORES or otherwise within 15 days of the receipt of the complaint.

### 20. AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE :

A Certificate from the Secretarial Auditor of the Company regarding compliance of conditions of Corporate Governance as stipulated in Part 'E' of Schedule V to the SEBI Listing Regulations is appended at the end of this Report.

### 21. WEBSITE :

The Company's website [www.hubtown.co.in](http://www.hubtown.co.in) contains a separate dedicated section 'Investors' which provides information to the shareholders on shareholding pattern as at the end of each quarter, the Chairman's speech, notice of Board meeting, the quarterly / half yearly unaudited and annual audited financial results, annual reports, postal ballot notices and results, details of unpaid dividend, various policies adopted by the Company inter-alia the Code of Business Conduct and Ethics, Code of Conduct for Prevention of Insider Trading, Whistle Blower Policy and Prevention of Sexual Harassment of Women at Workplace Policy, Policy on Material Related party Transactions, Policy on Material Subsidiaries, Policy on determination of materiality of Events/Information, Risk management Policy, Policy on Board Diversity, disclosure of material information etc. in a user-friendly manner. This Section is regularly updated.

### 22. DISCLOSURE OF COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS UNDER REGULATIONS 17 TO 27 AND REGULATION 46 (2) (b) to (i) :

The Company has complied with the requirements specified in Regulations 17 to 27 and clauses (b) to (i) of the Regulation 46(2) of the SEBI Listing Regulations.

Place : Mumbai

Date : July 24, 2017

## CORPORATE GOVERNANCE REPORT (CONTD.)

### DECLARATION BY THE MANAGING DIRECTOR UNDER REGULATION 34 (3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 REGARDING COMPLIANCE WITH HUBTOWN CODE OF BUSINESS CONDUCT AND ETHICS

As provided under Regulation 34 (3) read with Para D of Schedule V to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the members of Board of Directors and the Senior Management Personnel and other employees have affirmed their compliance with Hubtown Code of Business Conduct and Ethics as applicable to them, for the Financial Year ended March 31, 2017.

For **Hubtown Limited**

**Vyomesh M. Shah**

Managing Director

DIN : 00009596

Mumbai, July 24, 2017

The Board of Directors

**Hubtown Limited**

'Ackruti Center Point', 6th floor

Central Road, Marol MIDC

Andheri (East), Mumbai 400 093

### CERTIFICATION UNDER REGULATION 17 (8) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

We, the undersigned in our respective capacities as Managing Director and Chief Financial Officer of Hubtown Limited ('the Company') to the best of our knowledge and belief certify that :

- a. We have reviewed the financial statements and the cash flow statements for the year ended March 31, 2017 and that to the best of our knowledge and belief, we state that :
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain any statement that might be misleading; and
  - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with the existing generally accepted accounting standards, applicable laws and regulations.
- b. We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year ended March 31, 2017 which are fraudulent, illegal or violative of the Company's Code of Business Conduct and Ethics;
- c. We hereby declare that all the members of the Board and Senior Management Personnel have confirmed compliance with the Code of Business Conduct and Ethics as adopted by the Company ;
- d. We accept responsibility for establishing and maintaining internal controls for financial reporting in the Company and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors of the Company and the Audit and Compliance Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies; and
- e. We have indicated, based on our evaluation, wherever applicable, to the Auditors and the Audit and Compliance Committee that :
  - (i) significant changes, if any, in internal control over financial reporting during the year;
  - (ii) significant changes, if any, in the accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and
  - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For **Hubtown Limited**

**Vyomesh M. Shah**

Managing Director

DIN : 00009596

Mumbai, May 29, 2017

**Nancy Pereira**  
Chief Financial Officer

## CORPORATE GOVERNANCE REPORT (CONTD.)

To the Members of  
**Hubtown Limited.**

### CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

We have examined the records concerning the compliance of conditions of Corporate Governance by Hubtown Limited ("the Company") for the year ended on 31 March 2017, as stipulated in Regulation 17 to 27 and clause (b) to (i) of sub-regulation (2) of regulation 46 and Para C, D and E of schedule V of The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.

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

We have conducted our examination on the basis of the relevant records and documents maintained by the Company and furnished to us for the examination, and the information and explanations given to us by the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreements/Listing Regulations, as applicable.

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

For **Ashish Bhatt & Associates**  
Company Secretaries

**Ashish Bhatt**  
Membership No 4650  
CP No 2956

Place : Thane  
Date : July 24, 2017

## GENERAL SHAREHOLDER INFORMATION

### 1. Twenty Ninth Annual General Meeting :

Day	Monday
Date	October 30, 2017
Time	10.00 a.m.
Venue	Walchand Hirachand Hall, 4th floor, Indian Merchants' Chamber Building Indian Merchants Chamber Marg, Churchgate, Mumbai 400020

### 2. Financial Calendar :

Financial Year : April 1 to March 31

For the Financial Year 2017–2018, the Financial Results will be announced as per the following tentative schedule (subject to change) :

First Quarter ending June 30, 2017	} within 45 days of the close of the respective reporting period.
Second Quarter and Half Year ending September 30, 2017	
Third Quarter ending December 31, 2017	
Year ending March 31, 2018	within 60 days of the close of the relevant financial year
Newspapers wherein results are published	Free Press Journal and Navshakti
Website where the financial results, shareholding pattern, corporate governance report and annual report, etc. are uploaded	www.hubtown.co.in www.bseindia.com www.nseindia.com

### 3. Dividend Payment Date:

The Board of Directors has not recommended any dividend on the equity shares for the year ended March 31, 2017.

### 4. Listing Information :

The Company's equity shares are listed on BSE Limited and the National Stock Exchange of India Limited

Name of the Stock Exchange	Address
BSE Limited	Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai 400001
The National Stock Exchange of India Limited	Exchange Plaza, C-1, Block 'G', Bandra-Kurla Complex, Bandra (East), Mumbai 400051

The Annual Listing Fees for the year 2017 – 2018 have been paid to BSE and NSE respectively.

### 5. Stock Code :

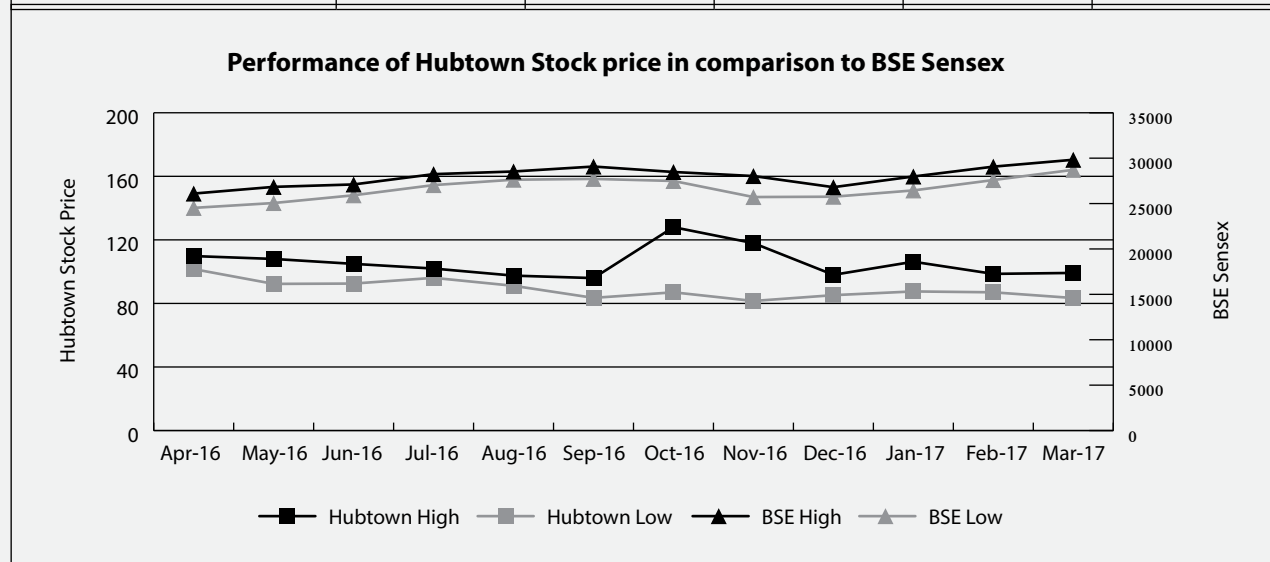
Name of the Stock Exchange	Stock Code
BSE Limited	532799
The National Stock Exchange of India Limited	HUBTOWN EQ
Corporate Identification Number (CIN)	L45200MH1989PLC050688
International Securities Identification Number (ISIN) – Equity Shares	INE703H01016

## GENERAL SHAREHOLDER INFORMATION (CONTD.)

### 6. Market Price Data during 2016 - 2017 :

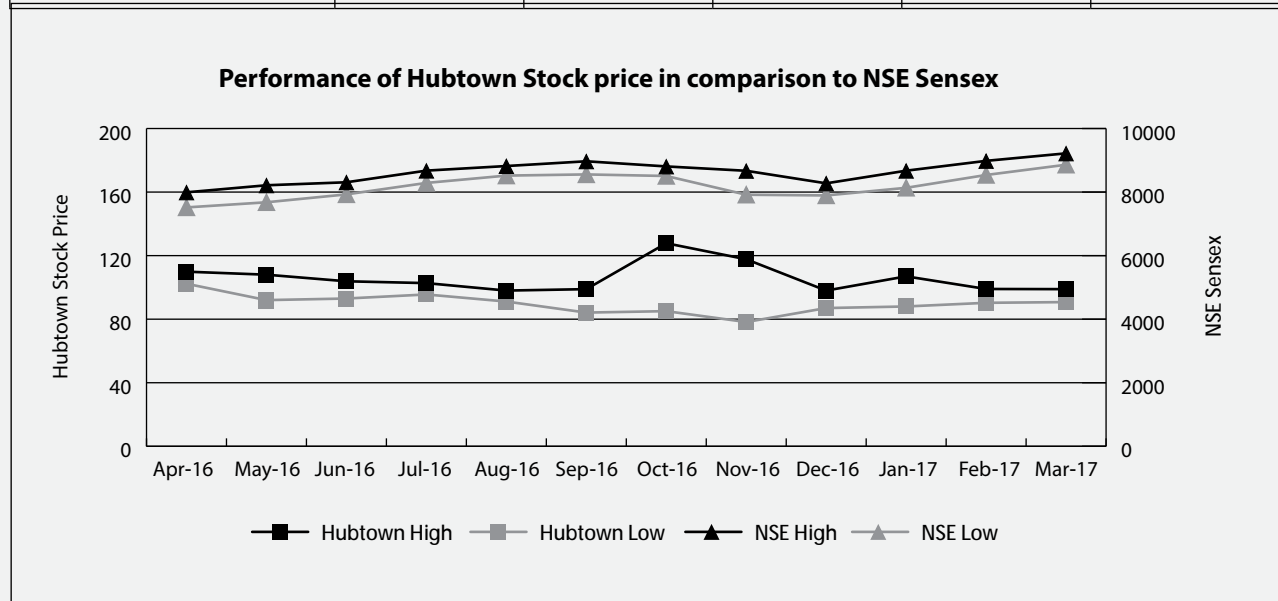
The monthly high and low market price and volume of the Company's shares traded on BSE and NSE during each month of the Financial Year from April 1, 2016 to March 31, 2017 are given below:

MONTH	BSE			BSE SENSEX	
	High (₹)	Low (₹)	Volume (in nos.)	High	Low
April - 2016	109.80	101.60	13353	26100.54	24523.20
May - 2016	108.00	92.30	22203	26837.20	25057.93
June - 2016	104.90	92.50	43898	27105.41	25911.33
July - 2016	101.95	96.10	35067	28240.20	27034.14
August - 2016	97.50	91.10	19256	28532.25	27627.97
September - 2016	95.95	83.50	20276	29077.28	27716.78
October - 2016	128.00	87.00	217877	28477.65	27488.30
November - 2016	117.95	81.55	76293	28029.80	25717.93
December - 2016	98.00	85.20	40643	26803.76	25753.74
January - 2017	106.25	87.55	42940	27980.39	26447.06
February - 2017	98.60	87.00	9937	29065.31	27590.10
March - 2017	99.20	83.40	637683	29824.62	28716.21



## GENERAL SHAREHOLDER INFORMATION (CONTD.)

MONTH	NSE			NSE SENSEX	
	High (₹)	Low (₹)	Volume (in nos.)	High	Low
April - 2016	109.90	102.30	43591	7992.00	7516.85
May - 2016	108.00	92.00	116327	8213.60	7678.35
June - 2016	103.85	93.00	125475	8308.15	7927.05
July - 2016	102.70	95.55	138981	8674.70	8287.55
August - 2016	98.00	91.10	49581	8819.20	8518.15
September - 2016	98.90	84.15	73656	8968.70	8555.20
October - 2016	127.80	85.05	707100	8806.95	8506.15
November - 2016	117.70	78.20	262963	8669.60	7916.40
December - 2016	98.00	87.00	61019	8274.95	7893.80
January - 2017	106.95	88.00	285140	8672.70	8133.80
February - 2017	99.00	90.30	62631	8982.15	8537.50
March - 2017	98.90	90.75	99286	9218.40	8860.10



Source : [www.bseindia.com](http://www.bseindia.com); [www.nseindia.com](http://www.nseindia.com)



## GENERAL SHAREHOLDER INFORMATION (CONTD.)

### 7. Suspension of Trading in securities :

There was no suspension of trading in securities of the Company during the year under review.

### 8. Registrar and Transfer Agent :

Link Intime India Private Limited

C-101, 247 Park

L.B.S. Marg, Vikhroli (West)

Mumbai – 400 083

Tel : 022- 49186200 ; Fax : 022 49186195 ;

website : www.linkintime.co.in

e-mail : rnt.helpdesk@linkintime.co.in

Time : 10.00 a.m. to 1.00 p.m. and 1.30 p.m. to 5.00 p.m.

### 9. Share Transfer System :

The transfer of shares in physical form is processed and completed by Registrar and Transfer Agent – Link Intime India Private Limited within a period of ten days from the date of receipt thereof provided all the documents are in order. In case of shares in electronic form, the transfers are processed by NSDL / CDSL through respective Depository Participants. The Company obtains half-yearly certificates of compliance with respect to share transfer formalities from a practising company secretary, pursuant to Regulation 40 (9) of the SEBI Listing Regulations, which is subsequently filed with the Stock Exchanges.

The Registrar and Transfer Agent attends to investor grievances in consultation with the Secretarial Department of the Company.

### 10. Distribution of shareholding size class as on March 31, 2017 :

Slab of shareholding	No. of shareholders	% of shareholders	No. of shares held	% of shareholding
1-500	18367	96.85	842462	1.16
501 – 1000	272	1.43	215289	0.30
1001 – 2000	119	0.63	177100	0.24
2001 – 3000	46	0.24	114049	0.16
3001 - 4000	16	0.08	57133	0.08
4001 – 5000	18	0.10	84098	0.12
5001 – 10000	30	0.16	210703	0.28
10001 - above	97	0.51	71035037	97.66
<b>TOTAL</b>	<b>18965</b>	<b>100</b>	<b>72735871</b>	<b>100</b>

### 11. Distribution of shareholding by ownership as on March 31, 2017 :

	CATEGORY	No. of Shareholders	No. of shares held	% of Total
<b>A.</b>	<b>Shareholding of Promoter and Promoter Group</b>			
<b>1.</b>	<b>Indian</b>			
a.	Individuals / Hindu Undivided Family	17	51473272	70.77 %
b.	Bodies Corporate	2	600000	0.82 %
	<b>Sub-Total (A) [1]</b>	<b>19</b>	<b>52073272</b>	<b>71.59 %</b>
<b>2.</b>	<b>Foreign</b>	—	—	—
	<b>Sub-Total (A) [2]</b>	—	—	—
<b>A</b>	<b>Total Shareholding of Promoter and Promoter Group (A) = (A) (1) + (A) (2)</b>	<b>19</b>	<b>52073272</b>	<b>71.59 %</b>
<b>B.</b>	<b>Public Shareholding</b>			
<b>1.</b>	<b>Institutions</b>			
a.	Mutual Funds	—	—	—
b.	Financial Institutions / Banks	2	171275	0.24 %
c.	Venture Capital Fund	—	—	—
d.	Insurance Companies	1	56937	0.08 %
e.	Foreign Institutional Investors	2	2659500	3.66 %
f.	Central / State Government	1	5	—
	<b>Sub-Total (B) (1)</b>	<b>6</b>	<b>2887717</b>	<b>3.97 %</b>

## GENERAL SHAREHOLDER INFORMATION (CONTD.)

	CATEGORY	No. of Shareholders	No. of shares held	% of Total
<b>2.</b>	<b>Non-Institutions</b>			
a.	Bodies Corporate	235	8230839	11.32 %
b.	Resident Individuals			
i.	Individual shareholders holding nominal capital upto Rs.2 lakh	17809	1519219	2.09 %
ii.	Individual shareholders holding nominal capital in excess of Rs. 2 lakh	30	3346377	4.60 %
c.	Trusts	2	30	—
i.	Non-Residents	162	2313115	3.18 %
ii.	Overseas Corporate Bodies	2	11	—
iii.	Clearing Members	96	2266572	3.12 %
iv.	HUF	604	98719	0.14 %
	<b>Sub-Total (B) (2)</b>	<b>18940</b>	<b>17774882</b>	<b>24.44 %</b>
<b>B.</b>	<b>Total Public Shareholding (B) = (B)(1) + (B) (2)</b>	<b>18946</b>	<b>20662599</b>	<b>28.41 %</b>
	<b>GRAND TOTAL (A) + (B)</b>	<b>18965</b>	<b>72735871</b>	<b>100.00</b>

### 12. Dematerialisation of shares and liquidity :

The Company's shares are compulsorily traded in dematerialized form on BSE and NSE. As on March 31, 2017, 7,27,35,529 equity shares constituting nearly 100 % of the total share capital of the Company were held in dematerialized form.

### 13. Outstanding GDRs / ADRs / Warrants / Convertible Instruments and their impact on Equity:

The Company has not issued GDRs/ADRs/Warrants or any convertible instruments in the past and hence as on March 31, 2017, the Company does not have any outstanding GDRs / ADRs / Warrants or any convertible instruments.

### 14. Commodity Price Risk or foreign exchange risk and hedging activities :

The Company is subject to commodity price risk like any other industry. The Company is, to a certain extent, able to manage the risks of adverse price movements by purchasing key materials regularly from renowned suppliers with scope for revision in pricing based on current market prices. In respect of finishing and façade items, the commodity/hedging market for these items is not fully developed and the Company keeps on evaluating on a continuous basis opportunities for price risk minimization. The Company's exposure to foreign exchange risk is minimal.

### 15. Plant locations :

The Company has no plants.

### 16. Reconciliation of Share Capital Audit :

A qualified practicing company secretary carried out a share capital audit to reconcile the total admitted equity share capital with the National Securities Depository Limited ('NSDL') and Central Depository Services (India) Limited ('CDSL') and the total issued and listed equity share capital. The audit report confirms that the total issued / paid-up equity shares capital is in agreement with the total number of equity shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

### 17. Address for Correspondence:

Physical Shares	Electronic Shares
<b>Address :</b> Link Intime India Private Limited C-101, 247 Park L.B.S. Marg, Vikhroli (West) Mumbai – 400 083  <b>Contact Person :</b> Ganesh Jadhav <b>E-mail :</b> rnthelpdesk@linkintime.co.in <b>Time :</b> 10.00 a.m. to 1.00 p.m. and 1.30 p.m. to 5.00 p.m.  <b>Designated e-mail for investor services :</b> investorcell@hubtown.co.in	Respective Depository Participants of the Shareholders

## GENERAL SHAREHOLDER INFORMATION (CONTD.)

### 18. Nomination Facility :

Pursuant to Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014, a shareholder may, at any time, nominate in Form No. SH.13 any person to whom his shares shall vest in the event of his death. A nomination may be cancelled, or varied by nominating any other person in place of the present nominee by giving a notice of such cancellation or variation in Form No. SH.14.

Shareholders holding shares in physical form and are desirous of making a nomination or cancelling/varying the nomination so made, are requested to send their requests in Form No. SH. 13 or SH. 14 as the case may be, to the Company's Registrar and Transfer Agent. Shareholders holding shares in electronic form are requested to give their nomination request directly to their respective Depository Participants.

Form Nos. SH.13 and SH. 14 can be obtained from the Company's Registrar and Transfer Agent or downloaded from the Company's website at <http://www.hubtown.co.in/investors/investorservices>

### 19. E-Voting :

Pursuant to Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI Listing Regulations, the Company has availed the services of Central Depository Services (India) Limited (CDSL) for providing the necessary e-voting platform to the members for the ensuing Annual General Meeting.

Place : Mumbai

Date : October 4, 2017

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**FINANCIAL STATEMENTS**  
**FOR YEAR ENDED MARCH 31, 2017**

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## INDEPENDENT AUDITOR'S REPORT

**To**  
**The Members of Hubtown Limited**

### Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of HUBTOWN LIMITED ('the Company'), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

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

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

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

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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017, and its profits, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

### Emphasis of Matters

We draw attention to:

- (a) Note 3 (l) (b) (i) to the standalone financial statements regarding recognition of expense and income for ongoing projects which is based upon estimated project costs, as per the judgment of the management, which have been relied upon by us, these being technical matters.
- (b) Footnote to Note 18 to the standalone financial statements regarding non-creation of investments to the extent of 15% of the value of the redeemable debentures, which is required to be created and earmarked in the manner prescribed under Rule 18(7) (c) of the Companies (Share Capital and Debentures) Rules, 2014 notified by the Ministry of Corporate Affairs.
- (c) Footnote (b) to Note 14 to the standalone financial statements regarding the status of the projects and the opinion framed by the Company's management regarding realizable value of the costs incurred on the projects, which, being a technical matter is relied upon by us.
- (d) Note 38 (i) (B) to the standalone financial statements regarding corporate guarantees issued and securities provided aggregating ₹ 1,23,209.57 lakhs by the Company to banks and financial institutions on behalf of various entities as at 31st March, 2017, which are significant in relation to the profits for the year and the net worth of the Company. In the opinion of the Management, these are not expected to result into any financial liability to the Company.
- (e) Footnote (c) to Note 38 to the standalone financial statements regarding the above corporate guarantees issued and securities provided that are disclosed at amounts outstanding as at 31st March, 2017. The financial liabilities on account of such financial guarantee contracts have not been measured at fair value as the management is of the opinion that there is no material additional benefit which is expected to accrue to the borrowers on behalf of whom the Company has provided the corporate guarantees.
- (f) Footnote (b) to Note 38 to the standalone financial statements regarding reliance placed by the auditors on certification received from the management with regard to the disclosure of contingent liabilities of the Company.
- (g) Note 44 to the standalone financial statements regarding balances that are subject to confirmations, reconciliation and adjustments, if any.

## INDEPENDENT AUDITOR'S REPORT (CONTD.)

- (h) Footnote to Note 13 to the standalone financial statements regarding the amounts deposited with the Hon'ble Sessions Court, Mumbai as deposit on account of an ongoing case in connection with a commercial transaction with an erstwhile associate company. In connection with the above, a bank account of the Company has been attached by the Maharashtra State CID. Considering the facts of the matter, its pendency and the matter being sub-judice we are unable to express any opinion on the same.
- (i) Footnote to Note 9 to the standalone financial statements regarding the Company not having charged interest on loans given by it to certain group entities developing real estate projects, in which the Company has a commercial and business interest.
- (j) Footnote (a) to Note 10 to the standalone financial statements regarding reclassification of project advances to group entities, as current financial assets considering these being repayable on call / demand based on certain events.
- (k) Footnote (a) to Note 19 to the standalone financial statements regarding the Company's default in redemption of non-convertible debentures along with interest amounting to ₹ 4,659 lakhs. We are however informed by the management that the Company is in the process of re-negotiating the terms of redemption of the said debentures.
- (l) Footnote (e) to Note 7 to the standalone financial statements regarding the Company's investments, loans and project advances in certain subsidiaries, joint ventures and associates as at 31st March, 2017 which have incurred losses and carry an eroded net worth as at 31st March, 2017.
- (m) Footnote (b) to Note 31 to the standalone financial statements regarding non-payment of expense towards Corporate Social Responsibility.

Our opinion is not qualified in respect of the above matters.

### Other Matters

Attention is further invited to:

1. The Statement of Profit and Loss of the Company which includes share of loss (net) from investments in partnership firms / joint ventures aggregating ₹ 32.62 lakhs are based on the financial statements of the joint ventures / firms as audited by other auditors whose reports have been furnished to us, which have been relied upon by us. Further, the Statement of Profit and Loss of the Company includes share of loss from investments in partnership firms / joint ventures aggregating ₹ 15.77 lakhs that are based on the financial statements of the joint ventures / firms as prepared by the management and presented to us on which we have relied.
2. The Company had prepared separate sets of statutory financial statements for the year ended 31st March, 2016 and 31st March, 2015 respectively in accordance with accounting standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) on which we issued Auditor's Report to the shareholders of the Company dated 22nd June, 2016 and 30th May, 2015 respectively. These financial statements have been adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS which have also been audited by us.

Our opinion is not qualified in respect of the above matter.

### Report on Other Legal and Regulatory Requirements

- I. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure "A", a statement on the matters specified in paragraphs 3 and 4 of the Order;
- II. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of accounts 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, the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of accounts.
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
  - (e) On the basis of the written representations received from the directors taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a Director in terms of Section 164 (2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure "B"; and
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanation 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 did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
    - iv. The Company has provided requisite disclosures in its standalone financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on the audit procedures performed and representations provided to us by the management, we report that the disclosures are in accordance with the books of accounts maintained by the Company and as produced to us by the management.

**FOR DALAL DOSHI & ASSOCIATES**

Firm Registration No.: 121773W  
Chartered Accountants

**DINESH DOSHI**

Partner

Membership No.: F - 9464

Place : Mumbai  
Date : May 29, 2017

## INDEPENDENT AUDITOR'S REPORT (CONTD.)

### ANNEXURE "A" REFERRED TO IN OUR REPORT TO THE MEMBERS OF HUBTOWN LIMITED ON THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017:

On the basis of such checks as we considered appropriate and in terms of the information and explanations given to us, we state that: -

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and nature of its assets. Pursuant to the program, a portion of the fixed assets has been physically verified by the management during the year and no material discrepancies between the book records and the physical fixed assets have been noticed.
- (c) the title deeds of immovable properties are held in the name of the Company.
- (ii) The physical verification of inventory has been conducted at reasonable intervals by the management during the year. The discrepancies noticed on physical verification of inventory as compared to book records were not material and have been appropriately dealt with in the books of account;
- (iii) The Company has granted unsecured loan to one company covered under the register maintained under Section 189 of the Act;
  - (a) The terms and conditions of the loan are prima facie not prejudicial to the interest of the Company;
  - (b) The schedule of repayment of principal and interest has been stipulated as per terms of the arrangement; and
  - (c) As per the terms and conditions of the arrangement, the amount of the loan is not overdue.
- (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 Companies Act, 2013 in respect of the loans and investments made, and guarantees and securities provided by it;
- (v) The Company has not accepted any deposits during the year from the public within the meaning of Sections 73 to 76 of the Act and the Rules framed thereunder to the extent notified;
- (vi) Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act. We have broadly reviewed the cost records maintained by the Company in respect of projects and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete;
- (vii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, except for dues in respect of Income Tax, Provident Fund, Profession Tax, Tax Deducted at Source, Value Added Tax and Service Tax, the Company is generally regular in depositing undisputed statutory dues, including, Employees' State Insurance, Wealth Tax, duty of customs, duty of excise and other material statutory dues, as applicable, with the appropriate authorities. The extent of arrears of statutory dues outstanding as at the Balance Sheet date, for a period exceeding six months from the date they became payable are ₹ 2,479.02 lakhs relating to Income Tax Deducted at Source, ₹ 18.36 lakhs relating to Provident Fund, ₹ 0.06 lakhs relating to Profession Tax, ₹ 761.99 lakhs relating to Value Added Tax and ₹ 1,009.92 lakhs relating to Service Tax;
- (a) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of Income Tax, Value Added Tax and Service Tax as at the Balance Sheet date which have not been deposited on account of a dispute, are as follows:

Statute and nature of dues	Financial Year	Amount (₹ in lakhs)	Forum where dispute is pending
Income Tax Act, 1961			
Income Tax	2003-04	17.48	Mumbai High Court
Income Tax	2004-05	21.31	Mumbai High Court
Income Tax	2005-06	20.92	Mumbai High Court
Income Tax	2010-11	431.40	Income Tax Appellate Tribunal, Mumbai
Income Tax	2010-11	33.79	Commissioner of Income Tax (Appeals), Mumbai
Income Tax	2012-13	1236.76	Commissioner of Income Tax (Appeals), Mumbai
Income Tax	2013-14	780.55	Commissioner of Income Tax (Appeals), Mumbai
<b>Maharashtra Value Added Tax Act, 2002</b>			
Maharashtra Value Added Tax	2006-07	1.64	Joint Commissioner of Sales Tax (Appeals)
<b>Service Tax (Finance Act, 1994)</b>			
Service Tax	2012-13	73.61	Commissioner of Service Tax
Service Tax	2014-15	285.07	Commissioner of Service Tax

## INDEPENDENT AUDITOR'S REPORT (CONTD.)

- (viii) On the basis of the records examined by us and the information and explanations given to us, the Company has delayed in repayment of dues to banks, financial institution and debentures holders. Attention is invited to footnote "f" to Note 19 – Non-Current Borrowings, with regards to banks, footnote "h" to Note 19 – Current Borrowings, with regards to financial institution and footnote "b" to Note 20 with regards to debentures, for the amounts and period of delays in payment of principle and interest thereon;
- (ix) In our opinion, and according to the information and explanations given to us, the term loans have been applied on an overall basis for the purposes for which they were obtained;
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practice in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the management. Attention is however invited to Note 13 to the standalone financial statements accounts in connection with a commercial transaction with an erstwhile associate company;
- (xi) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013;
- (xii) As the Company is not a Nidhi company, the provisions of clause 3(xii) of the Order are not applicable to the Company;
- (xiii) The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards;
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provision of clause 3(xiv) of the Order are not applicable to the Company;
- (xv) Based upon the audit procedures performed and the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, the provisions of clause 3(xv) of the Order are not applicable to the Company; and
- (xvi) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3(xvi) of the Order are not applicable to the Company.

**FOR DALAL DOSHI & ASSOCIATES**

Firm Registration No.: 121773W  
Chartered Accountants

**DINESH DOSHI**

Partner

Membership No.: F - 9464

Place : Mumbai  
Date : May 29, 2017



## INDEPENDENT AUDITOR'S REPORT (CONTD.)

### **"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF HUBTOWN 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 Hubtown Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

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

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143 (10) of the 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 respect.

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 risks. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

## INDEPENDENT AUDITOR'S REPORT (CONTD.)

### Opinion

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

**FOR DALAL DOSHI & ASSOCIATES**

Firm Registration No.: 121773W  
Chartered Accountants

Place : Mumbai  
Date : May 29, 2017

**DINESH DOSHI**

Partner  
Membership No.: F - 9464

## BALANCE SHEET AS AT 31ST MARCH, 2017

Particulars	Note No.	As at 31st March, 2017 (₹ in lakhs)	As at 31st March, 2016 (₹ in lakhs)	As at 1st April, 2015 (₹ in lakhs)
<b>ASSETS</b>				
<b>Non-Current Assets</b>				
(a) Property, plant and equipment	4	1,131.96	1,242.85	1,381.56
(b) Capital work-in-progress	4	—	—	22.84
(c) Investment property	5	4,218.83	4,364.26	4,322.65
(d) Intangible assets	6	—	—	0.20
(e) Financial assets				
(i) Investments	7	171,280.70	160,618.73	51,926.62
(ii) Trade Receivables	8	—	—	3,902.62
(iii) Loans	9	404.17	356.68	314.77
(iv) Other financial assets	10	297.77	49,552.44	145,574.94
(f) Current tax assets (Net)	11	2,687.02	2,327.86	1,496.60
(g) Deferred tax assets (Net)	12	3,572.99	3,688.90	3,767.92
(h) Other non-current assets	13	13,107.51	9,668.89	12,598.92
<b>Total Non-Current Assets</b>		<b>196,700.95</b>	<b>231,820.61</b>	<b>225,309.64</b>
<b>Current Assets</b>				
(a) Inventories	14	91,028.36	96,439.93	83,416.95
(b) Financial assets				
(i) Investments	7	28.79	29.59	165.33
(ii) Trade receivables	8	33,631.00	16,249.57	4,835.00
(iii) Cash and cash equivalents	15	489.52	700.16	1,816.37
(iv) Bank balances other than (iii) above	16	139.30	248.74	1,224.20
(v) Loans	9	7,325.80	11,516.09	9,080.84
(vi) Other financial assets	10	77,663.66	23,496.33	27,376.19
(c) Other current assets	13	8,533.80	13,854.48	13,269.51
<b>Total Current Assets</b>		<b>218,840.23</b>	<b>162,534.89</b>	<b>141,184.39</b>
<b>TOTAL ASSETS</b>		<b>415,541.18</b>	<b>394,355.50</b>	<b>366,494.03</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(a) Equity share capital	17	7,273.59	7,273.59	7,273.59
(b) Other equity	18	165,548.54	164,892.82	162,276.13
<b>Total Equity</b>		<b>172,822.13</b>	<b>172,166.41</b>	<b>169,549.72</b>
<b>Liabilities</b>				
<b>Non-Current Liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	19	17,520.81	23,468.92	42,960.37
(ii) Other Financial Liabilities	20	1,035.00	1,594.13	1,528.85
(b) Provisions	21	210.85	264.43	147.18
<b>Total Non-Current Liabilities</b>		<b>18,766.66</b>	<b>25,327.48</b>	<b>44,636.40</b>
<b>Current Liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	19	80,677.70	59,657.73	48,941.71
(ii) Trade payables	22	11,241.09	11,752.75	11,620.84
(iii) Other financial liabilities	20	98,573.56	89,010.82	57,754.34
(b) Other current liabilities	23	33,232.72	36,288.30	33,831.59
(c) Provisions	21	227.32	152.01	159.43
<b>Total Current Liabilities</b>		<b>223,952.39</b>	<b>196,861.61</b>	<b>152,307.91</b>
<b>Total Liabilities</b>		<b>242,719.05</b>	<b>222,189.09</b>	<b>196,944.31</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>415,541.18</b>	<b>394,355.50</b>	<b>366,494.03</b>

The accompanying notes are an integral part of the financial statements

As per our report of even date

For **DALAL DOSHI & ASSOCIATES**  
Firm Registration No. 121773W  
CHARTERED ACCOUNTANTS

**DINESH DOSHI**  
PARTNER  
Membership No. F-9464

Mumbai  
Date: 29th May, 2017

For and on behalf of the Board of Directors

**HEMANT M. SHAH**  
EXECUTIVE CHAIRMAN  
**CHETAN MODY**  
COMPANY SECRETARY

**VYOMESH M. SHAH**  
MANAGING DIRECTOR  
**NANCY PEREIRA**  
CHIEF FINANCIAL OFFICER

Mumbai  
Date: 29th May, 2017

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2017

Particulars	Note No.	Year ended 31st March, 2017 (₹ in lakhs)	Year ended 31st March, 2016 (₹ in lakhs)
<b>I INCOME</b>			
Revenue from Operations	24	60,353.01	36,298.68
Other Income	25	3,116.77	2,721.70
Share of Profit / (Loss) of Joint Ventures and Partnership Firms (Net)		(48.39)	716.18
<b>TOTAL INCOME</b>		<b>63,421.39</b>	<b>39,736.56</b>
<b>II EXPENSES</b>			
Costs Of Construction / Development	26	11,524.29	13,976.35
Purchase of Stock-in-Trade		294.70	—
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	27	(108.93)	(12,603.37)
Employee Benefits Expense	28	2,094.57	1,779.10
Finance Costs	29	36,625.49	30,046.68
Depreciation and Amortisation Expenses	30	284.33	301.12
Other Expenses	31	11,472.38	3,821.66
<b>TOTAL EXPENSES</b>		<b>62,186.83</b>	<b>37,321.54</b>
<b>Profit before Tax</b>		<b>1,234.56</b>	<b>2,415.02</b>
Tax Expense			
(a) Current Tax		(453.25)	(326.68)
(b) Deferred tax (charge) / credit		(115.91)	(79.02)
(c) Excess / (Short) provision for taxation in respect of earlier years		(11.32)	671.03
		<b>(580.48)</b>	<b>265.33</b>
<b>Profit for the Year</b>		<b>654.08</b>	<b>2,680.35</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
Items that will not be reclassified to profit or loss			
Remeasurement of the net defined benefit liability / asset		1.64	(31.95)
<b>Total Other Comprehensive Income</b>		<b>1.64</b>	<b>(31.95)</b>
<b>Total Comprehensive Income for the year</b>		<b>655.72</b>	<b>2,648.40</b>
<b>Earning per equity share of nominal value of ₹ 10/- each (in Rupees)</b>	32		
Basic and Diluted		<b>0.90</b>	<b>3.69</b>

The accompanying notes are an integral part of the financial statements

As per our report of even date

For **DALAL DOSHI & ASSOCIATES**

Firm Registration No. 121773W

CHARTERED ACCOUNTANTS

**DINESH DOSHI**

PARTNER

Membership No. F-9464

Mumbai

Date: 29th May, 2017

For and on behalf of the Board of Directors

**HEMANT M. SHAH**

EXECUTIVE CHAIRMAN

**CHETAN MODY**

COMPANY SECRETARY

Mumbai

Date: 29th May, 2017

**VYOMESH M. SHAH**

MANAGING DIRECTOR

**NANCY PEREIRA**

CHIEF FINANCIAL OFFICER

# CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

Particulars	Year ended 31st March, 2017 (₹ in lakhs)	Year ended 31st March, 2016 (₹ in lakhs)
<b>I. CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net Profit before taxation as per Statement of Profit and Loss	1,234.56	2,456.78
<b>Adjustments for:</b>		
Finance costs	36,625.49	35,678.90
Share of (Profit) / Loss from investment in partnership firms	48.39	12.34
Profit on sale of investments in associates, JVs, etc. developing real estate projects (Net)	(3,719.11)	(1,234.56)
Depreciation and amortisation	284.78	256.78
Project expenses written off / amortised	1,234.56	1,123.45
Prior period adjustments (Net)		
Unwinding of Interest free loans		
Unwinding of security deposits	(20.17)	(15.67)
Interest income on financial asset at amortised cost	(1,118.31)	(1,012.34)
Advances and other debit balances written off	1,336.51	1,234.56
(Profit) / Loss on sale of fixed assets (Net)	(0.97)	(1.23)
(Profit) / Loss on sale of investments (Net)	(3.28)	(2.34)
Provision for doubtful debts written back	(148.89)	(134.56)
Liabilities written back to the extent no longer due	(558.58)	(1,234.56)
Interest income	(18,120.20)	(1,123.45)
Re-measurement of the net defined pension asset	1,234.56	1,123.45
Bad Debts	1,000.12	987.65
Provision for doubtful debts on investments	114.90	123.45
Net change in credit balances	(1,234.56)	(1,123.45)
<b>Operating cash flows from working capital changes</b>	<b>22,376.54</b>	<b>24,567.89</b>
<b>Add / (Less) :</b>		
(Increase) / Decrease in cash and cash equivalents	(230.83)	(134.56)
(Increase) / Decrease in cash and cash equivalents	(19,754.47)	(5,123.45)
21,123.45		

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

Particulars	Year ended 31st March, 2017 (₹ in lakhs)	Year ended 31st March, 2016 (₹ in lakhs)
<b>III. Cash flows arising from financing activities</b>		
<b>Inflow / (Outflow) on account of :</b>		
Increase / (Decrease) in long term and short term borrowings	<b>5,729.69</b>	12,450.35
Finance Cost Paid	<b>(29,811.64)</b>	(24,159.47)
<b>Net cash flow from financing activities</b>	<b>(24,081.95)</b>	(11,709.12)
<b>Net increase in cash and cash equivalents (I + II + III)</b>	<b>(204.14)</b>	(900.97)
<b>Add: Balance at the beginning of the year</b>	<b>(713.02)</b>	187.95
<b>Cash and cash equivalents at the end of the year</b>	<b>(917.16)</b>	(713.02)
<b>Components of cash and cash equivalents (Refer Note 15)</b>		
Cash and cash equivalents:		
Cash on hand	<b>11.77</b>	37.40
Balances with banks		
- On Current accounts	<b>345.19</b>	546.78
- Deposit with maturity of less than three months	<b>132.56</b>	115.98
Cash Credit facilities (Refer Note 19)	<b>(1,406.68)</b>	(1,413.18)
	<b>(917.16)</b>	(713.02)

The accompanying notes are an integral part of the financial statements

Note:

The Cash Flow Statement has been prepared under indirect method as set out in Indian Accounting Standard (Ind AS - 7 'Statement of Cash Flows)

As per our report of even date

For **DALAL DOSHI & ASSOCIATES**

Firm Registration No. 121773W

CHARTERED ACCOUNTANTS

**DINESH DOSHI**

PARTNER

Membership No. F-9464

Mumbai

Date: 29th May, 2017

For and on behalf of the Board of Directors

**HEMANT M. SHAH**

EXECUTIVE CHAIRMAN

**CHETAN MODY**

COMPANY SECRETARY

Mumbai

Date: 29th May, 2017

**VYOMESH M. SHAH**

MANAGING DIRECTOR

**NANCY PEREIRA**

CHIEF FINANCIAL OFFICER

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST M

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

### Note '1' : Company Overview And Significant Accounting Policies

#### 1.1 Company Overview

Hubtown Limited is a listed public limited company domiciled in India, incorporated under the Companies Act, 1956. The Company is engaged in real estate business of construction and development of Residential and Commercial Premises, Build Operate Transfer (BOT) Projects, etc. through both - on its own and through its subsidiaries / joint ventures / associate companies.

1.2 The financial statements were approved by the Company's Board of Directors and authorised for issue on 29th May, 2017.

### Note '2' : Recent Accounting Pronouncement

#### a) Standards issued but not effective

Information on new standards, amendments and interpretations that are expected to be relevant to the financial statements is provided below.

The standards issued, but not effective up to the date of issuance of the financial statements are disclosed below. In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of cash flows' and Ind AS 102, 'Share-based payment'. The Group intends to adopt this standard and amendments when it becomes effective.

##### i) Ind AS 115 - Revenue from Contracts with Customers

Ind AS 115 was issued in February 2016 and establishes a five-step model to account for revenue arising from contracts with customers. Under Ind AS 115 revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The new revenue standard will supersede all current revenue recognition requirements under Ind AS. This standard will come into force from accounting period commencing on or after April 1, 2018. The Company will adopt the new standard on the required effective date. The Company is evaluating the requirements of the amendment and its impact on the financial statements.

##### ii) Amendment to Ind AS 7

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

##### iii) Amendment to Ind AS 102

The amendment to Ind AS 102 provides specific guidance to measurement of cash-settled awards, modification of cash-settled awards and awards that include a net settlement feature in respect of withholding taxes.

It clarifies that the fair value of cash-settled awards is determined on a basis consistent with that used for equity-settled awards. Market-based performance conditions and non-vesting conditions are reflected in the 'fair values', but non-market performance conditions and service vesting conditions are reflected in the estimate of the number of awards expected to vest. Also, the amendment clarifies that if the terms and conditions of a cash-settled share-based payment transaction are modified with the result that it becomes an equity-settled share-based payment transaction, the transaction is accounted for as such from the date of the modification. Further, the amendment requires the award that include a net settlement feature in respect of withholding taxes to be treated as equity-settled in its entirety. The cash payment to the tax authority is treated as if it was part of an equity settlement. The Company is evaluating the requirements of the amendment and its impact on the financial statements.

#### b) Disclosures as required by Indian Accounting Standard (Ind AS) 101 First time adoption of Indian Accounting Standard

The Company has adopted Ind AS with effect from 1st April, 2016 with comparatives being restated. Accordingly the impact of transition has been provided in the Opening Reserves as at 1st April, 2015 and all the periods presented have been restated accordingly. Exemptions availed on first time adoption of Ind AS 101: On first time adoption of Ind AS, Ind AS 101 allows certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has availed the following exemptions:

- i) Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for investment property covered by Ind AS 40 Investment Properties. Accordingly, the Company has elected to measure all of its property, plant and equipment and investment property at their previous GAAP carrying value.
- ii) The Company has opted to continue with the carrying values measured under the previous GAAP and use that carrying value as the deemed cost for investment in subsidiaries, associates and joint ventures on the date of transition to Ind AS.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

### Note '2' : (Contd.)

#### c) First Time Ind AS Adoption Reconciliations

Reconciliation between total equity previously reported under Indian GAAP and IND AS for the year ended 31st March, 2016 and 1st April, 2015 is furnished below:

Particulars	Notes	As at 31st March, 2016 (End of last period presented under previous GAAP) (₹ in lakhs)	As at 1st April, 2015 (Date of Transition) (₹ in lakhs)
<b>Total equity reported under previous Indian GAAP</b>		<b>173,272.78</b>	<b>171,142.73</b>
Gain on fair value of interest free loans	a	25.00	—
Investment carried at amortised cost	b	(51.05)	—
Adjustment on account of extended credit period	d	(1,612.91)	(2,358.09)
Adjustment on account of interest free rent deposits	e	1.23	—
Tax adjustments	c	531.36	765.08
<b>Total equity reported under Ind AS</b>		<b>172,166.41</b>	<b>169,549.72</b>

Reconciliation of net profit previously reported under Indian GAAP and IND AS for the year ended 31st March, 2016 is furnished below:

Particulars	Notes	As at 31st March, 2016 (End of last period presented under previous GAAP) (₹ in lakhs)
<b>Net Profit for the year under previous Indian GAAP</b>		<b>2,130.05</b>
Gain on fair value of interest free loans	a	25.00
Investment carried at amortised cost (Net)	b	(51.05)
Gain on deferred rent income	e	6.97
Finance cost recognized on interest free lease deposits measured at present value	e	(5.74)
Gain on account of extended credit of receivables	d	745.17
Remeasurement of the net defined benefit	g	31.95
Tax adjustments	c	(233.71)
Changes on account of prior period adjustments	f	31.71
<b>Net profit as per Ind AS</b>		<b>2,680.35</b>
<b>Other comprehensive Income</b>	g	<b>(31.95)</b>
<b>Total Comprehensive Income</b>		<b>2,648.40</b>

- Under Ind AS, loans are valued at present value as compared to being carried at cost under the previous GAAP. This adjustment includes the difference between the book value and the present value of an interest free loan given to joint ventures, which is treated as investment. The interest on the present value of this loan is recognised over the tenure of the loan using the EIR method.
- Under Ind AS, Investment in debentures are carried at amortised cost. The effect of transition in investments and revenue from operations includes amount on account of such adjustments.
- Deferred tax have been recognised on the adjustments made on transition to Ind AS.
- Under Ind AS, non-current trade receivable or receivables with extended credit are recognised at their present value. The unwinding of the discount or difference between present value and carrying value is treated as interest income. The difference in trade receivable, revenue from operations and interest income between previous GAAP and Ind As is on account of these adjustment.
- Under Ind AS, interest free lease deposits are valued at present value as compared to being carried at transaction value under the previous GAAP. This adjustment includes the difference between the book value and present value of interest free security deposits which has been recognised as deferred rent income. This amount is subsequently credited to the Statement of Profit and Loss on a straight line basis as lease income. Further, interest expense computed on the present value of the security deposit is recognised over the tenure of the security deposit using the EIR method.
- Under Ind AS prior period adjustments have to be retrospectively restated, as if a prior period error had never occurred.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

### Note '2' : (Contd.)

- g. Under Ind AS, actuarial gains and losses are recognised in the OCI as compared to being recognised in the Statement of Profit and Loss under the previous GAAP.
- h. **Statement of cash flows:** There were no significant reconciliation items between cash flows prepared under previous GAAP and those prepared under Ind AS.

### Note '3' : Basis of preparation of Financial Statements

The financial statements of the Company have been prepared to comply in all material respects with the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015. The financial statements for all periods upto and including year ended 31st March 2016 were prepared in accordance with the Companies (Accounting Standards) Rules, 2006 notified under Section 133 of the Companies Act, 2013 ("the Act"), read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) ("previous GAAP"). The financial statements for the year ended 31st March, 2017 are the first financial statements prepared by the Company in accordance with Ind AS. Refer note 2 (b) for information on how the Company adopted Ind AS.

The financial statements have been prepared under the historical cost convention with the exception of certain financial assets and liabilities which have been measured at fair value, on an accrual basis of accounting.

All the assets and liabilities have been classified as current or non-current, wherever applicable, as per the operating cycle of the Company as per the guidance set out in Schedule III to the Act. Operating cycle for the business activities of the Company covers the duration of the project/contract including the defect liability period, wherever applicable, and extends upto the realisation of receivables (including retention monies, if any) within the credit period normally applicable to the respective project.

The Company's financial statements are reported in Indian Rupees (In Lakhs), which is also the Company's functional currency, and all values are rounded to the nearest thousand (₹,000), except when otherwise indicated.

#### I. Significant accounting judgments, estimates and assumptions

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgments, estimates and assumptions that affect the reported balances of revenues, expenses, assets and the liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcome that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

##### a) Judgments

###### Classification of property

The Company determines whether a property is classified as investment property or inventory property. Investment property comprises land and buildings that are not occupied substantially for use by, or in the operations of the Company, nor for sale in the ordinary course of business, but are held primarily to earn rental income and capital appreciation. These buildings are substantially rented to tenants and not intended to be sold in the ordinary course of business. Inventory comprises property that is held for sale in the ordinary course of business. Principally, these are properties that the Company develops and intends to sell before or on completion of construction.

##### b) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

###### i) Revenue Recognition

The Company uses the percentage-of-completion method in accounting for its revenue. The percentage of completion is measured by reference to the stage of the projects and contracts determined based on the proportion of contract costs incurred for work performed to date bear to the estimated total contract costs. Costs of the project are based on the management's estimate of the cost to be incurred upto the completion of the projects and include cost of land, Floor Space Index (FSI), materials, services and other expenses attributable to the projects. Estimates of project income, as well as project costs, are reviewed periodically. Costs expended have been used to measure progress towards completion of work. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

###### ii) Estimation of net realisable value for inventory (including advance to land owner)

Inventory are stated at the lower of cost and net realisable value (NRV).

NRV for completed property is assessed by reference to market conditions and prices existing at the reporting date and is determined by the Company, based on comparable transactions identified by the Company for properties in the same geographical market serving the same real estate segment.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

### Note '3' : (Contd.)

NRV in respect of inventory under construction / incomplete projects is assessed with reference to market prices at the reporting date for similar completed property, less estimated costs to complete construction and an estimate of the time value of money to the date of completion.

With respect to advances given to land owners, the net recoverable value is based on the present value of future cash flows, which depends on the estimate of, among other things, the likelihood that a project will be completed, the expected date of completion, the discount rate used and the estimation of sale prices and construction costs.

#### iii) Valuation of investment in/ loans to subsidiaries

The Company has performed valuation for its investments in equity of subsidiaries, associates and Joint Ventures for assessing whether there is any impairment. When the fair value of investments in such entities cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow model.

Similar assessment is carried out for exposure of the nature of loans and interest receivable thereon as well as project advances. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as expected earnings in future years, liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported amounts of these investments, loans and advances.

## II. Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will accrue to the Company and the revenue can be reliably measured and also when it is reasonably certain that the ultimate collection will be made and that there is buyer's commitment to make the complete payment.

### A. Revenue from sale of properties / development rights

- i. The Company has adopted the principles of revenue recognition on the basis of "Guidance note on Accounting for Real Estate Transactions" issued by the Institute of Chartered Accountants of India, for the entities to whom Ind AS is applicable.
- ii. Revenue from sale of 'finished properties / buildings / rights' is recognised on transfer of all significant risks and rewards of ownership of such properties / buildings / rights, as per the terms of the contracts entered into with buyer(s), which generally coincides with the firming of the sale contracts/ agreements, except for contracts where the Company still has obligations to perform substantial acts even after the transfer of all significant risks and rewards.
- iii. Revenue from sale of incomplete properties / projects is recognized on the basis of percentage of completion method only if the following thresholds have been met :
  - a. All critical approvals necessary for the commencement of the project have been obtained;
  - b. The expenditure incurred on construction and development costs, excluding land costs, is not less than 25% of the total estimated construction and development costs of the project;
  - c. Atleast 25% of the saleable project area is secured by agreements with the buyers; and
  - d. Atleast 10% of the agreement value of each sold unit has been received at the reporting date in respect of such contracts with the buyers.

Further, revenue recognized in the aforesaid manner and related costs are both restricted to 90% until the construction activity and related formalities are substantially completed. Recognition of revenue relating to agreements entered into with the buyers, which are subject to fulfillment of obligations / conditions imposed on the Company by statutory authorities is postponed till such obligations are substantially discharged.

Estimated costs relating to construction / development are charged to the Statement of Profit and Loss in proportion to the revenue recognized during the year. The balance costs are carried as part of 'Incomplete Projects' as inventories under current assets. Amounts receivable / payable are reflected as 'Trade Receivables / Unbilled Receivables or Advances from Customers', respectively, after considering income recognized in the aforesaid manner.

- iv. Losses expected to be incurred on projects under construction, are charged in the Statement of Profit and Loss in the period in which the losses are known.
- v. Costs of the projects are based on the management's estimate of the cost to be incurred upto the completion of the projects and include cost of land, Floor Space Index (FSI), materials, services and other expenses attributable to the projects. Estimates of project income, as well as project costs, are reviewed periodically.
- vi. The sale proceeds of the investments held in subsidiaries, joint ventures, etc. developing real estate projects are included in revenue from operations, net of cost.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

### Note '3' : (Contd.)

#### B. Revenue from Trading Materials:

Revenue from sale of trading material is recognised when significant risks and rewards associated with the sale of material is transferred to the buyer.

#### C. Revenue from project management services:

Revenue from 'project management services' is recognized based on the agreements between the Company and the parties to whom such services are rendered.

#### D. Profit / loss from partnership firms / association of persons:

Share of profit / loss from partnership firms / association of persons (AOP) is recognised on the basis of their audited/ management reviewed accounts, which is considered as a part of other operating activity.

#### E. Income from leased premises:

Lease income from operating lease is recognised in the Statement of Profit and Loss on straight line basis after adjusting for escalation over the lease term except where the lease incomes are structured to increase in line with expected general inflation.

#### F. Interest and dividend:

Interest income including income arising on other instruments is recognised on time proportion basis using the effective interest rate method.

Dividend income is recognized when the right to receive dividend is established.

#### G. Others:

Other revenues / incomes and costs / expenditure are accounted on accrual, as they are earned or incurred.

### III. Property plant and equipment, investment property and depreciation / amortisation

- A. Tangible fixed assets are stated at cost of acquisition or construction including attributable interest and finance cost, if any till the date of acquisition/installation of the assets, less accumulated depreciation/amortisation and accumulated impairment losses, if any.
- B. Subsequent expenditure relating to Property, Plant and Equipment is capitalised only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the Statement of Profit and Loss as incurred. The cost and related accumulated depreciation are eliminated from the financial statements, either on disposal or when retired from active use and the resultant gain or loss are recognised in the Statement of Profit and Loss.
- C. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. Depreciation on additions to assets or on sale/disposal of assets is calculated pro-rata from the month of such addition, or upto the month of such sale/disposal, as the case may be.

Asset Category	Estimated useful life (in Years)
Plant and Machinery (Mivan System)	3 to 5
Computer servers and network systems	6
Computer desktops and laptops	3
Office Equipments	5
Vehicles	8
Furniture and Fixture	10
Completed Investment Properties	60
Leasehold Land	Over the Primary Lease period
Commercial Premises	60

The residual values, useful lives and methods of depreciation of property plant equipment are reviewed at each financial year and adjusted prospectively, if appropriate.

- D. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes to the financial statements. Fair values are determined based on an annual evaluation.

- E. On transition to Ind AS, the Company has opted to continue with the carrying values measured under the previous GAAP as at 1st April, 2015 of its Property, Plant and Equipment and Investment property and use that carrying value as the deemed cost on the date of transition i.e. 1st April, 2015.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

### Note '3' : (Contd.)

#### IV. Intangible assets and amortisation

Acquired computer softwares are classified as intangible assets and are stated at cost less accumulated amortisation. These are being amortised over the estimated useful life of five years, as determined by the management.

#### V. Financial Instruments

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

##### A. Financial Assets

##### i. Initial recognition

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model with an objective to hold these assets 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. Interest income from these financial assets is included in finance income using the effective interest rate ("EIR") method. Impairment gains or losses arising on these assets are recognised in the Statement of Profit and Loss.

##### ii. Subsequent measurement

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

##### a) Financial Assets at 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.

##### b) Financial Assets Measured at Fair Value

Financial assets are measured at fair value through OCI if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows or to sell these financial assets 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. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the Statement of Profit and Loss. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

Financial asset not measured at amortised cost or at fair value through OCI is carried at FVTPL.

On transition to Ind AS, the Company has opted to continue with the carrying values measured under the previous GAAP as at 1st April, 2015 of its investments in subsidiaries, associates and joint ventures and used that carrying value as the deemed cost of these investments on the date of transition i.e. 1st April, 2015.

##### iii. De-recognition of Financial Assets:

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

##### B. Equity Instruments and Financial Liabilities

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

##### i. Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments which are issued for cash are recorded at the proceeds received, net of direct issue costs. Equity instruments which are issued for consideration other than cash are recorded at fair value of the equity instrument.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

Note '3' : (Contd.)

### ii. Financial Liabilities

#### 1. Initial Recognition

Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL, loans and borrowings and payables as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

#### 2. Subsequent Measurement

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

##### - Financial liabilities at FVTPL

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. Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation. Amortisation is recognised as finance income in the Statement of Profit and Loss.

##### - Financial liabilities at amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the Statement of Profit and Loss. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

#### 3. De-recognition of Financial Liabilities

Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expired. 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 de-recognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

### C. Offsetting 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.

### VI. Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expires or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

### VII. Impairment

#### a. Financial assets

The Company recognizes 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 life time 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 the Statement of Profit or Loss.

#### b. Non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

### Note '3' : (Contd.)

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Impairment losses, including impairment on inventories, are recognised in the Statement of Profit and Loss.

#### i. Intangible assets and property, plant and equipment

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

#### ii. Provisions

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

### VIII. Taxation

#### i. Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using rates that have been enacted or substantively enacted by the end of the reporting period.

In case the Company is liable to pay income tax under Section 115JB of Income Tax Act, 1961 (i.e. MAT), the amount of tax paid in excess of normal income tax is recognized as an asset (MAT Credit entitlement) only if there is convincing evidence for realization of such asset during the specified period. MAT credit entitlement is reviewed at each Balance Sheet date.

#### ii. Deferred Tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

The carrying amount of deferred tax asset is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

#### iii. Current and deferred tax for the year

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

### IX. Inventories

All inventories are stated at lower of 'Cost or Net Realizable Value'.

- A. 'Stock of material at Site' includes cost of purchase, other costs incurred in bringing them to their respective present location and condition. Cost formula used is average cost.
- B. 'Incomplete Projects' include cost of incomplete properties for which the Company has not entered into sale agreements and in other cases where the revenue recognition is postponed. 'Incomplete Projects' also include initial project costs that relate directly to a (prospective) project, incurred for the purpose of securing the project. These costs are recognized as expenditure in the year in which they are incurred unless they are separately identifiable and it is probable that the respective project will be obtained.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

### Note '3' : (Contd.)

- C. Finished properties given under operating lease are disclosed under 'Non Current Assets' as 'Investment Properties'. The costs transferred to the 'Investment Properties' are shown as deductions from the costs carried in opening inventory and construction costs incurred during the year. These assets are depreciated / amortised as per the Accounting Policy Nos. (III)(C) and (III)(D). Although the Company considers these assets as Inventories held for sale in the ordinary course of business, the disclosure under 'Non Current Assets' as 'Investment Properties' and provision for depreciation / amortisation is made to comply with the requirements of Indian Accounting Standard (Ind AS) 17 – 'Leases' and Indian Accounting Standard (Ind AS) 40 - 'Investment Property'.
- D. Value of 'Floor Space Index' (FSI) generated is recognized as inventory at cost (i.e. proportionate rehab component cost) as and when necessary obligations / conditions are fulfilled in entirety, which are imposed on the Company by statutory authorities (viz. Rehabilitation Authority, etc.), in lieu of which the FSI is allotted to the Company. The value of FSI is either carried as inventory (at cost) held for intended sale or with the intention to utilise in construction of projects undertaken for sale.

Inventory value includes costs incurred upto the completion of the project viz. cost of land / rights, value of Floor Space Index (FSI), materials, services and other expenses (including borrowing costs) attributable to the projects. Cost formula used is average cost.

### X. Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after reporting period. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

### XI. Trade receivable

A receivable is classified as a 'trade receivable' if it is in respect of the amount due on account of goods sold or services rendered in the normal course of business. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the EIR method, less provision for impairment.

### XII. Employee benefits

#### a) Defined Contribution Plan

Contributions to defined contribution schemes such as provident fund, labour welfare fund are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. The Company's provident fund contribution is made to a government administered fund and charged as an expense to the Statement of Profit and Loss. The above benefits are classified as Defined Contribution Schemes as the Company has no further obligations beyond the monthly contributions.

#### b) Defined Benefit Plan

The Company provides for gratuity which is a defined benefit plans the liabilities of which is determined based on valuations, as at the balance sheet date, made by an independent actuary using the projected unit credit method. Re-measurement, comprising of actuarial gains and losses, in respect of gratuity are recognised in the OCI, in the period in which they occur. Re-measurement recognised in OCI are not reclassified in the Statement of Profit and Loss in subsequent periods.

The classification of the Company's obligation into current and non-current is as per the actuarial valuation report.

#### c) Leave Entitlement

Leave entitlement are provided based on an actuarial valuation, similar to that of gratuity benefit. Re-measurement, comprising of actuarial gains and losses, in respect of leave entitlement are recognised in the Statement of Profit and Loss in the period in which they occur.

#### d) Short-term Benefits

Short-term employee benefits such as salaries, performance incentives, etc., are recognised as expenses at the undiscounted amounts in the Statement of Profit and Loss of the period in which the related service is rendered. Expenses on non-accumulating compensated absences is recognised in the period in which the absences occur.

### XIII. Borrowings and Borrowing costs

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the Statement of Profit and Loss when the liabilities are de-recognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.



Interests and other borrowing costs included under finance costs calculated as per effective interest rate attributable to qualifying assets, which takes substantial period of time to get ready for its intended use are allocated as part of the cost of construction / development of such assets. Such allocation is suspended during extended periods in which active development is interrupted and, no costs are allocated once all such activities are substantially complete. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are charged to the Statement of Profit and Loss.

## XIV. Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue, if any.

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

## XV. Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

## XVI. Cash and Cash Equivalents

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

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

## XVII. Foreign currency transactions

- A. All transactions in foreign currency are recorded in the reporting currency, based on closing rates of exchange prevalent on the dates of the relevant transactions.
- B. Monetary assets and liabilities in foreign currency, outstanding as on the Balance Sheet date, are converted in reporting currency at the closing rates of exchange prevailing on the said date. Resultant gain or loss is recognized during the year in the Statement of Profit and Loss.
- C. Non monetary assets and liabilities denominated in foreign currencies are carried at the exchange rate prevalent on the date of the transaction.

## XVIII. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker regularly monitors and reviews the operating result of the whole Company as one segment of "Real Estate Development". Thus, as defined in landAS 108f "Operating Segment" company's mentareb usieoss allsd underthias one operatoneal mens andheanc

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

### Note '4'

#### Property, plant and equipment and capital work-in-progress

(₹ in lakhs)

	Leasehold land	Commercial Premises	Mivan System	Computers and Laptops	Furniture and Fixtures	Vehicles	Office Equipment	Total	Capital work-in-progress
<b>Gross Carrying Value (At Deemed Cost)</b>									
<b>Balance at 1st April, 2015</b>	37.29	837.35	366.39	17.49	460.53	932.20	99.06	2,750.31	22.84
Additions	—	—	—	1.58	0.08	15.52	0.86	18.04	—
Disposals	—	—	—	—	—	(10.66)	—	(10.66)	—
Adjustments	—	—	—	—	—	—	—	—	(22.84)
<b>Balance at 31st March, 2016</b>	37.29	837.35	366.39	19.07	460.61	937.06	99.92	2,757.69	—
<b>Accumulated depreciation and impairment</b>									
<b>Balance at 1st April, 2015</b>	17.39	151.27	345.27	14.89	243.25	532.16	64.52	1,368.75	—
Eliminated on disposal of assets	—	—	—	—	—	(10.66)	—	(10.66)	—
Depreciation charge	1.22	13.94	2.80	1.76	36.78	79.37	20.88	156.75	—
<b>Balance at 31st March, 2016</b>	18.61	165.21	348.07	16.65	280.03	600.87	85.40	1,514.84	—
<b>Net carrying value as on 31st March, 2016</b>	<b>18.68</b>	<b>672.14</b>	<b>18.32</b>	<b>2.42</b>	<b>180.58</b>	<b>336.19</b>	<b>14.52</b>	<b>1,242.85</b>	<b>—</b>

	Leasehold land	Commercial Premises	Mivan System	Computers and Laptops	Furniture and Fixtures	Vehicles	Office Equipment	Total	Capital work-in-progress
<b>Gross Carrying Value (At Deemed Cost)</b>									
<b>Balance at 1st April, 2016</b>	37.29	837.35	366.39	19.07	460.61	937.06	99.92	2,757.69	—
Additions	—	—	—	—	—	28.01	—	28.01	—
Disposals	—	—	—	—	—	(11.75)	—	(11.75)	—
<b>Balance at 31st March, 2017</b>	37.29	837.35	366.39	19.07	460.61	953.32	99.92	2,773.95	—
<b>Accumulated depreciation and impairment</b>									
<b>Balance at 1st April, 2016</b>	18.61	165.21	348.07	16.65	280.03	600.87	85.40	1,514.84	—
Eliminated on disposal of assets	—	—	—	—	—	(11.75)	—	(11.75)	—
Depreciation charge	1.23	12.75	—	1.52	33.17	80.35	9.88	138.90	—
<b>Balance at 31st March, 2017</b>	19.84	177.96	348.07	18.17	313.20	669.47	95.28	1,641.99	—
<b>Net carrying value as on 31st March, 2017</b>	<b>17.45</b>	<b>659.39</b>	<b>18.32</b>	<b>0.90</b>	<b>147.41</b>	<b>283.85</b>	<b>4.64</b>	<b>1,131.96</b>	<b>—</b>

#### Footnote:

Commercial premises includes cost of shares aggregating ₹ 0.04 lakhs (March 31, 2016: ₹ 0.04 lakhs ; April 1, 2015: ₹ 0.04 lakhs) carrying the occupancy rights in the commercial premises.

#### 4.1 Assets pledged as security

Leasehold land and Commercial property and vehicles with a carrying amount of ₹ 210.08 lakhs (As at 31st March, 2016: ₹ 208.65 lakhs;) have been pledged to secure the borrowings of the Company.

#### 4.2 Contractual obligations

Capital expenditure contracted for at the end of the reporting period (net of advances), but not recognised as liabilities is ₹ Nil (as at 31st March, 2016: ₹ Nil; as at 1st April, 2015: ₹ Nil).

#### 4.3 Leased Assets

None of the properties include amounts where the Company is a lessee under a finance lease.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017 (CONTD.)

### Note '5'

#### Investment property

(₹ in lakhs)

	Completed investment properties
<b>Gross Carrying Value (At Deemed Cost)</b>	
Balance at 1st April, 2015	5,150.80
Additions	185.78
Disposals	-
Transferred from property, plant and equipment	-
<b>Balance at 31st March, 2016</b>	<b>5,336.58</b>
<b>Accumulated depreciation and impairment</b>	
Balance at 1st April, 2015	828.15
Depreciation expense	144.17
Elimination on disposal	-
<b>Balance at 31st March, 2016</b>	<b>972.32</b>
<b>Net carrying value as on 31st March, 2016</b>	<b>4,364.26</b>
<b>Cost or deemed cost</b>	
Balance at 1st April, 2016	5,336.58
Additions	-
Disposals	-
<b>Balance at 31st March, 2017</b>	<b>5,336.58</b>
<b>Accumulated depreciation and impairment</b>	
Balance at 1st April, 2016	972.32
Depreciation expense	145.43
Eliminated on disposal of assets	-
<b>Balance at 31st March, 2017</b>	<b>1,117.75</b>
<b>Net carrying value as on 31st March, 2017</b>	<b>4,218.83</b>

#### 5.1 Amounts recognised in profit and loss for investment properties

	31st March, 2017	31st March, 2016
Rental Income	407.88	276.29
Direct operating expenses from property	-	-
<b>Profit from Investment properties before depreciation</b>	<b>407.88</b>	<b>276.29</b>
Depreciation	145.43	144.17
<b>Profit from Investment properties</b>	<b>262.45</b>	<b>132.12</b>
<b>Rental Income from others</b>	<b>188.94</b>	<b>28.87</b>

#### 5.2 Leasing Arrangements

Certain investment properties are leased to tenants.  
Minimum lease payments receivable are as follows.

	31st March, 2017	31st March, 2016	1st April, 2015
Within one year	796.41	143.67	130.11
Later than one but not later than 5 years	2,762.17	86.95	50.59
Later than 5 years	6.75	-	-

#### 5.3 Investment property pledged as security

Leasehold Land and Commercial property with a carrying amount of ₹ 4,039.39 lakhs (As at 31st March, 2016: ₹ 4,181.02 lakhs) have been pledged to secure the borrowings of the Company.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017 (CONTD.)

### 5.4 Fair Valuation of Investment Properties

Property Name	Fair Value (₹ in lakhs)	Basis
Mahalaxmi car park	22,610.00	Independent Valuer's Report
Others	3,161.21	Stamp Duty Ready Reckoner Rate

The Company has not determined the fair value of other properties from any independent valuer as at 31st March, 2017. Instead, the values disclosed above are based on ready reckoner rate of the said properties for the year ended 31st March, 2017 duly published by the Government of Maharashtra.

### Note '6'

#### Intangible assets

(₹ in lakhs)

#### Gross Carrying Value (At Deemed Cost)

#### Computer software

Balance at 1st April, 2015 519.16

Additions -

Disposals -

**Balance at 31st March, 2016 519.16**

#### Accumulated depreciation and impairment

Balance at 1st April, 2015 518.96

Eliminated on disposal of assets -

Depreciation expense 0.20

**Balance at 31st March, 2016 519.16**

**Net carrying value as on 31st March, 2016 -**

#### Cost or deemed cost

Balance at 1st April, 2016 519.16

Additions -

Disposals -

**Balance at 31st March, 2017 519.16**

#### Accumulated depreciation and impairment

Balance at 1st April, 2016 519.16

Eliminated on disposal of assets -

Depreciation expense -

**Balance at March 31, 2017 519.16**

**Net carrying value as on 31st March, 2017 -**

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

### Note '7'

#### Investments

	As at 31st March, 2017 (₹ in lakhs)	As at 31st March, 2016 (₹ in lakhs)	As at 1st April, 2015 (₹ in lakhs)
<b>Non Current</b>			
<b>(Carried at deemed cost)</b>			
<b>A) Investment in equity instruments (Unquoted)</b>			
<b>I) Subsidiary Companies (Fully paid up equity shares)</b>			
a) 50,000 (As at March 31, 2016: 50,000; April 1, 2015: 50,000) Equity shares of ₹ 10/- each <b>Diviniti Projects Private Limited</b>	<b>5.00</b>	5.00	5.00
b) 50,000 (As at March 31, 2016: 50,000; April 1, 2015: 50,000) Equity shares of ₹ 10/- each <b>Vishal Techno Commerce Limited</b>	<b>5.00</b>	5.00	5.00
c) 4,720 (As at March 31, 2016: 4,720; April 1, 2015: 4,720) Equity shares of ₹ 100/-each <b>Heet Builders Private Limited</b>	<b>652.82</b>	652.82	652.82
d) 50,000 (As at March 31, 2016: 25,500; April 1, 2015: 50,000) Equity shares of ₹ 10/- each <b>Devkrupa Build Tech Limited</b>	<b>5.00</b>	2.55	5.00
e) 37,000 (As at March 31, 2016: 37,000; April 1, 2015: 37,000) Equity shares of ₹ 10/- each <b>Gujarat Akruti - TCG Biotech Limited</b>	<b>3.70</b>	3.70	3.70
f) 50,000 (As at March 31, 2016: 50,000; April 1, 2015: 50,000) Equity shares of ₹ 10/-each <b>Urvi Build Tech Limited</b>	<b>5.00</b>	5.00	5.00
g) 36,215 (As at March 31, 2016: 36,215; April 1, 2015: 36,215) (Class 'A') Equity shares of ₹ 10/- each <b>Ackruti Safeguard Systems Private Limited</b>	<b>72.43</b>	72.43	72.43
h) 50,000 (As at March 31, 2016: 50,000; April 1, 2015: 50,000) Equity shares of ₹ 10/- each <b>Yantti Buildcon Private Limited</b>	<b>5.00</b>	5.00	5.00
i) 9,000 (As at March 31, 2016: 9,000; April 1, 2015: 9,000) Equity shares of ₹ 10/- each <b>Upvan Lake Resorts Private Limited</b>	<b>0.90</b>	0.90	0.90
j) 3,00,000 (As at March 31, 2016: 3,00,000; April 1, 2015: 3,00,000) Equity shares of ₹ 100 each <b>Vega Developers Private Limited</b>	<b>300.00</b>	300.00	300.00
k) 50,000 (As at March 31, 2016: 50,000; April 1, 2015: 50,000) Equity shares of ₹ 10/- each <b>ABP Realty Advisors Private Limited</b>	<b>5.00</b>	5.00	5.00
l) 10,000 (As at March 31, 2016: 10,000; April 1, 2015: 10,000) Equity shares of ₹ 10/- each <b>Headland Farming Private Limited</b>	<b>1.00</b>	1.00	1.00
m) 10,000 (As at March 31, 2016: 10,000; April 1, 2015: 10,000) Equity shares of ₹ 10/- each <b>Heddl Knowledge Private Limited</b>	<b>1.00</b>	1.00	1.00
n) 50,000 (As at March 31, 2016: 50,000; April 1, 2015: 50,000) Equity shares of ₹ 10/- each <b>Citygold Education Research Limited</b>	<b>5.00</b>	5.00	5.00
o) 10,000 (As at March 31, 2016: 10,000; April 1, 2015: 10,000) Equity shares of ₹ 10/- each <b>Citygold Farming Private Limited</b>	<b>1.00</b>	1.00	1.00
p) 50,000 (As at March 31, 2016: 50,000; April 1, 2015: 50,000) Equity shares of ₹ 10/- each <b>India Development and Construction Venture Capital Private Limited</b>	<b>5.00</b>	5.00	5.00
q) 1,24,31,045 (As at March 31, 2016: 1,24,31,045; April 1, 2015: 1,24,31,045) (Class 'A') Equity shares of ₹ 10/- each <b>Joynest Premises Private Limited</b>	<b>1,324.15</b>	1,324.15	1,324.15
r) 5,25,58,955 (As at March 31, 2016: 5,25,58,955; April 1, 2015: 5,25,58,955) (Class 'C') Equity shares of ₹ 10/- each <b>Joynest Premises Private Limited</b>	<b>5,255.90</b>	5,255.90	5,255.90
s) 7,400 (As at March 31, 2016: 7,400; April 1, 2015: 7,400) Equity Shares of ₹ 10/- each <b>Joynest Premises Private Limited</b>	<b>0.74</b>	0.74	0.74
t) 9,997 (As at March 31, 2016: 9,997; April 1, 2015: 7,497) Equity shares of ₹ 10/- each <b>Citywood Builders Private Limited</b>	<b>0.99</b>	0.99	0.75
<b>c/f</b>	<b>7654.63</b>	7652.18	7654.39

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

### Note '7' : Investments (Contd.)

		As at 31st March, 2017 (₹ in lakhs)	As at 31st March, 2016 (₹ in lakhs)	As at 1st April, 2015 (₹ in lakhs)
	<b>b/f</b>	<b>7654.63</b>	7652.18	7654.39
u)	50,000 (As at March 31, 2016: 50,000; April 1, 2015: 50,000) Equity Shares of ₹ 10/- each <b>Vama Housing Limited</b>	<b>5.00</b>	5.00	5.00
v)	1,00,000 (As at March 31, 2016: 1,00,000; April 1, 2015: 1,00,000) Equity Shares of ₹ 10/- each <b>Halitious Developer Limited</b>	<b>600.00</b>	600.00	600.00
w)	Nil (As at March 31, 2016: Nil; April 1, 2015: 50,000) Equity shares of ₹ 10/- each <b>Sheshan Housing and Area Development Engineers Limited</b>	-	-	5.00
		<b>8,259.63</b>	8,257.18	8,264.39
	Less: Provision for diminution in the value of investments (Refer Footnote a)	<b>10.90</b>	10.00	10.00
		<b>8,248.73</b>	8,247.18	8,254.39
<b>II) Joint Ventures</b>				
a)	50,000 (As at March 31, 2016: 50,000; April 1, 2015: 50,000) (Class 'A') Equity shares of ₹ 10/- each <b>Hubtown Bus Terminal (Mehsana) Private Limited</b>	<b>5.00</b>	5.00	5.00
b)	1,00,000 (As at March 31, 2016: 1,00,000; April 1, 2015: 1,00,000) (Class 'C') Equity shares of ₹ 10/- each <b>Hubtown Bus Terminal (Mehsana) Private Limited</b>	<b>629.00</b>	629.00	629.00
c)	50,000 (As at March 31, 2016: 50,000; April 1, 2015: 50,000) (Class 'A') Equity shares of ₹ 10/- each <b>Hubtown Bus Terminal (Vadodara) Private Limited</b>	<b>5.00</b>	5.00	5.00
d)	1,15,275 (As at March 31, 2016: 1,15,275; April 1, 2015: 1,15,275) (Class 'C') Equity shares of ₹ 10/- each <b>Hubtown Bus Terminal (Vadodara) Private Limited</b>	<b>592.29</b>	592.29	592.29
e)	50,000 (As at March 31, 2016: 50,000; April 1, 2015: 50,000) (Class 'A') Equity shares of ₹ 10/- each <b>Hubtown Bus Terminal (Adajan) Private Limited</b>	<b>5.00</b>	5.00	5.00
f)	1,15,463 (As at March 31, 2016: 1,15,463; April 1, 2015: 1,15,463) (Class 'C') Equity shares of ₹ 10/- each <b>Hubtown Bus Terminal (Adajan) Private Limited</b>	<b>1,057.49</b>	1,057.49	1,057.49
g)	10,000 (As at March 31, 2016: 10,000; April 1, 2015: 10,000) (Class 'A') Equity shares of ₹ 10/- each <b>Hubtown Bus Terminal (Ahmedabad) Private Limited</b>	<b>1.00</b>	1.00	1.00
h)	15,000 (As at March 31, 2016: 15,000; April 1, 2015: 15,000) (Class 'C') Equity shares of ₹ 10/- each <b>Hubtown Bus Terminal (Ahmedabad) Private Limited</b>	<b>2,132.00</b>	2,132.00	2,132.00
i)	22,859 (As at March 31, 2016: 22,859; April 1, 2015: 14,475) Equity shares of ₹ 10/- each <b>Twenty Five South Realty Limited (Formerly known as Hoary Realty Limited)</b>	<b>29,208.14</b>	29,208.14	9,508.14
j)	28,37,270 (As at March 31, 2016: 28,37,270 ; April 1, 2015: 28,37,270)(Class 'A') Equity shares of ₹ 10/- each <b>Rare Townships Private Limited</b>	<b>7,345.84</b>	7,345.84	7,345.84
k)	4,25,000 (As at March 31, 2016: 4,25,000; April 1, 2015: 4,25,000) (Class 'B') Equity shares of ₹ 10/- each <b>Rare Townships Private Limited</b>	<b>100.00</b>	100.00	100.00
l)	25,000 (As at March 31, 2016: 25,000; April 1, 2015: 25,000) Equity shares of ₹ 100/- each <b>Joyous Housing Limited</b>	<b>25.00</b>	25.00	25.00
m)	1,29,000 (As at March 31, 2016: 129,000; April 1, 2015: 1,29,000) Equity shares of ₹ 10/- each <b>Sunstream City Private Limited</b>	<b>12.90</b>	12.90	12.90
		<b>41,118.66</b>	41,118.66	21,418.66
	Equity contribution by way of interest free loans given to Joyous Housing Limited (Refer point a to Note 2(c))	<b>568.20</b>	568.20	568.20
		<b>41,686.86</b>	41,686.86	21,986.86

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

### Note '7' : Investments (Contd.)

	As at 31st March, 2017 (₹ in lakhs)	As at 31st March, 2016 (₹ in lakhs)	As at 1st April, 2015 (₹ in lakhs)
<b>III) Associate Companies</b>			
a) Nil (As at March 31, 2016: Nil; April 1, 2015: 8,000) Equity shares of ₹ 10/- each (Refer footnote b)			
<b>Pristine Developers Private Limited</b>	-	-	0.80
b) 25,000 (As at March 31, 2016: 25,000; April 1, 2015: 25,000) Equity shares of ₹ 10/- each			
<b>Whitebud Developers Limited</b>	2.50	2.50	2.50
c) Nil (As at March 31, 2016: Nil; April 1, 2015: 4,350) Equity shares of ₹ 10/- each			
<b>Yellowcity Builders Private Limited</b>	-	-	0.44
d) 5,000 (As at March 31, 2016: 5,000; April 1, 2015: 5,000) Equity shares of ₹ 10/- each			
<b>Shubhsiddhi Builders Private Limited</b>	0.50	0.50	0.50
e) 6,095 (As at March 31, 2016: 6,095; April 1, 2015: 6,095) (Class 'A') Equity shares of ₹ 10/- each			
<b>Vinca Developer Private Limited</b>	0.61	0.61	0.61
f) Nil (As at March 31, 2016: 7,353; April 1, 2015: Others)(Class 'B') Equity Shares of ₹ 10/- each			
<b>Giraffe Developers Private Limited (Refer Footnote c)</b>	-	5,004.79	-
g) Nil (As at March 31, 2016: Nil; April 1, 2015: 4,50,000) Equity shares of ₹ 10/- each			
<b>Comral Realty Private Limited</b>	-	-	45.21
	<b>3.61</b>	<b>5,008.40</b>	<b>50.06</b>
Less: Provision for diminution in the value of investments	<b>0.61</b>	<b>0.61</b>	<b>0.61</b>
	<b>3.00</b>	<b>5,007.79</b>	<b>49.45</b>
<b>IV) Others</b>			
a) 240 (As at March 31, 2016: 240; April 1, 2015: 240)Equity shares of ₹ 100/- each			
<b>Citygold Management Services Private Limited</b>	0.24	0.24	0.24
b) 6,000 (As at March 31, 2016: 6,000 ; April 1, 2015: 6,000)(Class 'B') Equity shares of ₹ 50/- each			
<b>Hogmanay Niharika Buildings Limited</b>	3.00	3.00	3.00
c) Nil (As at March 31, 2016: Associate; April 1, 2015: 7,353)(Class 'B') Equity Shares of ₹ 10/- each			
<b>Giraffe Developers Private Limited (Refer Footnote c)</b>	-	-	5,004.79
d) 37,815 (As at March 31, 2016: 37,815; April 1, 2015:37,815) Equity shares of ₹ 10/- each			
<b>Janakalyan Sahakari Bank Limited</b>	3.78	3.78	3.78
e) 1 (As at March 31, 2016: 1; April 1, 2015:1) Equity Share of ₹ 10/- each			
<b>E Commerce Magnum Solutions Limited</b>	1.00	1.00	1.00
	<b>8.02</b>	<b>8.02</b>	<b>5,012.81</b>
<b>Total (I+II+III+IV)</b>	<b>49,946.61</b>	<b>54,949.85</b>	<b>35,303.51</b>
<b>B) i. Investment in Preference Shares (At deemed cost) (Unquoted)</b>			
a) 20,000 (As at March 31, 2016: 20,000; April 1, 2015: 20,000) Cumulative convertible preference shares of ₹ 100/- each			
<b>Ackruti Safeguard Systems Private Limited (Subsidiary)</b>	20.00	20.00	20.00
b) 1,865 (As at March 31, 2016: 1,865; April 1, 2015: 1,865) 10% Non-Cumulative Redeemable Preference Shares of ₹ 10/- each			
<b>Twenty Five South Realty Private Limited (Joint Venture) (Formerly known as Hoary Realty Limited)</b>	0.19	0.19	0.19
c) 6,671 (As at March 31, 2016: 6,671; April 1, 2015: 6,671) 21% Cumulative Optionally Convertible Redeemable Preference Shares of ₹ 10/- each			
<b>E Commerce Magnum Solutions Limited</b>	6,671.00	6,671.00	6,671.00
	<b>6,691.19</b>	<b>6,691.19</b>	<b>6,691.19</b>

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

## Note '7': Investments (Contd.)

	As at 31st March, 2017 (₹ in lakhs)	As at 31st March, 2016 (₹ in lakhs)	As at 1st April, 2015 (₹ in lakhs)
<b>C) i. Investment in Debentures/Bonds (At Amortised Cost) (Unquoted)</b> 7,68,919 (As at March 31, 2016: 7,68,919; April 1, 2015: 7,68,919) Non - convertible debentures of ₹ 100/- each <b>Gujarat Akruti - TCG Biotech Limited (Subsidiary)</b>	<b>1,048.25</b>	897.79	768.92
<b>ii. Investment in Debentures (At Cost) (Unquoted)</b> 3,19,10,000 (As at March 31, 2016: 3,19,10,000; April 1, 2015: 3,19,10,000) 9% Optionally convertible debentures of ₹ 10/- each <b>Asmeeta Infratech Limited</b>	<b>3,191.00</b>	3,191.00	3,191.00
<b>iii. Investment in Bonds (At Amortised Cost)(Quoted during the year)</b> 39,13,310 (As at March 31, 2016: 39,13,310; April 1, 2015: NIL] Deep Discount Bonds, issued @ ₹ 2090/- of face value ₹ 10,000 [Tenure of 9 Year] <b>Sunstream City Private Limited (Joint Venture)</b>	<b>97,412.85</b>	81,873.10	-
<b>iv. Investment in Debentures, classified as equity by the investee (At Cost) (Unquoted)</b> 11,95,299 (As at March 31, 2016: 11,95,299; April 1, 2015: 11,95,299) Compulsorily Convertible Debentures of ₹ 100/- each <b>Gujarat Akruti - TCG Biotech Limited (Subsidiary)</b>	<b>1,195.30</b>	1,195.30	1,195.30
	<b>102,847.40</b>	87,157.19	5,155.22
<b>D) Investment in Mutual Funds (Quoted) (At cost) (Other than Trade)</b> <b>Growth Option</b>			
a) Nil (As at 31st March, 2016: Nil; 1st April, 2015: 37,37,71.464 units) Canara Robeco Dynamic Bond Fund [NAV Nil (As at 31st March, 2016: Nil; 1st April, 2015: 59.35 lakhs)]	-	-	53.00
b) Nil (As at 31st March, 2016: 2,14,423.564 units; 1st April, 2015: 37,942.441 units) Canara Robeco Medium Term Opportunities Fund [NAV Nil (As at 31st March, 2016: ₹ 26.05 lakhs; 1st April, 2015: 4.30 lakhs)]	-	25.00	4.00
c) Nil ICICI Prudential Short Term Plan - Regular Growth (As at March 31, 2016: NIL units; April 1, 2015: 1,75,550.703 units) [NAV Nil (As at 31st March, 2016: Nil; 1st April, 2015: 50.26 lakhs)]	-	-	50.00
	-	25.00	107.00
<b>E) Capital Investment in Partnership Firms and Joint Ventures (Refer footnote d)</b>	<b>4,225.50</b>	4,225.50	4,659.70
<b>F) Non-Controlling Capital Investment in Partnership Firms and Joint Ventures (Refer footnote d)</b>	<b>7,571.60</b>	7,571.60	11.60
Less: Provision for diminution in the value of investments	<b>1.60</b>	1.60	1.60
	<b>11,795.50</b>	11,795.50	4,669.70
<b>Total Non Current Investments (A+B+C+D+E)</b>	<b>171,280.70</b>	160,618.73	51,926.62
Aggregate amount of quoted investments	<b>97,412.85</b>	25.00	107.00
Aggregate amount of unquoted investments	<b>73,867.85</b>	160,593.73	51,819.62
Aggregate provision for diminution in value of investments:	<b>13.11</b>	12.21	12.21

### Footnotes:

- Diminution of ₹ 0.90 lakhs (31st March, 2016: ₹ Nil ; 1st April, 2015: ₹ 10.00 lakhs) has been made for Investments during the year.
- The Company has sold its entire holding in the share capital of Pristine Developers Private Limited, an associate during the year, vide sale deed dated 27th May, 2016. Therefore, the said investment has been classified as current investment as at 31st March, 2016.
- The Company has sold its entire holding in the share capital of Giraffe Developers Private Limited, an associate, vide sale deed dated 15th February, 2017.
- Details of investments made in the capital of partnership firms and joint ventures :



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

### Note '7' : Investments (Contd.)

#### A) Partnership firms

Name of the Partners	Share in profits (%)		
	31st March, 2017	31st March, 2016	1st April, 2015
<b>i. M/s. Akruti Jay Developers</b>			
Hubtown Limited	66.66	66.66	66.66
Hazel Erectors Private Limited	33.34	33.34	33.34
<b>Total Capital of the firm (₹ in lakhs)</b>	<b>2,491.50</b>	2,491.50	2,491.50
<b>ii. M/s. Shreenath Realtors</b>			
Hubtown Limited	92.50	92.50	92.50
Vakratunda Housing Private Limited	7.50	7.50	7.50
<b>Total Capital of the firm (₹ in lakhs)</b>	<b>2,120.54</b>	2,120.54	2,120.54
<b>iii. M/s. Akruti Kailash Constructions</b>			
Hubtown Limited	90.00	90.00	90.00
Ketan D. Shah	10.00	10.00	10.00
<b>Total Capital of the firm (₹ in lakhs)</b>	<b>0.58</b>	0.58	0.58
<b>iv M/s. Rising Glory Developers</b>			
Hubtown Limited	20.00	20.00	4.78
Akruti Safeguard Systems Private Limited	5.34	5.34	4.76
Citygold Education Research Limited	5.34	5.34	4.76
Citygold Farming Private Limited	5.34	5.34	4.76
Diviniti Projects Private Limited	5.34	5.34	4.76
Halitious Developer Limited	5.34	5.34	4.76
Headland Farming Private Limited	5.33	5.33	4.76
Heddle Knowledge Private Limited	5.33	5.33	4.76
Heet Builders Private Limited	5.33	5.33	4.77
Twenty Five South Realty Limited (Formerly known as Hoary Realty Limited)	-	-	4.76
Hubtown Bus Terminal (Adajan) Private Limited	-	-	4.76
Hubtown Bus Terminal (Ahmedabad) Private Limited	-	-	4.76
Hubtown Bus Terminal (Mehsana) Private Limited	-	-	4.76
Hubtown Bus Terminal (Surat) Private Limited	-	-	4.76
Hubtown Bus Terminal (Vadodara) Private Limited	-	-	4.76
Subhsiddhi Builders Private Limited	5.33	5.33	-
Joynest Premises Private Limited	-	-	4.76
Sunstream City Private Limited	10.66	10.66	4.77
Upvan Lake Resorts Private Limited	5.33	5.33	4.76
Vega Developers Private Limited	5.33	5.33	4.76
Whitebud Developers Limited	5.33	5.33	4.76
Yantti Buildcon Private Limited	5.33	5.33	4.76
<b>Total Capital of the firm (₹ in lakhs)</b>	<b>1.50</b>	1.50	2.10

Name of the Co-Venturers	Share in profits (%)		
	31st March, 2017	31st March, 2016	1st April, 2015
<b>B) Joint Ventures</b>			
<b>i. M/s. Akruti Jay Chandan Joint Venture</b>			
Hubtown Limited	50.00	50.00	50.00
Chandan Shanti Group of Companies	50.00	50.00	50.00
<b>Total Capital of the joint venture (₹ in lakhs)</b>	<b>282.40</b>	282.40	282.40
<b>ii. M/s. Akruti GM Joint Venture</b>			
Hubtown Limited	77.00	77.00	50.00
GM Construction	23.00	23.00	50.00
<b>Total Capital of the joint venture (₹ in lakhs)</b>	<b>910.00</b>	910.00	910.00
<b>iii. M/s. Primeria Joint Venture (Formerly known as Akruti Forefront Joint Venture)</b>			
Hubtown Limited	16.00	16.00	16.00
Forefront Property Developers Private Limited	84.00	84.00	84.00
<b>Total Capital of the joint venture (₹ in lakhs)</b>	<b>10.00</b>	10.00	10.00
<b>iv. M/s. Akruti Realty Forefront Combine</b>			
<b>Name of the Co-Venturers (dissolved on 31st March, 2016)</b>			
Hubtown Limited	-	-	90.00
Forefront Property Developers Private Limited	-	-	10.00
<b>Total Capital of the joint venture (₹ in lakhs)</b>	-	-	100.00
<b>v. M/s. Sunstone Developers Joint Venture</b>			
Hubtown Limited	5.00	5.00	5.00
Swapanranjan Infrastructure Private Limited	95.00	95.00	95.00
<b>Total Capital of the joint venture (₹ in lakhs)</b>	<b>100.00</b>	100.00	100.00
<b>vi. M/s. Celeste Joint Venture</b>			
Fourjone Realtors Private Limited	95.00	95.00	95.00
Hubtown Limited	5.00	5.00	5.00
<b>Total Capital of the joint venture (₹ in lakhs)</b>	<b>100.00</b>	100.00	100.00
<b>vii. M/s. Jairaj Developers - Unit 9 (from 18th February 2016)</b>			
Hubtown Limited	19.00	19.00	-
Shri. Jayant Hiralal Shah	31.00	31.00	-
Shri.Malav Jayant Shah	31.00	31.00	-
Giraffe Developers Private Limited	19.00	19.00	-
<b>Total Capital of the joint venture (₹ in lakhs)</b>	<b>100.00</b>	100.00	-

- e. The Company has investments in certain subsidiaries, joint ventures and associates aggregating ₹ 98217.00 lakhs (31st March, 2016: ₹ 82594.27 lakhs ; 1st April, 2015: ₹ 854.01 lakhs) and loans and project advances outstanding aggregating ₹ 26,800.36 lakhs (31st March, 2016: ₹

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

### Note '7': Investments (Contd.)

	As at 31st March, 2017 (₹ in lakhs)	As at 31st March, 2016 (₹ in lakhs)	As at 1st April, 2015 (₹ in lakhs)
<b>Current</b>			
<b>Investments in Associates (At deemed cost) (Unquoted)</b>			
NIL (As at March 31, 2016: 8,000; April 1, 2015: Non - Current) Equity shares of ₹ 10/- each (P.Y. Nil) [Refer Footnote c]			
<b>Pristine Developers Private Limited</b>	-	0.80	-
<b>Capital Investment in Partnership Firms and Joint Ventures (Refer footnotes a and b)</b>			
	<b>28.79</b>	28.79	165.33
	<b>28.79</b>	29.59	165.33
Aggregate amount of quoted investments	-	-	-
Aggregate amount of unquoted investments	<b>28.79</b>	29.59	165.33
Aggregate provision for diminution in value of investments	-	-	-

### Footnotes:

#### a. M/s. Akruti Steelfab Corporation

Name of the Partners

Hubtown Limited

Steelfab Turnkey Projects Limited

**Total Capital of the firm (₹ in lakhs)**

#### b. M/s. Hiranandani Akruti Joint Venture

Name of the Co-Venturers (Dissolved on 1st April, 2015)

Hubtown Limited

Surendra Hiranandani

Niranjan Hiranandani

**Total Capital of the firm (₹ in lakhs)**

#### c. The Company has sold its entire holding in the share capital of Pristine Developers Private Limited, an associate, vide sale deed dated 27th May, 2016.

	Share in profits (%)	
31st March, 2017	31st March, 2016	1st April, 2015
<b>55.00</b>	55.00	55.00
<b>45.00</b>	45.00	45.00
<b>100.00</b>	100.00	54.74

### Note '8'

#### Trade Receivables

#### Non-current

Unsecured, considered good

Related Party (Refer Note 35)

#### Total

#### Current

Unsecured, considered good

Related Party (Refer Note 35)

Others

Doubtful

Others

Less: Allowance for doubtful debts

	As at 31st March, 2017 (₹ in lakhs)	As at 31st March, 2016 (₹ in lakhs)	As at 1st April, 2015 (₹ in lakhs)
	-	-	3,902.62
	-	-	3,902.62
	<b>31,990.06</b>	14,390.95	2,144.24
	<b>1,640.94</b>	1,858.62	2,690.76
	<b>88.99</b>	-	-
	<b>(88.99)</b>	-	-
<b>Total</b>	<b>33,631.00</b>	16,249.57	4,835.00

### Footnotes:

- No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person, or from any firms or private companies in which any director is a partner, a director or a member.
- Trade receivables are non interest bearing and are generally on credit terms of 30 to 90 days.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

	As at 31st March, 2017 (₹ in lakhs)	As at 31st March, 2016 (₹ in lakhs)	As at 1st April, 2015 (₹ in lakhs)
<b>Note '9'</b>			
<b>Loans</b>			
<b>Non-current</b>			
Loans to related parties (Refer Note 35)			
Unsecured, considered good (Refer point a to Note 2 (c))	404.17	356.68	314.77
<b>Total</b>	404.17	356.68	314.77
<b>Current</b>			
Loans to related parties (Refer Note 35)			
Unsecured, considered good	4,421.04	7,164.62	6,699.06
Loans to others			
Unsecured, considered good	2,902.23	4,349.77	2,379.20
Loans to Employees	2.53	1.70	2.58
<b>Total</b>	7,325.80	11,516.09	9,080.84

### Footnote:

The Company has not charged interest on loans given by it to certain group entities developing real estate projects, in which the Company has a commercial and business interest.

<b>Note '10'</b>			
<b>Other financial assets</b>			
<b>Non-current</b>			
Bank balances (Refer Footnote)			
- Deposits with maturity of more than twelve months	0.16	0.16	-
- Margin money deposits	242.50	399.52	809.01
Security deposits	54.33	46.43	50.21
Project Advances			
- Related parties	-	35,630.92	104,908.49
- Others	-	8,210.28	7,781.10
Other Advances			
Advances recoverable			
- Related parties (Refer Note 35)	-	375.00	20,075.00
- Others	-	4,861.25	5,931.25
Doubtful			
- Related parties (Refer Note 35)	9.15	9.15	9.15
- Others	124.51	248.89	256.89
Less: Provision for doubtful advances	(133.66)	(258.04)	(266.04)
Other receivables			
Other than Trade Receivables	-	-	6,000.00
Interest accrued on fixed deposits	0.78	28.88	19.88
<b>Total</b>	297.77	49,552.44	145,574.94

### Footnote:

Balances with banks in margin money and fixed deposits are kept as security for guarantees / other facilities.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

### Note '10' : Other financial assets (Contd.)

	As at 31st March, 2017 (₹ in lakhs)	As at 31st March, 2016 (₹ in lakhs)	As at 1st April, 2015 (₹ in lakhs)
<b>Current</b>			
Security deposits	156.22	156.22	156.22
Project Advances (Refer Footnote a)			
- Related parties (Refer Note 35 and Footnote e of Note 7)	24,220.38	-	353.84
- Others	-	-	938.62
Other Advances			
Current Account Balances in Partnership Firms and Joint Ventures (Refer Note 35)	20,717.72	12,151.17	18,836.20
Advances recoverable			
- Related parties (Refer Note 35)	1,773.91	2,339.59	2,912.22
- Others	21,986.92	5,648.90	1,619.05
Other receivables			
- Other than Trade Receivables (Refer Footnote b)	7,262.70	2,091.70	1,667.77
- Interest accrued on fixed deposits	10.85	10.11	52.10
- Interest accrued on investments	1,357.11	1,098.64	840.17
- Interest accrued on loan - Related Party (Refer Note 35)	177.85	-	-
<b>Total</b>	<b>77,663.66</b>	<b>23,496.33</b>	<b>27,376.19</b>

### Footnotes:

- The amount funded by the Company to its subsidiaries, joint ventures and associate entities initially were in infant stage. These entities are on the verge of launching their own projects and are also in the process of obtaining finance facilities / investors, etc. on their own strength. In view of the above developments, project advances to these entities are considered as repayable on demand and hence re-classified as current assets during the year.
- Other receivables other than trade receivables includes ₹ 5,004.79 lakhs receivable towards sale of shares by the Company of one of its erstwhile associate.

### Note '11'

#### Income Tax Assets (Net)

	As at 31st March, 2017 (₹ in lakhs)	As at 31st March, 2016 (₹ in lakhs)	As at 1st April, 2015 (₹ in lakhs)
Income tax assets	4,893.73	4,070.00	5,816.31
Income tax liabilities	(2,206.71)	(1,742.14)	(4,319.71)
<b>Total</b>	<b>2,687.02</b>	<b>2,327.86</b>	<b>1,496.60</b>

#### Income Tax expense

	As at 31st March, 2017 (₹ in lakhs)	As at 31st March, 2016 (₹ in lakhs)
(a) Income Tax expense		
Current Tax	453.25	326.68
Tax in respect of earlier years	11.32	(671.03)
	464.57	(344.35)
Deferred Tax		
Decrease /(Increase) in deferred tax assets	(67.63)	(52.93)
(Decrease)/Increase in deferred tax liabilities	183.54	131.95
<b>Total deferred tax expense/(credit)</b>	<b>115.91</b>	<b>79.02</b>
<b>Income Tax expense/(credit)</b>	<b>580.48</b>	<b>(265.33)</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

### Note '11': Income Tax Assets (Net) (Contd.)

	As at 31st March, 2017 (₹ in lakhs)	As at 31st March, 2016 (₹ in lakhs)
(b) Reconciliation of tax expense and the accounting profit multiplied by the Company's tax rate		
Profit for the Year	1,234.56	2,415.02
Income tax expense calculated at 34.608%	427.26	835.79
Tax effects of amounts that are not deductible (taxable) in calculating taxable income:		
Effect of expenses that are not deductible in determining taxable profit	268.77	145.02
Effect of difference in rate of tax due to MAT	(163.78)	(320.39)
Effect of expenses that are deductible in determining taxable profit due to timing difference	(79.00)	(13.57)
Effect of income that is exempt from taxation	-	(320.17)
Effect on deferred tax due to timing difference (Refer Note 12)	115.91	79.02
Adjustments for current tax of prior periods	11.32	(671.03)
<b>Income tax expense</b>	<b>580.48</b>	<b>(265.33)</b>

	As at 31st March, 2017 (₹ in lakhs)	As at 31st March, 2016 (₹ in lakhs)	As at 1st April, 2015 (₹ in lakhs)
<b>Note '12'</b>			
<b>Deferred Tax balances (Net)</b>			
The following is the analysis of deferred tax asset / (liabilities) presented in the Balance Sheet			
Deferred Tax Asset	3,891.18	3,823.55	3,770.62
Deferred Tax Liability	(318.19)	(134.65)	(2.70)
<b>Total</b>	<b>3,572.99</b>	<b>3,688.90</b>	<b>3,767.92</b>
			(₹ in lakhs)

2016-2017	Opening Balance	Recognised in profit or loss	Closing Balance
<b>Deferred tax assets / (liabilities) in relation to:</b>			
Restating debtors at PV due to extended credit period and subvention scheme	597.83	(240.80)	357.03
Unwinding of debtors under subvention scheme	(74.53)	(105.19)	(179.72)
Unwinding of security deposit	1.86	7.32	9.18
Amortization of advance lease rent	(2.26)	(6.54)	(8.80)
On account of differential interest	16.57	9.56	26.13
Temporary difference in relation to investments in joint ventures	(8.11)	(9.23)	(17.34)
Depreciation	(49.75)	(62.58)	(112.33)
Provisions	86.13	(12.25)	73.89
Others	3,121.16	303.80	3,424.95
	<b>3,688.90</b>	<b>(115.91)</b>	<b>3,572.99</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

### Note '12' : Deferred Tax balances (Net) (Contd.)

			(₹ in lakhs)
2015-2016	Opening Balance	Recognised in profit or loss	Closing Balance
<b>Deferred tax assets / (liabilities) in relation to:</b>			
Restating debtors at PV due to extended credit period and subvention scheme	765.08	(167.24)	597.83
Unwinding of debtors under subvention scheme	-	(74.53)	(74.53)
Unwinding of security deposit	-	1.86	1.86
Amortization of advance lease rent	-	(2.26)	(2.26)
On account of differential interest	-	16.57	16.57
Temporary difference in relation to investments in joint ventures	-	(8.11)	(8.11)
Depreciation	(2.70)	(47.05)	(49.75)
Provisions	83.35	2.79	86.13
Others	2,922.20	198.95	3,121.16
	<b>3,767.92</b>	<b>(79.02)</b>	<b>3,688.90</b>

**Significant estimates:** Based on the approved plans and budgets, the Company has estimated that the future taxable income will be sufficient to absorb carried forward losses and unabsorbed depreciation, which the management believes is probable, and accordingly the Company has recognised deferred tax assets.

	As at 31st March, 2017 (₹ in lakhs)	As at 31st March, 2016 (₹ in lakhs)	As at 1st April, 2015 (₹ in lakhs)
<b>Note '13'</b>			
<b>Other assets</b>			
Non-current			
Capital Advances (Unsecured, considered good)			
Related parties	4,881.41	4,748.00	7,950.00
Others	1,681.00	1,681.00	1,981.00
Advances to land owners (Unsecured, considered good)	1,821.01	2,211.01	2,604.06
Other advances			
Deposits against subjudised matter (Refer Footnote)	4,700.00	1,000.00	-
Prepaid Expense	24.09	28.88	63.86
<b>Total</b>	<b>13,107.51</b>	<b>9,668.89</b>	<b>12,598.92</b>

### Footnote:

The Company has deposited a security amount of ₹ 4,700.00 lakhs upto 31st March, 2017 with the Hon'ble Sessions Court, Mumbai in connection with an ongoing case with regard to a commercial transaction with an erstwhile associate company. In this connection, a bank account of the Company has been attached by the Maharashtra State CID. During the quarter ended 31st March, 2017, the Hon'ble Session Court, Mumbai has vide its Order dated January 20, 2017, stayed further deposit of security with the said Court till further order.

	As at 31st March, 2017 (₹ in lakhs)	As at 31st March, 2016 (₹ in lakhs)	As at 1st April, 2015 (₹ in lakhs)
<b>Current</b>			
Advances to land owners	-	8,047.00	8,048.00
Advance to Suppliers	958.89	890.10	220.41
Unbilled revenue	7,178.83	4,707.58	4,422.41
Other Advances			
Prepaid Expense	4.04	38.59	481.51
Others	392.04	171.21	97.18
<b>Total</b>	<b>8,533.80</b>	<b>13,854.48</b>	<b>13,269.51</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

	As at 31st March, 2017 (₹ in lakhs)	As at 31st March, 2016 (₹ in lakhs)	As at 1st April, 2015 (₹ in lakhs)
<b>Note '14'</b>			
<b>Inventories</b>			
Inventories (lower of cost or net realisable value)			
Stock of material at site	189.49	67.58	348.24
Incomplete projects	90,712.61	96,132.05	82,704.42
Floor space index (FSI)	126.26	240.30	364.29
<b>Total</b>	<b>91,028.36</b>	<b>96,439.93</b>	<b>83,416.95</b>

### Footnotes :

- Incomplete Projects includes ₹ 700.27 lakhs on account of dissolution of a joint venture in F.Y. 2015-16.
- The projects are under various stages of development and are expected to have net realisable value greater than the cost.
- Incomplete projects include inventory with carrying value of ₹ 50,546.12 lakhs (As at 31st March, 2016: ₹ 49,362.99 lakhs) which have been pledged against the borrowings of the Company. The Company has various projects under construction, and it has obtained loans / financial facilities against the mortgage of units to be constructed on the said projects and the same is refelcted as inventory. The Company has also sold units which are under construction and the lender has issued NOC for the same.

	As at 31st March, 2017 (₹ in lakhs)	As at 31st March, 2016 (₹ in lakhs)	As at 1st April, 2015 (₹ in lakhs)
<b>Note '15'</b>			
<b>Cash and cash equivalents</b>			
Balances with banks:			
- in current accounts	345.19	546.78	1,729.23
- in deposits with maturity of less than three months	132.56	115.98	66.27
Cash on hand	11.77	37.40	20.87
<b>Cash and cash equivalents as per Balance Sheet</b>	<b>489.52</b>	<b>700.16</b>	<b>1,816.37</b>
Working Capital Loan from bank (Refer Note 19)	(1,406.68)	(1,413.18)	(1,628.42)
<b>Cash and cash equivalents as per Statement of Cash Flows</b>	<b>(917.16)</b>	<b>(713.02)</b>	<b>187.95</b>

### Footnote:

Balances with banks in margin money and fixed deposits are kept as security for guarantees / other facilities.

	As at 31st March, 2017 (₹ in lakhs)	As at 31st March, 2016 (₹ in lakhs)	As at 1st April, 2015 (₹ in lakhs)
<b>Note '16'</b>			
<b>Other bank balances</b>			
Unpaid dividend accounts	3.33	3.92	4.89
Deposits with maturity of more than three months but less than twelve months	35.85	24.50	25.06
Margin money deposits	100.12	220.32	1,194.25
<b>Total</b>	<b>139.30</b>	<b>248.74</b>	<b>1,224.20</b>

### Footnote:

Balances with banks in margin money and fixed deposits are kept as security for guarantees / other facilities.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017 (CONTD.)

### Note '17'

#### Equity share capital

##### Authorised Share Capital:

125,000,000 (As at 31st March, 2016: 125,000,000; As at 1st April, 2015: 125,000,000)  
Equity Shares of ₹ 10/- each

##### Issued and subscribed capital comprises:

72,735,871 (As at 31st March, 2016: 72,735,871; As at 1st April, 2015: 72,735,871)  
Equity Shares of ₹ 10/- each fully paid up

As at 31st March, 2017 (₹ in lakhs)	As at 31st March, 2016 (₹ in lakhs)	As at 1st April, 2015 (₹ in lakhs)
12,500.00	12,500.00	12,500.00
7,273.59	7,273.59	7,273.59
7,273.59	7,273.59	7,273.59

#### a) Reconciliation of number of shares outstanding at the beginning and at the end of the year

	Number of shares	Share Capital (₹ in lakhs)
<b>Fully paid equity shares</b>		
Balance at 1st April, 2015	72,735,871	7,273.59
Add : Issued during the year	-	-
Less : Bought back during the year	-	-
Balance at 31st March, 2016	72,735,871	7,273.59
Add : Issued during the year	-	-
Less : Bought back during the year	-	-
<b>Balance at 31st March, 2017</b>	<b>72,735,871</b>	<b>7,273.59</b>

#### b) Terms / rights attached to equity shares

The Company has a single class of equity shares having a par value of ₹10 per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividend in Indian rupees.

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

#### c) Details of shares held by each shareholder holding more than 5% shares

	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	No of shares held	% holding of this class of shares	No of shares held	% holding of this class of shares	No of shares held	% holding of this class of shares
Fully paid equity shares						
Hemant M. Shah	5,800,000	7.97%	5,800,000	7.97%	5,800,000	7.97%
Vyomesh M. Shah	7,540,000	10.37%	7,540,000	10.37%	7,540,000	10.37%
Mahipatray V. Shah (HUF)	9,600,000	13.20%	9,600,000	13.20%	9,600,000	13.20%
Hemant M. Shah (HUF)	4,980,500	6.85%	4,980,500	6.85%	4,980,500	6.85%
Vyomesh M. Shah (HUF)	3,925,000	5.40%	3,925,000	5.40%	4,100,000	5.64%
Kunjai H. Shah	3,308,000	4.55%	3,308,000	4.55%	5,308,000	7.30%
Falguni V. Shah	5,929,772	8.15%	5,993,316	8.24%	5,993,316	8.24%

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

### Note 18

#### Other Equity

##### Securities premium reserve

	As at 31st March, 2017 (₹ in lakhs)	As at 31st March, 2016 (₹ in lakhs)	As at 1st April, 2015 (₹ in lakhs)
Balance at the beginning of the year	60,716.12	60,716.12	60,716.12
Add / (Less) :			
Appropriations	-	-	-
<b>Balance at the end of the year</b>	<b>60,716.12</b>	<b>60,716.12</b>	<b>60,716.12</b>

The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve. The reserve is utilised in accordance with the provisions of the Act.

##### Debenture redemption reserve

Balance at the beginning of the year	8,381.00	9,175.00	9,175.00
Add / (Less) :			
Amount transferred to general reserve	(3,721.85)	(794.00)	-
<b>Balance at the end of the year</b>	<b>4,659.15</b>	<b>8,381.00</b>	<b>9,175.00</b>

A debenture redemption reserve is a reserve that any Indian company that issues debentures must create to protect investors against the possibility of default by the company.

##### General reserve

Balance at the beginning of the year	24,614.00	23,820.00	23,820.00
Add / (Less) :			
Amount transferred from Debenture redemption reserve	3,721.85	794.00	-
<b>Balance at the end of the year</b>	<b>28,335.85</b>	<b>24,614.00</b>	<b>23,820.00</b>

General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. This reserve will be utilised in accordance with the provisions of the Act.

##### Retained Earnings

Balance at the beginning of the year	71,181.70	68,565.01	68,565.01
Prior Period Errors	-	(31.71)	-
Profit attributable to the owners of the company	654.08	2,680.35	-
Items of OCI recognised directly in retained earnings	1.64	(31.95)	-
<b>Balance at the end of the year</b>	<b>71,837.42</b>	<b>71,181.70</b>	<b>68,565.01</b>
<b>Total</b>	<b>165,548.54</b>	<b>164,892.82</b>	<b>162,276.13</b>

#### Footnote :

The Company, owing to liquidity issues, has not invested / deposited ₹ 630.95 lakhs (As at 31st March, 2016: ₹ 1,257.61 lakhs; As at 1st April, 2015: ₹ 1,382.46 lakhs) in the manner prescribed under Rule 18(7)(c) of the Companies (Share Capital and Debentures) Rules, 2014 notified by the Ministry of Corporate Affairs.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

	As at 31st March, 2017 (₹ in lakhs)	As at 31st March, 2016 (₹ in lakhs)	As at 1st April, 2015 (₹ in lakhs)
<b>Note '19'</b>			
<b>Borrowings</b>			
<b>Non-current</b>			
Secured			
(i) Debentures			
Nil (As at 31st March, 2016: 10,000; 1st April 2015: 10,000) Redeemable non-convertible debentures of the face value of ₹ 1,00,000 each (Refer footnote a)	-	5,884.07	6,716.40
(ii) Term Loans			
- From banks (Refer footnote b)	40,828.15	59,442.10	65,871.82
- From financial institutions (Refer footnote c)	18,385.12	10,300.00	5,000.00
	59,213.27	69,742.10	70,871.82
(iii) Other Loans			
- Loans from Others (Refer footnote d)	84.74	101.27	146.62
	59,298.01	75,727.44	77,734.84
Less: Transferred to Current Maturities			
Of Long Term Debentures	-	(5,884.07)	(6,716.40)
Of Long Term Loans from Banks	(29,599.50)	(46,331.63)	(27,412.72)
Of Long Term Loans from Financial Institutions	(12,145.83)	-	(600.00)
Of Long Term Loans from Others	(31.87)	(42.82)	(45.35)
	(41,777.20)	(52,258.52)	(34,774.47)
<b>Total</b>	<b>17,520.81</b>	<b>23,468.92</b>	<b>42,960.37</b>

### Footnotes :

- a. As per third consent terms dated 8th June, 2016, outstanding amount was repayable with interest @ 22% p. a., of which last instalment was to be redeemed on or before 23rd December, 2016. The said debentures are secured by first and exclusive charge on the premises located at MIDC, Andheri (East), project located at Andheri (West) Mumbai and secured against pledge of equity shares in the Company held by the promoters of Hubtown Limited. The said Debentures which have matured and remain unpaid amounting to ₹ 4659.15 Lakhs have been disclosed under other current financial liability. However, the Company is in the process of renegotiating the terms of the Non – Convertible Debentures with the Debenture holders. Refer footnote (b) to Note 20.

- b. Secured term loans from banks carry interest rates within a range of 12.70% to 16.60 %. The nature of securities are:

Name of lenders	Security Offered (Further secured by personal guarantee of one or more promoters)
1. Bank of Maharashtra	i. Mortgage of land and structures of projects located at Andheri (East), Bandra (East) and Pune. ii. First charge by way of escrow of receivables from above projects.
2. Dena Bank	i. Mortgage of unsold area of commercial project at Andheri (East), Mumbai. ii. First charge by way of escrow of receivables from above project. iii. Registered mortgage of the premises in the project located at Mahalaxmi, Mumbai. iv. First charge on lease rent receivables from above premises.
3. Oriental Bank of Commerce	i. Mortgage of unsold units of residential projects located at Andheri (East). ii. First charge by way of escrow of receivables from above projects.
4. Union Bank of India	i. Registered mortgage of the premises in the project located at Mahalaxmi, Mumbai. ii. First charge on lease rent receivables from above premises.
5. United Bank of India	i. Registered mortgage of the premises in the project located at Andheri (East). ii. First charge on lease rent receivables from above premises.

- c. Secured loan from ECL Finance Limited (financial institution) carries IRR of 36.82%. This loan is secured against pledge of equity shares in the Company held by the promoters alongwith personal guarantee of the promoters and security of certain units of the premises in the project located at Andheri (West).

Secured loan from Indiabulls Housing Finance Limited (financial institution) carries IRR of 24.02%. This loan is secured against hypothecation of property of the Company located at Andheri (East) along with personal guarantee of the promoters.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

### Note '19' : Borrowings (Contd.)

d. Secured loans of ₹ 84.74 lakhs are vehicle loans from others, which carry interest rates within a range of 9.5 - 11% and are repayable by May, 2021.

e. Details of repayment of long term borrowings are as follows : (₹ in lakhs)

Particulars	* Up to 1 year	2 to 5 years	Above 5 years	Total
Term loans from Banks	29,599.50	10,836.26	392.39	40,828.15
Term loans from Financial Institutions	12,145.83	6,239.29	-	18,385.12
Loans from Others	31.87	52.87	-	84.74
<b>Total</b>	<b>41,777.20</b>	<b>17,128.42</b>	<b>392.39</b>	<b>59,298.01</b>

\* Including overdue amounts

f. Period and amount of continuing default as on Balance Sheet date in repayment of term loans and interest :

Particulars	31st March, 2017		31st March, 2016		1st April, 2015	
	₹ in lakhs	Period	₹ in lakhs	Period	₹ in lakhs	Period
Term loans from Banks						
Overdue instalments	262.38	Jan 17 to Mar 17	4,961.75	Jan 16 to Mar 16	839.74	Jan 15 to Mar 15
Interest	1,133.56	Jan 17 to Mar 17	1,533.07	Jan 16 to Mar 16	967.31	Jan 15 to Mar 15
Overdue instalments	3,366.73	Oct 16 to Mar 17	5,427.86	Sep 15 to Mar 16	-	
Interest	1,492.88	Oct 16 to Mar 17	1,657.30	Sep 15 to Mar 16	-	
Overdue instalments	6,292.02	Apr 16 to Mar 17	12,701.02	Apr 15 to Mar 16	-	
Interest	2,161.17	Apr 16 to Mar 17	1,735.32	Apr 15 to Mar 16	-	
Overdue instalments	16,457.33	Before Apr 16	51.15	Before Apr 15	-	
Interest	1,793.55	Before Apr 16	-		-	
Term loans from Financial Institutions						
Interest	-		-		171.23	Sept 14 to Mar 15
<b>Total</b>	<b>32,959.62</b>		<b>28,067.47</b>		<b>1,978.28</b>	

	As at 31st March, 2017 (₹ in lakhs)	As at 31st March, 2016 (₹ in lakhs)	As at 1st April, 2015 (₹ in lakhs)
<b>Current Secured</b>			
(i) Debentures			
Nil (As at 31st March, 2016: Nil; As at 1st April, 2015: 250) Redeemable non-convertible debentures of the face value of ₹ 10,00,000 each (Refer footnote a)	-	-	2,500.00
(ii) Working Capital Loan / Cash credit from Banks (Refer footnote to Note 13 and footnote b)	1,406.68	1,413.18	1,628.42
(iii) Loan from Financial Institution (Refer footnote c)	4,950.00	4,950.00	-
(iv) Loans repayable on demand:			
From companies (Refer footnotes d and e)	23,462.56	7,372.78	7,738.41
	<b>29,819.24</b>	<b>13,735.96</b>	<b>11,866.83</b>
<b>Unsecured</b>			
(i) Loans repayable on demand:			
- From Related Party (Refer Note 35 and footnote f)	-	4,523.57	3,956.54
- From companies (Refer footnote g)	15,155.68	15,878.93	15,513.34
- From others (Refer footnote g)	35,702.78	25,519.27	17,605.00
	<b>50,858.46</b>	<b>45,921.77</b>	<b>37,074.88</b>
<b>Total</b>	<b>80,677.70</b>	<b>59,657.73</b>	<b>48,941.71</b>

### Footnotes :

a. 250 21% Redeemable, non-convertible debentures of the face value of ₹ 10,00,000 each, which matured on 27th March, 2016 and remained unpaid, have been disclosed as Unpaid Matured Debentures in Other Financial Liabilities as at 31st March 2016.

NOTES TO

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

### Note '20' : Other financial liabilities (Contd.)

	As at 31st March, 2017 (₹ in lakhs)	As at 31st March, 2016 (₹ in lakhs)	As at 1st April, 2015 (₹ in lakhs)
<b>Current</b>			
Current maturities and overdue instalments of long-term debts (Refer Note 19)	<b>41,777.20</b>	52,258.52	34,774.47
Interest accrued and due on borrowings (Refer footnote a)	<b>13,322.25</b>	9,995.20	6,207.50
Interest accrued but not due on borrowings	<b>5,586.30</b>	2,099.50	-
Retention money payable	<b>247.51</b>	-	-
Unpaid matured debentures and interest accrued thereon (Refer footnote b)	<b>4,659.15</b>	3,526.49	-
Unclaimed/unpaid dividends	<b>3.28</b>	3.88	4.30
Current account balance in firms and joint ventures (Refer Note 35)	<b>4,099.83</b>	3,588.26	4,459.90
Security deposits (Refundable)	<b>11,642.48</b>	11,564.32	9,005.66
Advance Lease Rentals	<b>23.88</b>	20.17	6.97
Other payables (Refer footnote c)	<b>17,211.68</b>	5,954.48	3,295.54
<b>Total</b>	<b>98,573.56</b>	89,010.82	57,754.34

#### Footnotes:

- Interest accrued and due includes ₹ Nil (As at 31st March, 2016: ₹ Nil; As at 1st April, 2015: ₹ 977.36 lakhs) due to related parties. Further, attention is invited to Note 35.
- Period and amount of default as on the Balance Sheet date in respect of matured debentures and interest accrued thereon :

	31st March, 2017		31st March, 2016	
	(₹ in lakhs)	Period	(₹ in lakhs)	Period
<b>Overdue Instalments:</b>				
10,000 (As at 31st March, 2016: 10,000; As at 1st April, 2015: 10,000) Redeemable non-convertible debentures of the face value of ₹ 100,000 each	<b>4206.37</b>	<b>Mar-17</b>	-	
<b>Interest :</b>				
10,000 (As at 31st March, 2016: 10,000; As at 1st April, 2015: 10,000) Redeemable non-convertible debentures of the face value of ₹ 100,000 each	<b>452.78</b>	<b>Dec. 2016 to March 2017</b>	-	
<b>Overdue Instalments:</b>				
Nil (As at 31st March, 2016: 250; As at 1st April, 2015: 250) 21% Redeemable, Non-convertible debentures of the face value of ₹ 10,00,000 each	-		2,500.00	March 2016
<b>Interest:</b>				
Nil (As at 31st March, 2016: 250; As at 1st April, 2015: 250) 21% Redeemable, Non-convertible debentures of the face value of ₹ 10,00,000 each	-		1,026.49	April 2015 to March 2016
<b>Total</b>	<b>4,659.15</b>		<b>3,526.49</b>	

- Other payables include ₹ 4,184.79 lakhs (As at 31st March, 2016: ₹ 529.28 lakhs; As at 1st April, 2015: ₹ 262.44 lakhs) due to related parties. Further, attention is invited to Note 35.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

	As at 31st March, 2017 (₹ in lakhs)	As at 31st March, 2016 (₹ in lakhs)	As at 1st April, 2015 (₹ in lakhs)
<b>Note '21'</b>			
<b>Provisions</b>			
<b>Non-current</b>			
Employee Benefits			
Provision for Gratuity (Refer Note 33 and footnote)	87.71	84.37	-
Provision for leave benefit	123.14	180.06	147.18
<b>Total</b>	<b>210.85</b>	<b>264.43</b>	<b>147.18</b>
<b>Current</b>			
Employee Benefits			
Provision for Gratuity (Refer Note 33 and footnote)	170.84	141.47	142.50
Provision for leave benefit	56.48	7.13	8.34
Other Provisions	-	3.41	8.59
<b>Total</b>	<b>227.32</b>	<b>152.01</b>	<b>159.43</b>

Footnote:

Provision for gratuity is stated net of plan assets ₹ 87.71 lakhs (As at 31st March 2016: ₹ 84.37 lakhs; As at 1st April, 2015: ₹ 107.61 lakhs).

	As at 31st March, 2017 (₹ in lakhs)	As at 31st March, 2016 (₹ in lakhs)	As at 1st April, 2015 (₹ in lakhs)
<b>Note '22'</b>			
<b>Trade payables</b>			
Dues to MSME	-	-	0.25
Dues to others	11,241.09	11,752.75	11,620.59
<b>Total</b>	<b>11,241.09</b>	<b>11,752.75</b>	<b>11,620.84</b>

Footnote:

- a. The average credit period on purchases is 6 to 9 months.

### Details of dues to Micro, Small and Medium Enterprises as defined under Micro Small Medium Enterprises Development Act, 2006 :

- a. Trade payables include ₹ Nil (As at 31st March, 2016: ₹ Nil; As at 1st April, 2015: ₹ 0.25 lakhs) due to micro, small and medium enterprises registered under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED).
- b. No interest was paid / payable to micro and small enterprises during the year.
- c. The above information has been determined to the extent such parties could be identified on the basis of the information available with the Company regarding the status of parties under the MSMED Act and has been relied upon by the auditors.
- d. Trade payables include ₹ NIL (31st March, 2016: ₹ 697.96 lakhs; 1st April, 2015: ₹ 1,052.54 lakhs) due to related parties. Further, attention is invited to Note 35.

	As at 31st March, 2017 (₹ in lakhs)	As at 31st March, 2016 (₹ in lakhs)	As at 1st April, 2015 (₹ in lakhs)
<b>Note '23'</b>			
<b>Other Liabilities</b>			
<b>Current</b>			
Advances from customers (Refer footnote)	25,735.53	30,378.37	27,858.29
Overdrawn bank balances as per books of accounts	450.69	336.00	142.63
Other payables :			
Statutory dues	6,093.18	4,881.61	4,760.87
Employees benefit payables	650.23	315.26	203.45
Others	303.09	377.06	866.35
<b>Total</b>	<b>33,232.72</b>	<b>36,288.30</b>	<b>33,831.59</b>

Footnote:

Income received in advance (advances from customers) includes ₹ 3,763.64 lakhs (As at 31st March, 2016: ₹ 1,061.00 lakhs; As at 1st April, 2015: ₹ 1,061.00 lakhs) received from related parties. Further, attention is invited to Note 35.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

### Note '24'

#### Revenue from operations

##### Sale from operations :

- Sale of properties / rights (Net) (Refer footnotes a and b)
- Revenue from sale of trading materials
- Profit on sale of investments in associates, joint ventures, etc. developing real estate projects

##### Other operating revenue :

- Income from investments in subsidiaries, joint ventures, etc. developing real estate projects (Refer footnote c)
- Unwinding of Interest free loans
- Lease rentals
- Sundry credit balances appropriated
- Liabilities written back to the extent no longer required
- Provision for doubtful debts written back
- Others

Year ended 31st March, 2017 (₹ in lakhs)	Year ended 31st March, 2016 (₹ in lakhs)
<b>38,035.35</b>	30,998.27
<b>381.43</b>	-
<b>3,719.11</b>	2,879.93
<b>42,135.89</b>	33,878.20
<b>16,635.95</b>	213.78
<b>28.43</b>	25.00
<b>596.82</b>	305.16
<b>193.97</b>	546.89
<b>558.58</b>	1,256.42
<b>148.89</b>	8.00
<b>54.48</b>	65.23
<b>18,217.12</b>	2,420.48
<b>Total 60,353.01</b>	36,298.68

#### Footnotes:

- a. Sale of Properties/Rights includes ₹ 22,983.84 lakhs (For 2015-16: ₹ 11,676.86 lakhs) from related parties. Further, attention is invited to Note 35.
- b. Sale of Properties is net of ₹ 3,000.00 lakhs (For 2015-16: ₹ 2,433.00 lakhs) on account of reversal of revenue recognised in earlier years.
- c. Includes premium, discount and interest on investments made in debentures, bonds and loans and advances made.

### Note '25'

#### Other income

##### Interest Income:

- Debentures
- Loans
- Bank fixed deposits
- Interest income on financial assets at amortised cost
- Others

##### Other gains and losses

- Surplus on sale / discardment of fixed assets (Net)
- Gain on sale of investments

##### Miscellaneous income

Year ended 31st March, 2017 (₹ in lakhs)	Year ended 31st March, 2016 (₹ in lakhs)
<b>287.19</b>	287.19
<b>290.03</b>	869.28
<b>65.97</b>	122.57
<b>1,118.31</b>	806.01
<b>841.06</b>	33.10
<b>2,602.56</b>	2,118.15
<b>0.97</b>	1.44
<b>3.28</b>	15.01
<b>4.25</b>	16.45
<b>509.96</b>	587.10
<b>Total 3,116.77</b>	2,721.70

### Note '26'

#### Costs Of Construction / Development

##### Construction costs incurred during the year:

- Land / rights acquired
- Material and labour costs
- Approval and consultation expenses
- Other direct development expenses

Year ended 31st March, 2017 (₹ in lakhs)	Year ended 31st March, 2016 (₹ in lakhs)
<b>46.92</b>	1,707.94
<b>8,099.62</b>	7,550.27
<b>1,474.68</b>	2,621.84
<b>1,903.07</b>	2,096.30
<b>Total 11,524.29</b>	13,976.35



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017 (CONTD.)

### Note '27'

#### Changes In Inventories of Incomplete Projects, Finished Properties and FSI

Opening Inventory :

Floor Space Index (FSI)

Incomplete projects (including ₹ 700.27 lakhs direct purchase of Mogarapada Project)

Add / (Less):

Project expenses written off (Refer Note 31)

Closing Inventory :

Floor Space Index (FSI)

Incomplete projects

	Year ended 31st March, 2017 (₹ in lakhs)	Year ended 31st March, 2016 (₹ in lakhs)
	240.30	364.29
	96,132.05	82,704.42
	96,372.35	83,068.71
	(5,642.41)	-
	90,729.94	83,068.71
	126.26	240.30
	90,712.61	95,431.78
	90,838.87	95,672.08
<b>Total</b>	<b>(108.93)</b>	<b>(12,603.37)</b>

### Footnote:

Cost incurred till date on Project Jewell amounting to ₹ 5642.41 lakhs has been written off during the year. Change in town planning policies has affected the envisaged profitability of the Project and continuing with the same would have resulted in losses to the Company. Hence the losses have been curtailed by writing off the costs incurred in Project Jewell earlier carried under incomplete projects.

### Note '28'

#### Employee Benefits Expense

[Net of amounts recovered from other entities ₹ 478.72 lakhs (P.Y. ₹ 763.03 lakhs)]

Salaries, bonus, etc.

Contribution to provident and other funds

Staff welfare expenses

Other fund expenses

	Year ended 31st March, 2017 (₹ in lakhs)	Year ended 31st March, 2016 (₹ in lakhs)
	1,959.92	1,677.86
	85.81	52.83
	41.98	41.92
	6.86	6.49
<b>Total</b>	<b>2,094.57</b>	<b>1,779.10</b>

### Note '29'

#### Finance Costs

Interest costs

Interest on Debentures

Interest on Fixed loans

Unwinding of security deposit

Other interest expense

Delayed/penal interest on loans and statutory dues

	Year ended 31st March, 2017 (₹ in lakhs)	Year ended 31st March, 2016 (₹ in lakhs)
	1,152.51	1,898.21
	32,906.09	25,466.01
	22.56	5.74
	1,613.95	1,499.81
	930.38	1,176.91
<b>Total</b>	<b>36,625.49</b>	<b>30,046.68</b>

### Footnote:

In line with Ind AS-23 'Borrowing Costs', the borrowing costs of ₹ 9796.50 lakhs (For 2015-16: ₹ 7,884.68 lakhs) have been capitalised to inventory.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

### Note '30'

#### Depreciation and Amortisation Expenses

Depreciation of property, plant and equipment  
Amortization of intangible assets  
Depreciation of investment property

	Year ended 31st March, 2017 (₹ in lakhs)	Year ended 31st March, 2016 (₹ in lakhs)
	138.90	156.75
	-	0.20
	145.43	144.17
<b>Total</b>	<b>284.33</b>	<b>301.12</b>

### Note '31'

#### Other Expenses

Insurance  
Rent  
Rates and taxes  
Advertisement expenses  
Advances and other debit balances written off (Refer footnote a)  
Bad Debts  
Corporate Social Responsibility (CSR) activities (Refer footnote b)  
Brokerage  
Directors' fees and travelling expenses  
Commission to non-executive directors  
Provision for doubtful advances  
Provision for doubtful debts  
Provision for diminution in value of investment  
Repairs and society maintenance charges  
Legal and professional fees (Refer footnote c)  
Prospective projects written off (Refer footnote to Note 27)  
Loss on foreign currency fluctuation (Net)  
Other expenses (Refer footnote c)

	Year ended 31st March, 2017 (₹ in lakhs)	Year ended 31st March, 2016 (₹ in lakhs)
	54.09	68.10
	54.61	43.47
	659.08	1,231.96
	389.35	207.06
	1,336.51	23.01
	1,000.72	49.67
	-	45.71
	417.52	312.85
	26.46	25.59
	16.93	17.68
	24.51	-
	88.99	-
	0.90	-
	103.26	309.34
	987.54	546.79
	5,642.41	-
	0.03	1.02
	669.47	939.41
<b>Total</b>	<b>11,472.38</b>	<b>3,821.66</b>

#### Footnotes:

- Upvan Lake Resorts Private Limited (a subsidiary) was into development and exploitation of areas and amenities at surroundings of Upvan Lake, Thane. Since the surrounding areas have not been developed till date as envisaged nor there is any scope of it being developed in the near future, operation cost has been mounting year on year in the said company. In view of the facts, the Company has written off the advances given for project development amounting to ₹ 473.13 lakhs during the year. Further, the investment amounting to ₹ 0.90 lakhs in the said subsidiary has been provided for diminution during the year.
- During the year, the Company, due to severe liquidity constraints has not expended the amount earmarked for corporate social responsibility activities as envisaged under the CSR Rules and CSR Policy of the Company. However, the Board had approved that the entire unspent amount of ₹39 lakhs being the minimum required CSR expenditure of the F.Y. 2016-17 to be carried forward to the next year.
- Auditors' Remuneration (included in Legal and professional fees and Other Expenses):

	Year ended 31st March, 2017 (₹ in lakhs)	Year ended 31st March, 2016 (₹ in lakhs)
Audit fees	53.00	53.00
Limited review fees	10.09	9.61
Tax audit fees	4.00	4.00
Certification and other matters	-	-
Out-of-pocket expenses	-	1.72
Service tax on above	8.55	8.26
	<b>75.64</b>	<b>76.59</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

### Note '32'

#### Earnings per share (EPS)

Basic Earnings per Share (In ₹)

Diluted Earnings per Share (In ₹)

Year ended 31st March, 2017 (₹ in lakhs)	Year ended 31st March, 2016 (₹ in lakhs)
0.90	3.69
0.90	3.69

#### Basic and Diluted EPS

The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows

Earnings used in the calculation of basic and diluted earnings per share

Weighted average number of equity shares for the purposes of basic and diluted earnings per share (Nos.)

654.08	2,680.35
72,735,871	72,735,871

### Note '33'

#### Disclosure relating to employee benefits as per Ind AS 19 'Employee Benefits'

##### A. Defined Contribution Plans

An amount of ₹ 74.19 lakhs (As at 31st March, 2016: ₹ 71.89 lakhs) under defined benefit plan is recognised as expense in the Statement of Profit and Loss.

##### B. Defined benefit obligation - Gratuity

The Principal assumptions used for the purpose of the actuarial valuations were as follows:

Discount Rate

Expected rate of salary increase

Expected average remaining service

#### Service cost

Current service cost

Past service cost and (gain)/loss from settlement

Net interest expense

#### Component of defined benefit cost recognised in the Statement of Profit or Loss

Actuarial (gains) / losses for the period

#### Component of defined benefit cost recognised in OCI

#### Total

Present value of funded defined benefit obligation

Fair value of plan assets

#### Funded status

#### Net liability arising from defined benefit obligation

#### Movement in PV of defined benefit obligation

Opening defined benefit obligation

Current service cost

Interest cost

Actuarial gains and losses arising from changes in experience adjustment

Benefits paid

#### Closing defined benefit obligation

#### Movements in fair value of plan assets

Opening fair value of plan assets

Interest income

Return on plan assets (excluding amounts included in net interest expense)

Contribution from employer

Benefits paid

#### Closing fair value of plan assets

31st March, 2017	31st March, 2016
7.44%	8.00%
5%	5%
21.5	
40.23	42.64
-	-
23.70	18.31
63.94	60.95
(3.39)	29.85
(3.39)	29.85
67.33	31.10
342.92	310.21
(87.71)	(84.37)
255.22	225.84
310.21	250.10
40.23	42.64
23.70	18.31
(3.39)	29.85
(27.83)	(30.69)
342.92	310.21
84.37	107.61
6.69	7.28
(1.75)	(2.10)
26.24	2.27
(27.83)	(30.69)
87.71	84.37

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

**Note '33' : Disclosure relating to employee benefits as per Ind AS 19 'Employee Benefits' (Contd.)**

Asset Information:	Year ended 31st March, 2017 (₹ in lakhs)	
	Total Amount	Target Allocation
		%
Gratuity Fund	87.71	100%
<b>Expected Payout:</b>		
<b>Year</b>	<b>PVO Payout</b>	
Expected Outgo First	9.98	
Expected Outgo Second	46.66	
Expected Outgo Third	26.95	
Expected Outgo Fourth	35.20	
Expected Outgo Fifth	38.53	
Expected Outgo Sixth to Tenth Years	279.30	

### Sensitivity Analysis:

As of 31st March, 2017, every percentage point increase in discount rate will affect our gratuity benefit obligation ₹ 306.11 lakhs.

As of 31st March, 2017, every percentage point decrease in discount rate will affect our gratuity benefit obligation ₹ 387.46 lakhs.

As of 31st March, 2017, every percentage point increase in salary escalation rate will affect our gratuity benefit obligation ₹ 387.64 lakhs.

As of 31st March, 2017, every percentage point decrease in salary escalation rate will affect our gratuity benefit obligation ₹ 305.40 lakhs.

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation by one percentage, keeping all other actuarial assumptions constant.

Projected service cost as on 31st March 2018 is ₹ 47.52 lakhs.

### Narrations:

#### 1 Analysis of Defined Benefit Obligation

The number of members under the Scheme have decreased by 20.34%. Similarly the total salary decreased by 12.39% during the accounting period. The resultant liability at the end of the period over the beginning of the period has increased by 10.55%.

#### 2 Expected rate of return basis:

Since the scheme funds are invested with LIC of India EROA is based on rate of return declared by fund managers.

#### 3 Description of Plan Assets and Reimbursement Conditions

100% of the Plan Asset is entrusted to LIC of India under their Group Gratuity Scheme. The reimbursement is subject to Insurer's Surrender Policy.

### Note '34'

#### Disclosure on Specified Bank Notes (SBNs)

During the year, the Company had specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308(E) dated 31st March, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December 30, 2016, the denomination wise SBNs and other notes as per the notification is given below:

Particulars	SBNs	Other Denomination Notes	(₹ in lakhs)
			Total
Closing Cash in hand as on 8th November, 2016	3.41	4.66	8.07
(+) Permitted Receipts	-	8.21	8.21
(-) Permitted Payments	-	9.56	9.56
(-) Amount deposited in Bank	3.41	0.01	3.42
<b>Closing Cash in hand as on 30th December, 2016</b>	<b>-</b>	<b>3.30</b>	<b>3.30</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017 (CONTD.)

### Note '35'

#### Related Parties Disclosures

A.	Names of related parties and description of relationship	Country of Incorporation	Percentage of voting power (%) as at		
			31st March, 2017	31st March, 2016	1st April, 2015
<b>I.</b>	<b>Subsidiaries</b>				
1	ABP Realty Advisors Private Limited	India	100.00%	100.00%	100.00%
2	Akruti Safeguard Systems Private Limited	India	72.43%	72.43%	72.43%
3	Citygold Education Research Limited	India	100.00%	100.00%	100.00%
4	Citygold Farming Private Limited	India	100.00%	100.00%	100.00%
5	Citywood Builders Private Limited	India	100.00%	100.00%	75.00%
6	Devkrupa Build Tech Limited	India	100.00%	51.00%	100.00%
7	Diviniti Projects Private Limited	India	100.00%	100.00%	100.00%
8	Gujarat Akruti-TCG Biotech Limited	India	74.00%	74.00%	74.00%
9	Halitious Developer Limited	India	100.00%	100.00%	100.00%
10	Headland Farming Private Limited	India	100.00%	100.00%	100.00%
11	Heddle Knowledge Private Limited	India	100.00%	100.00%	100.00%
12	Heet Builders Private Limited	India	94.40%	94.40%	94.40%
13	India Development And Construction Venture Capital Private Limited	India	100.00%	100.00%	100.00%
14	Joynest Premises Private Limited	India	74.00%	74.00%	74.00%
15	Sheshan Housing and Area Development Engineers Limited (upto 1st April, 2015)	India	-	-	100.00%
16	Upvan Lake Resorts Private Limited	India	75.00%	75.00%	75.00%
17	Urvi Build Tech Limited	India	100.00%	100.00%	100.00%
18	Vama Housing Limited	India	100.00%	100.00%	100.00%
19	Vega Developers Private Limited	India	100.00%	100.00%	100.00%
20	Vishal Techno Commerce Limited	India	100.00%	100.00%	100.00%
21	Yantti Buildcon Private Limited	India	100.00%	100.00%	100.00%
<b>II.</b>	<b>Associates</b>				
1	Comral Realty Private Limited (Upto 18th April, 2015)	India	-	-	50.00%
2	Giraffe Developers Private Limited (Upto 15th February, 2017)	India	-	48.00%	48.00%
3	Pristine Developers Private Limited (Upto 27th May, 2016)	India	-	40.00%	40.00%
4	Shubhsiddhi Builders Private Limited	India	50.00%	50.00%	50.00%
5	Vinca Developer Private Limited	India	49.00%	49.00%	49.00%
6	Whitebud Developers Limited	India	50.00%	50.00%	50.00%
7	Yellowcity Builders Private Limited (Upto 21st March, 2016)	India	-	-	43.50%

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

### Note '35' : Related Parties Disclosures (Contd.)

A.	Names of related parties and description of relationship	Country of Incorporation	Percentage of voting power (%) as at		
			31st March, 2017	31st March, 2016	1st April, 2015
<b>III.</b>	<b>Joint Ventures</b>				
1	Akruti GM Joint Venture	India	77.00%	77.00%	77.00%
2	Akruti Jay Chandan Joint Venture	India	50.00%	50.00%	50.00%
3	Akruti Jay Developers	India	66.66%	66.66%	66.66%
4	Akruti Kailash Constructions	India	90.00%	90.00%	90.00%
5	Akruti Realty Forefront Combine (Upto 31st March, 2016)	India	-	-	90.00%
6	Akruti Steelfab Corporation	India	55.00%	55.00%	55.00%
7	Hubtown Bus Terminal (Adajan) Private Limited	India	45.00%	45.00%	45.00%
8	Hubtown Bus Terminal (Ahmedabad) Private Limited	India	45.00%	45.00%	45.00%
9	Hubtown Bus Terminal (Mehsana) Private Limited	India	45.00%	45.00%	45.00%
10	Hubtown Bus Terminal (Surat) Private Limited (*)	India	45.00%	45.00%	45.00%
11	Hubtown Bus Terminal (Vadodara) Private Limited	India	45.00%	45.00%	45.00%
12	Joyous Housing Limited	India	25.00%	25.00%	25.00%
13	Rare Townships Private Limited	India	40.00%	40.00%	40.00%
14	Rising Glory Developers	India	86.30%	86.30%	76.34%
15	Shreenath Realtors	India	92.50%	92.50%	92.50%
16	Twenty Five South Realty Limited (formerly known as Hoary Realty Limited)	India	61.27%	61.27%	39.52%
17	Sunstream City Private Limited	India	43.00%	43.00%	43.00%
18	Hiranandani Akruti JV (Upto 1st April, 2015)	India	-	-	55.00%
19	New Township Fintrade JV	India	60.00%	60.00%	60.00%
20	Town Planning Fintrade JV	India	60.00%	60.00%	60.00%
21	Hinterland Fintrade JV	India	60.00%	60.00%	60.00%
22	Rukshmani Properties Private Limited (Upto July 07, 2015) (*)	India	-	-	25.00%

\*Interests through jointly controlled entities

#### IV. Key management personnel

- 1 Mr. Hemant M. Shah, Executive Chairman
- 2 Mr. Vyomesh M. Shah, Managing Director

#### V. Relatives of key management personnel

- 1 Mrs. Lata M. Shah, Mother of Executive Chairman and Managing Director
- 2 Mrs. Kunjal H. Shah, Wife of Executive Chairman
- 3 Mrs. Falguni V. Shah, Wife of Managing Director
- 4 Mr. Rushank V. Shah, Son of Managing Director
- 5 Mr. Khilen V. Shah, Son of Managing Director
- 6 Mr. Kushal H. Shah, Son of Executive Chairman
- 7 Mrs. Nutan Dhanki, Sister of Executive Chairman and Managing Director
- 8 Mrs. Hemanti Parekh, Sister of Executive Chairman and Managing Director
- 9 Hemant M. Shah HUF- Karta Executive Chairman
- 10 Mrs. Pratiti K. Shah, Daughter in Law of Managing Director
- 11 Mrs. Meha R. Shah, Daughter in Law of Managing Director
- 12 Vyomesh M. Shah HUF- Karta Managing Director
- 13 Mahipatray V. Shah HUF- Karta Executive Chairman
- 14 Mahipatray V. Shah Discretionary Trust- Trustees Executive Chairman and Managing Director
- 15 Estate of Mahipatray V Shah – Beneficiaries Executive Chairman and Managing Director

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

### Note '35' : Related Parties Disclosures (Contd.)

#### VI. Enterprises where key management personnel or their relatives exercise significant influence

(Where transactions have taken place)

- 1 Adhivitiya Properties Limited
- 2 Helik Advisory Limited
- 3 Sheshan Housing and Area Development Engineers Limited (upto 1st April, 2015)
- 4 Vishal Nirman (India) Limited
- 5 Buildbyte.Com (India) Private Limited
- 6 Celeste Joint Venture
- 7 Citygold Management Services Private Limited
- 8 Distinctive Realty Private Limited
- 9 Fern Infrastructure Private Limited
- 10 Fourjone Realtors Private Limited
- 11 Heeler Hospitality Private Limited
- 12 Ichha Constructions Private Limited
- 13 Lista City Private Limited
- 14 Merrygold Buildcon Private Limited
- 15 Starzone Developers Private Limited
- 16 Sunmist Builders Private Limited
- 17 Sunstone Developers Joint Venture
- 18 Superaction Realty Private Limited
- 19 Trans Gulf MEP Engineers Private Limited

#### B. Transactions with Related Parties

(₹ in lakhs)

Sr. No.	Nature of transaction	Subsidiary companies	Associate companies	Joint Ventures	Key Management personnel, their relatives and enterprises \$
i.	<b>Loans and Advances received/ recovered/ adjusted</b>				
	Akruti Safeguard Systems Private Limited	7.00	-	-	-
		(-)	(-)	(-)	(-)
	Urvi Build Tech Limited	11.00	-	-	-
		(59.00)	(-)	(-)	(-)
	Heet Builders Private Limited	1,926.77	-	-	-
		(265.84)	(-)	(-)	(-)
	Vama Housing Limited	2.00	-	-	-
		(-)	(-)	(-)	(-)
	Vishal Techno Commerce Limited	3,250.00	-	-	-
		(4.00)	(-)	(-)	(-)
	Halitious Developer Limited	5.00	-	-	-
		(-)	(-)	(-)	(-)
	Diviniti Projects Private Limited	7.34	-	-	-
		(-)	(-)	(-)	(-)
	Twenty Five South Realty Limited	-	-	110.00	-
		(-)	(-)	(-)	(-)
	Sunstream City Private Limited	-	-	70.60	-
		(-)	(-)	(-)	(-)
	Fern Infrastructure Private Limited	-	-	-	2,362.98
		(-)	(-)	(-)	(547.05)
	Pristine Developers Private Limited	-	-	-	-
		(-)	(77.96)	(-)	(-)
	Heeler Hospitality Private Limited	-	-	-	587.64
		(-)	(-)	(-)	(-)
	Sheshan Housing and Area Development Engineers Limited	-	-	-	2.00
		(2.00)	(-)	(-)	(-)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

### Note '35' : Related Parties Disclosures (Contd.)

#### B. Transactions with Related Parties (Contd.)

(₹ in lakhs)

Sr. No.	Nature of transaction	Subsidiary companies	Associate companies	Joint Ventures	Key Management personnel, their relatives and enterprises \$
ii.	<b>Loans and Advances given/ repaid/adjusted</b>				
	Twenty Five South Realty Limited	- (-)	- (-)	312.29 (-)	- (-)
	Devkrupa Build Tech Limited	0.71 (3.00)	- (-)	- (-)	- (-)
	Heet Builders Private Limited	10,848.20 (816.86)	- (-)	- (-)	- (-)
	Heddle Knowledge Private Limited	- (14,472.15)	- (-)	- (-)	- (-)
	Vama Housing Limited	1.00 (0.60)	- (-)	- (-)	- (-)
	Vishal Techno Commerce Limited	309.50 (12.70)	- (-)	- (-)	- (-)
	Sunstream City Private Limited	- (-)	- (-)	5.47 (1,694.43)	- (-)
	Fern Infrastructure Private Limited	- (-)	- (-)	- (-)	710.07 (827.50)
	Urvi Build Tech Limited	- (2.25)	- (-)	- (-)	- (-)
	Buildbyte.Com (India) Private Limited	- (-)	- (-)	- (-)	86.25 (4.25)
	Diviniti Project Private Limited	- (6.85)	- (-)	- (-)	- (-)
	Citygold Management Services Private Limited	- (-)	- (-)	- (-)	- (7.61)
	Starzone Developers Private Limited	- (-)	- (-)	- (-)	- (35.00)
	Celeste Joint Venture	- (-)	- (-)	- (-)	2,540.65 (-)
iii.	<b>Business Advances received / recovered / adjusted</b>				
	Citygold Education Research Limited	43.50 (55.00)	- (-)	- (-)	- (-)
	Citywood Builders Private Limited	387.00 (3,387.63)	- (-)	- (-)	- (-)
	Citygold Farming Private Limited	323.15 (1,589.50)	- (-)	- (-)	- (-)
	Headland Farming Private Limited	143.50 (8.00)	- (-)	- (-)	- (-)
	Heddle Knowledge Private Limited	431.69 (846.18)	- (-)	- (-)	- (-)
	Twenty Five South Realty Limited	- (-)	- (-)	110.00 (3,065.14)	- (-)
	Hubtown Bus Terminal (Ahmedabad) Private Limited	- (-)	- (-)	33.00 (806.28)	- (-)



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

### Note '35': Related Parties Disclosures (Contd.)

#### B. Transactions with Related Parties (Contd.)

(₹ in lakhs)

Sr. No.	Nature of transaction	Subsidiary companies	Associate companies	Joint Ventures	Key Management personnel, their relatives and enterprises \$
	Hubtown Bus Terminal (Adajan) Private Limited	- (-)	- (-)	75.00 (19.00)	- (-)
	Hubtown Bus Terminal (Mehsana) Private Limited	- (-)	- (-)	318.00 (1,085.00)	- (-)
	Sunstream City Private Limited	- (-)	- (-)	76.22 (82,955.02)	- (-)
	Joynest Premises Private Limited	12,456.71 (5,162.83)	- (-)	- (-)	- (-)
	Ackruti Safeguard Systems Private Limited	- (6.06)	- (-)	- (-)	- (-)
	Comral Realty Private Limited	- (-)	- (14.87)	- (-)	- (-)
	Yellowcity Builders Private Limited	- (-)	- (550.00)	- (-)	- (-)
	Celeste Joint Venture	- (-)	- (-)	- (-)	- (4,720.00)
	Adhivitiya Properties Limited	- (-)	- (-)	- (-)	721.40 (158.00)
	Citygold Management Services Private Limited	- (-)	- (-)	- (-)	628.31 (-)
	Buildbyte.Com (India) Private Limited	- (-)	- (-)	- (-)	88.00 (-)
iv.	<b>Business Advances given / repaid / adjusted</b>				
	Citygold Education Research Limited	783.65 (3,809.70)	- (-)	- (-)	- (-)
	Citywood Builders Private Limited	362.64 (823.75)	- (-)	- (-)	- (-)
	Citygold Farming Private Limited	65.34 (2,350.00)	- (-)	- (-)	- (-)
	Headland Farming Private Limited	15.00 (-)	- (-)	- (-)	- (-)
	Heddle Knowledge Private Limited	586.35 (241.50)	- (-)	- (-)	- (-)
	Twenty Five South Realty Limited	- (-)	- (-)	197.00 (3,907.50)	- (-)
	Hubtown Bus Terminal (Ahmedabad) Private Limited	- (-)	- (-)	198.20 (-)	- (-)
	Hubtown Bus Terminal (Adajan) Private Limited	- (-)	- (-)	358.00 (-)	- (-)
	Hubtown Bus Terminal (Mehsana) Private Limited	- (-)	- (-)	275.07 (-)	- (-)
	Hubtown Bus Terminal (Vadodara) Private Limited	- (-)	- (-)	94.60 (-)	- (-)
	Sunstream City Private Limited	- (-)	- (-)	9,367.70 (818.24)	- (-)
	Joynest Premises Private Limited	- (13,022.60)	- (-)	- (-)	- (-)

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

## Note '35': Related Parties Disclosures (Contd.)

### B. Transactions with Related Parties (Contd.)

(₹ in lakhs)

Sr. No.	Nature of transaction	Subsidiary companies	Associate companies	Joint Ventures	Key Management personnel, their relatives and enterprises \$
	Comral Realty Private Limited	- (-)	- (4.00)	- (-)	- (-)
	Whitebud Developers Limited	- (-)	5.00 (1.20)	- (-)	- (-)
	Yantti Buildcon Private Limited	21.30 (46.50)	- (-)	- (-)	- (-)
	Gujarat Akruti-TCG Biotech Limited	2.00 (2.60)	- (-)	- (-)	- (-)
	Upvan Lake Resorts Private Limited	0.50 (19.75)	- (-)	- (-)	- (-)
	Vega Developers Private Limited	- (6.00)	- (-)	- (-)	- (-)
	Buildbyte.Com (India) Private Limited	- (-)	- (-)	- (-)	130.65 (8.50)
	Ichha Constructions Private Limited	- (-)	- (-)	- (-)	- (1,845.00)
	Starzone Developers Private Limited	- (-)	- (-)	- (-)	1,683.40 (35.00)
	Citygold Management Services Private Limited	- (-)	- (-)	- (-)	950.95 (-)
	Adhivitiya Properties Limited	- (-)	- (-)	- (-)	137.98 (242.08)
	Celeste Joint Venture	- (-)	- (-)	- (-)	2,540.65 (5,106.00)
<b>v.</b>	<b>Interest income on loans/Debenture</b>				
	Twenty Five South Realty Limited	- (-)	- (-)	851.16 (-)	- (-)
	Sunstream City Private Limited	- (-)	- (-)	16,245.75 (84.92)	- (-)
	Joyous Housing Limited	- (-)	- (-)	19.06 (18.78)	- (-)
	Fern Infrastructure Private Limited	- (-)	- (-)	- (-)	- (313.51)
	Comral Realty Private Limited	- (-)	- (607.00)	- (-)	- (-)
	Gujarat Akruti-TCG Biotech Limited	150.46 (128.87)	- (-)	- (-)	- (-)
	Pristine Developers Private Limited	- (-)	- (4.52)	- (-)	- (-)
<b>vi.</b>	<b>Directors' Remuneration</b>				
	Hemant M. Shah	- (-)	- (-)	- (-)	48.53 (87.70)
	Vyomesh M. Shah	- (-)	- (-)	- (-)	43.73 (77.31)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

### Note '35' : Related Parties Disclosures (Contd.)

#### B. Transactions with Related Parties (Contd.)

(₹ in lakhs)

Sr. No.	Nature of transaction	Subsidiary companies	Associate companies	Joint Ventures	Key Management personnel, their relatives and enterprises \$
<b>vii.</b>	<b>Remuneration to Relatives of KMPs</b>				
	Rushank Shah	-	-	-	27.03
		(-)	(-)	(-)	(27.03)
	Khilen Shah	-	-	-	27.03
		(-)	(-)	(-)	(27.03)
<b>viii.</b>	<b>Contribution in Partner's Current Account</b>				
	Celeste Joint Venture	-	-	-	705.83
		(-)	(-)	(-)	(-)
	Akruti Kailash Constructions	-	-	-	194.41
		(-)	(-)	(769.00)	(-)
	Shreenath Realtors	-	-	-	33.00
		(-)	(-)	(-)	(-)
	Rising Glory Developers	-	-	26,657.58	-
		(-)	(-)	(6,024.00)	(-)
	Akruti Jay Developers	-	-	-	-
		(-)	(-)	(663.25)	(-)
	Sunstream City Private Limited	-	-	3,395.13	-
		(-)	(-)	(81,788.18)	(-)
	Akruti Jay Chandan Joint Venture	-	-	-	-
		(-)	(-)	(855.10)	(-)
	Hiranandani Akruti JV	-	-	-	-
		(-)	(-)	(2,920.28)	(-)
	Akruti Realty Forefront Combine	-	-	-	-
		(-)	(-)	(14.68)	(-)
	Sunstone Developers Joint Venture	-	-	3,395.13	-
		(-)	(-)	(1,044.00)	(-)
<b>ix.</b>	<b>Amount Withdrawn from Partner's Current Account</b>				
	Akruti Jay Developers	-	-	907.90	-
		(-)	(-)	(1,050.45)	(-)
	Akruti Kailash Constructions	-	-	3,051.55	-
		(-)	(-)	(6,073.71)	(-)
	Shreenath Realtors	-	-	600.00	-
		(-)	(-)	(-)	(-)
	Rising Glory Developers	-	-	16,688.64	-
		(-)	(-)	(7,795.55)	(-)
	Hiranandani Akruti JV	-	-	-	-
		(-)	(-)	(2,847.98)	(-)
	Devkrupa Build Tech Limited	-	-	-	-
		(2.45)	(-)	(-)	(-)
	Sheshan Housing and Area Development Engineers Limited	-	-	-	-
		(5.00)	(-)	(-)	(-)
	Comral Realty Private Limited	-	-	-	-
		(-)	(45.21)	(-)	(-)
	Akruti Realty Forefront Combine	-	-	-	-
		(-)	(466.02)	(-)	(-)
	Akruti GM JV	-	-	-	-
		(-)	(7.00)	(-)	(-)
	Sunstone Developers Joint Venture	-	-	-	-
		(-)	(-)	(-)	(1,139.50)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

### Note '35' : Related Parties Disclosures (Contd.)

#### B. Transactions with Related Parties (Contd.)

(₹ in lakhs)

Sr. No.	Nature of transaction	Subsidiary companies	Associate companies	Joint Ventures	Key Management personnel, their relatives and enterprises \$
<b>x.</b>	<b>Investment (Including debenture) made</b>				
	Twenty Five South Realty Limited	- (-)	- (-)	- (19,700.00)	- (-)
	Citywood Builders Private Limited	- (0.25)	- (-)	- (-)	- (-)
<b>xi.</b>	<b>Services received/availed</b>				
	Citygold Management Services Private Limited	- (-)	- (-)	- (-)	- (689.05)
	Buildbyte.Com (India) Private Limited	- (-)	- (-)	- (-)	- (0.69)
	Helik Advisory Limited	- (-)	- (-)	- (-)	- (0.40)
<b>xii.</b>	<b>Sale of properties/rights</b>				
	Heet Builders Private Limited	5900.00 (-)	- (-)	- (-)	- (-)
	Twenty Five South Realty Limited	- (-)	- (-)	- (3,224.00)	- (-)
	Sunstream City Private Limited	- (-)	- (-)	- (8,452.86)	- (-)
	Celeste Joint Venture	- (-)	- (-)	- (-)	9,714.24 (-)
	Sunstone Developers Joint Venture	- (-)	- (-)	- (-)	7,369.60 (-)
<b>xiii.</b>	<b>On behalf payments made (Including reimbursement of expenses)</b>				
	Heet Builders Private Limited	- (137.19)	- (-)	- (-)	- (-)
	Hubtown Bus Terminal (Ahmedabad) Private Limited	- (-)	- (-)	495.41 (308.24)	- (-)
	Hubtown Bus Terminal (Adajan) Private Limited	- (-)	- (-)	111.46 (82.57)	- (-)
	Hubtown Bus Terminal (Mehsana) Private Limited	- (-)	- (-)	108.00 (182.99)	- (-)
	Hubtown Bus Terminal (Vadodara) Private Limited	- (-)	- (-)	51.82 (-)	- (-)
	Sunstream City Private Limited	- (-)	- (-)	0.02 (-)	- (-)
	Joynest Premises Private Limited	- (178.83)	- (-)	- (-)	- (-)
	Shreenath Realtors	- (-)	- (-)	- (5.84)	- (-)
	Yantti Buildcon Private Limited	- (14.23)	- (-)	- (-)	- (-)
	Akruti Steelfab Corporation	- (-)	- (-)	- (0.10)	- (-)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

### Note '35' : Related Parties Disclosures (Contd.)

#### B. Transactions with Related Parties (Contd.)

(₹ in lakhs)

Sr. No.	Nature of transaction	Subsidiary companies	Associate companies	Joint Ventures	Key Management personnel, their relatives and enterprises \$
<b>xiv.</b>	<b>On behalf payments received/adjusted</b>				
	Heet Builders Private Limited	-	-	-	-
		(45.67)	(-)	(-)	(-)
	Hubtown Bus Terminal (Adajan) Private Limited	-	-	78.00	-
		(-)	(-)	(15.00)	(-)
	Hubtown Bus Terminal (Ahmedabad) Private Limited	-	-	224.00	-
		(-)	(-)	(241.72)	(-)
	Hubtown Bus Terminal (Mehsana) Private Limited	-	-	-	-
		(-)	(-)	(406.00)	(-)
	Hubtown Bus Terminal (Vadodara) Private Limited	-	-	5.00	-
		(-)	(-)	(110.69)	(-)
	Joynest Premises Private Limited	-	-	-	-
		(311.16)	(-)	(-)	(-)
	Akruti Kailash Constructions	-	-	-	-
		(-)	(-)	(255.66)	(-)
	Akruti GM JV	-	-	-	-
		(-)	(-)	(13.00)	(-)
	Akruti Realty Forefront Combine	-	-	-	-
		(-)	(-)	(177.92)	(-)
	Ackruti Safeguard Systems Private Limited	-	-	-	-
		(1.94)	(-)	(-)	(-)
	Pristine Developers Private Limited	-	-	-	-
		(-)	(56.69)	(-)	(-)
	Comral Realty Private Limited	-	-	-	-
		(-)	(-)	(9.63)	(-)
	Upvan Lake Resorts Private Limited	18.40	-	-	-
		(-)	(-)	(-)	(-)
	Kunjal Shah	-	-	-	1,973.19
		(-)	(-)	(-)	(-)
<b>xv.</b>	<b>Advance given towards purchase of unit</b>				
	Fern Infrastructure Private Limited	-	-	-	-
		(-)	(-)	(-)	(544.00)
<b>xvi</b>	<b>Cost of construction</b>				
	Akruti Jay Developers	-	-	-	-
		(-)	(-)	(12.97)	(-)
<b>xvii.</b>	<b>Advances written off</b>				
	Upvan Lake Resorts Private Limited	473.13	-	-	-
		(-)	(-)	(-)	(-)
<b>xviii.</b>	<b>Advance received against FSI</b>				
	Khilen Shah	-	-	-	622.24
		(-)	(-)	(-)	(-)
	Kunjal Shah	-	-	-	622.24
		(-)	(-)	(-)	(-)
	Falguni Shah	-	-	-	622.24
		(-)	(-)	(-)	(-)
	Kushal Shah	-	-	-	622.30
		(-)	(-)	(-)	(-)
	Pratiti Shah	-	-	-	622.30
		(-)	(-)	(-)	(-)
	Rushank Shah	-	-	-	622.30
		(-)	(-)	(-)	(-)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

### Note '35': Related Parties Disclosures (Contd.)

#### B. Transactions with Related Parties (Contd.)

(₹ in lakhs)

Sr. No.	Nature of transaction	Subsidiary companies	Associate companies	Joint Ventures	Key Management personnel, their relatives and enterprises \$
<b>xix.</b>	<b>Share of profit from Partnerships/Joint Ventures</b>				
	Akruti Jay Chandan JV	- (-)	- (-)	35.35 (7.28)	- (-)
	Akruti Jay Developers	- (-)	- (-)	- (755.04)	- (-)
	Akruti Kailash Constructions	- (-)	- (-)	35.95 (-)	- (-)
<b>xx.</b>	<b>Share of loss from Partnerships/Joint Ventures</b>				
	Akruti Realty Forefront Combine	- (-)	- (-)	- (0.09)	- (-)
	Shreenath Realtors	- (-)	- (-)	2.02 (2.69)	- (-)
	Akruti Steelfab Corporation	- (-)	- (-)	- (0.14)	- (-)
	Akruti Kailash Constructions	- (-)	- (-)	38.54 (38.54)	- (-)
	Akruti Jay Developers	- (-)	- (-)	10.86 (-)	- (-)
	Akruti GM JV	- (-)	- (-)	6.69 (4.64)	- (-)
	Rising Glory Developers	- (-)	- (-)	0.01 (0.02)	- (-)
	Sunstone Developers Joint Venture	- (-)	- (-)	- (-)	- (0.02)
<b>xxi.</b>	<b>Corporate guarantees given for loans availed by others</b>				
	Hubtown Bus Terminal (Ahmedabad) Private Limited	- (-)	- (-)	9,570.60 (-)	- (-)
	Sunstream City Private Limited	- (-)	- (-)	3,891.98 (3,859.78)	- (-)
	Hubtown Bus Terminal (Mehsana) Private Limited	- (-)	- (-)	4,426.27 (1,110.53)	- (-)
	Diviniti Projects Private Limited	5,166.60 (5,115.00)	- (-)	- (-)	- (-)
	Heet Builders Private Limited	1,012.75 (-)	- (-)	- (-)	- (-)
	Twenty Five South Realty Limited	- (-)	- (-)	46,774.45 (37,425.28)	- (-)
	Hubtown Bus Terminal (Adajan) Private Limited	- (-)	- (-)	3,937.50 (-)	- (-)
	Hubtown Bus Terminal (Vadodara) Private Limited	- (-)	- (-)	4,403.63 (618.40)	- (-)
	Rare Townships Private Limited	- (-)	- (-)	6,141.67 (5,200.00)	- (-)
	Vishal Techno Commerce Limited	23,818.11 (-)	- (-)	- (-)	- (-)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

### Note '35' : Related Parties Disclosures (Contd.)

#### B. Transactions with Related Parties (Contd.)

(₹ in lakhs)

Sr. No.	Nature of transaction	Subsidiary companies	Associate companies	Joint Ventures	Key Management personnel, their relatives and enterprises \$
xxii.	<b>Corporate Guarantees vacated for loans availed by others</b>				
	Pristine Developers Private Limited	-	-	-	-
		(-)	(2,425.26)	(-)	(-)
	Hubtown Bus Terminal (Adajan) Private Limited	-	-	164.46	-
		(-)	(-)	(190.90)	(-)
	Hubtown Bus Terminal (Ahmedabad) Private Limited	-	-	509.71	-
		(-)	(-)	(1,672.91)	(-)
	Hubtown Bus Terminal (Mehsana) Private Limited	-	-	565.24	-
		(-)	(-)	(-)	(-)
	Heet Builders Private Limited	-	-	-	-
		(-)	(-)	(-)	(-)
	Fern Infrastructure Private Limited	-	-	-	-
		(-)	(-)	(-)	(2,944.73)
xxiii.	<b>Bank Guarantees vacated for loans availed by others</b>				
	Citywood Builders Private Limited	-	-	-	-
		(22.00)	(-)	(-)	(-)
	Akruti Safeguard Systems Private Limited	-	-	-	-
		(100.00)	(-)	(-)	(-)
	Yantti Buildcon Private Limited	-	-	-	-
		(1,527.52)	(-)	(-)	(-)
	Hubtown Bus Terminal (Ahmedabad) Private Limited	-	-	282.30	-
		(-)	(-)	(-)	(-)

#### Balances outstanding

	Particulars	As at 31st March, 2017 (₹ in lakhs)	As at 31st March, 2016 (₹ in lakhs)	As at 1st April, 2015 (₹ in lakhs)
xxiv.	<b>Payables*</b>			
	<b>Subsidiary companies</b>			
	Joyneest Premises Private Limited	1,761.23	-	-
	Heet Builders Private Limited	-	4,386.38	4,933.90
	<b>Associate companies</b>			
	Vinca Developer Private Limited	-	1,061.00	1,061.00
	<b>Joint Ventures</b>			
	Hubtown Bus Terminal (Mehsana) Private Limited	448.20	373.28	373.28
	Sunstone Developers Joint Venture	-	266.14	266.14
	Akruti Jay Developers	2,836.86	2,553.53	2,908.40
	Akruti Jay Chandan Joint Venture	1,211.33	812.44	860.92
	Akruti Steelfab Corporation	51.63	51.63	51.59
	Rising Glory Developers	-	170.67	-
	Hiranandani Akruti JV	-	-	208.84

#### Footnote :

\* Including balances relating to transactions entered into when these were not related.

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

## Note '35' : Related Parties Disclosures (Contd.)

### Balances outstanding (Contd.)

Particulars	As at 31st March, 2017 (₹ in lakhs)	As at 31st March, 2016 (₹ in lakhs)	As at 1st April, 2015 (₹ in lakhs)
<b>Key management personnel, their relatives and enterprises §</b>			
Citygold Management Services Private Limited	317.69	247.75	1,052.03
Buildbyte.Com (India) Private Limited	79.96	1.21	0.51
Falguni Shah	359.92	262.32	-
Hemant Shah	7.62	5.20	-
Vyomesh Shah	13.56	10.10	-
Kunjal Shah	2,595.53	0.10	-
Sunstone Developers Joint Venture	-	266.14	-
Distinctive Realty Private Limited	57.77	70.00	-
Khilen Shah	622.24	-	-
Kushal Shah	622.30	-	-
Pratiti Shah	622.30	-	-
Rushank shah	622.30	-	-

#### Footnote:

§ Enterprises where Key Management Personnel or their relatives exercise significant influence.

<b>xxv. Receivables*</b>			
<b>Subsidiary companies</b>			
Ackruti Safeguard Systems Private Limited	1,761.08	1,767.94	1,775.71
Citygold Education Research Limited	4,510.93	3,770.78	16.08
Citygold Farming Private Limited	140.07	334.88	1,709.38
Citywood Builders Private Limited	4,448.40	4,472.75	7,038.00
Devkrupa Build Tech Limited	567.36	566.65	563.65
Gujarat Akcruti-TCG Biotech Limited	5.60	4.88	6.61
Heet Builders Private Limited	1,151.37	-	45.67
Heddle Knowledge Private Limited	1,631.78	1,127.06	1,731.74
Headland Farming Private Limited	776.19	904.69	912.69
Halitious Developer Limited	108.00	103.00	103.00
Joynest Premises Private Limited	-	8,045.02	317.60
Upvan Lake Resorts Private Limited	-	490.94	471.19
Urvi Build Tech Limited	1,146.01	1,157.01	1,213.79
Vama Housing Limited	436.70	437.70	437.10
Vega Developers Private Limited	1,059.99	1,056.24	1,050.24
Vishal Techno Commerce Limited	116.99	3,057.49	3,048.79
Yantti Buildcon Private Limited	4,102.22	4,080.92	4,020.19
Diviniti Project Private Limited	14.32	21.66	14.81
India Development And Construction Venture Capital Private Limited	-	6.91	6.91
ABP Realty Advisors Private Limited	-	-	2.25
Sheshan Housing and Area Development Engineers Limited	-	-	2.00

#### Footnote :

\* Including balances relating to transactions entered into when these were not related.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

### Note '35' : Related Parties Disclosures (Contd.)

#### Balances outstanding (Contd.)

Particulars	As at 31st March, 2017 (₹ in lakhs)	As at 31st March, 2016 (₹ in lakhs)	As at 1st April, 2015 (₹ in lakhs)
<b>Associate companies</b>			
Hubtown Bus Terminal (Surat) Private Limited	-	38.01	38.01
Pristine Developers Private Limited	-	4.06	134.65
Whitebud Developers Limited	908.62	903.12	901.92
Shubhsiddhi Builders Private Limited	742.65	931.21	931.21
<b>Joint Ventures</b>			
Hubtown Bus Terminal (Adajan) Private Limited	240.60	1,422.30	415.94
Hubtown Bus Terminal (Ahmedabad) Private Limited	2,311.61	1,875.00	52.72
Hubtown Bus Terminal (Vadodara) Private Limited	285.18	142.76	162.50
Joyous Housing Limited	995.41	976.35	959.44
Sunstream City Private Limited	9,920.38	8,467.45	0.82
Twenty Five South Realty Limited	2,209.51	1,167.35	324.99
Rising Glory Developers	9,798.25	-	1,600.90
Akruti GM JV	2,277.33	1,550.39	1,552.09
Akruti Kailash Constructions	2,674.98	5,496.17	11,095.07
Shreenath Realtors	1,499.49	2,068.51	2,065.37
Akruti Realty Forefront Combine Co-Ventures	-	-	193.89
Celeste Joint Venture	12,640.89	-	-
Sunstone Developers Joint Venture	9,389.91	-	-
<b>Key Management Personnel, their relatives and enterprises</b>			
Adhivitiya Properties Limited	823.25	1,406.67	1,322.59
Buildbyte.Com (India) Private Limited	127.74	91.45	79.84
Citygold Management Services Private Limited	119.69	-	-
Sunstone Developers Joint Venture	7,369.60	-	-
Fern Infrastructure Private Limited	4,749.51	6,535.83	-
Ichha Constructions Private Limited	1,492.46	1,928.46	83.46
Lista City Private Limited	40.41	39.76	39.76
Sunmist Builders Private Limited	52.28	52.28	52.28
Superaction Realty Private Limited	90.08	90.08	90.03
Sheshan Housing and Area Development Engineers Limited	-	2.00	-
Trans Gulf MEP Engineers Private Limited	0.14	8.47	8.47
Starzone Developers Private Limited	244.40	1,561.00	1,525.00
Fourjone Realtors Private Limited	4,365.77	4,403.25	4,441.23
Merrygold Buildcon Private Limited	-	9.21	9.21
Vishal Nirman (India) Limited	9.00	4.66	4.66
Heeler Hospitality Private limited	-	587.64	587.64

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

### Note '35': Related Parties Disclosures (Contd.)

#### Balances outstanding (Contd.)

Sr. No.	Nature of transaction	Subsidiary companies	Associate companies	Joint Ventures	Key Management personnel, their relatives and enterprises \$
<b>xxvi.</b>	<b>Corporate guarantees given for loans availed by others (Amount outstanding thereagainst)</b>				
	Hubtown Bus Terminal (Adajan) Private Limited	- (-)	- (-)	3,937.50 (4,101.96)	- (-)
	Hubtown Bus Terminal (Mehsana) Private Limited	- (-)	- (-)	4,426.27 (4,991.51)	- (-)
	Hubtown Bus Terminal (Vadodara) Private Limited	- (-)	- (-)	4,403.63 (3,792.61)	- (-)
	Hubtown Bus Terminal (Ahmedabad) Private Limited	- (-)	- (-)	9,570.60 (10,080.31)	- (-)
	Heet Builders Private Limited	1,012.75 (2,473.94)	- (-)	- (-)	- (-)
	Sunstream City Private Limited	- (-)	- (-)	3,891.98 (3,859.78)	- (-)
	Citywood Builders Private Limited	3,017.50 (2,870.10)	- (-)	- (-)	- (-)
	Diviniti Projects Private Limited	5,166.60 (5,115.00)	- (-)	- (-)	- (-)
	Twenty Five South Realty Limited	- (-)	- (-)	46,774.45 (37,425.28)	- (-)
	Rare Townships Private Limited	- (-)	- (-)	6,141.67 (5,200.00)	- (-)
	Fern Infrastructure Private Limited	- (-)	- (-)	- (-)	5,142.99 (4,549.28)
	Vishal Techno Commerce Limited	23,818.11 (-)	- (-)	- (-)	- (-)
<b>xxvii.</b>	<b>Bank guarantees given on behalf of related parties</b>				
	Citywood Builders Private Limited	10.00 (10.00)	- (-)	- (-)	- (-)
	Joynest Premises Private Limited	690.00 (690.00)	- (-)	- (-)	- (-)
	Sunstream City Private Limited	- (-)	- (-)	10.00 (10.00)	- (-)
	Ackruti Safeguard Systems Private Limited	150.00 (150.00)	- (-)	- (-)	- (-)
	Hubtown Bus Terminal (Adajan) Private Limited	- (-)	- (-)	368.83 (368.83)	- (-)
	Hubtown Bus Terminal (Vadodara) Private Limited	- (-)	- (-)	332.13 (332.13)	- (-)
	Hubtown Bus Terminal (Mehsana) Private Limited	- (-)	- (-)	839.76 (839.76)	- (-)
	Hubtown Bus Terminal (Ahmedabad) Private Limited	- (-)	- (-)	- (282.30)	- (-)
	Shreenath Realtors	- (-)	- (-)	10.00 (10.00)	- (-)
	Gujarat Akruti-TCG Biotech Limited	0.10 (-)	- (-)	- (-)	- (-)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

### Note '35': Related Parties Disclosures (Contd.)

#### Balances outstanding (Contd.)

Sr. No.	Nature of transaction	Subsidiary companies	Associate companies	Joint Ventures	Key Management personnel, their relatives and enterprises \$
xxviii.	<b>Personal Guarantee of Directors towards loans availed by the Company</b>				
	Banks	- (-)	- (-)	- (-)	42,234.83 (53,485.99)
	Debenture Trustees	- (-)	- (-)	- (-)	4,206.37 (5,884.08)
	Financial Institution	- (-)	- (-)	- (-)	25,914.46 (4,950.00)
	Company	- (-)	- (-)	- (-)	14,636.39 (-)
xxix.	<b>Guarantees / Securities given by way of shares in the Company pledged against loans availed by the Company</b>	- (-)	- (-)	- (-)	40,877.05 (50,031.40)

#### Footnotes:

- Previous year figures are given in brackets.
- Related party relationships are as identified by the Company and relied upon by the auditors.
- \$ Enterprises where Key Management Personnel or their relatives exercise significant influence.

### Note '36'

#### Disclosure of Loans And Advances in the nature of Loans as per SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015

##### A. Loans and Advances

Sr. No.	Name of the Loanee	31st March, 2017		31st March, 2017	
		Balance at the end (₹ in lakhs)	Maximum balance during the year (₹ in lakhs)	Shares held by loanee in the Company	
				No. of shares outstanding at the year end	Maximum No. of shares held during the year
I.	<b>Subsidiaries (Refer footnote a)</b>				
1.	Halitious Developer Limited	108.00 (103.00)	108.00 (103.00)	- (-)	- (-)
2.	Vama Housing Limited	436.70 (437.10)	437.70 (437.70)	- (-)	- (-)
3.	Devkrupa Build Tech Limited	567.36 (566.65)	567.36 (566.65)	- (-)	- (-)
4.	Diviniti Projects Private Limited	14.32 (21.66)	21.66 (21.66)	- (-)	- (-)
5.	Vishal Techno Commerce Limited	116.99 (3,057.49)	3,057.49 (3,057.49)	- (-)	- (-)
6.	Urvi Build Tech Limited	1,146.01 (1,157.04)	1,157.04 (1,213.79)	- (-)	- (-)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

Note '36' : Disclosure Of Loans And Advances In The Nature Of Loans As Per Sebi (Listing Obligations And Disclosure Requirements) Regulations, 2015

### A. Loans and Advances (Contd.)

Sr. No.	Name of the Loanee	31st March, 2017		31st March, 2017	
		Balance at the end (₹ in lakhs)	Maximum balance during the year (₹ in lakhs)	Shares held by loanee in the Company	
				No. of shares outstanding at the year end	Maximum No. of shares held during the year
<b>II. Associate</b>					
	Pristine Developers Private Limited	- (4.06)	4.06 (77.96)	- (-)	- (-)
<b>III. Joint Ventures</b>					
1.	Joyous Housing Limited	918.93 (899.88)	918.93 (899.88)	- (-)	- (-)
2.	Twenty Five South Realty Limited	2,031.66 (-)	2,209.51 (-)	- (-)	- (-)

#### Footnotes:

- Interest free loans have been given to wholly owned subsidiaries.
- Above loans are repayable on demand.
- Previous year figures are given in brackets.

### B. Project Advances (Refer Footnote a)

Sr. No.	Name of the Loanee	31st March, 2017		31st March, 2017	
		Balance at the end (₹ in lakhs)	Maximum balance during the year (₹ in lakhs)	Shares held by loanee in the Company	
				No. of shares outstanding at the year end	Maximum No. of shares held during the year
<b>I. Subsidiaries</b>					
1.	Gujarat Akruti-TCG Biotech Limited	5.60 (3.60)	5.60 (3.60)	- (-)	- (-)
2.	Yantti Buildcon Private Limited	3,839.22 (3,817.92)	3,839.22 (3,817.92)	- (-)	- (-)
3.	Upvan Lake Resorts Private Limited	- (472.64)	473.14 (472.64)	- (-)	- (-)
4.	Heddle Knowledge Private Limited	1,631.78 (1,127.06)	1,836.09 (1,806.74)	- (-)	- (-)
5.	Citygold Education Research Limited	4,510.93 (3,770.78)	4,510.93 (3,809.28)	- (-)	- (-)
6.	Citygold Farming Private Limited	140.07 (334.88)	334.88 (1,709.38)	- (-)	- (-)
7.	Headland Farming Private Limited	776.19 (904.69)	904.69 (912.69)	- (-)	- (-)
8.	Joynest Premises Private Limited	- (7,934.36)	8,210.86 (11,962.76)	- (-)	- (-)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

Note '36' : Disclosure Of Loans And Advances In The Nature Of Loans As Per Sebi (Listing Obligations And Disclosure Requirements) Regulations, 2015

### B. Project Advances (Refer Footnote a) (Contd.)

Sr. No.	Name of the Loanee	31st March, 2017		31st March, 2017	
		Balance at the end (₹ in lakhs)	Maximum balance during the year (₹ in lakhs)	Shares held by loanee in the Company	
				No. of shares outstanding at the year end	Maximum No. of shares held during the year
9.	Vega Developers Private Limited	1,059.99 (1,056.24)	1,059.99 (1,056.24)	- (-)	- (-)
10.	Ackruti Safeguard Systems Private Limited	1,756.78 (1,763.77)	1,763.77 (1,769.70)	- (-)	- (-)
11.	Citywood Builders Private Limited	4,448.40 (4,472.75)	4,526.25 (7,110.13)	- (-)	- (-)
<b>II.</b>	<b>Associates</b>				
1.	Whitebud Developers Limited	908.62 (903.12)	908.62 (903.12)	- (-)	- (-)
2.	Shubhsiddhi Builders Private Limited	742.65 (742.65)	742.65 (742.65)	- (-)	- (-)
3.	Yellowcity Builders Private Limited	- (-)	- (550.00)	- (-)	- (-)
4.	Comral Realty Private Limited	- (-)	- (14.87)	- (-)	- (-)
<b>III.</b>	<b>Joint Ventures</b>				
1.	Sunstream City Private Limited	862.58 (2.03)	930.45 (82,336.52)	- (-)	- (-)
2.	Twenty Five South Realty Limited	- (1,156.06)	1,156.06 (4,093.70)	- (-)	- (-)
3.	Hubtown Bus Terminal (Vadodara) Private Limited	155.00 (159.00)	205.30 (111.70)	- (-)	- (-)
4.	Hubtown Bus Terminal (Mehsana) Private Limited	- (6.00)	6.00 (584.73)	- (-)	- (-)
5.	Hubtown Bus Terminal (Surat) Private Limited	0.45 (0.45)	0.45 (0.45)	- (-)	- (-)
6.	Hubtown Bus Terminal (Ahmedabad) Private Limited	1,920.96 (1,755.76)	1,995.96 (1,798.76)	- (-)	- (-)
7.	Hubtown Bus Terminal (Adajan) Private Limited	1,461.16 (1,212.16)	1,504.88 (1,246.88)	- (-)	- (-)

#### Footnotes:

- Interest free advances.
- Previous year figures are given in brackets.

#### NOTE '37'

In the opinion of the Board of Directors of the Company, all items of Current Assets, Current Liabilities and Loans and Advances continue to have a realizable value of at least the amounts at which they are stated in the Balance Sheet.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

			As at 31st March, 2017 (₹ in lakhs)	As at 31st March, 2016 (₹ in lakhs)	As at 1st April, 2015 (₹ in lakhs)
<b>NOTE '38'</b>					
<b>CONTINGENT LIABILITIES AND COMMITMENTS (NOT PROVIDED FOR) :</b>					
(i)	(A)	Claims against the Company not acknowledged as debts on account of :			
		1) Income tax and MVAT matters under appeal	2,902.53	2,889.42	654.41
		2) TDS liability on account of short deduction, short payment and interest thereon as per TRACES	-	253.17	411.42
		3) Demand notice issued by Brihanmumbai Municipal Corporation for land construction charges (property tax)	-	256.45	-
		4) Towards pending legal cases	61,618.24	72,341.84	68,909.50
	(B)	On account of corporate guarantees issued by the Company to bankers and others on behalf of other companies and joint ventures for facilities availed by them (amount outstanding thereagainst.) (Refer Footnote c)	123,209.57	90,099.69	47,280.82
(ii)		Other commitments :			
	(a)	Bank Guarantees against own projects	1,095.00	1,085.00	1,085.00
	(b)	Bank Guarantees given on behalf of subsidiaries, joint ventures, etc.	2,400.72	2,693.02	4,342.54
	(c)	Towards amounts to be deposited against undertaking given to the Hon'ble Sessions Court, advance paid thereagainst ₹ 4,700 lakhs (As at 31st March, 2016: ₹ 1000 lakhs; 1st April, 2015: ₹ Nil)	4,700.00	5,900.00	-

### Footnotes:

- Interest / penalty that may accrue on original demands are not ascertainable, at present. The Company has taken necessary steps to protect its position with respect to the above referred claims, which in its opinion, based on professional / legal advice are not sustainable.
- Contingent liabilities include corporate guarantees issued by the Company and relied upon by the Auditors.
- The management is of the view that it was necessary to provide the corporate guarantees to further the business interest of the Company in the entities on whose behalf such guarantees have been provided and the management is of the view that there would be no sustainable claims on the Company in respect of these corporate guarantees.

The rate of interest, processing fees, any other charges levied by the lenders on the entities availing loans are based on internal guidelines of the lenders depending on the merits of the underlying projects and their estimated cash flows. Majority of the corporate guarantees issued by the Company are basically to provide comfort by the Company as a shareholder of the Borrower entity to the Lenders. These corporate guarantees, in any case, do not result in any additional benefits to the borrowers. Accordingly, the fair value of the corporate guarantees are expected to be immaterial.

### Note '39'

#### Financial Risk Management Objectives and Policies

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

#### 1) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument which fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Major financial instruments affected by market risk include loans and borrowings.

##### a) Interest rate risk

Majority of the long-term borrowings of the Company bear fixed interest rate and thus interest rate risk is limited for the Company.

##### b) Foreign currency risk

The Company is engaged in real estate business and only imports certain material against Letter of Credit for which hedging instruments are not required.

##### c) Equity price risk

The Company's equity securities are not majorly susceptible to market price risk. However, the Company's Board of Directors reviews and approves all equity investment decisions after exercising due diligence which may affect the market related risk.

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2) Credit Risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure of the financial assets are contributed by trade receivables, unbilled revenue, cash and cash equivalents and receivables from group companies.

- a) Receivables resulting from sale of properties: Customer credit risk is managed by requiring customers to pay advances before transfer of ownership, thereby subst((or)9.727(tally eliminan)3.96044lting theCs)11.1145(ompaf)13.2949yaf credit risk ng ties r

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## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017 (CONTD.)

### Note '41'

#### Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's management is to maximise shareholders value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may issue new shares. Consistent with others in the industry, the Company monitors its capital using the gearing ratio which is total net debt (borrowings offset by cash and cash equivalents) divided by total capital of the Company.

#### Gearing Ratio

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the borrowings that define the capital structure requirements. Breaches in meeting the financial covenants would permit the lenders to immediately call loans and borrowings.

The gearing ratio at the reporting period was as follows:

	As at 31st March, 2017 (₹ in lakhs)	As at 31st March, 2016 (₹ in lakhs)	As at 1st April, 2015 (₹ in lakhs)
Borrowings including current maturities	139,975.71	135,385.17	126,676.55
Interest accrued and due/and but not due	18,908.55	12,094.70	6,207.50
Unpaid matured debentures and interest accrued thereon	4,659.15	3,526.49	-
<b>Total Debt</b>	<b>163,543.41</b>	<b>151,006.36</b>	<b>132,884.05</b>
Less: Cash and cash equivalents	489.52	700.16	1,816.37
<b>Net Debt (A)</b>	<b>163,053.89</b>	<b>150,306.20</b>	<b>131,067.68</b>
Equity Share Capital	7,273.59	7,273.59	7,273.59
Other Equity	165,548.54	164,892.82	162,276.13
<b>Total Equity (B)</b>	<b>172,822.13</b>	<b>172,166.41</b>	<b>169,549.72</b>
<b>Debt Equity Ratio (A/B)</b>	<b>0.94</b>	<b>0.87</b>	<b>0.77</b>

### Note '42'

#### Categories of Financial Instruments

##### Fair Value measurement

	31st March, 2017 (₹ in lakhs)		31st March, 2016 (₹ in lakhs)		1st April, 2015 (₹ in lakhs)	
	FVPL / FVOCI	Amortised Cost	FVPL / FVOCI	Amortised Cost	FVPL / FVOCI	Amortised Cost
<b>Financial Assets</b>						
Investments	-	102,847.40	-	87,157.19	-	5,155.22
Trade receivables	-	33,631.00	-	16,249.57	-	8,737.62
Cash and cash equivalents	-	489.52	-	700.16	-	1,816.37
Bank balances other than above	-	139.30	-	248.74	-	1,224.20
Loans	-	7,729.97	-	11,872.77	-	9,395.61
Other financial assets	-	77,961.43	-	73,048.77	-	172,951.13
<b>Total</b>	-	<b>222,798.62</b>	-	<b>189,277.20</b>	-	<b>199,280.15</b>
<b>Financial Liabilities</b>						
Borrowings	-	98,198.51	-	83,126.65	-	91,902.08
Trade payables	-	11,241.09	-	11,752.75	-	11,620.84
Other financial liabilities	-	99,608.56	-	90,604.95	-	59,283.19
<b>Total</b>	-	<b>209,048.16</b>	-	<b>185,484.35</b>	-	<b>162,806.11</b>



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

### Note '43'

#### DISCLOSURE AS PER GUIDANCE NOTE ON ACCOUNTING FOR REAL ESTATE TRANSACTION (REVISED 2012)

##### Particulars for all projects

	As at 31st March, 2017 (₹ in lakhs)	As at 31st March, 2016 (₹ in lakhs)	As at 1st April, 2015 (₹ in lakhs)
Project Revenue recognised in the reporting period	17,691.31	18,892.28	27,630.30
The aggregate amount of cost incurred till date	189,401.89	181,735.39	157,663.36
Advances received (Net of revenue recognition)#	25,735.53	30,378.37	27,858.29
Work-in-Progress	90,712.61	96,132.05	82,704.42
Value of inventories	91,028.36	96,439.93	83,416.95
Unbilled revenue	7,178.83	4,707.58	4,422.41

# Includes amount received from customer against projects on which revenue is not recognised till date.

### Note '44'

Loans and advances, other receivables, debtors and creditors are subject to confirmations and are considered payable / realisable, as the case may be.

As per our report of even date

For **DALAL DOSHI & ASSOCIATES**

Firm Registration No. 121773W

CHARTERED ACCOUNTANTS

**DINESH DOSHI**

PARTNER

Membership No. F-9464

Mumbai

Date: 29th May, 2017

For and on behalf of the Board of Directors

**HEMANT M. SHAH**

EXECUTIVE CHAIRMAN

**CHETAN MODY**

COMPANY SECRETARY

Mumbai

Date: 29th May, 2017

**VYOMESH M. SHAH**

MANAGING DIRECTOR

**NANCY PEREIRA**

CHIEF FINANCIAL OFFICER

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**CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR YEAR ENDED MARCH 31, 2017**

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## INDEPENDENT AUDITORS' REPORT

### To the Members of Hubtown Limited

#### Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Hubtown Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), its associates and joint ventures which comprise the Consolidated Balance Sheet as at March 31, 2017, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information.

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

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ('the Act') that give a true and fair view of the consolidated state of affairs (consolidated financial position), consolidated profit or loss (consolidated financial performance including other comprehensive income), consolidated cash flows and consolidated statement of changes in equity of the Group including its associates and joint ventures in accordance with 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 companies included in the group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the act for safeguarding assets of the group and its associates and its joint ventures and for preventing and detecting fraud and other irregularities; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of accounting records, relevant to preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the consolidated financial statements by the directors of holding, as aforesaid.

#### Auditors' Responsibility

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

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

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

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

#### Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries, associates and joint ventures, referred to below in the Other Matters paragraph, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs (consolidated financial position) of the Group, its associates and joint ventures as at March 31, 2017 and their consolidated loss (consolidated financial performance including other comprehensive income), their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

#### Emphasis of Matter

We draw attention to:

- a) Note 3 (C) (II)(A) to the consolidated financial statements, regarding to recognition of expense and income for ongoing projects which, based upon estimated costs, as per the judgment of the management and have been relied upon by us, these being technical matters.
- b) Footnote to Note 18 to the consolidated financial statements, regarding to non-creation of investments to the extent of 15% of the value of the redeemable debentures, which is required to be created and earmarked in the manner prescribed under Rule 18(7)(c) of the Companies (Share Capital and Debentures) Rules, 2014 notified by the Ministry of Corporate Affairs.
- c) Footnote (b) to Note 14 to the consolidated financial statements, regarding the status of the projects and the opinion framed by the Company's management regarding realizable value of the costs incurred which, being a technical matter is relied upon by us.
- d) Note 34 (E) to the consolidated financial statements, regarding Corporate guarantees issued and securities provided aggregating ₹ 89,188.71 lakhs by the Company to banks and financial institutions on behalf of various entities, which are significant in relation to the profits for the year and the net worth of the Company. In the opinion of the Management, these are not expected to result into any financial liability to the Company.

## INDEPENDENT AUDITORS' REPORT (CONTD.)

- e) Footnote (c) to Note 34 to the consolidated financial statements, regarding the above Corporate guarantees issued and securities provided are disclosed at amounts outstanding as at March 31, 2017. The financial liabilities on account of such financial guarantee contracts have not been measured at fair value as management is of the opinion that there is no material benefit which is expected to accrue to the borrowers on behalf of whom the company has provided the corporate guarantees.
- f) Footnote (b) to Note 34 to the consolidated financial statements, regarding to reliance placed by the auditors on certification received from the management with regard to the disclosure of contingent liabilities of the Company.
- g) Note 42 to the consolidated financial statements, regarding to balances that are subject to confirmations, reconciliation and adjustments, if any.
- h) Footnote to Note 13 to the consolidated financial statements, regarding to amounts deposited with the Hon'ble Session Court, Mumbai as deposits on account of an ongoing case in connection with a commercial transaction with an erstwhile associate company. In connection with the above, a bank account of the company has been attached by the Maharashtra State CID. Considering the facts of the matter, its pendency, and the matter being sub-judice we are unable to express any opinion on the same.
- i) Footnote to Note 9 to the consolidated financial statements, regarding the Company not having charged interest on advances given by it to various group entities developing real estate projects, in which the Company has a business interest.
- j) Footnote (a) to Note 10 to the consolidated financial statements, regarding the Company, based on certain events, having re-grouped its interest free advances that are repayable on call / demand, to its various group entities developing real estate projects, in which the Company has a business interest.
- k) Footnote (c) to Note 19 to the consolidated financial statements, regarding the Company's default in redemption of non-convertible debentures along with interest amounting to ₹ 4,659 lakhs. We are however informed by the management that the company is in process of renegotiating the terms of redemption of the said debentures.
- l) Footnote (d) to Note 7 to the consolidated financial statements, regarding investments and loans and advances made by Company in certain associates and joint ventures have incurred losses and have also fully eroded their net worth as at March 31, 2017. As explained to us, these entities are in early stage of real estate development or have made certain investments, or are in the process of acquiring investments / projects which in the opinion of the Management will have current market values significantly in excess of their carrying values and are expected to achieve adequate profitability on substantial completion of their projects or sale of investments, as case may be. Considering the above, the Company has not provided for diminution in the value of its investments or in respect of loans and advances in / to such entities, which are considered good and fully recoverable.
- m) Footnote to Note 31 regarding non-payment of expense towards Corporate Social Responsibility.

Our opinion is not qualified in respect of the above matters.

### Other Matters

- a. We did not audit the financial statements of eight subsidiaries, whose financial information reflect total assets of ₹ 41,322.77 Lakhs as at 31st March, 2017, total revenues of ₹ 300.11 Lakhs and Net Cash Flows amounting to ₹ (1,226.19) Lakhs for the year ended on that date, as considered in the consolidated financial statements. The statement also include the Group's share of net profit (including other comprehensive income) of ₹ 35.89 Lakhs for the year ended 31st March, 2017, as considered in the consolidated financial statements, in respect of two joint ventures, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint ventures, and our report in terms of sub section 3 of Section 143 of the act, in so far as it relates to the aforesaid subsidiaries, and joint ventures is based on reports of the other auditors.
- b. We did not audit the financial statements of six subsidiaries, whose financial information reflect total assets (net) of ₹ 85,109.21 Lakhs as at 31st March, 2017, total revenues of ₹ 1,364.22 Lakhs and Net Cash Flows amounting to ₹ (518.96) Lakhs for the year then ended on that date, as considered in the consolidated financial statements. The statement also include the Group's share of net loss (including other comprehensive income) of ₹ 869.01 Lakhs for the year ended 31st March, 2017, as considered in the consolidated financial statements, in respect of twelve joint ventures, whose financial statements have not been audited by us. Further we also did not audit the financial statements of two associates, whose aggregate share of net profit Nil are also included in the consolidated financial statements. These financial statements are unaudited and have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, associates and joint ventures, and our report in terms of sub section 3 of Section 143 of the act, in so far as it relates to the aforesaid subsidiaries, associates, and joint ventures is based solely on such unaudited financial statements.
- c. The Holding Company had prepared separate consolidated financial statements for the year ended 31st March, 2016 and 31st March, 2015 in accordance with Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) on which we issued auditor's reports dated 22nd June, 2016 and 30th May, 2015 respectively. These consolidated financial statements have been adjusted for the differences in the accounting principles adopted by the Holding Company on transition to Ind AS, which have also been audited by us.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the management.

## INDEPENDENT AUDITORS' REPORT (CONTD.)

### Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and other financial information of the subsidiaries, associates and joint ventures referred in the other matters paragraph, 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 purpose of our audit of the aforesaid consolidated financial statements;
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
- (c) The consolidated Balance sheet, consolidated Statement of Profit and Loss (including other comprehensive income), the consolidated cash flow statement, and consolidated statement of changes in equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act;
- (e) On the basis of the written representations received from the directors of the Holding Company and taken on record by the Board of Directors of the Holding Company and the reports of the other statutory auditors of its subsidiary companies, associate companies and joint venture companies covered under the Act, none of the directors of the Group companies, its associate companies and joint venture companies, covered under the Act, are disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company, its subsidiary companies, associate companies and joint venture companies covered under the Act and the operating effectiveness of such controls, refer to our separate Report in **Annexure "A"**;
- (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements and also the other financial information of the subsidiaries, associates and joint ventures:
  - i. The consolidated financial statements disclose the impact of pending litigations, if any on the consolidated financial position of the Group, its associates and joint ventures as at March 31, 2017;
  - ii. The Holding Company and its subsidiary companies, associate companies and joint ventures did not have any long term contracts including derivative contracts as March 31, 2017 for which there were any material foreseeable losses;
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, associate companies and joint venture companies covered under the Act; and
  - iv. The Holding Company has provided requisite disclosure in the consolidated financial statement as regards the holdings and dealing in specified bank notes during the period from 8th November, 2016 to 30th December, 2016 of the group entities as applicable. Based on audit procedures performed and the representation provided to us by the management, we report that the disclosure are in accordance with the relevant books of accounts maintained by those entities for the purpose of preparation of the consolidated financial statements and as produced to us by the management of respective group entities.

**FOR DALAL DOSHI & ASSOCIATES**  
Firm Registration No.: 121773W  
Chartered Accountants

**DINESH DOSHI**  
Partner  
Membership No.: F- 9464

Place: Mumbai  
Date: May 29, 2017

## INDEPENDENT AUDITORS' REPORT (CONTD.)

### "ANNEXURE A" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF HUBTOWN LIMITED

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

In conjunction with our audit of the consolidated financial statements of the Hubtown Limited ('the Holding Company') and its subsidiaries, ('the Holding Company and its subsidiaries together referred to as 'the Group'), its associates and its joint ventures as at and for the year ended March 31, 2017, we have audited the internal financial controls over financial reporting of the Holding Company, its subsidiary companies, associate companies and joint ventures, which are companies incorporated in India, as of that date.

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

The respective Board of Directors of the Holding Company, its subsidiary companies, associate companies and joint ventures which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('the 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 the company's business, including adherence to the respective company's policies, the safeguarding of the company's assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding Company, its subsidiary companies, associate companies and joint venture companies as aforesaid, based on our audit. We conducted our audit in accordance with the guidance note on Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under section 143(10) of the 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 were established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting of the Holding Company, its subsidiary companies, associate companies and joint venture companies as aforesaid.

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

A company's internal financial controls over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls over financial reporting includes those policies and procedures that:

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### Inherent Limitations of Internal Financial Controls over Financial Reporting

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

#### Opinion

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

#### Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to eight subsidiary companies and two joint venture companies, is based on the corresponding reports of the auditors of such companies incorporated in India. Further, we reserve our opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting in case of six subsidiaries, twelve joint ventures and two associate companies, incorporated in India, which are unaudited and have been furnished to us by the Management.

Our opinion is not qualified in respect of this matter.

**FOR DALAL DOSHI & ASSOCIATES**

Firm Registration No.: 121773W  
Chartered Accountants

**DINESH DOSHI**

Partner

Membership No.: F- 9464

Place: Mumbai  
Date: May 29, 2017

## CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2017

Particulars	Note No.	As at 31st March, 2017 (₹ in lakhs)	As at 31st March, 2016 (₹ in lakhs)	As at 1st April, 2015 (₹ in lakhs)
<b>ASSETS</b>				
<b>Non-Current Assets</b>				
(a) Property, plant and equipment	4	3,301.06	3,403.48	3,592.89
(b) Capital work-in-progress	4	1,015.06	1,357.29	1,241.30
(c) Investment property	5	4,236.06	4,384.76	4,346.42
(d) Goodwill on consolidation		1,823.81	2,435.39	2,119.34
(e) Intangible assets	6	34.01	37.65	41.50
(f) Financial assets				
(i) Investments	7	170,870.49	170,407.87	56,112.13
(ii) Trade Receivables	8	-	-	3,902.62
(iii) Loans	9	404.50	356.68	314.77
(iv) Other financial assets	10	1,329.90	24,756.49	126,782.27
(g) Current tax assets (Net)	11	3,434.65	2,815.38	2,675.98
(h) Deferred tax assets (Net)	12	3,870.46	3,689.26	3,768.20
(i) Other non-current assets	13	21,731.20	18,014.71	16,146.04
<b>Total Non-Current Assets</b>		<b>212,051.20</b>	<b>231,658.96</b>	<b>221,043.45</b>
<b>Current Assets</b>				
(a) Inventories	14	167,034.41	157,431.03	137,094.59
(b) Financial assets				
(i) Investments	7	217.68	1,931.49	248.33
(ii) Trade receivables	8	30,608.77	15,003.70	1,540.57
(iii) Cash and cash equivalents	15	910.77	1,684.10	2,393.16
(iv) Bank balances other than (iii) above	16	187.98	1,507.43	1,277.87
(v) Loans	9	8,287.93	9,721.77	18,646.15
(vi) Other financial assets	10	60,278.24	31,184.86	36,696.19
(c) Other current assets	13	13,833.25	18,753.55	17,211.92
<b>Total Current Assets</b>		<b>281,359.03</b>	<b>237,217.93</b>	<b>215,108.78</b>
<b>TOTAL ASSETS</b>		<b>493,410.23</b>	<b>468,876.89</b>	<b>436,152.23</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(a) Equity share capital	17	7,273.59	7,273.59	7,273.59
(b) Other equity	18	155,301.62	161,702.15	160,472.20
<b>Equity attributable to the Owners of the Parent</b>		<b>162,575.21</b>	<b>168,975.74</b>	<b>167,745.79</b>
Non-Controlling Interest		2,104.99	2,204.20	2,217.60
<b>Total Equity</b>		<b>164,680.20</b>	<b>171,179.94</b>	<b>169,963.39</b>
<b>Liabilities</b>				
<b>Non-Current Liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	19	52,985.26	52,900.07	57,473.77
(ii) Other Financial Liabilities	20	1,450.10	2,878.06	2,732.93
(b) Provisions	21	210.94	282.61	159.92
(c) Deferred Tax Liabilities	12	480.97	479.64	443.47
<b>Total Non-Current Liabilities</b>		<b>55,127.27</b>	<b>56,540.38</b>	<b>60,810.09</b>
<b>Current Liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	19	80,953.35	55,333.17	45,229.17
(ii) Trade payables	22	16,813.89	14,997.90	15,132.82
(iii) Other financial liabilities	20	133,958.48	129,750.81	110,239.49
(b) Other current liabilities	23	41,643.71	40,915.47	34,604.74
(c) Provisions	21	233.33	159.22	172.53
<b>Total Current Liabilities</b>		<b>273,602.76</b>	<b>241,156.57</b>	<b>205,378.75</b>
<b>Total Liabilities</b>		<b>328,730.03</b>	<b>297,696.95</b>	<b>266,188.84</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>493,410.23</b>	<b>468,876.89</b>	<b>436,152.23</b>

The accompanying notes are an integral part of the financial statements

As per our report of even date

For **DALAL DOSHI & ASSOCIATES**

Firm Registration No. 121773W

CHARTERED ACCOUNTANTS

**DINESH DOSHI**

PARTNER

Membership No. F-9464

Mumbai

Date: 29th May, 2017

For and on behalf of the Board of Directors

**HEMANT M. SHAH**

EXECUTIVE CHAIRMAN

**CHETAN MODY**

COMPANY SECRETARY

Mumbai

Date: 29th May, 2017

**VYOMESH M. SHAH**

MANAGING DIRECTOR

**NANCY PEREIRA**

CHIEF FINANCIAL OFFICER

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2017

Particulars	Note No.	Year ended 31st March, 2017 (₹ in lakhs)	Year ended 31st March, 2016 (₹ in lakhs)
<b>I INCOME</b>			
Revenue from Operations	24	54,060.10	40,661.11
Other Income	25	3,262.96	3,154.99
<b>TOTAL INCOME</b>		<b>57,323.06</b>	<b>43,816.10</b>
<b>II EXPENSES</b>			
Costs Of Construction / Development	26	19,214.46	19,039.43
Purchase of Stock-in-Trade		294.70	-
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	27	(15,087.33)	(19,917.76)
Employee Benefits Expense	28	2,286.33	1,995.85
Finance Costs	29	42,172.32	38,298.22
Depreciation and Amortisation Expenses	30	325.21	366.53
Other Expenses	31	12,864.76	4,388.72
Impairment of goodwill		611.58	341.36
<b>TOTAL EXPENSES</b>		<b>62,682.03</b>	<b>44,512.35</b>
<b>Profit before Tax</b>		<b>(5,358.97)</b>	<b>(696.25)</b>
Tax Expense			
(a) Current Tax		(453.25)	(326.42)
(b) Deferred tax (charge) / credit		179.87	(115.11)
(c) Excess / (Short) provision for taxation in respect of earlier years		(23.25)	688.59
		<b>(296.63)</b>	<b>247.06</b>
<b>Profit/ (Loss) after tax but before adjustments</b>		<b>(5,655.60)</b>	<b>(449.19)</b>
Share of Profit /(Loss) from Associate Co. / JV using equity method		(847.08)	(2,152.75)
Pre-acquisition gain		0.50	57.22
(Loss) / gain on cessation / sale / conversion of shares in subsidiaries / JVs / Associates		(68.43)	129.69
<b>Profit / (Loss) for the year</b>		<b>(6,570.61)</b>	<b>(2,415.03)</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
Items that will not be reclassified to profit or loss			
Share of OCI from associates / JV		2.11	-
Remeasurement of the net defined benefit liability / asset		9.12	(37.33)
<b>Total other Comprehensive Income</b>		<b>11.23</b>	<b>(37.33)</b>
<b>Total Comprehensive Income for the year</b>		<b>(6,559.38)</b>	<b>(2,452.36)</b>
<b>Total Comprehensive Income for the year attributable to:</b>			
Non controlling interest		(158.85)	(59.66)
Owners of the parent		(6,400.53)	(2,392.70)
<b>Earning per equity share of nominal value of ₹ 10/- each (in Rupees)</b>	32		
Basic and Diluted		(8.81)	(3.24)

The accompanying notes are an integral part of the financial statements

As per our report of even date

For **DALAL DOSHI & ASSOCIATES**

Firm Registration No. 121773W  
CHARTERED ACCOUNTANTS

**DINESH DOSHI**

PARTNER

Membership No. F-9464

Mumbai

Date: 29th May, 2017

For and on behalf of the Board of Directors

**HEMANT M. SHAH**

EXECUTIVE CHAIRMAN

**CHETAN MODY**

COMPANY SECRETARY

Mumbai

Date: 29th May, 2017

**VYOMESH M. SHAH**

MANAGING DIRECTOR

**NANCY PEREIRA**

CHIEF FINANCIAL OFFICER



# CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2017

	Year ended 31st March, 2017 (₹ in lakhs)	Year ended 31st March, 2016 (₹ in lakhs)
<b>CASH FLOWS ARISING FROM OPERATING ACTIVITIES</b>		
Net profit before taxation as per Statement of Profit and Loss	(5,358.97)	(696.25)
<b>Add / (Less) :</b>		
Remeasurement of the net defined benefit liability / asset	11.23	(37.33)
Provision for doubtful advances	24.51	0.92
Gain on Investments measured at FVTPL	(4.80)	-
Provision for doubtful debts	88.99	-
Advances and other debit balances written off	1,352.79	52.12
Unwinding of interest free loan	(28.43)	(25.00)
Sundry credit balances appropriated	(194.92)	(546.89)
Provision for doubtful debts written back	(148.89)	(8.00)
Bad debts	1,000.72	49.67
Finance costs	42,172.32	38,298.22
Share of (Profit) / Loss from investment in partnership firms and JVs	48.31	562.12
Amortisation / adjustment of goodwill	611.58	341.36
(Gain) / Loss on cessation / sale / conversion of shares in Joint Ventures	(1,835.36)	(2,851.65)
Depreciation and amortisation	325.21	366.53
Project expenses written off / amortised	5,642.41	-
Prior period adjustments (Net)	-	42.49
(Profit) / Loss on sale of fixed assets (Net)	(0.97)	(1.44)
(Profit) / Loss on sale of investments	(6.36)	(15.39)
Liabilities written back to the extent no longer required	(580.02)	(1,536.54)
Dividend from current investments	(0.41)	(1.57)
Interest Income on financial asset at amortised cost	(1,118.31)	(806.01)
Interest income	(18,093.17)	(1,678.37)
	<b>29,266.43</b>	<b>32,205.24</b>
<b>Operating profit before working capital changes</b>	<b>23,907.46</b>	<b>31,508.99</b>
<b>Add / (Less) :</b>		
(Increase) / Decrease in inventories	(15,245.79)	(20,336.44)
(Increase) / Decrease in trade and other receivables	(11,664.56)	(7,208.25)
Increase / (Decrease) in trade and other payables	4,607.89	9,652.34
Direct taxes paid	(1,095.78)	222.76
	<b>(23,398.24)</b>	<b>(17,669.59)</b>
<b>Net cash flow from operating activities</b>	<b>509.22</b>	<b>13,839.40</b>

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2017 (CONTD.)

	Year ended 31st March, 2017 (₹ in lakhs)	Year ended 31st March, 2016 (₹ in lakhs)
<b>CASH FLOWS ARISING FROM INVESTING ACTIVITIES</b>		
<b>Inflow / (Outflow) on account of :</b>		
Dividend from current investments	0.41	1.57
Interest income received	2,193.39	1,738.66
( Increase ) / Decrease in loans and advances	1,382.58	8,857.48
(Purchase) / Sale of fixed assets including capital WIP (Net)	272.85	(326.17)
( Increase )/ Decrease in deposits	1,319.45	(229.56)
(Purchase) / Sale of Long term / Current investments (Net)	10,255.34	(9,988.44)
<b>Net cash flow from investing activities</b>	<b>15,424.02</b>	<b>53.55</b>
<b>Inflow / (Outflow) on account of :</b>		
Increase / (Decrease) in long term and short term borrowings	17,178.04	16,540.84
Finance costs paid	(33,878.11)	(30,927.61)
<b>Net cash flow from financing activities</b>	<b>(16,700.07)</b>	<b>(14,386.77)</b>
<b>Net increase in cash and cash equivalents ( I + II + III )</b>	<b>(766.83)</b>	<b>(493.82)</b>
<b>Add: Balance at the beginning of the year</b>	<b>270.92</b>	<b>764.74</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>(495.91)</b>	<b>270.92</b>
<b>Components of cash and cash equivalents</b>		
Cash and cash equivalents:		
Cash on hand	34.15	89.63
Balances with banks		
- In Current accounts	450.21	1,192.58
- Deposits with maturity of less than three months	168.46	147.59
- Escrow accounts	257.95	254.30
Cash Credit facilities	(1,406.68)	(1,413.18)
	<b>(495.91)</b>	<b>270.92</b>

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

### Note:

The Cash Flow Statement has been prepared under indirect method as set out in Indian Accounting Standard (Ind AS - 7 'Statement of Cash Flows)

As per our report of even date

For and on behalf of the Board of Directors

For **DOSHI DOSHI & ASSOCIATES**  
Firm Registration No. 121773W  
Chartered Accountants

**HEMANT M. SHAH**  
EXECUTIVE CHAIRMAN

**VYOMESH M. SHAH**  
MANAGING DIRECTOR

**DINESH DOSHI**  
COMPANY SECRETARY

**CHETAN MODY**  
CHIEF FINANCIAL OFFICER

**NANCY PEREIRA PARTNER**

Mumbai  
Date: 29th May, 2017

Mumbai  
Date: 29th May, 2017

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2017

	Note	Amount (₹ in lakhs)
<b>A. EQUITY SHARE CAPITAL</b>		
As at 1st April, 2015	17	7,273.59
Changes in equity share capital		-
As at 31st March, 2016		7,273.59
Changes in equity share capital		-
As at 31st March, 2017		7,273.59

### B. OTHER EQUITY AND CONVERTIBLE INSTRUMENTS

	Reserves and Surplus (₹ in lakhs)					Non Controlling Interest	Total
	Securities Premium Reserve	Debenture Redemption Reserve	General Reserve	Capital Reserve	Retained Earnings		
<b>Balance at 1st April, 2015</b>	<b>60,713.89</b>	<b>9,175.00</b>	<b>25,271.21</b>	<b>5,785.21</b>	<b>59,526.88</b>	<b>2,323.50</b>	<b>162,795.70</b>
Changes in accounting Policy or prior period errors	-	-	-	-	(42.49)	-	(42.49)
Profit / (Loss) for the year	-	-	-	-	(2,356.55)	(58.48)	(2,415.03)
<b>Other Comprehensive Income:</b>							
Remeasurement of net defined benefit	-	-	-	-	(36.15)	(1.18)	(37.33)
Transfer (to)/from General Reserve	3,665.16	(794.00)	794.00	-	-	-	3,665.16
<b>Balance at 31st March, 2016</b>	<b>64,379.05</b>	<b>8,381.00</b>	<b>26,065.21</b>	<b>5,785.21</b>	<b>57,091.69</b>	<b>2,263.84</b>	<b>163,966.01</b>
<b>Balance at 1st April, 2016</b>	<b>64,379.05</b>	<b>8,381.00</b>	<b>26,065.21</b>	<b>5,785.21</b>	<b>57,091.69</b>	<b>2,263.84</b>	<b>163,966.01</b>
Profit / (Loss) for the year	-	-	-	-	(6,410.08)	(160.53)	(6,570.61)
<b>Other Comprehensive Income:</b>							
Remeasurement of net defined benefit	-	-	-	-	9.55	1.68	11.23
Transfer (to)/from General Reserve	-	(3,721.85)	3,721.85	-	-	-	-
<b>Balance at 31st March, 2017</b>	<b>64,379.05</b>	<b>4,659.15</b>	<b>29,787.06</b>	<b>5,785.21</b>	<b>50,691.16</b>	<b>2,104.99</b>	<b>157,406.63</b>

The accompanying notes are an integral part of the financial statements

As per our report of even date

For and on behalf of the Board of Directors

For **DALAL DOSHI & ASSOCIATES**  
Firm Registration No. 121773W  
CHARTERED ACCOUNTANTS

**HEMANT M. SHAH**  
EXECUTIVE CHAIRMAN

**VYOMESH M. SHAH**  
MANAGING DIRECTOR

**DINESH DOSHI**  
PARTNER  
Membership No. F-9464  
Mumbai  
Date: 29th May, 2017

**CHETAN MODY**  
COMPANY SECRETARY  
Mumbai  
Date: 29th May, 2017

**NANCY PEREIRA**  
CHIEF FINANCIAL OFFICER

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

### Note 1. Company Overview

- 1.1 Hubtown Limited ("The Company" or "The Parent") is a listed public limited company domiciled in India, incorporated under the Companies Act, 1956. The financial statements comprises the financial statements of the Company and its subsidiaries (the Company and its subsidiaries referred to as the "Group") and its associates and joint arrangements. The Group is principally engaged in real estate business of construction and development of Residential and Commercial Premises, Build Operate Transfer (BOT) Projects, etc.
- 1.2 The consolidated financial statements have been approved for issue by the Company's Board of Directors on 29th May, 2017.

### Note 2. Recent Accounting Pronouncement

#### a) Standards issued but not effective

Information on new standards, amendments and interpretations that are expected to be relevant to the financial statements is provided below.

The Standards issued, but not effective up to the date of issuance of the financial statements is disclosed below. In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of cash flows' and Ind AS 102, 'Share-based payment.' The Group intends to adopt these Standards and amendments when they become effective.

##### i) Ind AS 115 - Revenue from Contracts with Customers

Ind AS 115 was issued in February 2016 and establishes a five-step model to account for revenue arising from contracts with customers. Under Ind AS 115 revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The new revenue standard will supersede all current revenue recognition requirements under Ind AS. This standard will come into force from accounting period commencing on or after April 1, 2018. The Group will adopt the new standard on the required effective date. The Group is evaluating the requirements of the amendment and the impact on the financial statements.

##### ii) Amendment to Ind AS 7

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

##### iii) Amendment to Ind AS 102

The amendment to Ind AS 102 provides specific guidance to measurement of cash-settled awards, modification of cash-settled awards and awards that include a net settlement feature in respect of withholding taxes.

It clarifies that the fair value of cash-settled awards is determined on a basis consistent with that used for equity-settled awards. Market-based performance conditions and non-vesting conditions are reflected in the 'fair values', but non-market performance conditions and service vesting conditions are reflected in the estimate of the number of awards expected to vest. Also, the amendment clarifies that if the terms and conditions of a cash-settled share-based payment transaction are modified with the result that it becomes an equity-settled share-based payment transaction, the transaction is accounted for as such from the date of the modification. Further, the amendment requires the award that include a net settlement feature in respect of withholding taxes to be treated as equity-settled in its entirety. The cash payment to the tax authority is treated as if it was part of an equity settlement. The Group is evaluating the requirements of the amendment and the impact on the financial statements.

#### b) Disclosures as required by Indian Accounting standard (Ind AS) 101 First time adoption of Indian accounting standard

The Group has adopted Ind AS with effect from 1st April, 2016 with comparatives being restated. Accordingly the impact of transition has been provided in the Opening Reserves as at 1st April, 2015 and all the periods presented have been restated accordingly. Exemptions availed on first time adoption of Ind AS 101: On first time adoption of Ind AS, Ind AS 101 allows certain exemptions from the retrospective application of certain requirements under Ind AS. The Group has availed the following exemptions:

- i) Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for investment property covered by Ind AS 40 Investment Properties. Accordingly, the Group has elected to measure all of its property, plant and equipment and investment property at their previous GAAP carrying value.
- ii) The Group has opted to continue with the carrying values measured under the previous GAAP and use that carrying value as the deemed cost for investment in associates and joint ventures on the date of transition to Ind AS.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

### Note '2' : (Contd.)

#### c) First Time Ind AS Adoption Reconciliations

Reconciliation between total equity previously reported under Indian GAAP and Ind AS for the year ended 31st March, 2016 is furnished below:

Particulars	Notes	As at 31st March, 2016 (End of last period presented under previous GAAP)	As at 1st April, 2015 (Date of Transition)
<b>Total equity reported under previous Indian GAAP</b>		<b>170,694.75</b>	<b>169,909.65</b>
Financial liability stated at their present value		91.80	117.32
Gain on fair value of Interest free loans	a	25.00	-
Adjustment on account of extended credit period	d	(1,612.91)	(2,358.08)
Adjustment on account of interest free rent deposits	e	13.93	-
Loss on fair valuation / amortized cost of investment (Net)	b	(37.22)	10.91
Reversal of earlier year loss of Joint ventures restricted to investment value	h	401.52	401.52
Non-controlling interest disclosed under total equity	h	2,204.20	2,217.60
Tax adjustments	c	(601.12)	(335.53)
<b>Total equity reported under Ind AS</b>		<b>171,179.94</b>	<b>169,963.39</b>

Reconciliation of net loss previously reported under Indian GAAP for the year ended 31st March, 2016 with Ind AS is furnished below:

Particulars	Notes	As at 31st March, 2016 (End of last period presented under previous GAAP)
<b>Net Profit /(Loss) for the year under previous Indian GAAP</b>		<b>(2,874.27)</b>
Finance cost recognized on interest free lease deposits measured at present value	e	(5.99)
Gain on account of extended credit of receivables	d	745.17
Investments carried at amortised cost (Net)	b	(48.13)
Gain on fair value of interest free loan	a	25.00
Gain on deferred rent income	e	13.93
Remeasurement of the net defined benefit	g	37.33
Tax adjustments	c	(265.59)
Changes on account of prior period adjustments	f	(42.49)
<b>Net Profit / (Loss) as per Ind AS</b>		<b>(2,415.03)</b>
<b>Other Comprehensive Income</b>	g	(37.33)
<b>Total Comprehensive Income</b>		<b>(2,452.36)</b>

- Under Ind AS, loans are valued at present value as compared to being carried at cost in the previous GAAP. This adjustment includes the difference between the book value and the present value of an interest free loan given to joint ventures, which is treated as investment. The interest on the present value of this loan is recognised over the tenure of the loan using the EIR method.
- Under Ind AS, Investment in debentures are carried at amortised cost. The effect of transition in investments and revenue from operations includes amount on account of such adjustments.
- Deferred tax have been recognised on the adjustments made on transition to Ind AS.
- Under Ind AS, non-current trade receivable or receivables with extended credit are recognised at their present value. The unwinding of the discount or difference between present value and carrying value is treated as interest income. The difference in trade receivable, revenue from operations and interest income between previous GAAP and Ind AS is on account of these adjustment.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

### Note '2' : (Contd.)

- e. Under Ind AS, interest free lease deposits are valued at present value as compared to being carried at transaction value in the previous GAAP. The adjustment includes the difference between the book value and present value of interest free security deposits which has been recognised as deferred rent income. This amount is subsequently credited to the Statement of Profit and Loss on a straight line basis as lease income. Further, interest expense computed on the present value of the security deposit is recognised over the tenure of the security deposit using the EIR method.
- f. Under Ind AS Prior period errors have to be retrospectively restated, as if a prior period error had never occurred.
- g. Under Ind AS, actuarial gains and losses are recognised in the OCI as compared to being recognised in the Statement of Profit and Loss under the previous GAAP.
- h. Entities have been classified as joint ventures under Ind AS 111 based on the nature of the control exercised by the Parent Company. Accordingly, the share in net profit/loss of joint ventures is recognised in the consolidated Statement of Profit and Loss and share in the net assets is included under investment in joint ventures/associates in the consolidated Balance Sheet as per equity method. Under I-GAAP, the financials of these entities were consolidated line by line proportionately.
- i. Under Indian GAAP, Non controlling interests were presented in the consolidated Balance Sheet separately (as minority interest) from equity and liabilities. Under Ind AS, Non controlling interests are presented in the consolidated balance sheet within total equity, separately from the equity attributable to the owners of the Company.
- j. **Statement of cash flows:** There were no significant reconciliation items between cash flows prepared under previous GAAP and those prepared under Ind AS. Under previous GAAP, joint venture companies were accounted for using the proportionate consolidation method whereas under Ind AS JVs are accounted for using equity method as per Ind AS-28. The consolidated statement of cash flow for the year ended March, 2016 does not include cash flows on account of net assets of JVs which were proportionately consolidated under previous GAAP.

### Note 3. Statement Of Significant Accounting Policies And Practices

#### A. Basis of preparation of Financial Statements

The financial statements of the Group have been prepared to comply in all material respects with the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015. The financial statements for all periods upto and including year ended 31 March, 2016 were prepared in accordance with the Companies (Accounting Standards) Rules, 2006 notified under Section 133 of the Companies Act, 2013 ("the Act"), read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) ("previous GAAP"). The financial statements for the year ended 31st March, 2017 are the first financial statements prepared by the Group in accordance with Ind AS. Refer note 2 (b) for information on how the Group adopted Ind AS. The financial statements have been prepared under the historical cost convention with the exception of certain financial assets and liabilities which have been measured at fair value, on an accrual basis of accounting. All the assets and liabilities have been classified as current or non-current, wherever applicable, as per the operating cycle of the Group as per the guidance set out in Schedule III to the Act. Operating cycle for the business activities of the Group covers the duration of the project/ contract/ service including the defect liability period, wherever applicable, and extends upto the realisation of receivables (including retention monies) within the credit period normally applicable to the respective project.

The Consolidated financial statements are reported in Indian Rupees (In Lakhs), which is also the Group's functional currency, and all values are rounded to the nearest thousand (₹ ,000), except when otherwise indicated.

#### B. Principles of consolidation

The financial statements have been prepared on the following basis:

##### a) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date the control ceases. The acquisition method of accounting is used to account for business combination by the Group. The Group combines the separate financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, Contingent liability, equity, income and expenses. Intercompany transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary and practicable to ensure consistency with the policies adopted by the Group. Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated Statement of Profit and Loss, consolidated Statement of Changes in Equity and Balance Sheet, respectively.

In the consolidated financial statements, 'Goodwill' represents the excess of the cost to the Company of its investment in the subsidiaries over its share of equity, at the respective dates on which the investments are made. Alternatively, where the share of equity as on the date of investment is in excess of cost of investment, it is recognised as 'Capital Reserve' in the Consolidated financial statements.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017 (CONTD.)

### Note '3': (Contd.)

#### b) Associates

Associates are all entities over which the Group has significant influence but no control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognized at cost.

#### c) Joint Arrangements

Under Ind AS 111 Joint Arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. Principles of Ind AS, requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of financial statements and the results of operation during the reported period. Although these estimates are based and actions, actual results could differ from these estimates which are recognized in the period in which they are determined.

##### Joint Operations

The Group recognises its direct right to the assets, liabilities, contingent liabilities, revenues and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses.

##### Joint ventures

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. The results, assets and liabilities of a joint venture are incorporated in these financial statements using the equity method of accounting as described below.

#### d) Equity Method

Under the equity method of accounting, the investments are initially recognized at cost and adjusted thereafter to recognize the Group's share of the post-acquisition profits or losses of the investee in profit and loss, and the Group's share of other comprehensive income of the investee in other comprehensive income ("OCI"). Dividends received or receivable from associates and joint ventures are recognized as a reduction in the carrying amount of the investment. Investments are initially recognized at cost and adjusted thereafter to recognize the Group's share of the post-acquisition profits or losses of the investee in profit and loss, and the Group's share of other comprehensive income of the investee in other comprehensive income ("OCI"). Dividends received or receivable from associates and joint ventures are recognized as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity accounted investment equals or exceeds its interest in the entity, the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary and practicable to ensure consistency with the policies adopted by the Group.

#### e) Changes in Ownership Interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests or reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognized within equity. When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognized in profit and loss. The fair value becomes the initial carrying amount for the purposes of subsequent accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognized in OCI in respect of that entity are reclassified to profit or loss as if the Group had directly disposed of the related assets and liabilities.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognized in OCI are reclassified to profit or loss where appropriate.

#### f) The financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's separate financial statements in preparing the financial statements to ensure conformity with the Group's accounting policies, wherever necessary and practicable.

#### g) Notes to the financial statements represent notes involving items which are considered material and are accordingly disclosed. Materiality for the purpose is assessed in relation to the information contained in the financial statements. Further, additional statutory information disclosed in separate financial statements of the subsidiary and/or a parent having no bearing on the true and fair view of the financial statements has not been disclosed in these financial statements.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

### Note '3': (Contd.)

#### C) I. Significant accounting judgments, estimates and assumptions

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgments, estimates and assumptions that affect the reported balances of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

##### a) Judgments

###### Classification of property

The Group determines whether a property is classified as investment property or inventory property. Investment property comprises land and buildings that are not occupied substantially for use by, or in the operations of, the Group, nor for sale in the ordinary course of business, but are held primarily to earn rental income and capital appreciation. These buildings are substantially rented to tenants and not intended to be sold in the ordinary course of business. Inventory comprises property that is held for sale in the ordinary course of business. Principally, these are properties that the Group develops and intends to sell before or on completion of construction.

##### b) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

###### i) Revenue Recognition

The Group uses the percentage-of-completion method in accounting for its revenue. The percentage of completion is measured by reference to the stage of the projects and contracts determined based on the proportion of contract costs incurred for work performed to date bear to the estimated total contract costs. Costs of the project are based on the management's estimate of the cost to be incurred up to the completion of the projects and include cost of land, Floor Space Index (FSI), materials, services and other expenses attributable to the projects. Estimates of project income, as well as project costs, are reviewed periodically. Costs expended have been used to measure progress towards completion of work. Provisions for estimated losses, if any, on uncompleted contracts are recorded in the period in which such losses become probable based on the expected contract estimates at the reporting date.

###### ii) Estimation of net realizable value for inventory (including advances to land owners)

Inventory are stated at the lower of cost and net realizable value (NRV).

NRV for completed property is assessed by reference to market conditions and prices existing at the reporting date and is determined by the Group, based on comparable transactions identified by the Group for properties in the same geographical market serving the same real estate segment.

NRV in respect of inventory under construction / incomplete projects is assessed with reference to market prices at the reporting date for similar completed property, less estimated costs to complete construction and an estimate of the time value of money to the date of completion.

With respect to advances given to land owners, the net recoverable value is based on the present value of future cash flows, which depends on the estimate of, among other things, the likelihood that a project will be completed, the expected date of completion, the discount rate used and the estimation of sale prices and construction costs.

###### iii) Valuation of investment in/ loans to JV / Associates

The Group has performed valuation for its investments in equity of associates and JVs for assessing whether there is any impairment. When the fair value of investments in such entities cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow model.

Similar assessment is carried out for exposure of the nature of loans and interest receivable thereon as well as project advances. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include consideration of inputs such as expected earnings in future years, liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported amounts of these investments, loans and advances.



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

### Note '3': (Contd.)

#### II. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will accrue to the Group and the revenue can be reliably measured and also when it is reasonably certain that the ultimate collection will be made and that there is buyers' commitment to make the complete payment.

##### A. Revenue from sale of properties / development rights

- i. The Group has adopted the principles of revenue recognition on the basis of "Guidance Note on Accounting for Real Estate Transactions" issued by the Institute of Chartered Accountants of India, for the entities to whom Ind AS is applicable.
- ii. Revenue from sale of 'finished properties / buildings / rights' is recognized on transfer of all significant risks and rewards of ownership of such properties / buildings / rights, as per the terms of the contracts entered into with buyer/(s), which generally coincides with the firming of the sale contracts/ agreements, except for contracts where the Group still has obligations to perform substantial acts even after the transfer of all significant risks and rewards.
- iii. Revenue from sale of incomplete properties / projects is recognized on the basis of percentage of completion method only if the following thresholds have been met :
  - a. All critical approvals necessary for the commencement of the project have been obtained;
  - b. The expenditure incurred on construction and development costs, excluding land costs, is not less than 25% of the total estimated construction and development costs of the project;
  - c. Atleast 25% of the saleable project area is secured by agreements with the buyers; and
  - d. Atleast 10% of the agreement value of each sold unit has been received at the reporting date in respect of such contracts with the buyers.

Further, revenue recognized in the aforesaid manner and related costs are both restricted to 90% until the construction activity and related formalities are substantially completed. Recognition of revenue relating to agreements entered into with the buyers, which are subject to fulfillment of obligations / conditions imposed on the Group by statutory authorities is postponed till such obligations are substantially discharged.

Estimated costs relating to construction / development are charged to the Statement of Profit and Loss in proportion to the revenue recognized during the year. The balance costs are carried as part of 'Incomplete Projects' as inventories under current assets. Amounts receivable / payable are reflected as 'Trade Receivables / Unbilled Receivables or Advances from Customers', respectively, after considering income recognized in the aforesaid manner.

- iv. Losses expected to be incurred on projects under construction, are charged in the Statement of Profit and Loss in the period in which the losses are known.
- v. Costs of the projects are based on the management's estimate of the cost to be incurred up to the completion of the projects and include cost of land, Floor Space Index (FSI), materials, services and other expenses attributable to the projects. Estimates of project income, as well as project costs, are reviewed periodically.
- vi. The sale proceeds of the investments held in subsidiaries, joint ventures, etc. developing real estate projects are included in revenue from operations, net of cost.

##### B. Revenue from Trading Materials:

Revenue from sale of trading materials is recognized when significant risks and rewards associated with the sale of materials is transferred to the buyer.

##### C. Revenue from project management services:

Revenue from 'project management services' is recognized based on the agreements between the Group and the parties to whom such services are rendered.

##### D. Profit / loss from partnership firms / association of persons:

Share of profit / loss from partnership firms / association of persons (AOP) is recognized on the basis of their audited/ management reviewed accounts, which is considered as a part of other operating activity.

##### E. Income from leased premises:

Lease income from operating lease is recognized in the Statement of Profit and Loss on straight line basis after adjusting for escalation over the lease term except where the lease incomes are structured to increase in line with expected general inflation.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

### Note '3': (Contd.)

#### F. Interest and dividend:

Interest income including income arising from other instruments is recognized on time proportion basis using the effective interest rate method.

Dividend income is recognized when the right to receive dividend is established.

#### G. Others:

Other revenues / incomes and costs / expenditure are accounted on accrual, as they are earned or incurred.

### III. Property plant and equipment, investment property and depreciation / amortization

- A. Tangible fixed assets are stated at cost of acquisition or construction including attributable interest and finance cost, if any till the date of acquisition/installation of the assets, less accumulated depreciation/amortization and accumulated impairment losses, if any.
- B. Subsequent expenditure relating to Property, Plant and Equipment is capitalized only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the Statement of Profit and Loss as incurred. The cost and related accumulated depreciation are eliminated from the financial statements, either on disposal or when retired from active use and the resultant gain or loss are recognized in the Statement of Profit and Loss.
- C. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. Depreciation on additions to assets or on sale/disposal of assets is calculated pro-rata from the month of such addition, or up to the month of such sale/disposal, as the case may be.

Asset Category	Estimated useful life (in Years)
Plant and Machinery (Mivan System)	3 to 5
Computer servers and network systems	6
Computer desktops and laptops	3
Office Equipment	5
Vehicles	8
Furniture and Fixtures	10
Completed Investment Properties	60
Leasehold Land	Over the Primary Lease period
Commercial Premises	60

The residual values, useful lives and methods of depreciation of property plant equipment are reviewed at each financial year and adjusted prospectively, if appropriate.

- D. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.  
Though the Group measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation.
- E. On transition to Ind AS, the Group has opted to continue with the carrying values measured under the previous GAAP as at 1st April, 2015 of its Property, Plant and Equipment and Investment property and use that carrying value as the deemed cost on the date of transition i.e. 1st April, 2015.
- F. Capital work-in-progress, representing expenditure incurred in respect of assets under development and not ready to use for their intended use, are carried at cost. Cost includes related acquisition expenses, construction cost, related borrowing cost and other direct expenditure.

### IV. Intangible assets and amortization

#### Other Intangible assets

Acquired computer softwares are classified as intangible assets and are stated at cost less accumulated amortization. These are being amortized over the estimated useful life of five years, as determined by the management.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

### Note '3': (Contd.)

#### Goodwill

Goodwill on acquisition of subsidiaries is not amortised but it is tested for impairment annually or more frequently if events or changes in circumstances indicate that the asset may be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on disposal of an entity include the carrying amount of goodwill relating to the entity sold.

#### V. Financial Instruments

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

##### A. Financial Assets

###### i. Initial recognition

Financial assets are subsequently measured at amortized cost if these financial assets are held within a business model with an objective to hold these assets 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. Interest income from these financial assets is included in finance income using the effective interest rate ("EIR") method. Impairment gains or losses arising on these assets are recognized in the Statement of Profit and Loss.

###### ii. Subsequent measurement

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

###### a) Financial Assets at Amortized Cost

A financial asset is subsequently measured at amortized 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.

###### b) Financial Assets measured at Fair Value

Financial assets are measured at fair value through OCI if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows or to sell these financial assets 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. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in the Statement of Profit and Loss. Further, in cases where the Group has made an irrevocable election based on its business model for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

Financial asset not measured at amortized cost or at fair value through OCI is carried at FVTPL.

On transition to Ind AS, the Group has opted to continue with the carrying values measured under the previous GAAP as at 1st April, 2015 of its investments in subsidiaries, associates and joint ventures and used that carrying value as the deemed cost of these investments on the date of transition i.e. 1st April, 2015.

###### iii. Derecognition of Financial Assets:

The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognizes its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognize the financial asset and also recognizes a collateralised borrowing for the proceeds received.

##### B. Equity Instruments and Financial Liabilities

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

###### i. Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments which are issued for cash are recorded at the proceeds received, net of direct issue costs. Equity instruments which are issued for consideration other than cash are recorded at fair value of the equity instrument.

## ii. Financial Liabilities

### 1. Initial Recognition

Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL, loans and borrowings and payables as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

### 2. Subsequent Measurement

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

#### - Financial liabilities at FVTPL

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. Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative amortization. Amortization is recognized as finance income in the Statement of Profit and Loss.

#### - Financial liabilities at amortized cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognized over the term of the borrowings in the Statement of Profit and Loss. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

### 3. Derecognition of Financial Liabilities

Financial liabilities are derecognized when the obligation specified in the contract is discharged, cancelled or expired. 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 derecognition of the

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

### Note '3': (Contd.)

#### b. Non-financial assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Impairment losses, including impairment on inventories, are recognized in the Statement of Profit and Loss.

#### i. Intangible assets and property, plant and equipment

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

#### ii. Provisions

A provision is recognized if, as a result of a past event, the Group has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

### VIII. Taxation

#### i. Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated using rates that have been enacted or substantively enacted by the end of the reporting period.

In case the Group is liable to pay income tax under Section 115JB of Income Tax Act, 1961 (i.e. MAT), the amount of tax paid in excess of normal income tax is recognized as an asset (MAT Credit entitlement) only if there is convincing evidence for realization of such asset during the specified period. MAT credit entitlement is reviewed at each Balance Sheet date.

#### ii. Deferred Tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

The carrying amount of deferred tax asset is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

#### iii. Current and deferred tax for the year

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

### Note '3': (Contd.)

#### IX. Inventories

All inventories are stated at lower of 'Cost or Net Realizable Value'.

- A. 'Stock of material at Site' includes cost of purchase, other costs incurred in bringing them to their respective present location and condition. Cost formula used is average cost.
- B. 'Incomplete Projects' include cost of incomplete properties for which the Group has not entered into sale agreements and in other cases where the revenue recognition is postponed. 'Incomplete Projects' also include initial project costs that relate directly to a (prospective) project, incurred for the purpose of securing the project. These costs are recognized as expenditure in the year in which they are incurred unless they are separately identifiable and it is probable that the respective project will be obtained.
- C. Finished properties given under operating lease are disclosed under 'Non Current Assets' as 'Investment Properties'. The costs transferred to the 'Investment properties' are shown as deductions from the costs carried in opening inventory and construction costs incurred during the year. These assets are depreciated / amortized as per the Accounting Policy Nos. (III)(C) and (III)(D). Although the Group considers these assets as Inventories held for sale in the ordinary course of business, the disclosure under 'Non Current Assets' as 'Investment properties' and provision for depreciation / amortisation is made to comply with the requirements of Indian Accounting Standard (Ind AS) 17 - 'Leases' and Indian Accounting Standard (Ind AS) 40 - 'Investment Property'.
- D. Value of 'Floor Space Index' (FSI) generated is recognized as inventory at cost (i.e. proportionate rehab component cost) as and when necessary obligations / conditions are fulfilled in entirety, which are imposed on the Group by statutory authorities (viz. Rehabilitation Authority, etc.), in lieu of which the FSI is allotted to the Group. The value of FSI is either carried as inventory (at cost) held for intended sale or with the intention to utilise in construction of projects undertaken for sale.

Inventory value includes costs incurred up to the completion of the project viz. cost of land / rights, value of Floor Space Index (FSI), materials, services and other expenses (including borrowing costs) attributable to the projects. Cost formula used is average cost.

#### X. Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

#### XI. Trade receivable

A receivable is classified as a 'trade receivable' if it is in respect of the amount due on account of goods sold or services rendered in the normal course of business. Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the EIR method, less provision for impairment.

#### XII. Employee benefits

##### a) Defined Contribution Plan

Contributions to defined contribution schemes such as provident fund, labour welfare fund are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. The Company's provident fund contribution is made to a government administered fund and charged as an expense to the Statement of Profit and Loss. The above benefits are classified as Defined Contribution Schemes as the Group has no further obligations beyond the monthly contributions.

##### b) Defined Benefit Plan

The Group provides for gratuity which is a defined benefit plan the liabilities of which is determined based on valuations, as at the balance sheet date, made by an independent actuary using the projected unit credit method. Re-measurement, comprising of actuarial gains and losses, in respect of gratuity are recognized in the OCI, in the period in which they occur. Re-measurement recognized in OCI are not reclassified to the Statement of Profit and Loss in subsequent periods.

The classification of the Group's obligation into current and non-current is as per the actuarial valuation report.

##### c) Leave Entitlement

Leave entitlement is provided based on an actuarial valuation, similar to that of gratuity benefit. Re-measurement, comprising of actuarial gains and losses, in respect of leave entitlement are recognized in the Statement of Profit and Loss in the period in which they occur.

##### d) Short-term Benefits

Short-term employee benefits such as salaries, performance incentives, etc. are recognized as expenses at the undiscounted amounts in the Statement of Profit and Loss of the period in which the related service is rendered. Expenses on non-accumulating compensated absences is recognized in the period in which the absences occur.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

### Note '3': (Contd.)

#### XIII. Borrowings and Borrowing costs

After initial recognition, interest-bearing loans and borrowings 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 fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

Interests and other borrowing costs included under finance costs calculated as per effective interest rate attributable to qualifying assets, which takes substantial period of time to get ready for its intended use are allocated as part of the cost of construction / development of such assets. Such allocation is suspended during extended periods in which active development is interrupted and, no costs are allocated once all such activities are substantially complete. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. Other borrowing costs are charged to the Statement of Profit and Loss.

#### XIV. Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue, if any.

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

#### XV. Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

#### XVI. Cash and Cash Equivalents

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

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

#### XVII. Foreign currency transactions

- A. All transactions in foreign currency are recorded in the reporting currency, based on closing rates of exchange prevalent on the dates of the relevant transactions.
- B. Monetary assets and liabilities in foreign currency, outstanding as on the Balance Sheet date are converted in reporting currency at the closing rates of exchange prevailing on the said date. Resultant gain or loss is recognized during the year in the Statement of Profit and Loss.
- C. Non monetary assets and liabilities denominated in foreign currencies are carried at the exchange rate prevalent on the date of the transaction.

#### XVIII. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker regularly monitors and reviews the operating result of the whole Group as one segment of "Real Estate Development". Thus, as defined in Ind AS 108 "Operating Segments", the Group's entire business falls under this one operational segment and hence the necessary information has already been disclosed in the Balance Sheet and the Statement of Profit and Loss.

#### XIX. Provisions, contingent liabilities and contingent assets

A provision is recognized when an enterprise has a present obligation (legal or constructive) as result of past event and it is probable that an outflow of embodying economic benefits of resources will be required to settle a reliably assessable obligation. Provisions are determined based on best estimate required to settle each obligation at each balance sheet date. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. A contingent liability also arises, in rare cases, where a liability cannot be recognized because it cannot be measured reliably.

Contingent assets are neither recognized nor disclosed in the financial statements.

**Note 3.1. Additional information as required under Schedule III to the Companies Act, 2013 of entities consolidated as Subsidiaries / Associates / Joint Ventures**

		31st March, 2016							
Sr. No.	Name of the Entities	Net Assets (Total Assets - Total Liabilities)		Share in profit/(loss)		Share in other comprehensive income		Share in total comprehensive income	
		As a % of consolidated net assets	Amount (₹ in lakhs)	As a % of consolidated profit / (loss)	Amount (₹ in lakhs)	As a % of consolidated profit / (loss)	Amount (₹ in lakhs)	As a % of consolidated profit / (loss)	Amount (₹ in lakhs)
	<b>Parent</b>								
	Hubtown Limited	101.89	1,72,166.41	(113.74)	2,680.35	88.37	(31.95)	(110.69)	2,648.40
	<b>Subsidiaries</b>								
1	ABP Realty Advisors Private Limited	0.00	4.34	0.01	(0.19)	-	-	0.01	(0.19)
2	Akruti Safeguard Systems Private Limited	(0.65)	(1,100.66)	(0.22)	5.28	-	-	(0.22)	5.28
3	Citygold Education Research Limited	2.30	3,878.75	3.83	(90.22)	-	-	3.77	(90.22)
4	Citygold Farming Private Limited	1.36	2,292.81	12.36	(291.28)	-	-	12.17	(291.28)
5	Citywood Builders Private Limited	(0.24)	(403.44)	10.38	(244.67)	-	-	10.23	(244.67)
6	Devkurpa Build Tech Limited	(0.51)	(866.13)	(3.25)	76.58	-	-	(3.20)	76.58
7	Diviniti Projects Private Limited	0.30	500.42	0.05	(1.27)	-	-	0.05	(1.27)
8	Gujarat Akruti-TCG Biotech Limited	0.47	792.73	1.91	(44.89)	-	-	1.88	(44.89)
9	Halitious Developer Limited	0.18	306.51	0.03	(0.76)	-	-	0.03	(0.76)
10	Headland Farming Private Limited	0.09	146.25	0.50	(11.85)	-	-	0.50	(11.85)
11	Heddle Knowledge Private Limited	(0.51)	(862.31)	24.78	(583.88)	0.25	(0.09)	24.41	(583.97)
12	Heet Builders Private Limited	(0.17)	(280.35)	6.15	(145.02)	-	-	6.06	(145.02)
13	India Development And Construction Venture Capital Private Limited	(0.01)	(9.82)	0.07	(1.61)	-	-	0.07	(1.61)
14	Joyneest Premises Private Limited	4.75	8,025.63	13.10	(308.62)	14.65	(5.30)	13.12	(313.91)
15	Upvan Lake Resorts Private Limited	(0.01)	(20.53)	0.00	(0.08)	-	-	0.00	(0.08)
16	Urvi Build Tech Limited	(0.51)	(867.55)	(7.12)	167.70	-	-	(7.01)	167.70
17	Vama Housing Limited	(0.17)	(293.31)	0.22	(5.28)	-	-	0.22	(5.28)
18	Vega Developers Private Limited	0.17	290.54	0.02	(0.58)	-	-	0.02	(0.58)
19	Vishal Techno Commerce Limited	1.25	2,105.94	0.55	(12.88)	-	-	0.54	(12.88)
20	Yantti Buildcon Private Limited	(0.02)	(32.75)	0.21	(5.02)	-	-	0.21	(5.02)
	<b>Joint Ventures</b>								
21	Rare Townships Private Limited	-	-	25.88	(609.82)	-	-	25.49	(609.82)
22	Hubtown Bus Terminal (Adajan) Private Limited	-	-	1.42	(33.41)	-	-	1.40	(33.41)
23	Hubtown Bus Terminal (Mehsana) Private Limited	-	-	(9.83)	231.66	-	-	(9.68)	231.66
24	Hubtown Bus Terminal (Vadodara) Private Limited	-	-	8.37	(197.21)	-	-	8.24	(197.21)
25	Twenty Five South Realty Limited	-	-	21.67	(510.69)	-	-	21.34	(510.69)
26	Joyous Housing Limited	-	-	-	-	-	-	-	-
27	Hubtown Bus Terminal (Ahmedabad) Private Limited	-	-	52.73	(1,242.69)	-	-	51.94	(1,242.69)
28	Sunstream City Private Limited	-	-	-	-	-	-	-	-
	<b>Associates</b>								
29	Pristine Developers Private Limited (upto 27th May, 2016)	-	-	(15.98)	376.49	-	-	(15.73)	376.49
30	Yellowcity Builders Private Limited (upto 21st March, 2016)	-	-	-	-	-	-	-	-
31	Comral Realty Private Limited (upto 18th April, 2015)	-	-	-	-	-	-	-	-
32	Shubhsiddhi Builders Private Limited (w.e.f. 29th November, 2014)	-	-	-	-	-	-	-	-
33	Vinca Developer Private Limited	-	-	-	-	-	-	-	-
34	Whitebud Developers Limited	-	-	-	-	-	-	-	-
	<b>Firms</b>								
35	Akruti Kailash Constructions	-	-	-	-	-	-	-	-
36	Gandhi Adhivitya Combine	-	-	-	-	-	-	-	-
37	Sole Builders	-	-	-	-	-	-	-	-
38	Akruti Steelfab Corporation	-	-	-	-	-	-	-	-
39	Akruti Jay Developers	-	-	-	-	-	-	-	-
40	Rising Glory Developers	-	-	-	-	-	-	-	-
41	Shreenath Relators	-	-	-	-	-	-	-	-
	Minority Interest in all subsidiary	1.30	2,204.20	(2.48)	58.48	(3.26)	1.18	(2.49)	59.66
	Inter company elimination and consolidation adjustments	(11.25)	(19,001.94)	68.37	(1,611.15)	-	-	67.34	(1,611.15)
<b>Total</b>		<b>100.00</b>	<b>1,68,975.74</b>	<b>100.00</b>	<b>(2,356.55)</b>	<b>100.00</b>	<b>(36.15)</b>	<b>100.00</b>	<b>(2,392.70)</b>



**Note 3.1. Additional information as required under Schedule III to the Companies Act, 2013 of entities consolidated as Subsidiaries / Associates / Joint Ventures**

		31st March, 2017							
Sr. No.	Name of the Entities	Net Assets (Total Assets - Total Liabilities)		Share in profit/(loss)		Share in other comprehensive income		Share in total comprehensive income	
		As a % of consolidated net assets	Amount (₹ in lakhs)	As a % of consolidated profit / (loss)	Amount (₹ in lakhs)	As a % of consolidated profit / (loss)	Amount (₹ in lakhs)	As a % of consolidated profit / (loss)	Amount (₹ in lakhs)
	<b>Parent</b>								
	Hubtown Limited	106.30	1,72,822.13	(10.20)	654.08	17.16	1.64	(10.24)	655.72
	<b>Subsidiaries</b>								
1	ABP Realty Advisors Private Limited	0.00	4.27	0.00	(0.07)	-	-	0.00	(0.07)
2	Akruti Safeguard Systems Private Limited	(0.69)	(1,116.83)	0.35	(22.33)	-	-	0.35	(22.33)
3	Citygold Education Research Limited	2.30	3,740.94	2.15	(137.81)	-	-	2.15	(137.81)
4	Citygold Farming Private Limited	1.41	2,286.69	0.10	(6.12)	-	-	0.10	(6.12)
5	Citywood Builders Private Limited	(1.62)	(2,641.64)	34.92	(2,238.09)	-	-	34.92	(2,238.09)
6	Devkurpa Build Tech Limited	(0.53)	(866.34)	0.00	(0.20)	-	-	0.00	(0.20)
7	Diviniti Projects Private Limited	0.31	496.95	0.05	(3.48)	-	-	0.05	(3.48)
8	Gujarat Akruti-TCG Biotech Limited	0.48	777.32	0.32	(20.82)	-	-	0.32	(20.82)
9	Halitious Developer Limited	0.19	305.86	0.01	(0.64)	-	-	0.01	(0.64)
10	Headland Farming Private Limited	(0.02)	(31.49)	2.77	(177.74)	-	-	2.77	(177.74)
11	Heddle Knowledge Private Limited	(0.61)	(985.48)	1.94	(124.20)	10.73	1.02	1.92	(123.17)
12	Heet Builders Private Limited	(0.52)	(847.03)	9.36	(600.30)	-	-	9.36	(600.30)
13	India Development And Construction Venture Capital Private Limited	(0.01)	(9.80)	(0.00)	0.01	-	-	(0.00)	0.01
14	Joyneest Premises Private Limited	4.70	7,645.97	6.85	(438.90)	67.59	6.46	6.76	(432.44)
15	Upvan Lake Resorts Private Limited	(0.01)	(24.21)	0.08	(4.91)	-	-	0.08	(4.91)
16	Urvi Build Tech Limited	(0.53)	(865.83)	(0.03)	1.72	-	-	(0.03)	1.72
17	Vama Housing Limited	(0.18)	(299.39)	0.09	(6.09)	-	-	0.10	(6.09)
18	Vega Developers Private Limited	0.18	289.44	0.02	(1.10)	-	-	0.02	(1.10)
19	Vishal Techno Commerce Limited	1.28	2,088.70	0.27	(17.24)	-	-	0.27	(17.24)
20	Yantti Buildcon Private Limited	(0.03)	(48.83)	0.25	(16.07)	-	-	0.25	(16.07)
	<b>Joint Venture</b>								
21	Rare Townships Private Limited	-	-	3.57	(229.00)	(9.78)	(0.93)	3.59	(229.94)
22	Hubtown Bus Terminal (Adajan) Private Limited	-	-	0.11	(6.94)	2.98	0.28	0.10	(6.66)
23	Hubtown Bus Terminal (Mehsana) Private Limited	-	-	1.04	(66.54)	5.09	0.49	1.03	(66.06)
24	Hubtown Bus Terminal (Vadodara) Private Limited	-	-	0.47	(30.40)	3.90	0.37	0.47	(30.03)
25	Twenty Five South Realty Limited	-	-	4.16	(266.37)	5.87	0.56	4.15	(265.81)
26	Joyous Housing Limited	-	-	-	-	-	-	-	-
27	Hubtown Bus Terminal (Ahmedabad) Private Limited	-	-	3.87	(247.83)	14.04	1.34	3.85	(246.49)
28	Sunstream City Private Limited	-	-	-	-	-	-	-	-
	<b>Associates</b>								
29	Pristine Developers Private Limited (upto 27th May, 2016)	-	-	-	-	-	-	-	-
30	Yellowcity Builders Private Limited (upto 21st March, 2016)	-	-	-	-	-	-	-	-
31	Comral Realty Private Limited (upto 18th April, 2015)	-	-	-	-	-	-	-	-
32	Shubhsiddhi Builders Private Limited (w.e.f. 29th November, 2014)	-	-	-	-	-	-	-	-
33	Vinca Developer Private Limited	-	-	-	-	-	-	-	-
34	Whitebud Developers Limited	-	-	-	-	-	-	-	-
	<b>Firms</b>								
35	Akruti Kailash Constructions	-	-	-	-	-	-	-	-
36	Gandhi Adhivitya Combine	-	-	-	-	-	-	-	-
37	Sole Builders	-	-	-	-	-	-	-	-
38	Akruti Steelfab Corporation	-	-	-	-	-	-	-	-
39	Akruti Jay Developers	-	-	-	-	-	-	-	-
40	Rising Glory Developers	-	-	-	-	-	-	-	-
41	Shreenath Relators	-	-	-	-	-	-	-	-
	Minority Interest in all subsidiary	1.29	2,104.99	(2.50)	160.53	(17.59)	(1.68)	(2.48)	158.85
	Inter company elimination and consolidation adjustments	(13.69)	(22,251.17)	39.99	(2,563.23)	-	-	40.05	(2,563.24)
	<b>Total</b>	<b>100.00</b>	<b>1,62,575.21</b>	<b>100.00</b>	<b>(6,410.08)</b>	<b>100.00</b>	<b>9.55</b>	<b>100.00</b>	<b>(6,400.53)</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

## Note '4'

### Property, Plant and Equipment and Capital Work In Progress

(₹ in lakhs)

	Freehold Land	Leasehold land	Commercial Premises	Mivan System	Plant and Machinery	Computers and Laptops	Furniture and Fixtures	Vehicles	Office Equipment	Total	Capital work-in-progress
<b>Gross Carrying value (At Deemed Cost)</b>											
<b>Balance at 1st April, 2015</b>	2.92	1,855.30	1,186.89	366.39	143.15	50.56	657.85	957.12	178.82	5,399.00	1,241.30
Additions	-	-	-	-	-	1.58	0.17	15.52	8.57	25.84	146.00
Disposals	-	-	-	-	-	-	-	(10.66)	-	(10.66)	-
Transfers	-	-	-	-	-	-	-	-	-	-	(30.01)
<b>Balance at 31st March, 2016</b>	2.92	1,855.30	1,186.89	366.39	143.15	52.14	658.02	961.98	187.39	5,414.18	1,357.29
<b>Accumulated depreciation and impairment</b>											
<b>Balance at 1st April, 2015</b>	-	37.27	258.48	345.27	44.79	43.88	408.03	554.08	114.31	1,806.11	-
Eliminated on disposal of assets	-	-	-	-	-	-	-	(10.66)	-	(10.66)	-
Depreciation expense	-	4.25	23.19	2.80	8.30	5.73	58.62	74.07	38.29	215.25	-
<b>Balance at 31st March, 2016</b>	-	41.52	281.67	348.07	53.09	49.61	466.65	617.49	152.60	2,010.70	-
<b>Net carrying value as on 31st March, 2016</b>	<b>2.92</b>	<b>1,813.78</b>	<b>905.22</b>	<b>18.32</b>	<b>90.06</b>	<b>2.53</b>	<b>191.37</b>	<b>344.49</b>	<b>34.79</b>	<b>3,403.48</b>	<b>1,357.29</b>

	Freehold Land	Leasehold land	Commercial Premises	Mivan System	Plant and Machinery	Computers and Laptops	Furniture and Fixtures	Vehicles	Office Equipment	Total	Capital work-in-progress
<b>Gross Carrying value (At Deemed Cost)</b>											
<b>Balance at 1st April, 2016</b>	2.92	1,855.30	1,186.89	366.39	143.15	52.14	658.02	961.98	187.39	5,414.18	1,357.29
Additions	-	-	-	-	-	-	-	67.29	3.16	70.45	153.49
Disposals	-	-	-	-	-	-	-	(11.75)	-	(11.75)	(495.72)
<b>Balance at March 31, 2017</b>	2.92	1,855.30	1,186.89	366.39	143.15	52.14	658.02	1,017.52	190.55	5,472.88	1,015.06
<b>Accumulated depreciation and impairment</b>											
<b>Balance at 1st April, 2016</b>	-	41.52	281.67	348.07	53.09	49.61	466.65	617.49	152.60	2,010.70	-
Eliminated on disposal of assets	-	-	-	-	-	-	-	(11.75)	-	(11.75)	-
Depreciation expense	-	2.74	22.00	-	8.25	1.59	36.82	82.77	18.70	172.87	-
<b>Balance at March 31, 2017</b>	-	44.26	303.67	348.07	61.34	51.20	503.47	688.51	171.30	2,171.82	-
<b>Net carrying value as at 31st March, 2017</b>	<b>2.92</b>	<b>1,811.04</b>	<b>883.22</b>	<b>18.32</b>	<b>81.81</b>	<b>0.94</b>	<b>154.55</b>	<b>329.01</b>	<b>19.25</b>	<b>3,301.06</b>	<b>1,015.06</b>

### Footnote:

Commercial premises include cost of shares aggregating ₹ 0.04 lakhs (March 31, 2016: ₹ 0.04 lakhs ; March 31, 2015: ₹ 0.04 lakhs) carrying the occupancy rights in the commercial premises.

#### 4.1 Assets pledged as security

Leasehold Land, Commercial property and Vehicles with a carrying amount of ₹ 247.94 lakhs (As at 31st March, 2016: ₹ 208.65 lakhs) have been pledged to secure the borrowings of the Company.

#### 4.2 Contractual obligations

Capital expenditure contracted for at the end of the reporting period (net of advances), but not recognised as liabilities is ₹ Nil (as at 31st March, 2016: ₹ Nil; as at 1st April, 2015: ₹ Nil).

#### 4.3 Leased Assets

None of the properties include amounts where the Company is a lessee under a finance lease.

## NOTES

### Note '5'

#### Investment Property

	(₹ in lakhs)
<b>Gross Carrying value (At Deemed Cost)</b>	
Balance at 1st April, 2015	5,316.52
Add: reclassified as Investment Property	3.83
Restated balance at 1st April, 2015	5,320.35
Additions	185.78
Disposals	-
Transferred from property, plant and equipment	-
<b>Balance at 31st March, 2016</b>	<b>5,506.13</b>
<b>Accumulated depreciation and impairment</b>	
Balance at 1st April, 2015	973.93
Depreciation expense	147.44
Elimination on disposal	-
<b>Balance at 31st March, 2016</b>	<b>1,121.37</b>
<b>Net carrying value as on 31st March 2016</b>	<b>4,384.76</b>
<b>Gross Carrying value (At Deemed Cost)</b>	
Balance at 1st April, 2016	5,506.13
Additions	-
Disposals	-
<b>Balance at 31st March, 2017</b>	<b>5,506.13</b>
<b>Accumulated depreciation and impairment</b>	
Balance at 1st April, 2016	1,121.37
Depreciation expense	148.70
Eliminated on disposal of assets	-
<b>Balance at 31st March, 2017</b>	<b>1,270.07</b>
<b>Net carrying value as on 31st March, 2017</b>	<b>4,236.06</b>

#### 5.1 Amounts recognised in profit and loss for investment properties

	(₹ in lakhs)	(₹ in lakhs)
	<b>31st March, 2017</b>	31st March, 2016
Rental Income	<b>387.71</b>	269.32
Direct operating expenses from property	<b>2.82</b>	2.21
Profit from Investment properties before depreciation	<b>384.89</b>	267.12
Depreciation	<b>148.70</b>	147.44
Profit from Investment properties	<b>236.18</b>	119.68
Rental Income from others	<b>295.54</b>	65.22

#### 5.2 Leasing Arrangements

Certain investment properties are leased to tenants

Minimum lease payments receivable are as follows.

Within one year

Later than one but not later than 5 years

Later than 5 years

(₹ in lakhs)	(₹ in lakhs)	(₹ in lakhs)
<b>31st March, 2017</b>	31st March, 2016	1st April, 2015
<b>796.41</b>	143.67	130.11
<b>2,762.17</b>	86.95	50.59
<b>6.75</b>	-	-

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

### Note '5' : Investment Property (Contd.)

#### 5.3 Investment property pledged as security

Leasehold Land and Commercial property with a carrying amount of ₹ 4,039.39 lakhs (As at 31st March, 2016: ₹ 4,181.02 lakhs) have been pledged to secure the borrowings of the Company.

#### 5.4 Fair Valuation of Investment Property

Property Name	Fair Value (₹ in lakhs)	Basis
Mahalaxmi carpark	22610.00	Independent Valuers Report
Others	4577.57	Stamp Duty Ready Reckoner Rate

The Company has not determined the fair value of the other properties from any independent valuer instead the values disclosed above are based on ready reckoner rate of the said property for the year ended 31st March, 2017 duly published by the Government of Maharashtra.

### Note '6'

#### Intangible assets

	(₹ in lakhs)		
	Technical Knowhow	Computer software	Total
<b>Gross Carrying Value (At Deemed Cost)</b>			
<b>Balance at 1st April, 2015</b>	74.55	535.76	610.31
Additions	-	-	-
Disposals	-	-	-
<b>Balance at 31st March, 2016</b>	<b>74.55</b>	<b>535.76</b>	<b>610.31</b>
<b>Accumulated depreciation</b>			
<b>Balance at 1st April, 2015</b>	33.26	535.56	568.82
Eliminated on disposal of assets	-	-	-
Depreciation expense	3.64	0.20	3.84
<b>Balance at 31st March, 2016</b>	<b>36.90</b>	<b>535.76</b>	<b>572.66</b>
<b>Net carrying value as at 31st March, 2016</b>	<b>37.65</b>	<b>-</b>	<b>37.65</b>
<b>Gross Carrying Value (At Deemed Cost)</b>			
<b>Balance at 1st April, 2016</b>	74.55	535.76	610.31
Additions	-	-	-
Disposals	-	-	-
<b>Balance at 31st March, 2017</b>	<b>74.55</b>	<b>535.76</b>	<b>610.31</b>
<b>Accumulated depreciation</b>			
<b>Balance at 1st April, 2016</b>	36.90	535.76	572.66
Eliminated on disposal of assets	-	-	-
Depreciation expense	3.64	-	3.64
<b>Balance at 31st March, 2017</b>	<b>40.54</b>	<b>535.76</b>	<b>576.30</b>
<b>Net carrying value as at 31st March, 2017</b>	<b>34.01</b>	<b>-</b>	<b>34.01</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

## Note 7

### Investments

#### Non Current

#### A) Investment in equity instruments (Unquoted) (Carried at deemed cost)

##### I) Subsidiaries

- a) 1,50,000 (As at March 31, 2016: 1,50,000; April 1, 2015: 1,50,000) Equity Share of ₹ 10/- each

**Asha Multitrade Private Limited (Refer footnote c)**

1,500.00

1,500.00

1,500.00

- b) 2,70,000 (As at March 31, 2016: 2,70,000; April 1, 2015: 2,70,000) Equity Share of ₹ 10/- each

**Jineshwar Multitrade Private Limited (Refer footnote c)**

2,700.00

2,700.00

2,700.00

4,200.00

4,200.00

4,200.00

##### II) Joint Ventures

- a) 50,000 (As at March 31, 2016: 50,000; April 1, 2015: 50,000) (Class 'A') Equity shares of ₹ 10/- each

**Hubtown Bus Terminal (Mehsana) Private Limited**

5.00

5.00

5.00

- b) 1,00,000 (As at March 31, 2016: 1,00,000; April 1, 2015: 1,00,000) (Class 'C') Equity shares of ₹ 10/- each

**Hubtown Bus Terminal (Mehsana) Private Limited**

1,115.99

1,373.50

1,333.28

- c) 50,000 (As at March 31, 2016: 50,000; April 1, 2015: 50,000) (Class 'A') Equity shares of ₹ 10/- each

**Hubtown Bus Terminal (Vadodara) Private Limited**

5.00

5.00

5.00

- d) 1,15,275 (As at March 31, 2016: 1,15,275; April 1, 2015: 1,15,275) (Class 'C') Equity shares of ₹ 10/- each

**Hubtown Bus Terminal (Vadodara) Private Limited**

143.03

173.05

370.26

- e) 50,000 (As at March 31, 2016: 50,000; April 1, 2015: 50,000) (Class 'A') Equity shares of ₹ 10/- each

**Hubtown Bus Terminal (Adajan) Private Limited**

5.00

5.00

5.00

- f) 1,15,463 (As at March 31, 2016: 1,15,463; April 1, 2015: 1,15,463) (Class 'C') Equity shares of ₹ 10/- each

**Hubtown Bus Terminal (Adajan) Private Limited**

680.37

687.02

720.43

- g) 10,000 (As at March 31, 2016: 10,000; April 1, 2015: 10,000) (Class 'A') Equity shares of ₹ 10/- each

**Hubtown Bus Terminal (Ahmedabad) Private Limited**

3,993.07

4,212.94

5,429.02

- h) 15,000 (As at March 31, 2016: 15,000; April 1, 2015: 15,000) (Class 'C') Equity shares of ₹ 10/- each

**Hubtown Bus Terminal (Ahmedabad) Private Limited**

1.25

1.25

1.25

- i) 22,859 (As at March 31, 2016: 22,859; April 1, 2015: 14,475) Equity shares of ₹ 10/- each

**Twenty Five South Realty Limited (Formerly known as Hoary Realty Limited)**

29,598.93

29,866.08

9,812.78

- j) 28,37,270 (As at March 31, 2016: 28,37,270; April 1, 2015: 28,37,270) (Class 'A') Equity shares of ₹ 10/- each

**Rare Townships Private Limited**

5,121.88

5,121.88

5,121.88

- k) 4,25,000 (As at March 31, 2016: 4,25,000; April 1, 2015: 4,25,000) (Class 'B') Equity shares of ₹ 10/- each

**Rare Townships Private Limited**

6,877.49

7,153.43

7,763.27

- l) 25,000 (As at March 31, 2016: 25,000; April 1, 2015: 25,000) Equity shares of ₹ 100/- each

**Joyous Housing Limited [Refer Note 3B(d)]**

-

-

-

- m) 1,29,000 (As at March 31, 2016: 1,29,000; April 1, 2015: 1,29,000) Equity shares of ₹ 10/- each

**Sunstream City Private Limited [Refer Note 3B(d)]**

-

-

-

47,547.01

48,604.15

30,567.17

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017 (CONTD.)

## Note '7' : Investments (Contd.)

	As at 31st March, 2017 (₹ in lakhs)	As at 31st March, 2016 (₹ in lakhs)	As at 1st April, 2015 (₹ in lakhs)
<b>III) Associate Companies</b>			
a) NIL (As at March 31, 2016: NIL; April 1, 2015: 8,000) Equity shares of ₹ 10/- each (Refer footnote a)			
<b>Pristine Developers Private Limited</b>	-	-	1,508.06
b) 25,000 (As at March 31, 2016: 25,000; April 1, 2015: 25,000) Equity shares of ₹ 10/- each			
<b>Whitebud Developers Limited [Refer Note 3B(d)]</b>	-	-	-
c) NIL (As at March 31, 2016: NIL; April 1, 2015: 4,350) Equity shares of ₹ 10/- each			
<b>Yellowcity Builders Private Limited</b>	-	-	4.91
d) 5,000 (As at March 31, 2016: 5,000; April 1, 2015: 5,000) Equity shares of ₹ 10/- each			
<b>Shubhsiddhi Builders Private Limited</b>	0.50	0.50	-
e) 6,095 (As at March 31, 2016: 6,095; April 1, 2015: 6,095) (Class 'A') Equity shares of ₹ 10/- each			
<b>Vinca Developer Private Limited [Refer Note 3B(d)]</b>	-	-	-
f) NIL (As at March 31, 2016: NIL; April 1, 2015: 4,50,000) Equity shares of ₹ 10/- each			
<b>Comral Realty Private Limited</b>	-	-	2.82
g) Nil (As at March 31, 2016: 7,353; April 1, 2015: Others)(Class 'B') Equity Shares of ₹ 10/- each			
<b>Giraffe Developers Private Limited (Refer footnote b)</b>	-	5,004.79	-
	<b>0.50</b>	<b>5,005.29</b>	<b>1,515.79</b>
<b>IV) Others</b>			
a) 240 (As at March 31, 2016: 240; April 1, 2015: 240)Equity shares of ₹ 100/- each			
<b>Citygold Management Services Private Limited</b>	0.24	0.24	0.24
b) 6,000 (As at March 31, 2016: 6,000 ; April 1, 2015: 6,000)(Class 'B') Equity shares of ₹ 50/- each			
<b>Hogmanay Niharika Buildings Limited</b>	3.00	3.00	3.00
c) Nil (As at March 31, 2016: Associate; April 1, 2015: 7,353)(Class 'B') Equity Shares of ₹ 10/- each			
<b>Giraffe Developers Private Limited (Refer footnote b)</b>	-	-	5,004.79
d) 37,815 (As at March 31, 2016: 37,815; April 1, 2015:37,815) Equity shares of ₹ 10/- each			
<b>Janakalyan Sahakari Bank Limited</b>	3.78	3.78	3.78
e) 1 (As at March 31, 2016: 1; April 1, 2015:1) Equity Share of ₹ 10/- each			
<b>E Commerce Magnum Solutions Limited (at FVTPL)</b>	1.00	1.00	1.00
f) 150 (As at March 31, 2016: 150; April 1, 2015: 150)Equity shares of ₹ 25/- each			
<b>Shamrao Vithal Co-operative Bank Limited (at FVTPL)</b>	0.56	0.56	0.53
g) 2,000 (As at March 31, 2016: 2,000; April 1, 2015: 2,000)Equity shares of ₹ 10/- each			
<b>Suraksha Realty Limited (at FVTPL)</b>	13.52	13.52	10.62
	<b>22.10</b>	<b>22.10</b>	<b>5,023.96</b>

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017 (CONTD.)

## Note '7': Investments (Contd.)

	As at 31st March, 2017 (₹ in lakhs)	As at 31st March, 2016 (₹ in lakhs)	As at 1st April, 2015 (₹ in lakhs)
<b>B) i. Investment in Preference Shares (Unquoted)</b>			
a) 1,865 (As at March 31, 2016: 1,865; April 1, 2015: 1,865) 10% Non-Cumulative Redeemable Preference Shares of ₹ 10/- each <b>Twenty Five South Realty Private Limited (Joint Venture) (Formerly known as Hoary Realty Limited)</b>	<b>0.19</b>	0.19	0.19
b) 6,671 (As at March 31, 2016: 6,671; April 1, 2015: 6,671) 21% Cumulative Optionally Convertible Redeemable Preference Shares of ₹ 10/- each <b>E Commerce Magnum Solutions Limited (at FVTPL)</b>	<b>6,671.00</b>	6,671.00	6,671.00
	<b>6,671.19</b>	6,671.19	6,671.19
<b>C) i. Investment in Debentures (At Amortised Cost) (Unquoted)</b>			
Nil Compulsory Convertible Debenture of ₹100/- each (As at March 31, 2016: 89,89,634; April 1, 2015: Nil) <b>Citygold Investments Private Limited (at FVTPL)</b>	-	8,989.63	-
<b>ii. Investment in Debentures (At Cost) (Unquoted)</b>			
3,19,10,000 (As at March 31, 2016: 3,19,10,000; April 1, 2015: 3,19,10,000) 9% Optionally convertible debentures of ₹ 10/- each <b>Asmeeta Infratech Limited (at FVTPL)</b>	<b>3,191.00</b>	3,191.00	3,191.00
<b>iii. Investment in Bonds (At Amortised Cost) (Quoted during the year)</b>			
39,13,310 (As at March 31, 2016: 39,13,310; April 1, 2015: Nil) Deep Discount Bonds, issued @ ₹ 2090/- of face value ₹ 10,000 [Tenure of 9 years] <b>Sunstream City Private Limited (Joint venture)</b>	<b>97,412.85</b>	81,873.10	-
	<b>100,603.85</b>	94,053.73	3,191.00
<b>D) Investment in Mutual Funds (Quoted) (Other than Trade)</b>			
<b>Growth Option</b>			
a) Nil (As at March 31, 2016: Nil; April 1, 2015: 37,37,71.464 units) Canara Robeco Dynamic Bond Fund [NAV ₹ Nil (As at March 31, 2016: Nil; April 1, 2015: 59.35 Lakhs)]	-	-	53.00
b) Nil (As at March 31, 2016: 2,14,423.564 units; April 1, 2015: 37,942.441 units) Canara Robeco Medium Term Opportunities Fund [NAV ₹ Nil (As at March 31, 2016: ₹ 26.05 Lakhs; April 1, 2015: 4.30 Lakhs)]	-	25.00	3.99
c) Nil ICICI Prudential Short Term Plan - Regular Growth (As at March 31, 2016: Nil units; April 1, 2015: 1,75,550.703 units) [NAV ₹ Nil (As at March 31, 2016: ₹ Nil; April 1, 2015: 50.26 Lakhs)]	-	-	50.00
	-	25.00	106.99
<b>E) Capital Investment in Partnership Firms and Joint Ventures</b>	<b>4,254.19</b>	4,254.19	4,824.93
<b>F) Non Controlling Capital Investment in Partnership Firms and Joint Ventures</b>	<b>7,573.25</b>	7,573.82	12.70
Less: Provision for Diminution in the value of investments	<b>(1.60)</b>	(1.60)	(1.60)
<b>Total Non Current Investments (A+B+C+D+E+F)</b>	<b>170,870.49</b>	170,407.87	56,112.13
Aggregate amount of quoted investments	<b>97,412.85</b>	25.00	106.99
Aggregate amount of unquoted investments	<b>73,459.24</b>	170,384.47	56,006.74
Aggregate provision for diminution in value of investments:	<b>(1.60)</b>	(1.60)	(1.60)

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017 (CONTD.)

### Note '7' : Investments (Contd.)

Footnotes:

- The Company has sold its entire holding in the share capital of Pristine Developers Private Limited during the year, an associate, vide sale deed dated 27th May 2016. Therefore, the said investment has been classified as current investment as at 31st March 2016.
- The Company has sold its entire holding in the share capital of Giraffe Developers Private Limited, vide sale deed dated 15th February, 2017.
- The financials of two step down subsidiaries, Jineshwar Multitrade Private Limited in Citygold Education Research Limited and Asha Multitrade Private Limited in Citygold Farming Private Limited are not available with the Company. The management of both the subsidiaries who are the holding companies of the step down subsidiaries are of the view that there is no permanent diminution of the investment made in the step down subsidiaries. Considering the representations made available, both the subsidiaries have opted for exemption from preparing consolidated financial statement as per para 4(a) of Ind AS 110 - Consolidated Financial Statement.
- As at 31st March, 2017 the Group has investments, loans and project advances in certain joint ventures and associates which have incurred losses and have negative net worth as at the year end. The underlying projects in such entities are at various stages of real estate development and are expected to achieve adequate profitability on substantial completion and/ or have current market values of certain properties which are in excess of the carrying values. The Company considers its investments in such entities as long term and strategic in nature. Accordingly, no provision is considered necessary towards diminution in the value of the Company's loans and project advances to such entities, which are considered good and fully recoverable.

	As at 31st March, 2017 (₹ in lakhs)	As at 31st March, 2016 (₹ in lakhs)	As at 1st April, 2015 (₹ in lakhs)
<b>Current</b>			
<b>a) Investment in Mutual Funds (Quoted)</b>			
(i) 649,173.824 units (As at 31st March 2016: Nil; As at 1st April, 2015: Nil) of L & T Short Term Opportunities Fund - Growth [NAV ₹ 101.59 lakhs (As at March 31, 2016: Nil; April 1, 2015: Nil)]	<b>101.59</b>	-	-
(ii) 490,988.9410 units (As at 31st March 2016: Nil; As at 1st April, 2015: Nil) of Canara Robeco Plus Fund - Regular Daily Dividend [NAV ₹ 50.38 lakhs (As at March 31, 2016: Nil; April 1, 2015: Nil)]	<b>50.38</b>	-	-
(iii) State Bank of India Mutual Fund: 22.968 Units (As at 31st March, 2016: 22.968; As at 1st April, 2015: 21.732) of ₹1675.03/- each [NAV ₹ 0.38 lakhs (As at March 31, 2016: Nil; April 1, 2015: Nil)]	<b>0.38</b>	0.38	0.37
(iv) Nil units (As at 31st March, 2016: 1,55,120.8 units; As at 1st April, 2015: 16,365.4 units) HDFC Cash Management Treasury Advantage Ret Monthly Divt [NAV ₹ Nil (As at March 31, 2016: 15.60 lakhs; April 1, 2015: 1.65 lakhs)]	-	15.60	1.65
(v) Nil units (As at 31st March, 2016: 16,498.9 units; As at 1st April, 2015: 16,498.9 units) ICICI Pru MIP 25 Reg Growth [NAV ₹ Nil (As at March 31, 2016: 5.00 lakhs; April 1, 2015: 5.00 lakhs)]	-	5.00	5.00
(vi) Nil units (As at 31st March, 2016: 91,370.4 units; As at 1st April, 2015: 87,576.8 units) ICICI Short Term Reg monthly Div Rein [NAV ₹ Nil (As at March 31, 2016: 10.52 lakhs; April 1, 2015: 10.52 lakhs)]	-	10.52	10.52
(vii) Nil units (As at 31st March, 2016: NIL units; As at 1st April, 2015: 89,831.6 units) UTI Short Term Inc Funds [NAV ₹ Nil (As at March 31, 2016: Nil; April 1, 2015: 15.00 lakhs)]	-	-	15.00
(viii) Nil units (As at 31st March, 2016: 1,43,714.2 Units; As at 1st April, 2015: NIL units) Kotak Equity Arbitrage Fund [NAV ₹ Nil (As at March 31, 2016: ₹ 15.44 lakhs; April 1, 2015: Nil)]	-	15.44	-
(ix) 39,507.8 units (As at 31st March, 2016: NIL Units; As at 1st April, 2015: NIL units) DSP BR INCOME OPP FUND [NAV ₹ 10.61 lakhs (As at March 31, 2016: ₹ Nil; April 1, 2015: Nil)]	<b>10.61</b>	-	-
(x) 8,636.9 units (As at 31st March, 2016: NIL Units; As at 1st April, 2015: NIL units) IDFC Super Saver IF MT Plan [NAV ₹ 22.34 lakhs (As at March 31, 2016: ₹ Nil; April 1, 2015: Nil)]	<b>22.34</b>	-	-
c/f	<b>185.30</b>	46.94	32.54



# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017 (CONTD.)

## Note '7': Investments (Contd.)

	As at 31st March, 2017 (₹ in lakhs)	As at 31st March, 2016 (₹ in lakhs)	As at 1st April, 2015 (₹ in lakhs)
b/f	185.30	46.94	32.54
(xi) 62,228.4 units (As at 31st March, 2016: Nil Units; As at 1st April, 2015: Nil units) L&T Income Opportunities Fund [NAV ₹ 11.61 lakhs (As at March 31, 2016: ₹ Nil; April 1, 2015: Nil)]	11.61	-	-
(xii) 1,19,372.3 units (As at 31st March, 2016: Nil Units; As at 1st April, 2015: Nil units) L & T Short Term Income Fund Growth [NAV ₹ 20.77 lakhs (As at March 31, 2016: ₹ Nil; April 1, 2015: Nil)]	20.77	-	-
(xiii) Nil units (As at 31st March, 2016: Nil Units; As at 1st April, 2015: 21,167.611 units) of UTI Treasury Advantage Fund [NAV ₹ Nil (As at March 31, 2016: ₹ Nil; April 1, 2015: 215.79 lakhs)]	-	-	215.79
<b>b) Investment in Associates:</b>	<b>217.68</b>	<b>46.94</b>	<b>248.33</b>
(i) Nil (As at March 31, 2016: 8,000; April 1, 2015: Non - Current) Equity shares of ₹ 10/- each Pristine Developers Private Limited (Refer Footnote)	-	1,884.55	-
	<b>217.68</b>	<b>1,931.49</b>	<b>248.33</b>
Aggregate amount of quoted investments	<b>217.68</b>	<b>46.94</b>	<b>248.33</b>
Aggregate amount of unquoted investments	-	1,884.55	-
Aggregate provision for diminution in value of investments	-	-	-

## Note '8'

### Trade Receivables

#### Non-current

Unsecured, considered good

- Related Party

#### Total

#### Current

Unsecured, considered good

- Related Parties

- Others

Doubtful

Allowance for doubtful debts (expected credit loss allowance)

	As at 31st March, 2017 (₹ in lakhs)	As at 31st March, 2016 (₹ in lakhs)	As at 1st April, 2015 (₹ in lakhs)
	-	-	3,902.62
	-	-	3,902.62
	<b>26,090.06</b>	14,390.95	1,344.23
	<b>4,518.71</b>	612.75	196.34
	<b>88.99</b>	-	-
	<b>(88.99)</b>	-	-
<b>Total</b>	<b>30,608.77</b>	<b>15,003.70</b>	<b>1,540.57</b>

#### Footnotes:

- No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person, or from any firms or private companies in which any director is a partner, a director or a member.
- Trade receivables are non interest bearing and are generally on credit terms of 30 to 90 days.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017 (CONTD.)

	As at 31st March, 2017 (₹ in lakhs)	As at 31st March, 2016 (₹ in lakhs)	As at 1st April, 2015 (₹ in lakhs)
<b>Note '9'</b>			
<b>Loans</b>			
<b>Non-current</b>			
Loans to related parties			
- Unsecured, considered good	404.50	356.68	314.77
<b>Total</b>	<b>404.50</b>	<b>356.68</b>	<b>314.77</b>
<b>Current</b>			
Loans to related parties			
- Unsecured, considered good	2,032.19	1,803.68	1,287.77
Loan to others			
- Unsecured, considered good	6,253.05	7,916.21	17,355.63
Loans to Employees	2.69	1.88	2.75
<b>Total</b>	<b>8,287.93</b>	<b>9,721.77</b>	<b>18,646.15</b>

Footnote:

The Parent Company has not charged interest on loans given by it to various group entities developing real estate projects, in which the Company has a commercial and business interest.

	As at 31st March, 2017 (₹ in lakhs)	As at 31st March, 2016 (₹ in lakhs)	As at 1st April, 2015 (₹ in lakhs)
<b>Note '10'</b>			
<b>Other financial assets</b>			
<b>Non-current</b>			
Bank balances			
- Deposits with maturity of more than twelve months	997.62	314.86	312.19
- Margin money deposits	260.67	399.53	809.01
Security deposits	61.68	56.29	59.51
Project Advances			
- Related parties	-	14067.04	80446.99
- Others	-	4517.35	7856.10
Other Advances			
Advances recoverable			
- Related parties	-	511.29	20075.00
- Others	-	4861.25	11198.29
Doubtful			
- Related parties	-	-	-
- Others	124.51	248.89	256.89
Less: Provision for doubtful advances	(124.51)	(248.89)	(256.89)
Other receivables			
Other than Trade Receivables	9.15	-	6000.00
Interest accrued on fixed deposits	0.78	28.88	25.18
	<b>1,329.90</b>	<b>24,756.49</b>	<b>126,782.27</b>

Footnote:

Balances with banks in margin money and fixed deposits are kept as security for guarantees / other facilities.

n lakhs)

## Current

	As at 31st March, 2017 (₹ in lakhs)	As at 31st March, 2016 (₹ in lakhs)	As at 1st April, 2015 (₹ in lakhs)
Security deposits	193.31	191.95	186.19
Project Advances :			-
Related parties	260.70	2,886.25	3,096.99
Others	893.75	893.75	2,157.37
Advances recoverable			
Related parties	1,773.91	1,512.84	5,207.67
Others	22,097.54	6,128.32	2,219.04
Other Advances			
Current Account Balances in Partnership Firms and Joint Ventures	18,412.23	9,093.53	17,150.66
Other receivables			
Other than Trade Receivables	15,060.26	9,279.81	5,415.86
Interest accrued on fixed deposits	51.58	99.77	422.24
Interest accrued on loans	177.85	-	-
Interest accrued on investments	1,357.11	1,098.64	840.17
	<b>60,278.24</b>	<b>31,184.86</b>	<b>36,696.19</b>

## Footnotes:

- The amount funded by the Group to its joint ventures and associate entities initially were in infant stage. These entities are on the verge of launching their own projects and are also in the process of obtaining finance facilities / investors, etc. on their own strength. In view of the above developments, project advances to these entities are considered as repayable on demand and hence re-classified as current assets during the year.
- Other receivables other than trade receivables includes ₹ 5,004.79 lakhs receivable towards sale of shares by the parent company of one of its erstwhile associate.



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017 (CONTD.)

### Note '11': Income Tax Assets (Net) (Contd.)

(b) Reconciliation of tax expense and the accounting profit multiplied by the Company's tax rate

	As at 31st March, 2017 (₹ in lakhs)	As at 31st March, 2016 (₹ in lakhs)
Profit / (Loss) for the Year	(5,358.97)	(696.25)
Share of Profit / (Loss) From Associate Companies / JVs using equity method	(847.08)	(2,152.75)
Pre-acquisition gain	0.50	57.22
(Loss) / Gain on cessation / sale / conversion of shares in subsidiaries / JVs / Associates	(68.43)	129.69
Add: Loss on account of consolidation of group entities	7,508.54	5,077.11
Total Profit / (Loss)	1,234.56	2,415.02
Income tax expense calculated at 34.608%	427.26	835.79
Tax effects of amounts that are not deductible (taxable) in calculating taxable income:		
Effect of expenses that are not deductible in determining taxable profit	268.77	144.75
Effect of difference in rate of tax due to MAT	(163.78)	(320.39)
Effect of expenses that are deductible in determining taxable profit due to timing difference	(79.00)	(13.57)
Effect of income that is exempt from taxation	-	(320.16)
Effect on deferred tax due to timing difference (Refer note 12)	(179.87)	115.11
Adjustments for current tax of prior periods	23.25	(688.59)
<b>Income tax expense</b>	<b>296.63</b>	<b>(247.06)</b>

### Note '12'

#### Deferred Tax Assets / Liability (Net)

The following is the analysis of deferred tax asset / (liabilities) presented in the Balance Sheet

#### Deferred Tax Asset (Net)

	As at 31st March, 2017 (₹ in lakhs)	As at 31st March, 2016 (₹ in lakhs)	As at 1st April, 2015 (₹ in lakhs)
Deferred Tax Asset	4,188.29	3,823.55	3,770.62
Deferred Tax Liability	(317.83)	(134.29)	(2.42)
<b>Total</b>	<b>3,870.46</b>	<b>3,689.26</b>	<b>3,768.20</b>

#### Deferred Tax Liability (net)

	As at 31st March, 2017 (₹ in lakhs)	As at 31st March, 2016 (₹ in lakhs)	As at 1st April, 2015 (₹ in lakhs)
Deferred Tax Asset	333.78	387.00	115.18
Deferred Tax Liability	(814.75)	(866.64)	(558.65)
<b>Total</b>	<b>(480.97)</b>	<b>(479.64)</b>	<b>(443.47)</b>

### 2016-17

	Opening Balance	Recognised in profit or loss	Closing Balance
			(₹ in lakhs)
Deferred Tax Asset (Net)			
Restating debtors at PV due to extended credit period and subvention scheme	597.84	(240.81)	357.03
Unwinding of debtors under subvention scheme	(74.53)	(105.19)	(179.72)
Unwinding of security deposit	1.86	7.32	9.18
Amortization of advance lease rent	(2.26)	(6.54)	(8.80)
On account of differential interest	16.57	9.56	26.13
Temporary difference in relation to investments in joint ventures	(8.11)	(9.23)	(17.34)
Depreciation	(49.39)	(62.58)	(111.97)
Provisions	86.14	(12.25)	73.89
Deferred tax on account of unused losses	-	297.11	297.11
Others	3,121.14	303.81	3,424.95
<b>Total</b>	<b>3,689.26</b>	<b>181.20</b>	<b>3,870.46</b>

			(₹ in lakhs)
	Opening Balance	Recognised in profit or loss	Closing Balance
<b>Deferred Tax Liability (net)</b>			
Depreciation	(39.52)	(0.45)	(39.97)
On account of Capital work-in-progress	17.67	10.20	27.87
On account of Unamortised Premium on Debentures	249.08	(62.27)	186.81
On account of Premium Payable on Debentures	(311.35)	0.00	(311.35)

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017 (CONTD.)

	As at 31st March, 2017 (₹ in lakhs)	As at 31st March, 2016 (₹ in lakhs)	As at 1st April, 2015 (₹ in lakhs)
<b>Note '13'</b>			
<b>Other assets</b>			
<b>Non-current</b>			
Capital Advances			
- Related parties	10,028.31	9,758.61	7,950.00
- Others	1,681.00	1,681.00	1,981.00
Advances to land owners	5,297.07	5,060.80	5,646.18
Advances recoverable in cash or kind	-	-	505.00
Advances to Suppliers	-	485.41	-
Other advances			
- Deposits against sub-judice matter (Refer footnote)	4,700.00	1,000.00	-
- Prepaid Expenses	24.82	28.89	63.86
<b>Total</b>	<b>21,731.20</b>	<b>18,014.71</b>	<b>16,146.04</b>

Footnote:

The Company has deposited a security amount of ₹ 4,700.00 lakhs upto 31st March, 2017 with the Hon'ble Sessions Court, Mumbai in connection with an ongoing case with regard to a commercial transaction with an erstwhile associate company. In this connection, a bank account of the Company has been attached by the Maharashtra State CID. During the quarter ended 31st March, 2017, the Hon'ble Session Court, Mumbai has wide its Order dated January 20, 2017, stayed further deposit of security with the said Court till further order.

	As at 31st March, 2017 (₹ in lakhs)	As at 31st March, 2016 (₹ in lakhs)	As at 1st April, 2015 (₹ in lakhs)
<b>Current</b>			
Advances to land owners	1,584.78	10,561.79	10,535.56
Advances to Suppliers	2,360.41	1,458.89	220.96
Unbilled revenue	7,487.79	4,754.17	4,757.04
Advances / Deposits recoverable in cash or in kind or for value to be received	1,578.84	1,662.09	965.34
Balances with Statutory / Government Authorities	400.37	104.11	139.18
Other Advances			
- Prepaid Expenses	29.02	41.29	496.65
- Others	392.04	171.21	97.19
<b>Total</b>	<b>13,833.25</b>	<b>18,753.55</b>	<b>17,211.92</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017 (CONTD.)

	As at 31st March, 2017 (₹ in lakhs)	As at 31st March, 2016 (₹ in lakhs)	As at 1st April, 2015 (₹ in lakhs)
<b>Note '14'</b>			
<b>Inventories</b>			
<b>Inventories (lower of cost or net realisable value)</b>			
- Stock of material at site	264.02	105.56	452.36
- Incomplete projects	166,523.47	156,840.88	136,033.65
- Floor space index (FSI)	126.26	240.30	364.29
- Finished properties	120.66	244.29	244.29
<b>Total</b>	<b>167,034.41</b>	<b>157,431.03</b>	<b>137,094.59</b>

### Footnotes :

- Incomplete Projects includes ₹ 700.27 lakhs on account of dissolution of a joint venture in F.Y. 2015-16.
- The projects are under various stages of development and are expected to have net realisable value greater than the cost.
- Incomplete projects include inventory with carrying value of ₹ 57,066.15 lakhs (As at 31st March, 2016: ₹ 83,849.41 lakhs) which have been pledged against the borrowings of the Company.  
The Group has various projects under construction, and it has obtained loans/finance facilities against the mortgage of units to be constructed on the said projects and the same are reflected as inventory. The Group has also sold units which are under construction and the lender has issued NOC for the same.

	As at 31st March, 2017 (₹ in lakhs)	As at 31st March, 2016 (₹ in lakhs)	As at 1st April, 2015 (₹ in lakhs)
<b>Note '15'</b>			
<b>Cash and cash equivalents</b>			
Balances with banks:			
- in current accounts	450.21	1,192.58	2,042.22
- in escrow accounts	257.95	254.30	-
- in deposits with maturity of less than three months	168.46	147.59	263.41
Cash on hand	34.15	89.63	87.53
<b>Cash and cash equivalents as per Balance Sheet</b>	<b>910.77</b>	<b>1,684.10</b>	<b>2,393.16</b>
Working Capital Loan from Bank (Refer Note 19)	(1,406.68)	(1,413.18)	(1,628.42)
<b>Cash and cash equivalents as per statement of cash flows</b>	<b>(495.91)</b>	<b>270.92</b>	<b>764.74</b>

### Footnote:

Balances with banks in margin money and fixed deposits are kept as security for guarantees / other facilities.

	As at 31st March, 2017 (₹ in lakhs)	As at 31st March, 2016 (₹ in lakhs)	As at 1st April, 2015 (₹ in lakhs)
<b>Note '16'</b>			
<b>Other Bank Balances:</b>			
Unpaid dividend accounts	3.33	3.92	4.89
Deposits with maturity of more than three months but less than twelve months	54.54	684.95	63.19
Margin money deposits	130.11	818.56	1,209.79
<b>Total</b>	<b>187.98</b>	<b>1,507.43</b>	<b>1,277.87</b>

### Footnote:

Balances with banks in margin money and fixed deposits are kept as security for guarantees / other facilities.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017 (CONTD.)

	As at 31st March, 2017 (₹ in lakhs)	As at 31st March, 2016 (₹ in lakhs)	As at 1st April, 2015 (₹ in lakhs)
<b>Note '17'</b>			
<b>Equity share capital</b>			
<b>Authorised Share Capital:</b>			
125,000,000 (As at March 31, 2016: 125,000,000; As at April 1, 2015: 125,000,000) Equity Shares of ₹ 10/- each	12,500.00	12,500.00	12,500.00
<b>Issued and subscribed capital:</b>			
72,735,871 (As at March 31, 2016: 72,735,871; As at April 1, 2015: 72,735,871) Equity Shares of ₹ 10/- each fully paid up	7,273.59	7,273.59	7,273.59
	<b>7,273.59</b>	<b>7,273.59</b>	<b>7,273.59</b>

**a) Reconciliation of number of shares outstanding at the beginning and at the end of the year**

	Number of shares	Share Capital (₹ in lakhs)
<b>Fully paid equity shares</b>		
Balance at 1st April, 2015	72,735,871	7,273.59
Add : Issued during the year	-	-
Less : Bought back during the year	-	-
Balance at 31st March, 2016	72,735,871	7,273.59
Add : Issued during the year	-	-
Less : Bought back during the year	-	-
<b>Balance at 31st March, 2017</b>	<b>72,735,871</b>	<b>7,273.59</b>

**b) Terms / rights attached to equity shares**

The Company has a single class of equity shares having a par value of ₹ 10/- per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividend in Indian rupees.

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

**c) Details of shares held by each shareholder holding more than 5% shares**

	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	No of shares held	% holding of this class of shares	No of shares held	% holding of this class of shares	No of shares held	% holding of this class of shares
Fully paid equity shares						
Hemant M. Shah	5,800,000	7.97%	5,800,000	7.97%	5,800,000	7.97%
Vyomesh M. Shah	7,540,000	10.37%	7,540,000	10.37%	7,540,000	10.37%
Mahipatray V. Shah (HUF)	9,600,000	13.20%	9,600,000	13.20%	9,600,000	13.20%
Hemant M. Shah (HUF)	4,980,500	6.85%	4,980,500	6.85%	4,980,500	6.85%
Vyomesh M. Shah (HUF)	3,925,000	5.40%	3,925,000	5.40%	4,100,000	5.64%
Kunjali H. Shah	3,308,000	4.55%	3,308,000	4.55%	5,308,000	7.30%
Falguni V. Shah	5,929,772	8.15%	5,993,316	8.24%	5,993,316	8.24%



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017 (CONTD.)

	As at 31st March, 2017 (₹ in lakhs)	As at 31st March, 2016 (₹ in lakhs)	As at 1st April, 2015 (₹ in lakhs)
<b>Note '18'</b>			
<b>Other Equity</b>			
<b>Securities premium reserve</b>			
Balance at the beginning of the year	64,379.05	60,713.89	60,713.89
Add / (Less) :			
Appropriations	-	3,665.16	-
<b>Balance at the end of the year</b>	64,379.05	64,379.05	60,713.89
The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.			
<b>Debenture redemption reserve</b>			
Balance at the beginning of the year	8,381.00	9,175.00	13,475.00
Add / (Less) :			
Amount transferred to general reserve	(3,721.85)	(794.00)	(4,300.00)
<b>Balance at the end of the year</b>	4,659.15	8,381.00	9,175.00
A debenture redemption reserve is a reserve that any Indian company that issues debentures must create to protect investors against the possibility of default by the company.			
<b>General reserve</b>			
Balance at the beginning of the year	26,065.21	25,271.21	20,971.21
Add / (Less) :			
Amount transferred from Debenture redemption reserve	3,721.85	794.00	4,300.00
<b>Balance at the end of the year</b>	29,787.06	26,065.21	25,271.21
General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. This reserve will be utilised in accordance with the provisions of the Companies Act, 2013.			
<b>Capital Reserve</b>			
Balance as per last Financial Statements	5,785.21	5,785.21	5,802.49
Transferred during the year	-	-	(17.28)
<b>Balance at the end of the year</b>	5,785.21	5,785.21	5,785.21
Capital reserve represents the gains of capital nature which mainly includes the excess of value of net assets acquired over consideration paid by the Company for business amalgamation transaction in earlier years.			
<b>Retained Earnings</b>			
Balance at the beginning of the year	57,091.68	59,526.88	59,527.02
Prior Period Errors	-	(42.50)	-
Profit / (Loss) for the year	(6,410.08)	(2,356.55)	-
Items of OCI recognised directly in retained earnings	9.55	(36.15)	-
Adjustment in surplus on account of change in depreciation method	-	-	(0.14)
<b>Balance at the end of the year</b>	50,691.15	57,091.67	59,526.88
<b>Total</b>	<b>155,301.62</b>	<b>161,702.15</b>	<b>160,472.20</b>

Footnote:

The Company, owing to liquidity issues, has not invested / deposited ₹ 630.95 lakhs (As at 31st March, 2016: ₹ 1,257.61 lakhs; As at 1st April, 2015: ₹ 1,382.46 lakhs) in the manner prescribed under Rule 18(7) (c) of the Companies (Share Capital and Debentures) Rules, 2014 notified by the Ministry of Corporate Affairs.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

	As at 31st March, 2017 (₹ in lakhs)	As at 31st March, 2016 (₹ in lakhs)	As at 1st April, 2015 (₹ in lakhs)
<b>Note '19'</b>			
<b>Borrowings</b>			
<b>Non Current</b>			
<b>Secured</b>			
(i) Debentures			
40,00,000 (As at March 31, 2016: 40,00,000; As at April 1, 2015: 40,00,000) Compulsorily convertible debentures of the face value of ₹ 100/- each (Refer footnote a)	<b>4,000.00</b>	4,000.00	4,000.00
300 (As at 31st March , 2016: 300; As at 1st April, 2015: Nil) 0% Redeemable non-convertible debentures of the face value of ₹ 10,00,000 each (Refer Footnote b)	<b>4,023.40</b>	3,315.87	-
Nil (As at 31st March 2016:10,000; As at 1st April, 2015 10,000 Redeemable non-convertible debentures of the face value of ₹ 100,000 each (Refer footnote c)	-	5,884.08	6,716.40
(ii) Term Loans			
- From banks (Refer footnote d)	<b>40,847.91</b>	59,442.10	65,871.82
- From financial institutions (Refer footnote e)	<b>46,234.46</b>	32,393.01	8,696.17
	<b>95,105.77</b>	105,035.06	85,284.39
(iii) Other Loans (Refer footnote f)			
- Liability component of preference shares (At amortised cost)			
1,12,500 (As at 31st March, 2016: 1,12,500, As at 1st April, 2015: 1,12,500) 10% Non Cumulative Non-Convertible Redeemable Preference Shares of ₹ 100/- each fully paid up	<b>24.48</b>	22.26	20.23
- Loans from Others	<b>453.56</b>	101.27	16,943.62
	<b>95,583.81</b>	105,158.59	102,248.24
Less: Transferred to Current Maturities			
Of Long Term Debentures	-	(5,884.08)	(6,716.40)
Of Long Term Loans from Banks	<b>(29,599.50)</b>	(46,331.63)	(27,412.72)
Of Long Term Loans from Financial Institutions	<b>(12,967.18)</b>	-	(600.00)
Of Long Term Loans from Companies	-	-	(10,000.00)
Of Long Term Loans from Others	<b>(31.87)</b>	(42.82)	(45.35)
	<b>(42,598.55)</b>	(52,258.52)	(44,774.47)
<b>Total</b>	<b>52,985.26</b>	52,900.07	57,473.77

### Footnotes :

- 17.75% Debentures of ₹ 4,000 Lacs have a term of 84 months from issue date (20,00,000 debentures issued on 01/02/2013 and 20,00,000 debentures issued on 10/06/2013). The same can be converted into Class "B" Shares in whole or in part at the option of the investor but not before the expiry of 36 months.
- 22% unlisted, unrated, dematerialized, secured, redeemable, non-convertible debentures (NCDs) for cash at par, on a private placement basis. The maximum outstanding principal amount of NCDs from the date of first disbursement will not exceed at the end of 12 months 94% of the issue size, 24 months 88%, 36 months 44% and at the end of 48 month Nil of the issue size. These debentures are secured by personal guarantees of the promoters of Hubtown Limited.
- As per third consent terms dated 8th June, 2016, outstanding amount was repayable with interest @ 22% p. a., of which last instalment was to be redeemed on or before 23rd December, 2016. The said debentures are secured by first and exclusive charge on the premises located at MIDC, Andheri (East), project located at Andheri (West) Mumbai and secured against pledge of equity shares in the Company held by the promoters of Hubtown Limited. The said Debentures which have matured and remain unpaid amounting to ₹ 4659.15 Lakhs have been disclosed under other current financial liability. However the Company is in the process of renegotiating the terms of the Non – Convertible Debentures with the Debenture holders. Refer footnote to Note 20.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

### Note '19' : Borrowings (Contd.)

- d. Secured term loans from banks carry interest rates within a range of 12.70% to 16.60 %. The nature of securities are:

Name of lenders	Security Offered (Further secured by personal guarantee of one or more promoters)
1. Bank of Maharashtra	i. Mortgage of land and structures of projects located in Andheri (East), Bandra (East) and Pune. ii. First charge by way of escrow of receivables from above projects.
2. Dena Bank	i. Mortgage of unsold area of commercial project at Andheri (East), Mumbai. ii. First charge by way of escrow of receivables from above project. iii. Registered mortgage of the premises in the project located at Mahalaxmi, Mumbai. iv. First charge on lease rent receivables from above premises.
3. Oriental Bank of Commerce	i. Mortgage of unsold units of residential projects located in Andheri (East). ii. First charge by way of escrow of receivables from above projects.
4. Union Bank of India	i. Registered mortgage of the premises in the project located at Mahalaxmi, Mumbai. ii. First charge on lease rent receivables from above premises.
5. United Bank of India	i. Registered mortgage of the premises in the project located at Andheri (East). ii. First charge on lease rent receivables from above premises.

- e. (i) An amount of ₹ 21913.00 Lakhs carry interest rate at 20% p.a repayable in quarterly instalments starting from 30th September 2019. This amount is secured by mortgage of land and structures on projects located in Andheri (East) and Matunga (East), land at Kelavali, Ghodivali, Raigad, Mulund, Khalapur and Majiwade; first charge over the receivables and escrow accounts collection from above projects; irrevocable and unconditional Personal Guarantee(s) of Mr. Hemant Shah and Vyomesh Shah; corporate guarantee of Heet Builder Private Limited and Citygold Education Research Limited; Pledge of shares of Heet Builders Private Limited and Citygold Education Research Limited held by Hubtown Limited and pledge of 70,00,000 shares of Hubtown Limited.
- (ii) Secured loan from ECL Finance Limited (financial institution) carries IRR of 36.82%. This loan is secured against pledge of equity shares in the Company held by the promoters alongwith personal guarantees of the promoters and security of certain units of the premises in the project located at Andheri (West).
- (iii) Secured loan from Indiabulls Housing Finance Limited (financial institution) carries IRR of 24.02%. This loan is secured against hypothecation of property of the Company located at Andheri (East).
- f. (i) Secured loans of ₹ 84.74 lakhs are vehicle loans from others, which carry interest rates within a range of 9.50% to 11% and are repayable by May, 2021.
- (ii) The preference shares have been classified as a financial liability as per Ind AS 32 and Ind AS 109 if the issuer does not have the unconditional right to avoid cash outflow at the end of the term of preference shares, the instrument is classified as a financial liability. Hence they have been grouped under non-current borrowings.

Details of repayment of long term borrowings are as follows :

Particulars	*Up to 1 year	2 to 5 years	Above 5 years	Total
Debenture	-	8,023.40	-	8,023.40
Term loans from Banks	29,599.50	10,856.03	392.38	40,847.91
Term loans from Financial Institutions	12,967.18	33,267.28	-	46,234.46
Loan from Others	31.87	446.17	-	478.04
<b>Total</b>	<b>42,598.55</b>	<b>52,592.88</b>	<b>392.38</b>	<b>95,583.81</b>

\*Including overdue amounts

- g. Period and amount of continuing default as on Balance Sheet date in repayment of term loans and interest :

Particulars	31st March, 2017		31st March, 2016		1st April, 2015	
	₹ in lakhs	Period	₹ in lakhs	Period	₹ in lakhs	Period
Term loans from Banks						
Overdue instalments	262.38	Jan 17 to Mar 17	4,961.75	Jan 16 to Mar 16	839.74	Jan 15 to Mar 15
Interest	1,133.56	Jan 17 to Mar 17	1,533.07	Jan 16 to Mar 16	967.31	Jan 15 to Mar 15
Overdue instalments	3,366.73	Oct 16 to Mar 17	5,427.86	Sep 15 to Mar 16	-	-
Interest	1,492.88	Oct 16 to Mar 17	1,657.30	Sep 15 to Mar 16	-	-
Overdue instalments	6,292.02	Apr 16 to Mar 17	12,701.02	Apr 15 to Mar 16	-	-
Interest	2,161.17	Apr 16 to Mar 17	1,735.32	Apr 15 to Mar 16	-	-
Overdue instalments	16,457.33	Before Apr 16	51.15	Before Apr 15	-	-
Interest	1,793.55	Before Apr 16				
Term loan from Financial Institution						
Interest	11.05	Mar-17	-	-	171.23	Sep 14 to Mar 15
<b>Total</b>	<b>32,970.67</b>		<b>28,067.47</b>		<b>1,978.28</b>	

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017 (CONTD.)

### Note '19' : Borrowings (Contd.)

	As at 31st March, 2017 (₹ in lakhs)	As at 31st March, 2016 (₹ in lakhs)	As at 1st April, 2015 (₹ in lakhs)
<b>Current</b>			
<b>Secured</b>			
(i) Debentures			
Nil (As at 31st March, 2016: Nil; As at 1st April, 2015: 250) Redeemable non-convertible debentures of the face value of ₹ 10,00,000 each (Refer Footnote a)	-	-	2,500.00
(ii) Working Capital Loan from Bank (Refer footnote b and footnote to Note 13)	1,406.68	1,413.18	1,628.42
(iii) Loans from Financial Institutions (Refer footnote c)	4,950.00	4,950.00	-
(iv) Loans repayable on demand:			
- From Companies (Refer footnote d & e)	23,462.56	7,372.78	7,738.41
	<b>29,819.24</b>	<b>13,735.96</b>	<b>11,866.83</b>
<b>Unsecured</b>			
Loans repayable on demand:			
- From Related Party	10.23	73.78	41.54
- From Companies (Refer footnote f)	15,420.36	15,999.41	15,594.26
- From Others (Refer footnote f)	35,703.52	25,524.02	17,726.54
	<b>51,134.11</b>	<b>41,597.21</b>	<b>33,362.34</b>
<b>Total</b>	<b>80,953.35</b>	<b>55,333.17</b>	<b>45,229.17</b>

#### Footnotes:

- 250, 21% Redeemable, non-convertible debentures of the face value of ₹ 10,00,000 each, which matured on 27th March, 2016 and remained unpaid, has been disclosed as Unpaid Matured Debentures in Other Financial Liability as at 31st March, 2016.
- Working capital loan from bank carries interest rate of 17.60% (31st March, 2016: 15.45%; 1st April, 2015: 15.44%). The loan is secured against mortgage of premises located at MIDC, Andheri (East), Mumbai and further secured by personal guarantee of one or more promoters.

Name of lender	Security Offered
Canara Bank	Mortgage of the premises at MIDC Andheri (East), Mumbai and further secured by personal guarantee of one or more promoters and mortgage of the property at Andheri (East).

- Secured loan from financial institution carries interest rate of 18.75%. This loan is secured against pledge of equity shares in the Company held by the promoters alongwith personal guarantee of promoters and mortgage of premises in the project located at Andheri (East).
- Secured loans from companies carry interest rate of 21% and are repayable on demand. However, loan from a company amounting to ₹ 37.27 lakhs (As at 31st March, 2016: ₹ 59.25 lakhs; As at 1st April, 2015: ₹ Nil) is interest free. These Loans are secured against mortgage of unsold area of the commercial project at Andheri (East) and Jogeshwari and secured against pledge of equity shares in the Company held by the promoters.
- Secured Loan from UCO Bank has become NPA and UCO Bank has transferred the Loan amount including interest thereon amounting to ₹ 18,287.94 lakhs as on 31.03.2017 to a third party "Invent Assets Securitisation and Reconstruction Private Limited" vide letter dated 11.04.17. The said Loan is secured against properties located at Mulund, Thane and Andheri (East) and also first charge on lease rent receivable from said Premises. The same liability has been shown as secured loans from companies.
- Unsecured loans from companies and others carry interest rates within a range of 0% to 36% and are repayable on demand.
- Period and amount of default as on Balance Sheet date in repayment of term loans and interest :

Particulars	31st March, 2017		31st March, 2016	
	(₹ in lakhs)	Period	(₹ in lakhs)	Period
Loans from Financial Institutions				
Overdue instalments	-	-	-	-
Interest (Net of TDS)	149.88	Jan 17 to March 17	74.60	March 2016
	<b>149.88</b>		<b>74.60</b>	

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017 (CONTD.)

	As at 31st March, 2017 (₹ in lakhs)	As at 31st March, 2016 (₹ in lakhs)	As at 1st April, 2015 (₹ in lakhs)
<b>Note '20'</b>			
<b>Other financial liabilities</b>			
Non-current			
Outstanding Liability against Land purchased	-	744.59	744.59
Retention money payable (Refer Footnote)	1,035.88	2,031.28	1,706.06
Lease deposits from tenants	211.74	81.22	273.69
Advance Lease Rentals	199.60	16.71	8.01
Other Payables	2.88	4.26	0.58
<b>Total</b>	<b>1,450.10</b>	<b>2,878.06</b>	<b>2,732.93</b>

Footnote:

Retention Money liability to the contractors which are not due for payment as at 31st March, 2017 have been shown under the head "Other Financial Liabilities" as per Ind AS-32. As per the management, the retention liability is in the nature of holding the amount as guarantee towards performance and does not relate to credit period given by the contractor. Further, in the opinion of the management, there has not been any authoritative clarification / interpretation with regard to measurement of fair value in respect of above item. Hence retention liability has not been discounted as on 31st March, 2017.

	As at 31st March, 2017 (₹ in lakhs)	As at 31st March, 2016 (₹ in lakhs)	As at 1st April, 2015 (₹ in lakhs)
<b>Current</b>			
Current maturities of long-term debts (Refer Note 19)	42,598.55	52,258.52	44,774.47
Interest accrued and due on borrowings	15,771.91	10,965.00	5,558.15
Interest accrued but not due on borrowings	5,592.71	2,105.42	141.66
Retention money payable	331.77	-	-
Unpaid matured debentures and interest accrued thereon (Refer footnote a)	4,659.15	3,526.49	-
Unclaimed/unpaid dividends	3.29	3.88	4.30
Current account balance in firms and joint venture	4,092.59	11,790.33	16,211.55
Business advances received (including related parties)	2,839.64	6,040.58	1,358.89
Advances received from others	10,675.01	7,208.00	6,679.00
Security deposits (Refundable)	12,361.94	12,082.90	9,461.19
Advance Lease Rentals	23.88	20.17	6.97
On account of Equity Shares with Differential Voting Rights and Preference Shares of Joint Venture	13,695.80	13,695.80	16,333.55
Advances received from body corporates for projects	-	1,500.00	2,100.00
Other payables	21,312.24	8,553.72	7,609.76
<b>Total</b>	<b>133,958.48</b>	<b>129,750.81</b>	<b>110,239.49</b>

Footnote:

Period and amount of default as on the Balance Sheet date in respect of matured debentures and interest accrued thereon :

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017 (CONTD.)

## Note '20' : Other financial liabilities (Contd.)

	31 March, 2017		31 March, 2016	
	(₹ in lakhs)	Period	(₹ in lakhs)	Period
<b>Overdue Instalments:</b>				
10,000 (As at 31st March, 2016: 10,000; As at 1st April,2015: 10,000) Redeemable non-convertible debentures of the face value of ₹ 100,000 each	<b>4206.37</b>	<b>Mar-17</b>	-	
<b>Interest :</b>				
10,000 (As at 31st March, 2016: 10,000; As at 1st April,2015: 10,000) Redeemable non-convertible debentures of the face value of ₹ 100,000 each	<b>452.78</b>	<b>Dec. 2016 to March 2017</b>	-	
<b>Overdue Instalments:</b>				
Nil (As at 31st March, 2016: 250; As at 1st April,2015: 250) 21% Redeemable, Non-convertible debentures of the face value of ₹ 10,00,000 each	-		2,500.00	March 2016
<b>Interest:</b>				
Nil (As at 31st March, 2016: 250; As at 1st April,2015: 250) 21% Redeemable, Non-convertible debentures of the face value of ₹ 10,00,000 each	-		1,026.49	April 2015 to March 2016
<b>Total</b>	<b>4,659.15</b>		<b>3,526.49</b>	

## Note '21'

### Provisions

#### Non-current

##### Employee Benefits

Provision for Gratuity

Provision for leave benefit

	As at 31st March, 2017 (₹ in lakhs)	As at 31st March, 2016 (₹ in lakhs)	As at 1st April, 2015 (₹ in lakhs)
<b>Total</b>	<b>87.71</b>	84.37	-
	<b>123.23</b>	198.24	159.92
	<b>210.94</b>	282.61	159.92
<b>Total</b>	<b>210.94</b>		
	<b>171.30</b>	141.92	143.56
	<b>57.79</b>	9.65	16.06
	<b>4.24</b>	7.65	12.91
<b>Total</b>	<b>233.33</b>	159.22	172.53

#### Current

##### Employee Benefits

Provision for Gratuity

Provision for leave benefit

##### Other Provisions

## Note '22'

### Trade payables

Dues to MSME

Dues to others

	As at 31st March, 2017 (₹ in lakhs)	As at 31st March, 2016 (₹ in lakhs)	As at 1st April, 2015 (₹ in lakhs)
<b>Total</b>	-	-	0.25
	<b>16,813.89</b>	14,997.90	15,132.57
<b>Total</b>	<b>16,813.89</b>	14,997.90	15,132.82

#### Footnote:

The average credit period on purchases is 6 to 9 months.

#### Details of dues to Micro, Small and Medium Enterprises as defined under Micro Small Medium Enterprises Development Act, 2006 :

- Trade payables include ₹ Nil (As at 31st March, 2016: ₹ Nil; As at 1st April, 2015: ₹ 0.25 lakhs) due to micro, small and medium enterprises registered under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED).
- No interest was paid / payable to micro and small enterprises during the year.
- The above information has been determined to the extent such parties could be identified on the basis of the information available with the Group regarding the status of parties under the MSMED Act and has been relied upon by the auditors.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017 (CONTD.)

	As at 31st March, 2017 (₹ in lakhs)	As at 31st March, 2016 (₹ in lakhs)	As at 1st April, 2015 (₹ in lakhs)
<b>Note '23'</b>			
<b>Other Liabilities</b>			
<b>Current</b>			
Advances from customers	29,384.73	32,342.95	27,603.91
Overdrawn bank balances as per books of account	471.17	381.67	164.05
Deposits	-	-	13.50
Other payables :			
- Statutory dues	8,252.76	6,751.21	5,752.22
- Employees benefit payables	659.41	315.26	203.45
- Others	2,875.64	1,124.38	867.61
<b>Total</b>	<b>41,643.71</b>	<b>40,915.47</b>	<b>34,604.74</b>

	Year ended 31st March, 2017 (₹ in lakhs)	Year ended 31st March, 2016 (₹ in lakhs)
<b>Note '24'</b>		
<b>Revenue from operations</b>		
Sale from operations :		
Sale of properties / rights in projects (Net) (Refer footnote a)	33,538.33	35,747.29
Revenue from sale of Trading Materials	408.46	-
Gain / (Loss) on cessation / sale / conversion of shares in Joint Ventures / Associates	1,835.36	2,851.65
Share of Profit / (Loss) from partnership firms	(48.31)	(562.12)
	<b>35,733.84</b>	<b>38,036.82</b>
Other operating revenue :		
Income on investments in Joint ventures, etc. developing real estate projects (Refer footnote b)	16,485.50	223.02
Unwinding of Interest free loans	28.43	25.00
Lease rentals	683.25	334.54
Sundry credit balances appropriated	194.92	546.89
Liabilities written back to the extent no longer required	570.71	1,256.42
Provision for doubtful debts written back	148.89	8.00
Miscellaneous Income	214.56	230.42
	<b>18,326.26</b>	<b>2,624.29</b>
<b>Total</b>	<b>54,060.10</b>	<b>40,661.11</b>

### Footnotes:

- Sale of Properties is net of ₹ 3,000.00 lakhs (For 2015-16: ₹ 2,433.00 lakhs) on account of reversal of revenue recognised in earlier years.
- Includes premium, discount and interest on investments made in debentures & bonds and loans and advances made.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017 (CONTD.)

### Note '25'

#### Other income

	Year ended 31st March, 2017 (₹ in lakhs)	Year ended 31st March, 2016 (₹ in lakhs)
Dividend from current investments	0.41	1.57
Interest Income:		
- Debentures	287.19	287.19
- Loans	348.87	895.24
- Bank fixed deposits	126.61	180.79
- Interest Income on financial assets at amortised cost	1,118.31	806.01
- Others	845.01	92.14
<b>Total</b>	<b>2,726.40</b>	<b>2,262.94</b>
Surplus on sale / discardment of fixed assets (Net)	0.97	1.44
Gain on sale of investments	6.36	15.39
Gain on foreign currency fluctuation (Net)	0.10	0.17
Gain on Investments measured at FVTPL	4.80	-
Liabilities written back to the extent no longer required	9.32	280.12
	21.55	297.12
Miscellaneous income	515.01	594.93
<b>Total</b>	<b>3,262.96</b>	<b>3,154.99</b>

### Note '26'

#### Costs of Construction / Development

	Year ended 31st March, 2017 (₹ in lakhs)	Year ended 31st March, 2016 (₹ in lakhs)
Construction costs incurred during the year	7,645.40	5,063.07
Land / rights acquired	46.92	1,707.94
Material and labour costs	8,103.32	7,550.27
Approval and consultation expenses	1,476.19	2,621.84
Other direct development expenses	1,942.63	2,096.31
<b>Total</b>	<b>19,214.46</b>	<b>19,039.43</b>



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017 (CONTD.)

### Note '27'

#### Changes In Inventories Of Incomplete Projects, Finished Properties And FSI

Opening Inventory :

Floor Space Index (FSI)

Incomplete projects (including ₹ 699.60 Lakhs direct purchase of Project)

Finished Properties

Add / (Less):

Project expenses written off (Refer Note 31)

Closing Inventory :

Floor Space Index (FSI)

Incomplete projects

Finished Properties

	Year ended 31st March, 2017 (₹ in lakhs)	Year ended 31st March, 2016 (₹ in lakhs)
	240.30	364.29
	156,840.88	136,099.53
	244.29	244.29
	157,325.47	136,708.11
	(5,642.41)	-
	151,683.06	136,708.11
	126.26	240.30
	166,523.47	156,141.28
	120.66	244.29
	166,770.39	156,625.87
<b>Total</b>	<b>(15,087.33)</b>	<b>(19,917.76)</b>

Footnote:

Cost incurred till date on Project Jewell has been written off amounting to ₹ 5642.41 lakhs during the year. Change in town planning policies has affected the envisaged profitability of the project and continuing with the same would have resulted in losses to the Company. Hence the losses have been curtailed by writing off the costs incurred in Project Jewell earlier carried under incomplete projects.

### Note '28'

#### Employee Benefits Expense

Salaries, bonus, etc.

Contribution to provident and other funds

Staff welfare expenses

Other fund expenses

	Year ended 31st March, 2017 (₹ in lakhs)	Year ended 31st March, 2016 (₹ in lakhs)
	2,144.27	1,887.63
	89.90	58.50
	45.09	43.22
	7.07	6.50
<b>Total</b>	<b>2,286.33</b>	<b>1,995.85</b>

### Note '29'

#### Finance Costs

Interest costs:-

Interest on Debentures

Interest on Fixed loans

Unwinding of security deposit

Other interest expenses

Loan Processing Fees and Other Finance Charges

Delayed/penal interest on loans and statutory dues

	Year ended 31st March, 2017 (₹ in lakhs)	Year ended 31st March, 2016 (₹ in lakhs)
	2,106.83	3,351.37
	37,406.36	28,613.11
	22.56	5.74
	1,533.88	4,989.23
	8.29	1.10
	1,094.40	1,337.67
<b>Total</b>	<b>42,172.32</b>	<b>38,298.22</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017 (CONTD.)

### Note '30'

#### Depreciation and Amortisation Expenses

Depreciation of property, plant and equipment

Amortization of intangible assets

Depreciation of investment property

	Year ended 31st March, 2017 (₹ in lakhs)	Year ended 31st March, 2016 (₹ in lakhs)
	172.87	215.25
	3.64	3.84
	148.70	147.44
<b>Total</b>	<b>325.21</b>	<b>366.53</b>

### Note '31'

#### Other Expenses

Insurance

Rent

Rates and taxes

Advertisement expenses

Advances and other debit balances written off

Bad Debts

Corporate Social Responsibility (CSR) activities (Refer footnote)

Brokerage

Directors' fees and travelling expenses

Commission to non-executive directors

Provision for doubtful advances

Provision for doubtful debts

Repairs and society maintenance charges

Legal and professional fees

Prospective projects written off (Refer Note 27)

Loss on foreign currency fluctuation (Net)

Compensation on cancellation of flats

Other expenses

	Year ended 31st March, 2017 (₹ in lakhs)	Year ended 31st March, 2016 (₹ in lakhs)
	64.33	68.10
	138.99	55.37
	670.94	1,236.16
	926.48	404.91
	1,352.79	52.12
	1,000.72	49.67
	-	45.71
	451.88	365.08
	27.29	25.59
	16.93	17.68
	24.51	0.92
	88.99	-
	126.85	316.83
	1,203.51	717.17
	5,642.41	-
	0.07	1.02
	-	13.50
	1,128.06	1,018.89
<b>Total</b>	<b>12,864.76</b>	<b>4,388.72</b>

Footnote:

During the year under review, the Company, due to severe liquidity constraints, has not expended the amount earmarked for corporate social responsibility activities as required under the CSR Rules and the CSR Policy of the Company. However, the Board had approved that the entire unspent amount of ₹ 39.00 lakh being the minimum required CSR expenditure of the F.Y. 2016-17 to be carried forward to the next year.

### Note '32'

#### Earnings per share (EPS)

Basic and Diluted Earning Per Share (In ₹)

#### Basic and Diluted EPS

The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows:

Profit for the year attributable to the owners of the Company

Weighted average number of equity shares for the purposes of basic and diluted earnings per share (Nos.)

	Year ended 31st March, 2017 (₹ in lakhs)	Year ended 31st March, 2016 (₹ in lakhs)
	(8.81)	(3.24)
	(6,410.08)	(2,356.55)
	72,735,871	72,735,871

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

### Note '33'

#### Disclosure On Specified Bank Notes (SBNs)

During the year, the Group had specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308(E) dated 31st March, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December 30, 2016, the denomination wise SBNs and other notes as per the notification is given below:

(₹ in lakhs)			
Particulars	SBNs	Other Denomination Notes	Total
<b>Closing Cash in hand as on 8th November, 2016</b>	32.92	18.07	50.99
Add: Permitted Receipts	-	10.25	10.25
Less: Permitted Payments	(0.05)	(10.38)	(10.43)
Less: Amount Deposited in Bank	(32.87)	(0.53)	(33.39)
<b>Closing Cash in hand as on 30th December, 2016</b>	-	17.42	17.42

### Note '34'

#### CONTINGENT LIABILITIES (NOT PROVIDED FOR)

	As at 31st March, 2017 (₹ in lakhs)	As at 31st March, 2016 (₹ in lakhs)	As at 1st April, 2015 (₹ in lakhs)
(A) Claims against the Company, not acknowledged as debts on account of:-			
(a) Income Tax, Service Tax and MVAT matters under Appeal	4,696.51	5,679.50	3,926.38
(b) TDS liability on account of short deduction, short payment and interest thereon as per TRACES	-	253.17	411.42
(c) Demand notice issued by Brihanmumbai Municipal Corporation for land construction charges (property tax)	-	256.45	-
(d) Other Matters	61,618.24	72,341.84	68,909.50
(B) Non Agricultural Tax payable to Gujarat Industrial Development Corporation	143.50	44.44	44.44
(C) On account of land purchased in two subsidiaries, pending registration and other formalities under different statutes, for which confirmations are pending, with regards to consideration paid for the purchase of land through aggregator.	Amount not ascertainable	Amount not ascertainable	Amount not ascertainable
(E) On account of corporate guarantees issued by the Company to bankers and others on behalf of other companies and joint ventures for facilities availed by them (amount outstanding thereagainst)	89,188.71	79,194.87	33,180.82
(F) Other commitments :			
a) Bank Guarantees against various projects	3,495.72	3,778.02	44,510.40
b) Towards amounts to be deposited against undertaking given to the Hon'ble Sessions Court. (Advance paid thereagainst ₹ 4,700 lakhs (As at 31st March, 2016: ₹ 1000 lakhs; 1st April, 2015: ₹ Nil))	4,700.00	5,900.00	-

#### Footnotes:

- Interest / penalty that may accrue on original demands are not ascertainable, at present. The Group has taken necessary steps to protect its position with respect to the above referred claims, which in its opinion, based on professional / legal advice are not sustainable.
- Contingent liabilities include corporate guarantees issued by the Company and are relied upon by the Auditors.
- The management is of the view that it was necessary to provide the corporate guarantees to further the business interest of the Group in the entities on whose behalf such guarantees have been provided and the management is of the view that there would be no sustainable claims on the Group in respect of these corporate guarantees.

The rate of interest, processing fees, any other charges levied by the lenders on the entities availing loans are based on internal guidelines of the lenders depending on the merits of the underlying projects and their estimated cash flows. Majority of the corporate guarantees issued by the Group are basically to provide comfort by the Company as a shareholder of the Borrower entity to the Lenders. These corporate guarantees, in any case, do not result in any additional benefits to the borrowers. Accordingly, the financial liability on account of financial guarantee contracts have not been fair valued as these are expected to be immaterial.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

## Note '35'

### Related Parties Disclosures

A.	Names of related parties and description of relationship	Country of Incorporation	Percentage of voting power as at		
			31st March, 2017	31st March, 2016	1st April, 2015
<b>I.</b>	<b>Associates</b>				
1	Comral Realty Private Limited (Upto 18th April, 2015)	India	-	-	50.00%
2	Giraffe Developers Private Limited (Upto 15th February, 2017)	India	-	48.00%	48.00%
3	Pristine Developers Private Limited (Upto 27th May, 2016)	India	-	40.00%	40.00%
4	Shubhsiddhi Builders Private Limited	India	50.00%	50.00%	50.00%
5	Vinca Developer Private Limited	India	49.00%	49.00%	49.00%
6	Whitebud Developers Limited	India	50.00%	50.00%	50.00%
7	Yellowcity Builders Private Limited (Upto 21st March, 2016)	India	-	-	43.50%
<b>II.</b>	<b>Joint Ventures</b>				
1	Akruti GM Joint Venture	India	77.00%	77.00%	77.00%
2	Akruti Jay Chandan Joint Venture	India	50.00%	50.00%	50.00%
3	Akruti Jay Developers	India	66.66%	66.66%	66.66%
4	Akruti Kailash Constructions	India	90.00%	90.00%	90.00%
5	Akruti Realty Forefront Combine (Upto 31st March, 2016)	India	-	-	90.00%
6	Akruti Steelfab Corporation	India	55.00%	55.00%	55.00%
7	Hubtown Bus Terminal (Adajan) Private Limited	India	45.00%	45.00%	45.00%
8	Hubtown Bus Terminal (Ahmedabad) Private Limited	India	45.00%	45.00%	45.00%
9	Hubtown Bus Terminal (Mehsana) Private Limited	India	45.00%	45.00%	45.00%
10	Hubtown Bus Terminal (Surat) Private Limited	India	45.00%	45.00%	45.00%
11	Hubtown Bus Terminal (Vadodara) Private Limited	India	45.00%	45.00%	45.00%
12	Joyous Housing Limited	India	25.00%	25.00%	25.00%
13	Rare Townships Private Limited	India	40.00%	40.00%	40.00%
14	Rising Glory Developers	India	86.30%	86.30%	76.34%
15	Shreenath Realtors	India	92.50%	92.50%	92.50%
16	Sunstream City Private Limited	India	43.00%	43.00%	43.00%
17	Twenty Five South Realty Limited (formerly known as Hoary Realty Limited)	India	61.27%	61.27%	39.52%
18	Hiranandani Akruti JV (Upto 1st April, 2015)	India	-	-	55.00%
19	New Township Fintrade JV	India	60.00%	60.00%	60.00%
20	Town Planning Fintrade JV	India	60.00%	60.00%	60.00%
21	Hinterland Fintrade JV	India	60.00%	60.00%	60.00%
22	Rukshmani Properties Private Limited (Upto July 07, 2015)	India	-	-	25.00%

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

### Note '35' : Related Parties Disclosures (Contd.)

#### III. Key Management Personnel

- 1 Mr. Hemant M. Shah, Executive Chairman
- 2 Mr. Vyomesh M. Shah, Managing Director

#### IV. Relatives of key management personnel

- 1 Mrs. Lata M. Shah, Mother of Executive Chairman and Managing Director
- 2 Mrs. Kunjal H. Shah, Wife of Executive Chairman
- 3 Mrs. Falguni V. Shah, Wife of Managing Director
- 4 Mr. Rushank V. Shah, Son of Managing Director
- 5 Mr. Khilen V. Shah, Son of Managing Director
- 6 Mr. Kushal H. Shah, Son of Executive Chairman
- 7 Mrs. Nutan Dhanki, Sister of Executive Chairman and Managing Director
- 8 Mrs. Hemanti Parekh, Sister of Executive Chairman and Managing Director
- 9 Hemant M. Shah HUF- Karta Executive Chairman
- 10 Mrs. Pratiti K. Shah, Daughter in Law of Managing Director
- 11 Mrs. Meha R. Shah, Daughter in Law of Managing Director
- 12 Vyomesh M. Shah HUF- Karta Managing Director
- 13 Mahipatray V. Shah HUF- Karta Executive Chairman
- 14 Mahipatray V. Shah Discretionary Trust- Trustees Executive Chairman and Managing Director
- 15 Estate of Mahipatray V. Shah – Beneficiaries Executive Chairman and Managing Director

#### V. Enterprises where key management personnel or their relatives exercise significant influence

(Where transactions have taken place)

- 1 Adhivitiya Properties Limited
- 2 Helik Advisory Limited
- 3 Sheshan Housing And Area Development Engineers Limited (from 1st April, 2015)
- 4 Vishal Nirman (India) Limited
- 5 Buildbyte. Com. (India) Private Limited
- 6 Celeste Joint Venture
- 7 Citygold Management Services Private Limited
- 8 Distinctive Realty Private Limited
- 9 Fern Infrastructure Private Limited
- 10 Fourjone Realtors Private Limited
- 11 Heeler Hospitality Private Limited
- 12 Ichha Constructions Private Limited
- 13 Lista City Private Limited
- 14 Merrygold Buildcon Private Limited
- 15 Starzone Developers Private Limited
- 16 Sunmist Builders Private Limited
- 17 Sunstone Developers Joint Venture
- 18 Superaction Realty Private Limited
- 19 Trans Gulf MEP Engineers Private Limited

#### B. Transactions with Related Parties:

(₹ in lakhs)

Sr. No.	Nature of transaction	Associate companies	Joint Ventures	Key management personnel, their relatives and enterprises \$
i.	<b>Loans and Advances received/ recovered/ adjusted</b>			
	Twenty Five South Realty Limited	-	110.00	-
		(-)	(-)	(-)
	Sunstream City Private Limited	-	70.60	-
		(-)	(-)	(-)
	Fern Infrastructure Private Limited	-	-	2,362.98
		(-)	(-)	(547.05)
	Pristine Developers Private Limited	-	-	-
		(77.96)	(-)	(-)
	Heeler Hospitality Private Limited	-	-	587.64
		(-)	(-)	(-)
	Sheshan Housing and Area Development Engineers Limited	-	-	2.00
		(-)	(-)	(-)
ii.	<b>Loans and Advances given/ repaid/adjusted</b>			
	Twenty Five South Realty Limited	-	312.29	-
		(-)	(-)	(-)
	Sunstream City Private Limited	-	5.47	-
		(-)	(1,694.43)	(-)
	Fern Infrastructure Private Limited	-	-	710.07
		(-)	(-)	(827.50)
	Buildbyte.Com (India) Private Limited	-	-	86.25
		(-)	(-)	(4.25)
	Citygold Management Services Private Limited	-	-	-
		(-)	(-)	(7.61)

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

### Note '35': Related Parties Disclosures (Contd.)

#### B. Transactions with Related Parties (Contd.)

(₹ in lakhs)

Sr. No.	Nature of transaction	Associate companies	Joint Ventures	Key management personnel, their relatives and enterprises \$
	Starzone Developers Private Limited	- (-)	- (-)	- (35.00)
	Celeste Joint Venture	- (-)	- (-)	2,540.65 (-)
iii.	<b>Business Advances received / recovered / adjusted</b>			
	Twenty Five South Realty Limited	- (-)	110.00 (3,065.14)	- (-)
	Hubtown Bus Terminal (Ahmedabad) Private Limited	- (-)	33.00 (806.28)	- (-)
	Hubtown Bus Terminal (Adajan) Private Limited	- (-)	75.00 (19.00)	- (-)
	Hubtown Bus Terminal (Mehsana) Private Limited	- (-)	318.00 (1,085.00)	- (-)
	Sunstream City Private Limited	- (-)	76.22 (82,955.02)	- (-)
	Comral Realty Private Limited	- (14.87)	- (-)	- (-)
	Yellowcity Builders Private Limited	- (550.00)	- (-)	- (-)
	Celeste Joint Venture	- (-)	- (-)	- (4,720.00)
	Adhivitiya Properties Limited	- (-)	- (-)	721.40 (158.00)
	Citygold Management Services Private Limited	- (-)	- (-)	628.31 (-)
	Buildbyte.Com (India) Private Limited	- (-)	- (-)	88.00 (-)
iv.	<b>Business Advances given / repaid / adjusted</b>			
	Twenty Five South Realty Limited	- (-)	197.00 (3,907.50)	- (-)
	Hubtown Bus Terminal (Ahmedabad) Private Limited	- (-)	198.20 (-)	- (-)
	Hubtown Bus Terminal (Adajan) Private Limited	- (-)	358.00 (-)	- (-)
	Hubtown Bus Terminal (Mehsana) Private Limited	- (-)	275.07 (-)	- (-)
	Hubtown Bus Terminal (Vadodara) Private Limited	- (-)	94.60 (-)	- (-)
	Sunstream City Private Limited	- (-)	9,367.70 (818.24)	- (-)
	Comral Realty Private Limited	- (4.00)	- (-)	- (-)
	Whitebud Developers Limited	5.00 (1.20)	- (-)	- (-)
	Buildbyte.Com (India) Private Limited	- (-)	- (-)	130.65 (8.50)

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

### Note '35': Related Parties Disclosures (Contd.)

#### B. Transactions with Related Parties (Contd.)

(₹ in lakhs)

Sr. No.	Nature of transaction	Associate companies	Joint Ventures	Key management personnel, their relatives and enterprises \$
	Ichha Constructions Private Limited	- (-)	- (-)	- (1,845.00)
	Starzone Developers Private Limited	- (-)	- (-)	1,683.40 (35.00)
	Citygold Management Services Private Limited	- (-)	- (-)	950.95 (-)
	Adhivitiya Properties Limited	- (-)	- (-)	137.98 (242.08)
	Celeste Joint Venture	- (-)	- (-)	2,540.65 (5,106.00)
<b>v.</b>	<b>Interest income on loans/Debenture</b>			
	Twenty Five South Realty Limited	- (-)	851.16 (-)	- (-)
	Sunstream City Private Limited	- (-)	16,245.75 (84.92)	- (-)
	Joyous Housing Limited	- (-)	19.06 (18.78)	- (-)
	Fern Infrastructure Private Limited	- (-)	- (-)	- (313.51)
	Comral Realty Private Limited	- (607.00)	- (-)	- (-)
	Pristine Developers Private Limited	- (4.52)	- (-)	- (-)
<b>vi.</b>	<b>Directors' Remuneration</b>			
	Hemant M. Shah	- (-)	- (-)	48.53 (87.70)
	Vyomesh M. Shah	- (-)	- (-)	43.73 (77.31)
<b>vii.</b>	<b>Remuneration to Relatives of KMPs</b>			
	Rushank Shah	- (-)	- (-)	27.03 (27.03)
	Khilen Shah	- (-)	- (-)	27.03 (27.03)
<b>viii.</b>	<b>Contribution in Partner's Current Account</b>			
	Celeste Joint Venture	- (-)	- (-)	705.83 (-)
	Akruti Kailash Constructions	- (-)	- (769.00)	194.41 (-)
	Shreenath Realtors	- (-)	- (-)	33.00 (-)
	Rising Glory Developers	- (-)	26,657.58 (6,024.00)	- (-)
	Akruti Jay Developers	- (-)	- (663.25)	- (-)
	Sunstream City Private Limited	- (-)	3,395.13 (81,788.18)	- (-)

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

## Note '35' : Related Parties Disclosures (Contd.)

### B. Transactions with Related Parties (Contd.)

(₹ in lakhs)

Sr. No.	Nature of transaction	Associate companies	Joint Ventures	Key management personnel, their relatives and enterprises \$
	Akruti Jay Chandan	- (-)	- (855.10)	- (-)
	Hiranandani Akruti JV	- (-)	- (2,920.28)	- (-)
	Akruti Realty Forefront Combine	- (-)	- (14.68)	- (-)
	Sunstone Developers Joint Venture	- (-)	3,395.13 (1,044.00)	- (-)
<b>ix.</b>	<b>Amount Withdrawn from Partner's Current Account</b>			
	Akruti Jay Developers	- (-)	907.90 (1,050.45)	- (-)
	Akruti Kailash Constructions	- (-)	3,051.55 (6,073.71)	- (-)
	Shreenath Realtors	- (-)	600.00 (-)	- (-)
	Rising Glory Developers	- (-)	16,688.64 (7,795.55)	- (-)
	Hiranandani Akruti JV	- (-)	- (2,847.98)	- (-)
	Comral Realty Private Limited	- (45.21)	- (-)	- (-)
	Akruti Realty Forefront Combine	- (466.02)	- (-)	- (-)
	Akruti GM JV	- (7.00)	- (-)	- (-)
	Sunstone Developers Joint Venture	- (-)	- (-)	- (1,139.50)
<b>x.</b>	<b>Investment (Including debenture) made</b>			
	Twenty Five South Realty Limited	- (-)	- (19,700.00)	- (-)
<b>xi.</b>	<b>Services received/availed</b>			
	Citygold Management Services Private Limited	- (-)	- (-)	- (689.05)
	Buildbyte.Com (India) Private Limited	- (-)	- (-)	- (0.69)
	Helik Advisory Limited	- (-)	- (-)	- (0.40)
<b>xii.</b>	<b>Sale of properties/rights</b>			
	Twenty Five South Realty Limited	- (-)	- (3,224.00)	- (-)
	Sunstream City Private Limited	- (-)	- (8,452.86)	- (-)
	Celeste Joint Venture	- (-)	- (-)	9,714.24 (-)
	Sunstone Developers Joint Venture	- (-)	- (-)	7,369.60 (-)



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

### Note '35' : Related Parties Disclosures (Contd.)

#### B. Transactions with Related Parties (Contd.)

(₹ in lakhs)

Sr. No.	Nature of transaction	Associate companies	Joint Ventures	Key management personnel, their relatives and enterprises \$
<b>xiii.</b>	<b>On behalf payments made (Including reimbursement of expenses)</b>			
	Hubtown Bus Terminal (Ahmedabad) Private Limited	- (-)	495.41 (308.24)	- (-)
	Hubtown Bus Terminal (Adajan) Private Limited	- (-)	111.46 (82.57)	- (-)
	Hubtown Bus Terminal (Mehsana) Private Limited	- (-)	108.00 (182.99)	- (-)
	Hubtown Bus Terminal (Vadodara) Private Limited	- (-)	51.82 (-)	- (-)
	Sunstream City Private Limited	- (-)	0.02 (-)	- (-)
	Shreenath Realtors	- (-)	- (5.84)	- (-)
	Akruti Steelfab Corporation	- (-)	- (0.10)	- (-)
<b>xiv.</b>	<b>On behalf payments received/adjusted</b>			
	Hubtown Bus Terminal (Adajan) Private Limited	- (-)	78.00 (15.00)	- (-)
	Hubtown Bus Terminal (Ahmedabad) Private Limited	- (-)	224.00 (241.72)	- (-)
	Hubtown Bus Terminal (Mehsana) Private Limited	- (-)	- (406.00)	- (-)
	Hubtown Bus Terminal (Vadodara) Private Limited	- (-)	5.00 (110.69)	- (-)
	Akruti Kailash Constructions	- (-)	- (255.66)	- (-)
	Akruti GM JV	- (-)	- (13.00)	- (-)
	Akruti Realty Forefront Combine	- (-)	- (177.92)	- (-)
	Pristine Developers Private Limited	- (56.69)	- (-)	- (-)
	Comral Realty Private Limited	- (-)	- (9.63)	- (-)
	Kunjal Shah	- (-)	- (-)	1,973.19 (-)
<b>xv.</b>	<b>Advance given towards purchase of unit</b>			
	Fern Infrastructure Private Limited	- (-)	- (-)	- (544.00)
<b>xvi</b>	<b>Cost of construction</b>			
	Akruti Jay Developers	- (-)	- (12.97)	- (-)
<b>xviii.</b>	<b>Advance received against FSI</b>			
	Khilen Shah	- (-)	- (-)	622.24 (-)
	Kunjal Shah	- (-)	- (-)	622.24 (-)

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

### Note '35' : Related Parties Disclosures (Contd.)

#### B. Transactions with Related Parties (Contd.)

(₹ in lakhs)

Sr. No.	Nature of transaction	Associate companies	Joint Ventures	Key management personnel, their relatives and enterprises \$
	Falguni Shah	- (-)	- (-)	622.24 (-)
	Kushal Shah	- (-)	- (-)	622.30 (-)
	Pratiti Shah	- (-)	- (-)	622.30 (-)
	Rushank Shah	- (-)	- (-)	622.30 (-)
<b>xix.</b>	<b>Share of profit from Partnerships/Joint Ventures</b>			
	Akruti Jay Chandan JV	- (-)	35.35 (7.28)	- (-)
	Akruti Jay Developers	- (-)	- (755.04)	- (-)
	Akruti Kailash Constructions	- (-)	35.95 (-)	- (-)
<b>xx.</b>	<b>Share of loss from Partnerships/Joint Ventures</b>			
	Akruti Realty Forefront Combine	- (-)	- (0.09)	- (-)
	Shreenath Realtors	- (-)	2.02 (2.69)	- (-)
	Akruti Steelfab Corporation	- (-)	- (0.14)	- (-)
	Akruti Kailash Constructions	- (-)	38.54 (38.54)	- (-)
	Akruti Jay Developers	- (-)	10.86 (-)	- (-)
	Akruti GM JV	- (-)	6.69 (4.64)	- (-)
	Rising Glory Developers	- (-)	0.01 (0.02)	- (-)
	Sunstone Developers Joint Venture	- (-)	- (-)	- (0.02)
<b>xxi.</b>	<b>Corporate guarantees given for loans availed by others</b>			
	Hubtown Bus Terminal (Ahmedabad) Private Limited	- (-)	9,570.60 (-)	- (-)
	Sunstream City Private Limited	- (-)	3,891.98 (3,859.78)	- (-)
	Hubtown Bus Terminal (Mehsana) Private Limited	- (-)	4,426.27 (1,110.53)	- (-)
	Twenty Five South Realty Limited	- (-)	46,774.45 (37,425.28)	- (-)
	Hubtown Bus Terminal (Adajan) Private Limited	- (-)	3,937.50 (-)	- (-)
	Hubtown Bus Terminal (Vadodara) Private Limited	- (-)	4,403.63 (618.40)	- (-)
	Rare Townships Private Limited	- (-)	6,141.67 (5,200.00)	- (-)

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

## Note '35' : Related Parties Disclosures (Contd.)

### B. Transactions with Related Parties (Contd.)

(₹ in lakhs)

Sr. No.	Nature of transaction	Associate companies	Joint Ventures	Key management personnel, their relatives and enterprises \$
xxii.	<b>Corporate Guarantees vacated for loans availed by others</b>			
	Pristine Developers Private Limited	- (2,425.26)	- (-)	- (-)
	Hubtown Bus Terminal (Adajan) Private Limited	- (-)	164.46 (190.90)	- (-)
	Hubtown Bus Terminal (Ahmedabad) Private Limited	- (-)	509.71 (1,672.91)	- (-)
	Hubtown Bus Terminal (Mehsana) Private Limited	- (-)	565.24 (-)	- (-)
	Fern Infrastructure Private Limited	- (-)	- (-)	- (2,944.73)
xxiii.	<b>Bank Guarantees vacated for loans availed by others</b>			
	Hubtown Bus Terminal (Ahmedabad) Private Limited	- (-)	282.30 (-)	- (-)

### Balances outstanding

(₹ in lakhs)

		As at 31st March, 2017 (₹ in lakhs)	As at 31st March, 2016 (₹ in lakhs)	As at 1st April, 2015 (₹ in lakhs)
xxiv.	<b>Payables</b>			
	<b>Associate companies</b>			
	Vinca Developer Private Limited	-	1,061.00	1,061.00
	<b>Joint Ventures</b>			
	Hubtown Bus Terminal (Mehsana) Private Limited	448.20	373.28	373.28
	Sunstone Developers Joint Venture	-	266.14	266.14
	Akruti Jay Developers	2,836.86	2,553.53	2,908.40
	Akruti Jay Chandan Joint Venture	1,211.33	812.44	860.92
	Akruti Steelfab Corporation	51.63	51.63	51.59
	Rising Glory Developers	-	170.67	-
	Hiranandani Akruti JV	-	-	208.84
	<b>Key management personnel, their relatives and enterprises \$</b>			
	Citygold Management Services Private Limited	317.69	247.75	1,052.03
	Buildbyte.Com (India) Private Limited	79.96	1.21	0.51
	Falguni Shah	359.92	262.32	-
	Hemant Shah	7.62	5.20	-
	Vyomesh Shah	13.56	10.10	-
	Kunjal Shah	2,595.53	0.10	-
	Sunstone Developers Joint Venture	-	266.14	-
	Distinctive Realty Private Limited	57.77	70.00	-
	Khilen Shah	622.24	-	-
	Kushal Shah	622.30	-	-
	Pratiti Shah	622.30	-	-
	Rushank shah	622.30	-	-

### Footnote:

\$ Enterprises where Key Management personnel or their relatives exercise significant influence.

\* Including balances relating to transactions entered into when these were not related.

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

## Note '35' : Related Parties Disclosures (Contd.)

### Balances outstanding (Contd.)

(₹ in lakhs)

		As at 31st March, 2017 (₹ in lakhs)	As at 31st March, 2016 (₹ in lakhs)	As at 1st April, 2015 (₹ in lakhs)
<b>xxv.</b>	<b>Receivables*</b>			
	<b>Associate companies</b>			
	Hubtown Bus Terminal (Surat) Private Limited	-	38.01	38.01
	Pristine Developers Private Limited	-	4.06	134.65
	Whitebud Developers Limited	908.62	903.12	901.92
	Shubhsiddhi Builders Private Limited	742.65	931.21	931.21
	<b>Joint Ventures</b>			
	Hubtown Bus Terminal (Adajan) Private Limited	240.60	1,422.30	415.94
	Hubtown Bus Terminal (Ahmedabad) Private Limited	2,311.61	1,875.00	52.72
	Hubtown Bus Terminal (Vadodara) Private Limited	285.18	142.76	162.50
	Joyous Housing Limited	995.41	976.35	959.44
	Sunstream City Private Limited	9,920.38	8,467.45	0.82
	Twenty Five South Realty Limited	2,209.51	1,167.35	324.99
	Rising Glory Developers	9,798.25	-	1,600.90
	Akruti GM JV	2,277.33	1,550.39	1,552.09
	Akruti Kailash Constructions	2,674.98	5,496.17	11,095.07
	Shreenath Realtors	1,499.49	2,068.51	2,065.37
	Akruti Realty Forefront Combine	-	-	193.89
	Celeste Joint Venture	12,640.89	-	-
	Sunstone Developers Joint Venture	9,389.91	-	-
	<b>Key management personnel, their relatives and enterprises</b>			
	Adhivitiya Properties Limited	823.25	1,406.67	1,322.59
	Buildbyte.Com (India) Private Limited	127.74	91.45	79.84
	Citygold Management Services Private Limited	119.69	-	-
	Sunstone Developers Joint Venture	7,369.60	-	-
	Fern Infrastructure Private Limited	4,749.51	6,535.83	-
	Ichha Constructions Private Limited	1,492.46	1,928.46	83.46
	Lista City Private Limited	40.41	39.76	39.76
	Sunmist Builders Private Limited	52.28	52.28	52.28
	Superaction Realty Private Limited	90.08	90.08	90.03
	Sheshan Housing and Area Development Engineers Limited	-	2.00	-
	Trans Gulf MEP Engineers Private Limited	0.14	8.47	8.47
	Starzone Developers Private Limited	244.40	1,561.00	1,525.00
	Fourjone Realtors Private Limited	4,365.77	4,403.25	4,441.23
	Merrygold Buildcon Private Limited	-	9.21	9.21
	Vishal Nirman (India) Limited	9.00	4.66	4.66
	Heeler Hospitality Private limited	-	587.64	587.64



## Note '36'

The Consolidated Financial Statements present the consolidated accounts of the Company with its Subsidiaries, Associates and Joint Ventures which incorporate Acruti Safeguard Systems Private Limited (ASSPL), a subsidiary of the Company engaged in manufacturing activities whose commercial operations have commenced but do not meet the quantitative threshold of a reportable segment as per Ind AS 108. Further, the Group operates within a single geographical segment.

## Note '37': Financial Risk Management Objectives

The Group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Group's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

### 1) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument which will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Major financial instruments affected by market risk include loans and borrowings.

#### a) Interest rate risk

Majority of the long-term borrowings of the Group bear fixed interest rate, and thus interest rate risk is limited for the Group.

#### b) Foreign currency risk

The Group is exposed to foreign exchange risk. The Group evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies. Further, the Group is engaged in real estate business and only imports certain material against Letter of Credit for which hedging instruments are not required.

#### c) Equity price risk

The Group's equity securities are not majorly susceptible to market price risk. However, the Company's Board of Directors reviews and approves all equity investment decisions after taking due diligence which may affect the market related risk.

### 2) Credit Risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure of the financial assets are contributed by trade receivables, unbilled work-in-progress, cash and cash equivalents and receivables from group companies.

- a) Receivables resulting from sale of properties: Customer credit risk is managed by requiring customers to pay advances before transfer of ownership, therefore, substantially eliminating the Group's credit risk in this respect.
- b) Receivables resulting from other than sale of properties: There are no such major receivables resulting from other than sale of properties. However, credit risk related to such receivables is managed as per Group's established policy, procedures and control. Outstanding customer receivables are regularly monitored.
- c) Credit risk on cash and cash equivalents is limited as the Group keeps its cash balance in Current Accounts / Fixed Deposit Accounts with the Banks which have high credit ratings.

### 3) Liquidity risk

The Group's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. The management monitors the Group's net liquidity position through rolling forecasts on the basis of expected cash flows.

## Note '38': Capital Management

For the purpose of the Group's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Group. The Group strives to safeguard its ability to continue as a going concern so that they can maximise returns for the shareholders and benefits for other stake holders. The aim is to maintain an optimal capital structure and minimise cost of capital.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may issue new shares. Consistent with others in the industry, the Group monitors its capital using the gearing ratio which is total net debt (borrowings offset by cash and cash equivalents) divided by total capital of the Company.

### Gearing Ratio

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017 (CONTD.)

The gearing ratio at the reporting period was as follows

(₹ in lakhs)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Secured Loans	125,403.05	118,894.55	114,115.07
Unsecured Loans	51,134.11	41,597.21	33,362.34
Interest accrued and due/and but not due	21,364.63	13,070.42	5,699.81
Unpaid matured debentures and interest accrued thereon	4,659.15	3,526.49	-
Total Debt	202,560.94	177,088.66	153,177.22
Less: Cash and cash equivalents	910.77	1,684.10	2,393.16
Net Debt (A)	201,650.17	175,404.56	150,784.05
Equity Share Capital	7,273.59	7,273.59	7,273.59
Other Equity	155,301.62	161,702.15	160,472.20
Non-Controlling Interest	2,104.99	2,204.20	2,217.60
Total Equity (B)	164,680.20	171,179.94	169,963.39
Debt Equity Ratio (A/B)	1.22	1.02	0.89

### Note '39': Categories Of Financial Instruments

#### Fair Value measurement

(₹ in lakhs)

	31st March, 2017		31st March, 2016		1st April, 2015	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost	FVTPL	Amortised Cost
<b>Financial Assets</b>						
Investments	10,094.75	97,412.85	18,938.65	81,873.10	10,229.47	-
Trade receivables	-	30,608.77	-	15,003.70	-	5,443.19
Cash and cash equivalents	-	910.77	-	1,684.10	-	2,393.16
Bank balances other than above	-	187.98	-	1,507.43	-	1,277.87
Loans	-	8,692.43	-	10,078.45	-	18,960.92
Other financial assets	-	65,808.14	-	55,941.35	-	163,478.46
<b>Total</b>	<b>10,094.75</b>	<b>203,620.94</b>	<b>18,938.65</b>	<b>166,088.13</b>	<b>10,229.47</b>	<b>191,553.60</b>
<b>Financial Liabilities</b>						
Borrowings	-	133,938.61	-	108,233.24	-	102,702.94
Trade payables	-	16,813.89	-	14,997.90	-	15,132.82
Other financial liabilities	-	135,408.58	-	132,628.87	-	112,972.42
<b>Total</b>	<b>-</b>	<b>286,161.09</b>	<b>-</b>	<b>255,860.01</b>	<b>-</b>	<b>230,808.18</b>

#### i) Fair Value hierarchy

This section explains the judgments and estimates in determining the fair value of the financial instruments that are recognised and measured at fair value.

(₹ in lakhs)

Financial assets and liabilities measured at fair value - recurring fair value measurements	Level 1	Level 2	Level 3	Total
At 31st March 2017				
<b>Financial Assets</b>				
Financial Investments at FVTPL	217.68	-	9,877.08	10,094.75
<b>Total Financial Assets</b>	<b>217.68</b>	<b>-</b>	<b>9,877.08</b>	<b>10,094.75</b>

#### Level 1

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

#### Level 2

Inputs 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

If one or more of the significant inputs is not based on observable market data, the instruments is included in level 3.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017 (CONTD.)

### Note '40' : Interest in Other Entities

#### 40.1 Subsidiaries

The Group's subsidiaries as at 31 March 2017 are set out below. The equity shares of these Companies are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation is also their principal place of business.

Name of the Entity	Country of Incorporation	Voting rights held by the group			Voting rights held by the Non controlling interest			Principal Activities
		31st March, 2017	31st March, 2016	1st April, 2015	31st March, 2017	31st March, 2016	1st April, 2015	
<b>Name of the Subsidiaries:</b>								
ABP Realty Advisors Private Limited	India	100.00%	100.00%	100.00%	-	-	-	Financial Services
Ackruti Safeguard Systems Private Limited	India	72.43%	72.43%	72.43%	27.57%	27.57%	27.57%	Security Plates
Citygold Education Research Limited	India	100.00%	100.00%	100.00%	-	-	-	Educational Research
Citygold Farming Private Limited	India	100.00%	100.00%	100.00%	-	-	-	Infrastructural Facilities
Citywood Builders Private Limited	India	100.00%	100.00%	75.00%	-	-	25.00%	Real Estate Development
Devkrupa Build Tech Limited	India	100.00%	51.00%	100.00%	-	49.00%	-	Real Estate Development
Diviniti Projects Private Limited	India	100.00%	100.00%	100.00%	-	-	-	Real Estate Development
Gujarat Akuti - TCG Biotech Limited	India	74.00%	74.00%	74.00%	26.00%	26.00%	26.00%	Real Estate Development
Halitious Developer Limited	India	100.00%	100.00%	100.00%	-	-	-	Real Estate Development
Headland Farming Private Limited	India	100.00%	100.00%	100.00%	-	-	-	Infrastructural Facilities
Heddle Knowledge Private Limited	India	100.00%	100.00%	100.00%	-	-	-	Infrastructural Facilities
Heet Builders Private Limited	India	94.40%	94.40%	94.40%	5.60%	5.60%	5.60%	Real Estate Development
India Development And Construction Venture Capital Private Limited	India	100.00%	100.00%	100.00%	-	-	-	Venture Capital Finance
Joyneest Premises Private Limited	India	74.00%	74.00%	74.00%	26.00%	26.00%	26.00%	Real Estate Development
Sheshan Housing and Area Development Engineers Limited (upto 1st April, 2015)	India	-	-	100.00%	-	-	-	Real Estate Development
Upvan Lake Resorts Private Limited	India	75.00%	75.00%	75.00%	25.00%	25.00%	25.00%	Real Estate Development
Urvi Build Tech Limited	India	100.00%	100.00%	100.00%	-	-	-	Real Estate Development
Vama Housing Limited	India	100.00%	100.00%	100.00%	-	-	-	Real Estate Development
Vega Developers Private Limited	India	100.00%	100.00%	100.00%	-	-	-	Real Estate Development
Vishal Techno Commerce Limited	India	100.00%	100.00%	100.00%	-	-	-	Real Estate Development
Yantti Buildcon Private Limited	India	100.00%	100.00%	100.00%	-	-	-	Real Estate Development
Jineshwar Multitrade Private Limited (*)	India	96.43%	96.43%	96.43%	-	-	-	Trading
Asha Multitrade Private Limited (#)	India	93.75%	93.75%	93.75%	-	-	-	Trading

\* Subsidiary company of Citygold Education Research Limited

# Subsidiary company of Citygold Farming Private Limited



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017 (CONTD.)

### 40.2 Non Controlling Interest (NCI)

The following table summarises the information relating to each of the subsidiaries that has NCI. The amounts disclosed for each subsidiary are before intra group eliminations:

(₹ in lakhs)

Particulars	Ackruti Safeguard Systems Private Limited			Gujarat Akruti -TCG Biotech Limited			Heet Builders Private Limited		
	31st March, 2017	31st March, 2016	1st April, 2015	31st March, 2017	31st March, 2016	1st April, 2015	31st March, 2017	31st March, 2016	1st April, 2015
	₹	₹	₹	₹	₹	₹	₹	₹	₹
Non-Current Assets	376.76	379.48	404.81	2,632.13	2,484.95	2,359.37	320.77	14.66	147.84
Current Assets	245.41	268.41	266.39	5.30	1.32	1.90	26,545.51	16,393.26	14,875.11
Non-Current Liabilities	40.47	38.66	33.51	1,505.81	1,353.74	1,194.00	20,864.93	14,009.23	3,718.53
Current Liabilities	1,794.27	1,799.49	1,822.99	368.61	348.70	338.55	6,890.34	2,687.38	11,448.07
<b>Net Assets</b>	<b>(1,212.57)</b>	<b>(1,190.25)</b>	<b>(1,185.30)</b>	<b>763.01</b>	<b>783.83</b>	<b>828.73</b>	<b>(888.99)</b>	<b>(288.69)</b>	<b>(143.66)</b>
<b>Net Assets attributable to NCI</b>	<b>(334.31)</b>	<b>(328.15)</b>	<b>(326.79)</b>	<b>198.38</b>	<b>203.80</b>	<b>215.47</b>	<b>(49.78)</b>	<b>(16.17)</b>	<b>(8.05)</b>
Revenue	170.71	168.92	-	0.19	0.08	-	407.93	1,775.84	-
<b>Profit/(Loss) For the Year</b>	<b>(22.33)</b>	<b>5.28</b>	<b>-</b>	<b>(20.82)</b>	<b>(44.89)</b>	<b>-</b>	<b>(600.30)</b>	<b>(145.02)</b>	<b>-</b>
Other Comprehensive Income	-	-	-	-	-	-	-	-	-
<b>Total Comprehensive Income</b>	<b>(22.33)</b>	<b>5.28</b>	<b>-</b>	<b>(20.82)</b>	<b>(44.89)</b>	<b>-</b>	<b>(600.30)</b>	<b>(145.02)</b>	<b>-</b>
Profit/(Loss) allocated to NCI	(6.16)	1.46	-	(5.41)	(11.67)	-	(33.62)	(8.12)	-
Dividend paid to NCI	-	-	-	-	-	-	-	-	-
OCI allocated to NCI	-	-	-	-	-	-	-	-	-
<b>Total Comprehensive Income allocated to NCI</b>	<b>(6.16)</b>	<b>1.46</b>	<b>-</b>	<b>(5.41)</b>	<b>(11.67)</b>	<b>-</b>	<b>(33.62)</b>	<b>(8.12)</b>	<b>-</b>
Cash Flow From Operating Activities	(22.84)	4.66	-	4.05	(0.38)	-	(8,073.54)	(8,727.22)	-
Cash Flow From Investing Activities	12.83	(9.97)	-	-	-	-	4,525.75	1,209.28	-
Cash Flow From Financing Activities	(7.21)	(0.74)	-	(0.09)	(0.23)	-	3,551.21	7,337.77	-
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(17.22)</b>	<b>(6.06)</b>	<b>-</b>	<b>3.96</b>	<b>(0.60)</b>	<b>-</b>	<b>3.42</b>	<b>(180.18)</b>	<b>-</b>

	Joynest Premises Private Limited			Upvan Lake Resorts Private Limited		
	31st March, 2017	31st March, 2016	1st April, 2015	31st March, 2017	31st March, 2016	1st April, 2015
	₹	₹	₹	₹	₹	₹
Non-Current Assets	1,383.52	9,618.85	942.46	0.86	496.79	504.17
Current Assets	22,685.41	19,777.09	24,145.05	2.39	3.55	1.93
Non-Current Liabilities	4,136.22	4,281.93	11,010.30	15.58	15.58	35.42
Current Liabilities	10,662.30	15,297.49	3,993.04	20.50	512.68	498.52
<b>Net Assets</b>	<b>9,270.41</b>	<b>9,816.52</b>	<b>10,084.17</b>	<b>(32.82)</b>	<b>(27.92)</b>	<b>(27.84)</b>
<b>Net Assets Attributable to NCI</b>	<b>2,410.31</b>	<b>2,552.30</b>	<b>2,621.88</b>	<b>(8.21)</b>	<b>(6.98)</b>	<b>(6.96)</b>
Revenue	131.50	60.14	-	-	5.00	-
<b>Profit/(Loss) For the Year</b>	<b>(438.90)</b>	<b>(308.62)</b>	<b>-</b>	<b>(4.91)</b>	<b>(0.08)</b>	<b>-</b>
Other Comprehensive Income	6.46	(5.30)	-	-	-	-
<b>Total Comprehensive Income</b>	<b>(432.44)</b>	<b>(313.91)</b>	<b>-</b>	<b>(4.91)</b>	<b>(0.08)</b>	<b>-</b>
Profit/(Loss) allocated to NCI	(114.11)	(40.12)	-	(1.23)	(0.02)	-
Dividend paid to NCI	-	-	-	-	-	-
OCI allocated to NCI	1.68	(1.18)	-	-	-	-
<b>Total Comprehensive Income allocated to NCI</b>	<b>(112.43)</b>	<b>(41.30)</b>	<b>-</b>	<b>(1.23)</b>	<b>(0.02)</b>	<b>-</b>
Cash Flow From Operating Activities	(8,769.67)	7,574.35	-	(0.43)	14.43	-
Cash Flow From Investing Activities	9,084.78	3,169.99	-	0.24	7.17	-
Cash Flow From Financing Activities	(302.20)	(10,762.53)	-	(0.97)	(19.59)	-
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>12.91</b>	<b>(18.19)</b>	<b>-</b>	<b>(1.16)</b>	<b>2.02</b>	<b>-</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

### 40.3 Interest in associates and joint ventures

(₹ in lakhs)

	Note	Carrying amount as at		
		31-Mar-17	31-Mar-16	01-Apr-15
Interest in associates	See (A) below	0.50	6,889.84	1,515.79
Interest in joint ventures	See (B) below	51,801.20	52,858.34	35,392.10
		<b>51,801.70</b>	<b>59,748.18</b>	<b>36,907.89</b>

#### (A) Interest in associates

The Group's associates as at 31 March 2017 are set out below. The equity shares of these Companies are held directly by the Group. The country of incorporation is also their principal place of business.

(₹ in lakhs)

Name of the entity	Country of incorporation	Voting Rights (%)	Carrying amount as at *			Principal Activities
			31-Mar-17	31-Mar-16	1-Apr-15	
Comral Realty Private Limited (upto 18th April, 2015)	India	50.00%	-	-	2.82	Real Estate Development
Pristine Developers Private Limited (Upto 27th May, 2016)	India	40.00%	-	1,884.55	1,508.06	Real Estate Development
Shubhsiddhi Builders Private Limited	India	50.00%	0.50	0.50	-	Real Estate Development
Vinca Developer Private Limited	India	49.00%	-	-	-	Real Estate Development
Whitebud Developers Limited	India	50.00%	-	-	-	Real Estate Development
Yellowcity Builders Private Limited (upto 21st March, 2016)	India	43.50%	-	-	4.91	Real Estate Development
Giraffe Developers Private Limited (upto 15th February 2017)	India	48.00%	-	5,004.79	-	Real Estate Development
			<b>0.50</b>	<b>6,889.84</b>	<b>1,515.79</b>	

\* Unlisted entities - no quoted price available

Refer Note 40.5 for the summarised financial information for material associates. The information disclosed reflects the amount presented in the financial statements of the relevant associates and not Group's share of those amounts. They have been amended to reflect adjustments made by the Group when using the equity method, including modifications for difference in accounting policies.

#### (B) Interest in joint ventures

The Group's joint ventures as at 31 March 2017 are set out below. The equity shares of these Companies are held directly by the Group. Capital contribution in Joint ventures in the nature of Partnership firms or AOP are disclosed in carrying amount. The country of incorporation is also their principal place of business.

(₹ in lakhs)

Name of the entity	Country of incorporation	Voting Rights (%)	Carrying amount as at *			Principal Activities
			31-Mar-17	31-Mar-16	1-Apr-15	
Twenty Five South Realty Limited (Formerly known as Hoary Realty Limited)	India	61.27%	29,598.93	29,866.08	9,812.78	Real Estate Development
Hubtown Bus Terminal (Adajan) Private Limited #	India	45.00%	685.37	692.02	725.43	Real Estate Development
Hubtown Bus Terminal (Ahmedabad) Private Limited #	India	45.00%	3,994.32	4,214.19	5,430.27	Real Estate Development
Hubtown Bus Terminal (Mehsana) Private Limited #	India	45.00%	1,120.99	1,378.50	1,338.28	Real Estate Development
Hubtown Bus Terminal (Vadodara) Private Limited #	India	45.00%	148.03	178.05	375.26	Real Estate Development

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

### 40.3 Interest in associates and joint ventures (Contd.)

(₹ in lakhs)

Name of the entity	Country of incorporation	Votin Rights (%)	Carrying amount as at *			Principial Activities
			31-Mar-17	31-Mar-16	1-Apr-15	
Joyous Housing Limited	India	25.00%	-	-	-	Real Estate Development
Rare Townships Private Limited #	India	40.00%	11,999.37	12,275.31	12,885.15	Real Estate Development
Sunstream City Private Limited	India	43.00%	-	-	-	Real Estate Development
<b>Joint Ventures in the nature of Partnership Firm / AOP</b>		<b>Ownership interest (%)</b>				
Akruti GM JV	India	77.00%	700.00	700.00	700.00	Real Estate Development
Akruti Jay Chandan JV	India	50.00%	282.40	282.40	282.40	Real Estate Development
Akruti Jay Developers	India	66.66%	2,467.50	2,467.50	2,467.50	Real Estate Development
Akruti Kailash Constructions	India	90.00%	0.50	0.50	0.50	Real Estate Development
Akruti Realty Forefront Combine (upto 30th March, 2016)	India	90.00%	-	-	434.20	Real Estate Development
Akruti Steelfab Corporation	India	55.00%	28.79	28.79	28.79	Real Estate Development
Hiranandani Akruti JV (upto 1st April, 2015)	India	50.00%	-	-	136.54	Real Estate Development
Shreenath Realtors	India	92.50%	775.00	775.00	775.00	Real Estate Development
			<b>51,801.20</b>	<b>52,858.34</b>	<b>35,392.10</b>	

(#) Includes carrying amount in shares with differential voting rights

\* Unlisted entities - no quoted price available

Refer Note 40.6 for summarised financial information for material joint ventures. The information disclosed reflects the amount presented in the financial statements of the relevant Joint Venture and not Group's share of those amounts. They have been amended to reflect adjustments made by the Group when using the equity method, including modifications for difference in accounting policies.

Though the Group's investment in some of the entities above exceed 50% of the total voting power / total capital contribution, these entities have been classified as joint venture. The luti.ement has assessed whether or not the Group has control over these entities based on whether the Group has practical ability to direct relevant activities unilaterally. In these cases, based on specific shareholders agreements / Partnership deeds, the luti.ement concluded that the Group does not have practical ability to direct the relevant activities unilaterally but has such ability along with the other shareholders / partners.

During the year ended 31st March, 2017 and 31st March, 2016 respectively, the Group did not receive dividends from any of its joint ventures.

### 40.5 Summarised Balance Sheet for material Associate:

(₹ in lakhs)

	Pristine Developers Private Limited		
	31st March, 2017	31st March, 2016	1st April, 2015
Cash and cash equivalents	-	162.34	146.81
Other Assets	-	5,303.55	3,889.18
Total Current Assets	-	5,465.89	4,036.00
Total Non - Current Assets	-	4,197.15	4,262.73
Current Financial Liabilities (excluding trade payables)	-	682.00	2,705.50
Other Liabilities	-	460.02	560.13
Total Current Liabilities	-	1,142.02	3,265.62
Non - Current Financial Liabilities (excluding trade payables)	-	3,765.66	1,202.64
Other Liabilities	-	41.31	60.31
Total Non - Current Liabilities	-	3,806.97	1,262.95
<b>Net Assets</b>	-	<b>4,714.05</b>	<b>3,770.16</b>
<b>Group Share of Net Assets</b>	-	<b>1,885.62</b>	<b>1,508.06</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017 (CONTD.)

### 40.5 Summarised Balance Sheet for material Associates: (Contd.)

#### Reconciliation of carrying amounts of material Associate:

(₹ in lakhs)

	31st March, 2017	31st March, 2016	1st April, 2015
Group share of net assets	-	1,885.62	1,508.06
Other adjustments	-	(1.07)	-
Carrying amount	-	1,884.55	1,508.06

#### Summarised Statement of Profit and Loss of material Associate:

(₹ in lakhs)

#### Pristine Developers Private Limited

	31st March, 2017	31st March, 2016	1st April, 2015
Revenue	-	1,757.75	-
Interest Income	-	467.55	-
Depreciation and Amortisation	-	81.11	-
Interest Expense	-	608.54	-
Income tax expense/ income	-	(314.56)	-
Profit/Loss from Continuing Operations	-	941.23	-
Post - Tax Profit/ Loss from Discontinued Operations	-	-	-
Other Comprehensive Income	-	-	-
Total Comprehensive Income	-	941.23	-
<b>Contingent Liabilities</b>	-	442.36	426.27

#### Carrying amount of investments in associates:

As at

(₹ in lakhs)

	31st March, 2017	31st March, 2016	1st April, 2015
Non-material associates	0.50	5,005.29	7.72
Material associates	-	1,884.55	1,508.26
<b>Total</b>	<b>0.50</b>	<b>6,889.84</b>	<b>1,515.79</b>

#### Share in profits/(loss) of associates (net):

(₹ in lakhs)

	2016-17	2015-16
Non-material associates	-	-
Material associates	-	376.49
<b>Total</b>	<b>-</b>	<b>376.49</b>

#### Contingent Liabilities in respect of associate

As at

(₹ in lakhs)

	31st March, 2017	31st March, 2016	1st April, 2015
share of contingent liabilities incurred jointly with other investors of the associates	<b>241</b>	449.61	433.53

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017 (CONTD.)

### 40.6 Summarised Balance Sheet for material Joint Ventures:

(₹ in lakhs)

	Twenty Five South Realty Limited			Joyous Housing Limited			Rare Townships Private Limited			Sunstream City Private Limited		
	31st March, 2017	31st March, 2016	1st April, 2015	31st March, 2017	31st March, 2016	1st April, 2015	31st March, 2017	31st March, 2016	1st April, 2015	31st March, 2017	31st March, 2016	1st April, 2015
Cash and cash equivalents	959.33	386.14	619.39	32.07	20.29	375.25	649.38	498.14	85.59	17.73	71.62	7.82
Other Assets	100608.95	82588.84	64188.15	59202.68	49987.61	41623.33	53672.03	47083.34	37707.69	111772.67	111990.95	84335.80
Total Current Assets	101568.28	82974.98	64807.54	59234.75	50007.90	41998.58	54321.41	47581.48	37793.28	111790.40	112062.57	84343.62
Non - Current Assets	1322.12	495.77	251.31	4859.10	816.23	737.64	1225.94	1076.57	707.11	74.51535	294034.31	98.49455
Current Financial Liabilities (excluding trade payables)	28049.87	17384.34	9360.90	851.21	41692.28	34227.06	3032.93	500.00	-	1862.11	75.00	82166.00
Other Liabilities	16428.27	11322.97	1720.80	2106.93	1589.72	938.33	29752.41	24241.83	18158.00	9917.06	11373.90	2744.99
Total Current Liabilities	44478.14	28707.31	11081.70	2958.14	43281.00	35165.39	32785.34	24741.83	18158.00	11779.16	11448.91	84910.99
Non - Current Financial Liabilities (excluding trade payables)	40603.95	36679.15	35396.19	54195.25	-	-	3722.72	5092.53	-	-	395195.61	-
Other Liabilities	179.81	21.95	0.68	7867.29	7931.82	7879.18	338.12	260.75	254.85	101307.71	55.90	44.71
Total Non - Current Liabilities	40783.76	36701.10	35396.87	62062.54	7931.82	7879.18	4060.84	5353.28	254.85	101307.71	395251.51	44.71
<b>Net Assets</b>	<b>17628.52</b>	<b>18062.34</b>	<b>18580.29</b>	<b>(926.83)</b>	<b>(389.70)</b>	<b>(308.35)</b>	<b>18701.18</b>	<b>18562.93</b>	<b>20087.53</b>	<b>(1221.95)</b>	<b>(603.52)</b>	<b>(513.59)</b>
<b>Group Share of Net Assets</b>	<b>10800.99</b>	<b>11066.79</b>	<b>6503.10</b>	<b>(231.71)</b>	<b>(97.42)</b>	<b>(77.09)</b>	<b>7480.47</b>	<b>7425.17</b>	<b>8035.01</b>	<b>(525.44)</b>	<b>(259.52)</b>	<b>(220.84)</b>

### Reconciliation of carrying amounts of material Joint Venture:

Group share of net assets	10800.99	11066.79	6503.10	(231.71)	(97.42)	(77.09)	7480.47	7425.17	8035.01	(525.44)	(259.52)	(220.84)
Goodwill	18799.29	18799.29	3309.68	-	-	-	4518.90	4850.13	4850.13	-	-	-
Other Adjustments	(1.35)	-	-	231.71	97.42	77.09	-	-	-	525.44	259.52	220.84
Carrying amount	29598.93	29866.08	9812.78	-	-	-	11999.37	12275.31	12885.15	-	-	-

### Summarised Statement of Profit and Loss of material Joint Venture

Revenue	-	161.70	NA	-	-	NA	45.41	97.21	NA	41.06	22.74	NA
Interest Income	7.38	59.48	NA	85.83	69.37	NA	20.81	15.07	NA	1.90	22.05	NA
Interest Expense	10596.68	6851.24	NA	7034.88	5492.70	NA	1502.48	314.29	NA	16523.61	441.91	NA
Depreciation & Amortisation	8.76	6.76	NA	19.56	19.65	NA	182.96	189.91	NA	11.22	11.87	NA
Income tax expense/ income	172.96	256.02	NA	(351.16)	(14.90)	NA	-	-	NA	-	(0.70)	NA
Profit/(Loss) from Continuing Operations	(434.74)	(517.52)	NA	(539.10)	(82.93)	NA	(572.51)	(1518.63)	NA	(704.01)	(89.81)	NA
Post - Tax Profit/ (Loss) from Discontinued Operations	-	-	NA	-	-	NA	-	-	NA	-	-	NA
<b>Other Comprehensive Income</b>	<b>0.92</b>	<b>(0.42)</b>	<b>NA</b>	<b>1.97</b>	<b>1.09</b>	<b>NA</b>	<b>(2.33)</b>	<b>(6.03)</b>	<b>NA</b>	<b>0.67</b>	<b>-</b>	<b>NA</b>
Total Comprehensive Income	(433.83)	(517.95)	NA	(537.13)	(81.84)	NA	(574.84)	(1524.65)	NA	(703.34)	(89.81)	NA

### Carrying amount of investments in Joint Venture:

	As at (₹ in lakhs)		
	31st March, 2017	31st March, 2016	1st April, 2015
Non-material Joint Venture	10,202.90	10,716.95	12,694.17
Material Joint Venture	41,598.30	42,141.39	22,697.93
Total	<b>51801.20</b>	<b>52858.34</b>	<b>35392.10</b>

### Share in profits/(loss) of Joint Venture (net):

	(₹ in lakhs)	
	2016-17	2015-16
Non-material Joint Venture	(351.34)	(1599.80)
Material Joint Venture	(495.74)	(927.21)
Total	<b>(847.08)</b>	<b>(2527.01)</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017 (CONTD.)

### 40.6 Summarised Balance Sheet for material Joint Venture: (Contd.)

	As at		
	31st March, 2017	31st March, 2016	1st April, 2015
<b>Contingent Liability in respect of Joint Venture</b>			
Share of contingent liabilities incurred jointly with other investors of the Joint venture	7,634.73	7681.80	4751.49
Other Commitments	129960	129960	129960

#### Note 41

In the opinion of The Board of Directors of the Company, all items of Current Assets, Current Liabilities and Loans and Advances continue to have a realizable value of at least the amounts at which they are stated in the balance sheet.

#### Note 42

Loans and advances, other receivables, debtors and creditors are subject to confirmations and are considered realisable as the care may be.

As per our report of even date

For **DALAL DOSHI & ASSOCIATES**

Firm Registration No. 121773W  
CHARTERED ACCOUNTANTS

**DINESH DOSHI**

PARTNER

Membership No. F-9464

Mumbai

Date: 29th May, 2017

For and on behalf of the Board of Directors

**HEMANT M. SHAH**  
EXECUTIVE CHAIRMAN

**VYOMESH M. SHAH**  
MANAGING DIRECTOR

**CHETAN MODY**  
COMPANY SECRETARY

**NANCY PEREIRA**  
CHIEF FINANCIAL OFFICER

Mumbai

Date: 29th May, 2017

FORM NO. – AOC - 1

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule (5) of the Companies (Accounts) Rules , 2014)

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES / ASSOCIATES COMPANIES / JOINT VENTURES

PART 'A' – SUBSIDIARIES

(₹ in lakh)

	Name of Subsidiaries	ABP Realty Advisors Private Limited	Ackruti Safeguard Systems Private Limited	Citygold Education Research Limited	Citygold Farming Private Limited	Citywood Builders Private Limited	Devkurpa Build Tech Private Limited	Diviniti Projects Private Limited	Gujarat Akkruti-TCG Biotech Limited	Halitious Developer Limited	Headland Farming Private Limited	Heddle Knowledge Private Limited
Serial No.	PARTICULARS				\$	\$						\$
1.	The date since when subsidiary was acquired	01.04.2009	09.04.2007	01.04.2009	01.04.2009	29.11.2014 **	14.12.2007	31.03.2001	11.01.2008	12.11.2007	01.04.2009	01.04.2009
2.	Reporting period of the subsidiary concerned, if different from the holding company's reporting period	31.03.2017	31.03.2017	31.03.2017	31.03.2017	31.03.2017	31.03.2017	31.03.2017	31.03.2017	31.03.2017	31.03.2017	31.03.2017
3.	Reporting currency	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR
4.	Share Capital	5.00	26.76	230.50	259.75	1.00	5.00	5.00	1620.27	10.00	1.00	1.00
5.	Reserves and Surplus	(182.06)	(1239.33)	3172.74	1841.44	(3668.11)	(871.34)	491.22	(857.26)	295.86	(32.49)	(986.48)
6.	Total Assets (including investments)	1.66	622.18	9124.39	14682.09	9951.11	62.70	5730.25	2637.43	468.81	1437.53	5800.38
7.	Total Liabilities	178.72	1834.75	5721.15	12580.89	13618.22	929.04	5234.03	1874.42	162.95	1469.02	6785.86
8.	Investments	----	65.43	2700.10	1500.10	151.97	----	14.08	----	0.10	0.10	0.48
9.	Turnover / Total Income	0.33	170.71	4.59	357.90	613.84	4.93	----	0.19	----	132.76	2.09
10.	Profit / (Loss) before Taxation	0.07	(22.33)	(137.81)	(191.61)	(2237.98)	(0.20)	(3.75)	(19.21)	(0.64)	(177.74)	(124.19)
11.	Provision for Taxation (Add)/Less	----	----	----	----	----	----	0.27	(1.61)	----	----	----
12.	Profit / (Loss) after Taxation	0.07	(22.33)	(137.81)	(191.61)	(2237.98)	(0.20)	(3.48)	(20.82)	(0.64)	(177.74)	(124.19)
13.	Proposed Dividend	----	----	----	----	----	----	----	----	----	----	----
14.	% of shareholding #	100 %	88.27 %	2.17 *	0.38 % *	100 %	100 %	100 %	74 %	100 %	100 %	100 %

\$ - based on management accounts for F. Y. 2016-2017.

\* - considered as subsidiaries under Section 2 (87) (i) of the Companies Act, 2013.

# - total share capital = equity share capital & convertible preference share capital.

\*\* - associate from 20.07.2009 to 28.11.2014



**FORM NO. – AOC - 1**

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule (5) of the Companies (Accounts) Rules , 2014)

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES / ASSOCIATES COMPANIES / JOINT VENTURES

**PART 'A' – SUBSIDIARIES**

(₹ in lakh)



## FORM NO. – AOC - 1

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule (5) of the Companies (Accounts) Rules , 2014)

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES / ASSOCIATES COMPANIES / JOINT VENTURES

### PART 'B' – ASSOCIATES AND JOINT VENTURES

(₹ in lakh)

	Name of Associates / Joint Ventures	Subhsiddhi Builders Private Limited	Whitebud Developer Private Limited	Vinca Developer Private Limited	Hubtown Bus Terminal (Adajan) Private Limited	Hubtown Bus Terminal (Ahmedabad) Private Limited	Hubtown Bus Terminal (Mehsana) Private Limited	Hubtown Bus Terminal (Vadodara) Private Limited	Joyous Housing Limited	Rare Townships Private Limited	Sunstream City Private Limited
Serial No.	PARTICULARS	\$		\$	\$	\$	\$	\$		\$	\$
1.	Latest Audited Balance Sheet Date	31.03.2017	31.03.2017	31.03.2017	31.03.2017	31.03.2017	31.03.2017	31.03.2017	31.03.2017	31.03.2017	31.03.2017
2.	Date on which the Associate or Joint Venture was associated or acquired	29.11.2014	20.08.1999	23.11.2009	18.03.2009	17.05.2010	18.03.2009	18.03.2009	30.04.2004	27.03.2006	20.05.2010
3.	Share of associate / joint venture held by the Company at the year end	5000	25000	6095	165463	25000	150000	165275	25000	3262270	129000
	• Nos.	0.50	2.50	0.61	1062.49	2133.00	634.00	597.29	25.00	7445.84	12.90
	• Amount of Investment in Associates / Joint Venture	50 %	50 %	0.05 %	47.28 %	46.30 %	42.86 %	47.22 %	25 %	35.10 %	43 %
	• Extent of Holding %										
4.	Description of how there is significant influence *	See note (1) below									
5.	Reason why the associate / joint venture is not consolidated	----	----	----	----	----	----	----	----	----	----
6.	Networth attributable to shareholding as per latest audited balance sheet	(0.21)	(30.09)	175.17	1547.19	10991.83	2941.10	352.83	3963.29	6564.11	(525.44)
7.	Profit / (Loss) for the year	(0.56)	0.30	2.49	(15.49)	(550.31)	(147.88)	(67.55)	(539.10)	(572.51)	(704.01)
	Considered in consolidation	----	----	----	(6.97)	(247.63)	(66.54)	(30.39)	----	(229.00)	----
	Not considered in consolidation	(0.56)	(0.30)	2.49	(8.52)	(302.68)	(81.34)	(37.16)	(539.10)	(343.51)	(704.01)

\$ - based on management accounts for F.Y. 2016-2017.

#### Note :

- \* - Significant Influence arises owing to direct / indirect ownership of 20 % or more of the share capital or voting power, as the case may be, by the reporting enterprise – Hubtown Limited.
- Names of associates or joint ventures which are yet to commence operations : Nil
- Names of associates or joint ventures which have been liquidated or sold during the year : (i) Pristine Developers Private Limited and Giraffe Developers Private Limited ceased to be associates of the Company.

#### For and on behalf of the Board

**Hemant M. Shah**  
Executive Chairman

**Vyomesh M. Shah**  
Managing Director

**Chetan S. Mody**  
Company Secretary

**Nancy Pereira**  
Chief Financial Officer

Mumbai, May 29, 2017



[CIN : L45200MH1989PLC050688]

**Registered Office :** Plaza Panchsheel, 'A' Wing, 5th floor, Hughes Road, Behind Dharam Palace  
Grant Road (West), Mumbai 400007 Phone: + 91 22 66040800; Fax: + 91 22 66040812;  
E-mail : investorcell@hubtown.co.in ; Website : www.hubtown.co.in

## E - COMMUNICATION REGISTRATION FORM

Dear Shareholder(s),

We draw your attention to the provisions of Sections 101 and 136 of the Companies Act, 2013 read with the relevant Rules thereunder, whereby companies can serve Annual Reports and other communications through electronic mode to those shareholders who have registered their e-mail address with the Company's Registrar and Transfer Agent or with the Depositories.

As a part of Green Initiative in Corporate Governance, we invite all our esteemed shareholders to fill up the form given below for receiving communication from the Company in electronic mode. You can also download the appended registration form from the website of the Company : [www.hubtown.co.in](http://www.hubtown.co.in).

**Please note that as a member of the Company, you will be entitled to receive all such communication in physical form, upon request.**

With kind regards,

**Chetan S. Mody**  
Company Secretary

<b>Name of the Shareholder (s) (In Block Letters) including Joint holders, if any</b>	

<b>Folio No.</b>	
<b>DP ID No.</b>	
<b>Client ID No.</b>	

I, shareholder of Hubtown Limited hereby agree to receive documents / notices from the Company in electronic mode and my e-mail address for receiving such communication is given below. Kindly register the said e-mail ID in your records for sending communication in electronic form.

<b>E- mail - ID</b>	
---------------------	--

<b>Signature of the First Shareholder</b>	
---	--

Date : \_\_\_\_\_, 2017

### Important Notes :

1. The above e-mail address will be registered, subject to verification of your signature with the specimen signature registered with the Company.
2. On registration, all communication will be sent to the e-mail id registered in the Folio No./DP ID and Client ID.

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To:

**Link Intime India Private Limited**  
**Unit : Hubtown Limited**  
 C-101, 247 Park,  
 L. B. S. Marg, Vikhroli (West),  
 Mumbai - 400 083

## MANDATE FORM ELECTRONIC CLEARING SERVICE (ECS)

<b>Name of the Sole / First Shareholder (in block letters)</b>	
<b>Folio No.</b>	
<b>No. of Shares held</b>	
<b>Name of the Bank and branch address</b>	
<b>Name of the Account and Account No. (as appearing on your cheque book)</b>	
<b>Ledger Folio No. (as appearing on your cheque book)</b>	
<b>9-Digit Code No. of the bank and branch as appearing on the MICR cheque issued by the bank</b>	(please attach a copy of a blank cancelled cheque for verification)

I hereby declare that the particulars given above are correct and complete. If the transaction is delayed or not effected at all for reasons of incomplete or incorrect information, I will not hold the Company responsible. I agree to discharge my responsibility as participant under the Scheme. I shall not hold the Bank responsible if the ECS could not be implemented or the Bank discontinued the ECS for any reason.

\_\_\_\_\_  
Signature of the Sole / First Shareholder

**Date:** \_\_\_\_\_

**Name:** \_\_\_\_\_

**Address:** \_\_\_\_\_

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

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(CIN : L45200MH1989PLC050688)

**Registered Office :** Plaza Panchsheel, 'A' Wing, 5th floor, Hughes Road, Behind Dharam Palace,  
Grant Road (West), Mumbai 400007 Phone: + 91 22 66040800; Fax: + 91 22 66040812;  
E-mail : investorcell@hubtown.com; Website : www.hubtown.co.in

## PROXY FORM

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

Name of the Member(s) : _____
Registered Address : _____ _____
E-mail ID : _____
Folio / DP ID and Client ID : _____

I/We, being the holders of \_\_\_\_\_ shares of the above named Company, hereby appoint :

1.	Name	Address
	E-mail ID	Signature or failing him/her;
2.	Name	Address
	E-mail ID	Signature or failing him/her;
3.	Name	Address
	E-mail ID	Signature

as my/our Proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Twenty Ninth Annual General Meeting of the Company to be held on **MONDAY, OCTOBER 30, 2017 at 10.00 a.m.** at 'Walchand Hirachand Hall', 4th floor, Indian Merchants' Chamber Building, Indian Merchant Chamber Marg, Churchgate, Mumbai 400 020 and at any adjournment thereof in respect of such resolutions and in such manner as indicated on the **reverse** :

P.T.O

# HUBTOWN

Resolution No.	Particulars of Resolution	Vote (Optional Note 3)	
		For	Against
Ordinary Business			
1.	Adoption of the Audited Financial Statements for the year ended March 31, 2017 together with the reports of the Board of Directors and Auditors thereon; and		
	Adoption of the Audited Consolidated Financial Statements for the year ended March 31, 2017 together with the reports of the Board of Directors and Auditors thereon.		
2.	Reappointment of Mrs. Priti K. Shah as a Director retiring by rotation.		
3.	Appointment of M/s. M. H. Dalal & Associates, Chartered Accountants as Statutory Auditors of the Company and to authorize the Board to fix their remuneration.		
Special Business			
4.	Ratification of remuneration payable to the Cost Auditor.		
5.	Authority to the Board of Directors to make offer(s) or invitation for subscription to Non-convertible Debentures on private placement basis.		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2017.

Signature of Member \_\_\_\_\_

Affix  
Re. 1/- Revenue  
Stamp

Signature of Proxy holder \_\_\_\_\_

- N.B.:**
1. This form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
  2. The Company reserves its right to ask for identification of the proxy.
  3. It is optional to put an (X) in the appropriate column against the resolutions indicated in the box. If you leave the 'For' or 'Against' column blank against any or all resolutions, your Proxy will be entitled to vote in the manner as he/she may deem appropriate.
  4. For the resolutions and explanatory statement, please refer the Notice of the 29th Annual General Meeting.

## HUBTOWN

## NOTES

[illegible]



## HUBTOWN

## NOTES

This image shows a full page of blank white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page, providing a template for writing or drawing. There are no margins, text, or other markings present.

## HUBTOWN

## NOTES

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

## HUBTOWN

## NOTES

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## HUBTOWN

## NOTES

[illegible]



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Grant Road (West), Mumbai 400007

Phone: + 91 22 66040800; Fax: + 91 22 66040812; CIN : L45200MH1989PLC050688

E-mail : investorcell@hubtown.co.in ; Website : www.hubtown.co.in

## Twenty Ninth Annual General Meeting – Monday, October 30, 2017

### BALLOT FORM

[To be returned to the Scrutinizer appointed by the Company]

Name(s) of Member(s) including Joint-holders, if any	
Registered Address of the Sole/First named member	
Registered Folio No. / DP ID No. * / Client ID No.* (* - applicable to investors holding shares in demat form)	
No. of shares held	

I / We hereby exercise my / our vote in respect of the following resolutions to be passed at the Twenty Ninth Annual General Meeting (AGM) of the Company to be held on **Monday, October 30, 2017 at 10.00 a.m.** in respect of businesses as stated in the Notice dated October 4, 2017, by conveying my/our assent or dissent to the said resolutions by placing the tick ( ) mark in the appropriate boxes given below :

No.	Item No.	No. of shares held	I/We assent to the resolution [FOR]	I/We dissent to the resolution [AGAINST]
1.	Adoption of the Audited Financial Statements for the year ended March 31, 2017 together with the reports of the Board of Directors and Auditors thereon.			
	Adoption of the Audited Consolidated Financial Statements for the year ended March 31, 2017 together with the reports of the Board of Directors and Auditors thereon.			
2.	Reappointment of Mrs. Priti K. Shah as a Director retiring by rotation.			
3.	Appointment of M/s. M. H. Dalal & Associates, Chartered Accountants as Statutory Auditors of the Company and to authorize the Board to fix their remuneration.			
4.	Ratification of the remuneration payable to the Cost Auditor.			
5.	Authority to the Board of Directors to make offer(s) or invitation for subscription to Non-convertible Debentures on private placement basis.			

(Signature of the Member / Beneficial owner)

Place :

Date :

**Note :** Please read the instructions printed overleaf carefully before exercising your vote.



## INSTRUCTIONS

1. The Ballot Form is provided for the benefit of the members who do not have access to e-voting facility.
2. A member can opt for only one mode of voting i.e. either through e-voting or by ballot or by physically voting at the AGM. If a member casts multiple votes, then voting done by ballot shall be considered valid. In case a member casts votes by ballot and also physically votes at the AGM, then the votes cast by ballot shall be considered valid.
3. The Scrutinizer will collate the votes downloaded from the e-voting system, the votes cast by ballot and the votes cast on poll at the AGM to declare the final result for each of the resolutions forming part of the Notice of the AGM.
4. Please complete and sign the Ballot Form and send it so as to reach the Scrutinizer Mr. Ashish Bhatt, Practising Company Secretary (Membership No. : FCS 4650; CP No. 2956) on or before Sunday, October 29, 2017 [5.00 p.m. IST]. No other form or photocopy thereof is permitted.
5. Ballot Forms received after the said date / time shall be strictly treated as if the reply from the members has not been received.
6. The Ballot Form should be signed by the member as per the specimen signature registered with the Company/Depositories. In case of jointholding, the Form should be completed and signed by the first named member and in his/her absence, by the next named jointholder. A Power of Attorney holder (POA) may vote on behalf of a member, mentioning the registration no. of the POA registered with the Company or enclosing an attested copy of the POA. Exercise of votes by Ballots not permitted through proxy.
7. In case the shares are held by companies, trusts, etc., the duly completed Ballot Form should be accompanied by a certified copy of the relevant Board Resolution / Authorization.
8. Votes should be cast in case of each resolution, either in favour or against by putting the tick ( ) mark in the appropriate column provided in the Ballot Form.
9. The voting rights of the shareholders shall be in proportion of the share held by them in the paid-up equity share capital of the Company as on October 23, 2017 and as per the Register of Members of the Company.
10. A member may request for a duplicate Ballot Form, if so required. However, duly filled in and signed duplicate Ballot Form should reach the Scrutinizer not later than the date and time specified in serial no. 4 above.
11. Unsigned, incomplete, improperly or incorrectly tick marked Ballot Forms shall be rejected. A Form will also be rejected if it is received torn, defaced or mutilated to an extent which make it difficult for the Scrutinizer to identify either the member or as to whether the votes are cast in favour of or against or if the signature cannot be verified.
12. The decision of the Scrutinizer on the validity of a Ballot Form shall be final and binding.

HL

HUB

Read the book and then read the book

Believe in the book and then read the book

www.hubdown.co.in.

