

# НУБТ ШП

## ANNUAL REPORT

2020-2021



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## CORPORATE INFORMATION

### BOARD OF DIRECTORS

HEMANT M. SHAH, Executive Chairman  
 ABHIJIT DATTA  
 SUNIL C. SHAH  
 PRITI K. SHAH (upto May 25, 2021)  
 KARTIK RUPAREL (from September 15, 2020)  
 KETAKI R. SHAH (from September 15, 2020)  
 VYOMESH M. SHAH (VIMAL M. SHAH), Managing Director

### COMMITTEES OF THE BOARD

#### AUDIT AND COMPLIANCE COMMITTEE

ABHIJIT DATTA, Chairman  
 SUNIL C. SHAH  
 KARTIK RUPAREL (from September 15, 2020)  
 VYOMESH M. SHAH

#### NOMINATION AND REMUNERATION COMMITTEE

ABHIJIT DATTA, Chairman  
 SUNIL C. SHAH  
 KARTIK RUPAREL (from June 29, 2021)  
 HEMANT M. SHAH  
 PRITI K. SHAH (upto May 25, 2021)

#### STAKEHOLDERS' RELATIONSHIP COMMITTEE

SUNIL C. SHAH, Chairman  
 HEMANT M. SHAH  
 PRITI K. SHAH (upto May 25, 2021)  
 KETAKI R. SHAH (from June 29, 2021)

#### CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

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

#### RISK MANAGEMENT COMMITTEE

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

#### CHIEF FINANCIAL OFFICER

SUNIL MAGO

#### COMPANY SECRETARY

AMIT VYAS (upto April 30, 2020)  
 SADANAND LAD (from July 30, 2020)

#### STATUTORY AUDITORS

M. H. DALAL & Associates, Chartered Accountants  
 (upto July 30, 2020)  
 JBTM & Associates LLP, Chartered Accountants  
 (from July 30, 2020)

#### COST AUDITOR

D. C. DAVE & CO., Cost Accountants  
 (for Financial Year 2020-2021)  
 SHEKHAR JOSHI & CO., Cost Accountants  
 (for Financial Year 2021-2022)

#### INTERNAL AUDITOR

PROTUNE KS AIYAR CONSULTANTS PRIVATE LIMITED,  
 Chartered Accountants

#### SECRETARIAL AUDITOR

MIHEN HALANI & ASSOCIATES, Practicing Company Secretaries

#### REGISTERED OFFICE

'HUBTOWN SEASONS',  
 CTS NO. 469-A,  
 OPP. JAIN TEMPLE,  
 R. K. CHEMBURKAR MARG,  
 CHEMBUR (EAST), MUMBAI 400071  
 CIN : L45200MH1989PLC050688  
 Phone : 022 25265000  
 Fax : 022 25265099  
 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 49186270  
 Fax : 022 49186060  
 e-mail : [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)  
 Website : [www.linkintime.co.in](http://www.linkintime.co.in)

#### BANKERS

CANARA BANK  
 IDBI BANK  
 UNION BANK OF INDIA  
 UNITED BANK OF INDIA

#### 33rd ANNUAL GENERAL MEETING

WEDNESDAY, SEPTEMBER 29, 2021 AT 10.30 A.M.  
 THROUGH VIDEO CONFERENCING OR OTHER AUDIO VISUAL MEANS

**HUBTOWN LIMITED****NOTICE OF 33<sup>RD</sup> ANNUAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN THAT THE THIRTY THIRD ANNUAL GENERAL MEETING OF THE MEMBERS OF HUBTOWN LIMITED WILL BE HELD ON WEDNESDAY, SEPTEMBER 29, 2021 AT 10.30 A.M. THROUGH VIDEO CONFERENCING ('VC') OR OTHER AUDIO VISUAL MEANS ('OAVM') TO TRANSACT THE FOLLOWING BUSINESS:**

**ORDINARY BUSINESS:**

1. To receive, consider and adopt:
  - (a) the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2021 and the Reports of the Board of Directors and the Auditors thereon; and
  - (b) the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2021 and the Reports of the Auditors thereon.
2. To appoint a Director in place of Mr. Vyomesh M. Shah (DIN: 00009596), who retires by rotation and being eligible, offers himself for reappointment.

**SPECIAL BUSINESS:**

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

**As a Special Resolution:****3. REAPPOINTMENT OF MR. HEMANT M. SHAH AS WHOLETIME DIRECTOR DESIGNATED AS AN EXECUTIVE CHAIRMAN OF THE COMPANY**

"RESOLVED THAT pursuant to the provisions of Section 196, 197, 198, 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force), as amended from time to time ("Act") and pursuant to Regulation 17 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 as amended from time to time ("Regulations"), based on the recommendation of the Nomination and Remuneration Committee, consent of the members of the Company be and is hereby accorded to the re-appointment of Mr. Hemant M. Shah [DIN : 00009659] as Whole-time Director designated as an Executive Chairman of the Company for a period of three years, with effect from January 1, 2022 to December 31, 2024, on the terms and conditions including remuneration as set out in the Statement annexed hereto, with authority to the Board of Directors (hereinafter referred to as the "Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and/or remuneration as it may deem fit and as may be acceptable to Mr. Hemant M. Shah;

RESOLVED FURTHER THAT approval of members of the Company be and is hereby accorded for payment of annual remuneration to Mr. Hemant M. Shah as Whole-time Director designated as an Executive Chairman of the Company, together with other executive director who is promoter of the Company, exceeding 5% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013 or any statutory modification(s) or re-enactment(s) thereof.

RESOLVED FURTHER THAT where in any financial year during the currency of tenure of Mr. Hemant M. Shah as an Executive Chairman, the Company has no profit or its profits are inadequate, the remuneration, perquisites and other allowances payable shall be governed by the limits prescribed in Section II of Part II of Schedule V of the Companies Act, 2013 as amended from time to time;

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

**As a Special Resolution:****4. REAPPOINTMENT OF MR. VYOMESH M. SHAH AS A MANAGING DIRECTOR OF THE COMPANY**

"RESOLVED THAT pursuant to the provisions of Section 196, 197, 198, 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force), as amended from time to time ("Act") and pursuant to Regulation 17 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 as amended from time to time ("Regulations"), based on the recommendation of the Nomination and Remuneration Committee, consent of the members of the Company be and is hereby accorded to the re-appointment of Mr. Vyomesh M. Shah [DIN : 00009596] as Managing Director of the Company for a period of three years, with effect from January 1, 2022 to December 31, 2024, on the terms and conditions including remuneration as set out in the Statement annexed hereto, with authority to the Board of Directors (hereinafter referred to as the "Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and/or remuneration as it may deem fit and as may be acceptable to Mr. Vyomesh M. Shah;

RESOLVED FURTHER THAT approval of members of the Company be and is hereby accorded for payment of annual remuneration to Mr. Vyomesh M. Shah as Managing Director of the Company, together with other executive director who is promoter of the Company, exceeding 5% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013 or any statutory modification(s) or re-enactment(s) thereof.

## NOTICE (CONTD.)

RESOLVED FURTHER THAT where in any financial year during the currency of tenure of Mr. Vyomesh M. Shah as Managing Director, the Company has no profit or its profits are inadequate, the remuneration, perquisites and other allowances payable shall be governed by the limits prescribed in Section II of Part II of Schedule V of the Companies Act, 2013 as amended from time to time;

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

### As an Ordinary Resolution:

#### 5. PAYMENT OF COMMISSION TO NON-EXECUTIVE DIRECTORS:

"RESOLVED THAT pursuant to the provisions of Section 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V to the said Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and Regulation 17(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, consent of the members be and is hereby accorded to the payment and distribution of a sum not exceeding 1% of the net profit of the Company calculated in accordance with the provisions of Section 198 of the Act, subject to a maximum amount of ₹ 20,00,000/- (Rupees Twenty Lakh only) per financial year for three financial years commencing from 2021-2022 to 2023-2024, by way of commission to the Non-Executive Directors of the Company in such proportion as may be decided by the Board of Directors from time to time;

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

### As an Ordinary Resolution:

#### 6. RATIFICATION OF REMUNERATION PAYABLE TO THE COST AUDITOR OF THE COMPANY FOR THE FINANCIAL YEAR 2021-2022:

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory amendment or modification or re-enactment thereof, for the time being in force), the remuneration of the Cost Auditor, M/s. Shekhar Joshi & Co., Cost Accountants (Firm Registration No. 100448) of ₹ 1,50,000/- (Rupees One Lakh Fifty Thousand only) plus applicable taxes and reimbursement of out-of-pocket expenses to conduct the audit of the cost records of the Company for the financial year ending March 31, 2022, as recommended by the Audit and Compliance Committee and approved by the Board of Directors, be and is hereby ratified;

RESOLVED FURTHER THAT the Board of Directors and/or Key Managerial Personnel of the Company be and are hereby authorized to do all such acts, deeds, matters and things as may be deemed necessary, desirable, proper or expedient for the purpose of giving effect to the above resolution."

### As a Special Resolution:

#### 7. 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;

RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolution, the Board be and is hereby authorized 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**

**Sadanand Lad**  
Company Secretary  
Membership No. : A19899

June 29, 2021  
Mumbai



## NOTICE (CONTD.)

### Notes:

1. In view of the COVID-19 pandemic situation, the Ministry of Corporate Affairs ("MCA") has vide General Circular Nos. 02/2021 dated January 13, 2021 and 20/2020 dated May 5, 2020 read together with MCA General Circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 22/2020 dated June 15, 2020, 33/2020 dated September 28, 2020 and 39/2020 dated December 31, 2020 (all the MCA circulars shall collectively be referred to as "MCA Circulars") and Securities and Exchange Board of India ("SEBI") Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and SEBI Circular No. SEBI/HO/CFD/CMD1/ CIR/P/2020/79 dated May 12, 2020 (all the SEBI circulars shall collectively be referred to as "SEBI Circulars") permitted the holding of Annual General Meeting ("AGM") through Video Conferencing / Other Audio Visual Means ("VC / OAVM"), without the physical presence of Members at a common venue.
2. In compliance with the provisions of the Act, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), MCA Circulars and SEBI Circulars, the AGM of the Company is being held through VC / OAVM. The procedure for participating in the meeting through VC/OAVM is explained at Note No. 19 below and is also available on the website of the Company at [www.hubtown.co.in](http://www.hubtown.co.in).
3. A Statement pursuant to Section 102 of the Act relating to item nos. 3 to 7 of the Notice of this 33rd AGM is annexed hereto. Also, relevant details in respect of the Directors seeking re-appointment/appointment at the AGM, in terms of Regulation 36(3) of the SEBI Listing Regulations and Clause 1.2.5 of Secretarial Standard – 2 on General Meetings are also annexed to this Notice.
4. Since this AGM is being held pursuant to the aforesaid MCA Circulars through VC / OAVM, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for this 33rd AGM and hence the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.
5. Institutional / Corporate members (i.e. other than individuals/ HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization, etc., authorizing its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting. The said resolution/authorization shall be sent to the Scrutinizer by e-mail through their registered e-mail address to the Company at [investorcell@hubtown.co.in](mailto:investorcell@hubtown.co.in) and to its Registrar and Transfer Agent (RTA) at [instameet@linkintime.co.in](mailto:instameet@linkintime.co.in).
6. The members can join the AGM in the VC/ OAVM mode 15 minutes before and after the scheduled time of the commencement of the meeting by following the procedure mentioned herein below in the Notice. The facility of participation at the AGM through VC/ OAVM will be made available for 1,000 members on 'first come first serve' basis. This will not include large members (i.e. members holding 2% or more), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit and Compliance Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc. who are allowed to attend the AGM without restriction on account of 'first come first serve' basis.
7. The attendance of the members attending the AGM through VC/ OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
8. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's RTA, Link Intime India Private Limited for assistance.
9. The Register of Members and Share Transfer books of the Company will remain closed from Thursday, September 23, 2021 to Wednesday, September 29, 2021 (both days inclusive), for the purpose of AGM.
10. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the Directors are interested maintained under Section 189 of the Act and all other documents referred to in the Notice will be available electronically for inspection by the members without any fee from the date of circulation of this Notice upto the date of AGM i.e. September 29, 2021. Members seeking to inspect such documents can send an e-mail to [investorcell@hubtown.co.in](mailto:investorcell@hubtown.co.in).
11. Members holding shares in physical mode and who have not updated their email addresses with the Company are requested to update their email addresses by writing to the RTA of the Company or to the Company at [investorcell@hubtown.co.in](mailto:investorcell@hubtown.co.in) along with the copy of the signed request letter mentioning the name and address of the member, self-attested copy of the PAN card, and self-attested copy of any document (e.g.: Aadhaar Card, Driving License, Election Identity Card, Passport) in support of the address of the member. Members holding shares in dematerialised mode are requested to register / update their email addresses with the relevant Depository Participants. In case of any queries / difficulties in registering the e-mail address, members may write to the Company's RTA or to the Company at [investorcell@hubtown.co.in](mailto:investorcell@hubtown.co.in).
12. Pursuant to the provisions of Sections 101 and 136 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and in terms of Regulation 36 of the SEBI Listing Regulations, 2015, as amended, electronic copy of the Notice and Annual Report 2020-21 is being sent to the members whose e-mail IDs are registered with the Company/ Depository Participant(s) (in case of shares held in demat form) or with Link Intime India Private Limited (in case of shares held in physical form).

## NOTICE (CONTD.)

As per the MCA General Circular 20/2020 dated May 5, 2020, the Annual Report 2020-21 will be sent through electronic mode to only those members whose e-mail IDs are registered with the Registrar and Transfer Agent of the Company/ Depository Participants.

Members may also note that the Notice of the 33rd Annual General Meeting and the Annual Report 2020-21 will be available on the Company's website [www.hubtown.co.in](http://www.hubtown.co.in) websites of the Stock Exchanges i.e. National Stock Exchange of India Limited and BSE Limited at [www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com) respectively.

13. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The said form can be downloaded from the Company's website [www.hubtown.co.in](http://www.hubtown.co.in). Members are requested to submit the said details to their Depository Participants in case the shares are held by them in electronic form and to the Company's RTA in case the shares are held in physical form.
14. Members who would like to ask any question on the financial statements are requested to send their questions through e-mail at [investorcell@hubtown.co.in](mailto:investorcell@hubtown.co.in) on or before Wednesday, September 22, 2021 to enable the Company to answer their queries satisfactorily.
15. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate for smooth conduct of the AGM and also depending upon the time available for the AGM.
16. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in dematerialized form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Company at [investorcell@hubtown.co.in](mailto:investorcell@hubtown.co.in) or the Company's RTA.
17. In case of joint holders, those members whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
18. In compliance with the provisions of Section 108 of the Act and the Rules framed thereunder, the members are provided with the facility to cast their vote electronically, through the e-voting services provided by Link Intime India Private Limited (LIPL), on all resolutions set forth in this Notice.
19. **I. Information and other instructions relating to e-voting are as under:**
  - I. In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Regulation 44 of SEBI Listing Regulations (as amended), and the Circulars issued by the MCA dated April 8, 2020, April 13, 2020 and May 5, 2020, the Company is pleased to provide the members, the facility to exercise their right to vote at the 33rd AGM by electronic means and the business may be transacted through e-voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Link Intime India Private Limited (LIPL).  
  
The facility for e-voting shall also be made available at the AGM and the members attending the AGM who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through e-voting.
  - II. Members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date i.e. Wednesday, September 22, 2021, shall be entitled to avail the facility of remote e-voting as well as e-voting system on the date of the AGM. Any recipient of the Notice, who has no voting rights as on the cut-off date, shall treat this Notice as intimation only.
  - III. A person who has acquired shares and has become a member of the Company after the dispatch of the Notice of the AGM but prior to the cut-off date i.e. Wednesday, September 22, 2021, shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or e-voting system on the date of the AGM by following the procedure mentioned in this part.
  - IV. The remote e-voting will commence on Sunday, September 26, 2021, at 9.00 a.m. and will end on Tuesday, September 28 2021, at 5.00 p.m. During this period, the members of the Company holding shares either in physical mode or in demat mode as on the cut-off date i.e. Wednesday, September 22, 2021, may cast their vote electronically. The members will not be able to cast their vote electronically beyond the date and time mentioned above and the remote e-voting module shall be disabled for voting by LIPL thereafter.
  - V. Once the vote on a resolution is cast by the member, he/she shall not be allowed to change it subsequently or cast the vote again.
  - VI. The Member(s) who have cast their vote by remote e-voting prior to the AGM, may also attend/participate in the AGM through VC/OAVM but shall not be entitled to cast their vote again.
  - VII. The voting rights of the members shall be in proportion to their share in the paid up equity share capital of the Company as on the cut-off date i.e. Wednesday, September 22, 2021.

## NOTICE (CONTD.)

- VIII. The Board of Directors of the Company has appointed M/s. Miheh Halani & Associates, Practicing Company Secretaries, to act as the Scrutinizer for conducting the remote e-voting process as well as the e-voting system on the date of the AGM, in a fair and transparent manner.

IX. **Information and other instructions relating to remote e-voting are as under:**

Pursuant to SEBI circular No. SEBI/HO/CFD/ CMD/ CIR/P/2020/242 dated December 9, 2020 on "e-voting facility provided by Listed Companies", e-voting process has been enabled for all the individual demat account holders, by way of single login credential, through their respective demat account / website of Depositories / DPs in order to increase the efficiency of the voting process.

Individual demat account holders would be able to cast their vote without having to register again with the e-voting service provider.

Accordingly, Members are advised to update their mobile number and email ID in their demat accounts to access e-voting facility.

Login method for Members holding securities in demat mode / physical mode is given below:

Type of Members	Login Method
<b>Members holding securities in demat mode with NSDL</b>	<p><b>1. User already registered for NSDL IDeAS facility</b></p> <ol style="list-style-type: none"> <li>Please visit the e-Services website of NSDL at the URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>.</li> <li>Once the home page of e-Services is launched, click on the 'Beneficial Owner' icon under 'Login' which is available under 'IDeAS' section.</li> <li>On the new screen, please enter your User ID and Password.</li> <li>After successful authentication, you will be able to see e-voting services. Click on 'Access to e-voting' under e-voting services.</li> <li>On the e-voting page, you will see Company's name or e-voting service provider's name. Click on Company name or that of the e-voting service provider.</li> <li>You will be re-directed to e-voting service provider's website for casting your vote during the remote e-voting period or for joining virtual Meeting and voting during the Meeting.</li> </ol> <p><b>2. User not registered for NSDL IDeAS facility</b></p> <ol style="list-style-type: none"> <li>Option to register is available at the link <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>.</li> <li>Select 'Register Online for IDeAS' or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a>.</li> <li>Visit the e-voting website of NSDL and follow the steps given in point 1 under this section.</li> </ol> <p><b>3. Alternatively by directly accessing the e-voting</b></p> <ol style="list-style-type: none"> <li>Open web browser by typing the URL viz. <a href="https://www.evoting.nsdl.com">https://www.evoting.nsdl.com</a>.</li> <li>Once the home page of e-voting system is launched, click on the icon 'Login' which is available under 'Shareholder/Member' section.</li> <li>A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL starting with IN – DP ID and Client ID), password/OTP and a verification code as shown on the screen.</li> <li>After successful authentication, you will be redirected to NSDL's website wherein you can see e-voting page. Click on the Company name or e-voting service provider name and you will be redirected to e-voting service provider website (<a href="#">LinkIntime</a>) for casting your vote during the remote e-voting period or for joining virtual Meeting and voting during the Meeting.</li> </ol>



## NOTICE (CONTD.)

Type of Members	Login Method
<b>Members holding securities in demat mode with CDSL</b>	<p><b>1. Existing users who have opted for Easi / Easiest</b></p> <ol style="list-style-type: none"> <li>Please visit the e-Services website of CDSL at the URL: <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a>, thereafter, please click on New System 'Myeasi'.</li> <li>On the new screen, please enter your User ID and Password for accessing Easi / Easiest.</li> <li>After successful login of Easi / Easiest you will also be able to see the e-voting menu. The menu will have links of e-voting service provider i.e. Link Intime, NSDL, CDSL and KFinTech. Click on e-voting service provider's name to cast your vote.</li> </ol> <p><b>2. If the user is not registered for Easi/Easiest</b></p> <ol style="list-style-type: none"> <li>An option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a>.</li> <li>Then visit the e-voting website of CDSL and follow the steps given in point 1 under this section.</li> </ol> <p><b>3. Alternatively by directly accessing the e-voting page</b></p> <ol style="list-style-type: none"> <li>You can directly access e-voting page by providing demat Account Number and PAN from the link <a href="http://www.cdslindia.com">www.cdslindia.com</a>.</li> <li>The system will authenticate user details by sending OTP on registered mobile and email ID as recorded in the demat Account.</li> <li>After successful authentication, you will enter the e-voting module of CDSL. Click on the e-voting link available against Company's name or e-voting service provider's name and you will be re-directed to the e-voting page of service provider to cast your vote.</li> </ol>
<b>Members (holding securities in demat mode) and login through their DPs</b>	<ol style="list-style-type: none"> <li>Members can also login using the login credentials of his/her demat account through their DP registered with NSDL/CDSL for e-voting facility.</li> <li>After logging in to the DPs portal, you will be able to see e-voting option. Upon clicking on e-voting option, you will be redirected to respective depository's website after successful authentication to the e-voting feature.</li> <li>Click on the Company's name or e-voting service provider's name and you will be redirected to e-voting service provider's website for casting your vote during the remote e-voting period or for joining virtual Meeting and voting during the Meeting.</li> </ol>
<b>Members holding securities in Physical mode and e-voting service provider is Link Intime India Private Limited</b>	<ol style="list-style-type: none"> <li>Open the internet browser and launch the URL: <a href="https://instavote.linkintime.co.in">https://instavote.linkintime.co.in</a></li> <li>Click on <b>"Sign Up"</b> under <b>'SHARE HOLDER'</b> tab and register with your following details:- <ol style="list-style-type: none"> <li><b>User ID:</b> Shareholders/ members holding shares in <b>physical form shall provide</b> Event No + Folio Number registered with the Company.</li> <li><b>PAN:</b> Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.</li> <li><b>DOB/DOI:</b> Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)</li> <li><b>Bank Account Number:</b> Enter your Bank Account Number (last four digits), as recorded with your DP/Company.</li> </ol> <ul style="list-style-type: none"> <li>Shareholders/ members holding shares in <b>physical form</b> but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above</li> </ul> </li> </ol>

## NOTICE (CONTD.)

Type of Members	Login Method
	<ol style="list-style-type: none"> <li>3. Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&amp;*), at least one numeral, at least one alphabet and at least one capital letter).</li> <li>4. Click "confirm" (Your password is now generated).</li> <li>5. Click on 'Login' under '<b>SHARE HOLDER</b>' tab.</li> <li>6. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on '<b>Submit</b>'.</li> <li>7. After successful login, you will be able to see the notification for e-voting. Select '<b>View</b>' icon.</li> <li>8. E-voting page will appear on the screen.</li> <li>9. Refer the Resolution description and cast your vote by selecting your desired option '<b>Favour / Against</b>' (If you wish to view the entire Resolution details, click on the '<b>View Resolution</b>' file link).</li> <li>10. After selecting the desired option i.e. Favour / Against, click on '<b>Submit</b>'. A confirmation box will be displayed. If you wish to confirm your vote, click on '<b>Yes</b>'; else to change your vote, click on 'No' and accordingly modify your vote.</li> <li>11. Once you confirm, you will not be allowed to modify your vote subsequently. During the voting period, Members can login any number of times till you have voted on the resolution(s) for a particular "Event".</li> </ol>

- X. If members holding securities in **Physical mode** have forgotten the password, please follow the procedure given below:
- a. Click on '**Login**' under '**SHAREHOLDER**' tab and further Click '**forgot password?**'
  - b. Enter User ID, select Mode and enter image verification code (CAPTCHA). Click on "SUBMIT".
  - c. In case Member is having valid email address, password will be sent to his/ her registered e-mail address. Else, Member can set the password of his/her choice by providing the information about the particulars of the security question & answer, PAN, DOB/ DOI, dividend bank details, etc. and confirm. (The password should contain minimum 8 characters, with at least one special character, at least one numeral, at least one alphabet and at least one capital letter).
- Important note:**
- Please note that these details can only be used for voting on the resolutions contained in this Notice.
  - It is strongly recommended not to share password with any other person and take utmost care to keep it confidential.

- XI. If Members holding securities in **dematerialised mode** are unable to retrieve User ID/ Password are advised to use Forgot User ID and Forgot Password options available at the Depository's /DP's website.
- Important note:**
- It is strongly recommended not to share your password with any other person and take utmost care to keep it confidential.
  - During the voting period, Members can login any number of times till they have voted on the resolution(s) for a particular "Event".

### Contact details of helpdesk of Depositories:

Members may contact the respective helpdesk, as per the details given below:

Login type	Helpdesk details
Members holding securities in demat mode with NSDL	<ol style="list-style-type: none"> <li>i. Please send a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a>; or</li> <li>ii. Please call at toll free no.: 1800 1020 990 and 1800 22 44 30.</li> </ol>
Members holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>i. Please send a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or</li> <li>iii. Please contact at 022- 23058738 or 022-23058542-43.</li> </ol>

## NOTICE (CONTD.)

### General Guidelines for Members:

- i. Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as '**Custodian / Mutual Fund / Corporate Body**'. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the '**Custodian / Mutual Fund / Corporate Body**' login for the Scrutinizer to verify the same.
- ii. Members holding multiple folios/demat accounts shall choose the voting process separately for each of the folios/demat accounts.
- iii. In case the Members have any queries or issues regarding remote e-voting, please refer the Frequently Asked Questions ("FAQs") and Instavote e-voting manual available at <https://instavote.linkintime.co.in>, under 'Help' section or write an e-mail to [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in) or call on 022 - 49186175 / 49186000.
- iv. Any person who acquires shares of the Company and becomes a Member of the Company after the dispatch of this AGM Notice and holds shares as on the Cut-off Date may obtain the login id and password by sending a request at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in) / [insta.vote@linkintime.co.in](mailto:insta.vote@linkintime.co.in) or call on 022 - 49186175 / 49186000.

### II. Instructions for Members to Vote during the AGM through InstaMeet (VC/OAVM):

Once the electronic voting is activated by the Scrutiniser during the Meeting, the Members who have not exercised their vote(s) through the moderator remote e-voting can cast their vote(s) as under:

- i. On the Member's page/VC page, click on the link for e-voting "Cast your vote".
- ii. Enter demat account no. / folio no. and OTP (One Time Password), received on the registered mobile number/ registered e-mail ID, during registration for InstaMeet and click on 'Submit'.
- iii. After successful login, see "Resolution Description" and against the same the options "Favour/ Against" for voting.
- iv. Cast vote by selecting appropriate option i.e. Favour/Against, as desired.
- v. Enter the number of shares (which represents no. of votes) as on the Cut-off Date under 'Favour/ Against'. You may also choose the option 'Abstain' and the shares held will not be counted under 'Favour/Against'.
- vi. After selecting the appropriate option i.e. Favour/ Against as desired, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.
- vii. Once the vote is confirmed on the resolution, any modification or change is not allowed subsequently.

### Notes:

Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to [instameet@linkintime.co.in](mailto:instameet@linkintime.co.in) or contact on: - Tel: 022-49186175/ 49186000, InstaMeet support desk, of the RTA.

### III. Instructions for Members attending the AGM through InstaMeet:

Instructions for Members to attend the AGM through InstaMeet are as under:

- i. Members are entitled to attend the AGM through VC/OAVM provided by the RTA by following the below mentioned process. Facility for joining the AGM through VC/ OAVM shall be open 30 minutes before the time scheduled for the AGM and shall expire 15 minutes after the scheduled time of the Meeting, and will be available to the Members on first come first serve basis.
- ii. Members are requested to participate on first come first serve basis as participation through VC/OAVM is limited and will be closed on expiry of 15 minutes from the scheduled time of the AGM. Members with >2% shareholding, Promoters, Institutional Investors, Directors, Key Managerial Personnel, Chairpersons of Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee and Auditors, etc. may be allowed to attend the Meeting without restrictions of first come first serve basis. Members may log-in and join 30 minutes prior to the scheduled time of the Meeting and window for joining shall be kept open till the expiry of 15 minutes after the scheduled time.

## NOTICE (CONTD.)

- iii. Members will be provided with InstaMeet facility wherein they shall register their details and attend the AGM as under:
  1. Open the internet browser and launch the URL for InstaMeet <https://instameet.linkintime.co.in> and register with following details:
    - a. DP ID / Client ID or Beneficiary ID or Folio No.: Enter your 16 digit DP ID / Client ID or Beneficiary ID or Folio Number registered with the Company
      - Members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID
      - Members holding shares in NSDL demat account shall provide sixteen digit demat number - 8 Character DP ID followed by 8 Digit Client ID
      - Members holding shares in physical form shall provide Folio Number registered with the Company
    - b. Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.
    - c. Please enter your mobile number.
    - d. Please enter your email ID as recorded with your DP/RTA/Company.
  2. Click "Go to Meeting" (You are now registered for InstaMeet and your attendance is marked for the meeting).

### NOTES:

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience. Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to [instameet@linkintime.co.in](mailto:instameet@linkintime.co.in) or contact on: - Tel: 022-49186175/ 49186000, the InstaMeet support desk.

### Instructions for Shareholders/ Members to Speak during the Annual General Meeting through InstaMeet:

1. Members who would like to express their views/ ask questions during the Meeting may register themselves as a speaker by sending their request mentioning their name, demat account number/ folio number, e-mail address, mobile number at [investorcell@hubtown.co.in](mailto:investorcell@hubtown.co.in) on or before Wednesday, September 22, 2021 (5.00 p.m. IST).
  2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.
  3. Shareholders will receive "speaking serial number" once they mark attendance for the meeting.
  4. Please remember speaking serial number and start your conversation with panelist by switching on video mode and audio of your device.
  5. Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.
20. Declaration of results on the resolutions:
    - i. The Scrutiniser shall, immediately after the conclusion of voting at the AGM, count the votes cast at the Meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company. The Scrutiniser shall make, not later than two working days from conclusion of the Meeting, a consolidated Scrutiniser's Report of the total votes cast in favour or against each resolution, invalid votes, if any, and whether the resolution(s) has/ have been carried or not. This report shall be submitted to the Chairperson or a person authorised by him, in writing, who shall countersign the same.
    - ii. The results shall be declared after the AGM of the Company and shall be deemed to be passed on the date of AGM. The results along with the Scrutiniser's Report shall be placed on the website of the Company [www.hubtown.co.in](http://www.hubtown.co.in) within two working days of passing of the resolutions at the AGM of the Company and shall be communicated to BSE Limited and National Stock Exchange of India Limited, where the Company's equity shares are listed. RTA, who has provided the platform for facilitating remote e-voting, will also display these results on its website <https://instavote.linkintime.co.in>. The said results shall also be displayed at the registered office of the Company.
  21. Members may note that the Notice will also be available on the Company's website [www.hubtown.co.in](http://www.hubtown.co.in), RTA's website <https://instavote.linkintime.co.in>; websites of the stock exchanges i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and also National Stock Exchange of India Ltd. at [www.nseindia.com](http://www.nseindia.com).
  22. Members are requested to kindly keep the Annual Report sent to their registered e-mail ID with them while attending the AGM through VC/OAVM.
  23. Since the AGM will be held through VC/OAVM Facility, the route map is not annexed with this Notice.

## ANNEXURE TO THE NOTICE

### STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 ('THE ACT').

The following statement sets out all material facts relating to the Special Business mentioned in the Notice.

#### ITEM NO. 3

1. Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company in its meeting held on June 29, 2021, re-appointed Mr. Hemant M. Shah as Whole-Time Director designated as Executive Chairman of the Company for a period of three years from January 1, 2022 to December 31, 2024, on the terms and conditions as detailed in para 2 below.

2. The terms and conditions of his appointment and remuneration payable are as under :

- i. **Term of Appointment:** 3 years with effect from January 1, 2022 to December 31, 2024.
- ii. **Nature of Duties:** The Executive Chairman shall devote his whole-Time and attention to the business of the Company and shall carry out such functions, exercise such powers of management and carry out such duties as may be entrusted to him by the Board in connection with and in the best interests of the business of the Company and the business of one or more of its associate companies/joint ventures/ subsidiary companies from time to time.

iii. **Remuneration :**

- a. **Basic salary:** ₹ 5,40,000 per month in the scale of ₹ 5,00,000 – ₹15,00,000 with authority to the Board of Directors of the Company ('the Board') to grant such increments within the said scale as it may determine from time to time, based on the recommendations of the Nomination and Remuneration Committee.
- b. **Performance Incentive:** Not exceeding 100% of the annual salary. The specific amount payable shall be determined by the Board based on the recommendation of the Nomination and Remuneration Committee, from year to year.
- c. **Perquisites, Benefits and Allowances:** Perquisites are classified into three categories 'A', 'B' and 'C' as follows:

**Category 'A':**

- i. Rent free furnished/unfurnished accommodation provided by the Company or by any of its subsidiary. In the event no accommodation is provided by the Company, the Executive Chairman shall be paid House Rent Allowance of ₹8,00,000 per annum.
- ii. Medical Reimbursement: Medical expenses incurred for self and family in accordance with the Rules of the Company.
- iii. Leave Travel Concession for self and family once a year not exceeding one month's basic salary in accordance with the Rules of the Company.
- iv. Club Fees: Subscription or reimbursement of membership fees (including admission and life membership fees), subject to a maximum of two clubs.
- v. Personal Accident Insurance: Premium on Personal Accident Policy in accordance with the Rules of the Company.
- vi. Benefits, if any, assigned under Keyman Insurance Policy.
- vii. Other Allowances: As may be decided by the Board/Nomination and Remuneration Committee from time to time, subject to the provisions of the Act and Schedule V thereto.

**Explanation:** Perquisites shall be evaluated as per the Income Tax Rules, wherever applicable and in the absence of any such rule, perquisites shall be evaluated at actual cost.

**Category 'B':**

- i. Company's contribution to provident fund and payment of gratuity shall be as per the Rules of the Company.
- ii. Leave/Leave encashment as per the Rules of the Company.

**Explanation:** Contribution to provident fund, payment of gratuity and encashment of leave at the end of the tenure shall not be included in the computation of the ceiling on remuneration.

**Category 'C' (Amenities):**

- i. Conveyance facilities: The Company shall provide chauffeur driven vehicles owned by the Company and/or its subsidiaries.
- ii. Communication facilities: The Company shall provide telephone, cellular phone, telefax, internet and other communication facilities at the residence of the Executive Chairman.
- iii. The Executive Chairman shall be entitled to the expenses actually incurred on travelling and boarding and lodging for self and for spouse and attendant, if required, accompanying him on domestic and overseas business trips.

**Explanation:** The amenities shall not be included in the computation of the ceiling on remuneration.

## NOTICE (CONTD.)

iv. **Minimum Remuneration:**

Where in any financial year during the tenure of the Executive Chairman, the Company has no profits or its profits are inadequate, the remuneration, perquisites and other allowances payable to the Executive Chairman shall be governed by the limits prescribed in Section II of Part II of Schedule V to the Companies Act, 2013 as amended from time to time.

v. **Other Terms and Conditions:**

- i. The Executive Chairman shall not become interested or otherwise concerned directly or indirectly or through his spouse and/or children, in any selling agency of the Company.
- ii. The terms and conditions of the appointment of the Executive Chairman may be altered and varied from time to time by the Board as it may, in its discretion deem fit in such manner as may be agreed to between the Board and the Executive Chairman, subject to such approvals as may be required.
- iii. The Executive Chairman shall abide by the provisions contained in Section 166 of the Act with regard to the duties of director.
- iv. The Executive Chairman shall adhere to the Company's Code of Conduct and Ethics and Code of Conduct for Prevention of Insider Trading.
- v. The Executive Chairman shall not be liable to retire by rotation.
- vi. The Agreement may be terminated by the Company or the Executive Chairman by giving not less than three months' notice in writing.

Mr. Hemant M. Shah satisfies all the conditions set out in Part I of Schedule V to the Act as also conditions set out under sub-section 3 of Section 196 of the Act for being eligible for his reappointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Act.

The above may be treated as a written memorandum setting out the terms of reappointment of Mr. Hemant M. Shah under Section 190 of the Act.

In compliance with the provisions of Sections 196, 197, 198 and 203 and other applicable provisions of the Act, read with Schedule V to Act and Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, specifies that members approval by way of special resolution will be required if the total remuneration payable to more than one executive directors who are promoters or members of the promoter group exceeds 5% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013. Hence, your Company thought it's prudent to obtain approval from the members by way of Special Resolution. The resolution as set out Item No. 3 of the accompanying Notice is placed before the members for their approval.

Details as required under section II of proviso (iii) and (iv) of Schedule V is available on the website of the Company at the link <http://hubtown.co.in/investors>.

A copy of the draft Agreement proposed to be executed between the Company and Mr. Hemant M. Shah setting out the terms and conditions of appointment is available electronically for inspection by the Members during the normal business hours on any working day excluding Saturdays, Sundays and intervening public holidays, upto and including the date of the Annual General Meeting.

The Directors are of the view that the appointment of Mr. Hemant M. Shah as Executive Chairman will be in the best interest of the Company having regard to his immense knowledge and vast and varied business experience.

The Board recommends the special resolution at Item No. 3 of the accompanying Notice for the approval of the members.

Mr. Hemant M. Shah and Mr. Vyomesh M. Shah who are related to each other, are interested in the said resolution.

The other relatives of Mr. Hemant M. Shah may be deemed to be interested in the resolution set out at Item No. 3 of the accompanying Notice, to the extent of their shareholding interest in the Company.

Save and except the above, none of the other Directors or Key Managerial Personnel of the Company and their relatives are in any way, concerned or interested, financially or otherwise in the said resolution.

This Statement may also be regarded as disclosure under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### ITEM NO. 4

1. Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company in its meeting held on June 29, 2021, re-appointed Mr. Vyomesh M. Shah as Managing Director of the Company for a period of three years from January 1, 2022 to December 31, 2024, on the terms and conditions as detailed in para 2 below.



2. The terms and conditions of his appointment and remuneration payable are as under:
  - i. **Term of Appointment:** 3 years with effect from January 1, 2022 to December 31, 2024.
  - ii. **Nature of Duties:** The Managing Director shall devote his Whole-Time and attention to the business of the Company and shall carry out such functions, exercise such powers of management and carry out such duties as may be entrusted to him by the Board in connection with and in the best interests of the business of the Company and the business of one or more of its associate companies / joint ventures / subsidiary companies from time to time.
  - iii. **Remuneration :**
    - a. **Basic salary:** ₹ 4,80,000 per month in the scale of ₹ 4,50,000 – ₹14,00,000 with authority to the Board of Directors of the Company ('the Board') to grant such increments within the said scale as it may determine from time to time, based on the recommendations of the Nomination and Remuneration Committee.
    - b. **Performance Incentive:** Not exceeding 100% of the annual salary. The specific amount payable shall be determined by the Board based on the recommendation of the Nomination and Remuneration Committee, from year to year.
    - c. **Perquisites, Benefits and Allowances:** Perquisites are classified into three categories 'A', 'B' and 'C' as follows:
 

**Category 'A':**

      - i. Rent free furnished/unfurnished accommodation provided by the Company or by any of its subsidiary. In the event no accommodation is provided by the Company, the Managing Director shall be paid House Rent Allowance of ₹8,00,000 per annum.
      - ii. Medical Reimbursement: Medical expenses incurred for self and family in accordance with the Rules of the Company.
      - iii. Leave Travel Concession for self and family once a year not exceeding one month's basic salary in accordance with the Rules of the Company.
      - iv. Club Fees: Subscription or reimbursement of membership fees (including admission and life membership fees), subject to a maximum of two clubs.
      - v. Personal Accident Insurance: Premium on Personal Accident Policy in accordance with the Rules of the Company.
      - vi. Benefits, if any, assigned under Keyman Insurance Policy.
      - vii. Other Allowances: As may be decided by the Board/Nomination and Remuneration Committee from time to time, subject to the provisions of the Act and Schedule V thereto.

**Explanation:** Perquisites shall be evaluated as per the Income Tax Rules, wherever applicable and in the absence of any such rule, perquisites shall be evaluated at actual cost.

**Category 'B':**

      - i. Company's contribution to provident fund and payment of gratuity shall be as per the Rules of the Company.
      - ii. Leave/Leave encashment as per the Rules of the Company.

**Explanation:** Contribution to provident fund, payment of gratuity and encashment of leave at the end of the tenure shall not be included in the computation of the ceiling on remuneration.

**Category 'C' (Amenities):**

      - i. Conveyance facilities: The Company shall provide chauffeur driven vehicles owned by the Company and/or its subsidiaries.
      - ii. Communication facilities: The Company shall provide telephone, cellular phone, telefax, internet and other communication facilities at the residence of the Managing Director.
      - iii. The Managing Director shall be entitled to the expenses actually incurred on travelling and boarding and lodging for self and also for spouse and attendant, if required, accompanying him on domestic and overseas business trips.

**Explanation:** The amenities shall not be included in the computation of the ceiling on remuneration.
  - iv. **Minimum Remuneration:**

Where in any financial year during the tenure of the Managing Director, the Company has no profits or its profits are inadequate, the remuneration, perquisites and other allowances payable to the Managing Director shall be governed by the limits prescribed in Section II of Part II of Schedule V to the Companies Act, 2013 as amended from time to time.

## ANNEXURE TO THE NOTICE (CONTD.)

**v. Other Terms and Conditions:**

- i. The Managing Director shall not become interested or otherwise concerned directly or indirectly or through his spouse and/or children, in any selling agency of the Company.
- ii. The terms and conditions of the appointment of the Managing Director may be altered and varied from time to time by the Board as it may, in its discretion deem it in such manner as may be agreed to between the Board and the Managing Director, subject to such approvals as may be required.
- iii. The Managing Director shall abide by the provisions contained in Section 166 of the Act with regard to the duties of director.
- iv. The Managing Director shall adhere to the Company's Code of Conduct and Ethics and Code of Conduct for Prevention of Insider Trading.
- v. The Managing Director shall be liable to retire by rotation.
- vi. The Agreement may be terminated by the Company or the Managing Director by giving not less than three months' notice in writing.

Mr. Vyomesh M. Shah satisfies all the conditions set out in Part I of Schedule V to the Act as also conditions set out under sub-section 3 of Section 196 of the Act for being eligible for his reappointment. He is not disqualified from being appointed as Director in terms of Section 164 of the Act.

The above may be treated as a written memorandum setting out the terms of reappointment of Mr. Vyomesh M. Shah under Section 190 of the Act.

In compliance with the provisions of Sections 196, 197, 198 and 203 and other applicable provisions of the Act, read with Schedule V to Act and Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, specifies that members approval by way of special resolution will be required if the total remuneration payable to more than one executive directors who are promoters or members of the promoter group exceeds 5% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013. Hence, your Company thought it's prudent to obtain approval from the members by way of Special Resolution. The resolution as set out Item No. 4 of the accompanying Notice is placed before the members for their approval.

Details as required under section II of proviso (iii) and (iv) of Schedule V is available on the website of the Company at the link <http://hubtown.co.in/investors>.

A copy of the draft Agreement proposed to be executed between the Company and Mr. Vyomesh M. Shah setting out the terms and conditions of appointment is available electronically for inspection by the Members during the normal business hours on any working day excluding Saturdays, Sundays and intervening public holidays, upto and including the date of the Annual General Meeting.

The Directors are of the view that the appointment of Mr. Vyomesh M. Shah as Managing Director will be in the best interest of the Company having regard to his immense knowledge and vast and varied business experience.

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

Mr. Vyomesh M. Shah and Mr. Hemant M. Shah who are related to each other, are interested in the said resolution.

The other relatives of Mr. Vyomesh M. Shah may be deemed to be interested in the resolution set out at Item No. 4 of the accompanying Notice, to the extent of their shareholding interest in the Company.

Save and except the above, none of the other Directors or Key Managerial Personnel of the Company and their relatives are in any way, concerned or interested, financially or otherwise in the said resolution.

This Statement may also be regarded as disclosure under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### ITEM NO. 5

At the 30th Annual General Meeting of the Company held on September 27, 2018, the members had approved of the payment of commission to Non-Executive Directors of the Company not exceeding one percent per annum of the net profits of the Company, subject to a ceiling limit of ₹ 40,00,000/- (Rupees Forty Lakh only) per annum for a period of 3 (three) years commencing from April 1, 2018 to March 31, 2021. It is proposed to continue with the payment of commission to Non Executive Directors of the Company. Accordingly, it is proposed that in terms of Section 197 of the Act, the Directors (apart from the Executive Chairman and the Managing Director) be paid, for each of the 3 (three) consecutive financial years commencing April 1, 2021 to March 31, 2024, remuneration not exceeding one percent per annum of the net profits of the Company, subject to a ceiling limit of ₹ 20,00,000/- (Rupees Twenty Lakh only) per annum, computed in accordance with the provisions of the Act. This remuneration will be distributed amongst the Non-Executive Directors in accordance with the directions given by the Board.

This remuneration shall be in addition to the sitting fees payable to the Non-Executive Directors of the Company for attending the meetings of the Board or Committees of the Board or for any other purpose whatsoever as may be decided by the Board, and reimbursement of expenses for participation in the Board and other meetings.

## ANNEXURE TO THE NOTICE (CONTD.)

The Board recommends the resolution at Item No. 5 of the accompanying Notice for approval of the members.

All the Directors of the Company except the Executive Chairman and the Managing Director, and their relatives to the extent of their shareholding interest, if any, in the Company may be deemed to be concerned or interested in the resolution set out at Item No. 5 of the accompanying Notice to the extent of the remuneration that may be received by them.

### ITEM NO. 6

The Board of Directors of the Company, based on the recommendation of the Audit and Compliance Committee, has approved the appointment of M/s. Shekhar Joshi & Co., Cost Accountants (Firm Registration No. 100448) as Cost Auditor for auditing the cost records of the Company for the financial year 2021-2022 on a remuneration of ₹ 1,50,000/- (Rupees One Lakh Fifty Thousand only) plus applicable taxes and reimbursement of out-of-pocket expenses.

The Company has received the consent letter and eligibility certificate from M/s. Shekhar Joshi & Co., Cost Accountants, to act as Cost Auditors of the Company for the year ending March 31, 2022 along with a confirmation that, their appointment, if made, would be within the limits prescribed under the Companies Act, 2013. The said eligibility certificate and consent letter will be available for inspection of the members through electronic mode.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration to the Cost Auditors as recommended by the Audit and Compliance Committee and approved by Board of Directors, has to be ratified by the members of the Company. Accordingly, ratification by the members is sought, as referred to in the resolution at Item No. 6 of the accompanying Notice, for the payment of the remuneration amounting to ₹ 1,50,000/- (Rupees One Lakh Fifty Thousand only) for cost audit for each financial year plus applicable taxes and out-of-pocket expenses to the Cost Auditor for Financial Year ending March 31, 2022.

The Board recommends the resolution at Item No. 6 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. 7

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, the company shall obtain previous approval of its members 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 32nd Annual General Meeting of the Company held on December 24, 2020, 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 (Rupees Five Thousand Crore only) 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, 2021.

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.

Accordingly, the consent of the members is sought for passing the special resolution as set out at Item No. 7 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. 7 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**

**Sadanand Lad**  
Company Secretary  
Membership No. : A19899

June 29, 2021  
Mumbai

## ANNEXURE TO THE NOTICE (CONTD.)

### ANNEXURE - I

**DETAILS OF DIRECTORS 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**

	Name of the Directors	
	Mr. Hemant M. Shah	Mr. Vyomesh M. Shah
<b>DIN</b>	<b>00009659</b>	<b>00009596</b>
Date of Birth	May 20, 1953	November 15, 1959
Age	68 years	62 years
Qualification	Civil Engineer from Mumbai University	Commerce Graduate and Chartered Accountant
Date of first appointment	February 16, 1989	February 16, 1989
No. of shares held	54,70,000 equity shares	75,65,000 equity shares
Expertise in specific functional areas.	Over 40 years of experience in executing diverse real estate and engineering projects. Mr. Hemant M. Shah is the key driving force behind the Company's design and engineering planning, construction, execution, marketing and sales functions as well as future business expansion strategies and plans for the Company.	Over 31 years of experience and expertise in the field of real estate development, project planning, finance, business strategy and management.
Terms and conditions of appointment / reappointment	Appointed for a term of 3 (three) years from January 1, 2022 to December 31, 2024 shall not be Liable to retire by rotation.	Appointed for a term of 3 (three) years from January 1, 2022 to December 31, 2024. Liable to retire by rotation.
Remuneration last drawn	₹ 9,60,600/- p.a.	₹ 9,00,600/- p.a.
No. of Board meetings attended during the year	4 (four)	4 (four)
Relationship with other Directors, Manager and Key Managerial Personnel	Related to Mr. Vyomesh Shah, Managing Director of the Company.	Related to Mr. Hemant M. Shah, Executive Chairman of the Company.
Directorships held in other companies	Rare Townships Private Limited	Joyous Housing Limited
Membership/Chairmanship of committees of the Company	Chairman of Corporate Social Responsibility Committee and Committee of Directors, Member of Nomination and Remuneration Committee, Risk Management Committee and Stakeholder's Relationship Committee	Member of Audit and Compliance Committee, Corporate Social Responsibility Committee, Risk Management Committee and Committee of Directors
Membership/Chairmanship of committees of other companies	None	None

## DIRECTORS' REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS

To  
The Members,

Your Directors have pleasure in presenting their Thirty-Third Annual Report and the Audited Financial Statements (Standalone and Consolidated) for the Financial Year ended March 31, 2021 together with the Independent Auditors' Reports thereon.

### 1. FINANCIAL RESULTS :

The standalone and consolidated financial highlights of your Company for the financial year ended March 31, 2021 are summarized below:

(₹ in lakh)

	STANDALONE		CONSOLIDATED	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
Income from Operations	24406	25221	26608	27273
Total Income	29059	28836	31206	31118
Total Expenses	44833	32691	44183	34024
Profit / (Loss) before Tax	(15774)	(3855)	(12977)	(2906)
Profit / (Loss) for the year	(15599)	(5947)	(12161)	(6062)
Add : Other Comprehensive Income	(121)	60	(128)	70
Total Comprehensive Income (Loss) for the year	(15720)	(5887)	(12289)	(5992)
Net Profit / (Loss) attributable to :				
— Owners of the Parent	—	—	(12048)	(6074)
— Non-controlling Interest	—	—	(113)	12
Other Comprehensive Income attributable to :				
— Owners of the Parent	—	—	(128)	70
— Non-controlling Interest	—	—	—	—
Total Comprehensive Income attributable to :				
— Owners of the Parent	—	—	(12176)	(6004)
— Non-controlling Interest	—	—	(113)	12
Networth	151824	167544	143268	155425
Earnings per Share before Extraordinary Item (₹) (EPS)	(21.45)	(8.18)	(16.56)	(8.35)
Earnings per Share after Extraordinary Item (₹) (EPS)	(21.45)	(8.18)	(16.56)	(8.35)

### 2. FINANCIAL PERFORMANCE:

#### Standalone and Consolidated Financials

##### Standalone Financials

- Income from operations stood at ₹24406 lakh as against ₹ 25221 lakh in the previous year lower by 3.23 %;
- Total Income stood at ₹ 29059 lakh, increase by 0.77 % as against ₹ 28836 lakh in the previous year;
- Total Expenses stood at ₹ 44833 lakh as against ₹ 32691 lakh in the previous year;
- Profit/(Loss) before Tax was ₹ (15774) lakh as against loss of ₹ (3855) lakh in the previous year;
- (Loss) for the year was ₹ (15599) lakh as against loss of ₹ (5947) lakh in the previous year;
- Earning per Share before and after Extraordinary Item was ₹ (21.45) as against ₹ (8.18) in the previous year; and
- Networth of the Company stood at ₹ 151824 lakh as against ₹167544 lakh in the previous year.

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

### Consolidated Financials:

- Income from operations stood at ₹ 26608 lakh as against ₹ 27273 lakh in the previous year lower by 2.44 %;
- Total income stood at ₹ 31206 lakh as against ₹ 31118 lakh in the previous year increase by 0.28%
- Total Expenses stood at ₹ 44183 lakh as against ₹ 34024 lakh in the previous year;
- Loss before Tax was ₹ (12977) lakh as against loss of ₹ (2906) lakh in the previous year;
- Loss after Tax and Other Items was ₹ (12161) lakh as against loss of ₹ (6062) lakh in the previous year;
- Earning per Share before and after Extraordinary Item was ₹ (16.56) as against ₹ (8.35) Lakh in the previous year; and
- Networth of the Company stood at ₹ 143268 lakh as against ₹ 155425 lakh in the previous year.

### 3. IMPACT OF COVID – 19:

Your Directors have been periodically reviewing with the Management, the impact of COVID-19 on the Company. During the 1st quarter of the year, your Company had to temporarily suspend operations as per the directives of the Government, keeping in mind the paramount need of safety of the employees.

COVID-19 had a significant impact on the real estate sector from the last two quarters of Financial Year 2019-2020 and the impact continues until the first half of 2021 as the situation still worsens up than last year. The state government has imposed stringent guidelines for the public and also made restrictions on movement of persons from 1st Week of April, 2021 so it was advised to all employees for Work from Home.

The Board and the Management will continue to closely monitor the situation as it evolves and do its best to take all necessary measures, in the interests of all stakeholders of the Company.

### 4. DIVIDEND:

In view of the loss incurred, the Directors have not recommended any dividend on the equity shares for the Financial Year ended March 31, 2021.

### 5. DIVIDEND DISTRIBUTION POLICY:

The provisions of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 relating to framing of 'Dividend Distribution Policy' are presently not applicable to the Company.

### 6. TRANSFER TO RESERVES:

No amount is proposed to be transferred to Reserves during the Financial Year 2020-2021.

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

Pursuant to the provisions of Section 124 of the Companies Act, 2013, the unclaimed dividend amount of ₹ 49,003/- for the Financial Year 2012-2013 was transferred to the Investor Education and Protection Fund (IEPF) after giving due notices to the members.

### 8. SHARE CAPITAL:

The paid-up equity share capital of the Company as on March 31, 2021 was ₹ 7273.59 lakh. During the year under review, the Company had not issued any shares with differential rights or sweat equity shares. Presently, the Company does not have any stock option scheme for its employees.

### 9. DEBENTURES:

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

### 10. REVISION OF FINANCIAL STATEMENTS OR BOARD'S REPORT:

During the year under review, no revision was made in the previous financial statements or the Board's Reports in respect of any of the three preceding financial years.

### 11. 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 is required under Rule 16 (4) of the Companies (Share Capital and Debentures) Rules, 2014.



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

### 12. DETAILS OF DEMAT SUSPENSE ACCOUNT:

Pursuant to Regulation 39 (4) read with Schedule VI to SEBI Listing Regulations, the Company has opened a separate demat suspense account in the name and style of "Hubtown Limited – Unclaimed Shares Suspense Account" and credited the shares of the Company which are remaining unclaimed by the shareholders under the Initial Public Offering (IPO). The details of such unclaimed shares as on March 31, 2021 are set out hereunder:

Sr. No.	Particulars	No. of shareholders	No. of shares
1.	Aggregate no. of shareholders and the outstanding shares in the aforesaid suspense account lying at the beginning of the year i.e. April 1, 2020	20	270
2.	No. of shareholders who approached for transfer of shares from the said account during the year 2020-2021	Nil	Nil
3.	No. of shareholders to whom the shares were transferred from the said account during the year 2020-2021	Nil	Nil
4.	Aggregate no. of shareholders and the outstanding shares in the aforesaid suspense account lying at the end of the year i.e. March 31, 2021	20	270

The voting rights on the outstanding unclaimed shares as on March 31, 2021 shall remain frozen as long as the shares remain in the Suspense Account 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, M/s. Link Intime India Private Limited.

### 13. CHANGE IN THE NATURE OF BUSINESS:

There has been no change in the nature of business of the Company during the year under review.

### 14. REGISTERED OFFICE:

During the year under review, keeping in mind the cost saving measure and for administrative convenience, the registered office of the Company was shifted from Plaza Panchsheel, "A" Wing, 5th Floor, Hughes Road, Behind Dharam Palace, Grant Road (West), Mumbai - 400007 to HUBTOWN SEASONS', CTS No. 469-A, Opp. Jain Temple, R. K. Chemburkar Marg, Chembur (East), Mumbai – 400071, effective August 17, 2020.

### 15. 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	Hubtown Sunstone – Bandra (East) – Phase I & Phase II
Hubtown Gardenia – Mira Road	Hubtown Sunmist - Andheri (East) 'A' Wing
Hubtown Countrywoods Phase II – Kondhwa, Pune	Hubtown Solaris – Phase I & Phase II
Hill Crest – Andheri (East)	Hubtown Greenwoods – Thane Phase – I
Hubtown Vedant – Sion (East) – Phase – I	

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

### Ongoing Projects:

Hubtown Seasons – Chembur	Hubtown Serene – Bandra (East)
Hubtown Greenwoods – Thane Phase – II	Hubtown Celeste – Worli
Hubtown Heaven – Matunga (East) 'C' Wing	Hubtown Premiere – Andheri (West)
Hubtown Vedant – Sion (East) – Phase – II	Rising City – Ghatkopar-Mankhurd Link Road
Hubtown Countrywoods Phase III – Kondhwa, Pune	

### Future Projects:

Hubtown Divinity – Thane ; Hubtown Square – Thane;

### Commercial:

#### Project Completed:

Hubtown Viva – Phase – II, Jogeshwari (East)

### Ongoing Projects

Hubtown Solaris Phase – III – Andheri (East) ; Hubtown – Surat

Joyos Hubtown – Ahmedabad – South Star ; Joyos Hubtown – Mehsana ; Joyos Hubtown – Vadodara

### IT SEZ and Township:

#### Ongoing Projects:

Sunstream City Phase – I - Mulund-Thane

## 16. MANAGEMENT DISCUSSION AND ANALYSIS:

The Management Discussion and Analysis, forming part of the Board Report for the year under review as prescribed under Regulation 34 (2) (e) read with Schedule V to the SEBI Listing Regulation is discussed hereinbelow:

### GLOBAL ECONOMY OVERVIEW:

The outbreak of COVID-19 has impacted nations in an enormous way, especially the nationwide lockdowns which have brought social and economic life to a standstill. A world which forever buzzed with activities has fallen silent and all the resources have been diverted to meeting the never-experienced-before crisis. There is a multi-sectoral impact of the virus as the economic activities of nations have slowed down.

### INDIAN ECONOMY OVERVIEW:

In India, this COVID-19 pandemic affected the manufacturing and the services sector—hospitality, tours and travels, healthcare, retail, banks, hotels, real estate, education, health, IT, recreation, media and others. The economic stress had started which was likely to grow rapidly. While lockdown and social distancing resulted in productivity loss on the one hand, they caused a sharp decline in demand for goods and services by the consumers in the market on the other, thus leading to a collapse in economic activity.

India's real GDP (Gross Domestic Product) was estimated to contract by 7.7% in 2020-21, compared to a growth rate of 4.2% in 2019-20, with Real GVA (Gross Valued added) shrinking by 7.2%, as per advance estimates released by the National Statistical Office (NSO). India's economy had grown at 4.2% in 2019-20, but entered a recessionary phase with two successive quarters of sharp contraction triggered by the COVID-19 national lockdowns beginning March 2020.

### REAL ESTATE SECTOR OVERVIEW:

The year 2020 brought the Indian real estate sector to an inflection point. As the effects of the COVID-19 pandemic unfolded across the world and India went into multiple phases of lockdowns, the impact on real estate was felt across the board.

Construction activities were brought to a sudden halt in the first quarter due to the COVID-19 induced lockdown and the uncertainty over jobs and livelihoods robbed the market of its potential buyer-base leading to near zero demand.

Cashflows were severely impacted with sales coming to a grinding halt and costs remaining the same. With migrant labourers migrating to their hometowns, it took several more months to revive activity even after the lockdown was lifted.

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

The central government and the Reserve Bank of India (RBI) announced several measures to infuse liquidity and provide incentives to boost the economy and the real estate sector while various state governments temporarily reduced the stamp duty charges. The effects of these measures were felt in the months starting July 2020.

The pandemic has however played a part in re-shaping sentiments, tastes and preferences of home buyers. Online home sales have begun to gain traction. There has been a major shift towards digitization due to the pandemic; people who favour offline property search now prefer online real estate portals to search their dream homes. There has also been a huge demand for virtual tours wherein home-buyers are opting the same either to shortlist or to finalise their homes.

The second wave of COVID-19 pandemic has been more devastating than the first, with severe repercussions on the healthcare system all around. To curtail cases, there were localized lockdowns across most of the top cities and this affected site visits and, therefore, housing sales. Unlike earlier, people are wary of going out at the current time, and home buyers are, therefore, in a wait-and-watch mode.

The second wave has shaken the entire nation along with the administration. Due to the lockdown in almost the entire country, the economic activities and demand have slowed down. The real estate sector too has been affected by the second wave.

There is hope for revival in the third quarter, however, if the speculated third wave is to hit the country, it could prove devastating for the real estate sector.

### SEGMENT WISE PERFORMANCE:

#### Commercial:

The commercial sector is important because it has a direct impact on the economic cycle. Consumers may need larger spaces to operate from in the long run if social distancing becomes a norm after the second wave. Better security, health, and safety facilities and services are also likely to be demanded. Commercial infrastructure, such as malls and offices, is critical for economic growth. The recent selling of commercial properties indicates that investors and buyers recognize the value of this sector to the well-being of citizens and the economy.

As a result of COVID-19, the commercial sector is looking at an increased investment from Non Resident Indians (NRIs). The rupee's decline has made investment opportunities for NRIs considerably more lucrative. Real estate investors have turned their attention to commercial real estate, which offers a higher yield and appreciation potential.

There seem to be some opportunities arising in real estate space in the industrial sector in warehousing and data centers as technology focused companies in these spaces increase volumes.

#### Residential:

The unprecedented crisis put across by the current COVID-19 pandemic has certainly impacted the Indian residential real estate significantly. The sector had already been grappling with subdued demand for a long time and the liquidity crisis in 2019 and COVID-19 has made things more difficult for the sector.

The residential market's revival hinges on the intensity, duration of a pandemic, government support and concessions. To boost home-buyer sentiment, the central government and Reserve Bank of India (RBI) announced several measures to infuse liquidity and provide incentives to boost the economy and the real estate sector while state government temporarily reduces stamp duty charges.

In the residential sector, pre-COVID-19 challenges related to subdued demand and liquidity pressures will continue causing slowdown in sales in the short to medium term. With a screeching halt to site visits, discussions, documentation and closures, the early indicators depict that the residential real estate sector is likely to face a tough time for the next few quarters and the sector's recovery has been pushed further away by at least few quarters.

#### Retail:

Coronavirus pandemic amid an economic slowdown has hit Retail Sector also very badly. Retailing as a business is seasonal, highly dependent on consumer spending and during the current year's vacation season. During the lockdown, owing to COVID - 19 pandemic, Indians were either locked down in homes or prohibited to congregate, as a result there was muted buying and muted spending on eating out, recreation and entertainment. Not only the lockdown but also social distancing combined with the overall economic gloom and employment uncertainty are likely to bear an impact on consumer spending.

COVID-19 outbreak has added enormous pressure to the already delicately poised Indian retail sector. New completions will be deferred, leasing activity will be delayed and rentals have already come under pressure, vacancies may see a momentary rise and the sector's growth rate will be slowed.

### OPPORTUNITIES AND THREATS:

#### Opportunities:

The current lockdown, owing to the Coronavirus crisis, has massively impacted the world economy including real estate. However, there lies an opportunity in every crisis, and COVID-19 looks no different.

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

Your Company has projects in affordable housing, projects with good amenities which are close to completion, and offices with lower ticket size for office and retail to suit the requirement of customers with different requirements.

### 1) **Increase in demand from NRIs:**

Over the years, demand from NRIs has become an important driving factor of the real estate market in India. Especially since the establishment of RERA, international buyers have gained confidence to invest in the properties that are registered under RERA, which secures their investment, even while settled abroad.

In the current COVID-19 scenario, it is expected that NRIs shall be again interested to buy homes in India and this may eventually raise demand.

### 2) **Increase in demand for Affordable Housing :**

Affordable housing continues to remain a significant opportunity for developers and a key focus area for the government. There is a major shortage of supply in affordable housing stock, especially housing that caters to the economically weak and low-income segments.

Your Company is developing several optimally sized and priced apartments at several prime locations in Mumbai.

### 3) **Increase in demand for lower ticket size office / retail :**

COVID-19 pandemic has enforced the concept of 'Work from Home' (WFH) into an officially mandated, strictly enforced rule. Even as the Coronavirus crisis eventually recedes, many employers will have discovered that they don't need large office buildings, and many employees will have discovered that they don't need to be in the office every day or spend hours commuting. Businesses will realise they don't need big setup for office when their employees can work just as efficiently from home and they don't have to come to office every day. This will lead to increase in demand for office / retail with low ticket size. Your company is developing 4 projects in Gujarat (Ahmedabad, Mehsana, Vadodara and Surat) which cater to this segment.

### 4) **Value for open spaces and gated communities:**

The lockdown has connected people to Nature again. The need for fresh air and open spaces has gained popularity in the lockdown. In order to enjoy the openness, people might start looking for larger balconies, terrace spaces, garden spaces, amenities and sit-outs.

This pandemic has also brought in a sense of comfort as gated communities have taken extreme measures to fight the pandemic, controlled access, blocking of solicitation, ensure supply of essentials, community helping for the elderly staying alone, pet care etc. which are not possible for stand-alone houses and buildings has brought about a greater sense of community.

Your Company is developing projects to suit the demand of open space in Chembur & Ghatkopar and is expecting to do well from sales.

### 5) **Digital Real Estate Sales:**

Over the past few years, digital marketing has emerged as an important tool for real estate developers to boost their sales and reach out to customers globally. While the earlier marketing activities were limited to building consumer experience and establishing connection through digital means, the pandemic has forced the developers to change their conventional sales models.

Developers, who have been able to migrate their sales process from on-boarding of customers to closing the deal online, have recorded healthy sales even during the lockdown. Digital collaboration tools can be leveraged by the developers to interact with potential customers, showcase project brochures, facilitate virtual site tours, and focus on NRIs to propel the sales. Going ahead, it will be imperative for the developers to adapt to a tech-savvy future in terms of digital platforms for sales and marketing and also introduce enhanced automation at sites.

## THREATS AND CHALLENGES:

### Threats :

#### 1) **Shortage of Manpower & Technology:**

The real estate sector is heavily dependent on manual labour. During the pandemic, the sector was badly hit due to reverse migration of construction workers which affected the construction activity severely, leading to delayed timelines for project completion. Hence, there is a need for development of technologically less labour intensive alternative methods of construction.

#### 2) **Delay in Revenue Generation and Cash Inflows:**

The working or self-employed customers are facing pay-cuts and falling disposable incomes due to the COVID-19 pandemic. There has been a marked rise in the number of customers delaying due payment / installments has affected the budgeted cash inflows of the company and may ultimately result in delayed completion of the projects. Furthermore, your Company expects a small number of cancellations of bookings made especially in under construction projects due to the delays and customers' inability to make the scheduled payments. Your Company also expects that new bookings and new revenue generation will be slow this year as potential customers will not be as willing to visit sites, customers' loan eligibility may be impacted and customers will also be expecting substantial discounts on current prices.

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

### 3) Regulatory Hurdles:

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

### 4) Increased Costs:

Due to shortage of labour in Mumbai, your Company expects that labour prices will continue to remain high for the next 6 months, which will impact profitability of the Company. Your Company also expects that the Company shall be able to get financing facilities at higher rates, given the crisis in the NBFC and Banking sector and the overall reduction in real estate by the major lenders in this space.

### RISKS AND CONCERNS :

#### Real Estate Specific Risks :

- Competition from existing as well as new players, both domestic as well as foreign.
- Real estate price cycles have the maximum impact on the margins of the developers.
- Fluctuations in market conditions may affect the ability to sell units at expected prices, which could adversely impact revenues and earnings.
- Unfavourable changes in government policies 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.
- Legal and statutory risk - ownership and land title issues.
- Human Resource Risk – high attrition of skilled / trained manpower.

#### Concerns :

- Liquidity Crunch : Liquidity Crunch has made things even more difficult for the developer community.
- High Cost of Capital : In the absence of bank finance the developers had been resorting to PE funding to finance land purchases. This financing route increases the cost of capital drastically.
- Scarcity of Land : The non-availability of land within city limits along with rising land and construction cost is leading to an increase in the overall cost of the project, thus making the projects unviable.
- Restrictive development norms : Low floor area ratio, density norms, ground coverage, parking provision also pose a challenge for the real estate.
- High Cost of emerging technology absorption.

### OUTLOOK :

The year 2020 was an unprecedented year that saw huge demand destruction, instability and uncertainties due to the COVID-19 pandemic. The year 2021 began with lingering uncertainties around the pandemic. Going by the experience of some of the other countries, there is a threat of further waves of COVID infection. It is hoped that with vaccination drive in full swing, it is hoped that 2021 will be a year of cautious optimism and rebound in business and economic activities.

#### Strengthen relationships with key service providers and develop multiple vendors:

In order to continue delivering landmark offerings to our customer, we shall further strengthen our relationship with our key service providers, i.e. architects, designer and contractors. Your Company is also working on strategy to develop more and more vendors who can deliver product and services in line with Company's philosophy and product offerings.

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

### 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 endeavours 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 123 employees on its payroll as on March 31, 2021.

### INTERNAL CONTROL SYSTEMS:

The Company has adequate internal control systems, commensurate with the size and nature of its business. Well documented policies and procedures to monitor business and operational performance are supported by IT systems, all of which are aimed at ensuring business integrity and promoting operational efficiency. A firm of internal auditors appointed by the Company conducts periodical audits to ensure adequacy of internal control systems, adherence to management policies and compliance with laws and regulations. Their scope of work includes internal controls on accounting, efficiency and economy of operations. The internal auditors also report on the implementation of their recommendations.

Reports of the Internal Auditors are regularly reviewed at the Audit and Compliance Committee meetings. The Audit and Compliance Committee also reviews the adequacy and effectiveness of the internal control systems and suggests improvements, when so required.

### DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS :

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the Company is required to give details of significant changes (change of 25 % or more as compared to the immediately previous financial year) in key financial ratios.

Sr. No.	Particulars of Ratio	Ratio 2020-21	Ratio 2019-20	Percentage Change
i	Debtor Turnover Ratio	1.20	0.28	328.57%
ii	Inventory Turnover Ratio	0.02	0.02	0.00%
iii	Interest Coverage Ratio	(1.59)	0.72	(320.83)%
iv	Current Ratio	1.04	0.97	7.22%
v	Debt Equity Ratio	0.42	0.39	7.69%
vi	Operating Profit Margin	(0.58) %	1.75%	(133.14)%
vii	Net Profit Margin	(63.87) %	(23.28)%	174.36%
viii	Return on Networth	(10.23) %	(3.69) %	177.24%

Reason for change in 25% or more in key financial ratios as compared to the immediately previous financial year:

- Debtor Turnover Ratio: Due to increase in sales turnover and increase in sales realization as compared to financial Year 2019-20.
- Interest Coverage Ratio: Due to increase in other expenses which resulted in increase in losses for the financial year 2020-21, the operating profit margin has declined.
- Net Profit Margin: Due to increase in other expenses which resulted in increase in losses for the financial year 2020-21, the operating profit margin has decreased.
- Return on Networth: Return on Net Worth has further declined due to loss incurred during the year on account of increase in expenses.

## 17. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

### Directors:

Mrs. Priti K. Shah, Non-Executive Director stepped down from the Board of Director of the Company owing to her other commitments, with effect from May 25, 2021. The Board places on record its sincere appreciation for the invaluable contribution by Mrs. Priti K. Shah to the deliberations of the meetings of the Board and the Committee of the Board of which she was a member during her tenure as Director of the Company.

In accordance with the provisions of Section 152 (6) (e) of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Vyomesh M. Shah (DIN: 00009596) Executive Non-Independent Director retires by rotation at the ensuing Annual General Meeting, and being eligible, offers himself for re-appointment. Mr. Vyomesh M. Shah is not disqualified from being re-appointed as a Director by virtue of the provisions of Section 164 of the Companies Act, 2013. The proposal for his reappointment has been included in the Notice convening the ensuing Annual General Meeting.



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

Based on the recommendations of the Nomination and Remuneration Committee, Mr. Hemant M. Shah and Mr. Vyomesh M. Shah, were reappointed as Executive Chairman and Managing Director respectively for a period of three years, effective from January 01, 2022 to December 31, 2024, by the Board of Directors in its meeting held on June 29, 2021, subject to the approval of the shareholders in the ensuing Annual General Meeting of the Company.

Brief resume of Mr. Hemant M. Shah and Mr. Vyomesh M. Shah, nature of their expertise in specific functional areas, names of companies in which they are a directors and members of Board committees and shareholding in the Company as required under Regulation 36 (3) of the SEBI Listing Regulations read with clause 1.2.5 of Secretarial Standards SS-2 on general meetings, is furnished in the annexure to the Notice convening the Annual General Meeting.

The Notice convening the ensuing Annual General Meeting includes the proposals for appointment / reappointment of Director / Executive Chairman / Managing Director.

Mr. Kartik Ruparel and Mr. Ketaki R. Shah were appointed as a Non-Executive Independent Directors with effect from September 15, 2020.

During the year under review, the Independent Directors and Non-Executive Directors 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.

### Key Managerial Personnel:

Mr. Amit Vyas, who was appointed as Company Secretary and Compliance Officer of the Company with effect from September 24, 2019 resigned with effect from close of office hours on April 30, 2020.

The Board of Directors on recommendation of Nomination and Remuneration Committee appointed Mr. Sadanand Lad as Company Secretary and Compliance Officer of the Company under Section 203 of the Companies Act, 2013 with effect from July 30, 2020.

Mr. Hemant M. Shah, Executive Chairman, Mr. Vyomesh M. Shah, Managing Director, Mr. Sunil Mago, Chief Financial Officer and Mr. Sadanand Lad, Company Secretary are the Key Managerial Personnel of the Company as at the date of this Report.

### 18. DECLARATION BY INDEPENDENT DIRECTORS:

All the Independent Directors on the Board have given a declaration of their independence to the Company as required under Section 149 (7) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations. In the opinion of the Board, all the Independent Directors possess the integrity, expertise and experience including the proficiency required to be Independent Directors of the Company, fulfill the conditions of independence as specified in the Act and the SEBI Listing Regulations and are independent of the management and have also complied with the Code for Independent Directors as prescribed in Schedule IV to the Act.

### 19. FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS:

Pursuant to Regulation 25(7) of SEBI Listing Regulations, the Company imparted various familiarization programmes for its Independent Directors including, Industry Outlook at the Board Meetings, Regulatory updates at Board and Audit and Compliance Committee Meetings covering changes with respect to the Companies Act, SEBI Listing Regulations, Taxation and other matters, Prevention of Insider Trading Regulations, SEBI Takeover Regulations, meeting with Senior Executive(s) of the Company, etc.

The details of familiarization programmes for Independent Directors held during and upto the year 2020-2021 have been disclosed on the website of the Company and are available at the link <http://hubtown.co.in/investors>.

### 20. 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. The Company has no holding company.

### 21. MEETINGS OF THE BOARD OF DIRECTORS:

The Board of Directors met 4 (Four) times during the year ended March 31, 2021 in accordance with the provisions of the Companies Act, 2013 and the Rules made there under and Regulation 17 (2) of the SEBI Listing Regulations. Additionally, during the year ended March 31, 2021, the Independent Directors held a separate meeting in compliance with the requirements of Schedule IV to the Companies Act, 2013. For further details, kindly refer to the section on 'Corporate Governance Report' forming part of this Annual Report.

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

### 22. COMMITTEES OF THE BOARD:

There are currently Six (6) Committees of the Board, which are as under:

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

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 Report', which forms part of this Annual Report.

### 23. AUDIT AND COMPLIANCE COMMITTEE:

Presently, the Audit and Compliance Committee comprises of Mr. Abhijit Datta, Mr. Sunil Shah, Mr. Kartik Ruparel and Mr. Vyomesh M. Shah. Mr. Kartik Ruparel was appointed as a member of the Committee with effect from September 15, 2020. The Committee comprises of majority of Independent Directors with Mr. Abhijit Datta being the Chairman. Kindly refer to the section on 'Corporate Governance Report' under the heading 'Audit and Compliance Committee' for details relating to terms of reference, meetings and functions of the said Committee.

### 24. 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.

### 25. INTERNAL FINANCIAL CONTROLS:

The Company has in place an adequate system of internal controls commensurate with the size and nature of its business, which ensures that transactions are recorded, authorized and reported correctly apart from safeguarding its assets against loss from wastage, unauthorized use and removal. 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 2020-2021.

### 26. ANNUAL PERFORMANCE EVALUATION:

Pursuant to the provisions of the Companies Act, 2013 and Part 'D' of Schedule II to the SEBI Listing Regulations, the Board has carried out an annual evaluation of its own performance and that of its Committees as well as performance of the Directors individually. Feedback was sought by way of a structured questionnaire covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance and the evaluation was carried out based on responses received from the Directors.

The performance evaluation of Committees was based on criteria such as structure and composition of Committees, attendance and participation of member of the Committees, fulfillment of the functions assigned to Committees by the Board and applicable regulatory framework, frequency and adequacy of time allocated at the Committee meetings to fulfil duties assigned to it, adequacy and timeliness of the agenda and minutes circulated, comprehensiveness of the discussions and constructive functioning of the Committees, effectiveness of the Committee's recommendation for the decisions of the Board, etc.

A separate exercise was carried out by the Nomination and Remuneration Committee of the Board to evaluate the performance of individual Directors. The performance evaluation of the Non-Independent Directors and the Board as a whole was carried out by the Independent Directors at their separate meeting. The performance evaluation of the Executive Chairman of the Company was also carried out by the Independent Directors, taking into account the views of the Managing Director and Non-Executive Directors. The Directors expressed their satisfaction with the evaluation process. The Independent Directors and Executive Chairman also carried out performance evaluation of the Managing Director of the Company.

In addition, the Independent Directors were also evaluated on the basis of fulfillment of independence criteria and independence from the management.

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

### 27. NOMINATION AND REMUNERATION POLICY:

The Nomination and Remuneration Policy for selection and appointment of Directors, Key Managerial Personnel and Senior Management and the remuneration payable to them as provided under Section 178 (3) of the Companies Act, 2013 and Regulation 19 (4) (Part 'D' of Schedule II) of the SEBI Listing Regulations is appended as **Annexure – 'A'** to this Report.

### 28. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to sub-section (3) (c) of Section 134 and Section 134 (5) of the Companies Act, 2013, in relation to the annual financial statements of the Company for the year ended March 31, 2021, 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, 2021, the applicable accounting standards read with the requirements under Schedule III to the said Act had been followed along with proper explanation relating to material departures, if any;
- (ii) they had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year on March 31, 2021, and of the Loss of the Company for the year ended on that date;
- (iii) they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) the annual accounts for the financial year ended March 31, 2021 had been prepared on a 'going concern' basis;
- (v) they had 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 had devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

### 29. CONSOLIDATED FINANCIAL STATEMENTS:

The audited Consolidated Financial Statements prepared in accordance with the applicable Ind AS and Regulation 33 of the SEBI Listing Regulations and Section 129 (3) of the Companies Act, 2013 forms part of this Annual Report.

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

As on March 31, 2021, the Company had 11 subsidiaries, 4 associates and 7 joint venture companies.

During the year under review Twenty Five South Realty Limited ceased to be joint venture of the Company.

Further, during the year under review two wholly owned subsidiaries namely ABP Realty Advisors Private Limited and India Development and Venture Capital Private Limited were strike off from the Register of Companies maintained by the Registrar of Companies, pursuant to Section 248 (2) of the Companies Act, 2013.

The Company did not have any material subsidiary company as on March 31, 2021. There has been no change in the nature of business of any of the said subsidiaries, associates and joint venture companies.

The Policy for determining 'material subsidiary' under Explanation to Regulation 16 (1) (c) of SEBI Listing Regulations as approved by the Board of Directors is posted on the Company's website at the link: <http://hubtown.co.in/investors>.

In accordance with the 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/investors>. Further, as per fourth proviso of the said Section, the audited annual accounts of the subsidiaries have also been placed on the website of the Company at the link: <http://hubtown.co.in/investors>.

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 through electronic mode.

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

During the financial year ended March 31, 2021, the Company did not have any material subsidiary, and, therefore, the provisions of Regulation 24 (1) of the SEBI Listing Regulations were not applicable to the Company.

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.

### 31. 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, 2021 in the prescribed Form AOC-1 forms part of the notes to the financial statements.

### 32. AUDITORS:

#### Statutory Auditors:

In accordance with the provisions of Section 139 of the Companies, Act, 2013 and the Rules made there under, M/s. JBTM & Associates LLP, Chartered Accountants (Firm Registration No.: 100369W) as the Statutory Auditors of the Company for a period of five consecutive years from the conclusion of the 32nd Annual General Meeting till the conclusion of 37th Annual General Meeting of the Company to be held for the year 2025.

M/s. JBTM & Associates, Chartered Accountants 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.

#### Qualifications by Auditors

The Notes to the Financial Statements forming part of the Balance Sheet as at March 31, 2021 and the Statement of Profit and Loss for the year ended on that date, referred to in the Auditor's Report, are self explanatory and do not call for any further clarification /elaboration.

#### Fraud Reporting:

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

#### Cost Records:

As required under Rule 8(5)(ix) of the Companies (Accounts) Rules, 2014, the Company confirms that it has prepared and maintained cost records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 for the year ended March 31, 2021.

#### Cost Auditors:

Based on the recommendation of the Audit and Compliance Committee, the Board has appointed M/s. Shekhar Joshi & Co., Cost Accountants (Firm Registration No. : 100448) as Cost Auditors to conduct the audit of the cost records of the Company for the year ending March 31, 2022 at a fee of ₹ 1,50,000/- (Rupees One Lakh Fifty Thousand Only) plus applicable taxes and reimbursement of out-of-pocket expenses, subject to ratification of the said fees by the members in the ensuing Annual General Meeting pursuant to Section 148 of the Companies Act, 2013. The resolution pertaining to ratification of the remuneration payable to the Cost Auditor forms part of the Notice of the ensuing AGM.

#### Cost Audit Report:

The Cost Audit Report for the year ended March 31, 2021 pursuant to the Companies (Cost Accounting Records) Rules, 2011 will be filed within the period stipulated under the Companies Act, 2013 or such other period as may be prescribed.

#### Secretarial Auditors:

Pursuant to the provisions of section 204 of the Companies Act, 2013 read with corresponding Rules framed thereunder, the Board of Directors has appointed M/s. Mihen Halani & Associates, Practicing Company Secretary to conduct the Secretarial Audit of the Company.

#### Secretarial Audit Report:

In terms of Section 204 of the Companies Act, 2013 and Regulation 24A of the SEBI Listing Regulations, a Secretarial Audit Report from M/s. Mihen Halani & Associates, Practicing Company Secretary, for the financial year ended March 31, 2021 in the Form No. MR-3 is annexed as **Annexure – B** to this Report.

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

### REPLIES TO SECRETARIAL AUDITOR'S QUALIFICATIONS / OBSERVATIONS:

- (1) As regards Secretarial Auditor's qualification with respect to section 139(8) of the Companies Act, 2013 ("the Act"), the Company has convened the general meeting of shareholders, for filing the casual vacancy of the statutory Auditors, after three months of the recommendation of the Board, the Directors stated that the spread of Covid-19 pandemic and the nationwide lockdown since March 24, 2020 resulted in disruption of the normal functioning of the Company and skeletal attendance at office level which in turn has led to delay in the compilation of information and documents for the preparation of the Annual Report for the year ended March 31, 2020. Hence, company was not able to hold Annual General Meeting (AGM) of the Shareholders within a period of 3 months. The Registrar of Companies, Mumbai, Maharashtra on the direction of Ministry of Corporate Affairs has issued an order for extension of time for holding AGM up to 3 months from the due date of the AGM for the financial year ended March 31, 2020.
- (2) As regards Secretarial Auditor's qualification with respect to delay submission of the disclosures of defaults on payment of interest / repayment of principal amount on loans from banks / financial institutions, the Directors stated that due outbreak of Coronavirus Disease (COVID-19) a global pandemic, most of the employees were working from home, which led to delay in the compilation of information and documents. The said delay was solely on account of Covid—19 pandemic and was unintentional.
- (3) As regards Secretarial Auditor's qualification with respect to:
  - i) Delay of 36 (Thirty Six) days in submission of disclosures of related party transactions pursuant to Regulation 23(9) of SEBI Listing Regulations for half year ended March 31, 2020, the Directors stated that the submission of disclosure of related party transactions was delayed due to unavoidable circumstances and due to current COVID-19 pandemic.
  - ii) The vacancy of Independent Director was filled up in 6 (Six) months and 11 (Eleven) days (Regulation 25(6)), the Directors stated that delay in appointment of an independent Director within the prescribed timeline was entirely due to COVID-19 and circumstances beyond the control of the Board and the Management and without malafide intention. Further, the National Stock Exchange has sought clarification in this regard and the Company has suitably replied for the same.
- (4) The Observation of Secretarial Auditor's with respect to rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has sent notice to the shareholders and public announcement has been published in Newspapers and is in due process of filing e-form IEPF-4 as required under rule 6(5) of the said rules is self explanatory.

### ANNUAL SECRETARIAL COMPLIANCE REPORT:

A Secretarial Compliance Report for the financial year ended March 31, 2021 on compliance of all applicable SEBI Regulations and circulars / guidelines issued thereunder, was obtained from M/s.Mihen Halani & Associates, Secretarial Auditors.

### 33. ANNUAL RETURN:

Pursuant to the provisions of Section 134(3)(a) and Section 92(3) of the Companies Act, 2013, the Annual return will be available on the website of the Company at the link <http://hubtown.co.in/investors>.

### 34. MATERIAL CHANGES AND COMMITMENTS:

There have been no material changes and commitments affecting the financial position of the Company between the end of the financial year and date of this Report.

### 35. DEPOSITS:

During the year under review, the Company has not accepted any deposits from public under Chapter V of the Companies Act, 2013.

### 36. 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 framed a Whistle Blower Policy as the vigil mechanism for Directors and employees of the Company to report their genuine concerns in the prescribed manner, to freely communicate their concerns / grievances about illegal or unethical practices in the Company, actual or suspected, fraud or violation of the Company's Codes or Policies. The vigil mechanism is overseen by the Audit and Compliance Committee. 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/investors>.

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

### 37. RISK MANAGEMENT:

Presently, the provisions of Regulation 21 of the SEBI Listing Regulations relating to the 'Risk Management Committee' are not applicable to the 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 Report' forming part of this Annual Report.

### 38. 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. Kindly refer the financial statements for the loans, guarantees and investments given/made by the Company as on March 31, 2021.

### 39. CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES:

All contracts / arrangements / transactions with related parties as defined under the Companies Act, 2013 and SEBI Listing Regulations that were entered into by the Company during the year under review were in the ordinary course of business and on an arm's length basis. There were no contracts / arrangements / transactions with related parties, as defined under Section 188 of the Companies Act, 2013, which could be considered material under the SEBI Listing Regulations. Accordingly, the disclosure of related party transactions as required under Section 134 (3) of the Companies Act, 2013 in Form AOC -2 is not applicable. 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.

Attention of members is drawn to the disclosure of transactions with related parties as set out in Notes to Accounts – Note 33 forming part of the standalone financial statements.

The transactions with person or entity belonging to the promoter/promoter group which holds 10 per cent or more shareholding in the Company as required under Schedule V, Part A (2A) of the SEBI Listing Regulations is given in Note 33 (on related party transactions) forming part of the standalone financial statements.

The Policy for determining the materiality of related party transactions and dealing with related party transactions as approved by the Board pursuant to Regulation 23 of SEBI Listing Regulations is uploaded on the Company's website at the link: <http://hubtown.co.in/investors>.

### 40. 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 the going concern status and the Company's operations in future.

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

The Corporate Social Responsibility Committee has formulated the policy on Corporate Social Responsibility (CSR) indicating the activities to be undertaken by the Company, which company has fulfilled its obligation towards corporate social activities by expending an amount of ₹ 35 lakh towards CSR activities during the current financial year (2020-2021).

The annual report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 are given in **Annexure 'C'** appended to this Report.

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

The Company has put in place a 'Policy on Prevention of Sexual Harassment at Workplace' in line with the Sexual Harassment of Women at Workplace (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 such complaints were received by the Committee for redressal and that adequate access was provided to any complainant who wished to register a complaint under the Policy. The said Policy is available on the website of the Company at <http://hubtown.co.in/investors>.

The details required to be given under the aforesaid Act forms part of the report on Corporate Governance.

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

### 43. CORPORATE GOVERNANCE:

The Report on Corporate Governance as stipulated under the SEBI Listing Regulations forms an integral part of this Annual Report. The requisite certificate from a practicing company secretary confirming compliance with the conditions of Corporate Governance as stipulated under Part 'E' of Schedule V to the SEBI Listing Regulations is appended to and forms part of the report on Corporate Governance.

### 44. 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 incurred an expenditure of ₹ 14,45,419/- in foreign exchange.

### 45. 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 – 'D'** 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 forms part of this Report. However, having regard to the provisions to the first proviso of Section 136 (1) of the Companies Act, 2013, the Annual Report is being sent to all the members of the Company excluding this information. The aforesaid statement is available for inspection by the members through Electronic Mode 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. The said information is also available on the website of the Company. None of the employees listed in the aforesaid statement is a relative of any Director of the Company. None of the employees of the Company is covered under Rule 5 (3) (viii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

### 46. 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, 2021. A declaration to this effect signed by the Managing Director is appended as **Annexure II** to the Corporate Governance Report.

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

### 47. INTERNAL FINANCIAL CONTROL SYSTEM AND THEIR ADEQUACY:

The details in respect of internal financial control and their adequacy are included in the Management and Discussion & Analysis, which forms part of this report.

### 48. AFFIRMATION REGARDING COMPLIANCE WITH APPLICABLE SECRETARIAL STANDARD:

The Board affirms compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India namely SS-1 and SS-2 relating to the Meetings of the Board and its Committees and General Meetings respectively.

### 49. CEO AND CFO CERTIFICATION:

A certificate from the Managing Director and the Chief Financial Officer, pursuant to Regulation 17 (8) of SEBI Listing Regulations for the year under review was placed before the Board of Directors of the Company at its meeting held on June 29, 2021 which is appended to and forms part of the Corporate Governance Report.

### 50. CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS:

A certificate from a company secretary in practice that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority as stipulated under Regulation 34 (3) read with clause 10 (i) of para C of Schedule V to the SEBI Listing Regulations is appended to and forms part of the Corporate Governance Report.



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

### 51. 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

Date : June 29, 2021

Place: Mumbai

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

ANNEXURE - A

### NOMINATION AND REMUNERATION POLICY

#### 1. PREAMBLE:

- i. Section 178 (2) and (3) of the Companies Act, 2013 (the Act) and Para 'A' of Part 'D' of Schedule II to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations), 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. This Policy has been prepared and adopted in accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 and the applicable provisions of the Companies Act, 2013 ('the Act') read with the Companies (Amendment) Act, 2017 alongwith circulars issued thereunder including any statutory modifications or re-enactment thereof for the time being in force.

#### 2. GUIDING PRINCIPLES:

The objectives of this Policy are 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. OBJECTIVES OF THIS POLICY:

This Policy aims to formulate certain criteria for the following matters with regard to its directors, key managerial personnel and senior management:

- a. Selection, appointment and removal;
- b. Recommendation of remuneration;
- c. Evaluation of performance; and
- d. Board diversity

#### 4. DEFINITIONS:

- i. **'Board'** means the Board of Directors of the Company;
- ii. **'Company'** means 'Hubtown Limited';
- iii. **'Executive Directors'** shall mean the Whole-time 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;
  - Wholetime 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;

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

- vii. **'Policy or This Policy'** means the 'Nomination and Remuneration Policy';
- viii. **'SEBI Listing Regulations'** shall mean Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time;
- ix. **'Senior Management'** shall mean officers/personnel of the Company who are members of its core management team excluding the board of directors and normally this shall comprise all members of management one level below the chief executive officer/managing director/wholtime director/manager (including chief executive officer/manager, in case they are not part of the board) and shall specifically include company secretary and chief financial officer.

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, as may be amended from time to time.

### 5. 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, 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 Whole-time Director(s) and the Managing Director based on their performance and defined assessment criteria;
- vii. to recommend to the Board, all remuneration, in whatever form, payable to senior management;
- viii. 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;
- ix. to assist the Board in ensuring that plans are in place for orderly succession for appointments to the Board and to senior management;
- x. to determine whether to extend or continue the term of appointment of Independent Director(s) on the basis of report of performance evaluation of Independent Directors; and
- xi. 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.

### 6. 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. The quorum for the meeting of N&RC shall be either two members or one-third of the members of the Committee, whichever is greater, including one independent director in attendance;
- iv. Membership of the Committee shall be disclosed in the Annual Report;
- v. Terms of the Committee shall continue unless terminated by the Board; and
- vi. The Chairperson of the Company may be appointed as a member of the Committee but shall not chair such Committee.

### 7. 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; and
- iii. The Chairman of the Committee may be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

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

### 8. FREQUENCY OF MEETINGS:

The N&RC shall meet atleast once in a year.

### 9. 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.

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

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

### 11. 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; and
- ii. In the case of equality of votes, the Chairman of the meeting shall have a casting vote.

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

#### • Criteria for appointment of Directors, KMP and Senior Management:

- i. The Committee shall identify and formulate criteria for determining qualifications, positive attributes and independence of a Director, KMP and Senior Management;
- ii. 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;
- iii. A person should possess adequate qualification, expertise and experience for the position he/she is being considered for appointment based on the Company's strategy and needs,
- iv. 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;
- v. The person to be appointed as Director, KMP or the senior management, should possess impeccable reputation for integrity, efficiency, expertise, insights and accomplishments in sectors or areas relevant to the Company's business;
- vi. The Committee while considering a person for appointment as Director, shall verify that the person being appointed as a Director is not debarred from holding the office of director pursuant to any SEBI order.
- vii. The Committee shall consider the potential candidates on merit alone and the identified candidates shall be recommended to the Board for final selection and appointment;
- viii. The Committee shall ensure that the number of companies in which each director is a director is well below the limit specified under the Act and the SEBI Listing Regulations;
- ix. Presently, from April 1, 2019, a person shall not be a director in more than eight listed entities and not more than seven listed entities with effect from April 1, 2020;
- x. The Company shall not appoint or continue the employment of any person as Managing Director/Wholetime Director who has attained the maximum age prescribed under the Act or the SEBI Listing Regulations and shall take necessary approvals from the shareholders in this regard in case of directors above the maximum age criteria;
- xi. The terms of appointment and subsequent retirement of KMPs and Senior Management shall be as per the provisions of the Act, SEBI Listing Regulations, other rules or regulations including any amendments made from time to time and prevailing policy of the Company; and
- xii. The Committee shall review the performance of the Board, KMP and Senior Management from time to time and establish succession plans in order to ensure uninterrupted functioning of the Board.

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

- **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**

- An Independent Director shall hold office for a term upto 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;
- An Independent Directors shall not be liable to retire by rotation.
- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after the expiry of three years of ceasing to be an Independent Director;  
Provided that the Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any capacity, either directly or indirectly;
- An Independent Director shall not hold office as such beyond the age of 75 years unless approved by the shareholders by a special resolution in general meeting;
- 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 three listed companies as an Independent Director in case such person is serving as a Wholetime Director of a listed company; and
- Any person being appointed as an Independent Director shall not have any material pecuniary relationship with the Company, its holding, subsidiary or associate companies or the Company's Promoters or directors, except receiving remuneration as a director or having transaction not exceeding 10 % of his total income or such amount as may be prescribed, during the current financial year or two immediately preceding financial years and also satisfies other criteria for determining independence as specified under the Act and SEBI Listing Regulations as may be amended from time to time.

- **Evaluation:**

- The performance evaluation of the Board, its Committees and Directors shall be carried out as per the provisions of the Act and the SEBI Listing Regulations.
- Each Director shall be provided with a questionnaire to be filled up, providing feed back on the overall functioning of the Board and its Committees;
- The questionnaire shall cover various parameters such as composition, execution of specific duties, participation in meetings, etc.
- 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;
- The performance evaluation of Independent Directors shall be done by the entire Board of Directors, (excluding the Director being evaluated), which shall include the performance of the directors and fulfillment of the independence criteria as specified in SEBI Listing Regulations and their independence from the management ;
- The Independent Directors shall meet atleast once a year to review the performance of the Non-Independent Directors, the Chairperson of the Company taking into account the view of the Executive and the Non-Executive Directors and to assess the quality, quantity and timeliness of the flow of information between the company management and the Board; and
- 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.

- **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.

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

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

#### • **Remuneration Policy for Executive Directors:**

- i. The remuneration and performance incentive to be paid to the Executive Directors shall be as per the statutory provisions of the Act and the Rules made thereunder, for the time being in force.
- ii. The remuneration payable to the Executive Directors may be divided into two components: fixed and variable components. The fixed component shall consist of monthly salary, allowances, perquisites, amenities and retirement benefits. The variable component shall comprise of performance based annual incentive.
- iii. Payment of remuneration to the Executive Directors is governed by the respective agreements executed between each of such Executive Directors and the Company;
- iv. The remuneration / performance incentives to be paid to the Executive Directors will be determined by the Committee and recommended to the Board for approval.
- v. The break-up of the pay scale and the quantum of perquisites and allowances shall be decided by the Committee;
- vi. The remuneration / performance incentives, etc. shall be subject to prior/post approval of the shareholders of the Company;
- vii. 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;
- viii. 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 ;
- ix. Remuneration payable to anyone managing director or wholetime director or manager shall not exceed 5 % of the net profit of the Company and if there is more than one such director, the remuneration shall not exceed 10 % of the Company for all such directors or managers taken together;
- x. Payment of remuneration in excess of the statutory limit abovementioned, shall be done by recording of clear reasons and justification and after obtaining approval of the shareholders by way of a special resolution as per the provisions of the Act, SEBI Listing Regulations and amendments made thereto from time to time; and
- xi. The fees and compensation payable to Executive Directors who are promoters or members of promoter group, shall be subject to the approval of the shareholders by special resolution in general meeting if:
  - i. the annual remuneration payable to such Executive Director exceeds rupees five crore or 2.5 % of the net profits of the Company, whichever is higher; or
  - ii. where there is more than one such director, the aggregate annual remuneration to such directors exceeds 5 % of the net profits of the Company.

Such approval shall be valid only till the expiry of the term of such director.

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

- i. The remuneration and commission to be paid to the Non-Executive / Independent Directors shall be in accordance with the statutory provisions of the Act and the Rules made thereunder for the time being in force;
- ii. The Non-Executive/Independent Directors shall be 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 Act, per meeting of the Board/Committee or such amount as may be prescribed by the Central Government from time to time;
- iii. 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 Act; and
- iv. 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:**

- i. This Policy aims at attracting, retaining and motivating high caliber talent and ensures equity, fairness and consistency in rewarding the employees.

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

- ii. The performance of the individual, as well as that of the Company forms the basis of this Policy;
- iii. 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;
- iv. 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;
- 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; and
- 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.

### 14. 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.

### 15. INSURANCE POLICY:

The Company shall undertake 'Directors and Officers Insurance' for all the Independent Directors of such quantum and for such risks as may be determined by the Board of Directors from time to time.

### 16. 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.

### 17. 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.

### 18. 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 reasons to do so in an individual case.

### 19. 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.

### 20. 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.

### 21. 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. 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.

**[The above Policy has been reviewed and approved by the Board of Directors at its meeting held on January 24, 2019.]**



## 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 SEBI 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 Directors and Senior Management. Regulation 16 (1) (d) of the SEBI Listing Regulations defines 'Senior Management' to mean officers/personnel of the Company who are members of its core management team excluding the board of directors and normally this shall comprise all members of management one level below the chief executive officer/managing director/wholetime director/manager (including chief executive officer/manager, in case they are not part of the board) and shall specifically include company secretary and chief financial officer.

#### 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 SEBI 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.

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

### ANNEXURE – A

#### PERFORMANCE EVALUATION CRITERIA

1. Section 178 (2) of the Act 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 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, 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, 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 Act 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.

#### 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 boardroom.
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.)

### 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.
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 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 Committees 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.
13. Performance of Directors.
14. Fulfillment of the independence criteria and independence from the management.

## **DIRECTORS' REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS (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 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.
-

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

ANNEXURE – B

### FORM NO. MR 3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2021

*[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  
CIN: L45200MH1989PLC050688

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2021 according to the provisions of:

- i. The Companies Act, 2013 ("the Act") and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the Rules made there under;
- iii. The Depositories Act, 2018 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act");
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - e) The Securities And Exchange Board Of India (Share Based Employee Benefits) Regulations, 2014 - **Not Applicable during the period under review;**
  - f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - **Not Applicable during the period under review;**
  - g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - **Not Applicable during the period under review, and**
  - i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - **Not Applicable during the period under review.**
- vi. We have relied on the representations made by the Company and its officers for systems and mechanism formed by the Company for compliances under other various applicable Acts, Laws, Rules and Regulations to the Company.

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

- (i) the Secretarial Standards issued by The Institute of Company Secretaries of India ("ICSI");
- (ii) The Listing Agreement / SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered into by the Company with Stock Exchanges.

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

To the best of our knowledge and belief, during the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

### We further report that:

- a) *During the year under review, the Board of Directors of the Company was duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors w.e.f. September 15, 2020.*

The committee of the Board is duly constituted. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

- b) *Adequate notice is given to all directors to schedule the Board Meetings and Committee Meetings, agenda and notes on agenda were sent at least seven days in advance or with due consents for shorter notice from the directors and adequate system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.*
- c) *Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes, wherever applicable.*

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

### We further report that during the year;

- *As per section 139(8) of the Companies Act, 2013 ("the Act"), the Company has convened the general meeting of shareholders, for filing the casual vacancy of the Statutory Auditor, after three months of the recommendation of the Board.*
- *As per SEBI circular no SEBI/HO/CFD/CMD1/CIR/P/2019/140 dated November 21, 2019, the Company has submitted disclosures of defaults on payment of interest / repayment of principal amount on loans from banks / financial institutions on June 17, 2021 of all quarters of F.Y. 2020-21;*
- *There was a delay in Compliance of following regulations under SEBI Listing Regulations /Circulars:*
  - ◆ *Regulation 23(9):- Delay of 36 (Thirty Six) days in submission of disclosures of related party transactions on a consolidated basis for the half year ended March 31, 2020 (submitted on October 05, 2020);*
  - ◆ *Regulation 25(6):- The vacancy of Independent Director was filled up in 6 (SIX) months and 11 (Eleven) days. Further, the National Stock Exchange has sought clarification in this regard and the Company has suitably replied for the same.*
- *As per rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has sent notice to the shareholders and public announcement has been published in Newspapers and is in due process of filing e-form IEPF-4 as required under rule 6(5) of the said rules;*

We further report that during the audit period, the following event/action has taken place having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above;

- *The Company has taken approval of shareholders for issuance of Redeemable Non-convertible Debentures ("NCDs") for an amount not exceeding INR 5,000 crores (INR Five Thousand Crores Only) on a private placement basis;*

We further report that during the audit period, the Company has co-operated with us and have produced before us all the required forms information, clarifications, returns and other documents as required for the purpose of our audit.

We further Report that, due to COVID 19 and subsequent lockdown situation, we are unable to visit the Registered and Corporate Office of the Company for audit purpose but during the audit period the Company has co-operated with us and provided all data and information virtual platform and provided us all the required forms, information, clarifications, returns and other documents in soft copies as required for the purpose of our Audit.

**For Mihen Halani & Associates**  
Practicing Company Secretary

**Mihen Halani**  
(Proprietor)  
C.P. No. 9926  
FCS No: 12015  
UDIN : F009926C000485379

Place: Mumbai  
Date: June 18, 2021

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

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

### ANNEXURE A

To,  
The Members,  
Hubtown Limited  
CIN: L45200MH1989PLC050688

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Mihen Halani & Associates**  
Practicing Company Secretary

**Mihen Halani**  
(Proprietor)  
C.P. No. 9926  
FCS No: 12015  
UDIN : F009926C000485379

Place: Mumbai  
Date: June 18, 2021



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

ANNEXURE 'C'

### 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. Brief outline on CSR Policy of the Company:

The Company's CSR Policy focuses on addressing critical, social, environmental and economic needs of the marginalized/underprivileged sections of the society. The Company adopts an approach that integrates the solutions to these problems into the strategies of the Company to benefit the communities at large and create social and environmental impact. The Company is committed to the vision of creating a dynamic and developed India along with environmental sustainability and actively contribute to the social and economic development of the communities by building a better and sustainable way of life for the weaker sections of society by providing pollution free environment, Basic Education & Medical Facilities. With this purpose the CSR Committee framed and recommended a CSR Policy to the Board for adoption and instituted a transparent monitoring mechanism for ensuring implementation of the projects / activities to be undertaken by the Company.

2. Composition of CSR Committee:

Sr. No	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
i.	Mr. Hemant M. Shah	Chairman / Executive Director	1	1
ii.	Mr. Vyomesh M. Shah	Member / Managing Director	1	1
iii.	Mr. Sunil Shah	Member / Independent Director	1	1

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company

: <http://www.hubtown.co.in/investors>

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report)

: Not Applicable for Financial Year 2020-2021.

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:

Sr. No	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be setoff for the financial year, if any (in ₹)
1	2019-2021	N.A.	N.A.
2	2018-2019	N.A.	N.A.
3	2017-2018	N.A.	N.A.

6. Average net profit of the company as per section 135(5) : ₹ 1617.21 lakh

7. a. Two percent of average net profit of the company as per section 135(5) : ₹ 32.34 Lakh

b. Surplus arising out of the CSR projects or programmes or activities of the previous financial years : N.A.

c. Amount required to be set off for the financial year, if any : N.A.

d. Total CSR obligation for the financial year (7a+7b-7c) : ₹ 32.34 Lakh

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (₹ in lakh)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
35.00	NIL	NIL	—	—	—

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

8. (b) Details of CSR amount spent against ongoing projects for the financial year: None

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Sr. No	Name of the project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project.	Project duration	Amount allocated for the project (in ₹).	Amount spent in the current financial Year (in ₹).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency
				State	District					Name CSR Registration Number

8. (c) Details of CSR amount spent against other than ongoing projects for the financial year: None

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No	Name of the project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project.	Amount spent for the project (in ₹).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency
				State District			Name CSR Registration Number

- (d) Amount spent in Administrative Overheads : Nil
- (e) Amount spent on Impact Assessment, if applicable : Nil
- (f) Total amount spent for the Financial Year (8b+8c+8d+8e) : ₹ 35.00 lakh
- (g) Excess amount for set off, if any

Sr. No	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	₹ 32.34 Lakh
(ii)	Total amount spent for the Financial Year	₹ 35.00 lakh
(iii)	Excess amount spent for the financial year [(ii)-(i)]	₹ 2.66 lakh
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	N.A.
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	₹ 2.66 lakh

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sr. No	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (₹ in lakh)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years (₹ in lakh)
				Name of the Fund	Amount (₹ In lakh)	Date of transfer.	
1	2019-2020	N.A.	**	N.A.	Nil	N.A.	N.A.
2	2018-2019	N.A.	70.00	N.A.	Nil	N.A.	N.A.
3	2017-2018	N.A.	385.25	N.A.	Nil	N.A.	N.A.

\*\* Refer point No. 11.

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

9. (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s) : None

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sr. No	Project ID	Name of the Project	Financial Year in which the project was commenced	Project Duration	Total amount allocated for the project (in ₹).	Amount spent on the project in the reporting Financial Year (in ₹).	Cumulative amount spent at the end of reporting Financial Year. (in ₹)	Status of the project - Completed / Ongoing.

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details).

- (a) Date of creation or acquisition of the capital asset(s). : N.A.
- (b) Amount of CSR spent for creation or acquisition of capital asset. : N.A.
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. : N.A.
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset). : N.A.

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).

During the financial year 2019-2020, the Company, due to severe liquidity constraints, had not expended the amount of ₹ 16.65 lakh earmarked for corporate social responsibility activities for the financial year 2019-2020, as required under the CSR Rules and the CSR Policy of the Company. However, the entire unspent amount of ₹ 16.65 lakh being the minimum required CSR expenditure of the F.Y. 2019-2020 was carried forward to the next financial year (F.Y. 2020-2021) and the Company has fulfilled its obligation towards corporate social activities for the previous financial year (2019-2020) by expending an amount of ₹ 25 lakh towards CSR activities during the financial year (2020-2021). The amount of ₹ 25 lakh spent in the financial year 2020-2021 for CSR activities of the financial year 2019-2020 was over and above the CSR allocation for the financial year 2020-2021.

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

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

Place: Mumbai  
Date: June 29, 2021

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

ANNEXURE – 'D'

### DISCLOSURE IN DIRECTORS' REPORT PURSUANT TO SECTION 197 (12) OF THE COMPANIES ACT, 2013 READ WITH 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 ended March 31, 2021		
	<b>Name</b>	<b>Designation</b>	<b>Ratio of remuneration to the median employees' remuneration</b>
	Hemant M. Shah	Executive Chairman	1:1
	Abhijit Datta	Independent Director	N.A.
	Sunil C. Shah	Independent Director	N.A.
	Kartik Ruparel ( from September 15, 2020)	Independent Director	N A
	Ketaki Shah ( from September 15, 2020)	Independent Director	N A
	Priti K. Shah	Non-Executive Director	N.A.
	Vyomesh M. Shah	Managing Director	1:1
	Remuneration is considered by way of commission only in case of Independent and Non-Executive Directors.		
2.	Percentage increase / (decrease) in remuneration of each Director and Key Managerial Personnel in the Financial Year 2020-2021		
	<b>Name</b>	<b>Designation</b>	<b>Increase / (Decrease) in remuneration over 2019 -2020</b>
	Hemant M. Shah	Executive Chairman	(89.09%)
	Vyomesh M. Shah	Managing Director	(88.50%)
	Abhijit Datta	Independent Director	Nil
	Sunil C. Shah	Independent Director	NIL
	Priti K. Shah	Non-Executive Director	NIL
	Kartik Ruparel ( from September 15, 2020)	Independent Director	N A
	Ketaki Shah ( from September 15, 2020)	Independent Director	N A
	Sunil Mago	Chief Financial Officer	(89.54%).
	Amit Vyas ( upto April 30, 2020)	Company Secretary	N .A
	Sadanand Lad ( from July 30, 2020)	Company Secretary	N A
	There has been no increase in the remuneration of the Executive Chairman and the Managing Director and Key Managerial Personnel. Due to severe liquidity crunch being faced by the Company, the Board of Directors have not recommended any payment of commission to Independent and Non-Executive Directors for the Financial Year 2020-2021.		
3.	The percentage increase in the median remuneration of employees in the Financial Year 2020-2021		
	There is approx. NIL % increase in median remuneration of employees and managerial personnel in the last financial year.		
4.	The number of permanent employees on the roll of the Company.		
	As on March 31, 2021, there were 123 employees on the roll of the Company.		
5.	Average percentile increase already made in the salaries of the employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.		
	There is NIL % increase in median remuneration of employees other than managerial personnel in the last financial year.		
	There was decrease in the managerial remuneration for Financial Year 2020-2021.		
	Any increase in remuneration is due to higher replacement cost of the employees leaving the organization during the financial year 2020-2021.		
6.	Affirmation that the remuneration is as per the remuneration policy of the Company.		
	The Company affirms that the remuneration paid is a 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 Directors 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.

#### 2. BOARD OF DIRECTORS:

##### Composition:

As on March 31, 2021, the Board comprised of 7 (Seven) Directors, of whom 2 (Two) Promoter Executive Non-Independent Directors, 4 (Four) Independent Directors and 1 (One) Non-Executive Director. The Composition is as follows:-

1. Mr. Hemant .M. Shah – Executive Chairman
2. Mr. Vyomesh .M. Shah – Managing Director
3. Mr. Abhijit Datta – Non-Executive Independent Director
4. Mr. Sunil Shah – Non-Executive Independent Director
5. Mr. Kartik Ruparel – Non-Executive Independent Director
6. Mrs. Ketaki Shah – Non-Executive Independent Director
7. Mrs. Priti Shah – Non-Executive Director (from August 14, 2014 upto May 25, 2021)

The Company currently has right mix of Directors on the Board who possess the requisite qualifications and experience in general corporate management, law, finance, marketing, and other allied fields which enable them to contribute effectively to the Company in their capacity as Directors of the Company. Presently, the Board does not have any Nominee Director on its Board 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.

As stipulated under proviso to Section 165 (1) of the Companies Act, 2013 and Regulations 17A and 26 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the SEBI Listing Regulations), none of the Directors on the Board:

- i. are directors in more than 10 (ten) public limited companies;
- ii. are Directors in more than 7 (seven) listed companies;
- iii. act as an Independent Director in more than 7 (seven) listed companies; or 3 (three) listed companies in case he/she serves as Whole-time / Managing Director in any listed entity; and
- iv. is a member of more than 10 (ten) committees or act as chairman of more than 5 (five) committees across all listed entities in which he/she is a director.

##### Relationship between Directors inter-se:

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.

##### Shareholding of Non-Executive Directors:

None of the Independent and Non-Executive Directors hold any shares or any convertible instruments in the Company. For this purpose, shares held singly or as first joint shareholder are only to be considered.

## CORPORATE GOVERNANCE REPORT (CONTD.)

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

Name of Director	Category of Directorship	Directorship in other public limited companies (*)	No. of Board Committee positions held in other public limited companies		Relationship with other Directors inter-se
			Chairman	Member @	
Mr. Hemant M. Shah Executive Chairman DIN : 00009659	Promoter, Executive Non-Independent	—	—	—	Related to Mr. Vyomesh M. Shah
Mr. Abhijit Datta DIN: 00790029	Non-Executive Independent	2	1	2	Not related to any other Director of the Company
Mr. Sunil C. Shah DIN : 06947244	Non-Executive Independent	1	1	1	
Mr. Kartik Ruparel DIN: 08865104	Non-Executive Independent	—	—	—	
Mrs. Ketaki Shah DIN: 08865092	Non-Executive Independent	—	—	—	
Mrs. Priti K. Shah DIN : 01880436 (from August 14, 2014 upto May 25, 2021)	Non-Executive	—	—	—	
Mr. Vyomesh M. Shah Managing Director DIN : 00009596	Promoter, Executive Non-Independent	1	—	—	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 Committees and Stakeholders' Relationship Committees of all public limited companies have been considered as prescribed under Regulation 26 (1) (b) of the SEBI Listing Regulations.
5. None of the Directors hold directorship in more than 10 (ten) public companies.

In terms of Schedule V – Part C (2) (c) to the SEBI Listing Regulations, the details of listed entities where the Directors of the Company are Directors alongwith the category of Directorship as on March 31, 2021 are given below:

Sr. No.	Name of the Director	Listed Entities in which Director is a Director	Category of Directorship
1.	Mr. Hemant M. Shah	Hubtown Limited	Chairman, Executive Non-Independent
2.	Mr. Abhijit Datta	Hubtown Limited	Non-Executive, Independent
		Emami Realty Limited	Non-Executive, Independent
3.	Mr. Sunil C. Shah	Hubtown Limited	Non-Executive Independent
		Twenty Five South Realty Limited	Non-Executive Independent
4.	Mrs. Priti K. Shah (Resigned wef May 25, 2021)	Hubtown Limited	Non-Executive
5.	Mr. Vyomesh M. Shah	Hubtown Limited	Managing Director, Executive Non-Independent
6.	Mr. Kartik Ruparel	Hubtown Limited	Non-Executive, Independent
7.	Mrs. Ketaki Shah	Hubtown Limited	Non-Executive, Independent

## CORPORATE GOVERNANCE REPORT (CONTD.)

### 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://hubtown.co.in/investors>.

### Appointment and Tenure:

At the ensuing Annual General Meeting, Mr. Vyomesh Shah (DIN: 00009596) retires by rotation and being eligible, offers himself for reappointment. A detailed profile of the Director seeking reappointment along with additional information as required under Regulations 26 (4) and 36 (3) of the SEBI Listing Regulations is provided separately by way of an annexure to the Notice of the Annual General Meeting.

Based on the recommendations of the Nomination and Remuneration Committee, Mr. Hemant M. Shah and Mr. Vyomesh M. Shah, were re-appointed as Executive Chairman and Managing Director respectively for a period of three years, effective from January 1, 2022 to December 31, 2024 by the Board of Directors in its meeting held on June 29, 2021, subject to the approval of the Shareholders in the ensuing Annual General Meeting of the Company.

### Responsibilities:

The Board of Directors represent the interests of the Company's stakeholders in optimizing long-term value by providing the management with guidance and strategic direction. The Board's mandate is to oversee the Company's strategic operations, review corporate performance, assess the adequacy of risk management and mitigation measures, evaluate internal financial controls, authorize and monitor strategic investments, ensure regulatory compliance and safeguard interests of all the stakeholders.

### Agenda:

The agenda alongwith the detailed notes are circulated in advance to the Board members. The items in the agenda are backed by detailed background information to enable the Board to take appropriate decisions and to discharge its responsibility effectively. Where it is not practicable to send the relevant information as a part of agenda papers, the same are tabled at the meeting. The agenda also includes the minutes of the meetings of all the Board Committees and subsidiary companies in summarized form for the information of the Board. In addition, for any business exigencies, the resolutions are passed by circulation where permissible, and later placed in the ensuing Board meeting for noting and confirmation.

During the year under review, information specified in Part 'A' of Schedule II to the SEBI Listing Regulations, had been placed before the Board for discussion and consideration.

### Independent Directors:

All the Independent Directors have confirmed that they meet the criteria of independence as stipulated in Section 149 (6) of the Act and Regulation 16 (1) (b) of the SEBI Listing Regulations. Further, in terms of Regulation 25 (8) of the SEBI Listing Regulations, all the Independent Directors have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. The Board, based on the declarations received from the Independent Directors, is of the opinion that each of them fulfils the criteria of independence prescribed under the Companies Act, 2013 and the SEBI Listing Regulations and that they are independent from the management.

### Appointment of Independent Directors:

During the year under review, the Company has appointed Mr. Kartik Ruparel and Mrs. Ketaki Shah as an Independent Directors with effect from September 15, 2020.

### Role of Independent Directors:

The Independent Directors bring to the Board 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.

### Familiarisation Programme for Independent Directors:

The Company has conducted familiarization programme for its Independent Directors during the year under review. The programme aims to familiarize the Independent Directors to understand the Company, its operations, its business, industry and environment in which it operates and the regulatory environment applicable to it and to facilitate them in performing their duties as Independent Directors. The details of familiarization program imparted to Independent Directors are disclosed on the website of the Company at <http://hubtown.co.in/investors>.

### Separate Meeting of Independent Directors:

As required by the Code of Independent Directors under Schedule IV to the Companies Act, 2013 and Regulation 25 (3) of the SEBI Listing Regulations, all the Independent Directors met on July 30, 2020 to review the performance of Non-Independent Directors (including the Chairman of the Company) and the Board as a whole. The Independent Directors also assessed the quality, content and timelines of flow of information between the management and the Board that is to effectively and reasonably perform and discharge their duties.



## CORPORATE GOVERNANCE REPORT (CONTD.)

### Chart setting out the Core Skills / Expertise / Competence of the Board of Directors:

As stipulated by sub-part 2 (h) of Part C of Schedule V to the SEBI Listing Regulations, the following is the list of core skills / competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available within the Board Members:

Business Leadership	<ul style="list-style-type: none"> <li>Leadership experience including in areas of business development, strategic planning, succession planning, driving change and long-term growth and guiding the Company and its senior management towards its vision and values.</li> </ul>
Industry knowledge / experience	<ul style="list-style-type: none"> <li>exposure and experience of real estate business</li> <li>knowledge of the real estate sector</li> <li>understanding of government legislation / legislation process</li> <li>recognition of emerging trends and opportunities</li> <li>assessment of key risks for the business</li> </ul>
Financial Expertise	<ul style="list-style-type: none"> <li>Knowledge and skills in accounting, finance, treasury management, tax and financial management of large corporations with understanding of capital allocation, funding and financial reporting processes.</li> </ul>
Technical Skills	<ul style="list-style-type: none"> <li>Specialized knowledge in an area or subject such as accounts, finance, auditing, marketing, construction, legal, administration, management, etc.</li> <li>Knowledge of the relevant Technology and Innovations;</li> </ul>
Governance competencies	<ul style="list-style-type: none"> <li>strategic thinking and planning from a governance perspective</li> <li>compliance focus</li> </ul>
Behavioural competencies	<ul style="list-style-type: none"> <li>common sense and sound judgment</li> <li>integrity and high ethical standards</li> <li>mentoring abilities</li> <li>interpersonal relations</li> <li>verbal communication skill</li> <li>understanding of effective decision making process</li> <li>willingness and ability to devote time and energy to the role</li> </ul>

Name of Directors	Business Leadership	Industry Knowledge and Experience	Financial Expertise	Technical Skills	Governance Competencies	Behavioral Competencies
Hemant M. Shah	√	√	—	√	√	√
Abhijit Datta	√	√	√	√	√	√
Sunil Shah	—	√	√	√	√	√
Priti K. Shah	—	—	—	√	—	√
Vyomesh M. Shah	√	√	√	√	√	√
Kartik Ruparel	—	—	√	√	√	√
Ketaki Shah	—	—	—	√	√	√

### Board Meetings:

During the year under review, the Board met 4 (four) times. The meetings were held on July 30, 2020; (As per MCA General Circular No. 11 /2020 dated 24th March, 2020 gap between any two consecutive meetings 120 days stands extended by a period of 60 days) ;September 15, 2020; November 13, 2020 and February 12, 2021 respectively. The maximum time gap between any two consecutive meetings did not exceed 120 days except for meeting held on July 30, 2020. The necessary quorum was present for all the meetings.

The attendance of the Directors at the above mentioned Board Meetings and the Thirty-Second AGM held on December 24, 2020 are detailed hereunder:

Name of the Director	No. of Board Meetings attended	Whether attended last AGM held on December 24, 2020
Mr. Hemant M. Shah	4	Yes
Mr. Abhijit Datta	4	Yes
Mr. Sunil C. Shah	4	Yes
Mrs. Priti K. Shah	3	Yes
Mr. Vyomesh M. Shah	4	Yes
Mr. Kartik Ruparel	3	Yes
Mrs. Ketaki Shah	3	Yes

## CORPORATE GOVERNANCE REPORT (CONTD.)

The Board met on June 29, 2021, to inter-alia approve the audited annual standalone financial statements and financial results and audited annual consolidated financial statements and financial results of the Company for the year ended March 31, 2021.

### 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, and Corporate Social Responsibility Committee and non-mandatory committees namely Risk Management Committee and 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 terms of reference specified for the Audit and Compliance Committee are as per the provisions of Section 177 of the Act, and Regulation 18 (3) and Part C of Schedule II to the SEBI Listing Regulations. These broadly include:

- A. The role of the audit committee shall include the following:
  1. oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
  2. recommendation for appointment, remuneration and terms of appointment of auditors;
  3. approval of payment to statutory auditors for any other services rendered by the statutory auditors;
  4. reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
    - a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
    - b) changes, if any, in accounting policies and practices and reasons for the same;
    - c) major accounting entries involving estimates based on the exercise of judgment by management;
    - d) significant adjustments made in the financial statements arising out of audit findings;
    - e) compliance with listing and other legal requirements relating to financial statements;
    - f) disclosure of any related party transactions;
    - g) modified opinion(s) in the draft audit report;
  5. reviewing, with the management, the quarterly financial statements before submission to the board for approval;
  6. reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
  7. reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
  8. approval or any subsequent modification of transactions with related parties;
  9. scrutiny of inter-corporate loans and investments;
  10. valuation of undertakings or assets of the listed entity, wherever it is necessary;
  11. evaluation of internal financial controls and risk management systems;
  12. reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

## CORPORATE GOVERNANCE REPORT (CONTD.)

13. reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
  14. discussion with internal auditors of any significant findings and follow up there on;
  15. reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
  16. discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
  17. to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
  18. to review the functioning of the whistle blower mechanism;
  19. approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
  20. Carrying out any other function as is mentioned in the terms of reference of the audit committee.
  21. reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments ;
  22. consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc.,
- B. The audit committee shall mandatorily review the following information:
1. management discussion and analysis of financial condition and results of operations;
  2. statement of significant related party transactions (as defined by the audit committee), submitted by management;
  3. management letters / letters of internal control weaknesses issued by the statutory auditors;
  4. internal audit reports relating to internal control weaknesses; and
  5. the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
  6. statement of deviations:
    - a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
    - b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

### Composition:

The composition of the Audit and Compliance Committee is in line with the provisions of Section 177 of the Companies Act, 2013 read with Regulation 18 of the SEBI Listing Regulations. As on March 31, 2021, the Audit and Compliance Committee comprised of 4 (four) Directors, of whom 3 (three) were Independent Directors. All the members of the Committee are financially literate and have accounting and financial management expertise. As required under Regulation 18 (1) (d) of the SEBI Listing Regulations, the Chairman of the Audit and Compliance Committee is a Non-Executive, Independent Director. The Company Secretary acts as Secretary of the Audit and Compliance Committee.

The Chief Financial Officer and the representatives of the Statutory Auditors, and the Internal Auditors are permanent invitees to Audit and Compliance Committee meetings. In addition, other Senior Management Personnel are also invited to the Committee meetings as and when required. The Cost Auditors are also invited to the meeting(s) for discussion on Cost Audit Report and for other related matters, if any.

The present composition of the Audit and Compliance Committee is as follows:

Name of the Director	Designation in Committee	Designation in Board
Mr. Abhijit Datta	Chairman	Non-Executive, Independent
Mr. Kartik Ruparel (Appointed w.e.f September 15, 2020)	Member	Non-Executive, Independent
Mr. Sunil C. Shah	Member	Non-Executive, Independent
Mr. Vyomesh M. Shah	Member	Promoter, Executive, Non-Independent

## 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.

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 meetings form part of the Board Agenda.

### Meetings and Attendance:

During the year under review, the Committee met 4 (four) times. The meetings were held on July 30, 2020 (As per MCA General Circular No. 11 /2020 dated March 24, 2020 gap between any two consecutive meetings 120 days stands extended by a period of 60 days); September 15, 2020; November 13, 2020 and February 12, 2021 respectively. The gap between two meetings did not exceed 120 days except for meeting held on July 30, 2020.

The attendance of each member at the Audit and Compliance Committee Meetings is as under:

Name of the Director	No. of meetings attended
Mr. Abhijit Datta	4
Mr. Kartik Ruparel	2
Mr. Sunil C. Shah	4
Mr. Vyomesh M. Shah	4

Mr. Abhijit Datta, Chairman of the Audit and Compliance Committee was present at the Annual General Meeting of the Company held on December 24, 2020 to answer the queries of the shareholders.

The Committee met on June 29, 2021 to inter-alia review the audited annual standalone financial results and the audited consolidated financial results of the Company for the year ended March 31, 2021 and recommended the same to the Board for its approval.

The Company affirms that no employee has been denied access to the Chairman of the Committee.

### Internal Auditors:

M/s. Protune KS Aiyar Consultants Private Limited, 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 constitution, scope and powers of the Nomination and Remuneration Committee (NRC) is in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI Listing Regulations. As on March 31, 2021, The Nomination and Remuneration Committee (NRC) presently comprises of 4 (four) Directors, of whom 2 (two) are Non-Executive Independent Directors, 1 (one) Non-Executive Director and 1 (one) Executive Non-Independent Director. The Chairman of the Committee is a Non-Executive Independent Director. The Company Secretary of the Company acts as Secretary of the Nomination and Remuneration Committee.

The composition of the NRC is as follows:

Name of the Director	Designation in Committee	Designation in Board
Mr. Abhijit Datta	Chairman	Non-Executive, Independent
Mr. Sunil Shah	Member	Non-Executive, Independent
Mrs. Priti K. Shah	Member	Non-Executive
Mr. Hemant M. Shah	Member	Promoter, Executive, Non-Independent

Mr. Abhijit Datta, Chairman of the NRC was present at the Annual General Meeting of the Company held on December 24, 2020.

## CORPORATE GOVERNANCE REPORT (CONTD.)

Due to resignation of Mrs. Priti Shah Non-Executive Director, the Nomination and Remuneration Committee was re-constituted on June 29, 2021 is as follows:

Name of the Director	Designation in Committee	Designation in Board
Mr. Abhijit Datta	Chairman	Non-Executive, Independent
Mr. Sunil Shah	Member	Non-Executive, Independent
Mr. Hemant M. Shah	Member	Promoter, Executive, Non-Independent
Mr. Kartik Ruparel	Member	Non-Executive, Independent

### TERMS OF REFERENCE:

The Committee determines the remuneration of the Executive Directors and Non-Executive Directors. The terms of reference of the NRC are wide enough to cover the matters specified under Part D of Schedule II to Regulation 19 (4) of the SEBI Listing Regulations and the provisions of Section 178 of the Act, which are hereunder :

- formulation of 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;
- formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors;
- devising a policy on diversity of Board of Directors;
- identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board of Directors their appointment and removal;
- recommend to the Board on the appointment and the terms & conditions of appointment of Managing Director(s) and the Whole-time Director(s);
- whether to extend or continue the term of appointment of the Independent Directors on the basis of the report of performance evaluation of Independent Directors; and
- recommend to the Board, the remuneration payable, in whatever form, to the senior management as defined under the SEBI Listing Regulations.

Please refer to the Directors' Report - Annexure – 'A' for Performance Evaluation Criteria for the Independent Directors.

### Meeting and Attendance:

The NRC met 2 (Two) times during the year under review. The meetings were held on July 30, 2020 and September 15, 2020 respectively. The attendance of each member at the said meeting is as under:

Name of the Director	No. of meetings attended
Mr. Abhijit Datta	2
Mrs. Priti K. Shah	2
Mr. Sunil C. Shah	2
Mr. Hemant M. Shah	2

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

### Remuneration Policy:

Pursuant to the provisions of Section 178 of the Act, the Company has formulated a Policy on the appointment of persons as Director, Key Managerial Personnel and Senior Management and their evaluation thereof. The Remuneration 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 the performance of the Company forms the basis of the Remuneration Policy.

The salary structure of employees comprises of basic salary, perquisites, allowances and performance incentive. The salary involves a balance between fixed and variable pay which reflect the performance objectives of the individual as against the earmarked Key Performance Indicator and the performance of the Company and strategic objectives of the Company. The components of total remuneration vary for different employee grades and are based on qualifications and experience of the employee, responsibilities handed by him/her, his/ her individual performance, etc.

The Policy is available on the website of the Company at <http://hubtown.co.in/investors> and is also appended as **Annexure 'A'** to the Directors' Report.

## 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 of which they are members thereof, the quantum of which is determined by the Board. Presently, the sitting fees payable to Non-Executive Directors, as determined by the Board are as hereunder:

- ₹ 40,000/- for every meeting of the Board attended by each of them;
- ₹ 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 members have authorized the Board for payment of commission to Non-Executive Directors, not exceeding 1% of the net profit of the Company, subject to a ceiling limit of ₹ 40,00,000/- (Rupees Forty Lakh) per annum. As per the standard practice, the Board approves 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 Act and the ceiling limit, for each financial year, 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 each financial year.

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 has 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 Nomination and Remuneration Committee (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 incentive 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, 2021:

#### Non-Executive Directors :

Name of the Director	Sitting Fees (Gross) ₹	Commission * (Gross) ₹	No. of Shares held
Mr. Abhijit Datta	3,70,000	Nil	Nil
Mr. Sunil C. Shah	4,30,000	Nil	Nil
Mrs. Priti K. Shah	2,10,000	Nil	Nil
Mr. Kartik Ruparel	1,80,000	Nil	Nil
Mrs. Ketaki Shah	1,20,000	Nil	Nil

\* Due to COVID-19 pandemic business operations of the Company was completely standstill, thereby adversely impacting the cash flow of the Company and in view of loss incurred by the Company, the directors have not recommended payment of commission to Independent Directors and Non-Executive Directors of the Company for the financial year 2020-2021.

## CORPORATE GOVERNANCE REPORT (CONTD.)

### Executive Chairman and Managing Director:

Name of the Director	Salaries ₹	Perquisite and Allowances ₹	Contribution to Provident Fund ₹	Performance Incentive ₹	Service Contract (Present)
Mr. Hemant M. Shah, Executive Chairman	3,00,000	6,24,600	36,000	Nil	5 years
Mr. Vyomesh M. Shah, Managing Director	3,00,000	5,64,600	36,000	Nil	5 years

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

### III. STAKEHOLDERS' RELATIONSHIP COMMITTEE :

#### Composition :

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

Name of the Director	Designation in Committee	Designation in Board
Mr. Sunil C. Shah	Chairman	Non-Executive, Independent
Mrs. Priti K. Shah	Member	Non-Executive
Mr. Hemant M. Shah	Member	Promoter, Executive, Non-Independent

As on March 31, 2021, the Stakeholders' Relationship Committee comprised of 1 (one) Non-Executive Independent Director, 1 (one) Non-Executive Director and 1 (one) Executive Non-Independent Director.

The constitution of the Stakeholders Relationship Committee is in accordance with the requirements of the SEBI Listing Amendment Regulations, 2018.

In accordance with the provisions of Section 178 of the Act and Regulation 20 of the SEBI Listing Amendment Regulations, 2018, Mr. Sunil C. Shah, Non-Executive Independent Director is the Chairman of the Committee. The Company Secretary acts as Secretary of the Stakeholders Relationship Committee.

Due to resignation of Mrs. Priti Shah – Non Executive Director, the Stakeholders Relationship Committee was reconstituted on June 29, 2021. The Composition of Stakeholders Relationship Committee is as follows:-

Name of the Director	Designation in Committee	Designation in Board
Mr. Sunil C. Shah	Chairman	Non-Executive, Independent
Mrs. Ketaki Shah	Member	Non-Executive, Independent
Mr. Hemant M. Shah	Member	Promoter, Executive, Non-Independent

#### Functions:

The role and the terms of reference of the Committee are in consonance with the requirements mandated under Section 178 of the Act and Regulation 20 of the SEBI Listing Regulations, which are as hereunder:

- resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate share certificates, general meetings, etc.;
- review of measures taken for effective exercise of voting rights by shareholders;
- review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Transfer Agent; and
- review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

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

## CORPORATE GOVERNANCE REPORT (CONTD.)

### Meetings and Attendance:

The Committee met once during the year under review on July 30, 2020.

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. Hemant Shah	1
Mrs. Priti K. Shah	1

The Company Secretary of the Company is the Compliance Officer for the purpose of the SEBI Listing Regulations.

### Status of Investor Complaints for the Financial Year ended March 31, 2021:

During the financial year 2020-2021, no complaints were received by the Company from the investors.

The status of investor's complaints as on March 31, 2021, is as follows:

No. of complaints as on April 1, 2020	Nil
No. of complaints received during the financial year 2020-2021	Nil
No. of complaints resolved upto March 31, 2021	Nil
No. of complaints pending as on March 31, 2021	Nil

Dematerialization requests as on March 31, 2021 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 Act 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 Act 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://hubtown.co.in/investors>.

### Composition :

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

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



## CORPORATE GOVERNANCE REPORT (CONTD.)

During the financial year ended March 31, 2021, the CSR Committee met once on February 12, 2021.

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 of the Corporate Social Responsibility Committee.

### V. RISK MANAGEMENT COMMITTEE:

Regulation 21 of the SEBI Listing Regulations mandates top 1000 listed entities based on market capitalization as at the end of the immediate previous financial year to constitute the Risk management Committee. Presently, the provisions of Regulation 21 of the SEBI Listing Regulations pertaining to 'Risk Management Committee' are not applicable to the Company. However, the Board has constituted a Risk Management Committee comprising of 3 (three) Directors, of whom 1 (one) is Non-Executive Independent and 2 (two) Executive Non-Independent Directors.

The primary role of the Risk Management Committee is that of assisting the Board in overseeing the Company's risk management process and controls.

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

#### Composition :

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

Name of the Director	Designation in Committee	Designation in Board
Mr. Abhijit Datta	Chairman	Non-Executive Independent
Mr. Hemant M. Shah	Member	Promoter, Executive, Non-Independent
Mr. Vyomesh M. Shah	Member	Promoter, Executive, Non-Independent

The Company Secretary acts as Secretary of the Risk Management 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	Designation in Committee	Designation in Board
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

Due to resignation of Mrs. Priti Shah as an Non-Executive Director, the Committee was reconstituted by Board on June 29, 2021. The reconstituted Committee of Directors is as follows:

Name of the Director	Designation in Committee	Designation in Board
Mr. Hemant M. Shah	Chairman	Promoter, Executive, Non-Independent
Mr. Sunil C. Shah	Member	Independent
Mr. Kartik Ruparel	Member	Non-Executive, Independent
Mr. Vyomesh M. Shah	Member	Promoter, Executive, Non-Independent

## CORPORATE GOVERNANCE REPORT (CONTD.)

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 of the Committee of Directors.

### 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
2017-2018	September 27, 2018	Walchand Hirachand Hall, 4th floor, Indian Merchants' Chamber Building, Indian Merchants' Chamber Marg, Churchgate, Mumbai 400 020	10.00 A.M.	Issue of Non-convertible Debentures on private placement basis
2018-2019	September 25, 2019	Walchand Hirachand Hall, 4th floor, Indian Merchants' Chamber Building, Indian Merchants' Chamber Marg, Churchgate, Mumbai 400 020	10.00 A.M.	i. Reappointment of Mr. Abhijit Datta (DIN: 00790029) as an Independent Director of the Company. ii. Reappointment of Mr. Sunil C. Shah (DIN: 06947244) as an Independent Director of the Company. iii. Payment of aggregate annual remuneration to Mr. Hemant M. Shah (DIN: 00009659), Executive Chairman and Mr. Vyomesh M. Shah (DIN: 00009596), Managing Director being Promoters of the Company, exceeding 5 % of the net profit of the Company in terms of Regulation 17 (6) (e) of SEBI Listing Regulations. (Special resolutions passed individually for Mr. Hemant M. Shah and Mr. Vyomesh M. Shah respectively). iv. issue of Non-convertible Debentures on a private placement basis.
2019-2020	December 24, 2020	Due to COVID-19 it was held through Video-Conferencing (VC)/Other Audit Visual Means (OAVM)	10:00 A.M.	Issue of Non-Convertible Debentures on a private placement basis.

The special resolutions for the financial years 2017-2018, 2018-2019 and 2019-2020 respectively, 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.

- c. No special resolution was passed through Postal Ballot during the financial year 2020-2021.

- d. A special resolution for issue of Secured, Redeemable and Non-convertible Debentures is proposed to be passed during the current financial year 2021-2022.

## CORPORATE GOVERNANCE REPORT (CONTD.)

### 5. 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 after sixty days from the close of the relevant financial year, but within extended time limit as per the SEBI Circular No. SEBI/HO/CFD/CMDI/CIR/P/2020/110 dated June 26, 2020.
- 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. all relevant information pertaining to the Company including but not limited to the annual reports, quarterly results, shareholding pattern, corporate governance reports and all news/press releases and presentations to institutional investors as and when made are posted on the Company's website at <http://hubtown.co.in/investors>.
- 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.

However, this year in view of the outbreak of COVID-19 pandemic and owing to the difficulties involved in dispatching of physical copies of Annual Report, the Ministry of Corporate Affairs ("MCA") has vide its circular no 20/2020 dated 5 May 2020 directed the companies to send the Annual Report only by e-mail to all the members of the Company. Therefore, the Annual Report for F.Y. 2020-21 and Notice of Thirty-Third AGM of the Company is being sent to the members at their registered e-mail addresses in accordance with the said circular.

### 6. GENERAL SHAREHOLDER INFORMATION :

#### I. Thirty Third Annual General Meeting:

Day	Wednesday
Date	September 29, 2021
Time	10.30 A.M.
Venue	The Company is conducting the Annual General Meeting (AGM) through Video Conferencing / Other Audio Visual Means pursuant to the MCA Circular dated May 5, 2020 and as such there is no requirement to have a venue for the AGM. For details please refer to the Notice of this AGM.

#### II. Financial Calendar :

Financial Year : April 1 to March 31

#### III. Dividend Payment Date:

The Board of Directors has not recommended any dividend on the equity shares for the year ended March 31, 2021.

#### IV. Listing Information :

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

Name of the Stock Exchange	Address
BSE Limited	25th floor, 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

Owing to the severe liquidity crunch being faced by the Company, there has been delay in the payment of Annual Listing Fees for the year 2020-2021 to BSE and NSE respectively.

## CORPORATE GOVERNANCE REPORT (CONTD.)

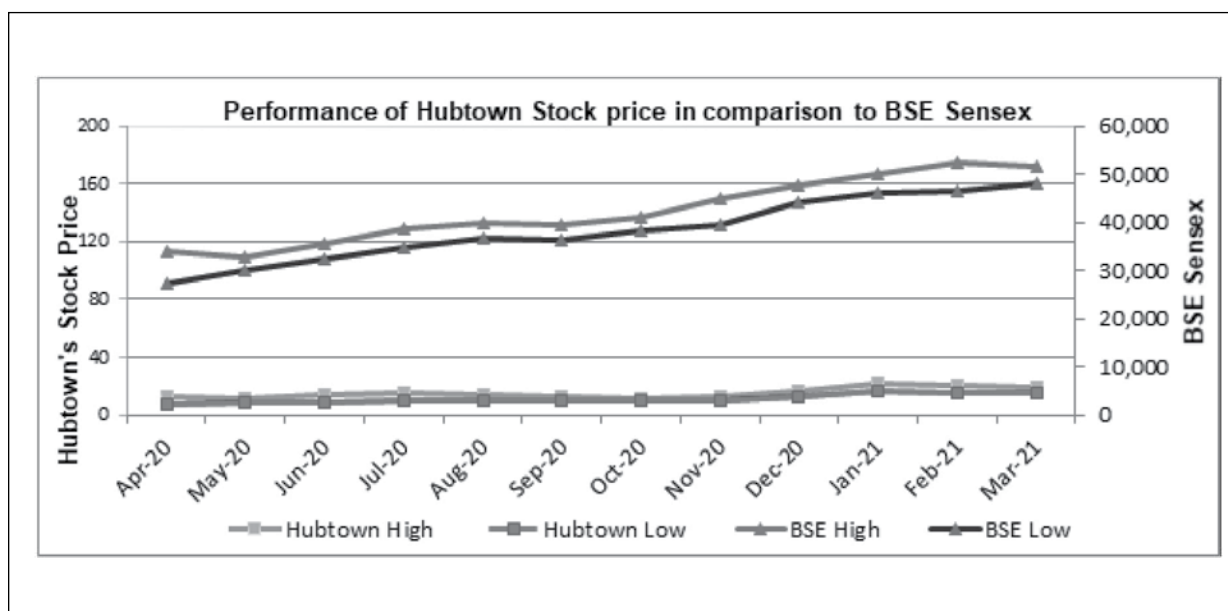
### V. Stock Code :

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

### VI. Market Price Data during 2020 - 2021 :

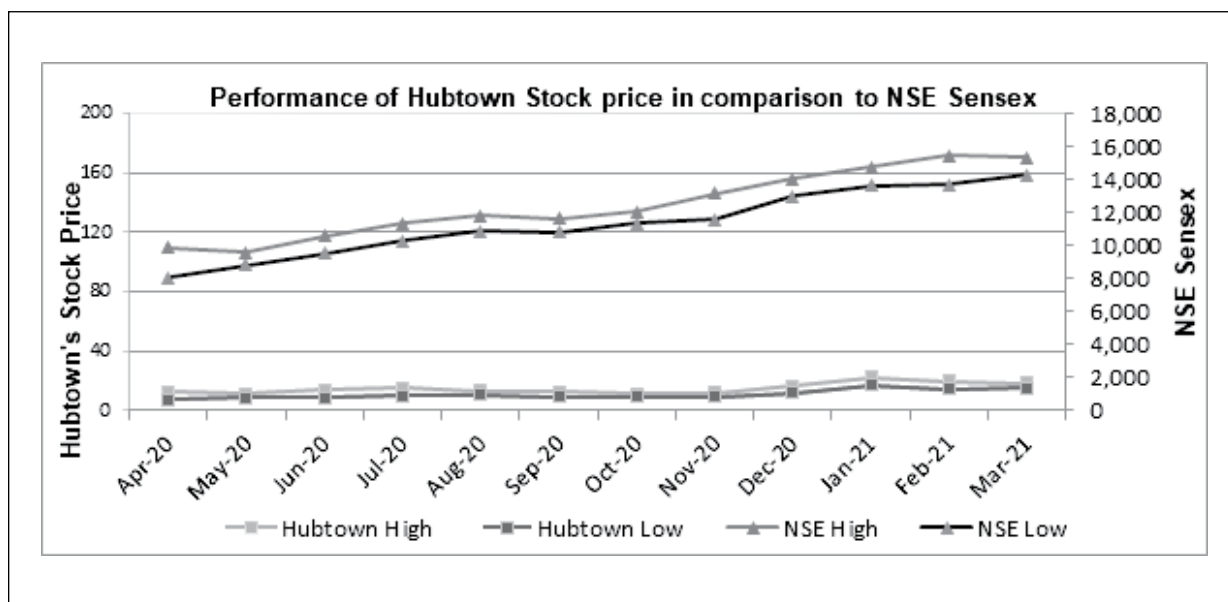
The monthly high and low market price and volume of the Company's shares traded on BSE and NSE during each month of the Financial Year from April 1, 2020 to March 31, 2021 are given below:

MONTH	BSE			BSE SENSEX	
	High (₹)	Low (₹)	Volume (in nos.)	High	Low
April – 2020	12.35	7.61	117361	33887	27500
May – 2020	11.50	9.00	31802	32845	29968
June – 2020	13.90	9.30	278942	35706	32348
July – 2020	15.16	9.90	264880	38617	34927
August – 2020	13.57	10.10	154619	40010	36911
September – 2020	12.29	9.56	77401	39359	36495
October – 2020	10.99	9.60	89267	41048	38410
November – 2020	12.25	9.86	118317	44825	39334
December – 2020	16.57	12.29	554695	47896	44118
January – 2021	22.10	17.00	420113	50184	46160
February – 2021	19.85	14.95	209527	52516	46433
March – 2021	18.60	14.95	849443	51821	48236



## CORPORATE GOVERNANCE REPORT (CONTD.)

MONTH	NSE			NSE NIFTY	
	High (₹)	Low (₹)	Volume (in nos.)	High	Low
April – 2020	12.60	7.60	471143	9889	8056
May – 2020	11.55	8.80	131020	9599	8807
June – 2020	13.80	9.00	2572568	10553	9544
July – 2020	15.05	9.80	2593970	11341	10300
August – 2020	13.60	10.50	1184646	11794	10882
September – 2020	12.40	9.50	711637	11618	10790
October – 2020	11.10	9.60	1156315	12025	11347
November – 2020	12.10	9.60	1178607	13146	11557
December – 2020	16.55	12.25	1959368	14025	12963
January – 2021	22.10	17.00	1795259	14754	13597
February – 2021	19.80	14.90	543798	15432	13662
March – 2021	18.70	15.20	1619258	15336	14264



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

### VII. Suspension of Trading in securities:

There was no suspension of trading in equity shares of the Company by the Stock Exchanges during the year under review.

### viii. Registrar and Transfer Agent:

Link Intime India Private Limited

Unit : Hubtown Limited

247 Park , C 101 1st Floor , LBS Marg , Vikhroli ( W ) , Mumbai – 400 083

Tel : 022- 4918 6270 ; Fax : 022 4918 6060 ;

website : [www.linkintime.co.in](http://www.linkintime.co.in) ; e-mail : [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in)

Time: 10.00 a.m. to 1.00 p.m. and 1.30 p.m. to 4.00 p.m.

## CORPORATE GOVERNANCE REPORT (CONTD.)

### ix Share Transfer System :

The shares of the Company are mandatorily traded in dematerialized form on BSE and NSE, with 99.99 percent of the issued share capital of the Company being held in demat form. The transfer, if any, of physical shares are processed and returned to the shareholders within the prescribed statutory time limit, provided the documents are valid and complete in all respect. Pursuant to the proviso to Regulation 40 of the SEBI Listing Regulations, with effect from April 1, 2019, except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in dematerialized form with a depository.

### X. Distribution of shareholding size class as on March 31, 2021 :

Slab of shareholding	No. of shareholders	% of shareholders	No. of shares held	% of Shareholding
1 – 500	19431	87.06	1549294	2.1300
501 – 1000	1203	5.39	995409	1.3685
1001 – 2000	699	3.13	1085440	1.4923
2001 – 3000	265	1.19	686977	0.9445
3001 – 4000	130	0.58	465883	0.6405
4001 – 5000	113	0.51	538963	0.7410
5001 – 10000	185	0.83	1407402	1.9349
10001 – above	294	1.31	66006503	90.7482
<b>TOTAL</b>	<b>22320</b>	<b>100</b>	<b>72735871</b>	<b>100</b>

### XI. Distribution of shareholding by ownership as on March 31, 2021 :

CATEGORY		No. of Shareholders	No. of shares held	% of Total
<b>A.</b>	<b>Shareholding of Promoter and Promoter Group</b>			
	1. Indian			
	a. Individuals / Hindu Undivided Family	10	36585686	50.30
	b. Bodies Corporate	2	600000	0.82
	<b>Sub-Total (A) [1]</b>	<b>12</b>	<b>37185686</b>	<b>51.12</b>
	2. Foreign	0	0	0
	<b>Sub-Total (A) [2]</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Shareholding of Promoter and Promoter Group (A) = (A) (1) + (A) (2)</b>		<b>12</b>	<b>37185686</b>	<b>51.12</b>
<b>B.</b>	<b>Public Shareholding</b>			
	1. Institutions			
	a. Mutual Funds	0	0	0
	b. Financial Institutions / Banks	2	1074158	1.477
	c. Venture Capital Fund	0	0	0
	d. Insurance Companies	1	56937	0.078
	e. Foreign Institutional Investors	1	2652700	3.647
	f. Central / State Government	1	5	0
<b>Sub-Total (B) (1)</b>		<b>5</b>	<b>37,83,800</b>	<b>5.202</b>

## CORPORATE GOVERNANCE REPORT (CONTD.)

### XI. Distribution of shareholding by ownership as on March 31, 2021 (Contd.):

CATEGORY			No. of Shareholders	No. of shares held	% of Total
2.	Non-Institutions				
	a.	Bodies Corporate	190	12741780	17.52
	b.	Resident Individuals			
	i.	Individual shareholders holding nominal capital upto ₹2 lakh	20627	7417187	10.20
	ii.	Individual shareholders holding nominal capital in excess of ₹ 2 lakh	87	7341388	10.09
	c.	NBFCs registered with RBI	0	0	0
	d.	Any Other (Specify)			
	i.	Trusts	1	12	0
	ii.	Non-Residents	181	2207648	3.03
	iii.	Overseas Corporate Bodies	2	11	0
	iv.	Clearing Members	39	850599	1.17
	v.	HUF	770	1204760	1.66
	vi.	Foreign Nationals	1	3000	0
	Sub-Total (B) (2)		21898	31766385	43.67
B.	Total Public Shareholding (B) = (B)(1) + (B) (2)			35550185	48.88
GRAND TOTAL (A) + (B)			21915	72735871	100

### XII. Dematerialisation of shares and liquidity :

The Company's shares are compulsorily traded in dematerialized form on BSE and NSE. As on March 31, 2021, 7,27,35,854 equity shares constituting nearly 100% of the total share capital of the Company were held in dematerialized form.

Status of Dematerialization as on March 31, 2021:

Particulars	No. of Shares	% to Total Capital
National Securities Depository Limited	5,32,85,496	73.26
Central Depository Services (India) Limited	1,94,50,358	26.74
<b>Total Dematerialized</b>	<b>7,27,35,854</b>	<b>100</b>
Physical	17	0
<b>Grand Total</b>	<b>7,27,35,871</b>	<b>100</b>

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

During the year under review, the Company has not issued GDRs/ADRs/Warrants or any other instrument convertible into equity.

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

The Company does not have any material foreign exchange exposure and therefore no hedging activities were carried out. Further, the Company does not have material exposure to any commodity and therefore, no hedging activities were carried out and accordingly there is no disclosure required to be made in terms of SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated November 15, 2018.

## CORPORATE GOVERNANCE REPORT (CONTD.)

### XV. Plant Location:

Not Applicable

### XVI. Address for Correspondence:

- All members' correspondence should be forwarded to Link Intime India Private Limited, the Registrar and Transfer Agent of the Company at the address mentioned below.
- The Company's dedicated e-mail address for Investors' complaints and other communications is : investorcell@hubtown.co.in.
- SEBI vide its Circular dated March 26, 2018 issued new measures with reference to SEBI Complaints Redressal System (SCORES). As per the new process, SEBI has requested the members to approach the Company directly at the first instance for their grievances.

Physical Shares	Electronic Shares
<b>Address</b> : Link Intime India Private Limited Unit: Hubtown Limited C-101, 247 Park L.B.S. Marg, Vikhroli (West) Mumbai – 400 083	Respective Depository Participants of the Shareholders
<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 4.00 p.m.	
<b>Designated e-mail for investor services</b> : investorcell@hubtown.co.in	

### XVII. Credit Rating:

The Company was not required to obtain any credit rating during the financial year 2020-2021.

## 7. OTHER DISCLOSURES:

### i. Materially significant related party transactions:

During the year under review there were no materially significant related party transactions entered into between the Company and its Promoters, Directors or Key Managerial Personnel, Senior Management or their relatives, subsidiaries, etc. that may have potential conflict with the interest of the Company at large. Details of related party transactions entered into by the Company in the ordinary course of its business have been disclosed in the notes forming part of the financial statements. All related party transactions were in the ordinary course of business and on an arm's length basis and have been approved by the Audit and Compliance Committee and by the shareholders, wherever necessary.

### ii. Details of non-compliance related to Capital Markets:

There were no instances of non-compliance by the Company and no penalties or strictures were imposed on the Company by BSE, NSE, SEBI or other statutory authority on any matter relating to the capital markets, during the last three years.

### iii. Whistle Blower Policy – Vigil Mechanism:

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://hubtown.co.in/investors>.



## CORPORATE GOVERNANCE REPORT (CONTD.)

iv. **Compliance with mandatory requirements:**

For report on compliance with mandatory requirements, kindly refer point no. 8 below. The Company has submitted the quarterly compliance reports on corporate governance to the stock exchanges within the prescribed time limit.

v. **Policy for determining Material Subsidiaries:**

During the year under review, the Company did not have any 'material subsidiary' as defined under Regulation 24 of the SEBI Listing Regulations.

As required under Regulation 16 (1) (c) of the SEBI Listing Amendment Regulations, 2018, the Company has framed a policy for determining 'Material Subsidiaries' which has been posted on the Company's website at <http://hubtown.co.in/investors>.

vi. **Policy on Related Party Transactions:**

The policy on materiality of related party transactions framed under Regulation 23 of the SEBI Listing Regulations has been uploaded on the website of the Company at the following link : <http://hubtown.co.in/investors>.

vii. **Policy on determination of Materiality of Events:**

The Company has also adopted policy on determination of 'Materiality of Events' and policy on 'Archival of Documents' which have been uploaded on the website of the Company at the following link : <http://hubtown.co.in/investors>.

viii. **Details of utilization of funds:**

During the year under review, the Company has not raised funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of the SEBI Listing Regulations.

ix. **Certificate with respect to disqualification or otherwise of directors:**

The Company has obtained a certificate from M/s. Mihe Halani & Associates, practising company secretary confirming that none of the Directors on the Board of Directors of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority. A copy of the said certificate is appended hereto as **Annexure – I**.

x. **Non-acceptance of any recommendation of any Committee of the Board which was mandatorily required:**

During the year under review, the Board has accepted the recommendations made by various Committees of the Board of Directors of the Company.

xi. **Consolidated fees to Statutory Auditors:**

The total fees for all services paid by the listed entity on a consolidated basis, to the statutory auditor and all entities in the network firm / network entity of which the statutory auditor is a part is ₹ 61.77 lakhs.

xii. **Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

The Company has complied with the provisions relating to constitution of Internal Complaints Committee pursuant to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and disclosure under the said Act for the year ended March 31, 2021 is given in the table hereinbelow:

1.	number of complaints filed during the financial year 2020-2021	NIL
2.	number of complaints disposed of during the financial year 2020-2021	NIL
3.	number of complaints pending as on end of the financial year 2020-2021	NIL

## 8. DISCLOSURE OF COMPLIANCE WITH REQUIREMENTS OF CORPORATE GOVERNANCE REPORT:

Except for compliance with the requirement of sub-para (2) (a) of Para 'C' of Schedule V to the SEBI Listing Regulations, which was complied on September 15, 2020, the Company has complied with all the other requirements of corporate governance as specified in sub-paras (2) to (10) of Para 'C' of the said Schedule V.

## CORPORATE GOVERNANCE REPORT (CONTD.)

### 9. 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. Hence the same are not sent to the shareholders.

#### c. **Audit Qualifications:**

Appropriate management explanations to the Auditors' observations made in their respective reports have been provided in the respective notes to the financial statements.

#### d. **Reporting of Internal Auditors:**

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

### 10. COMPLIANCE WITH REQUIREMENTS UNDER REGULATIONS 17 TO 27 AND REGULATION 46 (2) (B) TO (I):

Except for compliance with the requirement of Regulations 17 (1) (b) and 25 (6), which was complied on September 15, 2020, the Company has complied with the other requirements specified in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) of the SEBI Listing Regulations.

### 11. CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT

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, 2021. A declaration to this effect signed by the Managing Director is appended as **Annexure – II** to this report.

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

### 12. CEO AND CFO CERTIFICATION FOR FINANCIAL REPORTING AND INTERNAL CONTROLS:

Pursuant to Regulation 17 (8) of the SEBI Listing Regulations, the Managing Director and the Chief Financial Officer of the Company have certified to the Board regarding the financial statements for the year ended March 31, 2021. A certificate to that effect signed by the Managing Director and the Chief Financial Officer is appended as **Annexure - III** to this Report.

### 13. SECRETARIAL AUDITOR'S 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 of the SEBI Listing Regulations is appended as Annexure IV to this Report.

### 14. ANNUAL SECRETARIAL COMPLIANCE REPORT:

The Company had undertaken an audit for the Financial Year 2020-2021 for all applicable compliances as per Securities and Exchange Board of India Regulations and Circulars/Guidelines issued thereafter.

The Annual Secretarial Compliance Report issued by M/s. Miheh Halani & Associates, a company secretary in practice has been submitted to the stock exchanges.

### 15. DETAILS OF DEMAT SUSPENSE ACCOUNT:

Pursuant to Regulation 34 (9) read with Schedule VI to Listing Regulations, the Company has opened a separate demat suspense account in the name and style of "Hubtown Limited – Unclaimed Shares Suspense Account" and credited the shares of the Company which are remaining unclaimed by the shareholders under the Initial Public Offering (IPO). The details of such unclaimed shares as on March 31, 2021 are set out hereunder:

## CORPORATE GOVERNANCE REPORT (CONTD.)

Sr. No.	Particulars	No. of shareholders	No. of shares
1.	Aggregate no. of shareholders and the outstanding shares in the aforesaid suspense account lying at the beginning of the year i.e. April 1, 2020	20	270
2.	No. of shareholders who approached for transfer of shares from the said account during the year 2020-2021	Nil	Nil
3.	No. of shareholders to whom the shares were transferred from the said account during the year 2020-2021	Nil	Nil
4.	Aggregate no. of shareholders and the outstanding shares in the aforesaid suspense account lying at the end of the year i.e. March 31, 2021.	20	270

The voting rights on the outstanding unclaimed shares as on March 31, 2021 shall remain frozen as long as the shares remain in the Suspense Account 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, M/s. Link Intime India Private Limited.

### 16. 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.

### 17. NSE ELECTRONIC APPLICATION PROCESSING SYSTEM (NEAPS):

The NEAPS is a web based application designed by National Stock Exchange of India for corporates. All periodical compliances like shareholding pattern, corporate governance report, and other disclosures are filed electronically on NEAPS.

### 18. BSE CORPORATE COMPLIANCE AND LISTING CENTRE (LISTING CENTRE):

The Listing Centre of BSE is a web based application designed by BSE for corporates. All periodical compliances like shareholding pattern, corporate governance report, and other disclosures are filed electronically on the Listing Centre.

## CORPORATE GOVERNANCE REPORT (CONTD.)

### ANNEXURE - I

#### CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and clause (10)(i) of Para C of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Members,  
**Hubtown Limited,**  
CIN:L45200MH1989PLC050688

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Hubtown Limited bearing CIN-L45200MH1989PLC050688 and having registered office at Hubtown Seasons, CTS NO. 469-A, Opp. Jain Temple, R. K. Chemburkar Marg, Chembur (East), Mumbai-400071, Maharashtra, India (hereinafter referred to as "the Company"), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal of the Ministry of Corporate Affairs at "www.mca.gov.in") as considered necessary and explanations furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2021 have been debarred or disqualified from being appointed or continuing as Director of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	Mr. Vyomesh Mahipatray Shah	00009596	30.11.2006
2	Mr. Hemant Mahipatray Shah	00009659	16.02.1989
3	Mr. Abhijit Datta	00790029	16.05.2011
4	Ms. Priti Kamlesh Shah	01880436	14.08.2014
5	Mr. Sunil Chandrakant Shah	06947244	14.08.2014
6	Ms. Ketaki Rajat Shah	08865092	15.09.2020
7	Mr. Kartik Ruparel	08865104	15.09.2020

Ensuring the eligibility for the appointment/ continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Mihen Halani & Associates**  
Practicing Company Secretaries

**Mihen Halani**  
**Proprietor**  
CP No.: 12015  
FCS No.: 9926

Place : Mumbai  
Date : June 18. 2021  
UDIN : F009926C000485115

## CORPORATE GOVERNANCE REPORT (CONTD.)

### ANNEXURE - II

#### 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, 2021.

For **Hubtown Limited**

**Vyomesh M. Shah**  
Managing Director  
DIN : 00009596

Mumbai, June 29, 2021

### ANNEXURE - III

#### 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, 2021 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, 2021 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 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

**Sunil Mago**  
Chief Financial Officer

Mumbai, June 29, 2021

## CORPORATE GOVERNANCE REPORT (CONTD.)

ANNEXURE - IV

### CERTIFICATE OF PRACTICING COMPANY SECRETARY ON CORPORATE GOVERNANCE REPORT

To  
The Members,  
Hubtown Limited  
CIN: L45200MH1989PLC050688

We have examined the compliance of conditions of Corporate Governance by **Hubtown Limited** ("the Company"), for the year ended on March 31, 2021, as stipulated in Clause E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedure and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the 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. Accordingly, in our opinion and to the best of our information and the explanations as given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Regulations, as applicable.

We state that in respect of investor's grievance received during the year ended March 31 2021, the Registrar and Transfer Agent of the Company have certified that as at March 31, 2021, there were no investors' grievances remaining unattended / pending to the satisfaction of the investor.

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

For **Mihen Halani & Associates**  
Practicing Company Secretaries

**Mihen Halani**  
**Proprietor**  
CP No.: 12015  
FCS No.: 9926

Place : Mumbai  
Date : June 18. 2021  
UDIN : F009926C000485324

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF HUBTOWN LIMITED

#### Report on the Audit of the Standalone Financial Statements Qualified Opinion

We have audited the accompanying standalone financial statements of Hubtown Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph below, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, the loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### Basis for Qualified Opinion

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

- a) As stated in Footnote (a) to Note 28 to the standalone financial statements of the Company for the year, with regards the Company not having provided for Interest expense amounting to ₹ 33,395.93 lakhs on certain Inter-corporate deposits. Consequent to above, finance cost for the year ended 31st March, 2021 has been understated by ₹ 33,395.93 lakhs resulting in a consequential decrease in the losses for the year ended 31st March, 2021 to that extent. Opinion on the Standalone financial statements for the year ended March 2020 was also modified in respect of this matter by predecessor auditor.
- b) As stated in Footnote (c) to Note 23 to the standalone financial statement of the Company for the year ended 31st March, 2021 with regards the Company not having recognized finance Income from Deep Discount bonds held in one of its Joint Venture entities. Consequently, Finance Income for the year ended 31st March, 2021 is understated by INR 31,189.67 lakhs. Further, losses for the year ended 31st March, 2021 is overstated to that extent. Opinion on the Standalone financial statements for the year ended March 2020 was also modified in respect of this matter by predecessor auditor.

#### Emphasis of Matters

We draw Attention to:

- a) Note 2 (II) (b) (ii) of the standalone financial statements, regarding to recognition of expense for ongoing projects which, based upon estimated costs, is as per the judgment of the management and have been relied upon by us, these being technical matters.
- b) Footnote (d) to note 23 and Note 42 of the standalone financial statements, which describes the effects of uncertainties relating to COVID-19 pandemic outbreak on the Company's operation and management's evaluation of its impact on the accompanying Statement as at 31st March, 2021, the impact of which is significantly dependent on future developments.
- c) Footnote (a) to Note 13 and footnote (e) to Note 30 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 which, being a technical matter is relied upon by us.
- d) Note 36 (i) (B) of the standalone financial statements, regarding Corporate guarantees issued and securities provided aggregating INR 43,646.94 lakhs by the Company to banks and financial institutions on behalf of various entities, which are significant in relation to the losses 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 36 of the standalone financial statements regarding the above corporate guarantees issued and securities provided are disclosed at amounts outstanding as at 31st March, 2021. 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 36 of 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 41 of the standalone financial statements, regarding balances that are subject to confirmations, reconciliation and adjustments, if any.
- h) Footnote (b) to Note 9 of the standalone 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 commercial and business interest.
- i) Footnote (e) to Note 23 of the standalone financial statements, regarding the company has not recognised revenue from sale of finished properties amounting to INR 753.87 lakhs where the possession letter is issued to the customers but possession is not taken by them.

## INDEPENDENT AUDITOR'S REPORT (CONTD.)

- j) Footnote (h) to Note 6 of the standalone financial statements, regarding the Company's investments in certain subsidiaries, jointly controlled entities and associates as at 31st March, 2021 which have incurred losses and carry an eroded net worth as at 31st March, 2021.
- k) Footnote (g) to Note 6 of the standalone financial statements regarding non-receipt of financial statements of one of its partnership firm for year ended 31st March, 2021. In the opinion of management, share of profit/(loss) of such partnership will not have any material impact on the financial statements.

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

### Key Audit Matters

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

Key Audit Matter	How the matter was addressed in our audit
<p><b>I. Assessing NRV of projects</b></p> <p>Inventories held by the Company comprising of finished goods and Inventories held by the Company comprising of finished goods and construction work in progress represent 32 % of the Company's total assets. Inventory may be held for long periods of time before sale making it vulnerable to reduction in net realisable value (NRV). This could result in an overstatement of the value of inventory when the carrying value is higher than the NRV</p> <p><b>Assessing NRV</b></p> <p>NRV is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale and estimated costs of completion (in case of construction work-in- progress). The inventory of finished goods and construction work-in- progress is not written down below cost when completed flats/ under-construction flats / properties are expected to be sold at or above cost.</p> <p>For NRV assessment, the estimated selling price is determined for a phase, sometimes comprising multiple units. The assessment and application of write-down of inventory to NRV are subject to significant judgement by the Company.</p> <p>As such inappropriate assumptions in these judgements can impact the assessment of the carrying value of inventories.</p> <p>Considering the Company's judgement associated with long dated estimation of future market and economic conditions and materiality in the context of total assets of the Company, we have considered assessment of NRV of inventory as a key audit matter.</p>	<p><b>I. Our audit procedures included, but were not limited to the following:</b></p> <ul style="list-style-type: none"> <li>Understanding from the Company the basis of estimated selling price for the unsold units and units under construction.</li> <li>Evaluating the design and testing operating effectiveness of controls over preparation and update of NRV workings by designated personnel. Testing controls related to Company's review of key estimates, including estimated future selling prices and costs of completion for property development projects.</li> <li>Evaluating the Company's judgement with regards to application of write-down of inventory units by auditing the key estimates, data inputs and assumptions adopted in the valuations. Comparing expected future average selling prices with available market conditions such as price range available under industry reports published by reputed consultants and the sales budget plans maintained by the Company.</li> <li>Comparing the estimated construction costs to complete each project with the Company's updated budgets. Recomputing the NRV, on a sample basis, to test inventory units are held at the lower of cost and NRV.</li> </ul>
<p><b>II. Investment in Subsidiaries, Joint ventures and Associates</b></p> <p>The carrying amount of the investments in subsidiaries, Joint Ventures and Associates held at cost less impairment, if any represents a significant portion of the Company's total assets.</p> <p>The Company has investments in subsidiaries, Joint Ventures and Associates. These investments are carried at cost less any diminution in value of such investments. The investments are reviewed for impairment at each reporting date by comparing the carrying value of investments in the Company's books with the net assets of the relevant subsidiaries, joint ventures and associates balance sheet. Further, the Company's review includes assessment of the projected cash flows of the real estate projects in these underlying entities, which involve significant estimates and judgment, due to the inherent uncertainty involved in forecasting future cash flows. In addition, considering the materiality of the investments in subsidiaries, joint ventures and associates vis-a-vis the total assets of the Company, this is considered to be significant to our overall audit.</p>	<p><b>II. Our audit procedures included, but were not limited to the following:</b></p> <ul style="list-style-type: none"> <li>Comparing the carrying amount of Investments in the Company's books with the respective subsidiaries, Joint Ventures and Associates audited/unaudited financial statements to identify whether their net assets (being an approximation of their minimum recoverable amount) were in excess of their carrying value.</li> <li>Assess historic profitability of the subsidiaries, joint ventures and associate companies.</li> <li>For the Investments where the carrying amount exceeded the Company's share of net assets value, enquired status of projects. Further, the carrying amount of investments was compared by projected cash flows and profitability of the project in that respective subsidiaries, joint ventures and associate companies.</li> <li>Verified adequacy of disclosures in respect of the Investments in subsidiaries, joint ventures and associates.</li> </ul>



## INDEPENDENT AUDITOR'S REPORT (CONTD.)

### Other Matter

Attention is further invited to the Statement of Profit and Loss of the Company which includes share of loss from investments in partnership firms/ joint ventures aggregating to INR 376.85 lakhs that are based on the financial statements of the firms/joint ventures as prepared by the management and presented to us on which we have relied.

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

Attention is drawn to the fact that the figures for the year ended 31st March, 2020, included in the statement are based on previously issued standalone financial statements that are audited by the predecessor Auditor.

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

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

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

### Responsibility of the management and those charged with Governance for the Standalone Financial Statements

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

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

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

### Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

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

## INDEPENDENT AUDITOR'S REPORT (CONTD.)

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

### Report on Other Legal and Regulatory Requirements

1. As required by Section 197(16) of the Act, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under Section 197 read with Schedule V to the Act.
2. As required by the Companies (Auditors' 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.
3. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) The Standalone Financial Statements dealt with by this Report are in agreement with the books of account;
  - d) Except for the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act;
  - e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
  - f) We have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as on 31st March 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report as per Annexure B expressed an unmodified opinion;
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, (as amended) in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company 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.

**FOR JBTM & ASSOCIATES LLP**  
Firm Registration No.: W100365  
Chartered Accountants

**DHAIRYA BHUTA**  
Partner Membership No.: 168889  
UDIN: 21168889AAAACC4618

Place: Mumbai  
Date: June 29, 2021

## 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, 2021;

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 Property, Plant and Equipment.
- (b) The Property, Plant and Equipment 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 eleven companies covered under the register maintained under Section 189 of the Act;
  - (a) The terms and condition of the loan are prima facie not prejudicial to the interest of the Company, and
  - (b) The schedule of repayment of principal and interest, if any, has been stipulated as per terms of the arrangement;
  - (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 security 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; Further, attention is invited to footnote (g) to Note 18.
- (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, and Goods 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 including Interest as at the Balance Sheet date, for a period exceeding six months from the date they became payable are ₹ 0.23 lakhs relating to Income Tax Deducted at Source, ₹ 90.64 lakhs relating to Value Added Tax, ₹ 3.68 lakhs relating to Goods and Service Tax and interest and late fee relating to indirect tax ₹ 977.21 lakhs.
- (b) 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	Section	Financial Year	Disputed Dues	Amount paid	Balance disputed dues payable	Forum where dispute is pending
Income Tax	143(3)	2003-04	17,48,120	—	17,48,120	High Court (Preferred by Dept)
Income Tax	143(3)	2004-05	21,30,524	—	21,30,524	High Court (Preferred by Dept)
Income Tax	143(3)	2005-06	20,92,012	—	20,92,012	High Court (Preferred by Dept)
Income Tax	143(3) r.w.s. 147	2011-12	74,87,610	—	74,87,610	Commissioner of Income Tax (Appeals)
Service Tax	73(1)	2011-12	4,81,60,734	—	4,81,60,734	Customs, Central Excise and Service Tax Appellate Tribunal
Service Tax	73(1)	2012-13	4,51,00,157	—	4,51,00,157	Customs, Central Excise and Service Tax Appellate Tribunal
Service Tax	73(1)	2013-14	5,20,82,952	—	5,20,82,952	Customs, Central Excise and Service Tax Appellate Tribunal
Service Tax	73(1)	2014-15	7,27,51,863	—	7,27,51,863	Customs, Central Excise and Service Tax Appellate Tribunal
Service Tax	73(1)	2012-2013 to Jun-17	68,81,51,680	—	68,81,51,680	Commissioner of CGST, Mumbai South Commissionerate
MVAT	—	2006 -07	1,63,558	—	1,63,558	Joint Commissioner of Sales Tax (Appeals)
MVAT	—	2015 -16	1,02,22,871	47,62,739	54,60,132	Joint Commissioner of Sales Tax (Appeals)
MVAT	—	2016-17	66,16,060	3,03,308	63,12,752	Joint Commissioner of Sales Tax (Appeals)
<b>Total</b>			<b>93,67,08,141</b>	<b>50,66,047</b>	<b>93,16,42,094</b>	

## 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 18 – Non-Current Borrowings, with regards to banks, footnote (f) to Note 18 – Current Borrowings, with regards to financial institution;
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable to the Company.
- (x) 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.
- (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;
- (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 JBTM & ASSOCIATES LLP**  
Firm Registration No.: W100365  
Chartered Accountants

**DHAIRYA BHUTA**  
Partner Membership No.: 168889  
UDIN: 21168889AAAACC4618

Place: Mumbai  
Date: June 29, 2021

## INDEPENDENT AUDITOR'S REPORT (CONTD.)

### ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF HUBTOWN LIMITED ON THE STANDALONE FINANCIAL STATEMENTS

Independent Auditors 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, 2021 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 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 risks. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

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

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that;

Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

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, 2021, 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 JBTM & ASSOCIATES LLP**

Firm Registration No.: W100365

Chartered Accountants

**DHAIRYA BHUTA**

Partner Membership No.: 168889

UDIN: 21168889AAAACC4618

Place: Mumbai

Date: June 29, 2021

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# **FINANCIAL STATEMENTS**

## **FOR YEAR ENDED MARCH 31, 2021**

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## BALANCE SHEET AS AT 31ST MARCH, 2021

Particulars	Note	As at 31st March, 2021 (₹ in lakhs)	As at 31st March, 2020 (₹ in lakhs)
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
(a) Property, plant and equipment	3	159.06	1,640.71
(b) Investment properties	4	3,609.40	3,755.91
(c) Intangible assets	5A	—	—
(d) Right to use assets	5B	3.00	59.65
(e) Financial assets			
(i) Investments	6	138,704.07	167,629.46
(ii) Trade receivables	7	—	—
(iii) Loans	8	678.12	560.87
(iv) Other financial assets	9	374.63	581.70
(f) Current tax assets (Net)	10	805.43	853.95
(g) Deferred tax assets (Net)	11	2,059.08	2,299.98
(h) Other non-current assets	12	2,899.64	2,175.49
<b>Total Non-Current Assets</b>		<b>149,292.43</b>	<b>179,557.72</b>
<b>Current Assets</b>			
(a) Inventories	13	122,400.37	133,828.66
(b) Financial assets			
(i) Investments	6	1,200.25	287.19
(ii) Trade receivables	7	18,977.59	8,930.53
(iii) Cash and cash equivalents	14	913.38	1,054.92
(iv) Bank balances other than (iii) above	15	388.10	43.50
(v) Loans	8	2,948.45	6,322.84
(vi) Other financial assets	9	68,540.03	54,195.06
(c) Other current assets	12	12,244.48	13,235.20
<b>Total Current Assets</b>		<b>227,612.65</b>	<b>217,897.90</b>
<b>TOTAL ASSETS</b>		<b>376,905.08</b>	<b>397,455.62</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	16	7,273.59	7,273.59
(b) Other equity	17	144,550.14	160,269.85
<b>Total Equity</b>		<b>151,823.73</b>	<b>167,543.44</b>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	18	2,850.32	3,050.59
(ii) Other financial liabilities	19	4,156.20	3,035.64
(b) Provisions	20	202.94	198.91
<b>Total Non-Current Liabilities</b>		<b>7,209.46</b>	<b>6,285.14</b>
<b>Current Liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	18	24,669.20	23,118.13
(ii) Trade payables	21	13,129.95	13,233.38
(iii) Other financial liabilities	19	121,148.86	136,424.61
(b) Other current liabilities	22	58,316.80	50,443.54
(c) Provisions	20	607.08	407.38
<b>Total Current Liabilities</b>		<b>217,871.89</b>	<b>223,627.04</b>
<b>Total Liabilities</b>		<b>225,081.35</b>	<b>229,912.18</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>376,905.08</b>	<b>397,455.62</b>

The accompanying notes are an integral part of the financial statements

As per our report of even date

For **J B T M & ASSOCIATES LLP**  
Firm Registration No. W100365  
CHARTERED ACCOUNTANTS

**DHAIRYA BHUTA**  
PARTNER  
Membership No. 168889  
Mumbai  
June 29, 2021

For and on behalf of the Board of Directors

**HEMANT M. SHAH**  
EXECUTIVE CHAIRMAN

**SADANAND LAD**  
COMPANY SECRETARY

Mumbai  
June 29, 2021

**VYOMESH M. SHAH**  
MANAGING DIRECTOR

**SUNIL MAGO**  
CHIEF FINANCIAL OFFICER

Mumbai  
June 29, 2021



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2021

Particulars	Note	Year ended 31st March, 2021 (₹ in lakhs)	Year ended 31st March, 2020 (₹ in lakhs)
<b>I INCOME</b>			
Revenue from Operations	23	24,422.12	25,548.38
Other Income	24	4,653.23	3,614.69
Share of Profit / (Loss) of Joint Ventures and Partnership Firms (Net)		(16.18)	(326.85)
<b>TOTAL INCOME</b>		<b>29,059.17</b>	<b>28,836.22</b>
<b>II EXPENSES</b>			
Cost of Construction / Development	25	6,051.46	12,555.93
Purchase of Stock-in-Trade		11.27	472.19
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	26	7,187.14	(17,169.38)
Employee Benefits Expense	27	577.02	1,558.48
Finance Cost	28	6,088.73	13,871.44
Depreciation and Amortisation Expenses	29	294.02	395.42
Other Expenses	30	24,623.06	21,006.75
<b>TOTAL EXPENSES</b>		<b>44,832.70</b>	<b>32,690.83</b>
<b>Profit/(Loss) before Tax</b>		<b>(15,773.53)</b>	<b>(3,854.61)</b>
Tax Expense			
(a) Current Tax		—	(251.62)
(b) Deferred tax (charge) / credit		(240.89)	(1,840.22)
(c) Excess / (Short) provision for taxation in respect of earlier years		415.40	—
<b>Profit/(Loss) for the Year</b>		<b>(15,599.02)</b>	<b>(5,946.45)</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
Items that will not be reclassified to Profit or Loss			
Remeasurement of the net defined benefit liability / asset		(120.69)	59.45
<b>Total other Comprehensive Income</b>		<b>(120.69)</b>	<b>59.45</b>
<b>Total Comprehensive Income/(Loss) for the year</b>		<b>(15,719.70)</b>	<b>(5,887.00)</b>
<b>Earning per equity share of nominal value of ₹ 10/- each (in Rupees)</b>	31		
Basic and Diluted		(21.45)	(8.18)

The accompanying notes are an integral part of the financial statements

As per our report of even date

For **J B T M & ASSOCIATES LLP**  
Firm Registration No. W100365  
CHARTERED ACCOUNTANTS

**DHAIRYA BHUTA**  
PARTNER  
Membership No. 168889  
Mumbai  
June 29, 2021

For and on behalf of the Board of Directors

**HEMANT M. SHAH**  
EXECUTIVE CHAIRMAN

**SADANAND LAD**  
COMPANY SECRETARY

Mumbai  
June 29, 2021

**VYOMESH M. SHAH**  
MANAGING DIRECTOR

**SUNIL MAGO**  
CHIEF FINANCIAL OFFICER

Mumbai  
June 29, 2021

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2021

Particulars	Year ended 31st March, 2021 (₹ in lakhs)	Year ended 31st March, 2020 (₹ in lakhs)
<b>[A] CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit/(Loss) before tax	(15,773.53)	(3,854.61)
<b>Adjustments for:</b>		
Interest Expenses	3,632.22	11,430.27
Interest expenses on financial liabilities measured at fair value	2,451.03	2,422.29
Interest expense on account of Right to use	5.48	18.89
Share of Profit / (Loss) from investment in partnership firms and JVs	16.18	326.85
(Profit)/Loss on sale of Investments (Net)	(3,903.70)	(3,036.80)
Depreciation/Amortisation/Impairment of Property, Plant and Equipments and Intangible Assets	247.58	344.28
Depreciation on lease assets	46.44	51.14
Unwinding of Interest free loans	(47.61)	(41.85)
Provision for Doubtful Receivables/Advances/Sundry balances written off	1,573.64	1,235.10
(Profit)/Loss on sale of Property, Plant and Equipments (Net)	(707.69)	(611.18)
Provision no longer required	(646.24)	(4,206.56)
Interest income	(1,137.12)	(2,168.61)
Remeasurement of the net defined benefit liability / asset	(120.69)	59.45
Bad Debts	—	29.79
Provision/Advances/Sundry Balances written back	3,271.62	6,673.75
Provision for Doubtful Debts	1,485.72	175.00
Revaluation of Mutual fund	(0.16)	(0.28)
Interest write back	(251.82)	(200.57)
Interest income on financial liabilities measured at fair value	(1,849.55)	(2,457.44)
Provision for diminution in investment written back	—	(0.90)
Unrealised foreign exchange (gain)/loss (Net)	—	(5.15)
Unwinding of security deposits	(45.75)	(34.42)
Investment written off	3.00	—
Investment written off on account of merger	—	612.25
Sundry credit balances appropriated	(77.35)	(1,638.25)
Property, Plant and Equipments written off/discarded	622.25	—
Diminution in value of Inventories	5,044.27	—
Income on account of OTS	(741.67)	—
Interest on income on Investment at fair value	(198.31)	—
<b>Operating Profit/(Loss) before changes in working capital</b>	<b>(7,101.76)</b>	<b>5,122.44</b>
<b>Adjustment for (Increase)/Decrease in Operating Assets</b>		
Adjustments for decrease (increase) in inventories	6,676.11	(16,012.18)
Adjustments for decrease (increase) in trade receivables, current	(11,532.77)	(1,134.20)
Adjustments for decrease (increase) in other current assets	990.72	(3,680.88)
Adjustments for decrease (increase) in other non-current assets	(1,138.56)	(829.59)
Adjustments for other financial assets, non-current	254.68	(368.04)
Adjustments for other financial assets, current	(2,149.21)	20,448.31
<b>Adjustment for Increase/(Decrease) in Operating Liabilities</b>		
Adjustments for increase (decrease) in trade payables, current	(26.08)	11,664.04
Adjustments for increase (decrease) in other current liabilities	8,519.49	1,407.18
Adjustments for provisions, current	199.69	62.41
Adjustments for provisions, non-current	4.03	(19.09)
Adjustments for other financial liabilities, current	(7,754.26)	(14,393.36)
Adjustments for other financial liabilities, non-current	569.52	(2,041.59)
<b>Cash flow from operations after changes in working capital</b>	<b>(12,488.40)</b>	<b>225.45</b>
Net Direct Taxes (Paid)/Refunded	463.92	(358.14)
<b>Net Cash Flow from/(used in) Operating Activities</b>	<b>(12,024.48)</b>	<b>(132.69)</b>

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2021 (CONTD.)

Particulars	Year ended 31st March, 2021 (₹ in lakhs)	Year ended 31st March, 2020 (₹ in lakhs)
<b>[B] CASH FLOW FROM INVESTING ACTIVITIES</b>		
Cash flows from losing control of subsidiaries or other businesses	12,500.00	—
Other cash receipts from sales of equity or debt instruments of other entities	7,848.72	3,695.18
Other cash payments to acquire equity or debt instruments of other entities	—	(4,566.53)
Other cash receipts from sales of interests in joint ventures	287.40	—
Other cash payments to acquire interests in joint ventures	(6,025.54)	—
Proceeds from sales of property, plant and equipment	1,225.82	3,068.17
Purchase of property, plant and equipment	(52.90)	—
Cash advances and loans made to other parties	—	3,577.13
Cash receipts from repayment of advances and loans made to other parties	3,257.13	0.00
Interest received	1,994.32	77.78
Bank Balances not considered as Cash and Cash Equivalents	(344.60)	488.63
<b>Net Cash Flow from/(used in) Investing Activities</b>	<b>20,690.35</b>	<b>6,340.36</b>
<b>[C] CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from borrowings	1,007.96	771.96
Repayments of borrowings	(7,243.15)	(3,613.78)
Interest paid	(2,912.07)	(4,551.65)
<b>Net Cash Flow from/(used in) Financing Activities</b>	<b>(9,147.26)</b>	<b>(7,393.47)</b>
<b>Net Increase/ (Decrease) in Cash and Cash Equivalents</b>	<b>(481.39)</b>	<b>(1,185.80)</b>
Cash & Cash Equivalents at beginning of period (see Note 1)	(674.60)	511.20
<b>Cash and Cash Equivalents at end of period (see Note 1)</b>	<b>(1,155.99)</b>	<b>(674.60)</b>
<b>Notes:</b>		
<b>1 Cash and Cash equivalents comprise of:</b>		
Cash on Hands	14.26	17.19
Balance with Banks	899.12	1,037.73
Bank OD	(2,069.37)	(1,729.52)
<b>Cash and Cash equivalents</b>	<b>(1,155.99)</b>	<b>(674.60)</b>
<b>2</b> Figures of the previous year have been regrouped / reclassified wherever necessary.		

The accompanying notes are an integral part of the financial statements

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 **J B T M & ASSOCIATES LLP**  
Firm Registration No. W100365  
CHARTERED ACCOUNTANTS

**DHAIRYA BHUTA**  
PARTNER  
Membership No. 168889  
Mumbai  
June 29, 2021

For and on behalf of the Board of Directors

**HEMANT M. SHAH**  
EXECUTIVE CHAIRMAN

**SADANAND LAD**  
COMPANY SECRETARY

Mumbai  
June 29, 2021

**VYOMESH M. SHAH**  
MANAGING DIRECTOR

**SUNIL MAGO**  
CHIEF FINANCIAL OFFICER

Mumbai  
June 29, 2021

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2021

	Note	(₹ in lakhs)
<b>A. EQUITY SHARE CAPITAL</b>		
<b>As at 1st April, 2019</b>	<b>16</b>	<b>7,273.59</b>
Changes in equity share capital		—
<b>As at 31st March, 2020</b>		<b>7,273.59</b>
Changes in equity share capital		—
<b>As at 31st March, 2021</b>		<b>7,273.59</b>

### B. OTHER EQUITY

	Reserves and Surplus				(₹ in lakhs)
	Securities Premium Reserve	Debenture Redemption Reserve	General Reserve	Retained Earnings	Total
<b>Balance at 1st April, 2019</b>	<b>60,716.12</b>	<b>2,200.00</b>	<b>30,795.00</b>	<b>72,445.73</b>	<b>166,156.85</b>
Profit / (Loss) for the year	—	—	—	(5,946.45)	(5,946.45)
<b>Items of Other Comprehensive Income:</b>	—	—	—	59.45	59.45
Remeasurement of net defined benefit					
Transfer (to)/from General Reserve	—	—	—	—	—
<b>Balance at 31st March, 2020</b>	<b>60,716.12</b>	<b>2,200.00</b>	<b>30,795.00</b>	<b>66,558.73</b>	<b>160,269.85</b>
<b>Balance at 1st April, 2020</b>	<b>60,716.12</b>	<b>2,200.00</b>	<b>30,795.00</b>	<b>66,558.73</b>	<b>160,269.85</b>
Profit / (Loss) for the year	—	—	—	(15,599.02)	(15,599.02)
<b>Items of Other Comprehensive Income:</b>	—	—	—	(120.69)	(120.69)
Remeasurement of net defined benefit					
Transfer (to)/from General Reserve	—	(2,200.00)	2,200.00	—	—
<b>Balance at 31st March, 2021</b>	<b>60,716.12</b>	<b>-</b>	<b>32,995.00</b>	<b>50,839.02</b>	<b>144,550.14</b>

The accompanying notes are an integral part of the financial statements

As per our report of even date  
For **J B T M & ASSOCIATES LLP**  
Firm Registration No. W100365  
CHARTERED ACCOUNTANTS

**DHAIRYA BHUTA**  
PARTNER  
Membership No. 168889  
Mumbai  
June 29, 2021

For and on behalf of the Board of Directors

**HEMANT M. SHAH**  
EXECUTIVE CHAIRMAN

**SADANAND LAD**  
COMPANY SECRETARY

Mumbai  
June 29, 2021

**VYOMESH M. SHAH**  
MANAGING DIRECTOR

**SUNIL MAGO**  
CHIEF FINANCIAL OFFICER

Mumbai  
June 29, 2021

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021

### NOTE 1. STATEMENT OF 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 are approved for issue by the Company's Board of Directors in the board meeting held on 29th June, 2021.

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES FOLLOWED BY THE COMPANY

#### I. Basis of preparation of Financial Statements

##### (i) Compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

The accounting policies are applied consistently to all the periods presented in the financial statements.

##### (ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- 1) certain financial assets and liabilities that are measured at fair value;
- 2) assets held for sale - measured at lower of carrying amount or fair value less cost to sell;
- 3) defined benefit plans - plan assets measured at fair value.

##### (iii) Current and Non-current classification

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.

##### (iv) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

#### II. 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 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.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021 (CONTD.)

### i) **Employee Benefit Plans**

The Company's obligation on account of gratuity and compensated absences is determined based on actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

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

Inventories 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.

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 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.

### iv) **Income tax provisions are based on the Company's judgment of allowances/disallowances considering computation of income.**

## III. **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 buyers' commitment to make the complete payment.

### A. **Revenue from sale of properties:**

Revenue is recognized upon transfer of control of residential/commercial units to customers, of an amount that reflects the consideration the Company expects to receive in exchange for those units. The Company shall determine the performance obligations associated with the contract with customers at contract inception and also determine whether they satisfy the performance obligation over time or at a point in time. In case of residential/commercial units, the Company satisfies the performance obligation and recognizes revenue at a point in time i.e., upon handover of the residential/commercial units.

To estimate the transaction price in a contract, the Company adjusts the promised amount of consideration for the time value of money if that contract contains a significant financing component. The Company when adjusting the promised amount of consideration for a significant financing component is to recognize revenue at an amount that reflects the cash selling price of the transferred residential/commercial unit.

### B. **Revenue from sale of land and development rights:**

Revenue from sale of land and development rights is recognised upon transfer of all significant risks and rewards of ownership of such real estate/ property, as per the terms of the contracts entered into with buyers, which generally coincides with the firming of the sales contracts/ agreements. Revenue from sale of land and development rights is only recognised when transfer of legal title to the buyer is not a condition precedent for transfer of significant risks and rewards of ownership to the buyer.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021 (CONTD.)

### C. 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.

### D. Revenue from project management services:

Service income is recognised on the basis of completion of a physical proportion of the contract work/ based upon the contracts/ agreements entered into by the Company with its customers.

### E. 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.

### F. 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.

### G. 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.

### H. Others:

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

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

- A. 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.
- B. 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.
- C. 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.
- D. 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 Equipment	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 and equipment are reviewed at each financial year and adjusted prospectively, if appropriate.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021 (CONTD.)

- E. 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. Fair values are determined based on an annual evaluation.

### V. Intangible assets and amortisation

- A. 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.
- B. The Company, as a lessee, recognises a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset. The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term.

### VI. 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. Investments and 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.

##### 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 expires, 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.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021 (CONTD.)

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.

#### 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.

## VII. De-recognition of financial instruments

The Company de-recognizes 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 de-recognition under Ind AS 109. A financial liability (or a part of a financial liability) is de-recognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021 (CONTD.)

### VIII. Impairment

#### a. Financial assets

The Company measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

#### 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.

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 cost 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.

### IX. 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.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021 (CONTD.)

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 the Statement of Profit and 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.

### X. 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.
- 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. (IV)(C) and (IV)(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.
- E. Traded goods includes cost of purchases and other cost incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

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.

### XI. 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 are approximate fair value due to the short maturity of these instruments.

### XII. 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 amortised cost using the EIR method, less provision for impairment.

### XIII. 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 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 recognised in the OCI, in the period in which they occur. Re-measurement recognised in OCI are not reclassified to the Statement of Profit and Loss in subsequent periods.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (CONTD.)

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.

## XIV. Borrowings and Borrowing costs

Borrowings are initially recognised at net of transaction cost incurred and measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in Statement of Profit and Loss over their period of the borrowings using the effective interest method.

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.

## XV. 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.

## XVI. 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.

## XVII. 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.

## XVIII. 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.

## XIX. 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 Ind AS 108 Operating Segments", the Company'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.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021 (CONTD.)

### XX. 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 recognised 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 Company. A contingent liability also arises, in rare cases, where a liability cannot be recognised because it cannot be measured reliably.

Contingent assets are neither recognised nor disclosed in the financial statements.

### XXI. Interest in Joint Arrangements

As per Ind AS 111 - 'Joint Arrangements', investment in Joint Arrangement is classified as either Joint Operation or Joint Venture. The classification depends on the contractual rights and obligations of each investor rather than legal structure of the Joint Arrangement. The Company classifies its Joint Arrangements as Joint Ventures. The Company recognizes its interest in Joint Venture as an investment and accounts for that investment using the Equity method in accordance with Ind AS 28.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (CONTD.)

### NOTE 3. PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN-PROGRESS

(₹ in lakhs)

	Leasehold land	Commercial Premises	Plant & Machinery	Mivan System	Computers, Laptops & Mobiles	Furniture and Fixtures	Vehicles	Office Equipment	Total
<b>Gross Carrying Value (At Deemed Cost)</b>									
<b>Balance at 1st April, 2019</b>	37.29	1,668.82	—	366.39	19.53	440.28	911.23	107.56	3,551.10
Addition	—	—	—	—	—	—	—	0.67	0.67
Additions (on account of merger)	—	622.25	3.82	—	0.80	323.65	4.65	294.32	1,249.49
Disposals/Discardment/Sale of Assets	—	—	—	(366.39)	—	(4.89)	(428.47)	(0.17)	(799.92)
Transfer to Investment Property	(37.29)	—	—	—	—	—	—	—	(37.29)
<b>Balance at 31st March, 2020</b>	—	<b>2,291.07</b>	<b>3.82</b>	<b>0.00</b>	<b>20.33</b>	<b>759.04</b>	<b>487.41</b>	<b>402.38</b>	<b>3,964.05</b>
<b>Accumulated depreciation and impairment</b>									
<b>Balance at 1st April, 2019</b>	22.31	183.25	—	348.07	19.14	345.63	771.50	100.77	1,790.67
Additions (on account of merger)	—	622.25	2.60	—	0.79	305.91	3.16	200.01	1,134.72
Eliminated on Disposals/Discardment/Sale of Assets	—	—	—	(348.07)	—	(3.51)	(425.91)	(0.17)	(777.66)
Depreciation Charges	—	31.25	1.03	—	0.15	42.37	41.42	81.70	197.92
Transfer to Investment Property	(22.31)	—	—	—	—	—	—	—	(22.31)
<b>Balance at 31st March, 2020</b>	—	<b>836.75</b>	<b>3.63</b>	—	<b>20.08</b>	<b>690.40</b>	<b>390.17</b>	<b>382.31</b>	<b>2,323.34</b>
<b>Net Carrying value as on 31st March, 2020</b>	—	<b>1,454.32</b>	<b>0.19</b>	—	<b>0.25</b>	<b>68.64</b>	<b>97.24</b>	<b>20.07</b>	<b>1,640.71</b>
<b>Gross Carrying Value (At Deemed Cost)</b>									
<b>Balance at 1st April, 2020</b>	—	2291.07	3.82	—	20.33	759.04	487.41	402.38	3964.05
Addition on account of merger	—	—	1.59	—	0.93	13.29	—	4.19	20.00
Addition	—	—	—	—	0.36	50.81	—	1.74	52.91
Disposals/Discardment/Sale of Assets	—	(2291.07)	—	—	—	—	(135.19)	(4.85)	(2431.11)
<b>Balance at 31st March, 2021</b>	—	—	<b>5.41</b>	—	<b>21.62</b>	<b>823.14</b>	<b>352.22</b>	<b>403.46</b>	<b>1,605.85</b>
<b>Accumulated depreciation and impairment</b>									
<b>Balance at 1st April, 2020</b>	—	836.75	3.63	—	20.08	690.40	390.17	382.31	2323.34
Eliminated on disposal/discardment of assets	—	(809.64)	—	—	—	—	—	—	(809.64)
Depreciation Charges	—	20.84	—	—	0.19	39.34	38.79	1.91	101.07
Addition on account of merger	—	—	1.63	—	0.93	13.29	—	4.15	20.00
Eliminated on Disposals/Discardment/Sale of Assets/Adjustment	—	(47.95)	—	—	—	—	(135.19)	(4.84)	(187.98)
<b>Balance at 31st March, 2021</b>	—	—	<b>5.26</b>	—	<b>21.20</b>	<b>743.03</b>	<b>293.77</b>	<b>383.53</b>	<b>1,446.79</b>
<b>Net Carrying value as on 31st March, 2021</b>	—	—	<b>0.15</b>	—	<b>0.42</b>	<b>80.11</b>	<b>58.45</b>	<b>19.93</b>	<b>159.06</b>

#### Footnotes :

Commercial premises include cost of shares aggregating to ₹ 0.01 lakhs (March 31, 2020: ₹ 0.01 lakhs) carrying the occupancy rights in the commercial premises is transferred to inventories.

#### 3.1 Assets pledged as security

Leasehold Land and Commercial property and vehicles with a carrying amount of ₹ 51.08 lakhs (As at 31st March, 2020: ₹ 61.52 lakhs) have been pledged to secure the borrowings of the Company.

#### 3.2 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, 2020: ₹ Nil).

#### 3.3 Leased Assets

None of the properties includes amounts where the company is a lessee under a finance lease.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (CONTD.)

### NOTE 4. INVESTMENT PROPERTY

	(₹ in lakhs)
<b>Completed investment properties</b>	
<b>Gross Carrying Value (At Deemed Cost)</b>	
Balance at 1st April, 2019	5,301.25
Transfer from Fixed Assets	37.29
Disposals	(22.43)
<b>Balance at 31st March, 2020</b>	<b>5,316.11</b>
<b>Accumulated depreciation and impairment</b>	
Balance at 1st April, 2019	1,402.34
Transfer from Fixed Assets	22.31
Disposals	(10.81)
Depreciation charges	146.36
<b>Balance at 31st March, 2020</b>	<b>1,560.20</b>
<b>Net Carrying amount as on 31st March, 2020</b>	<b>3,755.91</b>
<b>Gross Carrying Value (At Deemed Cost)</b>	
Balance at 1st April, 2020	5,316.11
Transfer from Fixed Assets	—
Disposals	—
<b>Balance at 31st March, 2021</b>	<b>5,316.11</b>
<b>Accumulated depreciation and impairment</b>	
Balance at 1st April, 2020	1,560.20
Transfer from Fixed Assets	—
Disposals	—
Depreciation charges	146.51
<b>Balance at 31st March, 2021</b>	<b>1,706.71</b>
<b>Net Carrying amount as on 31st March, 2021</b>	<b>3,609.40</b>

#### Footnote :

Investment Property includes cost of shares aggregating ₹ 0.03 lakh (March 31, 2020: 0.03 lakh) carrying the occupancy rights.

	31st March, 2021 (₹ in lakhs)	31st March, 2020 (₹ in lakhs)
<b>4.1 Amounts recognised in Statement of Profit and Loss for investment properties</b>		
Rental Income	429.86	876.68
Direct operating expenses from properties	—	—
<b>Profit from Investment properties before depreciation</b>	<b>429.86</b>	<b>876.68</b>
Depreciation	146.51	146.36
<b>Profit from Investment properties</b>	<b>283.35</b>	<b>730.22</b>
<b>Rental Income from others</b>	<b>233.22</b>	<b>278.37</b>
<b>4.2 Leasing Arrangements</b>		
Certain investment properties are leased to tenants		
Minimum lease payments receivable are as follows		
Within one year	521.54	256.72
Later than one but not later than five years	1,156.05	515.05
Later than five years	—	—
<b>4.3 Investment property pledged as security</b>		

Leasehold Land and Commercial properties with a carrying amount of ₹ 3586.66 lakhs (As at 31st March, 2020: ₹3,732.12 lakhs) have been pledged to secure the borrowings of the Company.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (CONTD.)

### 4.4 Fair Valuation of Investment Properties

Property Name	Fair Value (₹ in lakhs)	Basis
Mahalaxmi car park	22,610.00	Independent Valuer's Report
Others	3,130.85	Stamp Duty Ready Reckoner Rate

The fair value of Mahalaxmi Car Park is based on independent valuer's report dated March 2018. In the opinion of the management, there is no significant change in valuation as on reporting date. The Company has not determined the fair value of the other properties from any independent valuer as at 31st March, 2021. Instead, the values disclosed above are based on ready reckoner rate of the said properties for the year ended 31st March, 2021 duly published by the Government of Maharashtra.

### NOTE 5. INTANGIBLE ASSETS AND RIGHT TO USE ASSETS

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

Balance at 1st April, 2019

Additions

Disposals

**Balance at 31st March, 2020**

#### Accumulated depreciation and impairment

Balance at 1st April, 2019

Eliminated on disposal of assets

Depreciation expense

**Balance at 31st March, 2020**

**Net carrying value as on 31st March, 2020**

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

Balance at 1st April, 2020

Additions

Disposals

**Balance at 31st March, 2021**

#### Accumulated depreciation and impairment

Balance at 1st April, 2020

Eliminated on disposal of assets

Depreciation expense

**Balance at 31st March, 2021**

**Net carrying value as on 31st March, 2021**

(A) (₹ in lakhs)	(B) (₹ in lakhs)
Computer software	Lease Assets (Right to Use Asset)
519.16	—
—	110.79
—	—
<b>519.16</b>	<b>110.79</b>
519.16	—
—	—
—	51.14
<b>519.16</b>	<b>51.14</b>
<b>—</b>	<b>59.65</b>
519.16	110.79
—	—
—	(10.21)
<b>519.16</b>	<b>100.58</b>
519.16	51.14
—	—
—	46.44
<b>519.16</b>	<b>97.58</b>
<b>—</b>	<b>3.00</b>

#### Footnotes:

- The Company has adopted Ind AS 116 effective 1st April, 2019, using the modified retrospective method. The Company has applied the standard to its leases with the cumulative impact recognised on the date of initial application (1st April, 2019).
- The weighted average incremental borrowing rate of 20% has been applied to lease liabilities recognised in the Balance Sheet at the date of initial application.
- This has resulted in recognising a right-of-use asset of ₹ 110.79 lakhs and a corresponding lease liability of ₹ 110.79 lakhs in the previous year.
- The Company's leases mainly comprise of Premises taken on lease.
- Excluded the initial direct costs from the measurement of the Right-Of-Use (ROU) asset at the date of initial application.
- The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the Statement of Profit and Loss.
- During the year Company has recognised operating lease expenses as amortisation of Right-of-Use Assets and finance cost as compared to lease rent expenses in earlier years as per operating lease.
- The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (CONTD.)

### NOTE 6. INVESTMENTS

	As at 31st March, 2021 (₹ in lakhs)	As at 31st March, 2020 (₹ in lakhs)
<b>Non Current</b>		
<b>A) Investment in equity instruments (Unquoted) (Carried at deemed cost)</b>		
<b>I) Subsidiary Companies (Fully paid up equity shares)</b>		
a) 50,000 (As at March 31, 2020: 50,000) Equity shares of ₹ 10/- each <b>Diviniti Projects Private Limited</b>	5.00	5.00
b) 50,000 (As at March 31, 2020: 50,000) Equity shares of ₹ 10/- each <b>Vishal Techno Commerce Limited</b>	5.00	5.00
c) 37,000 (As at March 31, 2020: 37,000) Equity shares of ₹ 10/- each <b>Gujarat Akruti – TCG Biotech Limited</b>	3.70	3.70
d) 36,215 (As at March 31, 2020: 36,215) (Class 'A') Equity shares of ₹ 10/- each <b>Akruti Safeguard Systems Private Limited</b>	72.43	72.43
e) 50,000 (As at March 31, 2020: 50,000) Equity shares of ₹ 10/- each <b>Yantti Buildcon Private Limited</b>	5.00	5.00
f) 3,00,000 (As at March 31, 2020: 3,00,000) Equity shares of ₹ 100/- each <b>Vega Developers Private Limited</b>	300.00	300.00
g) 66,482 (As at March 31, 2020: 66,482) Equity shares of ₹ 10/- each <b>Citygold Education Research Limited</b>	6.65	6.65
h) 1,24,31,045 (As at March 31, 2020: 1,24,31,045) (Class 'A') Equity shares of ₹ 10 /- each <b>Joynest Premises Private Limited</b>	1,324.15	1,324.15
i) 5,25,58,955 (As at March 31, 2020: 5,25,58,955) (Class 'C') Equity shares of ₹ 10 /- each <b>Joynest Premises Private Limited</b>	5,255.90	5,255.90
j) 7,400 (As at March 31, 2020: 7,400) Equity Shares of ₹ 10 /- each <b>Joynest Premises Private Limited</b>	0.74	0.74
k) 10,000 (As at March 31, 2020: 10,000) Equity shares of ₹ 10/- each <b>Citywood Builders Private Limited</b>	1.00	1.00
l) 50,000 (As at March 31, 2020: 50,000) Equity Shares of ₹ 10 /- each <b>Vama Housing Limited</b>	5.00	5.00
m) 5,100 (As at March 31, 2020: 5,100) Equity Shares of ₹ 10 /- each <b>Sanas Developers Private Limited</b>	0.51	0.51
	<b>6,985.08</b>	<b>6,985.08</b>
<b>II) Joint Ventures</b>		
a) 50,000 (As at March 31, 2020: 50,000) (Class 'A') Equity shares of ₹ 10/- each <b>Hubtown Bus Terminal (Mehsana) Private Limited</b>	5.00	5.00
b) 1,00,000 (As at March 31, 2020: 1,00,000) (Class 'C') Equity shares of ₹ 10/- each <b>Hubtown Bus Terminal (Mehsana) Private Limited</b>	629.00	629.00
c) 50,000 (As at March 31, 2020: 50,000) (Class 'A') Equity shares of ₹ 10/- each <b>Hubtown Bus Terminal (Vadodara) Private Limited</b>	5.00	5.00
d) 1,15,275 (As at March 31, 2020: 1,15,275) (Class 'C') Equity shares of ₹ 10/- each <b>Hubtown Bus Terminal (Vadodara) Private Limited</b>	592.29	592.29
e) 50,000 (As at March 31, 2020: 50,000) (Class 'A') Equity shares of ₹ 10/- each <b>Hubtown Bus Terminal (Adajan) Private Limited</b>	5.00	5.00
f) 1,15,463 (As at March 31, 2020: 1,15,463) (Class 'C') Equity shares of ₹ 10/- each <b>Hubtown Bus Terminal (Adajan) Private Limited</b>	1,057.49	1,057.49
g) 10,000 (As at March 31, 2020: 10,000) (Class 'A') Equity shares of ₹ 10/- each <b>Hubtown Bus Terminal (Ahmedabad) Private Limited</b>	1.00	1.00

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (CONTD.)

### NOTE 6. INVESTMENTS (Contd.)

	As at 31st March, 2021 (₹ in lakhs)	As at 31st March, 2020 (₹ in lakhs)
h) 15,000 (As at March 31, 2020: 15,000) (Class 'C') Equity shares of ₹ 10/- each <b>Hubtown Bus Terminal (Ahmedabad) Private Limited</b>	2,132.00	2,132.00
i) NIL (As at March 31, 2020: 22,859) Equity shares of ₹ 10/- each <b>Twenty Five South Realty Limited (Refer Footnote i)</b>	—	29,208.14
j) 28,37,270 (As at March 31, 2020: 28,37,270)(Class 'A') Equity shares of ₹ 10/- each <b>Rare Townships Private Limited</b>	7,345.84	7,345.84
k) 4,25,000 (As at March 31, 2020: 4,25,000) (Class 'B') Equity shares of ₹ 10/- each <b>Rare Townships Private Limited</b>	100.00	100.00
l) 25,000 (As at March 31, 2020: 25,000) Equity shares of ₹ 100/- each <b>Joyous Housing Limited</b>	25.00	25.00
m) 1,22,000 (As at March 31, 2020: 122,000) Equity shares of ₹ 10/- each <b>Sunstream City Private Limited</b>	12.20	12.20
Equity contribution by way of Interest free loans given to Joyous Housing Limited	11,909.82	41,117.96
	568.20	568.20
	12,478.02	41,686.16
<b>III) Associate Companies</b>		
a) 25,000 (As at March 31, 2020: 25,000) Equity shares of ₹ 10/- each <b>Whitebud Developers Limited</b>	2.50	2.50
b) 5,000 (As at March 31, 2020: 5,000) Equity shares of ₹ 10 /- each <b>Shubhsiddhi Builders Private Limited</b>	0.50	0.50
c) 6,095 (As at March 31, 2020: 6,095) (Class 'A') Equity shares of ₹ 10 /- each <b>Vinca Developer Private Limited</b>	0.61	0.61
d) 7353 (As at March 31, 2020: 7353)(Class 'B') Equity Shares of ₹ 10 /- each <b>Giraffe Developers Private Limited</b>	5,004.79	5,004.79
	5,008.40	5,008.40
Less: Provision for diminution in the value of investments	0.61	0.61
	5,007.79	5,007.79
<b>IV) Others</b>		
a) 240 (As at March 31, 2020: 240)Equity shares of ₹ 100/- each <b>Citygold Management Services Private Limited</b>	0.24	0.24
b) NIL (As at March 31, 2020: 6,000)(Class 'B') Equity shares of ₹ 50/- each <b>Hogmanay Niharika Buildings Limited</b>	—	3.00
c) 37,815 (As at March 31, 2020: 37,815) Equity shares of ₹ 10/- each <b>Janakalyan Sahakari Bank Limited</b>	3.78	3.78
	4.02	7.02
<b>Total (I+II+III+IV)</b>	<b>24,474.91</b>	<b>53,686.05</b>
<b>B) Investment in Preference Shares (Unquoted)</b>		
<b>i. At deemed cost</b>		
a) 20,000 (As at March 31, 2020: 20,000) Cumulative convertible preference shares of ₹ 100/- each <b>Ackruti Safeguard Systems Private Limited (Subsidiary)</b>	20.00	20.00
b) NIL (As at March 31, 2020: 1,865) 10% Non-Cumulative Redeemable Preference Shares of ₹ 10/- each <b>Twenty Five South Realty Limited (Joint Venture) (Refer Footnote i)</b>	—	0.19

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (CONTD.)

## NOTE 6. INVESTMENTS (Contd.)

	As at 31st March, 2021 (₹ in lakhs)	As at 31st March, 2020 (₹ in lakhs)
<b>ii. Others</b>		
a) 10,000 (As at March 31, 2020: 10,000) 21% Non Cumulative Optionally Convertible Redeemable Preference Shares of ₹ 10/- each <b>E Commerce Magnum Solution Limited</b>	1.00	1.00
b) 13 (As at March 31, 2020 : 13) 10% Non Cumulative Redeemable Preference Shares of ₹ 10 /- each <b>Citygold Education Research Limited</b>	*(₹130)	*(₹130)
* (Figure in bracket indicates actual amount in Rupees.)		
	<b>21.00</b>	<b>21.19</b>
<b>C) i. Investment in Debentures (At Amortised Cost) (Unquoted)</b>		
7,68,919 (As at March 31, 2020: 7,68,919) Non - convertible debentures of ₹ 100/- each <b>Gujarat Akruti - TCG Biotech Limited (Subsidiary)(Refer Footnote f)</b>	1,668.55	1,668.55
<b>ii. Investment in Debentures (At Amortised Cost) (Unquoted)</b>		
1,47,20,000 (As at March 31, 2020: 1,47,20,000) 9% Optionally convertible debentures of ₹ 10/- each <b>Asmeeta Infratech Limited (Refer Footnote a)</b>	643.46	813.62
<b>iii. Investment in Bonds (At Amortised Cost)(Quoted)</b>		
<b>Investment in debentures (At Amortised Cost)(Unquoted)</b>		
NIL (As at March 31, 2020: 1020) Optionally and Partially Convertible Debentures of ₹ 10,00,000/- each <b>Amazia Developers Private Limited (Refer Footnote e)</b>	—	4,566.53
<b>iv. Investment in Debentures, classified as equity by the investee (At Amortised Cost) (Quoted)</b>		
39,13,310 (As at March 31, 2020: 39,13,310) Deep Discount Bonds, issued @ ₹ 2090/- of face value ₹ 10,000 [Tenure of 9 Years] [Refer footnote (c) to Note 23] <b>Sunstream City Private Limited (Joint venture)</b>	97,412.85	97,412.85
<b>v. Investment in Debentures, classified as equity by the investee (At Cost) (Unquoted)</b>		
11,95,299 (As at March 31, 2020: 11,95,299) Compulsorily Convertible Debentures of ₹ 100/- each <b>Gujarat Akruti - TCG Biotech Limited (Subsidiary)(Refer Footnote f)</b>	—	1,195.30
	<b>99,724.86</b>	<b>105,656.85</b>
Equity Contribution by way of investment in Debentures	<b>198.31</b>	—
	<b>99,923.17</b>	<b>105,656.85</b>
<b>D) Capital Investment in Partnership Firms and Joint Ventures</b>	<b>700.37</b>	<b>700.37</b>
<b>E) Non Controlling Capital Investment in Partnership Firms and Joint Ventures (Refer Footnote g)</b>	<b>13,584.62</b>	<b>7,565.00</b>
	<b>14,284.99</b>	<b>8,265.37</b>
<b>Total Non Current Investments (A+B+C+D+E)</b>	<b>138,704.07</b>	<b>167,629.46</b>
Aggregate amount of quoted investments	<b>97,412.85</b>	<b>97,412.85</b>
Aggregate amount of unquoted investments	<b>41,291.22</b>	<b>70,216.61</b>
Aggregate provision for diminution in value of investments	<b>0.61</b>	<b>0.61</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021 (CONTD.)

### NOTE 6. INVESTMENTS (Contd.)

#### Footnotes:

		Share in profits (%)	
		31 March, 2021	31 March, 2020
<b>A) Partnership firms</b>			
i. <b>M/s. Shreenath Realtors (Refer footnote b)</b>			
<b>Name of the Partners</b>			
Hubtown Limited	92.50	92.50	
Vakratunda Housing Private Limited	7.50	7.50	
<b>Total Capital of the firm (₹ in lakhs)</b>	<b>2,120.54</b>	<b>2,120.54</b>	
ii. <b>M/s. Rising Glory Developers</b>			
<b>Name of the Partners</b>			
Hubtown Limited	25.00	25.00	
Citygold Education Research Limited	25.00	25.00	
Diviniti Projects Private Limited	25.00	25.00	
Heet Builders Private Limited	25.00	25.00	
<b>Total Capital of the firm (₹ in lakhs)</b>	<b>1.50</b>	<b>1.50</b>	
<b>B) Joint Ventures</b>			
i. <b>M/s. Akruti GM Joint Venture</b>			
<b>Name of the Co-Venturers</b>			
Hubtown Limited	50.00	50.00	
GM Construction	50.00	50.00	
<b>Total Capital of the joint venture (₹ in lakhs)</b>	<b>910.00</b>	<b>910.00</b>	
ii. <b>M/s. Primeria Joint Venture (Formerly known as Akruti Forefront Joint Venture) (Refer Note c)</b>			
<b>Name of the Co-Venturers</b>			
Hubtown Limited	16.00	16.00	
Forefront Property Developers Private Limited	84.00	84.00	
<b>Total Capital of the joint venture (₹ in lakhs)</b>	<b>10.00</b>	<b>10.00</b>	
iii. <b>M/s. Sunstone Developers Joint Venture</b>			
<b>Name of the Co-Venturers</b>			
Hubtown Limited	—	5.00	
Swapanranjan Infrastructure Private Limited	100.00	95.00	
<b>Total Capital of the joint venture (₹ in lakhs)</b>	<b>—</b>	<b>5.00</b>	
iv. <b>M/s. Jairaj Developers — Unit 9 (Refer footnote g)</b>			
<b>Name of the Co-Venturers</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>	<b>100.00</b>	



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021 (CONTD.)

### NOTE 6. INVESTMENTS (Contd.)

#### Footnotes:

- a. During the year, the Company has received an amount of ₹ 170.16 lakhs (March 31, 2020: ₹ 658.38 lakhs) toward its investment in debentures redeemed out of the sale proceeds of the security against debentures.
- b. In earlier years, the Company had written off the capital amount given for project development amounting to ₹ 775 lakhs to a partnership firm Shreenath Realtors for development and exploitation of areas at Nirmal Nagar, Sion, Mumbai. Since the approval from the Government has not been received till date nor there is any scope of it being approved in the near future, operation cost has been mounting year on year in the said firm. However, the firm has not been dissolved as on date.
- c. The company had invested an amount of ₹ 1.60 lakhs in the capital of Primeria JV, which had been written off in the earlier years. However, the JV has not been dissolved as on date.
- d. In the previous year, on account of reconstitution of the Joint Ventures(JV), all the co-ventures other than Hubtown Limited exited from the Akruti Jay Chandan Joint Venture. Consequent to such reconstitution, the projects in such JV were subsequently transferred in the Company. Accordingly, investment in such JV has been disclosed under current investments in the previous year. All the assets and liabilities of the entity have been merged in the Company with effect from April 1, 2020.
- e. During the year the company has sold its investments in optionally and partially convertible debentures of Amazia Developers Private Limited for a consideration of ₹ 3200 Lakhs.
- f. Due to the continued liquidity crunch being faced by Gujarat Akruti TCG Limited (GATCL), a subsidiary of the Company, the tenure of the Compulsorily Convertible Debentures and Non-Convertible Debentures issued by GATCL was extended by a further period of 2 (two) years upto March 30, 2022, the other terms and conditions of issue thereof remaining unchanged. Since the Compulsorily Convertible Debentures and Non-Convertible Debentures will be due on March 30, 2022, same are considered current investments in the current year.
- g. The Company has not received financials of M/s. Jairaj Developers - Unit 9 for the Financial Year 2020-21. However, in the opinion of the management, share of Profit/(Loss) of the firm will not have any material impact on the financial results of the Company.
- h. The Company has investments in certain subsidiaries, jointly controlled entities and associates aggregating ₹ 97,539 lakhs (March 31, 2020: ₹ 97,546 lakhs) and loans and advances outstanding aggregating ₹ 15,488 lakhs (March 31, 2020: ₹ 15,073 lakhs) as at March 31, 2021. While such entities 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 investments in such entities or in respect of loans and advances advanced to such entities, which are considered good and fully recoverable.
- i. During the year the company has divested its entire stakes in the Twenty Five South Realty Limited, consequent to which Twenty Five South Realty Limited ceased to be a joint venture of the company with effect from 29 June 2020.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (CONTD.)

### NOTE 7. TRADE RECEIVABLES

#### Non-current

(Unsecured, considered good)

Trade Receivables

**Total**

#### Current

(Unsecured, considered good)

Related Parties (Refer Note 33)

Doubtful

Less: Allowance for doubtful debts

Others

Doubtful

Others

Less: Allowance for doubtful debts

**Total**

As at 31st March, 2021 (₹ in lakhs)	As at 31st March, 2020 (₹ in lakhs)
—	—
—	—
—	—
<b>2,935.80</b>	1,265.14
<b>928.27</b>	—
<b>(928.27)</b>	—
<b>16,041.79</b>	7,665.39
<b>808.65</b>	251.20
<b>(808.65)</b>	(251.20)
<b>18,977.59</b>	8,930.53

#### 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 towards sale of FSI/projects/rights and services. Credit terms for such receivables are based on respective contracts.
- Debtors reflect amount of ₹ 436.60 lakhs receivable from the Greenwoods project which is towards society incorporation, paid directly by the customer to the society.

### NOTE 8. LOANS

#### Non-current

(Unsecured, considered good)

— Loan to related parties (Refer Note 33)

**Total**

#### Current

Unsecured, considered good)

— Loan to related parties (Refer Note 33 and footnote (a) to note 34)

— Loans to others

— Loans to Employees

**Total**

As at 31st March, 2021 (₹ in lakhs)	As at 31st March, 2020 (₹ in lakhs)
<b>678.12</b>	560.87
<b>678.12</b>	560.87
<b>2,739.22</b>	6,132.76
<b>199.15</b>	187.69
<b>10.08</b>	2.39
<b>2,948.45</b>	6,322.84

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (CONTD.)

### NOTE 9. OTHER FINANCIAL ASSETS

#### Non-current

(Unsecured, considered good)

	As at 31st March, 2021 (₹ in lakhs)	As at 31st March, 2020 (₹ in lakhs)
— Margin money deposits	275.93	468.15
Security deposits	98.70	111.49
Other receivables		
Interest accrued on fixed deposits	—	2.06
<b>Total</b>	<b>374.63</b>	<b>581.70</b>

#### Footnote:

Balances with Banks in margin money and fixed deposits are kept as security for guarantees / other facilities.

#### Current

(Unsecured, considered good)

Security deposits	211.22	218.22
Project Advances (Refer Footnotes a and b)		
— Related parties	24,435.76	30,376.41
[Refer Note 33 and Footnotes (h) of Note 6]		
Doubtful	4,271.62	1,000.00
Less: Provision for doubtful Project Advances	(4,271.62)	(1,000.00)
Other Advances		
Current Account Balances in Partnership Firms and Joint Ventures (Refer Note 33)	6,801.42	3,506.63
Advances recoverable		
— Related parties (Refer Note 33)	2,509.94	2,469.43
Doubtful	—	150.00
Less: Provision for doubtful Advances recoverable	—	(150.00)
— Others	13,910.49	14,315.33
Doubtful	1,313.75	5,323.75
Less: Provision for doubtful Advances recoverable	(1,313.75)	(5,323.75)
Other receivables		
— Other than Trade Receivables	20,503.24	2,279.17
Doubtful	200.00	200.00
Less: Provision for doubtful Receivables	(200.00)	(200.00)
— Interest accrued on fixed deposits	13.58	16.23
— Interest accrued on investments	108.37	108.36
— Interest accrued on loan — Related Party (Refer Note 33)	46.01	905.28
<b>Total</b>	<b>68,540.03</b>	<b>54,195.06</b>

#### Footnotes:

- The amount funded by the Company to its subsidiaries, joint ventures and associate entities initially were in infant stage. Some of these entities have launched 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.
- The Company has not charged interest on advances given by it to certain group entities developing real estate projects, in which the Company has a commercial and business interest.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (CONTD.)

	As at 31st March, 2021 (₹ in lakhs)	As at 31st March, 2020 (₹ in lakhs)
<b>NOTE 10. INCOME TAX ASSETS (NET)</b>		
Income tax assets	1,981.47	1,861.13
Income tax liabilities	(1,176.04)	(1007.18)
<b>Total</b>	<b>805.43</b>	<b>853.95</b>
<b>Income Tax expense</b>		
<b>(a) Income Tax expense</b>		
Current Tax	—	251.62
Tax in respect of earlier years	(415.40)	—
	(415.40)	251.62
Deferred Tax expense /(Credit)	240.89	1,840.22
<b>Income Tax expense / (credit)</b>	<b>(174.51)</b>	<b>2,091.84</b>
<b>(b) Reconciliation of tax expense and the accounting profit multiplied by the Company's tax rate</b>		
Profit / (Loss) for the Year	(11,573.68)	(3,854.61)
Applicable Rate of Tax	0.25	0.25
Income tax expense calculated at 25.168% (P.Y. : 34.608%)	(2,912.86)	(970.13)
Tax effects of amounts that are not deductible (taxable) in calculating taxable income:		
Effect of expenses that are not deductible in determining taxable profit	2,988.48	4,015.27
Effect of expenses that are deductible in determining taxable profit due to timing difference	(1,418.50)	(458.21)
Effect of income that is exempt from taxation	4.07	82.27
Effect of incomes that are not taxable in determining taxable profit	(177.86)	(8.51)
Effect of Carried Forward / Brought Forward Business Loss adjusted	292.58	(2,460.09)
Effect of incomes that are taxable as Short Term Capital Gain	279.53	—
Effect of incomes that are taxable in determining taxable profit as per ICDS	944.55	51.02
Effect on deferred tax due to timing difference (Refer Note 11)	240.89	1,840.22
Adjustments for current tax of prior periods	(415.40)	—
<b>Income tax expense</b>	<b>(174.51)</b>	<b>2,091.84</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (CONTD.)

	As at 31st March, 2021 (₹ in lakhs)	As at 31st March, 2020 (₹ in lakhs)
<b>NOTE 11. DEFERRED TAX BALANCES (NET)</b>		
The following is the analysis of deferred tax asset / (liabilities) presented in the Balance Sheet		
Deferred Tax Asset	8,645.20	13,163.33
Deferred Tax Liability	(6,586.12)	(10,863.35)
<b>Total</b>	<b>2,059.08</b>	<b>2,299.98</b>

	Opening Balance	Recognised in profit or loss	Closing Balance
<b>2020-21</b>			
<b>Deferred tax assets / (liabilities) in relation to:</b>			
Depreciation	(480.60)	328.86	(151.74)
On account of Interest Free Long Term Loans Given	141.10	(51.45)	89.64
On account of Equity Contribution towards Loans and Advances	(198.55)	55.55	(143.00)
Temporary difference in relation to investments in Joint Venture	(0.23)	0.02	(0.21)
Difference in advance lease rent	(1.66)	1.23	(0.43)
Difference in security deposit	2.42	(2.25)	0.17
Difference in Revenue Recognition	7,758.70	(2,386.73)	5,371.97
Difference in WIP	(8,132.83)	3,360.24	(4,772.60)
On account of Lease Assets (Right to use (IND AS 116))	(20.85)	20.08	(0.77)
On account of Investment in Debenture	—	(49.91)	(49.91)
On account of Investment in Debentures	(286.45)	172.83	(113.62)
Difference in advance lease rent	29.66	(20.18)	9.48
Difference in security deposit	(33.19)	20.80	(12.39)
On account of Interest Free Long Term Borrowings	(1,709.00)	367.55	(1,341.45)
On account of Advance Finance Income	1,496.80	(155.35)	1,341.45
On account of Lease Liability (IND AS 116)	25.66	(23.22)	2.44
Provisions	2,419.86	(1,577.38)	842.47
Others	1,289.14	(301.56)	987.58
	<b>2,299.98</b>	<b>(240.87)</b>	<b>2,059.08</b>

<b>2019-20</b>			
<b>Deferred tax assets / (liabilities) in relation to:</b>			
Difference in Revenue Recognition	4,633.07	3,125.63	7,758.70
Difference in WIP	(5,274.15)	(2,858.68)	(8,132.83)
Difference in security deposit	(36.56)	3.37	(33.19)
Difference in security deposit	5.84	(3.42)	2.42
Difference in advance lease rent	33.18	(3.52)	29.66
Difference in advance lease rent	(5.28)	3.62	(1.66)
On account of Interest Free Long Term Borrowings	(2,555.45)	846.45	(1,709.00)
On account of Advance Finance Income	2,352.11	(855.31)	1,496.80
On account of Interest Free Long Term Loans Given	155.72	(14.62)	141.10
On account of Equity Contribution towards Loans and Advances	(198.55)	—	(198.55)
On account of Investment in Debentures	—	(286.45)	(286.45)
Temporary difference in relation to investments in Joint Venture	(0.14)	(0.09)	(0.23)
Depreciation	(508.19)	27.59	(480.60)
Provisions	101.20	2,318.66	2,419.86
On account of Lease Liability (IND AS 116)	—	25.66	25.66
On account of Lease Assets (Right to use (IND AS 116))	—	(20.85)	(20.85)
Others	5,437.40	(4,148.26)	1,289.14
	<b>4,140.20</b>	<b>(1,840.22)</b>	<b>2,299.98</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 management believes is probable and accordingly the Company has recognised deferred tax assets.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (CONTD.)

### NOTE 12. OTHER ASSETS

#### Non-current

Advances to land owners (Unsecured, considered good)

Prepaid Expenses

**Total**

#### Current

Advances to Suppliers

Advances to land owners (Unsecured, considered good)

Other Advances

Prepaid Expenses

Others

**Total**

As at 31st March, 2021 (₹ in lakhs)	As at 31st March, 2020 (₹ in lakhs)
2,899.64	2,169.14
—	6.35
<b>2,899.64</b>	<b>2,175.49</b>
1,179.31	1,938.63
9,725.44	10,634.81
15.71	13.91
1,324.02	647.85
<b>12,244.48</b>	<b>13,235.20</b>

### NOTE 13. INVENTORIES

Inventories (lower of cost or net realisable value)

Stock of material at site

Incomplete projects

Floor space index (FSI)

Transfer to Development Right (TDR)

Trading Material

Finished Properties

**Total**

92.11	47.69
101,371.63	115,721.52
8,976.27	8,976.27
1,484.60	1,484.60
33.71	34.42
10,442.05	7,564.16
<b>122,400.37</b>	<b>133,828.66</b>

#### Footnotes :

- The projects are under various stages of development and are expected to have net realisable value greater than the cost.
- Inventories include inventory with carrying value of ₹ 44,791.80 lakhs (As at 31st March, 2020: ₹ 50,815.76 lakhs) which have been mortgaged against the borrowings of the Company. The Company has various projects under construction, and it has obtained loan/finance facilities against the mortgage of units to be constructed on the said projects and the same is reflected as inventory. The Company has also sold units which are under construction and the lender has issued NOC for the same.
- Inventories includes commercial premises held for sale of value ₹ 292.09 lakhs

### NOTE 14. CASH AND CASH EQUIVALENTS

Balances with banks:

— in current accounts

— in deposits with maturity of less than three months

Cash on hand

**Cash and cash equivalents as per Balance Sheet**

Working Capital Loan from Bank (Refer Note 18)

**Cash and cash equivalents as per Statement of Cash Flows**

As at 31st March, 2021 (₹ in lakhs)	As at 31st March, 2020 (₹ in lakhs)
876.99	846.41
22.13	191.32
14.26	17.19
<b>913.38</b>	<b>1,054.92</b>
<b>(2,069.37)</b>	<b>(1,729.52)</b>
<b>(1,155.99)</b>	<b>(674.60)</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, 2021 (CONTD.)

### NOTE 15. OTHER BANK BALANCES

#### Unpaid dividend accounts

Deposits with maturity of more than three months but less than twelve months

Margin money deposits

**Total**

As at 31st March, 2021 (₹ in lakhs)	As at 31st March, 2020 (₹ in lakhs)
—	0.49
52.37	42.58
335.73	0.43
388.10	43.50

#### Footnote:

Balances with Banks in margin money and fixed deposits are kept as security for guarantees/ other facilities

### NOTE 16. EQUITY SHARE CAPITAL

#### Authorised Share Capital:

125,000,000 (As at 31st March, 2020: 125,000,000) Equity Shares of ₹ 10/- each

#### Issued and subscribed capital comprises:

72,735,871 (As at 31st March, 2020: 72,735,871) Equity Shares of ₹ 10/- each fully paid up

As at 31st March, 2021 (₹ in lakhs)	As at 31st March, 2020 (₹ in lakhs)
12,500.00	12,500.00
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

##### Fully paid equity shares

Balance at 1st April, 2019

Add : Issued during the year

Less : Bought back during the year

Balance at 31st March, 2020

Add : Issued during the year

Less : Bought back during the year

**Balance at 31st March, 2021**

Number of Shares	Share Capital (₹ in lakhs)
72,735,871	7,273.59
—	—
—	—
72,735,871	7,273.59
—	—
—	—
72,735,871	7,273.59

#### b) Terms / rights attached to equity shares

The Company has a single class of equity shares having a face value of ₹10 per share. Each shareholder of equity share is entitled to one vote per share. Dividend, as and when declared by the company is paid 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

##### Fully paid equity shares

Vyomesh Mahipatray Shah

Hemant Mahipatray Shah

Hemant Mahipatray Shah (HUF)

Kushal Hemant Shah

Vyomesh Mahipatray Shah (HUF)

As at 31st March, 2021	
No of shares held	% holding of this class of shares
7,565,000	10.40%
5,470,000	7.52%
4,980,500	6.85%
4,263,739	5.86%
3,925,000	5.40%

As at 31st March, 2020	
No of shares held	% holding of this class of shares
7,540,000	10.37%
5,470,000	7.52%
4,980,500	6.85%
4,263,739	5.86%
3,925,000	5.40%

#### Footnote:

2,53,48,450 number of shares (P.Y. 2,53,48,450) held by promoters (holding more than 5%) pledged against loan availed by the Company as on March 31, 2021.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (CONTD.)

### NOTE 17. OTHER EQUITY

#### Securities premium reserve

Balance at the beginning of the year

Add / (Less) :

Appropriations

#### Balance at the end of the year

The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve. This reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

#### Debenture redemption reserve (Refer Footnote No. 1)

Balance at the beginning of the year

Add / (Less) :

Amount transferred to general reserve

#### Balance at the end of the year

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

Add / (Less) :

Amount transferred from Debenture redemption reserve

#### Balance at the end of the year

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.

#### Retained Earnings

Balance at the beginning of the year

Profit /(Loss) attributable to the owners of the Company

Items of OCI recognised directly in retained earnings

#### Balance at the end of the year

**Total**

As at 31st March, 2021 (₹ in lakhs)	As at 31st March, 2020 (₹ in lakhs)
<b>60,716.12</b>	60,716.12
—	—
<b>60,716.12</b>	60,716.12
<b>2,200.00</b>	2,200.00
(2,200.00)	—
—	2,200.00
<b>30,795.00</b>	30,795.00
<b>2,200.00</b>	—
<b>32,995.00</b>	30,795.00
<b>66,558.73</b>	72,445.73
<b>(15,599.02)</b>	(5,946.45)
<b>(120.69)</b>	59.45
<b>50,839.02</b>	66,558.73
<b>144,550.14</b>	160,269.85

#### Footnote:

- During the year the company has repaid its entire dues to ILMS Homepark Private Limited - (Debenture holders) as per the OTS agreed and signed between the parties. Accordingly, the amount of reserve created and available in the debenture redemption reserve account has been transferred to General Reserve.
- The company was not required and accordingly has not invested as at March 31, 2021 any amount (at 31st March, 2020: ₹ 198.11 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, 2021 (CONTD.)

### NOTE 18. BORROWINGS

#### Non-current

#### Secured

	As at 31st March, 2021 (₹ in lakhs)	As at 31st March, 2020 (₹ in lakhs)
(i) Term Loans		
— From banks [Refer footnotes a and f (i)]	—	—
— From a Company [Refer footnotes b and f (iii)]	7,963.31	6,626.29
— From financial institutions [Refer footnotes c and f (ii)]	15,374.69	18,998.67
	23,338.00	25,624.96
(ii) Other Loans		
— Loan from Others (Refer Footnote d)	0.83	5.41
	23,338.83	25,630.37
Less: Transferred to Current Maturities		
Long Term Loans from Financial Institutions	(15,374.69)	(18,245.57)
Long Term Loans from a Company	(5,112.99)	(4,329.63)
Long Term Loans from Others	(0.83)	(4.58)
	(20,488.51)	(22,579.78)
<b>Total</b>	<b>2,850.32</b>	<b>3,050.59</b>

#### Footnotes :

- a. Secured term loans from banks carry interest rates within a range of 8.60 % to 16.60 %. The said loans are overdue and disclosed in Other financial liabilities-Current. The nature of securities are:

Name of lenders	Security Offered (Further secured by personal guarantee of one or more promoters)
1 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.
2 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.

- b. UCO Bank has transferred the Loan amount including interest thereon amounting to ₹ 18,287.94 lakhs as on 31.03.2017 to the third party "Invent Asset Securitisation & Reconstruction Private Limited (Company)" vide letter dated 11.04.17. The said loan has been settled at ₹ 15,500 lakhs via letter dated 27.11.2017 from Invent Asset Securitisation & Reconstruction Private Limited (company). The loan carries 0% interest rate and repayable within 5 years and have been measured at fair value. The loan is secured against Property located at Mulund, Thane and Andheri (East) and also first charge on lease rent receivable from said Premises.
- c. Secured loan from Indiabulls Housing Finance Limited (financial institution) carries IRR of 24%. This loan is secured against mortgage of property of the Company located at Andheri (East) along with the personal guarantees of promoters.
- d. Secured loans of ₹ 0.83 lakhs are vehicle loans from others, which carry interest rates within a range of 9.5% - 11% and are repayable by May, 2021. The same has been subsequently repaid.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021 (CONTD.)

### NOTE 18. (Contd.)

e. Details of repayment of long term borrowings are as follows :

( ₹ in lakhs)

Particulars	* Up to 1 year	2-5 Years	Above 5 years	Total
Term loans from Banks	11,161.35	—	—	11,161.35
Term loans from Company <sup>5</sup>	5,112.99	2,850.31	—	7,963.31
Term loan from Financial Institutions <sup>#</sup>	15,374.69	—	—	15,374.69
Loan from Others	0.83	—	—	0.83
	<b>31,649.86</b>	<b>2,850.31</b>	<b>—</b>	<b>34,500.18</b>

\* — Including overdue amounts

\$ — Measured at fair value

# — Measured at amortised cost (net of transaction cost)

f. Period and amount of continuing default as on Balance Sheet date in repayment of term loans and interest :

Particulars	31 March, 2021		31 March, 2020	
	₹ in lakhs	Period	₹ in lakhs	Period
(i) <b>Term loans from Banks</b>				
Overdue installments	11,161.35	Before Apr 17	11,629.42	Before Apr 17
Interest	3,107.12	Before Apr 17	3,108.02	Before Apr 17
Interest	1,735.42	April 19 to Mar 20	1,735.42	April 19 to Mar 20
Interest	1,557.95	April 20 to Mar 21	—	—
<b>Total</b>	<b>17,561.84</b>		<b>16,472.86</b>	
(ii) <b>Term loans from Financial Institutions</b>				
Overdue installments	—		709.51	Jan to Mar 20
Interest	—		68.46	Jan to Mar 20
<b>Total</b>	<b>—</b>		<b>777.97</b>	
(iii) <b>Term loan from Company</b>				
Overdue installments	—		3,088.62	April to Mar 20
<b>Total</b>	<b>—</b>		<b>3,088.62</b>	

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (CONTD.)

### NOTE 18. (Contd.)

	As at 31st March, 2021 (₹ in lakhs)	As at 31st March, 2020 (₹ in lakhs)
<b>Current</b>		
<b>Secured</b>		
(i) Working Capital Loan / Cash credit from Banks (Refer Footnote a and Note 14)	2,069.37	1,729.52
(ii) Loans from Financial Institutions (Refer Footnotes b and f)	2,398.39	2,037.13
(iii) Loans repayable on demand: From Companies (Refer Footnotes c and d)	4,864.51	5,050.55
	<b>9,332.27</b>	<b>8,817.20</b>
<b>Unsecured</b>		
(i) Loans repayable on demand:		
— From Companies (Refer Footnote e)	15,294.05	14,257.05
— Loan from Others (Refer Footnote g)	42.88	43.88
	<b>15,336.93</b>	<b>14,300.93</b>
<b>Total</b>	<b>24,669.20</b>	<b>23,118.13</b>

### Footnotes :

- Working capital loan from bank carries interest rate of 19.30% (31st March, 2020: 19.30%). 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. The said account of the Company has been attached by the Maharashtra State CID in connection with ongoing case with regards to a commercial transaction with an erstwhile associate company. [ Refer Note 36(ii)(c)]
- Secured loan from financial institution carries average interest rate of 16.50%. This loan is secured against pledge of equity shares in the Company held by the promoters along with personal guarantees of promoters and mortgage of premises in the project located at Andheri (East) and Land situated at Uran, District Raigad and Kopari, Thane.
- Secured loans from companies carry interest rate from range of 9.60% to 18.00% and are repayable on demand. However, loan from a company amounting to ₹ 2837.50 lakhs (As at 31st March, 2020: ₹ 2837.50 lakhs) is interest free. These Loans are secured against mortgage of unsold area of the commercial project at Andheri (East) and Jogeshwari (East) and secured against pledge of equity shares in the Company held by the promoters.
- Secured loan of Dena Bank has become NPA and the Bank has assigned the loan amount including interest thereon amounting to ₹ 2,100 lakhs as on 28th November, 2018 to a third party "International Asset Reconstruction Company Private Limited (IARC)" vide letter dated 24th December, 2018. The loan is secured against properties located at Mumbai. The said loan liability has been shown under secured loan from companies and finalisation of terms of loan is under process. The Company has provided for the interest on the amount of loan assigned to IARC at the Interest rate of 9.60% charged by the Dena Bank on initial Term loans.
- Unsecured loans from companies and others carry interest rates within a range of 15% to 27% and are repayable on demand. (Refer footnote a to Note 28)
- Period and amount of default as on Balance Sheet date in repayment of term loans and interest :

Particulars	31st March, 2021		31st March, 2020	
	( ₹ in lakhs)	Period	( ₹ in lakhs)	Period
Loans from Financial Institutions				
Overdue installments	2,398.39	Feb 19 to Mar 21	2,037.13	Feb 19 to Mar 20
Interest (Net of TDS)	514.95	Mar 19 to Mar 21	594.06	Jan-March 19
	<b>2,913.34</b>	—	<b>2,631.19</b>	

- Loan from others include certain deposits inherited by the company in earlier years due to merger of its erstwhile partnership firms Akruti Jay Developer and Akruti Kailash Constructions with the company. The Management is of the opinion that since these deposits were not received directly by the Company, they do not attract any of the provisions relating to the Companies (Acceptance of Deposits) Rules 2014 as amended. The Company is in the process of repaying the same.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (CONTD.)

### NOTE 19. OTHER FINANCIAL LIABILITIES

#### Non-current

Retention money payable (Refer Footnote d)	119.22	483.79
Lease Deposits from tenants	58.98	594.93
Advance Lease Rentals	5.05	47.74
Lease Liability (IND AS 116)	9.63	73.43
Advance Finance Income (Refer Footnote (b) to Note 18 Non Current Borrowings)	3,963.32	1,835.75
<b>Total</b>	<b>4,156.20</b>	<b>3,035.64</b>

#### Current

Current maturities and overdue installments of long-term debts (Refer Note 18)	20,488.51	22,579.78
Interest accrued and due on borrowings	15,380.86	14,441.13
Interest accrued but not due on borrowings	7.90	227.48
Retention money payable	944.78	325.44
Unpaid matured debentures and interest accrued thereon [Refer Footnotes (a) and (b)]	—	1,441.67
Overdue Term Loan from Banks [Refer Footnotes a and f (i) to note 18 Non-Current Borrowings]	11,161.35	11,629.42
Overdue loans from company [Refer Footnote f (iii) to Note 18 Non-Current Borrowings]	—	3,088.62
Unclaimed/unpaid dividends	0.01	0.50
Current account balance in firms and joint ventures (Refer Note 33)	1,025.40	2,477.02
Security Deposits (Refundable)	5,527.30	12,670.41
Lease Deposits from tenants	88.01	31.17
Advance Lease Rentals	32.63	37.15
Advance Finance Income [Refer Footnote (b) to Note 18 Non Current Borrowings]	1,366.66	2,447.67
Other payables [Refer Footnotes (c) and (e)]	65,125.45	65,027.15
<b>Total</b>	<b>121,148.86</b>	<b>136,424.61</b>

#### Footnotes:

- During the year the company has repaid all of its unpaid matured debentures in accordance with the OTS signed between the parties. The waiver of outstanding balance thereon has been considered as income. Refer foot note (i) to Note 24.
- Period and amount of default as on the Balance Sheet date in respect of matured debentures and interest accrued thereon :

#### Overdue Installments:

NIL (As at 31st March, 2020: 10,000) Redeemable non-convertible debentures of the face value of ₹ 100,000/- each

#### Interest :

NIL (As at 31st March, 2020: 10,000) Redeemable non-convertible debentures of the face value of ₹ 100,000/- each

#### Total

31st March, 2021		31st March, 2020	
( ₹ in lakhs)	Period	( ₹ in lakhs)	Period
—		1,320.71	31/3/2018
—		120.96	31/3/2018
—		1,441.67	

- Other payable include ₹ 1587.81 lakhs (As at 31st March, 2020: ₹ 872.97 lakhs) due to related parties. Further, attention is invited to Note 33.
- Retention Money liability to the contractors which are not due for payment as at 31st March, 2021 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 and hence retention liability has not been discounted as on 31st March, 2021.
- Other Payable includes an amount of ₹ 48,171.95 (As at 31st March, 2020: ₹ 49,063.71 lakhs) due to Ashok Commercial Enterprises. The party has instituted commercial summary Suit No. 1532 of 2018 in the High Court of Judicature at Bombay against the Company. The Company has filed its response/defence to the same before the Honorable High court.



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (CONTD.)

	As at 31st March, 2021 (₹ in lakhs)	As at 31st March, 2020 (₹ in lakhs)
<b>NOTE 23. REVENUE FROM OPERATIONS</b>		
<b>Sale from operations :</b>		
Sale of properties / rights (Net) (Refer footnotes (a) and (b))	16,231.05	5,066.54
Project Management Consultancy Service (Refer footnote (a))	500.00	200.00
Revenue from sale of Trading Materials	20.97	452.01
Profit on sale of investments in subsidiaries, Joint ventures, etc. developing real estate projects (Refer Footnote (e) to Note 6 and Note 33)	3,903.70	3,036.80
	<b>20,655.72</b>	<b>8,755.35</b>
<b>Other operating revenue :</b>		
Income on investments in subsidiaries, Joint ventures, etc. developing real estate projects [Refer Footnote (c) and Note 33]	649.75	1,983.62
Share of Revenue (Refer Note 33)	1,618.16	6,006.91
Unwinding of Interest free loans	47.61	41.85
Lease rentals	663.08	1,123.79
Advances Written off in earlier year is recovered (Refer Note 33)	—	1,492.46
Sundry credit balances appropriated	77.35	1,638.25
Provision no longer required	646.24	4,206.56
Provision for diminution in investment written back	—	0.90
Provision for doubtful debts/advances written back	—	213.50
Others	64.21	85.19
	<b>3,766.40</b>	<b>16,793.03</b>
<b>Total</b>	<b>24,422.12</b>	<b>25,548.38</b>

### Footnotes:

- Sale of Properties/Rights/Services includes ₹ 500 lakhs (For 2019-20: ₹ 2,710 lakhs) from related parties. Further attention is invited to Note 33.
- Sale of Properties is net of ₹ 188.72 lakhs (For 2019-20: ₹ 109 lakhs) on account of reversal of revenue recognised in previous year.
- The Company has not recognised finance income amounting to ₹ 31,189.67 lakhs (For 2019-20: ₹ 26,209.80 lakhs) from Deep Discount Bonds held in one of its joint venture entities as the terms of the said Bonds relating to tenure of the Bonds and redemption premium are under negotiation with the issuer.
- Due to COVID outbreak, the management is uncertain on recoverability of lease rentals. 100% provision for the same is created.
- Revenue from sale of properties does not include possession letter issued but possession not taken by the customers, amounting to ₹ 753.87 lakhs.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (CONTD.)

### NOTE 24. OTHER INCOME

#### Interest Income:

	As at 31st March, 2021 (₹ in lakhs)	As at 31st March, 2020 (₹ in lakhs)
Debentures	—	98.79
Loans	855.04	31.92
Bank Fixed deposits	42.58	53.88
Income on account of OTS (Refer footnote (i) )	741.67	—
Interest write back	251.82	200.57
Interest income on financial liabilities measured at fair value (Refer Footnote (b) to Note 18 Non Current Borrowings)	1,849.55	2,457.44
Others	163.76	20.97
	<b>3,904.42</b>	<b>2,863.57</b>

#### Other Gains and Losses

Surplus on sale / discardment of fixed assets (Net)	706.69	611.18
Gain on Fair Valuation of Investments in Mutual Funds	0.16	0.28
Gain on foreign currency fluctuation (Net)	—	5.15
	<b>706.85</b>	<b>616.61</b>

#### Miscellaneous income

	<b>41.96</b>	<b>134.51</b>
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**Total**

#### Footnotes:

- (i) Income on account of OTS pertains to waiver of balance amount of ₹ 741.67 lakhs (For 2019-20: ₹ Nil) by ILMS Home Park Private Limited pursuant to signing of OTS arrangement between the parties.

### NOTE 25. COSTS OF CONSTRUCTION / DEVELOPMENT

Construction costs incurred during the year:

	As at 31st March, 2021 (₹ in lakhs)	As at 31st March, 2020 (₹ in lakhs)
Land / rights acquired	609.53	2,479.33
Material and labour costs	3,178.34	7,274.11
Approval and consultation expenses	1,134.96	1,538.94
Other direct development expenses	1,128.63	1,263.55
	<b>6,051.46</b>	<b>12,555.93</b>

**Total**

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (CONTD.)

### NOTE 26. CHANGES IN INVENTORIES OF FINISHED PROPERTIES, STOCK-IN-TRADE, INCOMPLETE PROJECTS AND FSI

#### Opening Inventory :

	Year ended 31st March, 2021 (₹ in lakhs)	Year ended 31st March, 2020 (₹ in lakhs)
Floor Space Index (FSI)	8,976.27	126.26
Incomplete projects	115,721.52	102,190.40
TDR (Traded)	1,484.60	—
Trading Material	34.42	—
Finished Properties	7,564.16	568.36
	<b>133,780.97</b>	<b>102,885.02</b>

#### Add / (Less):

Addition on account of dissolution of partnership firms [Refer footnote (d) to Note 6]

Finished Properties	24.06	745.33
Incomplete Project	442.55	4,345.33
Floor Space Index (FSI)	—	17,433.97
Transfer of Development Right (TDR)	—	1,484.60
	<b>466.61</b>	<b>24,009.23</b>
	<b>134,247.58</b>	<b>126,894.25</b>

Opening Stock Adjustment on account of write back

Project expenses written off

Loss on account of NRV of FSI

Loss on account of diminution in value of inventory (Refer Footnote e to Note 30)

#### Closing Inventory :

Floor Space Index (FSI)	8,976.27	8,976.27
Incomplete Projects	101,371.63	115,721.52
Transfer of Development Right (TDR)	1,484.60	1,484.60
Trading Material	33.71	34.42
Finished Properties	10,149.96	7,564.16
	<b>122,016.17</b>	<b>133,780.97</b>
	<b>7,187.14</b>	<b>(17,169.38)</b>

**Total**

### NOTE 27. EMPLOYEE BENEFITS EXPENSE

Salaries, bonus, etc.	452.08	1,396.58
Contribution to provident and other funds	84.26	136.68
Staff welfare expenses	38.48	22.60
Other fund expenses	2.20	2.62
	<b>577.02</b>	<b>1,558.48</b>

**Total**

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (CONTD.)

	As at 31st March, 2021 (₹ in lakhs)	As at 31st March, 2020 (₹ in lakhs)
<b>Note 28. Finance Costs</b>		
Interest costs		
Interest on Fixed loans	3,252.88	10,049.36
Unwinding of security deposit	45.75	34.42
Interest expenses on financial liabilities measured at fair value [Refer Footnote (b) to Note 18-Non-Current Borrowings]	2,451.03	2,422.29
Interest expense on account of Right to use	5.48	18.89
Other interest expense	82.55	1,220.89
Other Borrowing cost	115.29	3.08
Delayed/penal interest on loans and statutory dues	135.75	122.51
<b>Total</b>	<b>6,088.73</b>	<b>13,871.44</b>

### Footnotes:

- The Company has not provided for interest amounting to ₹ 33,395.93 lakhs (For 2019-20: ₹ 28,366.53 lakhs) on certain corporate deposits as the Company is in the process of re-negotiating the terms / waiver of interest by respective lenders. In this regard, the Company has held various meetings with the respective lenders and is hopeful of amicable settlement in the near future.
- In line with IND AS-23 'Borrowing Costs' issued by The Institute of Chartered Accountants of India, borrowing costs of ₹ 2,386.42 lakhs (For 2019-20: ₹ 7,544.14 lakhs) have been capitalised to inventory.

	As at 31st March, 2021 (₹ in lakhs)	As at 31st March, 2020 (₹ in lakhs)
<b>NOTE 29. DEPRECIATION AND AMORTISATION EXPENSES</b>		
Depreciation of property, plant and equipment	101.07	197.92
Depreciation on Lease assets	46.44	51.14
Depreciation of investment property	146.51	146.36
<b>Total</b>	<b>294.02</b>	<b>395.42</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (CONTD.)

### NOTE 30. OTHER EXPENSES

	Year ended 31st March, 2021 (₹ in lakhs)	Year ended 31st March, 2020 (₹ in lakhs)
Insurance	45.58	32.46
Rent	63.21	123.00
Rates and taxes	274.29	294.23
Advertisement expenses.	227.86	255.34
Provision for doubtful debts written off	—	213.50
Advances and other debit balances written off [Refer Footnote (a) and Note 33]	1,573.64	1,235.10
Bad Debts	—	29.79
Donations	49.00	18.50
Brokerage	81.35	111.59
Directors' fees and travelling expenses	13.83	28.42
Commission to non-executive directors	—	15.00
Provision for Doubtful Advances [Refer footnote (d)]	3,271.62	6,673.75
Provision for Doubtful Debts	1,485.72	175.00
Repairs and society maintenance charges	117.81	161.13
Legal and professional fees	682.03	430.29
Prospective projects written off	—	987.09
Loss on account of NRV of FSI	—	8,389.18
Loss on account of Diminution in the value of inventory	5,044.27	—
Investment Written off on account of Merger	—	612.25
Loss on foreign currency fluctuation (Net)	2.91	—
Reduction in value of rights sold in earlier years	10,500.00	—
Other expenses [Refer Footnote (c)]	1,189.94	1,221.13
<b>Total</b>	<b>24,623.06</b>	<b>21,006.75</b>

### Footnotes:

- The Company has given advances to certain companies towards potential interest in their projects. Due to cancellation of approvals, continuing losses and no movement in the project status, in the opinion of the management such advances/ receivables aggregating ₹ 1,545.05 lakhs (for F.Y 2019-20 ₹ 1,060.41 lakhs) being non-recoverable were written off during the year.
- CSR amount required to be spent as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof by the Company during the year is ₹ 32.34 Lakhs (Previous Year ₹ 16.65 lakhs), the actual amount spent during the year is ₹ 35 lakhs (Previous year ₹ NIL lakhs) for the purpose other than construction/acquisition of an asset..

- Auditors' Remuneration (included in Legal and professional fees and Other Expenses):

	Year ended 31st March, 2021 (₹ in lakhs)	Year ended 31st March, 2020 (₹ in lakhs)
Audit fees	53.00	53.00
Limited Review fees	8.77	8.77
Certification and other matters	—	1.50
	<b>61.77</b>	<b>63.27</b>

- In the opinion of the Management certain advances made by the Company for Business purposes have not yielded the desired results and are doubtful of recovery. Hence, the Company has made necessary provision in respect of these advances. However, the Company shall continue to make all efforts for their recovery.
- Incomplete Projects as at 31 March 2021 have been written down to their Net Realizable Values on account of which company has recognized loss on diminution in value for one of its project to the extent of ₹ 5,044.27 Lakhs. The same has been debited to the Statement of Profit and Loss during the year.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (CONTD.)

### NOTE 31. EARNINGS PER SHARE (EPS)

Basic Earning Per Share (In ₹)  
Diluted Earning Per Share (In ₹)

#### Basic and Diluted EPS

The earnings and weighted average number of equity shares used in the calculation of basic earning per share are as follows

Earnings used in the calculation of basic and diluted earning per share

Weighted average number of equity shares for the purposes of basic and diluted earning per share (Nos.)

Year ended 31st March, 2021 (₹ in lakhs)	Year ended 31st March, 2020 (₹ in lakhs)
(21.45)	(8.18)
(21.45)	(8.18)
(15,599.02)	(5,946.45)
72,735,871	72,735,871

### NOTE 32. DISCLOSURE RELATING TO EMPLOYEE BENEFITS AS PER IND AS 19 'EMPLOYEE BENEFITS'

#### A. Defined Contribution Plans

An amount of ₹ 47.78 lakhs (F.Y. 2019-20: ₹ 44.59 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

31st March, 2021	31st March, 2020
6.79%	6.80%
5%	5%
19.74	21.01

#### I (a) Expenses recognised in the Statement of Profit and Loss

Current service cost

Past service cost and (gain)/loss from settlement

Net interest expense

Component of defined benefit cost recognised in Statement of Profit and Loss

35.35	40.13
22.94	25.78
58.28	65.91

#### (b) Included in Other Comprehensive Income

Actuarial (Gain)/Loss recognized for the period

Return on Plan Assets excluding net interest

Component of defined benefit cost recognised in OCI

115.66	(62.72)
5.03	3.27
120.69	(59.45)

#### II Net Asset/(Liability) recognised in the Balance Sheet

Present value of Defined Benefit Obligation

Fair value of plan assets at the end of the period

Funded status

(393.94)	(351.57)
55.16	9.02
(338.78)	(342.55)

#### III Changes in Obligation during the year

Movement in PV of defined benefit obligation

Present value of Defined Benefit Obligation at the beginning of the year

Current service cost

Interest cost

Actuarial gains and losses arising from changes in experience adjustment

Benefits paid

Present value of Defined Benefit Obligation at the end of the year

351.57	393.94
35.35	40.13
23.53	28.27
115.65	(62.72)
(11.09)	(48.05)
515.02	351.57

#### IV Changes in fair value of Plan Assets during the year

Fair Value of the Plan Assets at the beginning of the year

Adjustment to Opening Fair value Plan Asset

Interest income

Return on Plan Assets (excluding interest income)

Contribution by employer

Benefits paid

Closing fair value of Plan Assets

9.02	55.16
0.60	2.48
(5.03)	(3.27)
10.50	2.70
(11.08)	(48.05)
4.01	9.02



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (CONTD.)

### NOTE 32. (Contd.)

Asset Information:	Year ended 31st March, 2021 ( ₹ in lakhs)	Target Allocation
	Total Amount	
Gratuity Fund	4.01	100%
<b>Expected Payout:</b>		
<b>Year</b>	<b>PVO Payout</b>	
Expected Outgo First	80.17	
Expected Outgo Second	13.51	
Expected Outgo Third	11.31	
Expected Outgo Fourth	11.80	
Expected Outgo Fifth	53.70	
Expected Outgo Sixth to Tenth Years	161.64	

### Sensitivity Analysis:

As of 31st March, 2021, every percentage point increase in discount rate will affect our gratuity benefit obligation ₹ 464.61 lakhs.

As of 31st March, 2021, every percentage point decrease in discount rate will affect our gratuity benefit obligation ₹ 575.29 lakhs.

As of 31st March, 2021, every percentage point increase in salary escalation rate will affect our gratuity benefit obligation ₹ 575.16 lakhs.

As of 31st March, 2021, every percentage point decrease in salary escalation rate will affect our gratuity benefit obligation ₹ 463.90 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 2022 is ₹ 50.49 lakhs.

### Narrations:

#### 1 Analysis of Defined Benefit Obligation

The number of members under the scheme have decreased by 3.26%.

#### 2 Expected rate of return basis:

EROA is the discount rate as at previous discount valuation date as per the accounting standard.

#### 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.

#### 4 Investment / Interest Risk

The Company is exposed to Investment / Interest risk if the return on the invested fund falls below the discount rate used to arrive at present value of the benefit.

#### 5 Longevity Risk

The Company is not exposed to risk of the employees living longer as the benefit under the scheme ceases on the employee separating from the employer for any reason.

#### 6 Risk of Salary Increase

The Company is exposed to higher liability if the future salaries rise more than the assumption of salary escalation.

#### 7 Discount Rate

The discount rate has decreased from 6.80% to 6.79% and hence there is an increase in liability leading to actuarial loss due to change in discount rate.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (CONTD.)

### NOTE 33. RELATED PARTIES DISCLOSURES AS PER IND AS 24

#### A. Names of related parties and description of relationship

	Country of Incorporation	Percentage of voting power as at (%)	
		31st March, 2021	31st March, 2020
<b>I. Subsidiaries</b>			
1 Ackruti Safeguard Systems Private Limited	India	72.43%	72.43%
2 Citygold Education Research Limited	India	100.00%	100.00%
3 Citywood Builders Private Limited	India	100.00%	100.00%
4 Diviniti Projects Private Limited	India	100.00%	100.00%
5 Gujarat Akruiti-TCG Biotech Limited	India	74.00%	74.00%
6 Joynest Premises Private Limited	India	24.00%	74.00%
7 Sanas Developers Private Limited	India	51.00%	51.00%
8 Vama Housing Limited	India	100.00%	100.00%
9 Vega Developers Private Limited	India	100.00%	100.00%
10 Vishal Techno Commerce Limited	India	100.00%	100.00%
11 Yantti Buildcon Private Limited	India	100.00%	100.00%
<b>II. Associates</b>			
1 Giraffe Developers Private Limited	India	49.00%	49.00%
2 Shubhsiddhi Builders Private Limited	India	50.00%	50.00%
3 Vinca Developer Private Limited	India	49.00%	49.00%
4 Whitebud Developers Limited	India	50.00%	50.00%
5 Rubix Trading Private Limited [Subsidiary Of Vinca]	India	—	—
<b>II. Joint Ventures</b>			
1 Akruiti GM Joint Venture	India	77.00%	77.00%
2 Akruiti Jay Chandan Joint Venture	India	—	50.00%
3 Hubtown Bus Terminal (Adajan) Private Limited	India	45.00%	45.00%
4 Hubtown Bus Terminal (Ahmedabad) Private Limited	India	45.00%	45.00%
5 Hubtown Bus Terminal (Mehsana) Private Limited	India	45.00%	45.00%
6 Hubtown Bus Terminal (Vadodara) Private Limited	India	45.00%	45.00%
7 Joyous Housing Limited	India	25.00%	25.00%
8 Rare Townships Private Limited	India	40.00%	40.00%
9 Rising Glory Developers	India	25.00%	25.00%
10 Shreenath Realtors	India	—	—
11 Sunstream City Private Limited	India	40.67%	40.67%
12 Twenty Five South Realty Limited (Up to 29-06-2020)	India	—	61.27%

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021 (CONTD.)

### NOTE 33. RELATED PARTIES DISCLOSURES AS PER IND AS 24 (Contd.)

#### IV. Key management personnel

- 1 Mr. Hemant M. Shah, Executive Chairman
- 2 Mr. Vyomesh M. Shah, Managing Director
- 3 Mr. Sunil Mago, Chief Financial Officer
- 4 Mr. Sadanand Lad, Company Secretary

#### V. Non Executive directors over which they are able to exercise significant influence (where transaction have taken place)

- 1 Sunil C Shah
- 2 Abhijit B Datta
- 3 Priti K Shah
- 4 Kartik Shantilal Ruparel [From 15/09/2020]
- 5 Ketaki Rajat Shah [From 15/09/2020]

#### VI. Relatives of key management personnel

- 1 Mrs. Kunjal H. Shah, Wife of Executive Chairman
- 2 Mrs. Falguni V. Shah, Wife of Managing Director
- 3 Mr. Rushank V. Shah, Son of Managing Director
- 4 Mr. Khilen V. Shah, Son of Managing Director
- 5 Mr. Kushal H. Shah, Son of Executive Chairman
- 6 Mrs. Nutan Dhanki, Sister of Executive Chairman and Managing Director
- 7 Mrs. Hemanti Parekh, Sister of Executive Chairman and Managing Director
- 8 Hemant M. Shah HUF- Karta Executive Chairman
- 9 Mrs. Pratiti K. Shah, Daughter in Law of Managing Director
- 10 Mrs. Meha R. Shah, Daughter in Law of Managing Director
- 11 Mrs. Aishwarya K. Shah, Daughter in Law of Executive Chairman
- 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

#### VII. Enterprises where key management personnel or their relatives exercise significant influence (Where transactions have taken place)

- 1 Adhivitiya Properties Limited
- 2 Buildbyte. Com. (India) Private Limited
- 3 Citygold Management Services Private Limited
- 4 E Commerce Magnum Solution Limited
- 5 Fourjone Realtors Private Limited
- 6 Heet Builders Private Limited
- 7 Helictite Residency Private Limited
- 8 Hubtown Solaris Maintenance Private Limited
- 9 Powersoft IT Private Limited
- 10 Starzone Developers Private Limited
- 11 Trans Gulf MEP Engineers Private Limited
- 12 Vishal Nirman (India) Limited
- 13 Hogmanay Niharika Buildings Limited
- 14 Wellgroomed Venture
- 15 Hill view Venture

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021 (CONTD.)

## NOTE 33. RELATED PARTIES DISCLOSURES AS PER IND AS 24 (Contd.)

### 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>				
	Urvi Build Tech Limited	— (89.29)	— (—)	— (—)	— (—)
	Vishal Techno Commerce Limited	— (900.00)	— (—)	— (—)	— (—)
	Twenty Five South Realty Limited (Up to 29-06-2020)	— (—)	— (—)	— (650.00)	— (—)
	E-Commerce Magnum Solution Limited	— (—)	— (—)	— (—)	— (50.00)
	Vinca Developer Private Limited	— (—)	1.54 (500.00)	— (—)	— (—)
	Heet Builders Private Limited	— (—)	— (—)	— (—)	0.10 (2,639.00)
	Rubix Trading Private Limited	— (—)	— (2,350.00)	— (—)	— (—)
ii.	<b>Loans and Advances given/ repaid/adjusted</b>				
	Twenty Five South Realty Limited (Up to 29-06-2020)	— (—)	— (—)	831.95 (1,342.48)	— (—)
	Upvan Lake Resorts Private Limited	— (1.00)	— (—)	— (—)	— (—)
	Vama Housing Limited	0.40 (1.15)	— (—)	— (—)	— (—)
	Vishal Techno Commerce Limited	1.25 (1.25)	— (—)	— (—)	— (—)
	Halitious Developer Limited	— (13.75)	— (—)	— (—)	— (—)
	Urvi Build Tech Limited	— (2.61)	— (—)	— (—)	— (—)
	Kunjal Hemant Shah	— (—)	— (—)	— (—)	— (88.19)
	Hemant M. Shah (HUF)	— (—)	— (—)	— (—)	— (30.00)
	Vinca Developer Private Limited	— (—)	0.50 (500.00)	— (—)	— (—)
	Joyous Housing Limited	— (—)	— (—)	27.31 (—)	— (—)
	Heet Builders Private Limited	— (—)	— (—)	— (—)	36.97 (929.30)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (CONTD.)

### NOTE 33. RELATED PARTIES DISCLOSURES AS PER IND AS 24 (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 \$
iii.	<b>Business Advances received / recovered / adjusted</b>				
	Citygold Education Research Limited	495.00 (2,903.62)	— (—)	— (—)	— (—)
	Citywood Builders Private Limited	119.00 (4,264.19)	— (—)	— (—)	— (—)
	Citygold Farming Private Limited	— (84.75)	— (—)	— (—)	— (—)
	Headland Farming Private Limited	— (15.00)	— (—)	— (—)	— (—)
	Heddle Knowledge Private Limited	— (76.00)	— (—)	— (—)	— (—)
	Vega Developers Private Limited	— (323.45)	— (—)	— (—)	— (—)
	Hubtown Bus Terminal (Ahmedabad) Private Limited	— (—)	— (—)	150.70 (506.51)	— (—)
	Hubtown Bus Terminal (Adajan) Private Limited	— (—)	— (—)	— (1,297.54)	— (—)
	Hubtown Bus Terminal (Mehsana) Private Limited	— (—)	— (—)	34.35 (—)	— (—)
	Joyneest Premises Private Limited	877.27 (2,404.83)	— (—)	— (—)	— (—)
	Ackruti Safeguard Systems Private Limited	8.00 (2.00)	— (—)	— (—)	— (—)
	Distinctive Realty Private Limited	— (—)	— (—)	— (—)	— (262.83)
	High Scale Trading Private Limited	— (—)	— (—)	— (—)	— (375.00)
	Citygold Management Services Private Limited	— (—)	— (—)	— (—)	— (15.68)
	Vishal Nirman (India) Limited	— (—)	— (—)	— (—)	— (3.00)
	Adhivitiya Properties Limited	— (—)	— (—)	— (—)	11.00 (540.00)
	Transgulf MEP Engineers Private Limited	— (—)	— (—)	— (—)	— (8.72)
	Amazia Developer Private Limited	— (—)	— (3,712.16)	— (—)	— (—)
	Fern Infrastructure Private Limited	— (—)	— (—)	— (—)	— (22.54)
	Wellgroomed Venture	— (—)	— (—)	— (—)	186.00 (1,270.72)
	Hubtown Bus Terminal (Vadodara) Private Ltd	— (—)	— (—)	46.95 (—)	— (—)
	Helictite Residency Private Limited	— (—)	— (—)	— (—)	4.72 (—)
	Whitebud Developers Limited	— (—)	11.00 (—)	— (—)	— (—)
	Giraffe Developers Private Limited	— (—)	9587.61 (3,653.95)	— (—)	— (—)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021 (CONTD.)

### NOTE 33. RELATED PARTIES DISCLOSURES AS PER IND AS 24 (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 \$
iv.	<b>Business Advances given / repaid / adjusted</b>				
	Citygold Education Research Limited	16.29 (2,506.74)	— (—)	— (—)	— (—)
	Citywood Builders Private Limited	405.29 (460.64)	— (—)	— (—)	— (—)
	Citygold Farming Private Limited	— (55.73)	— (—)	— (—)	— (—)
	Heddle Knowledge Private Limited	— (2.50)	— (—)	— (—)	— (—)
	Hubtown Bus Terminal (Ahmedabad) Private Limited	— (—)	— (—)	898.47 (2,524.14)	— (—)
	Hubtown Bus Terminal (Adajan) Private Limited	— (—)	— (—)	10.00 (1,462.50)	— (—)
	Hubtown Bus Terminal (Mehsana) Private Limited	— (—)	— (—)	47.00 (117.25)	— (—)
	Hubtown Bus Terminal (Vadodara) Private Limited	— (—)	— (—)	— (72.25)	— (—)
	Sunstream City Private Limited	— (—)	— (—)	173.85 (149.28)	— (—)
	Joynest Premises Private Limited	937.52 (1,543.24)	— (—)	— (—)	— (—)
	Whitebud Developers Limited	— (—)	10.00 (—)	— (—)	— (—)
	Yantti Buildcon Private Limited	4.26 (20.20)	— (—)	— (—)	— (—)
	Vega Developers Private Limited	250.00 (0.95)	— (—)	— (—)	— (—)
	Buildbyte.Com (India) Private Limited	— (—)	— (—)	— (—)	— (5.00)
	Citygold Management Services Private Limited	— (—)	— (—)	— (—)	70.63 (190.06)
	Adhivitiya Properties Limited	— (—)	— (—)	— (—)	0.25 (10.50)
	Giraffe Developers Private Limited	— (—)	5,514.52 (22,056.34)	— (—)	— (—)
	Vinca Developer Private Limited	— (—)	— (1.00)	— (—)	— (—)
	Fern Infrastructure Private Limited	— (—)	— (—)	— (—)	— (2.76)
	Distinctive Realty Private Limited	— (—)	— (—)	— (—)	— (0.50)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021 (CONTD.)

### NOTE 33. RELATED PARTIES DISCLOSURES AS PER IND AS 24 (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 \$
	Gallant Infotech Private Limited	— (—)	— (34.94)	— (—)	— (—)
	Amazia Developer Private Limited	— (—)	— (2,464.13)	— (—)	— (—)
	Wellgroomed Venture	— (—)	— (—)	— (—)	222.91 (697.50)
	Gujarat Akruti-TCG Biotech Limited	5.55 (—)	— (—)	— (—)	— (—)
	Hubtown Bus Terminal (Vadodara) Private Ltd	— (—)	— (—)	65.40 (—)	— (—)
	Vishal Nirman (India) Limited	— (—)	— (—)	— (—)	5.25 (—)
	Sheshan Housing And Area Development Engineers Limited	— (—)	— (—)	— (—)	— (2.85)
<b>v.</b>	<b>Contribution in Partner's Current Account</b>				
	Celeste JV	— (—)	— (—)	— (722.72)	— (—)
	Rising Glory Developers	— (—)	— (—)	7,993.40 (11,140.98)	— (—)
	Akruti Jay Chandan JV	— (—)	— (—)	— (424.99)	— (—)
	Sunstone Developers JV	— (—)	— (—)	— (2,906.99)	— (—)
	Akruti GM JV	— (—)	— (—)	17.50 (7.75)	— (—)
<b>vi.</b>	<b>Amount Withdrawn from Partner's Current Account</b>				
	Akruti Jay Chandan JV	— (—)	— (—)	— (19.78)	— (—)
	Rising Glory Developers	— (—)	— (—)	3,304.67 (28,681.66)	— (—)
	Akruti GM JV	— (—)	— (—)	10.00 (13.75)	— (—)
	Jairaj Developers - Unit 9	— (—)	— (—)	— (25.40)	— (—)
	Celeste Jv	— (—)	— (—)	— (1,337.72)	— (—)
	Sunstone Developers JV	— (—)	— (—)	— (238.06)	— (—)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021 (CONTD.)

### NOTE 33. RELATED PARTIES DISCLOSURES AS PER IND AS 24 (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 \$
vii.	<b>On behalf payments made ( Including reimbursement of expenses)</b>				
	Citygold Education Research Limited	3.72 (1.94)	— (—)	— (—)	— (—)
	Citygold Farming Private Limited	— (0.06)	— (—)	— (—)	— (—)
	Halitious Developer Limited	— (0.79)	— (—)	— (—)	— (—)
	Heddle Knowledge Private Limited	— (9.12)	— (—)	— (—)	— (—)
	Hubtown Bus Terminal (Mehsana) Private Limited	— (—)	— (—)	— (31.36)	— (—)
	Sunstream City Private Limited	— (—)	— (—)	2.34 (0.71)	— (—)
	Joynest Premises Private Limited	— (7.00)	— (—)	— (—)	— (—)
	Yantti Buildcon Private Limited	2.57 (—)	— (—)	— (—)	— (—)
	Citywood Builders Private Limited	32.95 (59.05)	— (—)	— (—)	— (—)
	Giraffe Developers Private Limited	— (—)	1.14 (6.00)	— (—)	— (—)
	Buildbyte.Com (India) Private Limited	— (—)	— (—)	— (—)	0.11 (—)
	Devkrupa Build Tech Limited	— (7.89)	— (—)	— (—)	— (—)
	Vama Housing Limited	— (0.23)	— (—)	— (—)	— (—)
	Vinca Developer Private Limited	— (—)	— (0.02)	— (—)	— (—)
	Fern Infrastructure Private Limited	— (—)	— (—)	— (—)	— (0.13)
	Helictite Residency Private Limited	— (—)	— (—)	— (—)	23.21 (4.01)
	Amazia Developer Private Limited	— (—)	— (17.93)	— (—)	— (—)
	Citygold Management Services Private Limited	— (—)	— (—)	— (—)	— (0.50)
	Hubtown Solaris Maintenance Private Limited	— (—)	— (—)	— (—)	— (0.002)
	Primeria Joint Venture	— (—)	— (—)	— (0.02)	— (—)
	Twenty Five South Realty Limited (Up to 29-06-2020)	— (—)	— (—)	— (49.89)	— (—)



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021 (CONTD.)

### NOTE 33. RELATED PARTIES DISCLOSURES AS PER IND AS 24 (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 \$
	Hill View Venture	— (—)	— (—)	— (8.75)	— (—)
	Adhivitiya Properties Limited	— (—)	— (—)	— (—)	4.49 (—)
	E Commerce Magnum Solution Limited	— (—)	— (—)	— (—)	9.09 (—)
	Rare Townships Private Limited	— (—)	— (—)	10.00 (—)	— (—)
	Heet Builders Private Limited	— (—)	— (—)	— (—)	3.00 (7.16)
viii.	<b>On behalf payments received/adjusted</b>				
	Hubtown Bus Terminal (Adajan) Private Limited	— (—)	— (—)	— (11.44)	— (—)
	Hubtown Bus Terminal (Mehsana) Private Limited	— (—)	— (—)	— (1.23)	— (—)
	Joynest Premises Private Limited	— (43.37)	— (—)	— (—)	— (—)
	Falguni Shah	— (—)	— (—)	— (—)	262.61 (184.10)
	Ackruti Safeguard Systems Private Limited	— (31.36)	— (—)	— (—)	— (—)
	Citywood Builders Private Limited	— (4.24)	— (—)	— (—)	— (—)
	Hemant M. Shah	— (—)	— (—)	— (—)	— (49.86)
	Khilen Shah	— (—)	— (—)	— (—)	— (0.28)
	Rushank Shah	— (—)	— (—)	— (—)	4.64 (16.21)
	Lata M. Shah	— (—)	— (—)	— (—)	— (6.50)
	Heet Builders Private Limited	— (—)	— (—)	— (—)	0.56 (—)
	Helictite Residency Private Limited	— (—)	— (—)	— (—)	17.93 (—)
	Vishal Techno Commerce Limited	0.92 (—)	— (—)	— (—)	— (—)
	Citygold Management Services Private Limited	— (—)	— (—)	— (—)	— (121.96)
	Hubtown Solaris Maintenance Private Limited	— (—)	— (—)	— (—)	— (2.34)
	Mahipatray V. Shah (HUF)	— (—)	— (—)	— (—)	— (31.56)

# NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021 (CONTD.)

## NOTE 33. RELATED PARTIES DISCLOSURES AS PER IND AS 24 (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 \$
ix.	<b>Redemption of Investments(Including Debentures)</b>				
	Amazia Developer Private Limited	— (—)	— (4,800.00)	— (—)	— (—)
x.(a)	<b>Advance received against FSI</b>				
	Khilen Shah	— (—)	— (—)	— (—)	— (71.70)
	Hill View Venture	— (—)	— (—)	— (—)	179.23 (534.28)
x.(b)	<b>Advance received against FSI repaid</b>				
	Khilen Shah	— (—)	— (—)	— (—)	100.15 (—)
	Falguni Shah	— (—)	— (—)	— (—)	— (6.24)
	Kushal Shah	— (—)	— (—)	— (—)	— (100.30)
	Rushank Shah	— (—)	— (—)	— (—)	— (162.76)
	Sunstone Developers JV	— (—)	— (—)	— (5,954.68)	— (—)
	Meha R. Shah	— (—)	— (—)	— (—)	137.65 (484.65)
xi.	<b>Received against sale</b>				
	Sunstone Developers JV	— (—)	— (—)	— (3,222.96)	— (—)
xii.	<b>Sale of properties/rights/Material/services (Net of GST)</b>				
	Joynest Premises Private Limited	— (7.81)	— (—)	— (—)	— (—)
	Joyous Housing Limited	— (—)	— (—)	500.00 (200.00)	— (—)
	Falguni Shah	— (—)	— (—)	— (—)	— (0.47)
	Sanas Developers Private Limited	— (1,450.00)	— (—)	— (—)	— (—)
	Twenty Five South Realty Limited (Up to 29-06-2020)	— (—)	— (—)	— (36.75)	— (—)
	Powersoft IT Private Limited	— (—)	— (—)	— (—)	— (4.14)
	Akruti GM JV	— (—)	— (—)	0.44 (—)	— (—)
	Hill View Venture	— (—)	— (—)	— (—)	0.44 (—)
	Vinca Developer Private Limited	— (—)	— (1,060.00)	— (—)	— (—)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021 (CONTD.)

### NOTE 33. RELATED PARTIES DISCLOSURES AS PER IND AS 24 (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>xiii.</b>	<b>Interest income on loans/Debentures</b>				
	Twenty Five South Realty Limited (Up to 29-06-2020)	— (—)	— (—)	286.06 (924.39)	— (—)
	Joyous Housing Limited	— (—)	— (—)	89.95 (30.35)	— (—)
	Amazia Developer Private Limited	— (—)	— (819.73)	— (—)	— (—)
	Gujarat Akruti-TCG Biotech Limited	198.31 (239.50)	— (—)	— (—)	— (—)
<b>xiv.</b>	<b>Share of profit from Partnerships/Joint Ventures</b>				
	Akruti Jay Chandan JV	— (—)	— (—)	1.20 (11.40)	— (—)
	Akruti Jay Developers	— (—)	— (—)	— (116.02)	— (—)
	Rising Glory Developers	— (—)	— (—)	— (1.97)	— (—)
	Shreenath Realtors	— (—)	— (—)	0.53 (0.09)	— (—)
<b>xv.</b>	<b>Share of loss from Partnerships/Joint Ventures</b>				
	Akruti GM JV	— (—)	— (—)	17.37 (442.10)	— (—)
	Rising Glory Developers	— (—)	— (—)	0.53 (—)	— (—)
	Celeste JV	— (—)	— (—)	— (14.23)	— (—)
<b>xvi.</b>	<b>Profit on Redemption of Investments(Including Debentures)</b>				
	Amazia Developer Private Limited	— (—)	— (3,036.80)	— (—)	— (—)
<b>xvii.</b>	<b>Share of Revenue</b>				
	Citygold Education Research Limited	1,618.16 (6,006.91)	— (—)	— (—)	— (—)
<b>xviii.</b>	<b>Purchase of properties/rights/Material/services (Net of GST)</b>				
	Joynest Premises Private Limited	5.35 (9.35)	— (—)	— (—)	— (—)
	Brainpoint Infotech Private Limited	— (—)	— (98.81)	— (—)	— (—)
<b>xix.</b>	<b>Services received/availed</b>				
	Gallant Infotech Private Limited	— (—)	— (20.04)	— (—)	— (—)
	Hubtown Solaris Maintenance Private Limited	— (—)	— (—)	— (—)	— (0.002)
	Powersoft IT Private Limited	— (—)	— (—)	— (—)	46.82 (72.82)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021 (CONTD.)

### NOTE 33. RELATED PARTIES DISCLOSURES AS PER IND AS 24 (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 \$
xx.	<b>Directors' Remuneration</b>				
	Hemant M. Shah	— (—)	— (—)	— (—)	9.61 (88.09)
	Vyomesh M. Shah	— (—)	— (—)	— (—)	9.01 (78.35)
xxi.	<b>Commission to Non whole-time Directors</b>				
	Sunil C. Shah	— (—)	— (—)	— (—)	— (4.00)
	Abhijit Datta	— (—)	— (—)	— (—)	— (4.00)
	Priti K. Shah	— (—)	— (—)	— (—)	— (4.00)
	Mahesh Ambalal Kuvadia	— (—)	— (—)	— (—)	— (3.00)
xxii.	<b>Remuneration to Relatives of KMPs</b>				
	Rushank Shah	— (—)	— (—)	— (—)	3.00 (27.03)
	Khilen Shah	— (—)	— (—)	— (—)	3.00 (27.03)
	Kushal Shah	— (—)	— (—)	— (—)	3.00 (17.68)
xxiii.	<b>Advances/Other Debit balance written off</b>				
	ABP Realty Advisors Private Limited	— (0.57)	— (—)	— (—)	— (—)
	Primeria Joint Venture	— (—)	— (—)	— (6.40)	— (—)
	Adhivitiya Properties Limited	— (—)	— (—)	— (—)	304.90 (—)
	Transgulf Mep Engineers Private Limited	— (—)	— (—)	— (—)	0.14 (—)
	Starzone Developers Private Limited	— (—)	— (—)	— (—)	0.35 (—)
xiv.	<b>Sundry Balances written back</b>				
	Vinca Developer Private Limited	— (—)	1.02 (—)	— (—)	— (—)
	Ichha Constructions Private Limited	— (—)	— (—)	— (—)	— (1,492.46)
xxv.	<b>Security Deposit Given</b>				
	Joynest Premises Private Limited	5.00 (—)	— (—)	— (—)	— (—)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021 (CONTD.)

### NOTE 33. RELATED PARTIES DISCLOSURES AS PER IND AS 24 (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 \$
xxvi.	<b>Investment write off in Partnership/Joint Venture/Subsidiaries</b>				
	Hogmanay Niharika Buildings Limited	— (—)	— (—)	— (—)	3.00 (—)
xxvii.	<b>Corporate guarantees given for loans availed by others</b>				
	Hubtown Bus Terminal (Ahmedabad) Private Limited	— (—)	— (—)	203.79 (—)	— (—)
	Joyneest Premises Private Limited	— (—)	— (—)	10,957.19 (—)	— (—)
	Sunstream City Private Limited	— (—)	— (—)	— (63.41)	— (—)
	Twenty Five South Realty Limited (Up to 29-06-2020)	— (—)	— (—)	— (10,539.53)	— (—)
xxviii.	<b>Corporate Guarantees vacated for loans availed by others</b>				
	Hubtown Bus Terminal (Adajan) Private Limited	— (—)	— (—)	— (1,511.62)	— (—)
	Hubtown Bus Terminal (Mehsana) Private Limited	— (—)	— (—)	— (416.20)	— (—)
	Hubtown Bus Terminal (Vadodara) Private Limited	— (—)	— (—)	939.91 (481.41)	— (—)
	Hubtown Bus Terminal (Ahmedabad) Private Limited	— (—)	— (—)	— (356.15)	— (—)
	Rare Townships Private Limited	— (—)	— (—)	— (365.43)	— (—)
	Giraffe Developers Private Limited	— (—)	5,450.21 (—)	— (—)	— (—)
	Sunstream City Private Limited	— (—)	46.17 (—)	— (—)	— (—)
	Twenty Five South Realty Limited (Up to 29-06-2020)	— (—)	— (—)	85,955.37 (—)	— (—)
	Vishal Techno Commerce Limited	5,784.42 (3,898.23)	— (—)	— (—)	— (—)
xxix.	<b>Bank guarantees given on behalf of related parties</b>				
	Gujarat Akruti-TCG Biotech Limited	— (100.00)	— (—)	— (—)	— (—)
	Joyneest Premises Private Limited	— (138.29)	— (—)	— (—)	— (—)
xxx.	<b>Bank Guarantees vacated for loans availed by others</b>				
	Gujarat Akruti-TCG Biotech Limited	— (100.00)	— (—)	— (—)	— (—)

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (CONTD.)

### NOTE 33. RELATED PARTIES DISCLOSURES AS PER IND AS 24 (Contd.)

#### B. Transactions with Related Parties (Contd.)

		As at 31st March, 2021 (₹ in lakhs)	As at 31st March, 2020 (₹ in lakhs)
xxxi.	<b>Corporate guarantees given for loans availed by others (Amount outstanding there against)</b>		
	<b>Subsidiary companies</b>		
	Citywood Builders Private Limited	—	3,017.50
	Vishal Techno Commerce Limited	10,197.20	15,981.63
	Joynest Premises Private Limited	10,957.19	—
	<b>Associate companies</b>		
	Giraffe Developers Private Limited	2,680.82	5,113.53
	<b>Joint Ventures</b>		
	Hubtown Bus Terminal (Adajan) Private Limited	1,620.75	1,620.75
	Hubtown Bus Terminal (Mehsana) Private Limited	2,828.57	2,828.57
	Hubtown Bus Terminal (Vadodara) Private Limited	3,009.36	3,949.27
	Hubtown Bus Terminal (Ahmedabad) Private Limited	5,473.17	5,269.38
	Sunstream City Private Limited	4,324.22	4,370.39
	Twenty Five South Realty Limited (Upto 29-06-2020)	—	85,955.37
	Rare Townships Private Limited	2,555.66	2,555.66
xxxii.	<b>Bank guarantees given on behalf of related parties (Amount outstanding there against)</b>		
	<b>Subsidiary companies</b>		
	Gujarat Akruti—TCG Biotech Limited	100.00	100.00
	Joynest Premises Private Limited	138.29	138.29
xxxiii.	<b>Personal Guarantee of Directors towards loans availed by the Company</b>		
	<b>Key management personnel, their relatives and enterprises \$</b>		
	Banks	19,631.21	16,472.86
	Debenture Trustees	—	1,441.67
	Financial Institutions	1,941.12	19,493.38
	Companies	15,156.28	16,474.63
xxxiv.	<b>Guarantees / Securities given by way of shares in the Company pledged against loans availed by the Company</b>	5,118.82	2,785.27

#### Footnotes:

\* Refer footnote No. (i) to Note No. 6.

\$ Enterprises where Key Management personnel or their relatives exercise significant influence.

# Including balances relating to transactions entered in to when these were not related.

Related party relationships are as identified by the Company and relied upon by the auditors.

Previous year figures are given in brackets

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (CONTD.)

### NOTE 33. RELATED PARTIES DISCLOSURES AS PER IND AS 24 (Contd.)

#### B. Transactions with Related Parties (Contd.)

Sr. No.	Particular	As at 31st March, 2021 (₹ in lakhs)		As at 31st March, 2020 (₹ in lakhs)	
		Payable#	Receivable#	Payable#	Receivable#
	<b>Balances Outstanding</b>				
<b>xxxv</b>	<b>Subsidiary companies</b>				
	Ackruti Safeguard Systems Private Limited	—	1,701.09	—	1,709.09
	Citygold Education Research Limited	—	1,177.64	240.29	—
	Citywood Builders Private Limited	—	5,287.65	—	4,971.18
	Gujarat Akruiti – TCG Biotech Limited	—	12.43	—	6.88
	Vama Housing Limited	—	401.73	—	401.33
	Vega Developers Private Limited	—	953.90	—	703.89
	Vishal Techno Commerce Limited	—	606.57	—	606.24
	Yantti Buildcon Private Limited	—	4,261.82	—	4,254.99
	Joyneest Premises Private Limited	332.75	—	409.31	—
	<b>Associate companies</b>				
	Vinca Developer Private Limited	—	—	—	0.02
	Giraffe Developers Private Limited	—	9,412.42	—	13,484.37
	Brainpoint Infotech Private Limited	—	—	277.26	—
	Whitebud Developers Limited	—	919.87	—	920.87
	<b>Joint Ventures</b>				
	Hubtown Bus Terminal (Mehsana) Private Limited	—	896.93	—	884.28
	Hill View Venture	4,089.34	—	3,910.44	—
	Sunstone Developers JV	—	1,415.25	—	1,406.62
	Akruti Jay Chandan JV	—	—	1,412.33	—
	Rising Glory Developers	—	4,855.61	—	302.40
	Hubtown Bus Terminal (Adajan) Private Limited	—	3,049.25	—	3,039.25
	Hubtown Bus Terminal (Ahmedabad) Private Limited	—	3,117.04	—	2,301.88
	Hubtown Bus Terminal (Vadodara) Private Limited	—	421.35	—	402.90
	Joyous Housing Limited	—	1,179.27	—	1,057.12
	Sunstream City Private Limited	—	1,738.12	—	1,561.71
	Twenty Five South Realty Limited (Up to 29-06-2020)	—	6.59	—	3,789.34
	Rare Townships Private Limited	—	1,365.00	—	1,355.00
	Akruti GM JV	—	1,785.86	—	1,795.30

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (CONTD.)

### NOTE 33. RELATED PARTIES DISCLOSURES AS PER IND AS 24 (Contd.)

#### B. Transactions with Related Parties (Contd.)

Sr. No.	Particular	As at 31st March, 2021 (₹ in lakhs)		As at 31st March, 2020 (₹ in lakhs)	
		Payable#	Receivable#	Payable#	Receivable#
	<b>Key management personnel, their relatives and enterprises \$</b>				
	Citygold Management Services Private Limited	—	70.65	—	91.17
	Buildbyte.Com (India) Private Limited	—	91.69	—	91.58
	Falguni Shah	260.84	—	—	1.77
	Hemant M. Shah	8.58	—	6.38	—
	Vyomesh M. Shah	10.00	—	5.69	—
	Vishal Nirman (India) Limited	—	—	48.34	—
	Distinctive Realty Private Limited	—	332.83	—	70.00
	Khilen Shah	—	—	100.15	—
	Meha R. Shah	—	—	137.65	—
	Rushank Shah	0.02	—	6.39	—
	Lata M. Shah	—	—	0.02	—
	Helik Advisory Limited	—	—	0.12	—
	E Commerce Magnum Solution Limited	—	115.61	—	106.52
	Sunil C. Shah	31.50	—	28.96	—
	Abhijit Datta	4.75	—	8.09	—
	Priti K. Shah	23.88	—	22.30	—
	Shailesh G Hingarh	6.12	—	6.12	—
	Adhivitiya Properties Limited	6.26	—	—	304.90
	Fern Infrastructure Private Limited	—	56.66	—	36.38
	Lista City Private Limited	—	39.76	—	39.76
	Transgulf MEP Engineers Private Limited	0.25	—	0.11	—
	Starzone Developers Private Limited	—	237.85	—	238.20
	Helictite Residency Private Limited	—	1.03	—	1.00
	Hubtown Solaris Maintenance Private Limited	—	442.09	—	850.67
	Hazel Erectors Private Limited	—	188.41	—	—
	Powersoft IT Private Limited	—	9.78	73.78	—
	Heet Builders Private Limited	0.53	—	—	6,424.02



## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (CONTD.)

### NOTE 34. 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, 2021			
			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	Vama Housing Limited	<b>401.33</b> (401.33)	<b>401.33</b> (401.33)	— (—)	— (—)
	2	Vishal Techno Commerce Limited	<b>606.24</b> (606.24)	<b>606.24</b> (1,506.24)	— (—)	— (—)
II.	<b>Joint Ventures</b>					
	1.	Joyous Housing Limited	<b>964.65</b> (964.65)	<b>964.65</b> (987.71)	— (—)	— (—)
	2.	Twenty Five south Realty Limited	— (3,770.19)	<b>3,770.20</b> (4,242.75)	— (—)	— (—)
	3.	Rare Townships Private Limited	<b>1,355.00</b> (1,355.00)	<b>1,355.00</b> (1,355.00)	— (—)	— (—)

#### Footnote:

- Interest free loans have been given to wholly owned subsidiaries.
- Above loans are repayable on demand.
- Previous year figures are given in brackets.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (CONTD.)

### NOTE 34. DISCLOSURE OF LOANS AND ADVANCES IN THE NATURE OF LOANS AS PER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 (Contd.)

#### B. Project Advances (Refer Footnote a)

Sr. No.	Name of the Loanee	31st March, 2021			
		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.</b>	<b>Subsidiaries</b>				
1.	Gujarat Akruti—TCG Biotech Limited	11.15 (5.60)	11.15 (5.60)	— (—)	— (—)
2.	Yantti Buildcon Private Limited	3,995.49 (3,991.23)	3,995.49 (3,991.23)	— (—)	— (—)
3.	Heddle Knowledge Private Limited	— (—)	— (1,544.24)	— (—)	— (—)
4.	Citygold Education Research Limited	— (60.35)	— (2,690.59)	— (—)	— (—)
5.	Citygold Farming Private Limited	— (—)	— (8,084.17)	— (—)	— (—)
6.	Headland Farming Private Limited	— (—)	— (738.04)	— (—)	— (—)
7.	Joynest Premises Private Limited	64.52 (284.83)	284.84 (530.06)	— (—)	— (—)
8.	Vega Developers Private Limited	953.90 (703.89)	703.89 (1,026.89)	— (—)	— (—)
9.	Ackruti Safeguard Systems Private Limited	1,701.09 (1,709.09)	1,709.09 (1,741.64)	— (—)	— (—)
10.	Citywood Builders Private Limited	4,247.81 (3,962.48)	4,247.81 (7,928.72)	— (—)	— (—)
<b>II.</b>	<b>Associates</b>				
1.	Whitebud Developers Limited	919.87 (920.87)	920.87 (920.87)	— (—)	— (—)
2.	Giraffe Developers Private Limited	9,412.42 (13,484.37)	13,484.39 (—)	— (—)	— (—)
<b>III.</b>	<b>Joint Ventures</b>				
1.	Sunstream City Private Limited	1,624.22 (1,450.37)	1,450.37 (1,448.00)	— (—)	— (—)
2.	Hubtown Bus Terminal (Vadodara) Private Limited	311.68 (293.23)	311.68 (343.53)	— (—)	— (—)
3.	Hubtown Bus Terminal (Mehsana) Private Limited	146.87 (134.22)	134.22 (181.33)	— (—)	— (—)
4.	Hubtown Bus Terminal (Ahmedabad) Private Limited	2,655.74 (1,840.62)	2,655.74 (2,184.63)	— (—)	— (—)
5.	Hubtown Bus Terminal (Adajan) Private Limited	2,584.53 (2,574.53)	2,574.53 (2,766.07)	— (—)	— (—)

#### Footnotes:

- Interest free advances.
- Previous year figures are given in brackets.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (CONTD.)

### NOTE '35'

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 '36' CONTINGENT LIABILITIES AND COMMITMENTS (NOT PROVIDED FOR) :

	As at 31st March, 2021 (₹ in lakhs)	As at 31st March, 2020 (₹ in lakhs)
(i) (A) Claims against the Company not acknowledged as debts on account of :		
1) Income tax and MVAT matters under appeal	9,316.42	2,317.18
2) Towards pending legal cases	94,827.21	114,674.15
(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 there against.) (Refer Footnote c)	43,646.94	130,662.05
(ii) Other commitments :		
(a) Bank Guarantees against own projects	1,080.93	1,075.93
(b) Bank Guarantees given on behalf of subsidiaries, Joint ventures, etc.	238.79	238.29
(c) Towards amounts to be deposited against undertaking given to the Hon'ble Sessions Court (Refer footnote a to Note 18 Current Borrowings)	—	5,900.00
(iii) Disputes and differences has arisen between the Company (as promoters of one of the joint venture namely Rare Townships Private Limited) and investors (IL&FS and IIRF) on the issue of exercising put option by the investor which the promoters has challenged. The investors have invoked Arbitration clause of share subscription and shareholders agreement on the said matter.	Amount unascertainable	Amount unascertainable

#### 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 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 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 financial liability on account of financial guarantee contracts have not been fair valued as these are expected to be immaterial."

### NOTE 37. 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 and commodity/real estate risk. 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. Thus the 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.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (CONTD.)

### 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 minimise 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, 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, substantially eliminating the Company's credit risk in this respect.
- b) Receivables resulting from other than sale of properties: Credit risk related to such receivables is managed as per the Company's established policy, procedures and control. Outstanding customer receivables are regularly monitored. The impairment analysis is performed at each reporting date on an individual basis for major receivables. The Company does not hold collateral as security. The Company's credit period generally ranges from 30 to 90 days.
- c) Credit risk on cash and cash equivalents is limited as the Company generally invests deposit with banks which have high credit ratings.

## 3) Liquidity risk

The Company'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 Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

## NOTE 38. DISCLOSURE OF DERIVATIVES

- a. No derivative instruments were outstanding at the end of the year.
- b. Uncovered risks in foreign currency transactions disclosed as at:

	Particulars	31st March, 2021	31st March, 2020
(i)	Cash on Hand		
	UK POUND	25	25
	INR	2,517	2,326
	AED	9,182	9,182
	INR	183,043	187,680
(ii)	Trade Payables		
	USD	4,725	—
	INR	346,041	—
	SG\$	26,675	26,675
	INR	1,449,298	1,405,210
(iii)	Advances to Suppliers		
	USD	—	24,889
	INR	—	1,869,238

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (CONTD.)

### NOTE 39. 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 the 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, 2021 (₹ in lakhs)	As at 31st March, 2020 (₹ in lakhs)
Borrowings including current maturities	48,008.03	48,748.50
Interest accrued and due/ accrued but not due	15,388.76	14,668.61
Unpaid matured debentures and interest accrued thereon	—	1,441.67
Overdue Term Loan	11,161.35	11,629.42
Overdue Loan from Company	—	3,088.62
<b>Total Debt</b>	<b>74,558.14</b>	<b>79,576.82</b>
Less: Cash and cash equivalents	913.38	1,054.92
<b>Net Debt (A)</b>	<b>73,644.76</b>	<b>78,521.90</b>
Equity Share Capital	7,273.59	7,273.59
Other Equity	144,550.14	160,269.85
<b>Total Equity (B)</b>	<b>151,823.73</b>	<b>167,543.44</b>
Debt Equity Ratio (A/B)	0.44	0.45

### NOTE 40. CATEGORIES OF FINANCIAL INSTRUMENTS

#### Fair Value measurement

	31st March, 2021 (₹ in lakhs)		31st March, 2020 (₹ in lakhs)	
	FVPL / FVOCI	Amortised Cost	FVPL / FVOCI	Amortised Cost
<b>Financial Assets</b>				
Investments	4.95	99,724.86	4.78	104,461.55
Trade receivables	—	18,977.59	—	8,930.53
Cash and cash equivalents	—	913.38	—	1,054.92
Bank balances other than above	—	388.10	—	43.50
Loans	—	3,626.57	—	6,883.71
Other financial assets	—	68,914.66	—	54,776.76
<b>Total</b>	<b>4.95</b>	<b>192,545.16</b>	<b>4.78</b>	<b>176,150.97</b>
<b>Financial Liabilities</b>				
Borrowings	—	27,519.53	—	26,168.72
Trade payables	—	13,129.95	—	13,233.38
Other Financial liabilities	—	125,305.06	—	139,460.25
<b>Total</b>	<b>—</b>	<b>165,954.54</b>	<b>—</b>	<b>178,862.35</b>

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (CONTD.)

### NOTE 41

Loans and advances, other receivables, debtors and creditors are subject to confirmations and are considered payable / realisable, as the case may be.

### NOTE 42

The COVID-19 Pandemic has spread throughout the world. The operations of the Company were impacted, due to shutdown of all sites and offices following nationwide lockdown by the Government of India. The Company has resumed operations in a phased manner as per directives from the Government of India. The Company has evaluated the impact of this pandemic on its business operations and financial position and based on its review of current indicators of future economic conditions, there is no significant impact on its financial statements as at March 31, 2021. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration and accordingly the impact may be different from that estimated as at the date of approval of these financial statements. The Company will continue to monitor any material changes to future economic conditions.

### NOTE 43

Previous year figures have been regrouped / reclassified wherever necessary, to make them comparable with current year figures in the Financial Statements.

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As per our report of even date

For **J B T M & ASSOCIATES LLP**

**Firm Registration No. W100365**

CHARTERED ACCOUNTANTS

**DHAIRYA BHUTA**

PARTNER

Membership No. 168889

Mumbai

June 29, 2021

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For and on behalf of the Board of Directors

**HEMANT M. SHAH**

EXECUTIVE CHAIRMAN

**SADANAND LAD**

COMPANY SECRETARY

Mumbai

June 29, 2021

**VYOMESH M. SHAH**

MANAGING DIRECTOR

**SUNIL MAGO**

CHIEF FINANCIAL OFFICER

Mumbai

June 29, 2021

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF HUBTOWN LIMITED

#### Report on the Audit of the Consolidated Financial Statements

##### Qualified Opinion

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 31 March 2021, 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 the significant accounting policies and other explanatory information.

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 and on the other financial information of the subsidiaries, associates and joint ventures, except for the effects of the matter described in the Basis for Qualified Opinion paragraph below, the aforesaid Consolidated financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, of the Consolidated state of affairs (Consolidated financial position) of the Group and its associates and joint ventures as at 31 March 2021, and its Consolidated loss (including other comprehensive income), its Consolidated cash flows and the Consolidated changes in equity for the year ended on that date.

##### Basis for Qualified Opinion

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

- a) As stated in Footnote (a) to Note 29 to the consolidated financial statements for the year, with regards the Holding Company not having provided for Interest expense amounting to INR 33,395.93 lakhs on certain Inter-corporate deposits. Consequent to above, finance cost for the year ended 31st March, 2021 has been understated by INR 33,395.93 lakhs resulting in a consequential decrease in the losses for the year ended 31st March, 2021. Opinion on the consolidated financial statement for the year ended March 2020 was also modified in respect of this matter.
- b) As stated in Footnote (a) to Note 24 to the consolidated financial statements for the year ended 31st March, 2021 with regards the Holding Company not having recognized finance Income from Deep Discount bonds held in one of its Joint Venture entities. Consequently, Finance Income for the year ended 31 March, 2021 is understated by INR 31,189.67 lakhs. Further, loss for the year ended is overstated to that extent. Opinion on the consolidated financial statements for the year ended March 2021 was also modified in respect of this matter.

##### Emphasis of Matters

We draw Attention to:

- a) Note 2 (II) (b) (ii) Of the Consolidated financial statements, regarding to recognition of expense for ongoing projects which, based upon estimated costs, is as per the judgment of the management and have been relied upon by us, these being technical matters.
- b) Footnote (c) of Note 24 and Note 43 of the consolidated financial statements, which describes the effects of uncertainties relating to COVID-19 pandemic outbreak on the Group's operation and management's evaluation of its impact on the accompanying Statement as at 31st March, 2021, the impact of which is significantly dependent on future developments.
- c) Footnote (a) to Note 14 and Footnote (d) to Note 31 to the consolidated financial statements, regarding the status of the projects and the opinion framed by the Group's management regarding realizable value of the costs incurred which, being a technical matter is relied upon by us.
- d) Note 33 (C) of the consolidated financial statements, regarding Corporate guarantees issued and securities provided aggregating to INR 22,492.56 lakhs by the Group to banks and financial institutions on behalf of various entities, which are significant in relation to the losses for the year and the net worth of the group. In the opinion of the Management, these are not expected to result into any financial liability to the Group.
- e) Footnote (c) to Note 33 of the consolidated financial statements regarding the above corporate guarantees issued and securities provided are disclosed at amounts outstanding as at 31 March, 2021. 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 Group has provided the corporate guarantees.
- f) Footnote (b) to Note 33 of the consolidated 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 42 of the consolidated financial statement, regarding balances that are subject to confirmations, reconciliation and adjustments, if any.
- h) Footnote (d) to Note 24 of the standalone financial statements, regarding the company has not recognised revenue from sale of finished properties amounting to INR 753.87 lakhs where the possession letter is issued to the customers but possession is not taken by them.

## INDEPENDENT AUDITOR'S REPORT (CONTD.)

- i) Footnote (i) to Note 7 of the Consolidated financial statements, regarding the Group's investments in certain jointly controlled entities and associates as at 31st March, 2021 which have incurred losses and carry an eroded net worth as at 31st March, 2021.
- j) Footnote (h) to Note 7 of the consolidated financial statements regarding non-receipt of financial statements of one of its partnership firm for year ended 31st March, 2021. In the opinion of management share of profit/ (loss) of such partnership will not have any material impact on the financial statements.

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

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries, associates and joint ventures, were of most significance in our audit of the Consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there is one key audit matters to communicate in our audit report.

Key Audit Matter	How the matter was addressed in our audit
<p><b>I. Assessing NRV of projects</b></p> <p>Inventories held by the Company comprising of finished goods and construction work in progress represent 40 % of the Company's total assets. Inventory may be held for long periods of time before sale making it vulnerable to reduction in net realisable value (NRV). This could result in an overstatement of the value of inventory when the carrying value is higher than the NRV</p> <p><b>Assessing NRV</b></p> <p>NRV is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale and estimated costs of completion (in case of construction work-in- progress). The inventory of finished goods and construction work-in- progress is not written down below cost when completed flats/ under-construction flats /properties are expected to be sold at or above cost.</p> <p>For NRV assessment, the estimated selling price is determined for a phase, sometimes comprising multiple units. The assessment and application of write-down of inventory to NRV are subject to significant judgement by the Company.</p> <p>As such inappropriate assumptions in these judgements can impact the assessment of the carrying value of inventories.</p> <p>Considering the Company's judgement associated with long dated estimation of future market and economic conditions and materiality in the context of total assets of the Company, we have considered assessment of NRV of inventory as a key audit matter.</p>	<p><b>I. Our audit procedures included, but were not limited to the following:</b></p> <ul style="list-style-type: none"> <li>Understanding from the Company the basis of estimated selling price for the unsold units and units under construction.</li> <li>Evaluating the design and testing operating effectiveness of controls over preparation and update of NRV workings by designated personnel. Testing controls related to Company's review of key estimates, including estimated future selling prices and costs of completion for property development projects.</li> <li>Evaluating the Company's judgement with regards to application of write-down of inventory units by auditing the key estimates, data inputs and assumptions adopted in the valuations. Comparing expected future average selling prices with available market conditions such as price range available under industry reports published by reputed consultants and the sales budget plans maintained by the Company.</li> <li>Comparing the estimated construction costs to complete each project with the Company's updated budgets. Recomputing the NRV, on a sample basis, to test inventory units are held at the lower of cost and NRV.</li> </ul>

### Information Other than the Consolidated Financial Statements and Auditor's Report thereon

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

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

In connection with our audit of the Consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of the Management and those charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Consolidated financial statements that give a true and fair view of the Consolidated state of affairs (Consolidated financial position), Consolidated profit or loss (Consolidated financial performance including other comprehensive income), Consolidated changes in equity and Consolidated cash flows of the Group including its associates and joint ventures in accordance with the accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of Consolidated Ind AS financial statements. Further, in terms of the provisions of the Act, the



## INDEPENDENT AUDITOR'S REPORT (CONTD.)

respective Board of Directors /management of the companies included in the Group, and its associate companies and joint venture companies covered under the Act are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

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

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

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

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

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

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

### Other Matters

(a) We did not audit the annual financial statements of five subsidiaries, included in the consolidated financial statements whose financial information (before inter-company elimination) reflect total assets of ₹ 55969.57 lakhs as at 31st March, 2021 and total revenue of ₹ 562.76 lakhs, total net loss after tax of ₹ 1297.49 lakhs, total comprehensive loss of ₹ 1297.49 lakhs and cash inflows(net) of ₹ 1816.46 lakhs for the year ended on that date, as considered in the Statement. The Statement also includes the Group's share of net profit/(loss) after tax of ₹ 828.42 lakhs and total comprehensive profit/(loss) of ₹ 829.55 lakhs (before eliminating inter-company transactions for the year ended 31st March, 2021 as considered in the statement in respect of six joint ventures. Further, the statement includes financial information of three associates, whose aggregate share of net loss amount to ₹ (13.46) lakhs are also included in consolidated financial statements. The financial information has been furnished to us by the Holding company's management and our

## INDEPENDENT AUDITOR'S REPORT (CONTD.)

opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, associates and joint ventures is based solely on such unaudited financial information.

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 matter with respect to our reliance on the work done by and the reports of the other auditors.

Attention is drawn to the fact that the figures for the year ended 31st March, 2020, included in the statement are based on previously issued consolidated financial statements that are audited by the predecessor Auditor.

### Report on Other Legal and Regulatory Requirements

As required by Section 197(16) of the Act, based on our audit and on the consideration of the reports of the other auditors, referred to in paragraph (a) in Other Matters section above, on separate financial statements of the subsidiaries, associates and joint ventures, we report that the Holding Company, subsidiaries, associates and joint ventures covered under the Act and referred to in paragraph (a) in Other Matters section above, paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under Section 197 read with Schedule V to the Act. 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, 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 financial statements 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) Except for the matters described in the Basis for Qualified Opinion paragraph above, 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 other statutory auditors of its subsidiary companies, associate companies and joint venture companies covered under the Act and referred to in paragraph (a) in Other Matters section above, 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, 2021 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 B"; and
- g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and 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 statement as 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;
  - ii. The Holding Company and its subsidiary companies, associate companies and joint venture companies did not have any long-term contracts including derivative contracts as at 31st March, 2021 for which there were any material foreseeable losses; and
  - 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 during the year ended 31st March 2021.

FOR **JBTM & ASSOCIATES LLP**  
Firm Registration No.: W100365  
Chartered Accountants

**DHAIRYA BHUTA**  
Partner Membership No.: 168889  
UDIN: 21168889AAAACB9922

Place: Mumbai  
Date: June 29, 2021

## INDEPENDENT AUDITOR'S REPORT (CONTD.)

ANNEXURE "A " REFERRED TO IN OUR INDEPENDENT AUDITORS REPORT OF EVEN DATE TO THE MEMBERS OF HUBTOWN LIMITED ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021;

### A. Names of related parties and description of relationship

#### I. Associates

- 1 Giraffe Developers Private Limited
- 2 Shubhsiddhi Builders Private Limited
- 3 Vinca Developer Private Limited
- 4 Whitebud Developers Limited
- 5 Rubix Trading Private Limited [Subsidiary Of Vinca]

#### II. Joint Ventures

- 1 Akruti GM Joint Venture
- 2 Akruti Jay Chandan Joint Venture
- 3 Hubtown Bus Terminal (Adajan) Private Limited
- 4 Hubtown Bus Terminal (Ahmedabad) Private Limited
- 5 Hubtown Bus Terminal (Mehsana) Private Limited
- 6 Hubtown Bus Terminal (Vadodara) Private Limited
- 7 Joyous Housing Limited
- 8 Rare Townships Private Limited
- 9 Rising Glory Developers
- 10 Shreenath Realtors (under the process of dissolution)
- 11 Sunstream City Private Limited
- 12 Twenty Five South Realty Limited (formerly known as Hoary Realty Limited)(Up to 29-06-2020)

FOR **JBTM & ASSOCIATES LLP**  
Firm Registration No.: W100365  
Chartered Accountants

**DHAIRYA BHUTA**  
Partner Membership No.: 168889  
UDIN: 21168889AAAACB9922

Place: Mumbai  
Date: June 29, 2021

## INDEPENDENT AUDITOR'S REPORT (CONTD.)

**ANNEXURE "B " REFERRED TO IN OUR INDEPENDENT AUDITORS REPORT OF EVEN DATE TO THE MEMBERS OF HUBTOWN LIMITED ON THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021;**

### **Report on the Internal Financial Controls under Clause (f) 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, 2021, we have audited the internal financial controls over financial reporting of the Holding Company, its subsidiary companies, associate companies and joint venture companies, which are companies covered under the Act, as at 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 venture companies which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('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 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 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence and financial information we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in 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 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 and based on the consideration of the reports of the other auditors on internal financial control over financial reporting of its subsidiary companies, its associate companies and jointly venture companies, which are companies covered under the Act, 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, 2021, 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

We did not audit the internal financial controls over financial reporting of five subsidiaries, included in the consolidated financial statements whose financial information (before inter-company elimination) reflect total assets of Rs. 55969.57 lakhs as at 31st March, 2021 and total revenue of Rs. 562.76 lakhs, total net loss after tax of Rs. 1297.49 lakhs, total comprehensive loss of Rs. 1297.49 lakhs and cash inflows(net) of Rs. 1816.46 lakhs for the year ended on that date, as considered in the Statement. The Statement also includes the Group's share of net profit/(loss) after tax of Rs. 828.42 lakhs and total comprehensive profit/(loss) of Rs. 829.55 lakhs (before eliminating inter-company transactions for the year ended 31st March, 2021 as considered in the statement in respect of six joint ventures. Further, the statement includes financial information of three associates, whose aggregate share of net loss amount to Rs. (13.46) lakhs are also included in consolidated financial statements. The financial information has been furnished to us by the Holding company's management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, associates and joint ventures is based solely on such unaudited financial information.

Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and on the reports of the other auditors.

**FOR JBTM & ASSOCIATES LLP**  
Firm Registration No.: W100365  
Chartered Accountants

**DHAIRYA BHUTA**  
Partner Membership No.: 168889  
UDIN: 21168889AAAACB9922

Place: Mumbai  
Date: June 29, 2021

## CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2021

Particulars	Note	As at 31st March, 2021 (₹ in lakhs)	As at 31st March, 2020 (₹ in lakhs)
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
(a) Property, plant and equipment	4	2,378.73	3,844.27
(b) Capital work-in-progress	4	1,665.44	1,661.67
(c) Investment properties	5	3,614.21	3,763.99
(d) Goodwill on consolidation		957.09	962.21
(e) Intangible assets	6	19.45	23.09
(f) Financial assets			
(i) Investments	7	125,249.76	151,401.45
(ii) Loans	9	15,527.67	16,310.88
(iii) Other financial assets	10	448.72	654.16
(g) Current tax assets (Net)	11	1,187.32	1,441.91
(h) Deferred tax assets (Net)	12	2,061.93	2,300.34
(i) Other non-current assets	13	3,169.65	2,445.40
<b>Total Non-Current Assets</b>		<b>156,279.97</b>	<b>184,809.37</b>
<b>Current Assets</b>			
(a) Inventories	14	175,938.54	180,502.52
(b) Financial assets			
(i) Investments	7	71.72	343.06
(ii) Trade receivables	8	18,522.11	8,957.51
(iii) Cash and cash equivalents	15	4,634.70	2,897.85
(iv) Bank balances other than (iii) above	16	1,616.35	1,266.69
(v) Loans	9	9,888.21	11,928.26
(vi) Other financial assets	10	60,526.30	43,420.62
(c) Other current assets	13	15,178.10	15,586.19
<b>Total Current Assets</b>		<b>286,376.03</b>	<b>264,902.70</b>
<b>TOTAL ASSETS</b>		<b>442,656.00</b>	<b>449,712.07</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	17	7,273.59	7,273.59
(b) Other equity	18	133,905.43	145,949.50
<b>Equity attributable to the Owners of the Parent</b>		<b>141,179.02</b>	<b>153,223.09</b>
Non-Controlling Interest		2,089.09	2,202.10
<b>Total Equity</b>		<b>143,268.11</b>	<b>155,425.19</b>
<b>Liabilities</b>			
<b>Non-Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	19	28,215.75	21,245.17
(ii) Other Financial Liabilities	20	7,792.35	6,537.02
(b) Provisions	21	204.31	200.15
(c) Deferred Tax Liabilities	12	6.90	4.65
<b>Total Non-Current Liabilities</b>		<b>36,219.31</b>	<b>27,986.99</b>
<b>Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	19	24,835.14	23,282.72
(ii) Trade payables	22	18,836.99	19,218.09
(iii) Other financial liabilities	20	144,060.38	157,757.16
(b) Other current liabilities	23	74,787.87	65,612.27
(c) Provisions	21	629.69	416.03
(d) Current Tax Liabilities	11	18.51	13.62
<b>Total Current Liabilities</b>		<b>263,168.58</b>	<b>266,299.89</b>
<b>Total Liabilities</b>		<b>299,387.89</b>	<b>294,286.88</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>442,656.00</b>	<b>449,712.07</b>

The accompanying notes are an integral part of the financial statements

As per our report of even date

For **J B T M & ASSOCIATES LLP**  
Firm Registration No. W100365  
CHARTERED ACCOUNTANTS

**DHAIRYA BHUTA**  
PARTNER  
Membership No. 168889  
Mumbai  
June 29, 2021

For and on behalf of the Board of Directors

**HEMANT M. SHAH**  
EXECUTIVE CHAIRMAN

**SADANAND LAD**  
COMPANY SECRETARY

Mumbai  
June 29, 2021

**VYOMESH M. SHAH**  
MANAGING DIRECTOR

**SUNIL MAGO**  
CHIEF FINANCIAL OFFICER

Mumbai  
June 29, 2021

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2021

Particulars	Note	As at 31st March, 2021 (₹ in lakhs)	As at 31st March, 2020 (₹ in lakhs)
<b>I INCOME</b>			
Revenue from Operations	24	26,608.32	27,272.55
Other Income	25	4,597.51	3,845.41
<b>TOTAL INCOME</b>		<b>31,205.83</b>	<b>31,117.96</b>
<b>II EXPENSES</b>			
Costs of Construction / Development	26	9,940.61	15,063.92
Purchase of Stock-in-Trade		131.47	662.80
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	27	370.22	(20,313.82)
Employee Benefits Expense	28	910.21	2,404.37
Finance Costs	29	10,510.15	13,893.87
Depreciation and Amortisation Expenses	30	363.53	436.65
Other Expenses	31	21,957.03	21,875.88
<b>TOTAL EXPENSES</b>		<b>44,183.22</b>	<b>34,023.67</b>
<b>Profit/(Loss) before Tax</b>		<b>(12,977.39)</b>	<b>(2,905.71)</b>
<b>Exception Items (Net off tax)</b>		—	—
Tax Expense			
(a) Current Tax		(168.49)	(298.55)
(b) Deferred tax (charge) / credit		(240.65)	(1,428.02)
(c) Excess / (Short) provision for taxation in respect of earlier years		415.36	(0.21)
<b>Profit / (Loss) after tax and before adjustments</b>		<b>6.22</b>	<b>(1,726.78)</b>
<b>Profit/ (Loss) after tax but before adjustments</b>		<b>(12,971.17)</b>	<b>(4,632.49)</b>
Goodwill on acquisition / consolidation adjusted		(5.13)	—
Share of Profit /(Loss) from Associate / JV using equity method		815.23	(1,429.10)
<b>Profit / (Loss) for the year</b>		<b>(12,161.07)</b>	<b>(6,061.59)</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
Items that will not be reclassified to profit or loss			
Share of OCI from Associates / JVs		1.14	2.05
Remeasurement of the net defined benefit liability / asset		(128.96)	67.71
<b>Total other Comprehensive Income</b>		<b>(127.82)</b>	<b>69.76</b>
<b>Total Comprehensive Income/(Loss) for the year</b>		<b>(12,288.89)</b>	<b>(5,991.83)</b>
<b>Total Comprehensive Income/(Loss) for the year attributable to:</b>			
Non controlling interest		(113.01)	12.43
Owners of the parent		(12,175.50)	(6,004.27)
<b>Earning per equity share of nominal value of ₹ 10/- each (in Rupees)</b>	32		
Basic and Diluted		(16.56)	(8.35)

The accompanying notes are an integral part of the financial statements

As per our report of even date

For **J B T M & ASSOCIATES LLP**  
Firm Registration No. W100365  
CHARTERED ACCOUNTANTS

**DHAIRYA BHUTA**  
PARTNER  
Membership No. 168889  
Mumbai  
June 29, 2021

For and on behalf of the Board of Directors

**HEMANT M. SHAH**  
EXECUTIVE CHAIRMAN

**SADANAND LAD**  
COMPANY SECRETARY

Mumbai  
June 29, 2021

**VYOMESH M. SHAH**  
MANAGING DIRECTOR

**SUNIL MAGO**  
CHIEF FINANCIAL OFFICER

Mumbai  
June 29, 2021

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

Particulars	Year ended 31st March, 2021 (₹ in lakhs)	Year ended 31st March, 2020 (₹ in lakhs)
<b>[A] CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit/(Loss) before tax	(12,977.39)	(2,905.71)
<b>Adjustments for:</b>		
Depreciation/Amortisation/Impairment of Property, Plant and Equipments and Intangible Assets	363.53	436.67
Interest income on financial assets / liabilities measured at fair value	(1,651.24)	(4,914.00)
Interest Income	(1,188.71)	(354.00)
Interest Expenses	8,059.11	11,437.00
Interest expense on financial liabilities measured at fair value	2,451.31	2,422.00
(Profit)/Loss on sale of Investments (Net)	(4,687.65)	(3,037.00)
Advance written off recovered	—	(1,590.60)
Project expenses written off / amortised	—	(1,174.92)
Provision for Doubtful Receivables/Advances/Sundry balances written off	1,582.66	7,338.22
Provision/Advances/Sundry Balances written back	(1,017.80)	(6,308.89)
Income on account of OTS	(741.67)	—
Loss on account for diminution in value of Inventories	5,044.27	—
Provision for doubtful debts	557.44	—
(Profit)/Loss on sale of Property, Plant and Equipments (Net)	(706.51)	(611.00)
Property, Plant and Equipments written off/discarded	622.25	—
Investment written off	—	22.25
Interest expense on account of Right to use	5.48	18.89
Share of Profit / (Loss) from investment in partnership firms and JVs	17.24	(323.38)
Remeseasurement of the net defined benefit liability / asset	(127.83)	69.76
Unwinding of financial asset	—	(7.43)
Other adjustments for non-cash items		
<b>Operating Profit/(Loss) before changes in working capital</b>	<b>(4,395.49)</b>	<b>517.86</b>
<b>Adjustment for (Increase)/Decrease in Operating Assets</b>		
Adjustments for decrease (increase) in inventories	(479.81)	(9,556.89)
Adjustments for decrease (increase) in trade receivables, current	(10,121.25)	3,463.73
Adjustments for decrease (increase) in other current assets	408.45	(2,308.39)
Adjustments for decrease (increase) in other non-current assets	(724.55)	210.41
Adjustments for other financial assets, non-current	204.88	(384.94)
Adjustments for other financial assets, current	(2,012.59)	5,862.02
Adjustment for Increase/(Decrease) in Operating Liabilities	—	—
Adjustments for increase (decrease) in trade payables, current	636.59	6,209.91
Adjustments for increase (decrease) in other current liabilities	9,176.37	9,181.30
Adjustments for provisions, current	214.70	30.56
Adjustments for provisions, non-current	4.31	(25.10)
Adjustments for other financial liabilities, current	(9,233.13)	(4,224.74)
Adjustments for other financial liabilities, non-current	2,906.58	(2,244.54)
<b>Cash flow from operations after changes in working capital</b>	<b>(13,414.93)</b>	<b>6,731.20</b>
Net Direct Taxes (Paid)/Refunded	505.38	52.21
<b>Net Cash Flow from/(used in) Operating Activities</b>	<b>(12,909.55)</b>	<b>6,783.41</b>



## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021 (CONTD.)

Particulars	Year ended 31st March, 2021 (₹ in lakhs)	Year ended 31st March, 2020 (₹ in lakhs)
<b>[B] CASH FLOW FROM INVESTING ACTIVITIES</b>		
Other cash receipts from sales of equity or debt instruments of other entities	7,756.72	3,247.47
Other cash payments to acquire equity or debt instruments of other entities	—	(4,460.38)
Other cash receipts from sales of interests in joint ventures	12,787.40	—
Other cash payments to acquire interests in joint ventures	(6,024.62)	—
Proceeds from sales of property, plant and equipment	1,180.82	477.21
Purchase of property, plant and equipment	(52.90)	(239.50)
Proceeds from sales of investment property	149.25	3,033.45
Proceeds from sales of intangible assets	63.54	—
Purchase of intangible assets	—	(110.80)
Cash advances and loans made to other parties	—	(1,612.10)
Cash receipts from repayment of advances and loans made to other parties	2,822.65	306.04
Interest received	2,028.01	128.18
Bank Balances not considered as Cash and Cash Equivalents	(349.35)	475.11
<b>Net Cash Flow from/(used in) Investing Activities</b>	<b>20,361.54</b>	<b>1,244.68</b>
<b>[C] CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from borrowings	11,544.52	771.86
Repayments of borrowings	(9,909.10)	(4,916.92)
Interest paid	(7,350.56)	(4,552.35)
<b>Net Cash Flow from/(used in) Financing Activities</b>	<b>(5,715.14)</b>	<b>(8,697.41)</b>
<b>Net Increase/ (Decrease) in Cash and Cash Equivalents</b>	<b>1,736.85</b>	<b>(669.32)</b>
Cash & Cash Equivalents at beginning of period (see Note 1)	2,897.85	1,837.65
<b>Cash and Cash Equivalents at end of period (see Note 1)</b>	<b>4,634.70</b>	<b>1,168.33</b>
<b>Notes:</b>		
<b>1 Cash and Cash equivalents comprise of:</b>		
Cash on Hands	36.52	44.82
Balance with Banks	1,535.06	2,624.37
Short-term investment	3,063.12	228.66
<b>Cash and Cash equivalents</b>	<b>4,634.70</b>	<b>2,897.85</b>
<b>Less: Cash credit facilities</b>	<b>—</b>	<b>(1,729.52)</b>
<b>Cash and Cash equivalents as restated</b>	<b>4,634.70</b>	<b>1,168.33</b>
<b>2 Figures of the previous year have been regrouped / reclassified wherever necessary.</b>		

The accompanying notes are an integral part of the financial statements

As per our report of even date  
For **J B T M & ASSOCIATES LLP**  
Firm Registration No. W100365  
CHARTERED ACCOUNTANTS

**DHAIRYA BHUTA**  
PARTNER  
Membership No. 168889  
Mumbai  
June 29, 2021

For and on behalf of the Board of Directors

**HEMANT M. SHAH**  
EXECUTIVE CHAIRMAN

**SADANAND LAD**  
COMPANY SECRETARY

Mumbai  
June 29, 2021

**VYOMESH M. SHAH**  
MANAGING DIRECTOR

**SUNIL MAGO**  
CHIEF FINANCIAL OFFICER

Mumbai  
June 29, 2021

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2021

	Note	Amount (₹ in lakhs)
<b>A. EQUITY SHARE CAPITAL</b>		
<b>As at 31st March, 2019</b>		<b>7,273.59</b>
Changes in equity share capital		—
<b>As at 31st March, 2020</b>		<b>7,273.59</b>
Changes in equity share capital		—
<b>As at 31st March, 2021</b>		<b>7,273.59</b>

### B. OTHER EQUITY AND CONVERTIBLE INSTRUMENTS

(₹ in lakhs)

	Reserves and Surplus					Non Controlling Interest	Total
	Securities Premium reserve	Debenture Redemption Reserve	General reserve	Capital Reserve	Retained Earnings (Refer Footnote b to Note 18)		
<b>Balance at 31st March, 2019</b>	<b>64,379.05</b>	<b>4,659.15</b>	<b>29,787.06</b>	<b>5,785.21</b>	<b>48,340.97</b>	<b>2,190.97</b>	<b>155,142.41</b>
Profit / (Loss) for the year	—	—	—	—	(6,074.07)	12.47	(6,061.60)
Prior Period Adjustments	—	—	—	—	(1,176.90)	—	(1,176.90)
Adjustment for amalgamation of certain subsidiaries (Refer note 40)	2,846.25	—	—	(3,080.79)	413.77	—	179.23
<b>Other Comprehensive Income:</b>							
Remeasurement of net defined benefit	—	—	—	—	69.80	(0.03)	69.76
Any other changes	—	—	—	—	—	(1.31)	(1.31)
<b>Balance at 31st March, 2020</b>	<b>67,225.30</b>	<b>4,659.15</b>	<b>29,787.06</b>	<b>2,704.42</b>	<b>41,573.57</b>	<b>2,202.10</b>	<b>148,151.60</b>
Profit / (Loss) for the year	—	—	—	—	(12,047.67)	(113.01)	(12,160.67)
Prior Period Adjustments	—	—	—	—	131.43	—	131.43
Transfer (to)/from General Reserve	—	(2,200.00)	2,200.00	—	—	—	—
<b>Other Comprehensive Income:</b>							
Remeasurement of net defined benefit	—	—	—	—	(127.83)	—	(127.83)
Any other changes	—	—	—	—	—	—	—
<b>Balance at 31st March, 2021</b>	<b>67,225.30</b>	<b>2,459.15</b>	<b>31,987.06</b>	<b>2,704.42</b>	<b>29,529.50</b>	<b>2,089.09</b>	<b>135,994.52</b>

The accompanying notes are an integral part of the financial statements

As per our report of even date  
For **J B T M & ASSOCIATES LLP**  
**Firm Registration No. W100365**  
CHARTERED ACCOUNTANTS

**DHAIRYA BHUTA**  
PARTNER  
Membership No. 168889  
Mumbai  
June 29, 2021

For and on behalf of the Board of Directors

**HEMANT M. SHAH**  
EXECUTIVE CHAIRMAN

**SADANAND LAD**  
COMPANY SECRETARY

Mumbai  
June 29, 2021

**VYOMESH M. SHAH**  
MANAGING DIRECTOR

**SUNIL MAGO**  
CHIEF FINANCIAL OFFICER

Mumbai  
June 29, 2021

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

### NOTE 1. STATEMENT OF 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 are approved for issue by the Company's Board of Directors in the board meeting held on 29th June, 2021.

### NOTE 2. SIGNIFICANT ACCOUNTING POLICIES FOLLOWED BY THE COMPANY

#### IA. Basis of preparation of Financial Statements

##### (i) Compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

The accounting policies are applied consistently to all the periods presented in the financial statements.

##### (ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- 1) certain financial assets and liabilities that are measured at fair value;
- 2) assets held for sale - measured at lower of carrying amount or fair value less cost to sell;
- 3) defined benefit plans - plan assets measured at fair value.

##### (iii) Current non-current classification

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.

##### (iv) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

#### IB. Principles of consolidation and equity accounting

The financial statements have been prepared on the following basis:

##### (i) 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 unrealised gains on transactions between group companies are eliminated. Unrealised 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.

The consolidated financial statements have been presented to the extent possible, in the same manner as Parent Company's standalone financial statements.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021 (CONTD.)

### (ii) 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 recognised at cost.

### (iii) Joint arrangements

Under Ind AS 111 Joint Arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement.

#### 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. These have been incorporated in the financial statements under the appropriate headings.

#### Joint ventures

Interests in joint ventures are accounted for using the equity method, after initially being recognised at cost in the consolidated balance sheet.

### (iv) Equity Method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise 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 recognised 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, including any other unsecured long-term receivables, the Group does not recognise 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.

The carrying amount of the equity accounted investments are tested for impairment in accordance with the policy.

### (v) Change 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 recognised 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 recognised in statement of 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 recognised in OCI in respect of that entity are reclassified to statement of profit and 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 recognised in OCI are reclassified to statement of profit and loss where appropriate.

(vi) 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.

(vii) 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.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021 (CONTD.)

### II. Significant accounting judgements, 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) Judgements

##### 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) Employee Benefit Plans

The Company's obligation on account of gratuity and compensated absences is determined based on actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, these liabilities are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

##### 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.

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 Advance 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 JV's 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 judgement is required in establishing fair values. Judgements 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.

##### iv) Income tax provisions are based on the company's judgment of allowances/disallowances considering computation of income.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021 (CONTD.)

### III. 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 buyers' commitment to make the complete payment.

#### A. Revenue from sale of properties:

Revenue is recognized upon transfer of control of residential/commercial units to customers, in an amount that reflects the consideration the Company expects to receive in exchange for those residential/commercial units. The Company shall determine the performance obligations associated with the contract with customers at contract inception and also determine whether they satisfy the performance obligation over time or at a point in time. In case of residential units, the Company satisfies the performance obligation and recognises revenue at a point in time i.e., upon handover of the residential/commercial units.

To estimate the transaction price in a contract, the Company adjusts the promised amount of consideration for the time value of money if that contract contains a significant financing component. The Company when adjusting the promised amount of consideration for a significant financing component is to recognise revenue at an amount that reflects the cash selling price of the transferred residential/commercial unit.

#### B. Revenue from sale of land and development rights:

Revenue from sale of land and development rights is recognised upon transfer of all significant risks and rewards of ownership of such real estate/ property, as per the terms of the contracts entered into with buyers, which generally coincides with the firming of the sales contracts/ agreements. Revenue from sale of land and development rights is only recognised when transfer of legal title to the buyer is not a condition precedent for transfer of significant risks and rewards of ownership to the buyer.

#### C. 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.

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

Service income is recognised on the basis of completion of a physical proportion of the contract work/ based upon the contracts/ agreements entered into by the Company with its customers.

#### E. 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.

#### F. 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.

#### G. Interest and dividend:

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

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

#### H. Others:

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

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

- A. 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.
- B. 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.
- C. 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.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021 (CONTD.)

- D. 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.

- E. 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. Fair values are determined based on an annual evaluation.

### V. Intangible assets and amortisation

- A. 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.
- B. The Company, as a lessee, recognises a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset. The contract conveys the right to control the use of an identified asset, if it involves the use of an identified asset and the Company has substantially all of the economic benefits from use of the asset and has right to direct the use of the identified asset. The cost of the right-of-use asset shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs incurred. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term.

### VI. 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. Investments and 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.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021 (CONTD.)

### 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.

### 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.

### ii. Financial Liabilities

#### 1. Initial Recognition

Financial liabilities are classified, at initial recognition, as financial liabilities at FVPL, 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.



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021 (CONTD.)

### — 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.

## VII 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 IndAS 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.

## VIII. Impairment

### a. Financial assets

The Company measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

### 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.

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.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021 (CONTD.)

### IX. 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 financial 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 u/s 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.

### X. 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.
- 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. (IV)(C) and (IV)(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.
- E. Finished properties Valued at lower of cost or net realizable value.

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.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021 (CONTD.)

### XI. 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.

### XII. 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.

### XIII. 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. 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 to 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.

### XIV. Borrowings and Borrowing costs

Borrowing are initially recognised at Net of transaction cost incurred and measured at amortised cost. Any difference between the proceeds ( net of transaction costs) and the redemption amount is recognised in statetment of profit and loss over the period of the borrowings using the effective interest method.

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 Profit and Loss Account.

### XV. 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.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021 (CONTD.)

### XVI. 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.

### XVII. 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, but does not include outstanding bank overdrafts.

### XVIII. 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.

### XIX. 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 Ind AS 108 Operating Segments, the Company'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.

### XX. 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 recognised 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 Company. A contingent liability also arises, in rare cases, where a liability cannot be recognised because it cannot be measured reliably.

Contingent assets are neither recognised nor disclosed in the financial statements.

### XXI. Interest in Joint Arrangements

As per Ind AS 111 - Joint Arrangements, investment in Joint Arrangement is classified as either Joint Operation or Joint Venture. The classification depends on the contractual rights and obligations of each investor rather than legal structure of the Joint Arrangement. The Company classifies its Joint Arrangements as Joint Ventures.

The company recognizes its interest in Joint Venture as an investment and accounts for that investment using the Equity method in accordance with Ind AS 28.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (CONTD.)

### NOTE 3.1. ADDITIONAL INFORMATION AS REQUIRED UNDER SCHEDULE III TO THE COMPANIES ACT, 2013 OF ENTITIES CONSOLIDATED AS SUBSIDIARIES / ASSOCIATES / JOINT VENTURES

Sr. No.	Name of the Entities	31st March, 2021							
		Net Assets (Total Assets - Total Liabilities)		Share in profit/(loss)		Share in other comprehensive income		Share in total comprehensive income	
		As a % of consolidated	Amount (₹ in lakhs)	As a % of consolidated	Amount (₹ in lakhs)	As a % of consolidated	Amount (₹ in lakhs)	As a % of consolidated	Amount (₹ in lakhs)
	<b>Parent</b>								
	Hubtown Limited	105.97	151,823.68	128.27	(15,599.07)	94.42	(120.69)	127.92	(15,719.75)
	<b>Subsidiaries</b>								
1	Akruti Safeguard Systems Private Limited	(0.71)	(1,017.07)	(0.25)	30.28	—	—	(0.25)	30.28
2	Citygold Education Research Limited	(1.24)	(1,770.47)	4.90	(595.56)	6.46	(8.26)	4.91	(603.83)
3	Citywood Builders Private Limited	(1.77)	(2,539.58)	9.63	(1,171.08)	—	—	9.53	(1,171.08)
4	Diviniti Projects Private Limited	0.36	511.81	(0.05)	5.63	—	—	(0.05)	5.63
5	Gujarat Akruti-TCG Biotech Limited	0.78	1,113.47	0.05	(6.22)	—	—	0.05	(6.22)
6	Joyneest Premises Private Limited	4.77	6,838.88	1.00	(121.71)	—	—	0.99	(121.71)
7	Vama Housing Limited	(0.19)	(275.19)	0.05	(5.88)	—	—	0.05	(5.88)
8	Vega Developers Private Limited	0.19	277.03	0.08	(9.36)	—	—	0.08	(9.36)
9	Vishal Techno Commerce Limited	1.30	1,860.23	0.72	(87.31)	—	—	0.71	(87.31)
10	Yantti Buildcon Private Limited	(0.02)	(28.25)	0.00	(0.41)	—	—	0.00	(0.41)
11	Sanas Developers Private Limited	(0.07)	(97.27)	0.68	(82.97)	—	—	0.68	(82.97)
	<b>Joint Venture</b>								
12	Hubtown Bus Terminal (Adajan) Private Limited	0.08	118.57	(0.82)	100.00	(0.02)	0.03	(0.81)	100.03
13	Hubtown Bus Terminal (Ahmedabad) Private Limited	1.15	1,648.18	(3.25)	394.81	(0.69)	0.89	(3.22)	395.70
14	Hubtown Bus Terminal (Mehsana) Private Limited	0.61	867.44	(2.51)	305.16	(0.05)	0.06	(2.48)	305.22
15	Hubtown Bus Terminal (Vadodara) Private Limited	0.32	453.89	(1.45)	176.03	(0.09)	0.11	(1.43)	176.14
16	Joyous Housing Limited	—	—	—	—	—	—	—	—
17	Rare Townships Private Limited	3.06	4,378.98	1.62	(196.49)	(0.03)	0.04	1.60	(196.46)
18	Sunstream City Private Limited	—	—	—	—	—	—	—	—
19	Twenty Five South Realty Limited	—	—	(0.40)	48.91	—	—	(0.40)	48.91
	<b>Associates</b>								
20	Shubhsiddhi Builders Private Limited	—	—	—	—	—	—	—	—
21	Vinca Developer Private Limited	—	—	—	—	—	—	—	—
22	Whitebud Developers Limited	—	—	—	—	—	—	—	—
23	Giraffe Developers Private Limited	3.76	5,389.34	0.11	(13.19)	—	—	0.11	(13.19)
	<b>Firms</b>								
24	Akruti GM JV	0.49	700.00	—	—	—	—	—	—
25	Akruti Jay Chandan JV	—	—	—	—	—	—	—	—
26	Akruti Steelfab Corporation	—	—	—	—	—	—	—	—
27	Shreenath Realtors	—	—	—	—	—	—	—	—
	Minority Interest in all subsidiary	1.46	2,089.09	0.93	(113.01)	—	—	0.92	(113.01)
	Inter company elimination and consolidation adjustments	(20.29)	(29,074.67)	(39.31)	4,780.38	—	—	(38.90)	4,780.38
	<b>Total</b>	<b>100.00</b>	<b>143,268.11</b>	<b>100.00</b>	<b>(12,161.06)</b>	<b>100.00</b>	<b>(127.82)</b>	<b>100.00</b>	<b>(12,288.89)</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021 (CONTD.)

### NOTE 3.1.ADDITIONAL INFORMATION AS REQUIRED UNDER SCHEDULE III TO THE COMPANIES ACT, 2013 OF ENTITIES CONSOLIDATED AS SUBSIDIARIES / ASSOCIATES / JOINT VENTURES

Sr. No.	Name of the Entities	31st March, 2020							
		Net Assets (Total Assets - Total Liabilities)		Share in profit/(loss)		Share in other comprehensive income		Share in total comprehensive income	
		As a % of consolidated	Amount (₹ in lakhs)	As a % of consolidated	Amount (₹ in lakhs)	As a % of consolidated	Amount (₹ in lakhs)	As a % of consolidated	Amount (₹ in lakhs)
	<b>Parent</b>								
	Hubtown Limited	75.37	117,136.53	98.10	(5,946.45)	85.21	59.45	98.25	(5,887.00)
	<b>Subsidiaries</b>								
1	Akruti Safeguard Systems Private Limited	(0.66)	(1,025.32)	0.13	(7.67)	—	—	0.13	(7.67)
2	Citygold Education Research Limited	(0.75)	(1,166.63)	(13.56)	822.00	12.03	8.40	(13.86)	830.39
3	Citywood Builders Private Limited	(0.86)	(1,339.99)	3.31	(200.62)	—	—	3.35	(200.62)
4	Diviniti Projects Private Limited	0.33	506.18	(0.02)	1.49	—	—	(0.02)	1.49
5	Gujarat Akruti—TCG Biotech Limited	0.72	1,119.69	(7.18)	435.26	—	—	(7.26)	435.26
6	Joynest Premises Private Limited	4.48	6,960.60	5.36	(324.96)	(0.19)	(0.13)	5.43	(325.09)
7	Vama Housing Limited	(0.17)	(269.31)	0.09	(5.16)	—	—	0.09	(5.16)
8	Vega Developers Private Limited	0.18	286.39	0.02	(1.04)	—	—	0.02	(1.04)
9	Vishal Techno Commerce Limited	1.25	1,947.54	0.08	(5.13)	—	—	0.09	(5.13)
10	Yantti Buildcon Private Limited	(0.02)	(27.39)	(0.64)	38.54	—	—	(0.64)	38.54
11	Sanas Developers Private Limited	(0.01)	(14.30)	0.47	(28.77)	—	—	0.48	(28.77)
	<b>Joint Venture</b>								
12	Hubtown Bus Terminal (Adajan) Private Limited	0.02	32.39	9.57	(580.04)	0.26	0.18	9.68	(579.86)
13	Hubtown Bus Terminal (Ahmedabad) Private Limited [Refer Note 7(i)]	0.20	309.41	(1.17)	70.79	0.62	0.43	(1.19)	71.23
14	Hubtown Bus Terminal (Mehsana) Private Limited	0.49	764.32	4.40	(266.88)	(0.21)	(0.15)	4.46	(267.02)
15	Hubtown Bus Terminal (Vadodara) Private Limited	0.10	155.48	(0.02)	1.23	0.11	0.08	(0.02)	1.30
16	Joyous Housing Limited	—	—	—	—	—	—	—	—
17	Rare Townships Private Limited [Refer Note 7(i)]	3.39	5,271.04	1.32	(80.18)	2.44	1.70	1.31	(78.48)
18	Sunstream City Private Limited	—	—	—	—	—	—	—	—
19	Twenty Five South Realty Limited	18.26	28,375.29	8.95	(542.38)	(0.29)	(0.20)	9.06	(542.58)
	<b>Associates</b>								
20	Shubhsiddhi Builders Private Limited	—	—	—	—	—	—	—	—
21	Vinca Developer Private Limited	—	—	—	—	—	—	—	—
22	Whitebud Developers Limited	—	—	—	—	—	—	—	—
23	Giraffe Developers Private Limited	3.47	5,388.92	0.52	(31.44)	—	—	0.52	(31.44)
	<b>Firms</b>								
24	Akruti GM JV	0.45	700.00	—	—	—	—	—	—
25	Akruti Jay Chandan JV	0.18	282.40	—	—	—	—	—	—
26	Akruti Jay Developers	—	—	—	—	—	—	—	—
27	Akruti Kailash Constructions	—	—	—	—	—	—	—	—
28	Akruti Steelfab Corporation	—	—	—	—	—	—	—	—
29	Shreenath Realtors	—	—	—	—	—	—	—	—
	Minority Interest in all subsidiary	1.42	2,202.10	(0.21)	12.47	—	—	(0.21)	12.47
	Inter company elimination and consolidation adjustments	(7.83)	(12,170.14)	(9.52)	577.33	—	—	(9.64)	577.33
	<b>Total</b>	<b>100.00</b>	<b>155,425.19</b>	<b>100.00</b>	<b>(6,061.60)</b>	<b>100.00</b>	<b>69.76</b>	<b>100.00</b>	<b>(5,991.84)</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021 (CONTD.)

### NOTE 4. PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN-PROGRESS

(₹ in lakhs)

Particulars	Freehold Land	Leasehold land	Commercial Premises	Mivan System	Computers and Laptops	Plant and Machinery	Furniture and Fixtures	Vehicles	Office Equipment	Lease Assets (Right to Use Asset) (Refer Footnote a to h)	Total	Capital work-in-progress
<b>Cost or deemed cost</b>												
<b>Balance at March 31, 2019</b>	2.92	1,855.30	2,018.36	366.39	22.47	143.42	467.95	986.44	169.88	—	6,033.13	1,422.17
Additions	—	—	—	—	0.62	11.17	6.75	38.13	0.67	110.79	168.13	239.50
Additions(on account of Merger)	—	—	622.25	—	0.80	3.82	323.65	4.65	294.32	—	1,249.48	—
Disposals	—	—	—	(366.39)	—	(3.44)	(8.87)	(442.28)	(0.70)	—	(821.68)	—
Transfer to investment property	—	(37.29)	—	—	—	—	—	—	—	—	(37.29)	—
<b>Balance at March 31, 2020</b>	<b>2.92</b>	<b>1,818.01</b>	<b>2,640.61</b>	<b>—</b>	<b>23.89</b>	<b>154.97</b>	<b>789.48</b>	<b>586.93</b>	<b>464.17</b>	<b>110.79</b>	<b>6,591.77</b>	<b>1,661.67</b>
<b>Accumulated depreciation and impairment</b>												
<b>Balance at March 31, 2019</b>	—	49.74	327.46	348.07	21.85	76.74	369.57	790.63	166.16	—	2,150.23	—
Eliminated on disposal of assets	—	—	—	(348.07)	—	(2.90)	(7.18)	(439.73)	(0.67)	—	(798.55)	—
Additional depreciation(on account of Merger)	—	—	622.25	—	0.80	2.60	305.91	3.16	200.01	—	1,134.73	—
Depreciation expense	—	1.51	40.51	—	0.37	9.16	43.66	53.25	83.80	51.13	283.39	—
Transfer to investment property	—	(22.30)	—	—	—	—	—	—	—	—	(22.30)	—
<b>Balance at March 31, 2020</b>	<b>—</b>	<b>28.95</b>	<b>990.23</b>	<b>—</b>	<b>23.00</b>	<b>85.60</b>	<b>711.95</b>	<b>407.30</b>	<b>449.29</b>	<b>51.13</b>	<b>2,747.50</b>	<b>—</b>
<b>Carrying amount as at March 31, 2020</b>	<b>2.92</b>	<b>1,789.06</b>	<b>1,650.38</b>	<b>—</b>	<b>0.89</b>	<b>69.36</b>	<b>77.51</b>	<b>179.63</b>	<b>14.87</b>	<b>59.66</b>	<b>3,844.27</b>	<b>1,661.67</b>

Particulars	Freehold Land	Leasehold land	Commercial Premises	Mivan System	Computers and Laptops	Plant and Machinery	Furniture and Fixtures	Vehicles	Office Equipment	Lease Assets (Right to Use Asset) (Refer Footnote a to h)	Total	Capital work-in-progress
<b>Cost or deemed cost</b>												
<b>Balance at March 31, 2020</b>	2.92	1,818.01	2,640.61	—	23.89	154.97	789.48	586.93	464.17	110.79	6,591.77	1,661.67
Additions	—	—	—	—	1.29	6.46	50.29	129.09	8.67	—	195.80	3.77
Additions(on account of Merger)	—	—	—	—	0.93	1.59	13.29	—	4.19	—	20.00	—
Disposals	—	—	(2,291.07)	—	—	—	—	(147.13)	(4.85)	(10.21)	(2,453.26)	—
Transfer to investment property	—	—	—	—	—	—	—	—	—	—	—	—
<b>Balance at March 31, 2021</b>	<b>2.92</b>	<b>1,818.01</b>	<b>349.54</b>	<b>—</b>	<b>26.11</b>	<b>163.02</b>	<b>853.06</b>	<b>568.89</b>	<b>472.18</b>	<b>100.58</b>	<b>4,354.31</b>	<b>1,665.44</b>
<b>Accumulated depreciation and impairment</b>												
<b>Balance at March 31, 2020</b>	—	28.95	990.23	—	23.00	85.60	711.95	407.30	449.29	449.29	2,747.47	—
Eliminated on disposal of assets	—	—	(857.60)	—	—	—	—	(139.55)	(4.84)	(4.84)	(1,001.99)	—
Additional depreciation(on account of Merger)	—	—	—	—	0.93	1.63	13.29	—	4.15	4.15	20.00	—
Depreciation expense	—	1.51	30.10	—	0.58	8.93	40.48	78.53	3.14	3.14	210.11	—
Transfer to investment property	—	—	—	—	—	—	—	—	—	—	—	—
<b>Balance at March 31, 2021</b>	<b>—</b>	<b>30.46</b>	<b>163.13</b>	<b>—</b>	<b>24.51</b>	<b>96.16</b>	<b>765.72</b>	<b>346.28</b>	<b>451.74</b>	<b>97.57</b>	<b>1,975.58</b>	<b>—</b>
<b>Carrying amount as at March 31, 2021</b>	<b>2.92</b>	<b>1,787.55</b>	<b>186.41</b>	<b>—</b>	<b>1.60</b>	<b>66.86</b>	<b>87.34</b>	<b>222.61</b>	<b>20.44</b>	<b>3.01</b>	<b>2,378.73</b>	<b>1,665.44</b>

#### Footnote

Commercial premises including cost of shares aggregating to ₹ 0.01 lakhs (March 31, 2020: ₹ 0.01 lakhs) carrying the occupancy rights in the commercial premises is transferred to inventories.

#### 4.1 Assets pledged as security

Leasehold Land and Commercial property and vehicles with a carrying amount of ₹ 51.08 lakhs (As at 31st March, 2020: ₹ 61.52 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, 2020: ₹ Nil).

#### 4.3 Leased Assets

None of the properties includes amounts where the company is a lessee under a finance lease.

#### 4.4 Right to Use Asset

- The Group has adopted Ind AS 116 effective 1st April, 2019, using the modified retrospective method. The Group has applied the standard to its leases with the cumulative impact recognised on the date of initial application (1st April, 2019).
- The weighted average incremental borrowing rate of 20% has been applied to lease liabilities recognised in the balance sheet at the date of initial application.
- This has resulted in recognising a right-of-use asset of ₹ 110.79 lakhs and a corresponding lease liability of ₹ 110.79 lakhs in the previous year.
- The Group's leases mainly comprise of Premises taken on lease
- Excluded the initial direct costs from the measurement of the Right-Of-Use (ROU) asset at the date of initial application.
- The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the Statement of Profit and Loss.
- During the year group has recognised operating lease expenses as amortisation of Right-of-Use Assets and finance cost as compared to lease rent expenses in earlier years as per operating lease.
- The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (CONTD.)

### NOTE 5. INVESTMENT PROPERTY

	(₹ in lakhs)
<b>Gross Carrying value (At Deemed Cost)</b>	
Balance at 1st April, 2019	5,470.80
Additions	37.29
Disposals	(22.43)
<b>Balance at 31st March, 2020</b>	<b>5,485.66</b>
<b>Accumulated depreciation and impairment</b>	
Balance at 1st April, 2019	1,560.54
Additions	22.30
Depreciation expense	149.63
Eliminated on disposal of assets	(10.80)
<b>Balance at 31st March, 2020</b>	<b>1,721.67</b>
<b>Net carrying value as on 31st March, 2020</b>	<b>3,763.99</b>
<b>Gross Carrying value (At Deemed Cost)</b>	
Balance at 1st April, 2020	5,485.66
Additions	—
Disposals	—
<b>Balance at 31st March, 2021</b>	<b>5,485.66</b>
<b>Accumulated depreciation and impairment</b>	
Balance at 1st April, 2020	1,721.67
Additions	—
Depreciation expense	149.78
Eliminated on disposal of assets	—
<b>Balance at 31st March, 2021</b>	<b>1,871.45</b>
<b>Net carrying value as on 31st March, 2021</b>	<b>3,614.21</b>

#### Footnote :

Investment Property includes cost of shares aggregating ₹ 0.03 lakh (March 31, 2020: ₹ 0.03 lakh) carrying the occupancy rights.

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

Particulars	31st March, 2021	31st March, 2020
Rental Income	429.86	876.68
Direct operating expenses from property	—	—
<b>Profit from Investment properties before depreciation</b>	<b>429.86</b>	<b>876.68</b>
Depreciation	146.51	146.36
<b>Profit from Investment properties</b>	<b>283.35</b>	<b>730.32</b>
<b>Rental Income from others</b>	<b>233.22</b>	<b>278.37</b>

#### 5.2 Leasing Arrangements

Certain investment properties are leased to tenants. Minimum lease payments receivable are as follows.	31st March, 2021	31st March, 2020
Within one year	521.54	256.72
Later than one but not later than 5 years	1,156.05	515.05
Later than 5 years	—	—

#### 5.3 Investment property pledged as security

Leasehold Land and Commercial properties with a carrying amount of ₹ 3586.66 lakhs (As at 31st March, 2020: ₹3,732.12 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	22,610.00	Independent Valuers Report
Others	3,130.85	Stamp Duty Ready Reckoner Rate

The fair value of Mahalaxmi Car Park is based on independent valuer's report dated March 2018. In the opinion of the management, there is no significant change in valuation as on reporting date. The Company has not determined the fair value of the other properties from any independent valuer as at 31st March, 2021. Instead, the values disclosed above are based on ready reckoner rate of the said properties for the year ended 31st March, 2021 duly published by the Government of Maharashtra.



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021 (CONTD.)

### NOTE 6. INTANGIBLE ASSETS

(₹ in lakhs)

Particulars	Technical Know-how	Computer software	Total
<b>Gross Carrying Value (At Deemed Cost)</b>			
<b>Balance at 1st April, 2019</b>	74.55	535.76	610.31
Additions	—	—	—
Disposals	—	—	—
<b>Balance at 31st March, 2020</b>	<b>74.55</b>	<b>535.76</b>	<b>610.31</b>
<b>Accumulated depreciation</b>			
<b>Balance at 1st April, 2019</b>	47.82	535.76	583.58
Eliminated on disposal of assets	—	—	—
Depreciation expense	3.64	—	3.64
<b>Balance at 31st March, 2020</b>	<b>51.46</b>	<b>535.76</b>	<b>587.22</b>
<b>Net carrying value as at 31st March, 2020</b>	<b>23.09</b>	<b>—</b>	<b>23.09</b>
<b>Gross Carrying Value (At Deemed Cost)</b>			
<b>Balance at 1st April, 2020</b>	74.55	535.76	610.31
Additions	—	—	—
Disposals	—	—	—
<b>Balance at 31st March, 2021</b>	<b>74.55</b>	<b>535.76</b>	<b>610.31</b>
<b>Accumulated depreciation</b>			
<b>Balance at 1st April, 2020</b>	51.46	535.76	587.22
Eliminated on disposal of assets	—	—	—
Depreciation expense	3.64	—	3.64
<b>Balance at 31st March, 2021</b>	<b>55.10</b>	<b>535.76</b>	<b>590.86</b>
<b>Net carrying value as at 31st March, 2021</b>	<b>19.45</b>	<b>—</b>	<b>19.45</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (CONTD.)

### NOTE 7. INVESTMENTS

	As at 31st March, 2021 (₹ in lakhs)	As at 31st March, 2020 (₹ in lakhs)
<b>NON CURRENT</b>		
<b>A) Investment in equity instruments (Unquoted) (Carried at deemed cost)</b>		
<b>I) Joint Ventures</b>		
a) 50,000 (As at March 31, 2020: 50,000) (Class 'A') Equity shares of ₹ 10/- each <b>Hubtown Bus Terminal (Mehsana) Private Limited</b>	<b>5.00</b>	5.00
b) 1,00,000 (As at March 31, 2020: 1,00,000) (Class 'C') Equity shares of ₹ 10/- each <b>Hubtown Bus Terminal (Mehsana) Private Limited</b>	<b>862.44</b>	759.32
c) 50,000 (As at March 31, 2020: 50,000) (Class 'A') Equity shares of ₹ 10/- each <b>Hubtown Bus Terminal (Vadodara) Private Limited</b>	<b>5.00</b>	5.00
d) 1,15,275 (As at March 31, 2020: 1,15,275) (Class 'C') Equity shares of ₹ 10/- each <b>Hubtown Bus Terminal (Vadodara) Private Limited</b>	<b>448.89</b>	150.48
e) 50,000 (As at March 31, 2020: 50,000) (Class 'A') Equity shares of ₹ 10/- each <b>Hubtown Bus Terminal (Adajan) Private Limited</b>	<b>5.00</b>	5.00
f) 1,15,463 (As at March 31, 2020: 1,15,463) (Class 'C') Equity shares of ₹ 10/- each <b>Hubtown Bus Terminal (Adajan) Private Limited</b>	<b>113.57</b>	27.39
g) 10,000 (As at March 31, 2020: 10,000) (Class 'A') Equity shares of ₹ 10/- each <b>Hubtown Bus Terminal (Ahmedabad) Private Limited (Refer Note I)</b>	<b>1,646.93</b>	308.16
h) 15,000 (As at March 31, 2020: 15,000) (Class 'C') Equity shares of ₹ 10/- each <b>Hubtown Bus Terminal (Ahmedabad) Private Limited</b>	<b>1.25</b>	1.25
i) NIL (As at March 31, 2020: 22,859) Equity shares of ₹ 10/- each <b>Twenty Five South Realty Limited (Refer Note j)</b>	—	28,375.29
j) 28,37,270 (As at March 31, 2020: 28,37,270) (Class 'A') Equity shares of ₹ 10/- each <b>Rare Townships Private Limited (Refer Note I)</b>	—	—
k) 4,25,000 (As at March 31, 2020: 4,25,000) (Class 'B') Equity shares of ₹ 10/- each <b>Rare Townships Private Limited (Refer Note I)</b>	<b>4,378.98</b>	5,271.04
l) 25,000 (As at March 31, 2020: 25,000) Equity shares of ₹ 100/- each <b>Joyous Housing Limited (Refer Note 1B(iv))</b>	—	—
m) 1,22,000 (As at March 31, 2020: 122,000) Equity shares of ₹ 10/- each <b>Sunstream City Private Limited (Refer Note 1B(iv))</b>	—	—
	<b>7,467.06</b>	<b>34,907.93</b>
<b>II) Associate Companies</b>		
a) 25,000 (As at March 31, 2020: 25,000) Equity shares of ₹ 10/- each <b>Whitebud Developers Limited (Refer Note 1B(iv))</b>	—	—
b) 5,000 (As at March 31, 2020: 5,000) Equity shares of ₹ 10/- each <b>Shubhsiddhi Builders Private Limited (Refer Note 1B(iv))</b>	—	—
c) 6,095 (As at March 31, 2020: 6,095) (Class 'A') Equity shares of ₹ 10/- each <b>Vinca Developer Private Limited (Refer Note 1B(iv))</b>	—	—
d) 7353 (As at March 31, 2020: 7353) (Class 'B') Equity Shares of ₹ 10/- each <b>Giraffe Developers Private Limited</b>	<b>5,389.34</b>	5,388.92
	<b>5,389.34</b>	<b>5,388.92</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (CONTD.)

### NOTE 7. INVESTMENTS (Contd.)

		As at 31st March, 2021 ( ₹ in lakhs)	As at 31st March, 2020 ( ₹ in lakhs)
III)	<b>Others</b>		
a)	240 (As at March 31, 2020: 240) Equity shares of ₹ 100/- each <b>Citygold Management Services Private Limited</b>	0.24	0.24
b)	NIL (As at March 31, 2020: 6,000) (Class 'B') Equity shares of ₹ 50/- each <b>Hogmanay Niharika Buildings Limited</b>	—	3.00
c)	37,815 (As at March 31, 2020: 37,815) Equity shares of ₹ 10/- each <b>Janakalyan Sahakari Bank Limited</b>	3.78	3.78
d)	150 (As at March 31, 2020: 150) Equity shares of ₹ 25/- each <b>Shamrao Vithal Co-operative Bank Limited (at FVTPL) ( Refer footnote a)</b>	0.68	0.71
e)	2,000 (As at March 31, 2020: 2,000) Equity shares of ₹ 10/- each <b>Suraksha Realty Limited (at FVTPL) ( Refer footnote a)</b>	36.44	27.40
		<b>41.14</b>	<b>35.13</b>
B)	<b>i. Investment in Preference Shares (Unquoted)</b>		
a)	<b>At deemed cost</b> NIL (As at March 31, 2020: 1,865) 10% Non-Cumulative Redeemable Preference Shares of ₹ 10/- each <b>Twenty Five South Realty Limited (Joint Venture) (Refer note j)</b>	—	0.19
b)	<b>Others</b> 10,000 (As at March 31, 2020: 10,000) 21% Non Cumulative Optionally Convertible Redeemable Preference Shares of ₹ 10/- each <b>E Commerce Magnum Solutions Limited</b>	1.00	1.00
		<b>1.00</b>	<b>1.19</b>
C)	<b>i. Investment in Debentures (Unquoted)</b>		
a)	1,47,20,000 (As at March 31, 2020: 1,47,20,000) 9% Optionally convertible debentures of ₹ 10/- each <b>Asmeeta Infratech Limited (Refer Footnote b)</b>	643.46	813.62
b)	NIL (As at March 31, 2020: 1020) Optionally and Partially Convertible Debentures of ₹ 10,00,000/- each <b>Amazia Developers Private Limited (Refer Footnote c)</b>	—	4,566.53
	<b>ii. Investment in Bonds (At Ammortised Cost) (Quoted)</b> 39,13,310 (As at March 31, 2020: 39,13,310) Deep Discount Bonds, issued @ ₹ 2090/- of face value ₹ 10,000 [Tenure of 9 Years] (Refer footnote (a) to Note 23) <b>Sunstream City Private Limited (Joint venture)</b>	97,412.85	97,412.85
		<b>98,056.31</b>	<b>102,793.00</b>
D)	<b>Capital Investment in Partnership Firms</b>	<b>700.00</b>	<b>700.00</b>
E)	<b>Non Controlling Capital Investment in Partnership Firms (Refer Footnote h)</b>	<b>13,594.90</b>	<b>7,575.28</b>
	<b>Total Non Current Investments (A+B+C+D+E)</b>	<b>125,249.76</b>	<b>151,401.45</b>
	Aggregate amount of quoted investments	<b>97,412.85</b>	<b>97,412.85</b>
	Aggregate amount of unquoted investments	<b>27,836.91</b>	<b>53,988.60</b>
	Aggregate provision for diminution in value of investments:	—	—

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (CONTD.)

### NOTE 7. INVESTMENTS (Contd.)

#### CURRENT

##### A) Investment in Mutual Funds (Quoted)(Other than Trade )

###### At Fair value through profit and loss

	As at 31st March, 2021 ( ₹ in lakhs)	As at 31st March, 2020 ( ₹ in lakhs)
(i) 246.52 units (As at March 31, 2020: 246.52 units ) Indiabulls Liquid fund Direct Plan (Growth)	4.95	4.78
[NAV ₹ 2006.26 per unit (As at March 31, 2020 ₹ 1939.34 per unit)]		
(ii) 27.752Units (As at March 31, 2020: 26.419 Units) State Bank of India Mutual Fund	0.47	0.47
[NAV ₹ 1675.03 per unit (As at March 31, 2020: ₹ 1675.03 per unit)]		
(iii) 15,772.3400 units (As at 31st March, 2020:- 15,772.3400 units L & T Short Term Income Fund Growth	3.47	3.16
[NAV ₹ 22 per unit (As at March 31, 2020: ₹ 20.02 per unit)]		
(iv) 1,20,128.6100 Units (As at 31st March, 2020: 1,20,128.6100 Units;) IDFC Super Saver IF MT Plan	57.59	46.02
[NAV ₹ 47.94 per unit (As at March 31, 2020:- ₹ 38.31 per unit)]		
(v) 144.076 units (As at 31st March, 2020: 144.076 units) of Templeton Short Term Income Plan— Growth	5.24	6.23
[NAV ₹ 3639.55 per unit (As at March 31, 2020: ₹ 4320.82per units)]		

##### B) Capital Investment in partnership firms and joint ventures (Trade, Unless otherwise specified)(Unquoted) (Refer Footnote d and g)

Aggregate amount of quoted investments

Aggregate amount of unquoted investments

—	282.41
<b>71.72</b>	<b>343.06</b>
<b>71.72</b>	<b>60.65</b>
—	<b>282.41</b>

#### Footnotes:

- Investments in Shamrao Vithal Co-operative Bank Limited and Suraksha Realty Limited are measured at fair value as at 31st March 2021.
- During the year, the Parent Company has received an amount of ₹ 170.16 lakhs (March 31, 2020: ₹ 658.38 lakhs) toward its investment in debentures redeemed out of the sale proceeds of the security against debentures.
- During the year the Parent Company has sold its investments in optionally and partially convertible debentures of Amazia Developers Private Limited for a consideration of ₹ 3200 Lakhs
- In the previous year, on account of reconstitution of the Joint Ventures(JV), all the co-ventures other than Hubtown Limited exited from the Akruti Jay Chandan Joint Venture. Consequent to such reconstitution, the projects in such JV were subsequently transferred in the Company. Accordingly, investment in such JV has been disclosed under current investments in the previous year. All the assets and liabilities of the entity have been merged in the Company with effect from April 1, 2020.
- In earlier years the Parent Company had written off the capital amount given for project development amounting to ₹ 775.00 lakhs to a partnership firm Shreenath Realtors for development and exploitation of areas at Nirmal Nagar, Sion, Mumbai. Since the approval from the Government has not been received till date nor there is any scope of it being approved in the near future, operation cost has been mounting year on year in the said firm. However, the firm has not been dissolved as on date.
- The Parent company had invested an amount of ₹1.60 lakhs in the capital of Primeria JV, which had been written off in the earlier years. However, the JV has not been dissolved as on date.
- In the previous year, on account of reconstitution of the Joint Ventures(JV), all the co-ventures other than Hubtown Limited exited from the Akruti Jay Chandan Joint Venture. Consequent to such reconstitution, the projects in such JV were subsequently transferred in the Company. Accordingly, investment in such JV has been disclosed under current investments in the previous year.
- The Parent company has not received Financials of M/s. Jairaj Developers — Unit 9 for the Financial Year 2020-21. However, in the opinion of the management of the company, share of Profit/(Loss) of the firm will not have any material impact on the financial result of the Parent company.
- As at 31st March, 2021 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.
- During the year the Parent Company has divested its entire stakes in the Twenty Five South Realty Limited, consequent to which Twenty Five South Realty Limited ceased to be a joint venture of the company with effect from 29 June 2020.
- During the year, the erstwhile Joint Venture of the Parent Company namely Akruti Jay Chandan JV have been reconstituted and all the Co-ventures of the JV other than Hubtown Limited have retired. Accordingly, all the assets and liabilities of the entity have been merged in the Parent Company with effect from April 1, 2020.
- The company's respective share in securities premium / shares with differential voting rights have been netted off against investment which was earlier disclosed under other Non Current Financial liability.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (CONTD.)

### NOTE 8. TRADE RECEIVABLES

#### Current

Unsecured, considered good

— Related Party (Refer Note 34)

— Others

Doubtful

Allowance for doubtful debts

**Total**

As at 31st March, 2021 (₹ in lakhs)	As at 31st March, 2020 (₹ in lakhs)
—	—
<b>18,522.11</b>	8,957.51
<b>822.47</b>	251.20
<b>(822.47)</b>	(251.20)
<b>18,522.11</b>	8,957.51

#### 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 towards sale of FSI/projects/rights and services. Credit terms for such receivables are based on respective contracts.
- Debtors reflect amount of ₹ 436.60 lakhs receivable from the Greenwoods project which is towards society incorporation, paid directly by the customer to the society

### NOTE 9. LOANS

#### Non-current

Loans to related parties (Refer Note 34)

— Unsecured, considered good

**Total**

As at 31st March, 2021 (₹ in lakhs)	As at 31st March, 2020 (₹ in lakhs)
<b>15,527.67</b>	16,310.88
<b>15,527.67</b>	16,310.88

As at 31st March, 2021 (₹ in lakhs)	As at 31st March, 2020 (₹ in lakhs)
<b>9,278.77</b>	11,337.96
<b>599.36</b>	587.91
<b>10.08</b>	2.39
<b>9,888.21</b>	11,928.26

#### Current

Loans to related parties (Refer Note 34)

— Unsecured, considered good

Loan to others

— Unsecured, considered good

Loans to Employees

**Total**

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (CONTD.)

	As at 31st March, 2021 (₹ in lakhs)	As at 31st March, 2020 (₹ in lakhs)
<b>NOTE 10. OTHER FINANCIAL ASSETS</b>		
<b>Non-current</b>		
Bank balances		
— Deposits with maturity of more than twelve months	50.00	50.00
— Margin money deposits	275.93	468.15
Security deposits	113.64	124.80
Other receivables		
Other than Trade Receivables	9.15	9.15
Interest accrued on fixed deposits	—	2.06
<b>Total</b>	<b>448.72</b>	<b>654.16</b>
<b>Footnote:</b>		
Balances with bank in margin money and fixed deposits are kept as security for guarantees / other facilities.		
<b>Current</b>		
Security deposits	239.12	247.62
Project Advances (Refer Footnote a and b)		
— Related parties (Refer Note 34 and Footnote i of Note 7)	10,078.60	13,347.07
Doubtful	4,271.62	1,000.00
Less: Provision for doubtful Project Advances	(4,271.62)	(1,000.00)
— Others	1,566.16	1,603.94
Advances recoverable		
Related parties (Refer Note 34)	2,271.72	2,046.34
Others	14,601.92	14,987.46
— Doubtful	1,313.75	5,323.75
— Less: Provision for doubtful Advances recoverable	(1,313.75)	(5,323.75)
Advance to Suppliers	—	0.77
Other Advances		
Current Account Balances in Partnership Firms and Joint Ventures (Refer Note 34)	4,426.16	1,132.43
Other receivables		
Other than Trade Receivables	27,139.62	9,012.48
— Doubtful	200.00	200.00
— Less: Provision for doubtful Receivables	(200.00)	(200.00)
Interest accrued on fixed deposits	48.62	28.86
Interest accrued on loans — Related Party (Refer Note 34)	46.01	905.28
Interest accrued on investments	108.37	108.37
<b>Total</b>	<b>60,526.30</b>	<b>43,420.62</b>

### Footnote:

- The amount funded by the Parent Company 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.
- The Parent Company has not charged interest on advances given by it to certain group entities developing real estate projects, in which the Company has a commercial and business interest.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021 (CONTD.)

### NOTE 11. INCOME TAX ASSETS (NET)

	As at 31st March, 2021 (₹ in lakhs)	As at 31st March, 2020 (₹ in lakhs)
Income Tax Assets	1,187.32	1,441.91
Income Tax Liabilities	(18.51)	(13.62)
<b>Total</b>	<b>1,168.81</b>	<b>1,428.29</b>
<b>Income Tax expense</b>		
(a) Income Tax expense		
Current Tax	(168.49)	(298.55)
Tax in respect of earlier years	415.36	(0.21)
	<b>246.87</b>	<b>(298.76)</b>
Deferred Tax		
Decrease /(Increase) in deferred tax assets	(238.40)	(1,412.81)
(Decrease) /Increase in deferred tax liabilities	(2.25)	(15.21)
<b>Total deferred tax expense (credit)</b>	<b>(240.65)</b>	<b>(1,428.02)</b>
<b>Income Tax expense/(credit)</b>	<b>6.22</b>	<b>(1,726.78)</b>
(b) Reconciliation of tax expense and the accounting profit multiplied by the Company's tax rate		
Profit / (Loss) for the Year	(12,977.39)	(2,905.71)
Share Of Profit /(Loss) From Associate Co. / JV using equity method	815.23	(1,429.10)
Add: Loss on account of consolidation of group entities	2,038.93	1,006.75
<b>Total Profit / (Loss)</b>	<b>(10,123.23)</b>	<b>(3,328.07)</b>
Income tax expense calculated at 25.168% (P.Y. : 25.168%)	(2,547.81)	(837.61)
Tax effects of amounts that are not deductible (taxable) in calculating taxable income:		
Effect of expenses that are not deductible in determining taxable profit	2,988.48	5,552.05
Effect of expenses that are deductible in determining taxable profit due to timing difference	(1,418.50)	(458.21)
Effect of income that is exempt from taxation	4.07	82.27
Effect of incomes that are not taxable in determining taxable profit	(177.86)	(1,648.32)
Effect of Brought Forward Business Loss adjusted	292.58	(2,460.09)
Effect of incomes that are taxable as Short Term Capital Gain	279.53	—
Effect of incomes that are taxable in determining taxable profit as per ICDS	411.01	(528.64)
Effect on deferred tax due to timing difference (Refer note 12)	240.65	(1,428.02)
Adjustments for current tax of prior periods	415.36	(0.21)
<b>Income tax expense</b>	<b>6.22</b>	<b>(1,726.78)</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021 (CONTD.)

	As at 31st March, 2021 (₹ in lakhs)	As at 31st March, 2020 (₹ in lakhs)
<b>NOTE 12. DEFERRED TAX ASSETS / LIABILITY (NET)</b>		
The following is the analysis of deferred tax asset / (liabilities) presented in the balance sheet		
<b>Deferred Tax Asset (Net)</b>		
Deferred Tax Asset	3,103.48	4,308.80
Deferred Tax Liability	(1,041.55)	(2,008.46)
<b>Total</b>	<b>2,061.93</b>	<b>2,300.34</b>
<b>Deferred Tax Liability (net)</b>		
Deferred Tax Asset	2.14	2.14
Deferred Tax Liability	(9.04)	(6.79)
<b>Total</b>	<b>(6.90)</b>	<b>(4.65)</b>

2020-21	(₹ in lakhs)		
Deferred Tax Asset (Net)	Opening Balance	Recognised in profit or loss	Closing Balance
<b>On account of :</b>			
Difference in Revenue Recognition and WIP	(374.13)	973.51	599.38
Difference in security deposit	(30.78)	18.55	(12.23)
Difference in advance lease rent	28.01	(174.30)	(146.29)
Differential interest	(246.17)	316.10	69.93
Temporary difference in relation to investments in joint ventures	(0.22)	—	(0.22)
Depreciation	(509.76)	331.35	(178.41)
On account of Investment in Debenture	—	(49.91)	(49.91)
Provisions made	2,419.89	(1,521.81)	898.07
On account of fair valuation of investments	0.39	—	0.39
On account of Lease Liability (IND AS 116)	25.66	(23.22)	2.44
On account of Lease Assets (Right to use (IND AS 116))	(20.85)	20.08	(0.77)
On account of Investment in Debentures	(286.45)	172.83	(113.62)
Difference borrowings / convertible instruments classified as Equity	(278.14)	—	(278.14)
Premium payable on debentures	(261.97)	—	(261.97)
Unamortised premium on debentures	52.39	—	52.39
Others	1,782.47	(301.58)	1,480.89
<b>Total</b>	<b>2,300.34</b>	<b>(238.40)</b>	<b>2,061.93</b>
<b>Deferred Tax Liability (Net)</b>	<b>Opening Balance</b>	<b>Recognised in profit or loss</b>	<b>Closing Balance</b>
<b>On account of :</b>			
Fair valuation of investments	(6.79)	(2.25)	(9.04)
Others	2.14	—	2.14
<b>Total</b>	<b>(4.65)</b>	<b>(2.25)</b>	<b>(6.90)</b>
<b>Deferred Tax (Charge) / Credit</b>		<b>(240.65)</b>	



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (CONTD.)

### NOTE 12. (Contd.)

Deferred Tax Liability (Net)	Opening Balance	Recognised in profit or loss	Closing Balance
On account of :			
Difference in Revenue Recognition and WIP	(641.08)	266.95	(374.13)
Difference in security deposit	(30.73)	(0.05)	(30.78)
Difference in advance lease rent	27.90	0.11	28.01
Differential interest	(246.17)	—	(246.17)
Temporary difference in relation to investments in joint ventures	(0.13)	(0.09)	(0.22)
Depreciation	(546.90)	37.14	(509.76)
Provisions made	101.23	2,318.66	2,419.89
Difference borrowings / convertible instruments classified as Equity	(278.14)	—	(278.14)
Premium payable on debentures	(261.97)	—	(261.97)
Unamortised premium on debentures	52.39	—	52.39
On account of fair valuation of investments	—	0.39	0.39
On account of Lease Liability (IND AS 116)	—	25.66	25.66
On account of Lease Assets (Right to use (IND AS 116))	—	(20.85)	(20.85)
On account of Investment in Debentures	—	(286.45)	(286.45)
Others	5,536.75	(3,754.28)	1,782.47
<b>Total</b>	<b>3,713.12</b>	<b>(1,412.81)</b>	<b>2,300.34</b>
Deferred Tax Liability (Net)	Opening Balance	Recognised in profit or loss	Closing Balance
On account of :			
Difference in capital work-in-progress	17.35	(17.35)	0.00
Fair valuation of investments	(6.79)	—	(6.79)
Others	—	2.14	2.14
<b>Total</b>	<b>10.56</b>	<b>(15.21)</b>	<b>(4.65)</b>
<b>Deferred Tax (Charge) / Credit</b>	<b>—</b>	<b>(1428.02)</b>	<b>—</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 management believes is probable and accordingly the Company has recognised deferred tax assets.

### NOTE 13. OTHER ASSETS

#### Non-current

Advances to land owners	3,169.65	2,439.05
Other advances	—	6.35
— Prepaid Expenses	—	—
<b>Total</b>	<b>3,169.65</b>	<b>2,445.40</b>

#### Current

Projects Advances	542.79	541.81
Advances to land owners	9,825.44	10,734.81
Advance to Suppliers	1,233.85	1,975.79
Advances / Deposits recoverable in cash or in kind or for value to be received	1,410.33	1,294.72
Balances with Statutory / Government Authorities	206.99	76.69
Other Advances	—	—
— Prepaid Expenses	27.16	21.53
— Others	1,931.54	940.84
<b>Total</b>	<b>15,178.10</b>	<b>15,586.19</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (CONTD.)

### NOTE 14. INVENTORIES

#### Inventories (lower of cost or net realisable value)

	As at 31st March, 2021 (₹ in lakhs)	As at 31st March, 2020 (₹ in lakhs)
— Stock of material at site	251.00	199.63
— Incomplete projects	154,746.11	162,243.44
— Transferable Development Rights (TDR)	1,484.60	1,484.60
— Floor space index (FSI)	8,976.27	8,976.27
— Trading Material	38.51	34.42
— Finished properties	10,442.05	7,564.16
<b>Total</b>	<b>175,938.54</b>	<b>180,502.52</b>

#### Footnote :

- The projects are under various stages of development and are expected to have net realisable value greater than the cost.
- Inventories include inventory with carrying value of ₹ 44,791.80 lakhs (As at 31st March, 2020: ₹ 50,815.76 lakhs) which have been mortgaged against the borrowings of the Parent Company. The Parent Company has various projects under construction, and it has obtained loan/finance facilities against the mortgage of units to be constructed on the said projects and the same is reflected as inventory. The Parent Company has also sold units which are under construction and the lender has issued NOC for the same.
- Inventories includes commercial premises held for sale of value ₹ 292.09 lakhs

### NOTE 15. CASH AND CASH EQUIVALENTS

#### Balances with banks:

— in current accounts	1,090.52	2,537.05
— Escrow accounts	444.54	87.32
— in deposit with maturity of less than three months	3,063.12	228.66
Cash on hand	36.52	44.82

#### Cash and cash equivalents as per balance sheet

Working Capital Loan from Bank (Refer note 19)

#### Cash and cash equivalents as per statement of cash flows

#### Footnote:

Balances with bank in fixed deposits are kept as security for guarantees / other facilities.

### NOTE 16. OTHER BANK BALANCES

#### Other Bank Balances:

Unpaid dividend accounts	—	0.49
Deposits with maturity of more than three months but less than twelve months	66.91	50.58
Deposit with maturity for less than 3 months	—	8.99
Deposit with maturity for more than 12 months	947.00	934.50
Margin money deposits	602.44	272.13
<b>Total</b>	<b>1,616.35</b>	<b>1,266.69</b>

#### Footnote:

Balances with bank 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, 2021 (CONTD.)

### NOTE 17. EQUITY SHARE CAPITAL

#### Authorised Share Capital:

125,000,000 (As at 31st March, 2020: 125,000,000) Equity Shares of ₹ 10/- each

#### Issued and subscribed capital comprises:

72,735,871 (As at 31st March, 2020: 72,735,871) Equity Shares of ₹ 10/- each fully paid up

As at 31st March, 2021 (₹ in lakhs)	As at 31st March, 2020 (₹ in lakhs)
12,500.00	12,500.00
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

##### Fully paid equity shares

	Number of shares	Share Capital (₹ in lakhs)
Balance at 31st March, 2019	72,735,871	7,273.59
Add : Issued during the year	—	—
Less : Bought back during the year	—	—
Balance at 31st March, 2020	72,735,871	7,273.59
Add : Issued during the year	—	—
Less : Bought back during the year	—	—
Balance at 31st March, 2021	72,735,871	7,273.59

#### b) Terms / rights attached to equity shares

The Company has a single class of equity shares having a face value of ₹10 per share. Each shareholder 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 shareholders holding more than 5% shares

	As at 31st March, 2021		As at 31st March, 2020	
	No of shares held	% holding of this class of shares	No of shares held	% holding of this class of shares
<b>Fully paid equity shares</b>				
Vyomesh Mahipatray Shah	7,565,000	10.40%	7,540,000	10.37%
Hemant Mahipatray Shah	5,470,000	7.52%	5,470,000	7.52%
Hemant Mahipatray Shah (HUF)	4,980,500	6.85%	4,980,500	6.85%
Kushal Hemant Shah	4,263,739	5.86%	4,263,739	5.86%
Vyomesh Mahipatray Shah (HUF)	3,925,000	5.40%	3,925,000	5.40%

#### Footnote:

2,53,48,450 number of shares (P.Y. 2,53,48,450) held by promoters (holding more than 5%) pledged against loan availed by the Company as on March 31, 2021.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (CONTD.)

### NOTE18. OTHER EQUITY

Securities premium reserve  
Debenture redemption reserve  
General reserve  
Retained Earning  
Capital Reserve  
Non Controlling Interest

#### Securities premium reserve

Balance at the beginning of the year

Add / (Less) :

Appropriations

On account of merger (Refer Note 40)

#### Balance at the end of the year

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.

#### Debenture redemption reserve

Balance at the beginning of the year

Add / (Less) :

Amount transferred to general reserve (Refer footnote c)

#### Balance at the end of the year

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

Add / (Less) :

Amount transferred from Debenture redemption reserve (Refer footnote c)

#### Balance at the end of the year

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.

#### Capital Reserve

Balance as per Last Financial Statements

Add / (Less) :

On account of merger (Refer Note 40)

#### Balance at the end of the year

Capital Reserves 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.

#### Retained Earnings

Balance at the beginning of the year

Prior Period Adjustment (Refer footnote b)

Profit / (Loss) for the year

Adjustment w.r.t. amalgamation of certain subsidiaries

Items of OCI recognised directly in retained earnings

#### Balance at the end of the year

**Total**

As at 31st March, 2021 (₹ in lakhs)	As at 31st March, 2020 (₹ in lakhs)
67,225.30	67,225.30
2,459.15	4,659.15
31,987.06	29,787.06
29,529.50	41,573.57
2,704.42	2,704.42
<b>133,905.43</b>	<b>145,949.50</b>
67,225.30	64,379.05
—	2,846.25
<b>67,225.30</b>	<b>67,225.30</b>
4,659.15	4,659.15
<b>(2,200.00)</b>	—
<b>2,459.15</b>	<b>4,659.15</b>
29,787.06	29,787.06
<b>2,200.00</b>	—
<b>31,987.06</b>	<b>29,787.06</b>
2,704.42	5,785.21
—	(3,080.79)
<b>2,704.42</b>	<b>2,704.42</b>
41,573.57	48,340.97
131.43	(1,176.90)
<b>(12,047.67)</b>	<b>(6,074.07)</b>
—	413.77
<b>(127.83)</b>	<b>69.80</b>
<b>29,529.50</b>	<b>41,573.57</b>
<b>133,905.43</b>	<b>145,949.50</b>

#### Footnote:

- The Parent Company was not required and accordingly has not invested as at 31st March, 2021 any amount (at 31st March, 2020: ₹198.11 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.
- For the year ended March 2020, the company had consolidated certain subsidiaries based on management compiled financial statements. However, the audited financial statements for the year ended March 2020, had variations compared to the management compiled financial statements considered for consolidation. Accordingly, the impact of such variations have been adjusted as prior period adjustment to opening retained earnings.
- During the year the Parent company has repaid its entire dues to ILMs homepark Private Limited (Debenture holders) as per the OTS agreed and signed between the parties. Accordingly, the amount of reserve created and available in the debenture redemption reserve account has been transferred to General Reserve.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021 (CONTD.)

### NOTE 19. BORROWINGS

#### Non Current

##### Secured

	As at 31st March, 2021 (₹ in lakhs)	As at 31st March, 2020 (₹ in lakhs)
(i) Debentures		
22,50,000 (As at March 31, 2020: 40,00,000) Compulsorily convertible debentures of the face value of ₹ 100/- each (Refer footnote a)	2,250.00	4,000.00
NIL (As at March 31, 2020: 300) 0% Redeemable non-convertible debentures of the face value of ₹ 10,00,000 each (Refer Footnote b)	—	1,373.93
1,000 (As at March 31, 2020: Nil) Secured, Redeemable Non convertible debentures of the face value of ₹10,00,000/- each (Refer Footnote c)	10,000.00	—
(ii) Term Loans		
— From banks [Refer footnote d and j(1)]	21.93	9.86
— From a Company [Refer footnote e and j(3)]	7,963.31	6,626.27
— From financial institutions [Refer footnote f and j(2)]	25,595.72	29,225.14
	45,830.96	41,235.20
(iii) Other Loans		
1,12,500 (As at March 31, 2020: 1,12,500) 10% Non Cumulative Non-Convertible Redeemable Preference Shares of ₹ 100/- each fully paid up (Refer Footnote g)	35.85	32.60
— Loan from Others (Refer Footnote h)	0.83	5.40
	45,867.65	41,273.21

##### Unsecured

— Loan from Others

Less: Transferred to Current Maturities		
Of Long Term Debentures		
Of Long Term Loan from Banks	(7.68)	(5.72)
Of Long Term Loan from Financial Institutions	(15,380.56)	(18,251.01)
Of Long Term Loan from Companies	(7,588.96)	(6,805.60)
Of Long Term Loan from Others	(0.83)	(4.59)
	(22,978.03)	(25,066.92)
<b>Total</b>	<b>28,215.75</b>	<b>21,245.17</b>

#### Footnotes:

- 17.75% Debentures of ₹2,250 Lacs have a term of 84 months from issue date (2,50,000 debentures issued on 01/02/2013 and 20,00,000 debentures issued on 10/06/2013) same can be converted into Class "B" Shares in whole or in part at the option of the investor but not before expiry of 36 months. The term has been further extended for a period of 36 months. Further, during the year the Company has redeemed 17,50,000 nos. of Debenture aggregating to ₹17,50,00,000.
- The Debentures shall be redeemed at a premium such that the Debenture Holders earn an IRR of 22% on Subscription Amount. If Issuer commits a default in payment of Redemption Amount or Amounts Due or in redemption of Debenture (including Target Return thereupon) for two consecutive months, then the Debenture Holder shall have the right to exchange/convert (the "Conversion Option"), as its option, the whole or part of the defaulted amount of the outstanding Debentures into 100% of the equity shares of the Issuer. These debentures are secured by personal guarantees of the promoters of Hubtown Limited. Further secured by pledge of unencumbered equity shares valued at Rs. 50 Million of Parent Company.
- Secured Redeemable Non-Convertible Debentures of Face Value of ₹ 10,00,000/- will redeem at 20% IRR calculated on the face value of the debentures and for tenure of 42 months from the date of allotment. The debentures are secured by all right title interest benefits, entitlements including substitutions rights in the Project being constructed on all those part and parcel of land admeasuring 1,13,924 sq mts on plot bearing CTS No 469-A, Village Chembur, Mumbai - 400071.
- Secured term loans from banks carry interest rates within a range of 7.74 % to 16.60 %. The said loan's are overdue and disclosed in Other financial liabilities-Current. The nature of securities are:

	Name of lenders	Security Offered (Further secured by personal guarantee of one or more promoters)
1	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.
2	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.
3	ICICI Car Loan	i. Vehicle loan secured against the vehicles

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (CONTD.)

### NOTE 19. (Contd.)

- e. UCO Bank has transferred the Loan amount including interest thereon amounting to ₹ 18,287.94 lakhs as on 31.03.2017 to the third party "Invent Asset Securitisation & Reconstruction Private Limited (Company)" vide letter dated 11.04.17. The said loan has been settled at ₹ 15,500 lakhs via letter dated 27.11.2017 from Invent Asset Securitisation & Reconstruction Private Limited (company). The loan carries 0% interest rate and repayable within 5 years and have been measured at fair value. The loan is secured against Property located at Mulund, Thane and Andheri (East) and also first charge on lease rent receivable from said Premises.
- f. (i) Secured loan from Indiabulls Housing Finance Limited (financial institution) carries IRR of 24%. This loan is secured against mortgage of property of the Company located at Andheri (East) along with the personal guarantee of promoters.
- (ii) Secured Vehicle loans from financial institution, which carry interest rate @ 7.45 % p.a and are repayable by November, 2024
- (iii) An amount of ₹10,197.20 Lakhs carry interest rate at 21% p.a repayable in quarterly installment starting from 30th September 2019. This amount is secured by mortgage of land and structures on project located in Andheri (East), Matunga, Kelavali, Ghodivali, Raigad, Mulund, Khalapur and Majiwade; first charge by way of over the receivable and escrow account collection from above project; 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 Builder Private Limited, Citygold Education Research Limited held by Hubtown Limited and pledge of 70,00,000 shares of Hubtown Limited.
- g. 10% Non-Cumulative Redeemable Preference Shares for ₹ 10/- each. The said preference shares will be redeemed at par at the end of 10 years from the date of allotment or before at the option of the Company in one or more tranches. The Preference shares will be qualified for preferential payment of dividend. As per the second proviso to Section 47(2) of the Companies Act, 2013 where the dividend in respect of a class of preference shares has not been paid for a period of two years or more such class of preference shareholders have a right to vote on all the resolutions placed before the meeting. The preference shares have been classified as a financial liability as per Ind AS 32 and 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.
- h. Secured loans of ₹ 0.83 lakhs are vehicle loans from others, which carry interest rates within a range of 9.5% - 11% and are repayable by May, 2021. The same has been subsequently repaid.
- i. **Details of repayment of long term borrowings are as follows :**

Particulars	*Up to 1 year	2 to 5 years	Above 5 years	Total
Debenture	—	12,250.00	—	12,250.00
Term loans from Banks *	11,169.03	14.25	—	11,183.28
Term loans from Company \$	7,588.96	374.35	—	7,963.31
Term loan from Financial Institution #	15,380.56	10,215.16	—	25,595.72
Loan from Others	0.83	35.85	—	36.68
<b>Total</b>	<b>34,139.37</b>	<b>22,889.60</b>	<b>—</b>	<b>57,028.98</b>

\* Including overdue amounts

\$ Measured at fair value

# Measured at amortized cost (net of transaction cost)

- j. **Period and amount of continuing default as on balance sheet date in repayment of term loans and interest :**

Particulars	31st March, 2021		31st March, 2020	
	₹ in lakhs	Period	₹ in lakhs	Period
<b>1) Term loans from Banks</b>				
Overdue instalments	11,161.35	Before Apr 17	11,629.42	Before Apr 17
Interest	3,107.12	Before Apr 17	3,108.02	Before Apr 17
Interest	1,735.42	April 19 to Mar 20	1,735.42	April 19 to Mar 20
Interest	1,557.95	April 20 to Mar 21	—	
<b>Total</b>	<b>17,561.84</b>		<b>16,472.86</b>	
<b>2) Term loan from Financial Institution</b>				
Overdue installments	10,197.20		709.51	Jan to Mar 20
Interest	—		68.46	Jan to Mar 20
<b>Total</b>	<b>10,197.20</b>		<b>777.97</b>	
<b>3) Term loan from Company</b>				
Overdue installments	—		3,088.62	April to Mar 20
<b>Total</b>	<b>—</b>		<b>3,088.62</b>	

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (CONTD.)

### NOTE 19. BORROWINGS (Contd.)

	As at 31st March, 2021 (₹ in lakhs)	As at 31st March, 2020 (₹ in lakhs)
<b>Current</b>		
<b>Secured</b>		
(i) Working Capital Loan from Bank (Refer footnote a and Note 15)	2,069.37	1,729.52
(ii) Loans from Financial Institutions (Refer footnote b and f)	2,398.39	2,037.13
(iii) Loans repayable on demand:		
— From Companies (Refer footnote c & d)	4,864.51	5,050.55
	<b>9,332.27</b>	<b>8,817.20</b>
<b>Unsecured</b>		
Loans repayable on demand:		
— From Related Party	—	—
— From Companies (Refer footnote e)	15,459.99	14,420.89
— Loan from Others (Refer Footnote g)	42.88	44.63
	<b>15,502.87</b>	<b>14,465.52</b>
<b>Total</b>	<b>24,835.14</b>	<b>23,282.72</b>

#### Footnote:

- Working capital loan from bank carries interest rate of 19.30% (31st March, 2020: 19.30%). 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. The said account of the Company has been attached by the Maharashtra State CID in connection with ongoing case with regards to a commercial transaction with an erstwhile associate company. [ Refer Note 33(ii)(c)]
- Secured loan from financial institution carries average interest rate of 16.50%. This loan is secured against pledge of equity shares in the Parent Company held by the promoters along with personal guarantee of promoters and mortgage of premises in the project located at Andheri (East) and Land situated at Uran, District Raigad and Kopari, Thane.
- Secured loans from companies carry interest rate from range of 9.60% to 18.00% and are repayable on demand. However, loan from a company amounting to ₹ 2837.50 lakhs (As at 31st March, 2020: ₹ 2837.50 lakhs) is interest free. These Loans are secured against mortgage of unsold area of the commercial project at Andheri (East) and Jogeshwari (East) and secured against pledge of equity shares in the Company held by the promoters.
- Secured loan of Dena Bank has become NPA and has assigned the loan amount including interest thereon amounting to ₹ 2,100 lakhs as on 28th November, 2018 to a third party "International Asset Reconstruction Company Private Limited (IARC)" vide letter dated 24th December, 2018. The loan is secured against properties located at Mumbai. The said loan liability has been shown under secured loan from companies and finalisation of terms of loan is under process. The Company has provided for the interest on the amount of loan assigned to IARC at the Interest rate of 9.60% charged by the Dena Bank on initial Term loans.
- Unsecured loans from companies and others carry interest rates within a range of 15% to 27% and are repayable on demand. (Refer footnote a to Note 29)
- Period and amount of default as on Balance Sheet date in repayment of term loans and interest :

Particulars	31st March, 2021		31st March, 2020	
	( ₹ in lakhs)	Period	( ₹ in lakhs)	Period
Loans from Financial Institutions				
Overdue instalments	2,398.39	Feb 19 to Mar 21	2,037.13	Feb 19 to Mar 20
Interest (Net of TDS)	514.95	Mar 19 to Mar 21	594.06	April to Mar 20
	<b>2,913.34</b>		<b>2,631.19</b>	

- Loan from others include certain deposits inherited by the Parent company in earlier years due to merger of its erstwhile partnership firms Akruiti Jay Developer and Akruiti Kailash Constructions with the company. The Management is of the opinion that since these deposits were not received directly by the Parent Company, they do not attract any of the provisions relating to the Companies (Acceptance of Deposits) Rules 2014 as amended. The Company is in the process of repaying the same.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021 (CONTD.)

### NOTE 20. OTHER FINANCIAL LIABILITIES

#### Non-current

	As at 31st March, 2021 (₹ in lakhs)	As at 31st March, 2020 (₹ in lakhs)
Retention money payable (Refer Footnote c)	528.28	761.24
Lease deposits from tenants	58.98	594.93
Advance Lease Rentals	5.05	47.74
Advance Finance Income (Refer Footnote (e) to Note 19 Non Current Borrowings)	3,963.32	1,835.75
Other Payables	18.74	15.63
Lease Liability (IndAS 116)	9.68	73.43
On account of Shares with Differential Voting Rights	3,208.30	3,208.30
<b>Total</b>	<b>7,792.35</b>	<b>6,537.02</b>

#### Current

Current maturities of long-term debts (Refer Note 19)	22,978.02	25,066.91
Interest accrued and due on borrowings	15,403.33	14,469.72
Interest accrued but not due on borrowing	9.23	228.81
Overdue Term Loan from Banks (Refer Footnote d and j(1) to note 19 Non-Current Borrowings)	11,161.35	11,629.42
Overdue loan from company (Refer Footnote i(3) to note 19 Non-Current Borrowings)	—	3,088.62
Retention money payable	966.75	352.91
Unpaid matured debentures and interest accrued thereon (Refer footnote a and b)	—	1,441.67
Unclaimed/unpaid dividends	0.01	0.50-
Current account balance in firms and joint venture (Refer Note 34)	1,018.15	2,469.77
Business advance received (including related parties)	—	14.87
Advance received from others	6,434.00	6,435.88
Security deposits (Refundable)	5,538.47	12,676.58
Advance Finance Income(Refer Footnote (e) to Note 19 Non Current Browings)	1,366.66	2,447.67
Advance Lease Rentals	32.63	37.15
Other payables (Refer Footnote d)	79,151.78	77,396.68
<b>Total</b>	<b>144,060.38</b>	<b>157,757.16</b>

#### Footnotes:

- During the year the company has repaid all of its unpaid matured debentures in accordance with the OTS signed between the parties. The waiver of outstanding balance thereon has been considered as income. Refer foot note (i) to Note 24.
- Period and amount of default as on the Balance Sheet date in respect of matured debentures and interest accrued thereon :

	31 March, 2021		31 March, 2020	
	(₹ in lakhs)	Period	(₹ in lakhs)	Period
<b>Overdue Instalments:</b>				
10,000 (As at 31st March, 2020: 10,000) Redeemable non-convertible debentures of the face value of ₹ 100,000/- each	—		1,320.71	31-03-2018
<b>Interest :</b>				
10,000 (As at 31st March, 2020: 10,000) Redeemable non-convertible debentures of the face value of ₹ 100,000/- each	—		120.96	31-03-2018
<b>Total</b>	—		1,441.67	

- Retention Money liability to the contractors which are not due for payment as at 31st March, 2021 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 and hence retention liability has not been discounted as on 31st March, 2021.
- Other Payable includes an amount of ₹ 48,171.95 (As at 31st March, 2020: ₹ 49,063.71 lakhs) due to Ashok Commercial Enterprises. The party has instituted commercial summary Suit No. 1532 of 2018 in the High Court of Judicature at Bombay against the Company. The Company has filed its response/defence to the same before the Honorable High court.





## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021 (CONTD.)

	Year ended 31st March, 2021 (₹ in lakhs)	Year ended 31st March, 2020 (₹ in lakhs)
<b>NOTE 24. REVENUE FROM OPERATIONS</b>		
<b>Sale from operations :</b>		
Sale of properties / rights in projects (Net) (Refer footnote b)	18,639.88	12,526.59
Revenue from sale of Trading Materials	119.63	624.29
Profit on sale of investments developing real estate projects (Refer Footnote c & j to note 7 and Note 34)	4,687.65	3,036.80
Project Management Consultancy Service	500.00	200.00
Share of Profit from Partnership Firm	(17.24)	(323.39)
	<b>23,929.92</b>	<b>16,064.29</b>
<b>Other operating revenue :</b>		
Income on investments in Joint ventures developing real estate projects (Refer footnote a and Note 34)	649.75	1,983.62
Unwinding of Interest free loans	47.61	41.85
Lease rentals	663.08	1,123.79
Amortisation of lease rentals	—	0.00
Sundry credit balances appropriated	208.12	1,781.08
Liabilities written back to the extent no longer required	743.58	4,245.45
Income from security number plates	160.90	
Provision for doubtful debts and diminution written back	1.54	214.40
Advances Written off in earlier year Recovered	64.56	1,590.61
Miscellaneous Income	139.26	227.46
	<b>2,678.40</b>	<b>11,208.26</b>
<b>Total</b>	<b>26,608.32</b>	<b>27,272.55</b>

### Footnotes:

- The Company has not recognised finance income amounting to ₹ 31,189.67 lakhs (For 2019-20: ₹ 26,209.80 lakhs) from Deep Discount Bonds held in one of its joint venture entities as the terms of the said Bonds relating to tenure of the Bonds and redemption premium are under negotiation with the issuer.
- Sale of Properties is net of ₹ 188.72 lakhs (For 2019-20: ₹ 109 lakhs) on account of reversal of revenue recognised in previous year.
- Due to COVID outbreak, the management is uncertain on recoverability of lease rentals. 100% provision for the same is created
- Revenue from sale of properties does not include possession letter issued but possession not taken by the customers, amounting to ₹ 753.87 lakhs

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (CONTD.)

### NOTE 25. OTHER INCOME

Interest Income:

	Year ended 31st March, 2021 (₹ in lakhs)	Year ended 31st March, 2020 (₹ in lakhs)
— Debentures	—	98.79
— Loans	855.04	31.92
— Bank fixed deposits	165.38	136.52
— Interest Income on financial asset at amortised cost	1,651.24	—
— Others	169.37	86.91
Income on account of OTS (Refer footnote i)	741.67	—
Interest write back	251.82	200.56
Interest income on financial liabilities measured at fair value (Refer Footnote e to Note 19 Non Current Borrowings)	—	2,457.44
<b>Total</b>	<b>3,834.52</b>	<b>3,012.14</b>
Surplus on sale / discardment of fixed assets (Net)	706.70	611.17
Gain on sale of investments	0.63	—
Gain on foreign currency fluctuation (Net)	—	5.17
Gain on Investments measured at FVTPL	12.47	0.55
Sundry creditors balance written back	0.75	—
Liabilities/Advance written back	—	79.71
	720.55	696.60
Miscellaneous income	42.44	136.67
<b>Total</b>	<b>4,597.51</b>	<b>3,845.41</b>

### Footnotes:

- (i) Income on account of OTS pertains to waiver of balance amount of ₹ 741.67 lakhs (For 2019-20: ₹ Nil) by ILMS Home Park Private Limited pursuant to signing of OTS arrangement between the parties.

### NOTE 26. COSTS OF CONSTRUCTION / DEVELOPMENT

Construction costs incurred during the year

	Year ended 31st March, 2021 (₹ in lakhs)	Year ended 31st March, 2020 (₹ in lakhs)
Land / rights acquired	1,934.12	2,914.98
Material and labour costs	4,831.74	8,822.55
Approval and consultation expenses	1,857.81	1,856.27
Other direct development expenses	1,316.94	1,470.12
<b>Total</b>	<b>9,940.61</b>	<b>15,063.92</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (CONTD.)

	Year ended 31st March, 2021 (₹ in lakhs)	Year ended 31st March, 2020 (₹ in lakhs)
<b>NOTE 27. CHANGES IN INVENTORIES OF INCOMPLETE PROJECTS, FINISHED PROPERTIES AND FSI</b>		
Opening Inventory :		
Stock at Site	123.93	—
Trading Material	34.42	—
Transferable Development Rights (TDR)	1,484.60	—
Floor Space Index (FSI)	8,976.27	126.26
Incomplete Projects	162,243.44	146,863.01
Finished Properties	7,564.16	672.60
	<b>180,426.82</b>	147,661.87
Add / (Less):		
Project expenses written off	—	(1,174.92)
Loss on account of NRV of Inventory (Refer Footnote d to Note 31)	(5,044.27)	(8,389.18)
Opening Stock Adjustment	(1,872.57)	(3,825.43)
on account of Aquisition of Subsidiary / Disolution of Partnership Firm	466.61	25,840.67
	<b>173,976.59</b>	160,113.00
Closing Inventory :		
Stock at Site	42.36	123.93
Floor Space Index (FSI)	8,976.27	8,976.27
Transferable Development Rights (TDR)	1,484.60	1,484.60
Trading Material	33.71	34.42
Incomplete projects	152,919.47	162,243.44
Finished Properties	10,149.96	7,564.16
	<b>173,606.37</b>	180,426.82
<b>Total</b>	<b>370.22</b>	(20,313.82)
<b>NOTE 28. EMPLOYEE BENEFITS EXPENSE</b>		
Salaries, bonus, etc.	766.71	2,208.02
Contribution to provident and other funds	99.23	168.09
Staff welfare expenses	40.91	23.81
Other fund expenses	3.36	4.45
<b>Total</b>	<b>910.21</b>	2,404.37

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (CONTD.)

### NOTE 29. FINANCE COSTS

Interest costs:-

	Year ended 31st March, 2021 (₹ in lakhs)	Year ended 31st March, 2020 (₹ in lakhs)
Interest on Debentures	4,373.94	246.29
Interest on Fixed loans	3,252.88	10,049.36
Unwinding of security deposit	45.75	34.42
Interest Expense on financial liabilities measured at fair value (Refer Footnote e to Note 19)	2,451.03	2,422.29
Loan Processing Fees/ Other Borrowing Cost	131.41	—
Other interest expense and Finance Charges	100.66	1,248.34
Delayed/penal interest on loans and statutory dues	154.48	132.67
Less: Finance Cost Capitalised to Capital Work in Progress	—	(239.50)
<b>Total</b>	<b>10,510.15</b>	<b>13,893.87</b>

### Footnote:

- The Parent Company has not provided for interest amounting to ₹ 33,395.93 lakhs (For 2019-20 : ₹ 28,366.53 lakhs) on certain corporate deposits as the Company is in the process of re-negotiating the terms / waiver of interest by respective lenders. In this regard, the Company has held various meetings with the respective lenders and is hopeful of amicable settlement in the near future.
- In line with IND AS-23 'Borrowing Costs' issued by The Institute of Chartered Accountants of India, borrowing costs of ₹ 2,386.42 lakhs (For 2019-20: ₹ 7,544.14 lakhs) have been capitalised to inventory

### NOTE 30. DEPRECIATION AND AMORTISATION EXPENSES

	Year ended 31st March, 2021 (₹ in lakhs)	Year ended 31st March, 2020 (₹ in lakhs)
Depreciation of property, plant and equipment	210.11	283.39
Amortization of intangible assets	3.64	3.64
Depreciation of investment property	149.78	149.63
<b>Total</b>	<b>363.53</b>	<b>436.65</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (CONTD.)

### NOTE 31. OTHER EXPENSES

	Year ended 31st March, 2021 (₹ in lakhs)	Year ended 31st March, 2020 (₹ in lakhs)
Insurance	58.60	43.35
Rent	63.21	194.08
Rates and taxes	297.00	298.44
Advertisement expenses	263.32	435.81
Advances and other debit balances written off (Refer Footnote a and note 34)	1,582.66	1,468.80
Donations	49.55	18.50
Bad Debts	0.02	32.33
Corporate Social Responsibility (CSR) activities ( Refer Note b)	—	—
Brokerage	146.35	308.46
Directors' fees and travelling expenses	15.37	28.42
Commission to non-executive directors	—	15.00
Reduction in value of rights sold in earlier years	10,500.00	—
Land Record Charges	896.76	—
Provision for doubtful debts and advances (Refer footnote c)	—	7,047.53
Repairs and society maintenance charges	129.74	176.84
Legal and professional fees	831.02	619.95
Provision for doubtful debts	557.45	—
Prospective projects written off	—	1,174.92
Loss on Foreign Currency fluctuation (Net)	2.97	—
Loss on account of NRV of Finished properties	5,044.27	—
Loss on account of NRV of FSI	—	8,389.18
Other expenses	1,518.74	1,624.27
<b>Total</b>	<b>21,957.03</b>	<b>21,875.88</b>

#### Footnote:

- The Company has given advances to certain companies towards potential interest in their projects. Due to cancellation of approvals, continuing losses and no movement in the project status, in the opinion of the management such advances/ receivables aggregating ₹ 1545.05 lakhs (for F.Y 2019-20 ₹ 1060.41 lakhs) being non- recoverable were written off during the year.
- CSR amount required to be spent as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof by the Parent Company during the year is ₹ 32.34 Lakhs (Previous Year ₹ 16.65 lakhs), the actual amount spent during the year is ₹ 35 lakhs (Previous year ₹ NIL lakhs) for the purpose other than construction/acquisition of an asset.
- In the opinion of the Management certain advances made by the Parent Company for Business purposes have not yielded the desired results and are doubtful of recovery. Hence, the Parent Company has made necessary provision in respect of these advances. However, the Company shall continue to make all efforts for their recovery.
- Incomplete Projects as at 31 March, 2021 have been written down to their Net Realizable Values on account of which company has recognized loss on diminution in value for one of its project to the extent of ₹ 5,044.27 Lakhs. The same has been debited to the Statement of Profit and Loss during the 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, 2021 (₹ in lakhs)	Year ended 31st March, 2020 (₹ in lakhs)
(16.56)	(8.35)
(12,047.67)	(6,074.07)
72,735,871	72,735,871

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021 (CONTD.)

	Year ended 31st March, 2021 (₹ in lakhs)	Year ended 31st March, 2020 (₹ in lakhs)
<b>NOTE 33. CONTINGENT LIABILITIES (NOT PROVIDED FOR)</b>		
(A) Claims against the Company, not acknowledged as debts on account of:—		
(i) Income Tax, Service Tax and MVAT matters under Appeal	<b>14,049.56</b>	5,506.51
(ii) Towards pending legal cases	<b>97,074.53</b>	120,197.66
(B) On account of properties purchased 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.	<b>Amount not determinable</b>	Amount not determinable
(C) 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.)	<b>22,492.56</b>	111,662.92
(D) Other commitments :		
(i) Bank Guarantees against various projects	<b>1,116.93</b>	1,350.22
(ii) Towards amounts to be deposited against undertaking given to the Hon'ble Sessions Court (Refer footnote a to Note 19 Current Borrowings)	—	5,900.00
(iii) PWD Premium towards Additional FSI	<b>12,960.00</b>	12,960.00
(E) Disputes and differences has arisen between the company (as promoters of one of the joint venture namely Rate Townships Private Limited) and investors (IL&FS and IIRF) on the issue of exercising put option by the investor which the promoters has declined/denied. The investors has invoked Arbitration clause of share subscription and shareholders agreement on the said matter.	<b>Amount unascertainable</b>	Amount unascertainable
F) Workmen's liability of earstwhile, Hindoostan Spinning and Weaving Mills Limited (Refer Foot note d)	—	12.67
G) Chief Controlling Revenue Authority (Refer Foot note e)	—	3,021.31
H) Civil construction works is mainly on account of Rate Escalation in rehabilitation buildings	<b>112.50</b>	112.50

### Footnote:

- Interest / penalty that may accrue on original demands are not ascertainable, at present. The Parent 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 Parent 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 Parent 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 Parent 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 Parent Company are basically to provide comfort by the Parent 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.
- The Management certifies that other than the above, the group does not have any claims made against it, which have not been acknowledged as its debts.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021 (CONTD.)

### NOTE 34. RELATED PARTIES DISCLOSURES

A. Names of related parties and description of relationship			Country of Incorporation	Companies holding as at (%)	
				31st March, 2021	31st March, 2020
<b>I.</b>	<b>Associates</b>				
	1	Giraffe Developers Private Limited	India	<b>49.00%</b>	49.00%
	2	Shubhsiddhi Builders Private Limited	India	<b>50.00%</b>	50.00%
	3	Vinca Developer Private Limited	India	<b>49.00%</b>	49.00%
	4	Whitebud Developers Limited	India	<b>50.00%</b>	50.00%
	5	Rubix Trading Private Limited [Subsidiary Of Vinca]	India	—	—
<b>II.</b>	<b>Joint Ventures</b>				
	1	Akruti GM Joint Venture	India	<b>77.00%</b>	77.00%
	2	Akruti Jay Chandan Joint Venture	India	—	50.00%
	3	Hubtown Bus Terminal (Adajan) Private Limited	India	<b>45.00%</b>	45.00%
	4	Hubtown Bus Terminal (Ahmedabad) Private Limited	India	<b>45.00%</b>	45.00%
	5	Hubtown Bus Terminal (Mehsana) Private Limited	India	<b>45.00%</b>	45.00%
	6	Hubtown Bus Terminal (Vadodara) Private Limited	India	<b>45.00%</b>	45.00%
	7	Joyous Housing Limited	India	<b>25.00%</b>	25.00%
	8	Rare Townships Private Limited	India	<b>40.00%</b>	40.00%
	9	Rising Glory Developers	India	<b>25.00%</b>	75.00%
	10	Shreenath Realtors (under the process of dissolution)	India	—	—
	11	Sunstream City Private Limited	India	<b>40.67%</b>	43.00%
	12	Twenty Five South Realty Limited (Up to 29-06-2020)	India	—	61.27%

### III. Key management personnel

- 1 Mr. Hemant M. Shah, Executive Chairman
- 2 Mr. Vyomesh M. Shah, Managing Director
- 3 Mr. Sunil Mago, Chief Financial Officer
- 4 Mr. Sadanand Lad, Company Secretary

### IV. Non Executive directors over which they are able to exercise significant influence (where transaction have taken place)''

- 1 Sunil C Shah
- 2 Abhijit B Datta
- 3 Priti K Shah
- 4 Kartik Shantilal Ruparel [From 15/09/2020]
- 5 Ketaki Rajat Shah [From 15/09/2020]



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021 (CONTD.)

### NOTE 34. RELATED PARTIES DISCLOSURES AS PER IND AS 24 (Contd.)

#### A. Names of related parties and description of relationship (Contd.)

##### V. Relatives of key management personnel

- 1 Mrs. Kunjal H. Shah, Wife of Executive Chairman
- 2 Mrs. Falguni V. Shah, Wife of Managing Director
- 3 Mr. Rushank V. Shah, Son of Managing Director
- 4 Mr. Khilen V. Shah, Son of Managing Director
- 5 Mr. Kushal H. Shah, Son of Executive Chairman
- 6 Mrs. Nutan Dhanki, Sister of Executive Chairman and Managing Director
- 7 Mrs. Hemanti Parekh, Sister of Executive Chairman and Managing Director
- 8 Hemant M. Shah HUF- Karta Executive Chairman
- 9 Mrs. Pratiti K. Shah, Daughter in Law of Managing Director
- 10 Mrs. Meha R. Shah, Daughter in Law of Managing Director
- 11 Mrs. Aishwarya K. Shah, Daughter in Law of Executive Chairman
- 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

##### VI. Enterprises where key management personnel or their relatives exercise significant influence

(Where transactions have taken place)

- 1 Adhivitiya Properties Limited
- 2 Buildbyte. Com. (India) Private Limited
- 3 Citygold Management Services Private Limited
- 4 E Commerce Magnum Solution Limited
- 5 Fourjone Realtors Private Limited
- 6 Heet Builders Private Limited
- 7 Helictite Residency Private Limited
- 8 Hubtown Solaris Maintenance Private Limited
- 9 Powersoft IT Private Limited
- 10 Starzone Developers Private Limited
- 11 Trans Gulf MEP Engineers Private Limited
- 12 Vishal Nirman (India) Limited
- 13 Hogmanay Niharika Buildings Limited
- 14 Wellgroomed Venture
- 15 Hill view Venture

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021 (CONTD.)

### NOTE 34. RELATED PARTIES DISCLOSURES AS PER IND AS 24 (Contd.)

#### B. Transactions with Related Parties

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 (Up to 29-06-2020)	— (—)	— (650.00)	— (—)
	Joyous Housing Limited	— (—)	— (—)	— (—)
	E Commerce Magnum Solution Limited	— (—)	— (—)	— (50.00)
	Vinca Developer Private Limited	1.54 (500.00)	— (—)	— (—)
	Heet Builders Private Limited	— (—)	— (—)	0.10 (2,639.00)
	Rubix Trading Private Limited	— (2,350.00)	— (—)	— (—)
ii.	<b>Loans and Advances given/ repaid/adjusted</b>			
	Twenty Five South Realty Limited (Up to 29-06-2020)	— (—)	831.95 (1,342.48)	— (—)
	Kunjal Hemant Shah	— (—)	— (—)	— (88.19)
	Hemant M. Shah (HUF)	— (—)	— (—)	— (30.00)
	Vinca Developer Private Limited	0.50 (500.00)	— (—)	— (—)
	Joyous Housing Limited	— (—)	27.31 (—)	— (—)
	Heet Builders Private Limited	— (—)	— (—)	36.97 (929.30)
iii.	<b>Business Advances received / recovered / adjusted</b>			
	Hubtown Bus Terminal (Ahmedabad) Private Limited	— (—)	150.70 (506.51)	— (—)
	Hubtown Bus Terminal (Adajan) Private Limited	— (—)	— (1,297.54)	— (—)
	Hubtown Bus Terminal (Mehsana) Private Limited	— (—)	34.35 (—)	— (—)
	Distinctive Realty Private Limited	— (—)	— (—)	— (262.83)
	High Scale Trading Private Limited	— (—)	— (—)	— (375.00)
	Citygold Management Services Private Limited	— (—)	— (—)	— (15.68)
	Vishal Nirman (India) Limited	— (—)	— (—)	— (3.00)

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021 (CONTD.)

### NOTE 34. RELATED PARTIES DISCLOSURES AS PER IND AS 24 (Contd.)

#### B. Transactions with Related Parties (Contd.)

Sr. No.	Nature of transaction	Associate companies	Joint Ventures	Key management personnel, their relatives and enterprises \$
	Adhivitiya Properties Limited	— (—)	— (—)	11.00 (540.00)
	Transgulf MEP Engineers Private Limited	— (—)	— (—)	— (8.72)
	Amazia Developer Private Limited	— (3,712.16)	— (—)	— (—)
	Fern Infrastructure Private Limited	— (—)	— (—)	— (22.54)
	Wellgroomed Venture	— (—)	— (—)	186.00 (1,270.72)
	Hubtown Bus Terminal (Vadodara) Private Ltd	— (—)	46.95 (—)	— (—)
	Helictite Residency Private Limited	— (—)	— (—)	4.72 (—)
	Whitebud Developers Limited	11.00 (—)	— (—)	— (—)
	Giraffe Developers Private Limited	9,587.61 (3,653.95)	— (—)	— (—)
iv.	<b>Business Advances given / repaid / adjusted</b>			
	Hubtown Bus Terminal (Ahmedabad) Private Limited	— (—)	898.47 (2,524.14)	— (—)
	Hubtown Bus Terminal (Adajan) Private Limited	— (—)	10.00 (1,462.50)	— (—)
	Hubtown Bus Terminal (Mehsana) Private Limited	— (—)	47.00 (117.25)	— (—)
	Hubtown Bus Terminal (Vadodara) Private Limited	— (—)	— (72.25)	— (—)
	Sunstream City Private Limited	— (—)	173.85 (149.28)	— (—)
	Whitebud Developers Limited	10.00 (—)	— (—)	— (—)
	Buildbyte.Com (India) Private Limited	— (—)	— (—)	— (5.00)
	Citygold Management Services Private Limited	— (—)	— (—)	70.63 (190.06)
	Adhivitiya Properties Limited	— (—)	— (—)	0.25 (10.50)
	Giraffe Developers Private Limited	5,514.52 (22,056.34)	— (—)	— (—)
	Vinca Developer Private Limited	— (1.00)	— (—)	— (—)
	Fern Infrastructure Private Limited	— (—)	— (—)	— (2.76)

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021 (CONTD.)

### NOTE 34. RELATED PARTIES DISCLOSURES AS PER IND AS 24 (Contd.)

#### B. Transactions with Related Parties (Contd.)

Sr. No.	Nature of transaction	Associate companies	Joint Ventures	Key management personnel, their relatives and enterprises \$
	Distinctive Realty Private Limited	— (—)	— (—)	— (0.50)
	Gallant Infotech Private Limited	— (34.94)	— (—)	— (—)
	Amazia Developer Private Limited	— (2,464.13)	— (—)	— (—)
	Wellgroomed Venture	— (—)	— (—)	222.91 (697.50)
	Hubtown Bus Terminal (Vadodara) Private Ltd	— (—)	65.40 (—)	— (—)
	Vishal Nirman (India) Limited	— (—)	— (—)	5.25 (—)
	Sheshan Housing And Area Development Engineers Limited	— (—)	— (—)	— (2.85)
<b>v.</b>	<b>Contribution in Partner's Current Account</b>			
	Celeste JV	— (—)	— (722.72)	— (—)
	Rising Glory Developers	— (—)	7,993.40 (11,140.98)	— (—)
	Akruti Jay Chandan JV	— (—)	— (424.99)	— (—)
	Sunstone Developers JV	— (—)	— (2,906.99)	— (—)
	Akruti GM JV	— (—)	17.50 (7.75)	— (—)
<b>vi.</b>	<b>Amount Withdrawn from Partner's Current Account</b>			
	Akruti Jay Chandan JV	— (—)	— (19.78)	— (—)
	Rising Glory Developers	— (—)	3,304.67 (28,681.66)	— (—)
	Akruti GM JV	— (—)	10.00 (13.75)	— (—)
	Jairaj Developers - Unit 9	— (—)	— (25.40)	— (—)
	Celeste Jv	— (—)	— (1,337.72)	— (—)
	Sunstone Developers JV	— (—)	— (238.06)	— (—)

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021 (CONTD.)

### NOTE 34. RELATED PARTIES DISCLOSURES AS PER IND AS 24 (Contd.)

#### B. Transactions with Related Parties (Contd.)

Sr. No.	Nature of transaction	Associate companies	Joint Ventures	Key management personnel, their relatives and enterprises \$
vii.	<b>On behalf payments made ( Including reimbursement of expenses)</b>			
	Hubtown Bus Terminal (Mehsana) Private Limited	— (—)	— (31.36)	— (—)
	Sunstream City Private Limited	— (—)	2.34 (0.71)	— (—)
	Giraffe Developers Private Limited	1.14 (6.00)	— (—)	— (—)
	Buildbyte.Com (India) Private Limited	— (—)	— (—)	0.11 (—)
	Vinca Developer Private Limited	— (0.02)	— (—)	— (—)
	Fern Infrastructure Private Limited	— (—)	— (—)	— (0.13)
	Helictite Residency Private Limited	— (—)	— (—)	23.21 (4.01)
	Amazia Developer Private Limited	— (17.93)	— (—)	— (—)
	Citygold Management Services Private Limited	— (—)	— (—)	— (0.50)
	Primeria Joint Venture	— (—)	— (0.02)	— (—)
	Twenty Five South Realty Limited (Up to 29-06-2020)	— (—)	— (49.89)	— (—)
	Hill View Venture	— (—)	— (8.75)	— (—)
	Adhivitiya Properties Limited	— (—)	— (—)	4.49 (—)
	E Commerce Magnum Solution Limited	— (—)	— (—)	9.09 (—)
	Rare Townships Private Limited	— (—)	10.00 (—)	— (—)
	Heet Builders Private Limited	— (—)	— (—)	3.00 (7.16)
viii.	<b>On behalf payments received/adjusted</b>			
	Hubtown Bus Terminal (Adajan) Private Limited	— (—)	— (11.44)	— (—)
	Hubtown Bus Terminal (Mehsana) Private Limited	— (—)	— (1.23)	— (—)
	Falguni Shah	— (—)	— (—)	262.61 (184.10)

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021 (CONTD.)

### NOTE 34. RELATED PARTIES DISCLOSURES AS PER IND AS 24 (Contd.)

#### B. Transactions with Related Parties (Contd.)

Sr. No.	Nature of transaction	Associate companies	Joint Ventures	Key management personnel, their relatives and enterprises \$
	Hemant M. Shah	— (—)	— (—)	— (49.86)
	Khilen Shah	— (—)	— (—)	— (0.28)
	Rushank Shah	— (—)	— (—)	4.64 (16.21)
	Lata M. Shah	— (—)	— (—)	— (6.50)
	Heet Builders Private Limited	— (—)	— (—)	0.56 (—)
	Helictite Residency Private Limited	— (—)	— (—)	17.93 (—)
	Citygold Management Services Private Limited	— (—)	— (—)	— (121.96)
	Hubtown Solaris Maintenance Private Limited	— (—)	— (—)	— (2.34)
	Mahipatray V. Shah (HUF)	— (—)	— (—)	— (31.56)
ix.	<b>Redemption of Investments(Including Debentures)</b>			
	Amazia Developer Private Limited	— (4,800.00)	— (—)	— (—)
x.(a)	<b>Advance received against FSI</b>			
	Khilen Shah	— (—)	— (—)	— (71.70)
	Hill View Venture	— (—)	179.23 (534.28)	— (—)
x.(b)	<b>Advance received against FSI repaid</b>			
	Khilen Shah	— (—)	— (—)	100.15 (—)
	Falguni Shah	— (—)	— (—)	— (6.24)
	Kushal Shah	— (—)	— (—)	— (100.30)
	Rushank Shah	— (—)	— (—)	— (162.76)
	Sunstone Developers JV	— (—)	— (5,954.68)	— (—)
	Meha R. Shah	— (—)	— (—)	137.65 (484.65)
xi.	<b>Received against sale</b>			
	Sunstone Developers JV	— (—)	— (3,222.96)	— (—)

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021 (CONTD.)

### NOTE 34. RELATED PARTIES DISCLOSURES AS PER IND AS 24 (Contd.)

#### B. Transactions with Related Parties (Contd.)

Sr. No.	Nature of transaction	Associate companies	Joint Ventures	Key management personnel, their relatives and enterprises \$
<b>xii.</b>	<b>Sale of properties/rights/Material/services (Net of GST)</b>			
	Joyous Housing Limited	— (—)	500.00 (200.00)	— (—)
	Falguni Shah	— (—)	— (—)	— (0.47)
	Twenty Five South Realty Limited (Up to 29-06-2020)	— (—)	— (36.75)	— (—)
	Powersoft IT Private Limited	— (—)	— (—)	— (4.14)
	Akruti GM JV	— (—)	0.44 —	— (—)
	Hill View Venture	— (—)	— -(—)	0.44 (—)
	Vinca Developer Private Limited	— (1,060.00)	— (—)	— (—)
<b>xiii.</b>	<b>Interest income on loans/Debentures</b>			
	Twenty Five South Realty Limited (Up to 29-06-2020)	— (—)	286.06 (924.39)	— (—)
	Joyous Housing Limited	— (—)	89.95 (30.35)	— (—)
	Amazia Developer Private Limited	— (819.73)	— (—)	— (—)
<b>xiv.</b>	<b>Share of profit from Partnerships/Joint Ventures</b>			
	Akruti Jay Chandan JV	— (—)	1.20 (11.40)	— (—)
	Akruti Jay Developers	— (—)	— (116.02)	— (—)
	Rising Glory Developers	— (—)	— (1.97)	— (—)
	Shreenath Realtors	— (—)	0.53 (0.09)	— (—)
<b>xv.</b>	<b>Share of loss from Partnerships/Joint Ventures</b>			
	Akruti GM JV	— (—)	17.37 (442.10)	— (—)
	Rising Glory Developers	— (—)	0.53 (—)	— (—)
	Celeste JV	— (—)	— (14.23)	— (—)
<b>xvi.</b>	<b>Profit on Redemption of Investments(Including Debentures)</b>			
	Amazia Developer Private Limited	— (3,036.80)	— (—)	— (—)

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021 (CONTD.)

## NOTE 34. RELATED PARTIES DISCLOSURES AS PER IND AS 24 (Contd.)

### B. Transactions with Related Parties (Contd.)

Sr. No.	Nature of transaction	Associate companies	Joint Ventures	Key management personnel, their relatives and enterprises \$
xvii.	<b>Purchase of properties/rights/Material/services (Net of GST)</b>			
	Joynest Premises Private Limited	— (—)	— (—)	— (—)
	Brainpoint Infotech Private Limited	— (98.81)	— (—)	— (—)
xviii.	<b>Services received/availed</b>			
	Gallant Infotech Private Limited	— (20.04)	— (—)	— (—)
	Powersoft IT Private Limited	— (—)	— (—)	46.82 (72.82)
xix.	<b>Directors' Remuneration</b>			
	Hemant M. Shah	— (—)	— (—)	9.61 (88.09)
	Vyomesh M. Shah	— (—)	— (—)	9.01 (78.35)
xx.	<b>Commission to Non whole-time Directors</b>			
	Sunil C. Shah	— (—)	— (—)	— (4.00)
	Abhijit Datta	— (—)	— (—)	— (4.00)
	Priti K. Shah	— (—)	— (—)	— (4.00)
	Mahesh Ambalal Kuvadia	— (—)	— (—)	— (3.00)
xxi.	<b>Remuneration to Relatives of KMPs</b>			
	Rushank Shah	— (—)	— (—)	3.00 (27.03)
	Khilen Shah	— (—)	— (—)	3.00 (27.03)
	Kushal Shah	— (—)	— (—)	3.00 (17.68)
xxii.	<b>Advances/Other Debit balance written off</b>			
	Primeria Joint Venture	— (—)	— (6.40)	— (—)
	Adhivitiya Properties Limited	— (—)	— (—)	304.90 (—)
	Transgulf MEP Engineers Private Limited	— (—)	— (—)	0.14 (—)
	Starzone Developers Private Limited	— (—)	— (—)	0.35 (—)



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021 (CONTD.)

### NOTE 34. RELATED PARTIES DISCLOSURES AS PER IND AS 24 (Contd.)

#### B. Transactions with Related Parties (Contd.)

Sr. No.	Nature of transaction	Associate companies	Joint Ventures	Key management personnel, their relatives and enterprises \$
xxiii.	<b>Sundry Balances written back</b>			
	Vinca Developer Private Limited	1.02 (—)	— (—)	— (—)
	Ichha Constructions Private Limited	— (—)	— (—)	— (1,492.46)
xiv.	<b>Investment write off in Partnership/Joint Venture/Subsidiaries</b>			
	Hogmanay Niharika Buildings Limited	— (—)	— (—)	3.00 —
xxv.	<b>Corporate guarantees given for loans availed by others</b>			
	Hubtown Bus Terminal (Ahmedabad) Private Limited	— (—)	203.79 (—)	— (—)
	Joyneest Premises Private Limited	— (—)	10,957.19 (—)	— (—)
	Sunstream City Private Limited	— (—)	— (63.41)	— (—)
	Twenty Five South Realty Limited (Up to 29-06-2020)	— (—)	— (10,539.53)	— (—)
xxvi.	<b>Corporate Guarantees vacated for loans availed by others</b>			
	Hubtown Bus Terminal (Adajan) Private Limited	— (—)	— (1,511.62)	— (—)
	Hubtown Bus Terminal (Mehsana) Private Limited	— (—)	— (416.20)	— (—)
	Hubtown Bus Terminal (Vadodara) Private Limited	— (—)	939.91 (481.41)	— (—)
	Hubtown Bus Terminal (Ahmedabad) Private Limited	— (—)	— (356.15)	— (—)
	Rare Townships Private Limited	— (—)	— (365.43)	— (—)
	Giraffe Developers Private Limited	5,450.21 (—)	— —	— (—)
	Sunstream City Private Limited	46.17 (—)	— —	— (—)
	Twenty Five South Realty Limited (Up to 29-06-2020)	— (—)	85,955.37 —	— (—)

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021 (CONTD.)

### NOTE 34. RELATED PARTIES DISCLOSURES AS PER IND AS 24 (Contd.)

#### B. Transactions with Related Parties (Contd.)

	As at 31st March, 2021 (₹ in lakhs)	As at 31st March, 2020 (₹ in lakhs)
<b>Balances outstanding</b>		
<b>xxvii. Payables</b>		
<b>Associate companies</b>		
Brainpoint Infotech Private Limited	—	277.26
<b>Joint Ventures</b>		
Hill View Venture	4,089.34	3,910.44
Akruti Jay Developers	—	—
Akruti Jay Chandan Joint Venture	—	1,412.33
Akruti Kailash Constructions	—	—
<b>Key management personnel, their relatives and enterprises \$</b>		
Adhivitiya Properties Limited	6.26	—
Falguni Shah	260.84	—
Hemant Shah	8.58	6.38
Vyomesh Shah	10.00	5.69
Vishal Nirman (India) Pvt Ltd	—	48.34
Khilen Shah	—	100.15
Meha Shah	—	137.65
Rushank shah	0.02	6.39
Lata M. Shah	—	0.02
Helik Advisory Limited	—	0.12
Heet Builders Private Limited	0.53	—
Sunil C Shah	31.50	28.96
Abhijit B Datta	4.75	8.09
Priti K Shah	23.88	22.30
Shailesh G Hingarh	6.12	6.12
Transgulf MEP Engineers Private Limited	0.25	0.11
Powersoft It Private Limited [From 01-10-2019]	—	73.78

#### 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, 2021 (CONTD.)

### NOTE 34. RELATED PARTIES DISCLOSURES AS PER IND AS 24 (Contd.)

#### B. Transactions with Related Parties (Contd.)

	As at 31st March, 2021 (₹ in lakhs)	As at 31st March, 2020(₹ in lakhs)
<b>xxviii. Receivables*</b>		
<b>Associate companies</b>		
Whitebud Developers Limited	919.87	920.87
Vinca Developer Private Limited	—	0.02
Giraffe Developers Private Limited	9,412.42	13,484.37
<b>Joint Ventures</b>		
Hubtown Bus Terminal (Adajan) Pvt Ltd	3,049.25	3,039.25
Hubtown Bus Terminal (Ahmedabad) Pvt Ltd	3,117.04	2,301.88
Hubtown Bus Terminal (Vadodara) Pvt Ltd	421.35	402.90
Hubtown Bus Terminal (Mehsana) Private Limited	896.93	884.28
Joyous Housing Limited	1,179.27	1,057.12
Sunstream City Private Limited	1,738.12	1,561.71
Twenty Five South Realty Limited	6.59	3,789.34
Rising Glory Developers	4,855.61	302.40
Akruti GM JV	1,785.86	1,795.30
Sunstone Developers JV	1,415.25	1,406.62
Rare Townships Private Limited	1,365.00	1,355.00
<b>Key management personnel, their relatives and enterprises</b>		
Adhivitiya Properties Private Limited	—	304.90
Buildbyte.Com (India) Private Limited	91.69	91.58
Citygold Management Services Private Limited	70.65	91.17
Fern Infrastructure Private Limited	56.66	36.38
Lista City Private Limited	39.76	39.76
Powersoft IT Private Limited	9.78	-
Starzone Developers Private Limited	237.85	238.20
Distinctive Reality Pvt. Ltd	332.83	70.00
Helictite Residency Private Limited	1.03	1.00
Hubtown Solaris Maintance Private Limited	442.09	850.67
Hazel Erectors Private Limited	188.41	-
Falguni Shah	—	1.77
E Commerce Magnum Solution Limited	115.61	106.52
Heet Builders Private Limited	—	6,424.02

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021 (CONTD.)

### NOTE 34. RELATED PARTIES DISCLOSURES AS PER IND AS 24 (Contd.)

#### B. Transactions with Related Parties (Contd.)

Sr. No.	Nature of transaction	Associate companies	Joint Ventures	Key management personnel, their relatives and enterprises \$
xxix.	<b>Corporate guarantees given for loans availed by others (Amount outstanding there against)</b>			
	Hubtown Bus Terminal (Adajan) Private Limited	— (—)	1,620.75 ( 1,620.75)	— (—)
	Hubtown Bus Terminal (Mehsana) Private Limited	— (—)	2,828.57 (2,828.57)	— (—)
	Hubtown Bus Terminal (Vadodara) Private Limited	— (—)	3,009.36 (3,949.27)	— (—)
	Hubtown Bus Terminal (Ahmedabad) Private Limited	— (—)	5,473.17 (5,269.38)	— (—)
	Sunstream City Private Limited	— (—)	4,324.22 (4,370.39)	— (—)
	Twenty Five South Realty Limited (upto 29-06-2020)	— (—)	— (85,955.37)	— (—)
	Rare Townships Private Limited	— (—)	2,555.66 (2,555.66)	— (—)
	Giraffe Developers Private Limited	2,680.82 (5,113.53)	— (—)	— (—)
xxx.	<b>Personal Guarantee of Directors towards loans availed by the company</b>			
	Banks			16,472.86 (15,673.26)
	Debenture Trustees			1,441.67 (208.60)
	Financial Institution			19,493.38 (19,540.54)
	Company			16,474.63 (16,916.78)
xxxi.	<b>Guarantees / Securities given by way of shares in the Company pledged against loans availed by the Company</b>			2,785.27 (40,877.05)

#### 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.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021 (CONTD.)

### NOTE 35.

The Consolidated financial statements present the consolidated accounts of the Company with its Subsidiaries, Associates and Joint Ventures which incorporate Ackruti 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 IndAS 108. Further, the group operates within a single geographical segment.

### NOTE 36(A). 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, thus interest rate risk is limited for the Group.

##### b) **Foreign currency risk**

The Group has limited exposure 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, cash and cash equivalents and receivable from group companies.

- a) Receivables resulting from sale of properties: Customer credit risk is managed by requiring customers to pay advances before transfer of possession, therefore, substantially eliminating the Group's credit risk in this respect.
- b) Receivables resulting from other than sale of properties: Credit risk related to such receivables is managed as per Group Company's established policy, procedures and control. Outstanding customer receivables are regularly monitored. The impairment analysis is performed at each reporting date on an individual basis for major receivables. The Parent Company does not hold collateral as security. The Group Companies credit period generally ranges from 30 to 90 days.
- 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. Management monitors the Group's net liquidity position through rolling forecasts on the basis of expected cash flows.

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (CONTD.)

### NOTE 36(B) DISCLOSURE OF DERIVATIVES

- No derivative instrument were outstanding at the end of the year.
- Uncovered risks in foreign currency transactions disclosed as at:

Particulars	31st March, 2021	31st March, 2020
<b>Cash on Hand</b>		
USD	—	2,750
INR	—	190,636
UK POUND	25	25
INR	2,517	2,326
AED	9,182	9,182
INR	183,043	187,680
<b>Trade Payables</b>		
USD	4,725	—
INR	346,041	—
SG\$	26,675	26,675
INR	1,449,298	1,405,210
<b>Advances to Suppliers</b>		
USD	—	24,889
INR	—	1,869,238

### NOTE 37. 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 equity attributable to the parents 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 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, 2021 (₹ in lakhs)	As at 31st March, 2020 (₹ in lakhs)
Secured Loan	55,199.92	50,090.41
Unsecured Loan	20,829.01	19,504.40
Interest accrued and due/and but not due	15,412.55	14,698.53
Unpaid matured debentures and interest accrued thereon	—	1,441.67
Overdue Term Loan	11,161.35	11,629.42
Overdue loan from company	—	3,088.62
Total Debt	102,602.83	100,453.04
Less: Cash and cash equivalents	4,634.70	2,897.85
Net Debt (A)	97,968.13	97,555.19
Equity Share Capital	7,273.59	7,273.59
Other Equity	133,905.77	145,949.50
Total Equity (B)	141,179.36	153,223.09
Debt Equity Ratio (A/B)	0.69	0.64

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2021 (CONTD.)

### NOTE 38: CATEGORIES OF FINANCIAL INSTRUMENTS

#### Fair Value measurement

(₹ in lakhs)

	31st March, 2021		31st March, 2020	
	FVPL / FVOCI	Amortised Cost	FVPL / FVOCI	Amortised Cost
<b>Financial Assets</b>				
Investments	108.85	125,212.63	88.77	151,655.74
Trade receivables	—	18,522.11	—	8,957.51
Cash and cash equivalents	—	4,634.70	—	2,897.85
Bank balances other than above	—	1,616.35	—	1,266.69
Loans	—	25,415.88	—	28,239.13
Other financial assets	—	60,975.02	—	44,074.78
<b>Total</b>	<b>108.85</b>	<b>236,376.69</b>	<b>88.77</b>	<b>237,091.70</b>
<b>Financial Liabilities</b>				
Borrowings	—	53,050.89	—	44,527.90
Trade payables	—	18,836.79	—	19,218.09
Other Financial liabilities	—	151,852.74	—	164,294.18
<b>Total</b>	<b>—</b>	<b>223,740.42</b>	<b>—</b>	<b>228,040.16</b>

#### i) Fair Value hierarchy

This section explains the judgements 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 2021				
<b>Financial Assets</b>				
Financial Investments at FVPL	108.85	—	—	108.85
<b>Total Financial Assets</b>	<b>108.85</b>	<b>—</b>	<b>—</b>	<b>108.85</b>

Financial assets and liabilities measured at fair value — recurring fair value measurements	Level 1	Level 2	Level 3	Total
At 31st March 2020				
<b>Financial Assets</b>				
Financial Investments at FVPL	88.77	—	—	88.77
<b>Total Financial Assets</b>	<b>88.77</b>	<b>—</b>	<b>—</b>	<b>88.77</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, 2021 (CONTD.)

### NOTE 39. INTEREST IN OTHER ENTITIES

#### 39.1 SUBSIDIARIES

The Group's subsidiaries as at 31st March 2021 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that 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	Ownership interest held by the group		Ownership interest held by the Non controlling interest		Principal Activities
		31st March, 2021	31st March, 2020	31st March, 2021	31st March, 2020	
<b>Name of the Subsidiaries:</b>						
Ackruti Safeguard Systems Private Limited	India	<b>72.43%</b>	72.43%	<b>27.57%</b>	27.57%	Security Plates
Citygold Education Research Limited	India	<b>100.00%</b>	100.00%	—	—	Education Research
Citygold Farming Private Limited				—		
(Amalgamated with CERL)"	India		—	—	—	Infrastruture Facilities
Citywood Builders Private Limited	India	<b>100.00%</b>	100.00%	—	—	Real Estate Development
Devkrupa Build Tech Limited				—		
Amalgamated with CERL)	India		—	—	—	Real Estate Development
Diviniti Projects Private Limited	India	<b>100.00%</b>	100.00%	—	—	Real Estate Development
Gujarat Akruiti — TCG Biotech Limited	India	<b>74.00%</b>	74.00%	<b>26.00%</b>	26.00%	Infrastruture Facilities
Halitious Developer Limited (Amalgamated with CERL)	India		—	—	—	Real Estate Development
Headland Farming Private Limited (Amalgamated with CERL)	India		—	—	—	Real Estate Development
Hedde Knowledge Private Limited (Amalgamated with CERL)	India		—	—	—	Real Estate Development
Joyneat Premises Private Limited	India	<b>24.00%</b>	74.00%	<b>76.00%</b>	26.00%	Real Estate Development
Upvan Lake Resorts Private Limited (Amalgamated with CERL)	India	—	—	—	—	Real Estate Development Urvi Build Tech Limited
(Amalgamated with CERL)	India	—	—	—	—	Real Estate Development
Vama Housing Limited	India	<b>100.00%</b>	100.00%	—	—	Real Estate Development
Vega Developers Private Limited	India	<b>100.00%</b>	100.00%	—	—	Real Estate Development
Vishal Techno Commerce Limited	India	<b>100.00%</b>	100.00%	—	—	Real Estate Development
Yantti Buildcon Private Limited	India	<b>100.00%</b>	100.00%	—	—	Real Estate Development
Sanas Devloperes Private Limited	India	<b>51.00%</b>	51.00%	<b>49.00%</b>	49.00%	Real Estate Development



## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021 (CONTD.)

### 39.2 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 Ackruti -TCG Biotech Limited		Sanas Developeres Private Limited	
	MARCH, 2021	MARCH, 2020	MARCH, 2021	MARCH, 2020	MARCH, 2021	MARCH, 2020
Non-Current Assets	296.34	422.27	3239.11	3,251.29	88.43	8.48
Current Assets	388.28	317.00	1.60	1.64	3,283.57	2,627.30
Non-Current Liabilities	18.78	15.63	—	1,668.55	2,891.89	2,588.37
Current Liabilities	1,744.27	1,732.26	2023.45	349.81	670.70	75.32
<b>Net Assets</b>	<b>(1,078.42)</b>	<b>(1,008.62)</b>	<b>1,217.27</b>	<b>1,234.57</b>	<b>(190.59)</b>	<b>(27.91)</b>
<b>Net Assets Attributable to NCI</b>	<b>(297.32)</b>	<b>(278.08)</b>	<b>316.49</b>	<b>320.99</b>	<b>(93.39)</b>	<b>(13.68)</b>
Revenue	167.74	86.65	0.02	32.99	0.77	0.24
<b>Profit/(Loss) For the Year</b>	<b>41.80</b>	<b>(7.67)</b>	<b>(8.41)</b>	<b>435.26</b>	<b>(162.68)</b>	<b>(28.77)</b>
Other Comprehensive Income	—	—	—	—	—	—
	41.80	(7.67)	(8.41)	435.26	(162.68)	(28.77)
Profit/(Loss) allocated to NCI	11.53	(2.11)	(2.19)	113.17	(79.71)	(14.10)
Dividend paid to NCI	—	—	—	—	—	—
OCI allocated to NCI	—	—	—	—	—	—
<b>Total Comprehensive Income allocated to NCI</b>	<b>11.53</b>	<b>(2.11)</b>	<b>(2.19)</b>	<b>113.17</b>	<b>(79.71)</b>	<b>(14.10)</b>
Cash Flow From Operating Activities	7.53	5.45	(0.06)	28.34	(128.14)	(2,534.34)
Cash Flow From Investing Activities	(9.68)	(13.99)	—	(5.53)	(103.45)	(5.77)
Cash Flow From Financing Activities	-	—	—	—	287.99	2,562.92
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(2.15)</b>	<b>(8.54)</b>	<b>(0.06)</b>	<b>22.80</b>	<b>56.40</b>	<b>22.80</b>

Particulars	Joynest Premises Private Limited	
	MARCH, 2021	MARCH, 2020
Non-Current Assets	476.26	505.02
Current Assets	40,751.38	30,110.70
Non-Current Liabilities	12,518.49	4,200.06
Current Liabilities	20,248.87	17,790.90
<b>Net Assets</b>	<b>8,460.28</b>	<b>8,624.76</b>
<b>Net Assets Attributable to NCI</b>	<b>2,199.67</b>	<b>2,242.44</b>
Revenue	443.58	438.13
<b>Profit/(Loss) For the Year</b>	<b>(164.48)</b>	<b>(324.96)</b>
Other Comprehensive Income	—	(0.13)
<b>Total Comprehensive Income</b>	<b>(164.48)</b>	<b>(325.09)</b>
Profit/(Loss) allocated to NCI	(42.76)	(84.52)
Dividend paid to NCI	—	—
OCI allocated to NCI	—	—
<b>Total Comprehensive Income allocated to NCI</b>	<b>(42.76)</b>	<b>(84.52)</b>
Cash Flow From Operating Activities	(557.13)	(129.47)
Cash Flow From Investing Activities	79.45	41.71
Cash Flow From Financing Activities	3,850.34	8.79
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>3,372.66</b>	<b>(78.97)</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021 (CONTD.)

### 39.3 INTEREST IN ASSOCIATES AND JOINT VENTURE

	Note	Carrying amount as at	
		31-Mar-21	31-Mar-20
Interest in associates	See (A) below	<b>5,389.34</b>	5,388.92
Interest in joint ventures and partnership firms	See (B) below	<b>8,167.06</b>	35,890.34
		<b>13,556.41</b>	41,279.26

#### (A) Interest in associates

The Group's associates as at 31 March 2021 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that 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	Ownership interest (%)	Carrying amount as at *		Principal Activities
			31-Mar-21	31-Mar-20	
Shubhsiddhi Builders Private Limited	India	50.00%	—	—	Real Estate Development
Vinca Developer Private Limited	India	49.00%	—	—	Real Estate Development
Whitebud Developers Limited	India	50.00%	—	—	Real Estate Development
Giraffe Developers Private Limited	India	48.00%	<b>5,389.34</b>	5,388.92	Real Estate Development
			<b>5,389.34</b>	5,388.92	

\* Unlisted entity - no quoted price available

#### (B) Interest in joint ventures

The Group's joint ventures as at 31 March 2021 are set out below. Joint Venture in the nature of companies have share capital consisting solely of equity shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. Capital contribution in Joint venture in the nature of Partnership firms or AOP are disclosed in carrying amount. The country of incorporation is also their principal place of business.

Name of the entity	Country of incorporation	Ownership interest (%)	Carrying amount as at *		Principal Activities
			31-Mar-21	31-Mar-20	
Twenty Five South Realty Limited (upto 29/06/2020)	India	61.27%	—	28,375.29	Real Estate Development
					Real Estate Development
Hubtown Bus Terminal (Adajan) Private Limited #	India	45.00%	<b>118.57</b>	32.39	Real Estate Development
Hubtown Bus Terminal (Ahmedabad) Private Limited [Refer note 7(l)]	India	45.00%	<b>1,648.18</b>	309.41	Real Estate Development
Hubtown Bus Terminal (Mehsana) Private Limited #	India	45.00%	<b>867.44</b>	764.32	Real Estate Development
Hubtown Bus Terminal (Vadodara) Private Limited #	India	45.00%	<b>453.89</b>	155.48	Real Estate Development
Joyous Housing Limited	India	25.00%	—	—	Real Estate Development
Rare Townships Private Limited [Refer note 7(l)]	India	40.00%	<b>4,378.98</b>	5,271.05	Real Estate Development
Sunstream City Private Limited	India	40.67%	—	—	Real Estate Development
<b>Joint Venture in the nature of Partnership Firm / AOP</b>					
Akruti GM JV	India	77.00%	<b>700.00</b>	700.00	Real Estate Development
Akruti Jay Chandan JV	India	50.00%	—	282.40	Real Estate Development
Akruti Steelfab Corporation (under the process of dissolution)	India	55.00%	—	—	Real Estate Development
Shreenath Realtors	India	92.50%	—	—	Real Estate Development
			<b>8,167.07</b>	35,890.35	

(#) Includes carrying amount in shares with differential voting rights

\* Unlisted entity - no quoted price available

Refer Note 39.4 for the table below provide summarised financial information for material joint ventures. The information disclosed reflects the amount presented in the financial statement 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, if any.

Though the Group's investment in some of the entities above exceed 50% of the total share capital / total capital contribution, these entities have been classified as joint venture. The management 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 agreement / Partnership deed, the management 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 years ended 31 March 2021 and 31 March 2020, the Group did not receive dividends from any of its joint ventures

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021 (CONTD.)

### 39.4 SUMMARISED BALANCE SHEET FOR MATERIAL JOINT VENTURE:

(₹ in lakhs)

	Hubtown Bus Terminal (Ahmedabad) Private Limited		Joyous Housing Limited		Rare Townships Private Limited		Sunstream City Private Limited	
	MARCH, 2021	MARCH, 2020	MARCH, 2021	MARCH, 2020	MARCH, 2021	MARCH, 2020	MARCH, 2021	MARCH, 2020
Cash and cash equivalents	44.85	56.56	919.96	42.27	21.96	32.38	1.52	15.27
Other Assets	25,742.09	23,632.69	118,579.28	101,780.64	63,580.78	60,394.50	103,478.66	103,194.32
<b>Total Current Assets</b>	<b>25,786.94</b>	<b>23,689.25</b>	<b>119,499.25</b>	<b>101,822.92</b>	<b>63,602.74</b>	<b>60,426.88</b>	<b>103,480.19</b>	<b>103,209.59</b>
Non - Current Assets	84.70	45.32	3,024.34	2,386.92	275.75	254.68	46.72	56.26
Current Financial Liabilities (excluding trade payables)	11,392.75	10,226.32	15,017.96	13,470.56	7,698.03	7,318.44	6,196.71	1,720.84
Other Liabilities	1,788.04	1,707.56	623.73	1,375.50	41,172.58	37,811.27	495.13	532.95
<b>Total Current Liabilities</b>	<b>13,180.80</b>	<b>11,933.88</b>	<b>15,641.70</b>	<b>14,846.06</b>	<b>48,870.60</b>	<b>45,129.71</b>	<b>6,691.84</b>	<b>2,253.79</b>
Non - Current Financial Liabilities (excluding trade payables)	740.41	729.61	101,528.33	84,195.35	99.51	34.69	97,412.85	101,548.53
Other Liabilities	2.38	2.38	1987.33	1,305.00	16.82	5.77	—	—
<b>Total Non - Current Liabilities</b>	<b>742.79</b>	<b>731.99</b>	<b>103,515.66</b>	<b>85,500.35</b>	<b>116.33</b>	<b>40.46</b>	<b>97,412.85</b>	<b>101,548.53</b>
<b>Net Assets</b>	<b>11,948.05</b>	<b>11,068.69</b>	<b>3,366.23</b>	<b>3,863.43</b>	<b>14,891.56</b>	<b>15,511.39</b>	<b>(577.78)</b>	<b>(536.47)</b>
<b>Group Share of Net Assets</b>	<b>5,376.62</b>	<b>4,980.91</b>	<b>841.56</b>	<b>965.86</b>	<b>5,956.62</b>	<b>6,204.56</b>	<b>(234.98)</b>	<b>(230.68)</b>
<b>Reconciliation of carrying amounts of material Joint Venture:</b>								
Group share of net assets	5,376.62	4,980.91	841.56	965.86	5,956.62	6,204.56	(234.98)	(230.68)
Goodwill	—	—	—	—	(1577.64)	(933.52)	—	—
Other Adjustments	(3728.44)	(4671.50)	(841.56)	(965.86)	—	—	234.98	230.68
Carrying amount	1,648.18	309.41	—	—	4,378.98	5,271.04	—	—

<b>Summarised Statement of Profit and Loss of material Joint Venture</b>								
	MARCH, 2021	MARCH, 2020	MARCH, 2021	MARCH, 2020	MARCH, 2021	MARCH, 2020	MARCH, 2021	MARCH, 2020
Revenue	1,645.13	1,061.22	200.00	—	90.67	16.15	27.25	4.03
Interest Income	48.29	126.03	169.28	244.43	17.59	14.86	1.05	1.59
Interest Expense	734.16	718.55	15861.93	12154.34	525.65	493.34	185.05	412.84
Depreciation & Amortisation	6.53	9.27	1.55	1.54	12.66	157.43	9.72	9.72
Income tax expense/ income	—	(395.88)	100.71	—	—	—	—	—
<b>Profit/Loss from Continuing Operations</b>	<b>877.35</b>	<b>157.32</b>	<b>(482.72)</b>	<b>152.61</b>	<b>(491.23)</b>	<b>(200.45)</b>	<b>(42.83)</b>	<b>(1.37)</b>
Post - Tax Profit/ Loss from Discontinued Operations	—	—	—	—	—	—	—	—
Other Comprehensive Income	1.97	0.96	3.55	(2.51)	0.09	4.26	—	—
<b>Total Comprehensive Income</b>	<b>879.32</b>	<b>158.28</b>	<b>(479.17)</b>	<b>150.45</b>	<b>(491.14)</b>	<b>(196.19)</b>	<b>(42.83)</b>	<b>(1.37)</b>

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021 (CONTD.)

### 39.4 SUMMARISED BALANCE SHEET FOR MATERIAL JOINT VENTURES:

	Hubtown Bus Terminal (Mehsana) Private Limited		Twenty Five South Realty Ltd	
	MARCH, 2021	MARCH, 2020	MARCH, 2021	MARCH, 2020
Cash and cash equivalents	54.46	120.35	-	886.33
Other Assets	13,245.72	11,955.35	-	202,262.93
Total Current Assets	13,300.18	12,075.70	—	203,149.26
Non - Current Assets	118.75	3.68	—	1,968.34
Current Financial Liabilities (excluding trade payables)	7,754.76	7,798.16	—	54,178.11
Other Liabilities	3,026.43	2,163.34	—	55,862.86
<b>Total Current Liabilities</b>	<b>10,781.19</b>	<b>9,961.50</b>	<b>—</b>	<b>110,040.97</b>
Non - Current Financial Liabilities (excluding trade payables)	464.59	624.83	—	79,422.76
Other Liabilities	1.79	1.79	—	23.94
<b>Total Non - Current Liabilities</b>	<b>466.37</b>	<b>626.62</b>	<b>—</b>	<b>79,446.70</b>
<b>Net Assets</b>	<b>2,171.37</b>	<b>1,491.26</b>	<b>—</b>	<b>15,629.93</b>
<b>Group Share of Net Assets</b>	<b>977.11</b>	<b>671.07</b>	<b>—</b>	<b>9,576.46</b>
<b>Reconciliation of carrying amounts of material Joint Venture:</b>				
Group share of net assets	977.11	671.07	—	9,576.46
Goodwill	—	—	—	18,798.84
Other Adjustments	(109.67)	93.25	—	—
Carrying amount	867.44	764.32	—	28,375.29

### Summarised Statement of Profit and Loss of material Joint Venture

	MARCH, 2021	MARCH, 2020	MARCH, 2021	MARCH, 2020
Revenue	1,752.03	908.85	0.04	614.34
Interest Income	0.92	8.79	11.36	14.95
Interest Expense	145.34	218.80	5,748.60	22,149.38
Depreciation & Amortisation	0.56	0.52	71.01	396.35
Income tax expense/ income	—	—	134.58	(49.39)
Profit/Loss from Continuing Operations	678.14	(593.06)	79.82	(885.23)
Post - Tax Profit/ Loss from Discontinued Operations	—	—	—	—
Other Comprehensive Income	0.13	(0.32)	—	(0.33)
<b>Total Comprehensive Income</b>	<b>678.27</b>	<b>(593.38)</b>	<b>79.82</b>	<b>(885.56)</b>

### Carrying amount of investments in Joint Venture:

	As at	
	MARCH, 2021	MARCH, 2020
Non-material Joint Venture	1,272.45	1,170.27
Material Joint Venture	6,894.61	34,720.67
<b>Total</b>	<b>8,167.06</b>	<b>35,890.34</b>

	As at	
	MARCH, 2021	MARCH, 2020
<b>Share in Total Comprehensive Income (net):</b>		
Non-material Joint Venture	276.18	(578.56)
Material Joint Venture	553.37	(816.85)
<b>Total</b>	<b>829.55</b>	<b>(1395.41)</b>

	As at	
	MARCH, 2021	MARCH, 2020
<b>Contingent Liability in respect of Joint Venture</b>		
Share of contingent liabilities incurred jointly with other investors of the Joint venture	5,451.68	9,314.08
Share of Other Commitments	12,996.00	12,996.00

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021 (CONTD.)

### NOTE 40.

- a. Following subsidiaries of the Parent Company (transferor companies) got amalgamated into one of the subsidiary company (Citygold Education Research Limited) vide Order of the National Company Law Tribunal (NCLT) dated 12th September 2019. The appointed date as per the Scheme of Amalgamation was 01st April 2018. The scheme along with all approvals, (including final NCLT approval) were filed with the Registrar of Companies (ROC) at dated 30th September 2019

Sr. no.	Name of Transferor Company	Nature of Business
1	Heddle Knowledge Private Limited	To maintain own, administer, promote, control, and subsidies educational institutions for study and research, centers of learning, reading rooms, hostels, boarding houses and other institutions for basic education, adult literacy, advanced studies.
2	Citygold Farming Private Limited	To acquire by purchases, lease or otherwise, agriculture land for farming, to establish and run farms, to carry on business of agriculture, horticulture, sericulture, apiculture, floriculture, dairy farming and all kinds of vegetable produce.
3	Headland Farming Private Limited	To acquire by purchases, lease or otherwise, agriculture land for farming, to establish and run farms, to carry on business of agriculture, horticulture, sericulture, apiculture, floriculture, dairy farming, animal husbandry and all kinds of vegetable produce.
4	Urvi Build Tech Limited	To construct, build, alter, acquire, convert, improve, design, erect, establish equip, develop projects in India or elsewhere, either alone or jointly with one or more persons, government, local or other bodies.
5	Devkrupa Build Tech Limited	To construct, build, alter, acquire, convert, improve, design, erect, establish equip, develop projects in India or elsewhere, either alone or jointly with one or more persons, government, local or other bodies.
6	Halitious Developer Limited	To deal, develop, purchase, take on lease or exchange, hire or in any other lawful manner land or other immovable properties, buildings, structures, real estates, hereditaments, redevelopment rights, easement.
7	Upvan lake Resorts Private Limited	Designing, construction, consultancy, maintenance, conducting of hotels, motels, restaurants, cafes, taverns, lodging, spa and hospitality services, refreshment rooms, clubs, recreations, boarding and catering for public/private amusements.

- b. As per Indian Accounting Standards prescribed under section 133 of the companies Act, 2013 the business combination of entity under common control, the merger has been accounted using the 'Pooling of Interest' method. Accordingly, all the assets, liabilities and reserves of respective transferor companies were recorded at their carrying amounts as at the appointed date.

On the scheme becoming effective, Subsidiary company had consolidated line by line the assets, liabilities and components of other Equity of each of the Transferor companies after eliminating the inter-company transactions and balances between the transferor companies and the company and adjustments with respect to alignment of accounting policies and practices, if any were given effect through retained earnings.

The net identifiable assets acquired on account of amalgamation (after eliminating the intercompany balances) are stated below.

Particulars	As at appointed Date
Total Assets	1,463,949,795
(-) Total Liabilities	1,646,406,655
Net Assets	(182,456,860)

- c. As per the Scheme of amalgamation, further equity shares of Face value of ₹ 10 each and 10 % Non-cumulative redeemable preference shares of ₹ 10 each were issued to shareholders of transferor companies as consideration towards merger in following manner.

Sr. No.	Equity and Preference Shareholders of Transferor Company	Equity Shares Issued	Preference shares Issued	% of Equity Shares Exchanged
1	Headland Farming Private Limited	13,452	—	100%
2	Halitious Developer Limited	3,030	—	100%
3	Citygold Farming Private Limited	—	13	100%
4	Heddle Knowledge Private Limited	—	1	100%
5	Urvi Build Tech Limited	—	1	100%
6	Devkrupa Build Tech Limited	—	1	100%
7	Upvan lake Resorts Private Limited	—	12	100%
	<b>Total Shares</b>	<b>16,482</b>	<b>28</b>	

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021 (CONTD.)

### 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 payable / realisable, as the case may be.

### NOTE 43.

The COVID-19 Pandemic has spread throughout the world. The operations of the Company were impacted, due to shutdown of all sites and offices following nationwide lockdown by the Government of India. The Company has resumed operations in a phased manner as per directives from the Government of India. The Company has evaluated the impact of this pandemic on its business operations and financial position and based on its review of current indicators of future economic conditions, there is no significant impact on its financial statements as at 31st March 2021. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration and accordingly the impact may be different from that estimated as at the date of approval of these financial statements. The Company will continue to monitor any material changes to future economic conditions.

### NOTE 44.

Previous year figures have been regrouped / reclassified / restate wherever necessary, to make them comparable with current year figures in the financial statements.

**The accompanying notes are an integral part of the financial statements**

As per our report of even date  
For **J B T M & ASSOCIATES LLP**  
**Firm Registration No. W100365**  
CHARTERED ACCOUNTANTS

**DHAIRYA BHUTA**  
PARTNER  
Membership No. 168889  
Mumbai  
June 29, 2021

For and on behalf of the Board of Directors

**HEMANT M. SHAH**  
EXECUTIVE CHAIRMAN

**SADANAND LAD**  
COMPANY SECRETARY

Mumbai  
June 29, 2021

**VYOMESH M. SHAH**  
MANAGING DIRECTOR

**SUNIL MAGO**  
CHIEF FINANCIAL OFFICER

Mumbai  
June 29, 2021

FORM NO. – AOC - 1

(Pursuant to first proviso to sub-section (3) of Section 129 of the Companies Act, 2013 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 →		Akruti Safeguard Systems Private Limited	Citygold Education Research Limited	Citywood Builders Private Limited	Diviniti Projects Private Limited	Gujarat Akruti-TCG Biotech Limited	Joynest Premises Private Limited	Sanas Developers Private Limited	Vama Housing Limited	Vega Developers Private Limited	Vishal Techno Commerce Limited	Yantti Buildcon Private Limited
Serial No. ↓	PARTICULARS	\$		\$		\$	\$			\$		\$
1.	The date since when subsidiary was acquired	09.04.2007	01.04.2009	29.11.2014	31.03.2001	11.01.2008	15.02.2013	19.02.2019	31.03.2002	10.07.2010	30.06.2006	20.01.2010
2.	Reporting period of the subsidiary concerned, if different from the holding company's reporting period	31.03.2021	31.03.2021	31.03.2021	31.03.2021	31.03.2021	31.03.2021	31.03.2021	31.03.2021	31.03.2021	31.03.2021	31.03.2021
3.	Reporting currency	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR
4.	Share Capital	26.76	232.15	1.00	5.00	1620.27	10471.95	1.00	5.00	300.00	5.00	5.00
5.	Reserves and Surplus	(1105.18)	(2340.32)	(3566.16)	506.81	(403.00)	(2011.66)	(191.59)	(282.58)	(23.34)	1855.23	(33.25)
6.	Total Assets (including investments)	684.63	11855.47	12214.12	520.47	3240.72	41227.65	3372.00	127.60	1322.71	17560.41	5815.28
7.	Total Liabilities	1763.05	13963.64	15779.28	8.66	2023.45	32767.36	3562.59	405.17	1046.04	15700.17	5843.53
8.	Investments	66.30	0.84	—	—	—	—	5.18	—	—	0.09	—
9.	Turnover / Total Income	167.74	855.47	83.43	8.51	0.02	443.58	0.76	0.00	0.00	6.02	0.00
10.	Profit / (Loss) before Taxation	41.80	(514.54)	(1171.08)	7.88	(8.41)	(164.48)	(165.17)	(5.88)	(9.36)	0.19	(0.41)
11.	Provision for Taxation (Add) / Less	—	(81.03)	—	2.25	—	—	(2.49)	—	—	87.50	—
12.	Profit / (Loss) after Taxation	41.80	(595.56)	(1171.08)	5.63	(8.41)	(164.48)	(162.68)	(5.88)	(9.36)	(87.31)	(0.41)
13.	Proposed Dividend	—	—	—	—	—	—	—	—	—	—	—
14.	% of shareholding #	88.27 %	*2.86%	100%	100 %	74 %	*62.07%	51 %	100 %	100 %	100 %	100 %

\* - subsidiary under Section 2 (87) (i) of the Companies Act, 2013.

\$ - based on management accounts for F.Y. 2020-2021.;

# - total share capital = equity share capital + convertible preference share capital.

NOTES :

- Names of Subsidiaries which are yet to commence operations : Nil
- Names of Subsidiaries which have been liquidated or sold during the year : Nil.

## FORM NO. – AOC - 1

(Pursuant to first proviso to sub-section (3) of Section 129 of the Companies Act, 2013 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 →		Giraffe Developers Private Limited	Subsidiary Builders Private Limited	Vinca Developer Private Limited	Whitebud 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
Serial No. ↓	PARTICULARS	\$		\$		\$			\$	\$	\$
1.	Latest Audited Balance Sheet Date	31.03.2021	31.03.2021	31.03.2021	31.03.2021	31.03.2021	31.03.2021	31.03.2021	31.03.2021	31.03.2021	31.03.2021
2.	Date on which the Associate or Joint Venture was associated or acquired	01.03.2018	29.11.2014	23.11.2009	20.08.1999	18.03.2009	17.05.2010	18.03.2009	18.03.2009	30.04.2004	27.03.2006
3.	Share of associate / joint venture held by the Company at the year end										
	• Nos.	7353	5000	6095	25000	165463	25000	150000	165275	25000	3262270
	• Amount of Investment in Associates / Joint Ventures	5004.79	0.50	0.61	2.50	1062.49	2133.00	634.00	597.29	25.00	7445.84
	• Extent of Holding %	7.20 %	50 %	0.05 %	50 %	47.28 %	46.30 %	42.86 %	47.22 %	25 %	35.10 %
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	1620.80	(43.21)	(4.96)	(30.22)	135.87	5531.95	930.65	492.16	841.56	5226.94
7.	Profit / (Loss) for the year	(26.92)	(15.30)	224.12	0.90	222.30	879.32	678.27	391.43	(479.17)	(491.14)
	Considered in consolidation	(12.92)	—	—	—	100.04	395.70	305.22	176.14	—	(196.46)
	Not considered in consolidation	(14.00)	(15.30)	224.12	0.90	122.26	483.62	373.05	215.27	(479.17)	(294.68)

\$ - based on management accounts for F. Y. 2020-2021.

#### 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 : Nil.



## 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 →	Sunstream City Private Limited
Serial No. ↓	PARTICULARS	\$
1	Latest Audited Balance Sheet Date	31.03.2021
2	Date on which the Associate or Joint Venture was associated or acquired	20.05.2010
3	Share of associate / joint venture held by the Company at the year end	
	• Nos.	122000
	• Amount of Investment in Associates / Joint Venture	12.20
	• Extent of Holding %	40.67 %
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	(235.60)
7	Profit / (Loss) for the year	(42.83)
	Considered in consolidation	—
	Not considered in consolidation	(42.83)

\$ based on management accounts for F. Y. 2020-2021.

1. \* 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.

For and on behalf of the Board of Directors

**HEMANT M. SHAH**  
EXECUTIVE CHAIRMAN

**VYOMESH M. SHAH**  
MANAGING DIRECTOR

**SADANAND LAD**  
COMPANY SECRETARY

**SUNIL MAGO**  
CHIEF FINANCIAL OFFICER

Mumbai  
June 29, 2021

Mumbai  
June 29, 2021

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[CIN: L45200MH1989PLC050688]

**Registered Office:** 'HUBTOWN SEASONS', CTS NO. 469-A, OPP. JAIN TEMPLE, R. K. CHEMBURKAR MARG, CHEMBUR (EAST), MUMBAI 400071

Phone: + 91 22 25265000; Fax: + 91 22 25265099; 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 their Depository.

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,

**Madhavi Degaonkar**

Authorised Signatory

<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 : \_\_\_\_\_, 2021

### Important Notes :

- Members holding shares in demat form are requested to address and send the E-communication registration form to their respective depository participants (DP). Members are requested to keep the DP/RTA informed as and when there is any change in the e-mail address.
- The above e-mail address will be registered, subject to verification of your signature with the specimen signature registered with the Company.
- 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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**HUBTOWN LIMITED**

Regd Office: Hubtown Seasons, CTS NO. 469-A, Opp. Jain Temple

R. K. Chemburkar Marg, Chembur (East), Mumbai - 400071

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