



ЛУБТ

ANNUAL REPORT
2014-2015

HUBTOWN

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CORPORATE INFORMATION

BOARD OF DIRECTORS

HEMANT M. SHAH	Executive Chairman
ARVIND KUMAR JOSHI	
ABHIJIT DATTA	
SUNIL C. SHAH	
PRITI K. SHAH	
VYOMESH M. SHAH (VIMAL M. SHAH)	Managing Director

STATUTORY AUDITORS

DALAL DOSHI & ASSOCIATES	Chartered Accountants
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COST AUDITORS

N. I. MEHTA & CO.	Cost Accountants
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INTERNAL AUDITORS

MAHAJAN & AIBARA	Chartered Accountants
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SECRETARIAL AUDITORS

ASHISH BHATT & ASSOCIATES	Company Secretaries
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COMMITTEES OF THE BOARD

AUDIT AND COMPLIANCE COMMITTEE

ABHIJIT DATTA	Chairman
ARVIND KUMAR JOSHI	
SUNIL C. SHAH	
VYOMESH M. SHAH	

NOMINATION AND REMUNERATION COMMITTEE

ABHIJIT DATTA	Chairman
ARVIND KUMAR JOSHI	
SUNIL C. SHAH	
HEMANT M. SHAH	

STAKEHOLDERS' RELATIONSHIP COMMITTEE

ARVIND KUMAR JOSHI	Chairman
SUNIL C. SHAH	
PRITI K. SHAH	

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

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

RISK MANAGEMENT COMMITTEE

ARVIND KUMAR JOSHI	Chairman
ABHIJIT DATTA	
HEMANT M. SHAH	
VYOMESH M. SHAH	

CHIEF FINANCIAL OFFICER

ANIL AHLUWALIA

COMPANY SECRETARY

CHETAN S. MODY

REGISTERED OFFICE

'ACKRUTI CENTER POINT', 6TH FLOOR
CENTRAL ROAD, MAROL MIDC
ANDHERI (EAST), MUMBAI 400 093
CIN : L45200MH1989PLC050688
Phone : 022 66830400
Fax : 022 66830602
Investor E-mail : investorcell@hubtown.co.in
Website : www.hubtown.co.in

REGISTRAR & TRANSFER AGENTS

LINK INTIME INDIA PRIVATE LIMITED
C-13, PANNALAL SILK MILLS COMPOUND
LAL BAHADUR SHASTRI MARG
BHANDUP (WEST), MUMBAI 400 078
Phone : 022 25963838
Fax : 022 25946969
e-mail : rnt.helpdesk@linkintime.co.in
Website : www.linkintime.co.in

BANKERS

BANK OF MAHARASHTRA
CANARA BANK
DENA BANK
HDFC BANK LIMITED
ORIENTAL BANK OF COMMERCE
UCO BANK
UNION BANK OF INDIA
UNITED BANK OF INDIA

27TH ANNUAL GENERAL MEETING

TUESDAY, SEPTEMBER 29, 2015 AT 9.30 A.M.
'WALCHAND HIRACHAND HALL', 4TH FLOOR
CHURCHGATE, MUMBAI 400 020

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



[CIN : L45200MH1989PLC050688]

Registered Office : Ackruti Center Point, 6th floor, Central Road, Marol MIDC, Andheri (East), Mumbai 400093
Phone: + 91 22 67037400; Fax: + 91 22 67037403; E-mail : investorcell@hubtown.co.in ; Website : www.hubtown.co.in

HUBTOWN LIMITED

NOTICE OF 27TH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE TWENTY SEVENTH ANNUAL GENERAL MEETING OF THE MEMBERS OF HUBTOWN LIMITED WILL BE HELD ON TUESDAY, SEPTEMBER 29, 2015 AT 9.30 A.M. AT WALCHAND HIRACHAND HALL, 4TH FLOOR, INDIAN MERCHANTS' CHAMBER BUILDING, INDIAN MERCHANTS CHAMBER MARG, CHURCHGATE, MUMBAI 400020 TO TRANSACT THE FOLLOWING BUSINESS :

ORDINARY BUSINESS :

1. To receive, consider and adopt the financial statements of the Company for the year ended March 31, 2015, including the audited Balance Sheet as at March 31, 2015, the Statement of Profit and Loss for the year ended on that date together with the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mrs. Priti K. Shah (DIN : 01880436), who retires by rotation and being eligible, offers herself for reappointment.
3. To ratify the appointment of the Statutory Auditors and if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution :
"RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, and pursuant to the recommendations of the Audit Committee and pursuant to the resolution passed in the Annual General Meeting of the Company held on September 25, 2014, the appointment of M/s. Dalal Doshi & Associates (formerly M/s. Doshi Doshi & Associates), Chartered Accountants (Firm Registration No. 121773W) as Statutory Auditors of the Company to hold office until the conclusion of the Annual General Meeting to be held for the year 2017 be and is hereby ratified and confirmed AND THAT the Board of Directors of the Company, based on the recommendations of the Audit Committee, be and is hereby authorised to fix the remuneration payable to the Statutory Auditors in addition to reimbursement of service tax and actual out-of-pocket expenses incurred in connection with the audit of the accounts of the Company."

SPECIAL BUSINESS :

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

As an Ordinary Resolution :

4. MODIFICATION OF REMUNERATION PAYABLE TO THE EXECUTIVE CHAIRMAN

"RESOLVED THAT pursuant to the provisions of Section 196 (4) and other applicable provisions, if any of the Companies Act, 2013 and in partial modification of the resolution passed in the 24th Annual General Meeting of the Company held on November 7, 2012 for reappointment of Mr. Hemant M. Shah [DIN : 00009659] as Executive Chairman of the Company, the amendment of the terms of reappointment of the Executive Chairman providing for entitlement to rent free unfurnished/furnished accommodation by the Company and/or by any of its subsidiary or payment of house rent allowance of Rs.8,00,000 per annum in lieu thereof as part of his remuneration, with effect from April 1, 2015 till the expiry of his term of office on December 31, 2016, as set out in the Supplemental Agreement dated May 30, 2015, be and is hereby approved, confirmed and ratified by the Company;

RESOLVED FURTHER THAT the other terms and conditions of the appointment of the Executive Chairman shall remain unchanged."

As an Ordinary Resolution :

5. MODIFICATION OF REMUNERATION PAYABLE TO THE MANAGING DIRECTOR

"RESOLVED THAT pursuant to the provisions of Section 196 (4) and other applicable provisions, if any of the Companies Act, 2013 and in partial modification of the resolution passed in the 24th Annual General Meeting of the Company held on November 7, 2012 for reappointment of Mr. Vyomesh M. Shah [DIN : 00009596] as Managing Director of the Company, the amendment of the terms of reappointment of the Managing Director providing for entitlement to rent free unfurnished/furnished accommodation by the Company and/or by any of its subsidiary or payment of house rent allowance of Rs.8,00,000 per annum in lieu thereof as part of his remuneration, with effect from April 1, 2015 till the expiry of his term of office on December 31, 2016, as set out in the Supplemental Agreement dated May 30, 2015 be and is hereby approved, confirmed and ratified by the Company;

RESOLVED FURTHER THAT the other terms and conditions of the appointment of the Managing Director shall remain unchanged."

As a Special Resolution :

6. PAYMENT OF COMMISSION TO NON-WHOLETIME DIRECTORS OF THE COMPANY

"RESOLVED THAT pursuant to the provisions of Sections 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 read with 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) consent of the Company be and is hereby accorded to the payment and distribution of a sum not exceeding one percent of the net profits of the Company calculated in accordance with the provisions of Section 198 of the Companies Act, 2013, subject to a ceiling of Rs.40,00,000/- (Rupees Forty Lacs) per financial year for each of the three financial years commencing from April 1, 2015 to March 31, 2018 by way of commission to and amongst the Non-Executive Directors of the Company, in such amounts or proportion and in such manner as may be determined by the Board of Directors from time to time;

NOTICE (CONTD.)

RESOLVED FURTHER THAT the above remuneration shall be in addition to sitting fees payable to the Non-Executive Directors for attending the meetings of the Board of Directors or Committees thereof or for any purpose whatsoever as may be decided by the Board of Directors and reimbursement of expenses incurred for participation in the Board and other meetings;

RESOLVED FURTHER THAT the Board of Directors, be and is hereby authorised to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, expedient or desirable for the purpose of giving effect to this resolution."

As an Ordinary Resolution :

7. RATIFICATION OF REMUNERATION PAYABLE TO THE COST AUDITOR

"RESOLVED THAT pursuant to the provisions of Section 148 (3) and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s. N. I. Mehta & Co., Cost Accountants (Firm Registration No. 000023), appointed as Cost Auditors by the Board of Directors of the Company to conduct audit of the cost records of the Company for the year ending March 31, 2016, be paid a remuneration of Rs. 5,00,000/- (Rupees Five Lacs) plus service tax and out-of-pocket expenses that may be incurred during the course of audit and the said remuneration be and is hereby ratified;

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

As a Special Resolution :

8. APPROVAL OF TRANSACTIONS WITH RELATED PARTIES UNDER SECTION 188 OF THE COMPANIES ACT, 2013 AND CLAUSE 49 OF THE EQUITY LISTING AGREEMENT

"RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 (the 'Act') read with Rule 15 (3) of the Companies (Meetings of Board and its Powers) Rules, 2014 (the 'Rules'), Sub-Clause VII of Clause 49 of the Equity Listing Agreement (the "Agreement") including any subsequent modifications, amendments or clarifications thereon, and pursuant to the approval of the Audit Committee and the Board of Directors, consent of the members be and is hereby accorded to the Company for entering into Related Party Transactions, Contracts or Arrangements including Material Related Party Transactions, Contracts or Arrangements as defined under the Act and the Agreement, with related parties as defined under the Act and the Agreement from the Financial Year 2015-2016 and onwards for each Financial Year upto the maximum amount per annum as per details provided hereunder, on such terms and conditions as may be mutually agreed upon between the Company and the related party(ies) :

MAXIMUM VALUE PER EACH TYPE OF CONTRACT / TRANSACTION INTER-CHANGEABLE PER ANNUM W.E.F. APRIL 1, 2015

Transactions as defined under Section 188 (1) of the Companies Act, 2013 / Clause 49 of the Equity Listing Agreement		Amount (₹ in crores)
Name of Related Parties	Nature of Transaction	
A. SUBSIDIARIES		
ABP Realty Advisors Private Limited	1. Making investment in securities / capital contribution;	100
Ackruti Safeguard Systems Private Limited	2. Making loans / business advances / inter-corporate deposits;	100
Citygold Education Research Limited		100
Citygold Farming Private Limited		100
Citywood Builders Private Limited	3. Providing corporate guarantees / securities / collaterals for loans availed;	100
Devkrupa Build Tech Limited		100
Diviniti Projects Private Limited	4. Leasing of property of any kind;	100
Gujarat Akruti-TCG Biotech Limited	5. Availing/rendering of services;	100
Headland Farming Private Limited		100
Hedde Knowledge Private Limited	6. Sale/purchase/supply of goods and materials; and	100
Heet Builders Private Limited		200
India Development And Construction Venture Capital Private Limited	7. Selling or otherwise disposing of, or buying property of any kind including FSI / TDRs.	100
Joynest Premises Private Limited		100
Upvan Lake Resorts Private Limited		100
Urvi Build Tech Limited		100
Vama Housing Limited		100
Vega Developers Private Limited		100
Vishal Techno Commerce Limited		100
Yantii Buildcon Private Limited		100
B. ASSOCIATES		
Distinctive Realty Private Limited		100
Harbinger Developers Private Limited		100

NOTICE (CONTD.)

MAXIMUM VALUE PER EACH TYPE OF CONTRACT / TRANSACTION INTER-CHANGEABLE PER ANNUM W.E.F. APRIL 1, 2015

Transactions as defined under Section 188 (1) of the Companies Act, 2013 / Clause 49 of the Equity Listing Agreement		Amount (₹ in crores)
Name of Related Parties	Nature of Transaction	
B. ASSOCIATES		
Pristine Developers Private Limited	1. Making investment in securities / capital contribution;	100
Shubhsiddhi Builders Private Limited	2. Making loans / business advances / inter-corporate deposits;	1500
Sunstream City Private Limited		100
Vinca Developer Private Limited	3. Providing corporate guarantees / securities / collaterals for loans availed;	100
Whitebud Developers Private Limited		100
Yellow City Builders Private Limited	4. Leasing of property of any kind;	100
C. JOINT VENTURES		
Hoary Realty Limited	5. Availing/rendering of services;	600
Hubtown Bus Terminal (Adajan) Private Limited	6. Sale/purchase/supply of goods and materials; and	200
Hubtown Bus Terminal (Ahmedabad) Private Limited		200
Hubtown Bus Terminal (Mehsana) Private Limited	7. Selling or otherwise disposing of, or buying property of any kind including FSI / TDRs.	200
Hubtown Bus Terminal (Surat) Private Limited		100
Hubtown Bus Terminal (Vadodara) Private Limited		200
Joyous Housing Limited		1000
Rare Townships Private Limited		1000
D. OTHERS		
Adhivitiya Properties Limited		100
Arnav Gruh Limited		100
Buildbyte.Com (India) Private Limited		100
Citygold Management Services Private Limited		100
E Commerce Magnum Solution Limited		500
Fern Infrastructure Private Limited		100
Fourjone Realtors Private Limited		100
Glamorous Properties Private Limited		100
Giraffe Developers Private Limited		500
Halitious Developer Limited		100
Hazel Erectors Private Limited		100
Heeler Hospitality Private Limited		100
Helictite Residency Private Limited		100
High Scale Trading Private Limited		100
Pushpak Healthcare Services Private Limited		100
Sunmist Builders Private Limited		100

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board of Directors of the Company (hereinafter referred to as 'the Board,' which term shall be deemed to include any Committee which the Board has constituted or may constitute hereafter to exercise its powers herein conferred) be and is hereby authorised to agree, make, accept and finalize all such terms, condition(s), modification(s) and alteration(s) as it may deem fit and the Board is also hereby authorised to resolve and settle all questions, difficulties or doubts that may arise with regard to the said transactions and to finalize and execute all such agreements, deeds, documents and writings and to do all such acts, deeds, matters and things in connection therewith and incidental thereto as the Board may in its absolute discretion deem fit without being required to seek any further consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution;

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers conferred on it by or under this resolution to any Committee of Directors or to any Director or any other officer(s) of the Company as it may consider appropriate in order to give effect to this resolution;

RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in respect of the aforesaid resolution be and are hereby approved, ratified and confirmed in all respect."

NOTICE (CONTD.)

As a Special Resolution :

9. **AUTHORITY TO THE BOARD OF DIRECTORS TO MAKE OFFER(S) OR INVITATION FOR SUBSCRIPTION TO NON-CONVERTIBLE DEBENTURES ON PRIVATE PLACEMENT BASIS**

"RESOLVED THAT pursuant to the provisions of Section 42, 71 and other applicable provisions, if any, of the Companies Act, 2013 (the 'Act') read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and Companies (Share Capital and Debentures) Rules, 2014 (including any statutory modification /amendment thereto or re-enactment thereof for the time being in force), the relevant provisions of the Memorandum and Articles of Association of the Company, and subject to such other approvals, as may be necessary and subject to such modification(s) as may be prescribed while granting such approvals, which may be agreed to by the Board of Directors of the Company (the 'Board' which term shall include any Committee constituted by the Board of Directors or any person(s) authorised by the Board to exercise the powers conferred on the Board by this resolution) consent of the Company be and is hereby accorded to the Board to make offer(s) or invitation(s) for subscription to secured /unsecured Non-convertible Debentures for an amount not exceeding ₹ 5,000 crores (Rupees Five Thousand Crores only) on private placement basis through issue of private placement offer letter on such terms and conditions and to such person(s) as the Board may deem fit;

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

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

Chetan S. Mody
Company Secretary
FCS - 2196

Mumbai
May 30, 2015

Notes :

1. **A PERSON ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. The statement pursuant to Section 102 (1) of the Companies Act, 2013, relating to the special business to be transacted at the meeting is annexed hereto.
3. The instrument of Proxy, in order to be effective, should be duly completed and lodged with the Company at its registered office not less than forty-eight hours before the scheduled commencement of the Meeting.
4. A person can act as a proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights.
5. A member holding more than ten percent of the total share capital of the Company may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
6. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.
7. Corporate members intending to send their authorised representatives to attend the Annual General Meeting are requested to send a duly certified copy of their Board Resolution authorizing their representatives to attend and vote on their behalf at the said Meeting.
8. Members/Proxies/Representatives should bring the enclosed duly filled Attendance Slip, for attending the Meeting. Copies of the Annual Report or the Attendance Slip will not be distributed at the Meeting.
9. The Register of Beneficial Owners, Register of Members and Share Transfer Books of the Company shall remain closed from Tuesday, September 22, 2015 to Tuesday, September 29, 2015 (both days inclusive) in connection with the Annual General Meeting.
10. Members having any questions on the Annual Report are requested to send their queries atleast ten days before the Annual General Meeting, which will enable the Company to furnish the replies at the Annual General Meeting.
11. Relevant documents referred to in the accompanying Notice and in the Explanatory Statement are open for inspection by the members at the Registered Office of the Company on all working days (except Saturdays, Sundays and public holidays) between 11.00 a.m. and 1.00 p.m. upto the date of this Annual General Meeting.

NOTICE (CONTD.)

12. Members are requested :
 - a. to notify immediately any change in their registered addresses alongwith PIN CODE number to their respective Depository Participants (DPs) in respect of equity shares held in electronic form and to the Registrar and Share Transfer Agent of the Company at Link Intime India Private Limited in respect of equity shares held in physical form; and
 - b. to register their e-mail address and changes therein from time to time with Link Intime India Private Limited for shares held in physical form and with their respective Depository Participants for shares held in demat form.
13. Pursuant to Clause 49 (VIII) (E) of the Listing Agreement with the Stock Exchanges, a brief note on the background and the functional expertise of the Director seeking reappointment at the ensuing Annual General Meeting is provided in the Section on 'Corporate Governance' forming part of this Annual Report. The said Director has furnished the requisite declaration for her reappointment.
14. The Notice of the 27th Annual General Meeting and the Annual Report of the Company for the year 2014-2015 circulated to the members of the Company will also be made available on the Company's website www.hubtown.co.in and also on the website of the respective Stock Exchanges at www.bseindia.com and www.nseindia.com. The physical copy of the Annual Report will also be available at the Registered Office of the Company for inspection during normal business hours on working days.
15. The Securities and Exchange Board of India has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their respective Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Registrar and Transfer Agent.
16. Pursuant to the provisions of Section 124 (5) of the Companies Act, 2013, the dividend which remains unclaimed/unpaid for a period of seven years from the date of transfer to the Unpaid Dividend Account is mandatorily required to be transferred by the Company to the credit of 'Investor Education and Protection Fund' (IEPF) established by the Central Government under sub-section (1) of Section 125 of the said Act. In accordance with the above provisions, the unclaimed dividends that are due for transfer to IEPF are as under :

Sr. No.	Financial Year	Date of Declaration of Dividend	Tentative Date for transfer to IEPF
1.	2007 – 2008	25.08.2008	29.09.2015
2.	2008 – 2009	27.08.2009	01.10.2016
3.	2009 – 2010	29.09.2010	03.11.2017
4.	2010 – 2011	11.08.2011	08.09.2018
5.	2011 - 2012	07.11.2012	12.12.2019
6.	2012 - 2013	30.09.2013	03.11.2020

The details of the unclaimed dividends of the aforesaid years are available on the Company's website at www.hubtown.co.in and Ministry of Corporate Affairs at www.mca.gov.in.

17. As per the provisions of Section 72 of the Companies Act, 2013 read with Rule 19 of Companies (Share Capital and Debentures) Rules, 2014, facility for making nominations is available to the members in respect of the equity shares held by them. The nomination form can be downloaded from the Company's website www.hubtown.co.in.
18. Electronic copy of the Annual Report 2014-2015 is being mailed to the members whose e-mail IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a physical copy of the same. For members who have not registered their e-mail address, physical copies of the Annual Report 2014-2015 is being sent in the permitted mode. Members who desire to receive documents/communication in electronic mode are requested to register their e-mail address with the Company by filling up the 'E-communication Registration' Form printed at the end of this Annual Report and send the duly filled in Form to the Company at its Registered Office or to Link Intime India Private Limited, Registrar and Transfer Agent of the Company. Members holding shares in electronic form are requested to register their e-mail address with their respective Depository Participant.
19. Electronic copy of the Notice of the 27th Annual General Meeting of the Company inter-alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to the members whose e-mail IDs are registered with the Company / Depository Participants for communication purposes unless any member has requested for a physical copy of the same. For members who have not registered their e-mail address, physical copies of the Notice of the 27th Annual General Meeting of the Company inter-alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode. Even after registering for e-communication, members are entitled to receive annual reports and other communication in physical form, upon making a request for the same.
20. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.

NOTICE (CONTD.)

21. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2103, will be available for inspection by the members at the AGM.
22. a. Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014 ('the Rules'), the aforesaid businesses may also be transacted through electronic voting system and accordingly, the Company is pleased to provide remote e-voting facility (e-voting from a place other than venue of the AGM) to all its shareholders in addition to voting in person in the AGM;
- b. The facility for voting, either through electronic voting system or ballot or polling paper shall also be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to vote at the meeting; and
- c. The members who have already cast their vote by remote e-voting prior to the meeting may also attend the meeting, but shall not be entitled to cast their vote again.
23. The Company has signed an agreement with CDSL for facilitating remote e-voting and is pleased to offer remote e-voting facility as an alternate, to its shareholders to enable them to cast their votes electronically instead of exercising their votes by physical Postal Ballot Forms. The instructions for e-voting are annexed to this Notice.
24. The members can opt for only one mode of voting i.e. either by Ballot or e-voting. In case, members cast their votes through both the modes, voting done by Ballot shall be considered valid and the votes cast through e-voting shall be considered as invalid.

INSTRUCTIONS FOR E-VOTING

The voting period commences from 9.00 a.m. on Saturday, September 26, 2015 and ends at 5.00 p.m. on Monday, September 28, 2015. During this period, members of the Company holding shares, either in physical form or in dematerialized form, as on the cut-off date i.e. Tuesday, September 22, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, such member shall not be allowed to change it subsequently.

A. In case of members receiving e-mail :

- i. Log on to the e-voting website www.evotingindia.com.
- ii. Click on "Shareholders" tab.
- iii. Now enter your User ID :
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- iv. Next enter the Image Verification as displayed and Click on Login.
- v. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- vi. If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders).
	Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.
	In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. e.g. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details or Date of Birth DOB	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy) format as recorded in your demat account or in the Company records in order to login.
	If both the details are not recorded with the depository or the Company please enter the member id/folio no. in the Dividend Bank details field as mentioned in instruction (iii).

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

NOTICE (CONTD.)

- ix. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- x. Click on the EVSN for the relevant company name "HUBTOWN LIMITED" on which you choose to vote.
- xi. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option "YES" or "NO" as desired. The option "YES" implies that you assent to the resolution and option "NO" implies that you dissent to the resolution.
- xii. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire resolution details.
- xiii. After selecting the resolution if you have decided to vote, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xiv. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xv. You can also take out print of the voting done by you by clicking on "Click here to print" option on the voting page.
- xvi. If demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password and enter the details as prompted by the system.
- xvii. Note for Non-Individual shareholders and custodians:
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI, etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a compliance user using the admin login and password. The compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.
- xviii. **Voting rights shall be reckoned on the paid-up value of the shares registered in the name of the member/beneficial owner as on the cut-off date i.e. September 22, 2015.**
- xix. **A person, whose name is 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. September 22, 2015 only shall be entitled to avail the facility of remote e-voting or voting at the AGM.**

B. In case of members receiving the physical copy:

Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.

25. Shareholders who have registered their e-mail IDs with depositories or with the Company are being sent Notice of Postal Ballot by e-mail and shareholders who have not registered their e-mail IDs will receive the Notice of Postal Ballot along with the Postal Ballot Form by post/courier. Shareholders who have received Postal Ballot Notice by e-mail and who wish to vote through physical Postal Ballot Form can download the Postal Ballot Form from the websites : www.evotingindia.com or www.hubtown.co.in. The shareholders can also seek duplicate Postal Ballot Form from M/s. Link Intime India Private Limited, C-13, Pannalal Silk Mills Compound, Lal Bahadur Shastri Marg, Bhandup (West), Mumbai 400078.
26. Shareholders desirous of exercising their vote by physical Postal Ballot are requested to carefully read the instructions printed in the attached Postal Ballot Form. Such shareholders are requested to exercise their voting rights by using the attached Postal Ballot Form only. No other form or photocopy of the form is permitted. The Postal Ballot Form duly completed and signed should be returned in the enclosed self-addressed postage pre-paid envelope to the Scrutinizer so as to reach the Scrutinizer on or before 5.00 p.m. on Monday, September 28, 2015. The postage will be borne by the Company. The consent or otherwise received after the said date shall be treated as if the reply from the shareholder has not been received. However, envelopes containing Postal Ballot Form(s), if deposited in person or sent by courier or registered/speed post at the expense of the shareholder will also be accepted.
27. **Kindly note that the shareholders can opt for only one mode of voting, i.e. either physical postal ballot or remote e-voting. If the shareholders are opting for remote e-voting, then do not vote by physical ballot also and vice-versa. However, in case shareholders cast their votes simultaneously by physical ballot and remote e-voting, then voting done through valid physical ballot only shall be considered valid and voting done by remote e-voting will be treated as invalid.**

ANNEXURE TO THE NOTICE

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

As required by the Section 102 of the Companies Act, 2013 (the Act), the following explanatory statement sets out all material facts relating to the business mentioned under Item Nos. 4 to 9 of the accompanying Notice :

Item Nos. 4 and 5

At the Annual General Meeting of the Company held on November 7, 2012, Mr. Hemant M. Shah and Mr. Vyomesh M. Shah were reappointed as Executive Chairman and Managing Director respectively of the Company, on the terms and conditions contained in their respective Agreements dated January 20, 2012 executed by and between the Company and the Executive Chairman and the Managing Director.

As per the terms of their respective appointments, the Executive Chairman and the Managing Director each are entitled to payment of house rent allowance of ₹ 8,00,000/- per annum. It is proposed to modify the respective terms of remuneration of the Executive Chairman and the Managing Director by providing for each of them, entitlement to rent free unfurnished/furnished accommodation by the Company and/or by any of its subsidiary or payment of house rent allowance of Rs.8,00,000/- per annum in lieu thereof with effect from April 1, 2015, till the expiry of their respective term of office on December 31, 2016 as set out in the Supplemental Agreements dated May 30, 2015. The perquisite value of the accommodation so provided shall be computed in accordance with the provisions of the Income Tax Act, 1961 and the Rules made thereunder.

The Directors recommend the resolutions at Item Nos. 4 and 5 of the accompanying Notice for the approval of the members.

Except for Mr. Hemant M. Shah and Mr. Vyomesh M. Shah individually for himself and their relatives (to the extent of their shareholding in the Company), no other Director or Key Managerial Personnel and their relatives are in anyway concerned or interested in the said resolutions.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreements with the Stock Exchanges.

Item No. 6

The members of the Company at their 24th Annual General Meeting held on November 7, 2012 approved by way of a special resolution under Section 309 of the erstwhile Companies Act, 1956, the payment of remuneration by way of commission to the Non-Executive Directors of the Company, of a sum not exceeding one percent of net profit of the Company calculated in accordance with the provisions of the said Act, subject to a ceiling of Rs.40,00,000/- per annum for each of the three Financial Years commencing from April 1, 2012 to March 31, 2015. The said approval was valid upto and including March 31, 2015.

In the current competitive business environment, the Directors are required to take far more complex business decisions than before and are required to commit their time and provide their expertise for the Company's business. In addition, with the more stringent accounting standards, and stringent corporate governance norms, the Directors have to ensure not only the compliance with various statutory requirements but also enhance the level of corporate governance. Accordingly, it is proposed that the Non-Executive Directors be continued to be paid for each of the three financial years of the Company commencing from April 1, 2015 to March 31, 2018, remuneration not exceeding one percent of the net profit of the Company computed in accordance with the provisions of Section 198 of the Companies Act, 2013, subject to a ceiling of Rs. 40,00,000/- (Rupees Forty Lacs). This remuneration will be distributed amongst the Non-Executive Directors in accordance with the directions given by the Board of Directors and subject to any other applicable requirement under the Companies Act, 2013.

This remuneration shall be in addition to sitting fees payable to the Non-Executive Directors of the Company for attending the meetings of the Board or Committees thereof 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.

The Board recommends the passing of the special resolution as set out at Item No. 6 of the accompanying Notice.

The Executive Chairman, the Managing Director and Key Managerial Personnel of the Company and their relatives are not concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the accompanying Notice.

Directors other than the Executive Chairman and the Managing Director of the Company, 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. 6 of the accompanying Notice to the extent of the remuneration that may be received by them.

Item No. 7

The Board of Directors had on May 30, 2015, on the recommendation of the Audit Committee, approved the appointment of M/s. N. I. Mehta & Co., Cost Accountants (Firm Registration No. 000023) as the Cost Auditor to conduct audit of the cost records of the Company for the Financial Year ending March 31, 2016.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor has to be ratified by the members of the Company.

ANNEXURE TO THE NOTICE (CONTD.)

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set at Item No.7 of the accompanying Notice.

The Board recommends the resolution at Item No.7 of the accompanying Notice for the approval of the members.

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

Item No. 8

Section 188 of the Companies Act, 2013 (the Act) read with Rules 15 and 16 of the Companies (Meetings of Board and its Powers) Rules, 2014 (the Rules) prescribes the procedure for approval of related party transaction(s). The revised Clause 49 of the Listing Agreement has also prescribed seeking of shareholders approval by a special resolution for material related party transaction(s).

The proviso to Section 188 (1) also states that nothing in Section 188 (1) will apply to any transaction entered into with a related party by the Company in its ordinary course of business and on arm's length basis. In terms of the proviso to Clause 49 (VII) (C) of the Listing Agreement, transaction(s) with a related party are considered material if the transaction(s) to be entered into individually or taken together with previous transaction(s) during a financial year exceed 10 % of the annual consolidated turnover of the Company as per the last audited financial statements of the Company.

Based on the provisions of Section 188 of the Act and the Rules made thereunder and Clause 49 of the Listing Agreement, the Audit Committee and the Board of Directors of the Company have approved the proposed transactions detailed in the resolution at Item No. 8 of the accompanying Notice that the Company may enter into with its related parties as defined in Section 2 (76) of the Act and Clause 49 (VII) (B) of the Listing Agreement. The maximum value of the transactions as mentioned in the table at Item No. 8 is for each type of transaction specified therein, which limits are inter-changeable, for each financial year commencing from 2015-2016 onwards.

The approval of the shareholders is being sought by a special resolution in the event of any related party transaction exceeding in each financial year, the threshold limits set out in the proviso to Clause 49 (VII) (C) of the Listing Agreement or the limits specified in Rule 15 (3) of the Rules.

In terms of Clause 49 (VII) (E) of the Listing Agreement, all material related party transactions shall require the approval of the members by a special resolution and all entities that are directly or indirectly related parties of the Company shall abstain from voting on such resolution.

The above transactions were approved by the Audit Committee and the Board of Directors as the same are in the interest of the Company.

The particulars of the transactions pursuant to Explanation (3) to Rule 15 (3) of the Rules are as under:

A	Name of the Related Parties	As mentioned in the table hereinabove
B.	Name of the Director or Key Managerial Personnel who is related	Mr. Hemant M. Shah, Executive Chairman and Mr. Vyomesh M. Shah – Managing Director of Hubtown Limited. Mr. Anil Ahluwalia, Chief Financial Officer and Mr. Chetan S. Mody, Company Secretary are KMPs of the Company.
C.	Nature of relationship	Mr. Hemant M. Shah, Executive Chairman; } Promoters Directors of Mr. Vyomesh M. Shah, Managing Director } Hubtown Limited. Mr. Hemant M. Shah is Karta of Hemant M. Shah HUF Mrs. Kunjal H. Shah is wife of Mr. Hemant M. Shah. Mr. Kushal H. Shah is son of Mr. Hemant M. Shah. Mr. Hemant M. Shah is Karta of M. V. Shah HUF. Mr. Vyomesh M. Shah is Karta of Vyomesh M. Shah HUF. Mrs. Falguni V. Shah is wife of Mr. Vyomesh M. Shah. Mr. Rushank V. Shah is son of Mr. Vyomesh M. Shah. Mr. Khilen V. Shah is son of Mr. Vyomesh M. Shah. Mr. Hemant M. Shah and Mr. Vyomesh M. Shah are holding shares on behalf of M. V. Shah Discretionary Trust. Mrs. Lata M. Shah is the mother of Mr. Hemant M. Shah and Mr. Vyomesh M. Shah.

ANNEXURE TO THE NOTICE (CONTD.)

D	Nature, material terms, monetary value and particulars of contract or arrangement	<ol style="list-style-type: none"> 1. The Company may be required to grant business advance / loan and/or make investment in the securities and/or capital contribution in the entities mentioned in the resolution as a part of strategic business decision, to the extent necessary to support the business operations of the said entities. 2. Additionally, the Company may also be required to provide security by way of mortgage / hypothecation / pledge of securities held and/or charge on any of its movable/immovable properties to the extent of the loan that may be availed by the said entities from term lenders. 3. The Company may also be required to provide corporate guarantee as collateral security to the extent of the loan that may be availed by the said entities from term lenders. The corporate guarantee shall be provided for the entire duration of the loan. No commission shall be paid by the said entities to the Company in consideration thereof. 4. The Company may also enter into transaction for purchase/sale/lease of immovable properties including FSI and TDRs with the said entities. 5. As a condition for loans that may be availed by the Company from term lenders the promoters / promoter group may be required to provide security for such borrowings by way of pledge of the shares of the Company held by them in favour of the respective lenders. Such shares shall continue to remain pledged for the entire duration of the loan. 6. No commission shall become payable to the promoters / promoter group in consideration of the shares pledged by them.
	Monetary value	As mentioned in the resolution.

The transactions of the Company with the abovementioned related parties put up for approval are in the ordinary course of business and on arm's length basis and these transactions are based on business requirements and are necessary for the smooth and efficient functioning of your Company.

The Board recommends the special resolution as set out at Item No.8 of the accompanying Notice for approval by unrelated shareholders of the Company in terms of Section 188 (3) of the Act and Clause 49 (VII) (E) of the Listing Agreement.

Except the Promoter Directors and their relatives (to the extent of their shareholding in the Company), and the Key Managerial Personnel mentioned hereinabove, no other Directors or the relatives of the Directors or Key Managerial Personnel are concerned or interested, financially or otherwise in the said resolution.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreements with the Stock Exchanges.

Item No. 9

Pursuant to Section 42 of the Act read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Company shall not make a private placement of its securities including NCDs unless the proposed offer of the securities has been previously approved by the members of the Company by a special resolution. 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 shareholders by means of a special resolution only once in a year for all the offers or invitation for such debentures during the year.

The Directors commend the Special Resolution at Item No. 9 for your approval.

Pursuant to the applicable provisions of the Companies Act, 2013, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the said resolution.

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

Chetan S. Mody
Company Secretary
FCS - 2196

Mumbai
May 30, 2015

REPORT OF THE DIRECTORS AND MANAGEMENT DISCUSSION AND ANALYSIS

TO THE MEMBERS

Your Directors have pleasure in presenting their Twenty-seventh Annual Report alongwith the Audited Accounts of your Company for the year ended March 31, 2015.

FINANCIAL HIGHLIGHTS :

The financial performance of the Company for the year ended March 31, 2015 is summarized :

(₹ in lac)

	STANDALONE		CONSOLIDATED	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Revenue from Operations	41146	47764	44326	47346
Other Income	4298	3924	9465	7338
Total Income	45444	51688	53791	54684
Operating Expenditure	11148	18783	11266	17369
Profit before Depreciation / Interest / Tax	34296	32905	42525	37315
Depreciation	403	557	980	985
Finance costs	32259	30465	40341	35673
Profit before Tax	1634	1883	1204	657
Add : Extraordinary item	350	—	350	—
Add / (Less) : Provision for Tax	(504)	(118)	(743)	(149)
Excess / (Short) provision for taxation in respect of earlier years	313	(520)	266	(694)
Deferred Tax credit / (charge)	(497)	2296	(501)	2323
Prior Period Adjustments (net)	(221)	3	(445)	22
Minority Interest / Share of Profit / (Loss) from associates companies / pre-acquisition loss	—	—	(74)	134
Capital reserve written back on dilution	—	—	17	—
Net Profit for the Year	1075	3544	74	2293
Balance Profit brought forward from Previous Year	68233	67843	60766	61628
Reversal of proposed equity dividend and tax thereon	850	696	850	696
Amount available for appropriation	70158	72083	61690	64617
APPROPRIATIONS :				
Debenture Redemption Reserve	—	3000	—	3000
Proposed Dividend	—	727	—	727
Dividend Distribution Tax	—	124	—	124
General Reserves	—	—	—	—
Balance carried to Balance Sheet	70158	68232	61690	60766
Earnings per Share before Extraordinary Item (₹) (EPS)	1.00	4.87	0.10	3.15
Earnings per Share after Extraordinary Item (₹) (EPS)	1.48	4.87	0.10	3.15

OPERATIONS OF THE COMPANY :

Your Company recorded a satisfactory performance during the year under review, amidst weak economic conditions and poor investor / consumer sentiments. The total revenue of the Company on a standalone basis stood at ₹ 45444 lacs, 12.08 percent lower than ₹ 51688 lacs in the previous year. Operational expenditure was lower by 40.65 percent at ₹ 11148 lacs, as against ₹ 18783 lacs in the previous year. The Operating Profit (EBITDA) increased by 4.22 percent to ₹ 34296 lacs from ₹ 32905 lacs in the previous year. Profit after Tax for the year was lower by 69.66 percent at ₹ 1075 lacs as against ₹ 3544 lacs in the previous year.

REPORT OF THE DIRECTORS AND MANAGEMENT DISCUSSION AND ANALYSIS (CONTD.)

The consolidated turnover of the Company stood at ₹ 53791 lacs, as against ₹ 54684 lacs in the previous year. The consolidated operational expenditure was lower by 35.13 percent at ₹ 11266 lacs as against ₹ 17369 lacs in the previous year. The Consolidated Operating Profit (EBITDA) increased by 13.96 percent to ₹ 42525 lacs from ₹ 37315 lacs in the previous year. Consolidated Profit after Tax for the year was ₹ 74 lacs, lower by 96 percent over ₹ 2293 lacs in the previous year.

During the year under review, your Company's performance was to a greater extent impacted due to rising inflation, rupee depreciation, increased cost of capital, increased cost of construction and restrained demand from end-users. The operational cashflows were adversely impacted for a major part of the year under review due to lower than expected sales level, resulting in intense pressure on profit margins.

DIVIDEND :

As a prudent economic measure and in order to conserve the scarce liquid resources of the Company, the Directors do not recommend any dividend on the equity shares for the year under review.

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND:

Pursuant to the provisions of Section 124 of the Companies Act, 2013, the unclaimed dividend amount of ₹ 49,337/- being the dividend for the year ended March 31, 2007 and the interim dividend amount of ₹ 35,655/- paid for the year ended March 31, 2008 were transferred to the Investor Education and Protection Fund (IEPF) after giving due notices to the members.

During the Financial Year 2015-2016, the dividend declared by the Company for the Financial Year 2007-2008, remaining unclaimed in terms of Section 124 of the Companies Act, 2013 will be transferred to IEPF.

RESERVES :

During the year under review, no amount was transferred to General Reserve. An amount of ₹ 4300.00 lacs has been transferred from Debenture Redemption Reserve to General Reserve.

CHANGES IN SHARE CAPITAL :

There are no changes in the share capital of the Company. During the year under review, the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity.

DEBENTURES :

During the year under review, the Company has :

- i. fully redeemed three series of Secured Redeemable Non-Convertible Debentures aggregating ₹ 5200.32 lacs, ₹ 211.85 lacs and ₹ 2500 lacs respectively outstanding at the beginning of the year; and
- ii. raised funds through the issue of Secured Redeemable Non-convertible Debentures aggregating ₹ 2500 lacs on private placement basis.

MANAGEMENT DISCUSSION AND ANALYSIS :

The Management Discussion and Analysis Report, forming part of the Board Report for the year under review as stipulated under Clause 49 (VIII) (D) of the Listing Agreement is discussed herein below.

THE BUSINESS :

Hubtown Limited is engaged in the business of real estate development 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, Surat, Ahmedabad, Vadodara, and Mehsana.

The Company's presence in Mumbai is well distributed amongst western suburbs, eastern suburbs, the island city and Mumbai Metropolitan Region (MMR).

REPORT OF THE DIRECTORS AND MANAGEMENT DISCUSSION AND ANALYSIS (CONTD.)

OVERVIEW OF THE COMPANY'S PROJECTS

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

Residential:

Project completed :

Hubtown Sunmist 'B' Wing – Andheri (East)

Ongoing Projects:

Hubtown Sunmist 'A' Wing - Andheri (East)	Hubtown Countrywoods Phase I – Kondhwa, Pune
Hubtown Shikhar – Andheri (East)	Hubtown Serene – Bandra (East)
Hubtown Gardenia – Mira Road	Hubtown Celeste – Worli
Hubtown Greenwoods – Thane	Hubtown Grove – Andheri (West)
Hubtown Jewell – Andheri (West)	Rising City – Ghatkopar-Mankhurd Link Road
Hubtown Vedant – Sion (East)	Hubtown Countrywoods Phase I – Kondhwa, Pune
Hubtown Sunstone – Bandra (East)	

Future Projects

Twenty Five South – Prabhadevi ; Hubtown Divinity – Thane ; Hubtown Square – Thane

Commercial:

Project completed

Hubtown Solaris Phase – I – Andheri (East) ; Hubtown Viva – Andheri (East)

Ongoing Projects

Hubtown Solaris Phase – II – Andheri (East) ; Hubtown Joyos – Surat; Hubtown Joyos – Ahmedabad; Hubtown Joyos – Mehsana; Hubtown Joyos – Vadodara

REAL ESTATE SECTOR OVERVIEW :

The real sector in India plays a crucial role in the development of the country's infrastructure base and overall growth of the economy. The real estate sector also has forward and backward linkages, with over 300 sub-sectors including steel, cement, transport, construction, etc., which contribute to capital formation, income opportunities and employment generation.

The Indian real estate sector continues to be a favoured investment avenue for both domestic and overseas investors. As per the industry reports, the total economic value of the real estate sector in India ranges between US \$ 40-45 billion. Further, the sector contributes 5-6 percent to the country's overall GDP growth. According to data released by Department of Industrial Policy and Promotion, Government of India (DIPP), the construction development sector has attracted foreign direct investment to the tune of US \$ 24012.87 million between April 2000 and December 2014. The size of the Indian real estate market is expected to touch US \$ 180 billion by 2020.

The real estate sector continues to be at the core of the Indian economy and a meaningful contributor to its GDP growth, employment, foreign direct investment and to the banking and finance industry.

OPPORTUNITIES AND CHALLENGES:

Opportunities :

- Growing urbanization

Urbanisation in India has been increasing at an unprecedented rate with close to 534 million people estimated to live in Indian cities by 2026. This offers tremendous opportunities for real estate development, particularly housing.

- Emergence of nuclear families and growing urbanization have given rise to several townships that are developed to take care of the elderly. A number of senior citizen housing projects have been planned and the segment is expected to grow significantly in future.

- Growth in household income

Increase in household income is expected to fuel consumption and be a support base for growth in India's organized retail sector.

REPORT OF THE DIRECTORS AND MANAGEMENT DISCUSSION AND ANALYSIS (CONTD.)

- **Growth in Information Technology Industry / Services Industry / Tourism / Education Sector / Healthcare**

Burgeoning growth in the information technology and outsourcing industry is a major demand driver for the growth of commercial real estate space in the country. This sector is the biggest office occupier in the country, comprising of 70 percent of the entire office stock. As IT industry grows in size, the demand for commercial real estate is likely to increase. This provides a significant opportunity for real estate developers to step in to meet the requirements of this sector.

- With the increase in foreign tourist arrivals every year, there is a demand for real estate in the tourism and hospitality sector. Tourism market is also set to surge. An estimated 52,000 hotel rooms will be added by 2017, an increase of over 65 percent in total hotel inventory.
- Growth in the number of tourists has resulted in demand for service apartments. This demand is likely to be on uptrend and presents opportunities for the real estate sector.
- Also, with the entry of major private players in the education sector, the major cities such as Hyderabad, Mumbai, Bengaluru, Delhi, Pune, Chennai and Kolkata are likely to account for 70 percent of total demand for real estate in the education sector.
- Demand for improved healthcare facilities is also expected to provide a boost to the construction sector in the country. The healthcare sector is estimated to grow at an annual rate of 15 percent to US\$ 100 billion by 2015.

Challenges :

The key challenges that the Indian Real estate sector is facing today are :

- Lack of clear land titles;
- Absence of title insurance;
- Absence of industry status;
- Lack of adequate sources of finance;
- Shortage of labour;
- Rising manpower and material costs; and
- Approval and procedural difficulties.

Real Estate Sector Specific Risks :

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

REPORT OF THE DIRECTORS AND MANAGEMENT DISCUSSION AND ANALYSIS (CONTD.)

FUTURE OUTLOOK :

India's real estate sector is poised for significant growth in the coming decade as it benefits from significant opportunities such as increasing urbanization, demand for new housing and the expanding urban fabric of tier II and tier III cities in the country.

The economic contribution of the real estate sector is projected to increase significantly to almost 13 percent by 2025. This spiraling of growth can be attributed to the significant construction opportunities offered by the housing sector, largely accentuated by the intensifying demand for residential space in the expanding urban limits of our cities.

The RBI anticipates GDP growth to 6.5 percent in 2015-2016. Multinationals and India Inc., will hire more human resources to keep up with heightened business activity. This will have a positive impact on both, residential and commercial asset classes. Lower borrowing rates, declining inflation and stable government will encourage end-user to invest.

'The Housing for all by 2022' mission of the government, along with the policy on smart cities augurs well for the real estate sector. The major growth area is expected to be in the residential sector as housing continues to be a favoured investment asset among Indian households. REITs will also further ensure easy flow of FDI and raising funds for developers, which will escalate growth.

Over the next five years, the Indian real estate market is expected to grow at a CAGR of 20 percent, driven by 18-19 percent growth in the residential segment, 55-60 percent in the retail real estate and 20-22 percent in the commercial real estate.

DIRECTORS :

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mrs. Priti K. Shah, Director (DIN : 01880436) of the Company, who retires by rotation, and being eligible, offers herself for reappointment.

INDEPENDENT DIRECTORS :

At the Twenty-sixth Annual General Meeting of the Company held on September 25, 2014, Mr. Arvind Kumar Joshi, Mr. Abhijit Datta and Mr. Sunil C. Shah were appointed as Independent Directors under the provisions of the Companies Act, 2013, each for a term of five consecutive years with effect from September 25, 2014.

Pursuant to the requirement under Section 134 (3) of the Companies Act, 2013, with respect to statement on declaration by Independent Directors under Section 149 (6) of the said Act, the Board hereby confirms that all the Independent Directors of the Company have given a declaration confirming that they meet the criteria of independence as laid down under Section 149 (6) of the said Act and Clause 49 (II) (B) of the Listing Agreement.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS :

The particulars of the meetings of the Board of Directors held during the year under review have been provided in the Corporate Governance Report, which forms part of this Annual Report.

BOARD COMMITTEES :

During the year under review, the Board of Directors has :

- i. reconstituted and enhanced the terms of reference of the Audit and Compliance Committee;
- ii. enhanced the terms of reference of the Remuneration Committee and reconstituted and renamed the Committee as the 'Nomination and Remuneration Committee';
- iii. enhanced the terms of reference of the 'Shareholders'/Investors' Grievance Committee', and reconstituted and renamed the Committee as the 'Stakeholders Relationship Committee';
- iv. constituted a 'Corporate Social Responsibility (CSR) Committee in accordance with the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014; and
- v. constituted a 'Risk Management Committee' in accordance with the provisions of Clause 49 (VI) of the Listing Agreement.

Details of the aforesaid Committees along with their respective composition, terms of reference, meetings held during the year, are provided in the 'Report on Corporate Governance' forming part of this Annual Report.

PERFORMANCE EVALUATION :

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 (II) (B) (5) of the Listing Agreement, evaluation of every Director's performance was carried out by the Nomination and Remuneration Committee. The performance of Non-Independent Directors and the Board as a whole and the Committees thereof and the Chairman of the Company was carried out by Independent Directors. Evaluation of Independent Directors was carried out by the entire Board of Directors, excluding the Director being evaluated.

REPORT OF THE DIRECTORS AND MANAGEMENT DISCUSSION AND ANALYSIS (CONTD.)

The evaluation of the Board and its Committees was based on objective and tangible criteria, including the performance of the Company, accomplishment of long term strategic objectives, blending of ethics and business and the development of management, etc.

The evaluation of individual director was based on the effective contribution by the director concerned, the commitment to the role including commitment of time for Board and Committee meetings and any other duties.

COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION :

The Policy of the Company on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a Director and other matters as provided under Section 178 (3) of the Companies Act, 2013 and Clause 49 (IV) (B) (1) of the Listing Agreement is appended as **Annexure – 'A'** to this Report.

DIRECTORS' RESPONSIBILITY STATEMENT :

Pursuant to sub-section (3) (c) of Section 134 of the Companies Act, 2013, 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, 2015, the applicable Accounting Standards read with the requirements under Schedule III to the said Act have been followed and there are no material departures from the same;
- (ii) such accounting policies as mentioned in Note 2 of the Notes to the Financial Statements have been selected and applied them consistently and judgments and estimates have been made that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as at March 31, 2015 and of the profit of the Company for the year ended on that date;
- (iii) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) the annual accounts have been prepared on a 'going concern' basis;
- (v) proper internal financial controls are in place and that such internal financial controls are adequate and are operating effectively; and
- (vi) proper systems to ensure compliance with the provisions of all applicable laws are in place and are adequate and operating effectively.

SUBSIDIARIES, JOINT VENTURE COMPANIES AND ASSOCIATE COMPANIES :

As on March 31, 2015, the Company had 21 subsidiaries, 8 joint venture companies and 6 associate companies. There has been no change in the nature of business of the said subsidiaries, the said joint venture companies and the said associate companies.

During the year under review :

- i. Citywood Builders Private Limited (Citywood), which was an associate became a subsidiary of the Company. Subsequent to the close of the year, Citywood has become a wholly owned subsidiary of the Company;
- ii. Citywood Builders Private Limited, Holiac Realty Private Limited, and Harbinger Developers Private Limited ceased to be associates of the Company;
- iii. Shubhsiddhi Builders Private Limited became an associate of the Company; and
- iv. Adhivitiya Properties Limited, Arnav Gruh Limited, Heeler Hospitality Private Limited, Merrygold Buildcon Private Limited and Vishal Nirman (India) Limited ceased to be subsidiaries of the Company.

A 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, joint venture companies and associates companies in the prescribed Form AOC 1 is appended to the consolidated financial statements as Schedule - I.

The Policy for determining 'material subsidiary' as approved is posted on the Company's website at the link: <http://www.hubtown.co.in/company-information/investors/policies/policyonsubsidiaries.pdf>.

Additional information as required under Schedule III to the Companies Act, 2013, in respect of entities consolidated as subsidiaries/associates/joint ventures is furnished in Note '1' of Notes to the consolidated financial statements.

In accordance with third proviso of Section 136(1) of the Companies Act, 2013, the Annual Report of the Company, containing therein its standalone and the consolidated financial statements has been placed on the website of the Company at the link : <http://www.hubtown.co.in/company-information/investors/annual-reports/annual-report-2014-2015/pdf>. Further, as per fourth proviso of the said Section, audited annual accounts of each of the subsidiary companies have also been placed on the website of the Company at the link : <http://www.hubtown.co.in/company-information/investors/annual-reports/report-and-accounts-of-subsidiaries-2014-2015/pdf>. Shareholders interested in obtaining a copy of the audited annual accounts of the subsidiary companies may write to the Company Secretary at the Company's registered office. These documents will also be available for inspection at the Registered Office of the Company during the working hours upto the date of the Annual General Meeting.

REPORT OF THE DIRECTORS AND MANAGEMENT DISCUSSION AND ANALYSIS (CONTD.)

PERFORMANCE AND FINANCIAL POSITION OF SUBSIDIARIES, JOINT VENTURE ENTITIES AND ASSOCIATES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENTS

A statement on the performance and financial position of each of the subsidiaries, joint venture companies and associates companies included in the consolidated financial statements is given as Schedule - I to the consolidated financial statements and hence not repeated here for the sake of brevity.

AUDITORS :

Statutory Auditors :

M/s. Dalal Doshi & Associates (formerly Doshi Doshi & Associates), Chartered Accountants, (Firm Registration No. : 121773W) were reappointed as Statutory Auditors of the Company to hold office from the conclusion of the 26th Annual General Meeting (AGM) held on September 25, 2014 until the conclusion of the third consecutive AGM of the Company to be held in the year 2017 (subject to ratification of their appointment by the members at every AGM held after the AGM held on September 25, 2014).

As required under Section 139 (1) of the Companies Act, 2013, the Company has obtained a written certificate from M/s. Dalal Doshi & Associates to the effect that their reappointment, if made, would be in accordance with the Companies Act, 2013 and the Rules framed thereunder and that they satisfy the criteria provided in Section 141 of the Companies Act, 2013.

The proposed reappointment would be subject to ratification by the members in the ensuing Annual General Meeting in terms of the first proviso to Section 139 (1) of the Companies Act, 2013.

As required under Clause 49 of the Listing Agreement, the Statutory Auditors have confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

A resolution seeking ratification of the appointment of M/s. Dalal Doshi & Associates as the Statutory Auditors of the Company pursuant to Section 139 of the Companies Act, 2013 forms part of the Notice.

Cost Auditors :

M/s. N. I. Mehta & Co., Cost Accountants (Firm Registration No. : 000023) have been appointed as Cost Auditors by the Board of Directors to conduct audit of the cost records of the Company for the year ending March 31, 2016. M/s. N. I. Mehta & Co. have confirmed that their appointment is within the limits of Section 139 (9) read with Section 141 (3) (g) of the Companies Act, 2013 and have also certified that they are free from any disqualifications specified under Section 141 (3) and (4) read with proviso to Section 148 (3) of the said Act.

COST COMPLIANCE REPORT :

The Cost Compliance Report for the Financial Year 2013-2014 pursuant to the Companies (Cost Accounting Records) Rules, 2011 was filed within the due date.

Secretarial Auditors :

Pursuant to the provisions of Section 204 (3) of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors has appointed M/s. Ashish Bhatt & Associates (CP No. : 2956), a firm of Company Secretaries in Practice, to conduct the secretarial audit of the Company.

In terms of Section 204 (1) of the Companies Act, 2013, the Report of the Secretarial Auditor on the Company's Secretarial Audit is appended as **Annexure – 'B'** to this Report.

There are no qualifications or observations or adverse remarks made by the Secretarial Auditor in his said Report.

AUDIT COMMITTEE AND AUDIT RECOMMENDATIONS :

The Audit Committee comprises of three Independent Directors namely Mr. Abhijit Datta as Chairman, Mr. Arvind Kumar Joshi and Mr. Sunil C. Shah and One Non-Independent Executive Director – Mr. Vyomesh M. Shah. The Chairman, the Chief Financial Officer, the Internal Auditors and the Statutory Auditors are permanent invitees to the Audit Committee meetings. During the year under review, all the recommendations put forth by the Audit Committee were duly considered and accepted by the Board of Directors. There were no instances of non-acceptance of such recommendations.

REPORT OF THE DIRECTORS AND MANAGEMENT DISCUSSION AND ANALYSIS (CONTD.)

AUDITORS' REPORT AND AUDIT OBSERVATIONS :

The Statutory Auditors have : (i) stated an 'Emphasis of Matter' and "Other Matters" and made certain observations in clauses (vii) (a) and (ix) of the Annexure referred to in their Report on the Standalone Financial Statements for the year ended March 31, 2015; (ii) stated an 'Emphasis of Matter' and "Other Matters" and made certain observations in clauses (vii) (a) and (ix) of the Annexure referred to in their Report on the Consolidated Financial Statements for the year ended March 31, 2015 and the response of your Directors thereto is as follows:

As regards "Emphasis of Matter" and "Other Matters", the Notes to the Standalone Financial Statements and Consolidated Financial Statements for the year ended March 31, 2015 respectively are self explanatory and do not call for further clarification/elaboration.

As regards observations in clauses (vii) (a) and (ix) of the Annexure referred to in the Auditors' Report on the Standalone Financial Statements, and observation in clauses (vii) (a) and (ix) of the Annexure referred to in the Auditors' Report on the Consolidated Financial Statements, the Directors have to state that :

"The delays caused by the Company in making timely payment of the statutory dues and payment of principal and interest on its borrowings have been due to prolonged stagnation in demand in the real estate sector accentuated by economic slowdown, inordinate delays in approval process, inflationary pressures, volatility in foreign exchange, liquidity crunch and costly debt. The Company is also facing lack of adequate sources of finance to fund development of its real estate projects resulting in delayed realisations from its customers and lower availability of funds to discharge its liabilities. The Company is exploring alternative sources of finance to generate adequate cash inflows for meeting these obligations and to overcome this temporary liquidity shortage and is hopeful that these efforts will yield fruitful results."

As regards observations in clause (ix) of the Annexure referred to in the Auditors' Report on the Consolidated Financial Statements, the Directors have to state that :

"The delays caused by the subsidiary companies and jointly controlled entities in repayment of dues to banks, financial institutions and debentureholders is purely temporary on account of cashflow mismatch and efforts are being made and steps being taken to make good the delays at earliest."

REPORTING OF FRAUD BY STATUTORY AUDITORS :

The Statutory Auditors have not reported any instance of fraud under Section 143 (12) of the Companies Act, 2013.

VIGIL MECHANISM :

Pursuant to Section 177 (9) and (10) of the Companies Act, 2013, the Company has established a Whistle Blower Policy as a vigil mechanism for Directors and employees to report their genuine concerns, details of which have been given in the Corporate Governance Report annexed to this Annual Report. The Whistle Blower Policy has been uploaded on the Company website at <http://www.hubtown.co.in/companyinformation/investors/policies/whistleblowerpolicy/pdf>.

RISK MANAGEMENT POLICY :

Risk evaluation and management is an ongoing process within the organization. The Company has constituted a 'Risk Management Committee' 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.

EXTRACT OF ANNUAL RETURN :

The details forming part of the extract of the Annual Return in **Form No. MGT - 9** is appended as **Annexure - 'C'** to this Report.

MATERIAL CHANGES AND COMMITMENTS :

No material changes or commitments affecting the financial position of the Company have occurred between the end of the financial year of the Company to which the financial statements relate and the date of this Report.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY'S OPERATIONS IN FUTURE :

During the year under review, no significant and material orders were passed by the regulators or courts or tribunals which would impact the going concern status of the Company's operations in future.

INTERNAL FINANCIAL CONTROLS :

The Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. These are routinely tested and certified by the Statutory as well as Internal Auditors. Significant audit observations and follow-up action thereon are reported to the Audit Committee. The Audit Committee reviews the adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations, including those relating to strengthening of the Company's risk management policies.

REPORT OF THE DIRECTORS AND MANAGEMENT DISCUSSION AND ANALYSIS (CONTD.)

DEPOSITS :

With effect from April 1, 2014, the Company has stopped accepting/renewing fixed deposits. All the deposits accepted by the Company prior to April 1, 2014 have been refunded by the Company. There were no deposits that remained unpaid or unclaimed as at March 31, 2015.

There are no deposits which are not in compliance with the provisions of Chapter V (relating to acceptance of deposits by companies) of the Companies Act, 2013.

PARTICULARS OF LOANS, INVESTMENTS OR GUARANTEES UNDER SECTION 186 OF THE COMPANIES ACT, 2013

The provisions of Section 186 of the Companies Act, 2013 relating to loans made, guarantees given or securities provided are not applicable to the Company as it is engaged in the business of providing infrastructural facilities as defined in Clause (8) of Schedule VI to the Companies Act, 2013. However, particulars of loans given, investment made, guarantees given and securities provided are disclosed in the notes to the financial statements.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES :

All contracts / arrangements / transactions with related parties that were entered into by the Company during the year under review were on an arm's length basis and in the ordinary course of business. Hence no particulars in Form AOC - 2 have been furnished. There were no materially significant related party transactions with the Company's Promoters, Directors, Key Managerial Personnel or their relatives which could have had a potential conflict with the interest of the Company at large. All related party transactions are placed before the Audit Committee as also the Board for approval.

The Policy on Related Party Transactions as approved by the Board is uploaded on the Company's website at [http : www.hubtown.co.in](http://www.hubtown.co.in) company information / investors / policies / policy on related party transactions / pdf.

Attention of the members is drawn to Note 33 to the standalone financial statements and Note 31 to the consolidated financial statements which sets out related party disclosures.

CONSOLIDATED FINANCIAL STATEMENTS :

The Consolidated Financial Statements of the Company which have been prepared in accordance with the relevant Accounting Standards (AS) viz. AS 21 – 'Consolidated Financial Statements', AS 23 – 'Accounting for Investments in Associates' and AS 27 – 'Financial Reporting of interests in Joint Ventures' issued by the Institute of Chartered Accountants of India form part of this Annual Report.

CODE OF CONDUCT :

As prescribed under Clause 49 (II) (E) of the Listing Agreement, a declaration signed by the Managing Director affirming compliance with the Code of Conduct by the Directors and Senior Management Personnel of the Company for the Financial Year 2014-2015 is annexed to and forms part of the Corporate Governance Report.

CORPORATE GOVERNANCE :

A separate report on 'Corporate Governance' is provided on Page No. 41 to 58 of this Annual Report together with a Certificate from a Company Secretary in Practice regarding compliance with the conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement. A certificate by the Managing Director and Chief Financial Officer of the Company in terms of Clause 49 (IX) of the Listing Agreement, inter-alia confirming the correctness of the financial statements, adequacy of internal control measures and reporting of the matters to the Audit Committee is also annexed.

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

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

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 ₹ 139.07 lacs in foreign exchange.

REPORT OF THE DIRECTORS AND MANAGEMENT DISCUSSION AND ANALYSIS (CONTD.)

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES:

During the year under review, three (3) employees of the Company employed for the full year received remuneration in excess of ₹ 60 lacs and 1 (one) employee employed for part of the year received remuneration in excess of ₹ 5 lacs per month.

In terms of the provisions of 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, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said Rules is appended to this Report.

In terms of the provisions of Section 136(1) of the Companies Act, 2013, the Directors' Report is being sent to the shareholders excluding the aforesaid statement. Shareholders who are interested in obtaining a copy of the said statement may write to the Company Secretary at the Company's registered office. The aforesaid statement is also available for inspection by the shareholders at the Registered Office of the Company 21 days before the Twenty-seventh Annual General Meeting and upto the date of the said Annual General Meeting during the business hours on working days.

Disclosures pertaining to remuneration and other details as required under Section 197 (12) of the said Act read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are provided in **Annexure 'D'** to this Report.

CORPORATE SOCIAL RESPONSIBILITY (CSR) :

The Company has constituted a Corporate Social Responsibility Committee in accordance with the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 (the Rules). The CSR Policy of the Company and the details about the initiatives taken by the Company on Corporate Social Responsibility during the year as per annexure attached to the Rules have been appended as **Annexure 'E'** to this Report. Further, the CSR Policy has been uploaded on the Company website at the link : <http://www.hubtown.co.in/company-information/investors/policies/corporate-social-responsibility-policy/pdf>.

HUMAN RESOURCES :

The Company recognizes that its people are key to 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 180 employees on its payroll as on March 31, 2015.

INSURANCE :

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

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 & Regulatory Authorities and Stock Exchanges for their continued support during the year.

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

Mumbai, May 30, 2015.

NOMINATION AND REMUNERATION POLICY

[Effective October 1, 2014]

(As approved by the Board of Directors on February 12, 2015)

1. PREAMBLE :

Pursuant to Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement as amended from time to time, the Board of Directors of every listed company shall constitute a 'Nomination and Remuneration Committee'. The Company had already constituted a 'Remuneration Committee' comprising of three Non-Executive Independent Directors as required under the Listing Agreement. In order to align with the provisions of the Companies Act, 2013 and the Listing Agreement, the Board of Directors of the Company on August 14, 2014 changed the nomenclature of 'Remuneration Committee' to 'Nomination and Remuneration Committee' and reconstituted the Committee with three Independent Directors and one Executive Director i.e Chairperson of the Company as members of the Committee.

This Policy is formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable Rules thereto and Clause 49 of the Listing Agreement.

2. TERMS OF REFERENCE OF THE COMMITTEE :

The terms of reference of the Nomination and Remuneration Committee 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, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance;
- ii. 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.
- iii. to formulate the criteria for evaluation of Independent Directors and the Board;
- iv. to devise a policy on Board diversity;
- v. to recommend/review the remuneration of the Wholetime Director(s) and the Managing Director based on their performance and defined assessment criteria;
- vi. 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;
- vii. to assist the Board in ensuring that plans are in place for orderly succession for appointments to the Board and to senior management;
- viii. to carry out any other functions as may be mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable; and
- ix. to carry out such other functions as may be necessary or appropriate for the performance of its duties.

3. DEFINITIONS :

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

Nomination and Remuneration Policy (Contd.)

- 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 Clause 49 of the Listing Agreement;
- vii. 'Policy or This Policy' means the 'Nomination and Remuneration Policy'; and
- viii. 'Senior Management' means personnel of the Company who are members of its core management team excluding the Board of Directors. This would include all members of management one level below the Executive Directors including all functional heads.

4. INTERPRETATION :

Terms that have not been defined in this Policy shall have the same meaning assigned to them in the Companies Act, 2013, the Listing Agreement and/or any other SEBI Regulations as amended from time to time.

5. GUIDING PRINCIPLES :

This Policy ensures 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.

6. MEMBERSHIP OF THE COMMITTEE :

- i. The Committee shall consist of atleast 3 (three) Directors, all of whom shall be Non-Executive Directors and atleast half shall be Independent Directors;
- ii. The Board shall reconstitute the Committee as and when required to comply with the provisions of the Companies Act, 2013 and applicable statutory requirement;
- iii. Minimum 2 (two) members shall constitute a quorum for the Committee meeting;
- iv. Membership of the Committee shall be disclosed in the Annual Report;
- v. Terms of the Committee shall continue unless terminated by the Board; 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 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 could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

8. FREQUENCY OF MEETINGS :

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

9. 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 :

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

Nomination and Remuneration Policy (Contd.)

11. VOTING :

- 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 DIRECTORS, KEY MANAGERIAL PERSONNEL (KMP) AND SENIOR MANAGEMENT PERSONNEL :

• Appointment criteria and qualifications :

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

• Tenure of Office :

Executive Directors

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

Independent Director

- i. An Independent Director shall hold office for a term upto five consecutive years on the Board of the Company and will be eligible for reappointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's Report;
- ii. 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. However, a person who has already served as an Independent Director for 5 (five) years or more in the Company as on October 1, 2014 or such other date as may be determined by the Committee as per regulatory requirement, he/she shall be eligible for appointment for one more term of 5 (five) years only; and
- iii. 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.

• Evaluation :

The Committee shall carry out evaluation of performance of each Director on a yearly basis.

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, on the basis of recommendations of the Committee (excluding the Director being evaluated).

• 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.

• 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.

Nomination and Remuneration Policy (Contd.)

13. POLICY RELATING TO THE REMUNERATION OF EXECUTIVE DIRECTORS, KMP AND SENIOR MANAGEMENT PERSONNEL :

- **Remuneration Policy for Executive Directors :**

- i. The remuneration and commission to be paid to the Executive Directors shall be as per the statutory provisions of the Companies Act, 2013 and the Rules made thereunder, for the time being in force;
- ii. The remuneration / commission to be paid to the Executive Directors will be determined by the Committee and recommended to the Board for approval;
- iii. The break-up of the pay scale and the quantum of perquisites and allowances shall be decided by the Committee;
- iv. The remuneration / commission, etc. shall be subject to prior/post approval of the shareholders of the Company and the Central Government, wherever required;
- v. 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;
- vi. If, in any financial year the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managerial Person in accordance with the provisions of Schedule V to the said Act and if it is not able to comply with such provision, with the prior approval of the Central Government; and
- vii. If any Executive Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he/she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive the recovery of such sum refundable to it unless permitted by the Central Government.

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

- i. The remuneration and commission to be paid to the Non-Executive / Independent Directors shall be in accordance with the statutory provisions of the Companies Act, 2013 and the Rules made thereunder for the time being in force;
- ii. The Non-Executive/Independent Directors may 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 Companies Act, 2013 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 Companies Act, 2013; and
- iv. An Independent Director shall not be entitled to any stock option of the Company.

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

- i. 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;
- ii. The break-up of the pay scale, quantum of perquisites and allowances, shall be as per the Company's HR Policies; and
- iii. 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. INSURANCE POLICY :

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

15. MINUTES OF THE COMMITTEE MEETING :

Proceedings of all meetings of the Committee shall be recorded in the minutes book kept for the purpose within thirty days of the date of the meeting and shall be signed by the Chairman of the said meeting. Minutes of the Committee meetings shall be tabled at the subsequent Board and Committee meetings.

Nomination and Remuneration Policy (Contd.)

16. IMPLEMENTATION :

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

17. DELEGATION :

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 THIS POLICY :

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

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. DISSEMINATION :

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

21. AMENDMENTS TO THIS POLICY :

The Board of Directors may suo moto and/or on the recommendations of the Committee amend this Policy, as and when deemed fit.

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), clarification(s), circular(s), etc.

FORM NO. MR - 3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2015

[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
 Ackruti Center Point,
 6th floor, Central Road,
 Marol, MIDC, Andheri (E),
 Mumbai 400 093.

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

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the Financial Year ended on March 31, 2015, 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:

I 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, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the 'Act') and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment, External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not applicable to the Company during audit period);
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (Not applicable to the Company during audit period);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) 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;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during audit period); and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during audit period).
- (vi) We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. The list of major head/groups of Acts, Laws and Regulations as applicable to the Company is given in Annexure I.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India; and
- (ii) The Listing Agreements entered into by the Company with the Stock Exchange(s).

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

I further report that

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

Adequate notice is given to all Directors to schedule the Board Meetings and agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

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

I further report that during the audit period the Company has passed following special resolutions which are having major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

1. Increase in borrowing limits under Section 180(1)(c) of the Companies Act, 2013.
2. sell, lease or dispose of whole or substantially the whole of the undertaking under Section 180(1)(a) of the Companies Act, 2013.
3. Authority to the Board of Directors for inviting/accepting Deposits from members and the public under Sections 76 and 73 of the Companies Act, 2013.
4. Authorising the Board of Directors of the Company to make offer(s) or invitation for subscription to Non-Convertible Debentures for an amount not exceeding Rs. 5000 crores on private placement basis.
5. Addition of new sub-clause no. 49 immediately after sub-clause 48 in part B under the heading the 'Objects incidental or ancillary to the attainment of the main objects'.
6. Adoption of new set of Articles of Association of the Company.

For Ashish Bhatt & Associates

Ashish Bhatt

Practicing Company Secretary

FCS No: 4650

C.P. No. 2956

Place: Thane

Date: April 29, 2015

ANNEXURE I

LIST OF APPLICABLE LAWS TO THE COMPANY

Under the Major Group and Head

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

For Ashish Bhatt & Associates

Ashish Bhatt

Practicing Company Secretary

FCS No: 4650

C.P. No. 2956

Place: Thane

Date: April 29, 2015

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on Financial Year ended on March 31, 2015

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

I. REGISTRATION & OTHER DETAILS:

1.	CIN	L45200MH1989PLC050688
2.	Registration Date	16-02-1989
3.	Name of the Company	Hubtown Limited
4.	Category/Sub-category of the Company	Company having Share Capital
5.	Address of the Registered office & contact details	Akruti Center Point, 6th Floor, Central Road, Marol MIDC, Andheri (East), Mumbai – 400093. Tel: 022 67037400; Fax: 022 6707403
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Link Intime India Private Limited, C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (W), Mumbai-400078 Tel No.: 022 25963838; Fax: 022 25946969 E-mail: rnt.helpdesk@linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and description of Main Products / Services	NIC Code of the Product/Service	% to total turnover of the Company
1	Real Estate Construction and Development	4100	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES-

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1	ABP Realty Advisors Private Limited Akruti Trade Centre, Road No. 7, Marol MIDC, Andheri (East), Mumbai - 400 093	U67190MH2007PTC172390	Subsidiary	100%	2(87)(ii)
2	Akruti Safeguard Systems Private Limited D-89/3, TTC Industrial Area, MIDC Turbhe, Navi Mumbai, Thane - 400705	U51909MH1999PTC176073	Subsidiary	88.27%	2(87)(ii)
3	Citywood Builders Private Limited (from November 29, 2014) 2294, Ground Floor, 48, Gandhi Nagar, MIG Colony, Bandra (East), Mumbai - 400051	U45202MH2009PTC191711	Subsidiary	75%	2(87)(ii)
4	Citygold Education Research Limited Raheja Chamber, Office No. 317, 3rd Floor, Free Press Marg, Nariman Point, Mumbai – 400021	U80100MH2006PLC158595	Subsidiary	2.17%	2(87)(i)
5	Citygold Farming Private Limited Raheja Chamber, Office No. 317, 3rd Floor, Free Press Marg, Nariman Point, Mumbai – 400021	U01122MH2006PTC163517	Subsidiary	0.38%	2(87)(i)
6	Devkrupa Build Tech Limited Raheja Chamber, Office No. 317, 3rd Floor, Free Press Marg, Nariman Point, Mumbai – 400021	U74140MH2006PLC166596	Subsidiary	100%	2(87)(ii)
7	Diviniti Projects Private Limited Akruti Trade Centre, Road No. 7, Marol MIDC, Andheri (East), Mumbai - 400 093	U70100MH1995PTC087713	Subsidiary	100%	2(87)(ii)

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
8	Gujarat Akruti - TCG Biotech Limited 102, Sarthik Square, Plot No. 357, Bodakdev, Ahmedabad, Gujarat - 380015	U70102GJ2007PLC050966	Subsidiary	74%	2(87)(ii)
9	Halitious Developer Limited Akruti Trade Centre, Road No. 7, Marol MIDC, Andheri (East), Mumbai - 400 093	U70101MH2007PLC172784	Subsidiary	100%	2(87)(ii)
10	Headland Farming Private Limited Raheja Chamber, Office No. 317, 3rd Floor, Free Press Marg, Nariman Point, Mumbai - 400021	U74999MH2006PTC163511	Subsidiary	100%	2(87)(ii)
11	Heddle Knowledge Private Limited Raheja Chamber, Office No. 317, 3rd Floor, Free Press Marg, Nariman Point, Mumbai - 400021	U01122MH2006PTC163518	Subsidiary	100%	2(87)(ii)
12	Heet Builders Private Limited 72, Nakhodia Street, 1st Floor, J R Shetty Building, Pydhonie, Mumbai - 400 003	U70102MH1985PTC037030	Subsidiary	94.40%	2(87)(ii)
13	India Development And Construction Venture Capital Private Limited Akruti Trade Centre, Road No. 7, Marol MIDC, Andheri (East), Mumbai - 400 093	U67190MH2007PTC172391	Subsidiary	100%	2(87)(ii)
14	Joynest Premises Private Limited CTS No. 469-A, Chembur, Mumbai - 400071	U45202MH2008PTC183715	Subsidiary	62.07%	2(87)(ii)
15	Sheshan Housing And Area Development Engineers Limited Akruti Trade Centre, Road No. 7, Marol MIDC, Andheri (East), Mumbai - 400 093	U45200MH2000PLC124034	Subsidiary	100%	2(87)(ii)
16	Upvan Lake Resorts Private Limited B-5, Building No 9, Devidaya Nagar, Pokhran Road No 1, Thane 400606	U55204MH2008PTC183084	Subsidiary	75%	2(87)(ii)
17	Urvi Build Tech Limited Akruti Trade Centre, Road No. 7, Marol MIDC, Andheri (East), Mumbai - 400 093	U15400MH1996PLC101031	Subsidiary	100%	2(87)(ii)
18	Vama Housing Limited Akruti Trade Centre, Road No. 7, Marol MIDC, Andheri (East), Mumbai - 400 093	U45200MH1995PLC085167	Subsidiary	100%	2(87)(ii)
19	Vega Developers Private Limited 14, Ashok Niwas, Ground Floor, South Pond Road, Vile Parle (West), Mumbai - 400056	U45200MH2006PTC159794	Subsidiary	100%	2(87)(ii)
20	Vishal Techno Commerce Limited Akruti Trade Centre, Road No. 7, Marol MIDC, Andheri (East), Mumbai - 400 093	U45200MH1986PLC041348	Subsidiary	100%	2(87)(ii)
21	Yantti Buildcon Private Limited G2, Plumeria Apartments, No.1, John Armstrong Road, Richards Town, Bangalore, Karnataka - 560005	U45201KA2009PTC052006	Subsidiary	100%	2(87)(ii)
22	Comral Realty Private Limited C S No. 1/701 & 2/702, Near Baitul Sadan, Opp. Sophiya College, Vivek Singh Lane, Off. Peddar Road, Mumbai - 400026	U70102MH2007PTC169371	Associate	50%	2(6)

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
23	Hoary Realty Limited Hindoostan Mills Compound, Kashinath Dhuri Marg, Patilwadi, Off Veer Savarkar Road, Prabhadevi, Mumbai – 400025	U51100MH1996PLC100876	Associate	30.63%	2(6)
24	Hubtown Bus Terminal (Adajan) Private Limited Adajan Bus Depot, Near Shital Police Chowki, Adajan Patia, Surat -395009, Gujarat	U45203GJ2008PTC069636	Associate	47.28%	2(6)
25	Hubtown Bus Terminal (Ahmedabad) Private Limited 102, Sarthik Square, Plot No. 357, Bodakdev, Ahmedabad – 380015, Gujarat	U60200GJ2009PTC058763	Associate	46.30%	2(6)
26	Hubtown Bus Terminal (Mehsana) Private Limited GSRTC Quarters Class-II, Block No. 2, Ground Floor, Behind Vibhagiya Kacheri, Modhera Crossing, Mehsana, Mehsana - 384002, Gujarat.	U45400GJ2008PTC069638	Associate	42.86%	2(6)
27	Hubtown Bus Terminal (Vadodara) Private Limited Makarpura Bus Depot, Nr.G.I.D.C, Opp. Toyota Show Room, Makarpura Main Road, Vadodara - 390010, Gujarat.	U45203GJ2008PTC069640	Associate	47.22%	2(6)
28	Joyous Housing Limited (Formerly known as Joyous Housing Private Limited) Tulsiwadi Project Office, Ambedkar Nagar, S.K. Rathod Marg, Behind Income Tax office, Tardeo, Mumbai – 400034.	U70100MH1995PLC092856	Associate	25%	2(6)
29	Pristine Developers Private Limited 3, Narayan Building, 23 L N Road, Dadar (East), Mumbai - 400 014	U45200MH2005PTC152142	Associate	40%	2(6)
30	Rare Townships Private Limited CTS No.194 B, Nirankari Baba Ground, Opp. Great Height, Ghatkopar - Mankhurd Link Road, Chhedha Nagar, Chembur - 400 071	U70102MH2000PTC126999	Associate	39.34%	2(6)
31	Shubhsiddhi Builders Private Limited (from November 29, 2014) 2294, Ground Floor, MIG Colony, Bandra (East), Mumbai – 400051	U70100MH2006PTC159241	Associate	50%	2(6)
32	Sunstream City Private Limited Akruti Trade Centre, Road No. 7, Marol MIDC, Andheri (East), Mumbai - 400 093.	U99999MH2006PTC182177	Associate	43%	2(6)
33	Vinca Developer Private Limited Akruti Trade Centre, Road No. 7, Marol MIDC, Andheri (East), Mumbai - 400 093	U45202MH2008PTC185408	Associate	0.05%	2(6)
34	Whitebud Developers Limited Raheja Chamber, Office No. 317, 3rd Floor, Free Press Marg, Nariman Point, Mumbai – 400021	U70100MH1994PLC082882	Associate	50%	2(6)
35	Yellowcity Builders Private Limited 2294, Ground Floor, MIG Colony, Bandra East, Mumbai – 400051	U70100MH2004PTC146292	Associate	43.50%	2(6)

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)
i) Category-wise Share Holding

Category of Shareholders		No. of Shares held at the beginning of the year[As on 31-March-2014]				No. of Shares held at the end of the year[As on 31-March-2015]				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.	Promoters									
	(1) Indian									
	(a) Individual/ HUF	59400000	0	59400000	81.67	53711816	0	53711816	73.85	(7.82)
	(b) Central Govt	0	0	0	0	0	0	0	0	0
	(c) State Govt(s)	0	0	0	0	0	0	0	0	0
	(d) Bodies Corporate	600000	0	600000	0.82	600000	0	600000	0.82	0
	(e) Banks / FI	0	0	0	0	0	0	0	0	0
	(f) Any other	0	0	0	0	0	0	0	0	0
	Sub-total (A)(1)	60000000	0	60000000	82.49	54311816	0	54311816	74.67	(7.82)
	(2) Foreign									
	(a) NRIs - Individuals	0	0	0	0	0	0	0	0	0
	(b) Other - Individuals	0	0	0	0	0	0	0	0	0
	(c) Bodies Corp.	0	0	0	0	0	0	0	0	0
	(d) Banks / FI	0	0	0	0	0	0	0	0	0
	(e) Any Other	0	0	0	0	0	0	0	0	0
	Sub-total (A) (2)	0	0	0	0	0	0	0	0	0
	Total shareholding of Promoter (A) = (A)(1)+(A)(2)	60000000	0	60000000	82.49	54311816	0	54311816	74.67	(7.82)
B.	Public Shareholding									
	1 Institutions									
	(a) Mutual Funds	248	0	248	0	0	0	0	0	0
	(b) Banks / FI	0	0	0	0	34303	0	34303	0.05	0.05
	(c) Central Govt	0	0	0	0	5	0	5	0	0
	(d) State Govt(s)	0	0	0	0	0	0	0	0	0
	(e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
	(f) Insurance Companies	56937	0	56937	0.08	56937	0	56937	0.08	0
	(g) FIs	389436	0	389436	0.54	67924	0	67924	0.09	(0.45)
	(h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
	(i) Others (specify)	0	0	0	0	0	0	0	0	0
	Sub-total (B)(1)	446621	0	446621	0.61	159169	0	159169	0.22	(0.39)
	2 Non-Institutions									
	(a) Bodies Corporate									
	(i) Indian	4434520	0	4434520	6.10	10228857	0	10228857	14.06	7.96
	(ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
	(b) Individuals:									
	(i) Individual shareholders holding nominal share capital upto ₹. 1 lakh	1344581	17	1344598	1.85	2029178	342	2029520	2.79	0.94
	(ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	4379588	0	4379588	6.02	3664635	0	3664635	5.04	(0.98)
	(c) Others (specify)									
	(i) Trusts	46	0	46	0	45	0	45	0	0
	(ii) Non-Resident Indians	1734831	0	1734831	2.4	2018916	0	2018916	2.78	0.38
	(iii) Overseas Corporate Bodies	11	0	11	0	11	11	0	0	0
	(iv) Clearing Members	395656	0	395656	0.54	322902	0	322902	0.44	(0.1)
	Sub-total (B)(2)	12289233	17	12289250	16.9	18264544	342	18264886	25.11	8.21
	Total Public Shareholding (B)=(B)(1)+(B)(2)	12735854	17	12735871	17.51	18423713	342	18424055	25.33	7.82
C.	Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
	Grand Total (A+B+C)	72735854	17	72735871	100	72735529	342	72735871	100	0

ii) Shareholding of Promoter-

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year [As 31-March-2014]			Shareholding at the end of the year [As on 31-March-2015]			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Hemant M. Shah	5800000	7.97	5.49	5800000	7.97	7.97	0
2	Vyomesh M. Shah	7540000	10.37	4.16	7540000	10.37	10.35	0
3	Mahipatray V. Shah HUF	9600000	13.20	13.19	9600000	13.20	13.19	0
4	Hemant M. Shah HUF	6892000	9.48	6.85	4980500	6.85	6.16	(2.63)
5	Vyomesh M. Shah HUF	4100000	5.64	5.64	4100000	5.64	5.64	0
6	Kunjai H. Shah	5308000	7.30	4.54	5308000	7.30	3.71	0
7	Falguni V. Shah	6360000	8.74	8.27	5993316	8.24	8.12	(0.5)
8	Rushank V. Shah	3600000	4.95	2.20	1600000	2.20	2.20	(2.75)
9	Khilen V. Shah	3600000	4.95	3.57	2600000	3.57	3.55	(1.38)
10	Kushal H. Shah	3600000	4.95	2.34	3600000	4.95	3.85	0
11	Lata M. Shah	2400000	3.30	3.30	2400000	3.30	3.30	0
12	Hemant M. Shah and Vyomesh M. Shah	600000	0.82	0.26	190000	0.26	0.19	(0.56)
13	Ukay Valves and Founders Private Limited	300000	0.41	0	300000	0.41	0	0
14	Vishwajeet Consultancy Private Limited	300000	0.41	0	300000	0.41	0	0
	Total	60000000	82.49	59.81	54311816	74.67	68.23	(7.82)

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

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Falguni V. Shah				
	At the beginning of the year	6360000	8.74	6360000	8.74
	Shares invoked on May 23, 2014	(10000)	(0.1)	6350000	8.73
	Shares invoked on May 28, 2014	(1200)	0	6348800	8.73
	Shares sold through Offer for Sale on June 4, 2014	(126597)	(0.17)	6222203	8.56
	Shares invoked on September 8, 2014	(82134)	(0.11)	6140069	8.45
	Shares invoked on September 9, 2014	(15868)	(0.02)	6124201	8.43
	Shares invoked on September 10, 2014	(66459)	(0.09)	6057742	8.32
	Shares invoked on September 11, 2014	(81560)	(0.11)	5976182	8.21
	Shares invoked on September 12, 2014	(20000)	(0.03)	5956182	8.18
	Shares invoked on October 31, 2014	(10000)	(0.01)	5946182	8.17
	Shares invoked on November 3, 2014	(35000)	(0.04)	5911182	8.13
	Shares retransferred by lender on March 3, 2015	82134	0.11	5993316	8.24
	At the end of the year	5993316	8.24	5993316	8.24
2	Hemant M. Shah HUF				
	At the beginning of the year	6892000	9.48	6892000	9.48
	Shares sold through Offer for Sale on June 4, 2014	(1911500)	(2.63)	4980500	6.85
	At the end of the year	4980500	6.85	4980500	6.85
3	Rushank V. Shah				
	At the beginning of the year	3600000	4.95	3600000	4.95
	Shares sold through Offer for Sale on June 4, 2014	(2000000)	(2.75)	1600000	2.20
	At the end of the year	1600000	2.2	1600000	2.20
4	Khilen V. Shah				
	At the beginning of the year	3600000	4.95	3600000	4.95
	Shares through Offer for Sale on June 4, 2014	(1000000)	(1.38)	2600000	3.57
	At the end of the year	2600000	3.57	2600000	3.57

iv) **Shareholding Pattern of top ten Shareholders:**
(Other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	ANAND RATHI GLOBAL FINANCE LIMITED				
	At the beginning of the year (April 01, 2014)	239000	0.3286	239000	0.3286
	Sale of Shares on 31/12/2014	(239000)	(0.3286)	0	0
	Purchase of Shares on 31/03/2015	2142742	2.9459	2142742	2.9459
	At the end of the year (March 31, 2015)	2142742	2.9459	2142742	2.9459
2	NILESH RAMESHCHANDRA PETHANI				
	At the beginning of the year (April 01, 2014)	1262800	1.7361	1262800	1.7361
	Purchase of Shares on 19/12/2014	261487	0.36	1524287	2.0956
	At the end of the year (March 31, 2015)	1524287	2.0956	1524287	2.0956
3	SPACELINE PROJECTS PRIVATE LIMITED				
	At the beginning of the year (April 01, 2014)	65240	0.0897	65240	0.0897
	Purchase of Shares on 06/06/2014	1362024	1.87	1427264	1.9623
	At the end of the year (March 31, 2015)	1427264	1.9623	1427264	1.9623
4	VINJAY JEWELS PRIVATE LIMITED				
	At the beginning of the year (April 01, 2014)	0	0	0	0
	Purchase of Shares on 06/06/2014	1362024	1.8726	1362024	1.8726
	Purchase of Shares on 20/03/2015	500	0.0006	1362524	1.8732
	At the end of the year (March 31, 2015)	1362524	1.8732	1362524	1.8732
5	PADMAPAWAN GEMS PRIVATE LIMITED				
	At the beginning of the year (April 01, 2014)	0	0	0	0
	Purchase of Shares on 06/06/2014	1362024	1.8726	1362024	1.8726
	Purchase of Shares on 20/03/2015	300	0.0004	1362324	1.873
	At the end of the year (March 31, 2015)	1362324	1.873	1362324	1.873
6	CITY GOLD INVESTMENTS PRIVATE LIMITED				
	At the beginning of the year (April 01, 2014)	0	0	0	0
	Purchase of Shares on 23/05/2014	800000	1.0999	800000	1.0999
	Purchase of Shares on 20/06/2014	308956	0.4248	1108956	1.5246
	Sale of Shares on 30/06/2014	(343537)	(0.4730)	765419	1.0523
	Sale of Shares on 04/07/2014	(100000)	(0.1375)	665419	0.9148
	Purchase of Shares on 11/07/2014	100000	0.1375	765419	1.0523
	Purchase of Shares 05/12/2014	52000	0.0715	817419	1.1238
	Purchase of Shares 12/12/2014	66000	0.0908	883419	1.2146
	Purchase of Shares 19/12/2014	37261	0.0512	920680	1.2658
	Purchase of Shares 31/12/2014	202660	0.2786	1123340	1.5444
	Purchase of Shares 13/03/2015	17217	0.0237	1140557	1.5681
	Purchase of Shares 20/03/2015	68577	0.0943	1209134	1.6624
	Purchase of Shares 27/03/2015	91725	0.1261	1300859	1.7885
	Purchase of Shares 31/03/2015	2481	0.0034	1303340	1.7919
	At the end of the year (March 31, 2015)	1303340	1.7919	1303340	1.7919
7	CELLO PENS AND STATIONERY PRIVATE LIMITED				
	At the beginning of the year (April 01, 2014)	960000	1.3198	0	0
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.)	—	—	—	—
	At the end of the year (March 31, 2015)	960000	1.3198	960000	1.3198
8	PANKAJ LATA NIGAM				
	At the beginning of the year (April 01, 2014)	972484	1.337	972484	1.337
	Sale of Shares on 21/11/2014	(40000)	(0.055)	932484	1.282
	At the end of the year (March 31, 2015)	932484	1.282	932484	1.282
9	PRAKHAR ADVISORS AND TRADERS PRIVATE LIMITED				
	At the beginning of the year (April 01, 2014)	469000	0.6448	469000	0.6448
	Purchase of Shares on 04/07/2014	400000	0.55	869000	1.1947
	At the end of the year (March 31, 2015)	869000	1.1947	869000	1.1947
10	DLF RETAIL DEVELOPERS LIMITED				
	At the beginning of the year (April 01, 2014)	430621	0.592	430621	0.592
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.)	—	—	—	—
	At the end of the year (March 31, 2015)	430621	0.592	430621	0.592

v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1)	Mr. Hemant Shah (Whole Time Director)				
	At the beginning of the year (April 01, 2014)	5800000	7.97	5800000	7.97
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	—	—	—	—
	At the end of the year (March 31, 2015)	5800000	7.97	5800000	7.97
2)	Mr. Vyomesh Shah (Managing Director)				
	At the beginning of the year (April 01, 2014)	7540000	10.37	7540000	10.37
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	—	—	—	—
	At the end of the year (March 31, 2015)	7540000	10.37	7540000	10.37
3)	Mr. Arvind Kumar Joshi (Independent Director)				
	At the beginning of the year (April 01, 2014)	—	—	—	—
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	—	—	—	—
	At the end of the year (March 31, 2015)	—	—	—	—
4)	Mr. Abhijit Datta (Independent Director)				
	At the beginning of the year (April 01, 2014)	—	—	—	—
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	—	—	—	—
	At the end of the year (March 31, 2015)	—	—	—	—
5)	Mr. Sunil Shah (Independent Director)				
	At the beginning of the year (April 01, 2014)	—	—	—	—
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	—	—	—	—
	At the end of the year (March 31, 2015)	—	—	—	—
6)	Ms. Priti Shah (Non-Executive Director)				
	At the beginning of the year (April 01, 2014)	—	—	—	—
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	—	—	—	—
	At the end of the year (March 31, 2015)	—	—	—	—
7)	Mr. Anil Ahluwalia (Chief Financial Officer)				
	At the beginning of the year (April 01, 2014)	1	—	—	1
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	—	—	—	—
	At the end of the year (March 31, 2015)	1	—	—	1
8)	Mr. Chetan Mody (Company Secretary)				
	At the beginning of the year (April 01, 2014)	—	—	—	—
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	—	—	—	—
	At the end of the year (March 31, 2015)	—	—	—	—

V. INDEBTEDNESS –

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

(₹ in Lacs)

		Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year					
i)	Principal Amount	112137.13	29785.70	1040.83	142963.66
ii)	Interest due but not paid	4645.48	2925.31	60.36	7631.15
iii)	Interest accrued but not due	80.24	1.61	---	81.85
	Total (i+ii+iii)	116862.85	32712.62	1101.19	150676.66
Change in Indebtedness during the financial year					
* Addition		29745.05	19069.05	---	48814.10
* Reduction		53872.79	11354.20	1101.19	64465.90
Net Change		(24397.74)	7714.85	(1101.19)	(17784.08)
Indebtedness at the end of the financial year					
i)	Principal Amount	89601.67	37074.88	---	126676.55
ii)	Interest due but not paid	2863.44	3352.59	---	6216.03
iii)	Interest accrued but not due	---	---	---	---
	Total (i+ii+iii)	92465.11	40427.47	---	132892.58

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

(₹ in Lacs)

Sr. No.	Particulars of Remuneration	Name of MD/WTM/ Manager		Total Amount
		Mr. Hemant Shah (Executive Chairman)	Mr. Vyomesh Shah (Managing Director)	
1	Gross salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	70.20	62.40	132.60
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	8.00	8.00	16.00
	(c) Profits in lieu of salary under section 17(3) of the Income- tax Act, 1961	—	—	—
2	Stock Option	—	—	—
3	Sweat Equity	—	—	—
4	Commission			
	- as % of profit	—	—	—
	- others, specify			
5	Others, please specify	—	—	—
	Total (A)	78.2	70.4	148.6
	Ceiling as per the Act	₹ 180.90 Lacs (being 10% of the net profit of the Company calculated as per Section 198 of the Companies Act, 2013).		

B. Remuneration to other Directors:

(₹ in Lacs)

Sr. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. Arvind Kumar Joshi	Mr. Abhijit Datta	Mr. Sunil Shah	Mrs. Priti Shah	
1	Independent Directors				-	
	Fee for attending Board/Committee meetings	2.40	2.00	1.80	—	6.20
	Commission	5.43	5.43	3.61	—	14.47
	Others, please specify	—	—	—	—	—
	Total (1)	—	—	—	—	20.67
2	Other Non-Executive Directors	—	—	—	—	—
	Fee for attending Board/Committee meetings	—	—	—	0.80	0.80
	Commission	—	—	—	3.61	3.61
	Others, please specify	—	—	—	—	—
	Total (2)	—	—	—	—	4.41
	Total (B)=(1+2)	—	—	—	—	25.08 (including sitting fees) 18.08 (excluding sitting fees)
	Total Managerial Remuneration	—	—	—	—	173.68
	Overall Ceiling as per the Act	₹ 198.99 lacs being 11% of the net profit calculated as per Section 198 of the Companies Act, 2013.				

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

(₹ in Lacs)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		
		Mr. Chetan Mody (Company Secretary)	Mr. Anil Ahluwalia (CFO)	Total
1	Gross salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	30.77	41.16	71.93
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	—	—	—
	(c) Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961	—	—	—
2	Stock Option	—	—	—
3	Sweat Equity	—	—	—
4	Commission	—	—	—
	- as % of profit	—	—	—
	others, specify	—	—	—
5	Others, please specify	—	—	—
	Total	30.77	41.16	71.93

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

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

Sr. No.	Requirement	Disclosure	
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, 2015	Name of the Director	Ratio
		Mr. Hemant M. Shah	10.21
		Mr. Abhijit Datta	0.64
		Mr. Arvind Kumar Joshi	0.64
		Mr. Sunil C. Shah	0.43
		Mrs. Priti K. Shah	0.43
		Mr. Vyomesh M. Shah	9.18
		For this purpose, sitting fees and reimbursement of out-of-pocket expenses incurred in attending the meetings of the Board and Committees paid to the Independent Directors and Non-Executive Director have not been considered as remuneration. Only commission paid by way of remuneration to the Independent Directors and Non-Executive Director has been considered.	
2.	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the Financial Year 2014-2015	Mr. Hemant M. Shah	Nil
		Mr. Vyomesh M. Shah	Nil
		Mr. Anil H. Ahluwalia	20%
		Mr. Chetan S. Mody	20%
3.	Percentage increase in the median remuneration of employees in the Financial Year 2014-2015	During the Financial Year 2014-2015, the percentage increase in the median remuneration of the employees as compared to the previous year was approximately 16.46 %.	
4.	The number of permanent employees on the roll of the Company.	There were 180 employees on the roll of the Company as on March 31, 2015.	
5.	Explanation on the relationship between average increase in remuneration and company performance:	Factors considered while recommending increase in fixed compensation: 1. Financial performance of the Company 2. Individual performance 3. Comparison with peer companies 4. Industry benchmarking 5. Regulations as applicable to Managerial Personnel	
6.	Comparison of remuneration of Key Managerial Personnels (KMPs) against the performance of the Company	For the Financial Year 2014-2015, the remuneration paid to all the four KMPs aggregate to approximately 0.51 % of the Gross Revenue of the Company. The Gross Revenue for the Financial Year was ₹ 45444 lacs.	
7.	Variations in the market capitalization of the Company	The market capitalization of the Company as on March 31, 2015 was ₹ 72735.87 lacs (₹ 84082.67 lacs as on March 31, 2014).	
	Price Earning Ratio of the Company	Price Earning Ratio of the Company was 67.56 as on March 31, 2015 as against 23.74 on March 31, 2014.	
	Percentage increase over/decrease in the market quotations of the shares of the Company as compared to the rate at which the Company came out with the last public offer	The Company made an initial public offering in 2007 at an issue price of ₹ 540 per share. The market price of the share as on March 31, 2015 was 100, a decrease of 81.48 percent over the issue price.	
8.	Average percentage already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentage increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in managerial remuneration.	Average increase in remuneration is 24% for employees other than the Managerial Personnel and 20% for Managerial Personnel. This increment is in line with the factors outlined at serial no. (5) above.	
9.	Comparison of the remuneration of each of the KMP against the performance of the Company	The comparison of remuneration of each of the KMP against the performance of the Company	
		Name and Designation	% of Profit after Tax
		Mr. Hemant M. Shah, Executive Chairman	8 %
		Mr. Vyomesh M. Shah, Managing Director	7.19 %
		Mr. Anil H. Ahluwalia, Chief Financial Officer	3.60 %
		Mr. Chetan S. Mody, Company Secretary	2.85 %
10.	Key parameters for any variable component of remuneration availed by the Directors	Mr. Hemant M. Shah, Executive Chairman and Mr. Vyomesh M. Shah, Managing Director have not been paid any variable remuneration for the Financial Year 2014-2015. Non-Executive Directors are paid commission as approved by the shareholders in AGM.	
11.	The ratio of the remuneration of the highest paid Director to that of the employees who are not Directors but receive remuneration in excess of the highest paid Director during that year	Not applicable	
12.	Affirmation that the remuneration is as per the remuneration policy of the Company	The Board affirms that the remuneration is as per the remuneration policy of the Company.	

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

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

1. A brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the weblink to the CSR Policy and projects or programs.

Weblink : <http://www.hubtown.co.in/company information / investors / policies / corporate social responsibility policy>

2. Composition of the CSR Committee

Mr. Hemant M. Shah – Chairman

Mr. Vyomesh M. Shah – Managing Director

Mr. Sunil C. Shah – Independent Director

3. Average Net Profit of the Company for the last three Financial Years

Average Net Profit : ₹ 2603.36 lacs

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

The Company is required to spend ₹ 52.06 lacs

5. Details of CSR spend for the Financial Year.

a. Total amount spent for the Financial Year : ₹ 1,00,00,000/- (Rupees One Crore)

b. Amount unspent, if any : Nil

c. Manner in which the amount spent during the Financial Year is detailed below :

Sr. No.	CSR project or activity identified	Sector	Location	Amount outlay (budget) or program wise (₹ in lacs)	Amount spent on the project or program (₹ in lacs)	Cumulative Expenditure upto the reporting period (₹ in lacs)	Amount spent direct or through implementing agency
1.	Promotion of education	Literacy	Pune	52.06	100.00	100.00	Implementing agency

Details of the Implementing agency : The Implementing agency is 'Samanvay Pratishthan', a public charitable trust duly registered under The Bombay Public Trust Act, 1950 and established since 2003. The Objects of the Trust are to promote Education, Scientific Research, Medical Relief and Social and Cultural activities aimed at bringing about a positive change in the Society. Samanavay Pratishthan's Institute of Knowledge – College of Engineering, Pune is approved by the All India Council for Technical Education, recognised by the Director of Technical Education and is affiliated to Pune University. The Trust is also registered as an NGO under Section 80 G (5) (vi) of the Income Tax Act, 1961.

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

Not applicable as the Company has spent the entire amount of the two percent of the average net profit.

7. A responsibility statement of the CSR Committee

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

For and on behalf of the Corporate Social Responsibility Committee

Hemant M. Shah
Chairman of CSR Committee

CORPORATE GOVERNANCE REPORT

INTRODUCTION

Corporate Governance is crucial to the very existence of a company as it builds confidence and trust, which eventually leads to a more stable and sustained resource flows and long-term partnership with its investors and other stakeholders. The importance of Corporate Governance lies in the contribution it makes to the overall growth and direction of the business, management accountability and transparency and above all, equitable treatment for its stakeholders.

MANDATORY REQUIREMENTS

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

Hubtown's philosophy on good Corporate Governance envisages a combination of business practices that result in enhancement of the value of the Company to the shareholders and simultaneously enable the Company to fulfill its obligations to other stakeholders such as customers, employees, vendors, dealers, financiers and to the society at large. Your Company firmly believes that such practices are founded upon the core values of transparency, professionalism, empowerment, equity and accountability.

Your Company makes best endeavours to uphold and nurture these core values in all facets of its operations and aims to increase and sustain its corporate value through growth and innovation.

Your Company is fully committed to and continues to follow procedures and practices in conformity with the Code of Corporate Governance enshrined in Clause 49 of the Listing Agreement.

Hubtown is in compliance with the Corporate Governance requirements as stipulated in Clause 49 of the Listing Agreement entered into with the Stock Exchanges, the details of which for the Financial Year ended March 31, 2015 are as follows :

2. BOARD OF DIRECTORS:

COMPOSITION AND CATEGORY :

The Board of Directors is entrusted with the ultimate responsibility of the management of general affairs and direction and performance of the Company and has been vested with requisite powers, authorities and duties.

The Board comprises of such number of Executive, Non-Executive and Independent Directors as required under applicable legislation, who play a crucial role in Board processes and provides independent judgment on issues of strategy and performance.

As on the date of this Report, the Board consists of six Directors, comprising of two Promoter Executive Directors, three Independent Directors and One Non-Executive Director. 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. The Independent Directors have confirmed that they satisfy the criteria prescribed for an independent director as stipulated in Section 149 (6) of the Companies Act, 2013 and Clause 49 (II) (B) of the Listing Agreement.

The composition of the Board represents an optimal mix of professionalism, knowledge and experience which enables the Board to discharge its responsibilities and provide effective leadership to business.

None of the Directors on the Board is a member of more than ten Committees and Chairman of more than five Committees (as specified in Clause 49 (II) (D) (2) of the Listing Agreement) across all public companies in which they are Directors. Further, every Director informs the Company about the committee positions he/she occupies in other companies and notifies the changes as and when they take place.

The Board does not have any Nominee Director representing any institution. All the Directors have intimated periodically about their Directorships and membership on the Board Committees of other companies.

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.

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

Name of Director	Category of Directorship	Directorship in other companies (*)	No. of Board Committees (other than Hubtown Limited) in which Chairman / Member		Relationship with other Directors inter-se
			Chairman	Member @	
Mr. Hemant M. Shah Executive Chairman	Promoter, Executive, Non-Independent	—	—	—	Related to Mr. Vyomesh M. Shah
Mr. Arvind Kumar Joshi	Non-Executive, Independent	—	—	—	Not related to any other Director of the Company
Mr. Abhijit Datta	Non-Executive, Independent	4	2	2	
Mr. Sunil C. Shah (w.e.f. from 14.08.2014)	Non-Executive, Independent	—	—	—	
Mrs. Priti K. Shah (w.e.f. from 14.08.2014)	Non-Executive	—	—	—	
Mr. Vyomesh M. Shah Managing Director	Promoter, Executive, Non-Independent	2	—	1	Related to Mr. Hemant M. Shah

CORPORATE GOVERNANCE REPORT (CONTD.)

1. (*) – excludes Alternate Directorships, Directorships in Indian Private Limited Companies and Foreign Companies and membership of Managing Committees of various bodies.
2. @ - Member includes Chairman.
3. Only memberships of Audit Committee and Stakeholders' Relationship Committee of public limited companies are included.

APPOINTMENT AND TENURE :

The Company has framed the Nomination and Remuneration Policy for Directors, Key Managerial Personnel and other employees pursuant to Section 178 of the Companies Act, 2013 read with Clause 49 (IV) (B) of the Listing Agreement. The said Policy lays down the criteria, qualifications, term/tenure and remuneration of the Directors. The said Policy has been annexed to and forms part of the Directors' Report.

The total strength of the Board shall not be more than 15 Directors. One-third of the Directors shall retire by rotation every year and if eligible, the retiring directors qualify for reappointment. At least two-thirds of the total number of directors so appointed shall be Independent Directors or at least two of them which is higher, shall be Independent Directors. The Independent Directors shall not be liable to retire by rotation. The Independent Directors will serve a maximum of two terms of five years each. The Company has issued formal letters of appointment to the Independent Directors in the manner as provided in the Companies Act, 2013 and Clause 49 (II) (B) (4) of the Listing Agreement. The terms and conditions of the appointment of Independent Directors have also been disclosed on the Company's website. The Independent Directors are not expected to serve on the Board of other competing companies.

The Company's Policy of conducting Familiarization Program for Independent Directors has also been disclosed on the Company's website.

BOARD INDUCTION AND TRAINING :

Upon appointment, the Directors receive a Letter of Appointment setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments. The new Directors are briefed by the Executive Chairman and the Managing Director on the Company's structure, the projects on hand and performance of business. The induction for Non-Executive Independent Directors also includes interaction with the management and functional heads.

BOARD EVALUATION :

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

RESPONSIBILITIES :

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

ROLE OF INDEPENDENT DIRECTORS :

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

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

MEETINGS OF INDEPENDENT DIRECTORS :

The Independent Directors meet at least once a year, without the presence of Executive Directors or Management Representatives. During the year under review, the Independent Directors met once on February 12, 2015.

Subsequent to the close of the year under review, the Independent Directors met on May 30, 2015 to discuss :

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

All the Independent Directors were present in both these meetings.

CORPORATE GOVERNANCE REPORT (CONTD.)

SUCCESSION POLICY :

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

BOARD MEETINGS AND PROCEDURE :

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

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

The Chief Financial Officer and other Senior Management Personnel are invited to the Board/ Committee meetings to present reports on items being discussed at the meeting. The information as specified in Annexure X to Clause 49 of the Listing Agreement is regularly made available to the Board. The Board periodically reviews the compliance status of all the applicable laws, rules and regulations. Action Taken Report in respect of matters arising out of the previous meetings is placed at every meeting of the Board/Committee for noting.

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

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

During the year under review, the Board met 4 (four) times. The meetings were held on May 29, 2014, August 14, 2014, November 14, 2014 and February 12, 2015.

The maximum time gap between any two consecutive meetings did not exceed 120 days.

The attendance of the Directors at the above mentioned Board Meetings and the 26th AGM held on September 25, 2014 are detailed hereunder:

Name of the Director	No. of Board Meetings attended	Attendance at last AGM held on September 25, 2014
Mr. Hemant M. Shah	3	Attended
Mr. Arvind Kumar Joshi	4	Attended
Mr. Abhijit Datta	4	Attended
Mr. Sunil C. Shah (w.e.f. 14.08.2014)	3	Attended
Mrs. Priti K. Shah (w.e.f. 14.08.2014)	3	Attended
Mr. Vyomesh M. Shah	4	Attended

The Board met on May 30, 2015, to inter-alia approve the annual audited financial results and the audited consolidated financial results of the Company for the year ended March 31, 2015.

MEETING COMPLIANCES :

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

CORPORATE GOVERNANCE REPORT (CONTD.)

DETAILS PURSUANT TO CLAUSE 49 IV (G) (I) OF THE LISTING AGREEMENT IN RESPECT OF DIRECTOR SEEKING REAPPOINTMENT

PRITI K. SHAH [DIN: 01880436]

Mrs. Priti K. Shah, aged 44 years, is a graduate in Commerce. Mrs. Shah has over 11 years of experience in the field of business management and administration.

Mrs. Shah is a partner in Ackruti Safety Innovations LLP. Mrs. Shah is a member of the Stakeholder's Relationship Committee of the Company.

Mrs. Shah is presently not a director in any other company. She does not hold any shares in the Company.

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 Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee, Risk Management Committee and Corporate Social responsibility Committee and non-mandatory committee namely Committee of Directors. The terms of reference of these Committees are determined by the Board and their relevance reviewed from time to time.

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 the Board Meetings for review.

I. AUDIT COMMITTEE :

BROAD TERMS OF REFERENCE :

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

The Board of Directors in its meeting held on August 14, 2014, reconstituted the Audit Committee to align the terms of reference of the Committee in accordance with the provisions of Section 177 of the Companies Act, 2013 and revised Clause 49 of the Listing Agreement, which are as hereunder :

- a. To oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- b. To recommend appointment, remuneration and terms of appointment of auditors of the Company;
- c. To approve payment to statutory auditors for any other services rendered by the Statutory Auditors;
- d. To review with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - i. matters required to be included in the 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;
 - ii. changes, if any, in accounting policies and practices and reasons for the same;
 - iii. major accounting entries involving estimates based on the exercise of judgment by the management;
 - iv. significant adjustments made in the financial statements arising out of audit findings;
 - v. compliance with listing and other legal requirements relating to financial statements;
 - vi. disclosure of any related party transactions; and
 - vii. qualifications in the draft audit report;
- e. To review with the management, the quarterly / half yearly / annual financial statements and the auditor's report thereon before submission to the Board for approval;
- f. To review with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency, monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- g. To review and monitor the auditor's independence and performance and effectiveness of audit process;
- h. To approve transactions of the Company with related parties or any subsequent modification thereto;
- i. To scrutinise inter-corporate loans and investments;

CORPORATE GOVERNANCE REPORT (CONTD.)

- j. To evaluate undertakings or assets of the Company, wherever necessary;
- k. To evaluate internal financial controls and risk management system;
- l. To review with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- m. To review the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- n. To discuss with internal auditors of any significant findings and follow up thereon;
- o. To review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- p. To discuss with statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern;
- q. 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;
- r. To review the functioning of the Whistle Blower Mechanism;
- s. To approve the appointment of CFO (i.e., the Wholtime Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc., of the candidate;
- t. To carry out any other function as is mentioned in the terms of reference of the Audit Committee;
- u. To review the Management Discussion and Analysis of financial condition and results of the operations;
- v. To review the statement of significant related party transactions as defined by the Audit Committee, submitted by the management;
- w. To review the management letters / letters of internal control weaknesses issued by the statutory auditors;
- x. To review the Internal Audit Reports relating to internal control weaknesses;
- y. To review the appointment, removal and terms of remuneration of the Chief Internal Auditor;
- z. To secure attendance of outsiders with relevant expertise, if it considers necessary;
- aa. To seek information from any employee;
- bb. To obtain outside legal or other professional advice;
- cc. To investigate any activity within its terms of reference; and
- dd. Such other matters as may be prescribed from time to time by the Companies Act, 2013 and the Listing Agreement.

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

The Committee also oversees the performance of the Internal and Statutory Auditors and also recommends their appointment and remuneration to the Board. The minutes of the Audit Committee forms part of the Board Agenda.

The Audit Committee while reviewing the Annual Financial Statements also reviews the applicability of various Accounting Standards (AS) notified pursuant to Companies (Accounting Standards) Rules, 2006. Compliance with the Accounting Standards as applicable to the Company has been ensured in the Financial Statements for the year ended March 31, 2015.

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

EVALUATION :

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

COMPOSITION :

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

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The Chief Financial Officer and the representatives of the Statutory Auditors, and the Internal Auditors are permanent invitees to Audit 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 Committee is as follows :

Name of the Director		Category
Mr. Abhijit Datta	Chairman	Non-Executive Independent
Mr. Arvind Kumar Joshi	Member	Non-Executive Independent
Mr. Sunil C. Shah (w.e.f. 14.08.2014)	Member	Non-Executive Independent
Mr. Vyomesh M. Shah	Member	Promoter, Executive, Non-Independent

MEETINGS AND ATTENDANCE :

During the year under review, the Committee met 4 (four) times. The meetings were held on May 29, 2014, August 14, 2014, November 14, 2014 and February 12, 2015. The gap between two meetings did not exceed 120 days.

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

Name of the Director	No. of meetings attended
Mr. Abhijit Datta	4
Mr. Arvind Kumar Joshi	4
Mr. Sunil C. Shah	2
Mr. Vyomesh M. Shah	4

Mr. Abhijit Datta, Chairman of the Audit Committee answered queries raised by the shareholders at the Annual General Meeting of the Company held on September 25, 2014.

The Committee met on May 30, 2015 to inter-alia review the audited annual financial results of the Company for the year ended March 31, 2015 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. Mahajan & Aibara, Chartered Accountants act as Internal Auditors to the Company to review the internal control systems of the Company and to report thereon. The Audit Committee reviews the reports of the Internal Auditors and ensures that adequate follow-up action is taken by the management on observations and recommendations made by the Internal Auditors.

II. NOMINATION AND REMUNERATION COMMITTEE:

The Committee was reconstituted and renamed as 'Nomination and Remuneration Committee' by the Board of Directors in its meeting held on August 14, 2014.

COMPOSITION :

The Nomination and Remuneration (N&R) Committee presently comprises of 4 (four) Directors, of whom 3 (three) are Non-Executive, Independent Directors. The Chairman of the N&R Committee is a Non-Executive Independent Director, in accordance with Clause 49 of the Listing Agreement. The Company Secretary of the Company acts as Secretary to the N&R Committee.

The present composition of the N&R Committee is as follows :

Name of the Director		Category
Mr. Abhijit Datta	Chairman	Non-Executive Independent
Mr. Arvind Kumar Joshi	Member	Non-Executive Independent
Mr. Sunil C. Shah (w.e.f. 14.08.2014)	Member	Non-Executive Independent
Mr. Hemant M. Shah (w.e.f. 14.08.2014)	Member	Promoter, Executive, Non-Independent

CORPORATE GOVERNANCE REPORT (CONTD.)

Mr. Abhijit Datta, Chairman of the N&R Committee was present at the Annual General Meeting of the Company held on September 25, 2014 to provide clarification on matters relating to managerial remuneration.

MEETINGS AND ATTENDANCE :

The N&R Committee met once on February 12, 2015 during the year under review. Except for Mr. Hemant M. Shah, all the members of the Committee were present at the said meeting.

Subsequent to the close of the year, the N&R Committee met on May 30, 2015 to inter-alia, evaluate the performance of the Directors, the Board and the Chairman.

The minutes of the N&R Committee meetings are noted by the Board of Directors in the subsequent Board Meetings.

POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS :

The N&R Committee has framed Nomination and Remuneration Policy of the Company which inter alia, deals with the manner of selection of the Board of Directors and the Executive Chairman and the Managing Director and their remuneration. This Policy is available on the Company's website at [http : www.hubtown.co.in / company information / investors / policies / nomination and remuneration policies / pdf](http://www.hubtown.co.in/company%20information/investors/policies/nomination%20and%20remuneration%20policies.pdf).

In case of appointment of Independent Directors, the N&R Committee shall satisfy itself with regard to the independent nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its functions and duties effectively.

The N&R Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013.

The N&R Committee shall consider the following attributes /criteria, whilst recommending to the Board the candidature for appointment as Director :

- i. Qualification, expertise and experience of Directors in their respective fields;
- ii. Personal, Professional or Business Standing; and
- iii. Diversity of the Board

In case of reappointment of Non-Executive Directors, the Board shall take into consideration the performance evaluation of the Director and his/her engagement level.

For the purpose of selection of the Chairman and the Managing Director, the N&R Committee shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position and shall take into consideration recommendation, if any, received from any member of the Board.

The N&R Committee will also ensure that the incumbent fulfills such other criteria with regard to age and other qualifications as laid down under the Companies Act, 2013 and the Rules made thereunder.

REMUNERATION POLICY :

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.

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

A. Remuneration to Non-Executive Directors :

The Non-Executive Directors are paid remuneration by way of commission and sitting fees not exceeding the limits prescribed under the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The payment of annual commission is based on the performance of the Company. The Committee may recommend to the Board, the payment of commission on uniform basis to reinforce the principles of collective responsibility.

Presently, the Non-Executive Directors are paid sitting fees of ₹. 20,000 for every meeting of the Board/Committee of the Board attended by each of them. 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.

CORPORATE GOVERNANCE REPORT (CONTD.)

The role of Non-Executive Directors and their involvement as members of the Board has undergone a significant change pursuant to more stringent accounting standards and corporate governance norms. The Non-Executive Directors are required to take far more complex business decisions and are required to commit their time and provide their expertise for the Company's business. Accordingly, the Board has approved the payment of commission of an amount not exceeding 1% of the net profit of the Company computed in accordance with the provisions of Section 198 of the Companies Act, 2013 for the Financial Year ended March 31, 2015, subject to a ceiling of ₹ 40,00,000/- (Rupees Forty Lacs) to be apportioned between the Non-Executive Directors in proportion to the number of months each of them held office. (fraction of a month rounded off to the nearest whole number).

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

None of the 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 and approved by the Board subject to the approval of the shareholders. Annual increments and performance incentives, which are linked to the performance of the Company, are recommended to the Board by the Nomination and Remuneration Committee within the limits as approved by the shareholders.

The remuneration structure consists of basic salary, perquisites and allowances 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, 2015

NON-EXECUTIVE DIRECTORS :

Name of the Director	Sitting Fees (Gross) (₹ in lacs)	Commission (Gross) (₹ in lacs)	No. of Shares held
Mr. Arvind Kumar Joshi	2.40	5.43	Nil
Mr. Abhijit Datta	2.00	5.43	Nil
Mr. Sunil C. Shah	1.80	3.61	Nil
Mrs. Priti K. Shah	0.80	3.61	Nil

EXECUTIVE CHAIRMAN AND MANAGING DIRECTOR :

Name of the Director	Salaries and Allowances (₹ in lacs)	Contribution to Provident Fund (₹ in lacs)	Performance Incentive (₹ in lacs)	Service Contract (Present)
Mr. Hemant M. Shah, Executive Chairman	78.20	7.77	Nil	5 years
Mr. Vyomesh M. Shah, Managing Director	70.40	6.91	Nil	5 years

PERFORMANCE EVALUATION :

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, evaluation of every Director's performance was carried out by the Nomination and Remuneration Committee. The performance of Non-Independent Directors and the Board as a whole and the Committees thereof and the Chairman of the Company was carried out by Independent Directors. Evaluation of Independent Directors was carried out by the entire Board of Directors, excluding the Director being evaluated.

The evaluation of the Board and its Committees was based on objective and tangible criteria, including the performance of the Company, accomplishment of long term strategic objectives, blending of ethics and business and the development of management, etc.

The evaluation of individual director was based on the effective contribution by the director concerned, the commitment to the role including commitment of time for Board and Committee meetings and any other duties.

CORPORATE GOVERNANCE REPORT (CONTD.)

III. STAKEHOLDERS' RELATIONSHIP COMMITTEE :

FUNCTIONS :

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

The role and the terms of reference of the Committee are in consonance with the requirements mandated under Section 178 of the Companies Act, 2013 and revised Clause 49 of the Listing Agreement.

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

COMPOSITION :

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

Name of the Director		Category
Mr. Arvind Kumar Joshi	Chairman	Non-Executive, Independent
Mr. Sunil C. Shah (w.e.f. 14.08.2014)	Member	Non-Executive, Independent
Mrs Priti K. Shah (w.e.f. 14.08.2014)	Member	Non-Executive
Mr. Hemant M. Shah (upto 14.08.2014)	Member	Promoter, Executive, Non-Independent
Mr. Vyomesh M. Shah (upto 14.08.2014)	Member	Promoter, Executive, Non-Independent

In accordance with the provisions of Section 178 of the Companies Act, 2013 and revised Clause 49 of the Listing Agreement, the Chairman of the Committee is a Non-Executive, Independent Director. The Company Secretary acts as Secretary to the Committee.

MEETINGS AND ATTENDANCE :

The Committee met two times during the year on May 29, 2014 and February 12, 2015.

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

Name of the Director	No. of meetings attended
Mr. Arvind Kumar Joshi	2
Mr. Sunil C. Shah (w.e.f. 14.08.2014)	1
Mrs. Priti K. Shah (w.e.f. 14.08.2014)	1
Mr. Hemant M. Shah (upto 14.08.2014)	1
Mr. Vyomesh M. Shah (upto 14.08.2014)	1

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

During the Financial Year 2014-2015, the complaints and queries received from the shareholders were general in nature and were mainly pertaining to non-receipt of annual reports, dividend payment, request for subsidiary accounts, etc. All the complaints were resolved to the satisfaction of the investors.

The status of Investor's complaints as on March 31, 2015, is as follows:

No. of complaints as on April 1, 2014	Nil
No. of complaints received during the Financial Year 2014-2015	24
No. of complaints resolved upto March 31, 2015	24
No. of complaints pending as on March 31, 2015	Nil

The number of pending requests for dematerialisation as on March 31, 2015 were Nil. Shareholders'/Investors' complaints and other correspondences are normally attended to within seven working days except where constrained by disputes or legal impediments.

IV. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE :

The Committee is entrusted with the responsibility of formulating and monitoring the Corporate Social Responsibility (CSR) Policy of the Company. The role and terms of reference of the Committee are in consonance with the requirements mandated under Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014.

CORPORATE GOVERNANCE REPORT (CONTD.)

TERMS OF REFERENCE :

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

The Corporate Social Responsibility Policy devised in accordance with the provisions of Section 135 of the Companies Act, 2013 and the details about the initiatives taken by the Company on CSR during the year under review as per the annexure attached to the Companies (Corporate Social Responsibility Policy) Rules, 2014 has also been appended as **Annexure 'E'** to the Board's Report. The CSR Policy has been disclosed on the website of the Company at link [http : www.hubtown.co.in / company information / investors / policies / corporate social responsibility policy / pdf](http://www.hubtown.co.in/company-information/investors/policies/corporate-social-responsibility-policy/pdf).

COMPOSITION :

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

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

During the Financial Year ended March 31, 2015, the CSR Committee met once on November 14, 2014. All the members of the CSR Committee were present at the said meeting.

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

The Company Secretary acts as Secretary to the CSR Committee.

V. RISK MANAGEMENT COMMITTEE :

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

TERMS OF REFERENCE :

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

COMPOSITION :

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

Name of the Director		Category
Mr. Arvind Kumar Joshi	Chairman	Non-Executive, Independent
Mr. Abhijit Datta	Member	Non-Executive, Independent
Mr. Hemant M. Shah	Member	Promoter, Executive, Non-Independent
Mr. Vyomesh M. Shah	Member	Promoter, Executive, Non-Independent

No meeting was held during the Financial Year 2014-2015. Subsequent to the close of the financial year under review, the Committee met on May 30, 2015 wherein all the members of the Committee were present.

The Company Secretary acts as Secretary to the Committee.

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VI. COMMITTEE OF DIRECTORS :

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

COMPOSITION :

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

Name of the Director		Category
Mr. Hemant M. Shah	Chairman	Promoter, Executive, Non-Independent
Mr. Sunil C. Shah (w.e.f. 14.08.2014)	Member	Non-Executive, Independent
Mrs. Priti K. Shah (w.e.f. 14.08.2014)	Member	Non-Executive
Mr. Vyomesh M. Shah	Member	Promoter, Executive, Non-Independent

The Committee meets generally on a monthly basis. The Committee may also meet additionally, if so required.

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

The Company Secretary acts as Secretary to the Committee.

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
2011-2012	November 7, 2012	Walchand Hirachand Hall, 4th floor, Indian Merchants' Chamber Building, Indian Merchants' Chamber Marg, Churchgate, Mumbai 400 020	10.30 A.M.	i. payment of commission pursuant to Sections 198 and 309 (4) of the Companies Act, 1956, to Non-Wholetime Directors of the Company for a period of three Financial Years from April 1, 2012 to March 31, 2015. ii. issue of shares pursuant to Section 81 (1A) of the Companies Act, 1956 and Chapter VIIIA of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended. iii. amendment of Article 193 of the Articles of Association of the Company pursuant to Section 31 of the Companies Act, 1956
2012-2013	September 30, 2013	Walchand Hirachand Hall, 4th floor, Indian Merchants' Chamber Building, Indian Merchants' Chamber Marg, Churchgate, Mumbai 400 020	10.30 A.M.	No special resolution was passed in the meeting.
2013-2014	September 25, 2014	Walchand Hirachand Hall, 4th floor, Indian Merchants' Chamber Building, Indian Merchants' Chamber Marg, Churchgate, Mumbai 400 020	10.00 A.M.	No special resolution was passed in the meeting.

The special resolutions for the Financial Year 2011-2012 which were put to vote by show of hands were passed unanimously.

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

No Extraordinary General Meetings were held during the last three Financial Years i.e. 2011-2012, 2012-2013 and 2013-2014 respectively.

CORPORATE GOVERNANCE REPORT (CONTD.)

POSTAL BALLOT :

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

Financial Year	Date of passing of the resolution	Nature of the resolution Ordinary / Special	Particulars of the resolution	% of votes in favour of the resolution
2014-2015	July 22, 2014	Special Resolution	Authority to the Board of Directors to borrow in excess of the paid-up share capital and free reserves of the Company	99.99 %
		Special Resolution	Authority to the Board of Directors for creation of charges on movable and immovable properties of the Company	99.99 %
		Special Resolution	Authority to the Board of Directors for inviting / accepting deposits from members and the public .	99.99 %
		Special Resolution	Authority to the Board of Directors to make offer(s) or invitation for subscription to Non-convertible Debentures on private placement basis.	99.99 %
	November 6, 2014	Special Resolution	Alteration of Objects Clause of the Memorandum of Association of the Company	99.99 %
		Special Resolution	Alteration of Articles of Association of the Company	99.99 %

All the aforesaid special resolutions have been passed with requisite majority. The results of the above Postal Ballots have been posted on the Company's website.

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

Subsequent to the close of the Financial Year 2014-2015, the following resolutions are proposed to be passed through Postal Ballot pursuant to the provisions of Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014 :

Sr. No.	Particulars	Type of resolution
1.	Authority for creation of charge on movable and immovable properties of the Company under Section 180 (1) (a) of the Companies Act, 2013.	Special
2.	Approval of transactions with related parties under Section 188 of the Companies Act, 2013 and Clause 49 of the Equity Listing Agreement.	Special
3.	Approval of existing material related party contracts and arrangements under Clause 49 of the Equity Listing Agreement.	Special
4.	Approval of material related party transaction with Hoary Realty Limited.	Special
5.	Approval of material related party transactions with Giraffe Developers Private Limited and Citywood Builders Private Limited.	Special
6.	Approval of material related party transaction with Distinctive Realty Private Limited.	Special

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

CORPORATE GOVERNANCE REPORT (CONTD.)

5. SUBSIDIARIES:

Explanation (i) to Clause 49 (V) of the Listing Agreement defines a 'material non-listed Indian Subsidiary' as an unlisted subsidiary incorporated in India, whose turnover or networth (i.e paid-up capital and free reserves) exceeds 20 % of the consolidated turnover or networth respectively, of the listed holding company and its subsidiaries in the immediately preceding accounting year.

Under this definition, the Company did not have any 'material unlisted Indian Subsidiary' during the year under review. Hence, it is not mandatory to have an Independent Director of the Company on the Board of such subsidiary company. However, as required under Clause 49 (V) (D) of the Listing Agreement, the Company has framed a policy for determining 'material subsidiaries' which has been posted on the Company's website at link [http : www.hubtown.co.in / company information / investors / policies / policy on subsidiaries / pdf](http://www.hubtown.co.in/company-information/investors/policies/policy-on-subsidiaries/pdf).

The Company monitors the performance of its subsidiaries, inter-alia by the following means :

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

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

6. CODE OF CONDUCT :

The Board of Directors has adopted Code of Business Conduct and Ethics for the Board of Directors and Senior Management Personnel of the Company in terms of Clause 49 (II) (E) (1) of the Listing Agreement. All Board members and Senior Management Personnel have affirmed their compliance with the said Code for the Financial Year ended March 31, 2015. A declaration to this effect signed by the Managing Director is appended at the end of this Report.

The said Code of Conduct can be viewed on the Company's website at link [http : www.hubtown.co.in / company information / investors / policies / code of business conduct and ethics / pdf](http://www.hubtown.co.in/company-information/investors/policies/code-of-business-conduct-and-ethics/pdf).

7. INSIDER TRADING :

7.1 Code of Practices and Procedures for Fair Disclosure :

Pursuant to Regulation 8 of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Company has formulated a Code of Practices and Procedures for fair disclosure of unpublished price sensitive information. This Code can be viewed on the Company's website – [www.hubtown.co.in / companyinformation / investors / policies / insider trading / code for fair disclosure / pdf](http://www.hubtown.co.in/companyinformation/investors/policies/insider-trading/code-for-fair-disclosure/pdf).

7.2 Code of Conduct for Regulating, Monitoring and Reporting of Trading by Employees :

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

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

This Code can be viewed on the Company's website at link [http : www.hubtown.co.in / company information / investors / policies / insiders trading / code of conduct / pdf](http://www.hubtown.co.in/company-information/investors/policies/insiders-trading/code-of-conduct/pdf).

8. CEO / CFO CERTIFICATION

The Managing Director and the Chief Financial Officer of the Company have certified to the Board that all the requirements of Clause 49 (IX) of the Listing Agreement, inter alia, dealing with the review of the financial statements and cash flow statement for the year ended March 31, 2015, transactions entered into by the Company during the said year, their responsibility for establishing and maintaining internal control systems for financial reporting and evaluation of the effectiveness of the internal control system and making of necessary disclosures to the Auditors and the Audit Committee have been duly complied with.

CORPORATE GOVERNANCE REPORT (CONTD.)

9. DISCLOSURES :

a. Transactions with Non-Executive Directors

The Non-Executive Directors of the Company do not have any material pecuniary relationships or transactions with the Company or its directors, senior management, subsidiary or associate companies, other than in the normal course of business.

b. Disclosure on materially significant related party transactions that may have potential conflict with the interests of the Company at large :

The Company has not entered into any transaction of a material nature with the Promoters, Directors or the Management, their Subsidiaries or relatives, etc. that may have potential conflict with the interests of the Company at large. Details of related party transactions as per requirements of Accounting Standard - AS 18 - 'Related Party Disclosures' issued by the Institute of Chartered Accountants of India are disclosed in the Notes to the financial statements.

The Board has approved a policy for related party transactions which has been uploaded on the Company's website at link [http : www.hubtown.co.in / company information / policies / policy on related of party transactions / pdf](http://www.hubtown.co.in/company-information/policies/policy-on-related-of-party-transactions/pdf).

c. Disclosure of Accounting Treatment :

In the preparation of the financial statements, the Company follows the Accounting Standards prescribed by 'The Companies Accounting Standards Rules, 2006' and relevant provisions of the Companies Act, 2013 and in preparation of financial statements, the Company has not adopted a treatment different from that prescribed in the Accounting Standard(s). The significant accounting policies which are consistently applied are set out in Note No. 2 to the Accounts.

d. Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three years :

No penalties or strictures have been imposed by any regulatory authority on any matter related to capital markets during the last three years.

e. Proceeds from Public Issue, Rights Issue, Preferential Issue, etc :

During the year under review, the Company has not raised any capital by way of public issue or rights issue or preferential issue, etc.

f. Disclosure by Senior Management to the Board :

Senior Management personnel have confirmed that they have not entered into any material financial or commercial transaction, where they have personal interest that may have a potential conflict with the interest of the Company at large.

g. Whistle Blower Policy and affirmation that no personnel has been denied access to the Audit Committee :

Pursuant to Section 177 (9) and (10) of the Companies Act, 2013 and Clause 49 of the Listing Agreement, 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 Business Conduct and Ethics. This mechanism also provides for adequate safeguards against victimization of persons who use this mechanism makes provisions 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 Committee.

The said Whistle Blower Policy is available on the Company's website at link [http : www.hubtown.co.in / company information / investors / policies / whistle blower policy / pdf](http://www.hubtown.co.in/company-information/investors/policies/whistle-blower-policy/pdf).

h. Policy against Sexual and Workplace Harassment :

The Company has put in place a 'Policy on Prevention of Sexual Harassment at Workplace' as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. As per the Policy, any employee may report his/her complaint to the Redressal Committee formed for the purpose or their Reporting Authority or HR personnel. The Company affirms that adequate access was provided to any complainant who wished to register a complaint under the Policy, during the year. The said policy is available on the Company's website at link [http : www.hubtown.co.in / company information / investors / policies / policy on prevention of sexual harassment /pdf](http://www.hubtown.co.in/company-information/investors/policies/policy-on-prevention-of-sexual-harassment/pdf).

10. MANDATORY REQUIREMENTS :

The Company has complied with the mandatory requirements as stipulated under Clause 49 of the Listing Agreement. The Company has submitted the quarterly compliance report on corporate governance to the stock exchanges within the prescribed time limit.

CORPORATE GOVERNANCE REPORT (CONTD.)

11. MANAGING DIRECTOR / CFO CERTIFICATE :

The Managing Director / Chief Financial Officer have issued certificate pursuant to Clause 49 of the Listing Agreement certifying that the financial statements do not contain any untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed to and forms part of this Annual Report.

12. MEANS OF COMMUNICATION :

- (i) the main channel of communication to the shareholders is through Annual Report which includes inter-alia, the Directors' Report and Management Discussion and Analysis, Corporate Governance Report and Audited Financial Statements;
- (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 along with limited review reports thereon were approved and taken on record within forty-five days of the close of the relevant quarter and the audited annual financial results alongwith the statutory auditors' report thereon for the year ended March 31, 2015 were approved and taken on record within sixty days of the close of the financial year;
- (iv) the approved financial results are forthwith sent to the Listed Stock Exchanges- BSE Limited and National Stock Exchange of India Limited and are published in widely circulated local daily newspapers such as 'Free Press Journal' and 'Navshakti', within forty-eight hours of approval thereof;
- (v) the approved financial results are also posted on the Company's website : www.hubtown.co.in;
- (vi) significant news releases as and when made are also posted on the Company's website;
- (vii) the Company also informs through intimation to the Stock Exchanges, all price sensitive information; and
- (viii) Management Discussion & Analysis forms part of the Annual Report, which is posted / forwarded by e-mail to the shareholders of the Company.

13. COMPLIANCE WITH NON-MANDATORY REQUIREMENTS :

Clause 49 of the Listing Agreement states that non-mandatory requirements may be implemented as the discretion of the Company. However, disclosures on compliance with mandatory requirement and adoption / non-adoption of non-mandatory requirements shall be made in the Corporate Governance Report of the Annual Report. The status of compliance of the non-mandatory requirements is as follows :

a. Non-Executive Chairman's Office :

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

b. Shareholder Rights :

The quarterly, half yearly and annual financial results of the Company are published in local leading English and Marathi newspapers and are also posted on the Company's website. Significant press releases as and when made are also posted on the Company's website.

c : Audit Qualifications :

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

d. Separate posts of Chairman and CEO :

The Company has separate posts for Chairman and Managing Director/CEO.

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

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

CORPORATE GOVERNANCE REPORT (CONTD.)

15. GENERAL SHAREHOLDER INFORMATION :

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

16. COMPLIANCE CERTIFICATE OF PRACTISING COMPANY SECRETARY :

A Practising Company Secretary Mr. Ashish Bhatt has certified that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges and the same is annexed and forms part of this Annual Report.

The Certificate from the Practising Company Secretary will be sent to the Listed Stock Exchanges alongwith the Annual Report of the Company.

17. SHARE SUSPENSE ACCOUNT :

Pursuant to Clause 5A of the Listing Agreement, the status of the equity shares lying in the Suspense Account is given below :

Particulars	No. of shareholders	No. of shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year i.e. April 1, 2014.	21	282
Number of shareholders who approached for transfer of shares from suspense account during the year 2014-2015.	1	12
Number of shareholders to whom shares were transferred from suspense account during the year 2014-2015.	1	12
Aggregate number of shareholders and the outstanding shares in the suspense account at the end of the year i.e. March 31, 2015.	20	270

The voting rights on these shares are frozen till the rightful owner of such shares claims the shares.

18. 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. 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.

19. WEBSITE :

The Company's website www.hubtown.co.in contains a separate dedicated section 'Investors' which provides information to the shareholders on shareholding pattern as at the end of each quarter, the Chairman's speech, the quarterly / half yearly unaudited and annual audited financial results, annual reports, postal ballot notices and results, details of unpaid dividend, Code of Business Conduct and Ethics, Code of Conduct for Prevention of Insider Trading, Whistle Blower Policy and Prevention of Sexual Harassment of Women at Workplace Policy, Policy on Related Party Transactions, Policy on Subsidiaries, and Nomination and Remuneration Policy, etc. in a user-friendly manner. This Section is regularly updated.

CORPORATE GOVERNANCE REPORT (CONTD.)

DECLARATION BY THE MANAGING DIRECTOR UNDER CLAUSE 49 OF THE LISTING AGREEMENT REGARDING COMPLIANCE WITH HUBTOWN CODE OF BUSINESS CONDUCT AND ETHICS

In accordance with Clause 49 (III) (E) of the Listing Agreement with the Stock Exchanges, I hereby confirm that all the Board members and Senior Management Personnel of the Company have affirmed compliance with Hubtown Limited Code of Business Conduct and Ethics, as applicable to them, for the Financial Year ended March 31, 2015.

For Hubtown Limited

Vyomesh M. Shah
Managing Director
DIN : 00009596

Mumbai, May 30, 2015

CERTIFICATION UNDER CLAUSE 49 OF THE LISTING AGREEMENT

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, 2015 and that to the best of our knowledge and belief :
 - (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. There are, no transactions entered into by the Company during the year ended March 31, 2015 which are fraudulent, illegal or violative of the Company's Code of Business Conduct and Ethics;
- c. All the members of the Board have confirmed compliance with the Company's Code of Business Conduct and Ethics;
- d. We accept responsibility for establishing and maintaining internal controls for financial reporting in the Company and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting. We have disclosed to the Auditors of the Company and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies; and
- e. We have indicated, based on our evaluation, wherever applicable, to the Auditors and the Audit 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

Anil Ahluwalia
Chief Financial Officer

Mumbai, May 30, 2015

CORPORATE GOVERNANCE REPORT (CONTD.)

PRACTISING COMPANY SECRETARY'S CERTIFICATE ON CLAUSE 49 COMPLIANCE – CORPORATE GOVERNANCE

**To the Members of
Hubtown Limited**

Certificate on Clause 49 Compliance - Corporate Governance

We have examined the records concerning the compliance of conditions of Corporate Governance by Hubtown Limited ("the Company") for the year ended on 31 March 2015, as stipulated in Clause 49 of the Listing Agreements entered into by the Company with the Stock Exchanges of India.

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

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

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

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

For Ashish Bhatt & Associates
Company Secretaries

Ashish Bhatt
Membership No 4650
CP No 2956

Date : May 29, 2015
Place : Mumbai

SHAREHOLDER INFORMATION

This Section inter-alia provides information pertaining to the Company, its shareholding pattern, means of dissemination of information, service standards, share price movement and such other information in terms of Annexure – XII to Clause 49 of the Listing Agreement relating to Corporate Governance.

1. Twenty Seventh Annual General Meeting :

Day	Tuesday
Date	September 29, 2015
Time	9.30 a.m.
Venue	Walchand Hirachand Hall, 4th floor Indian Merchants' Chamber Building Indian Merchants Chamber Marg Churchgate, Mumbai 400020

2. Financial Calendar :

For the Financial Year 2015–2016, the Financial Results will be announced as per the following tentative schedule (subject to change) :

Financial reporting for the First Quarter ending June 30, 2015	} within 45 days of the close of the respective reporting period.
Financial reporting for the Second Quarter and Half Year ending September 30, 2015	
Financial reporting for the Third Quarter ending December 31, 2015	
Financial reporting for the Year ending March 31, 2016	within 60 days of the close of the financial year.

3. Date of Book Closure:

The Register of Members and Share Transfer Books shall remain closed from **Tuesday, September 22, 2015 to Tuesday, September 29, 2015** (both days inclusive) for the purpose of the Annual General Meeting.

4. Dividend Payment Date:

The Board of Directors has not recommended any dividend on the equity shares for the year ended March 31, 2015.

5. (a) Registered Office :

'Ackruti Center Point', 6th floor
Central Road, Marol MIDC
Andheri (East), Mumbai – 400 093
Maharashtra.
Phone : 022- 66830400 Fax : 022-66830602

(b) Web Site : www.hubtown.co.in

6. Listing on Stock Exchanges :

Equity Shares	Secured Redeemable Non-Convertible Debentures (issued on private placement basis)
BSE Limited (BSE) Phiroze Jeejeebhoy Towers Dalal Street, Fort, Mumbai 400 001	BSE Limited (Wholesale Debt Market) Phiroze Jeejeebhoy Towers Dalal Street, Fort, Mumbai 400 001
National Stock Exchange of India Limited (NSE) 'Exchange Plaza', Bandra Kurla Complex Bandra (East), Mumbai 400 051	

The Annual Listing Fees have been paid to BSE and NSE for the Financial Year 2015 - 2016.

SHAREHOLDER INFORMATION (CONTD.)

7. Stock Code / Symbol :

BSE	532799
NSE	HUBTOWN EQ
BLOOMBERG	HUB : IN
REUTERS	HUBT.NS
CORPORATE IDENTITY NUMBER (CIN)	L45200MH1989PLC050688
INTERNATIONAL SECURITIES IDENTIFICATION NOS. (ISIN)	
• Equity Shares	INE703H01016
• Secured Redeemable Non-convertible Debentures	INE703H07112

8. Custodial Fees to Depositories :

The Company has paid annual custodial fees to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for the Financial Year 2015-2016 on the basis of number of beneficial accounts maintained by the respective depositories as on March 31, 2015.

9. Market Price Data during 2014 - 2015 :

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, 2014 to March 31, 2015 are given below:

MONTH	BSE			NSE		
	High (₹)	Low (₹)	Volume (in nos.)	High (₹)	Low (₹)	Volume (in nos.)
April 2014	147.80	112.10	115965	146.70	112	208231
May 2014	207	136	199693	206	136.90	1226352
June 2014	187.25	143.30	756306	189	143	2072723
July 2014	192.25	128	1526863	191.90	128	3201202
August 2014	133.60	110.05	287826	134.40	109.60	618521
September 2014	134.45	95.60	1389365	134.45	96.25	3528847
October 2014	123.80	105.60	343309	119.30	103.95	1122692
November 2014	132.50	102.80	916332	132	111	2346551
December 2014	125	99.20	384794	124.85	101.60	1159829
January 2015	115.85	102	398210	116.50	102.10	1334305
February 2015	115	101.20	508770	115.05	100.10	1002388
March 2015	108	95.10	763915	108.40	94.50	816114

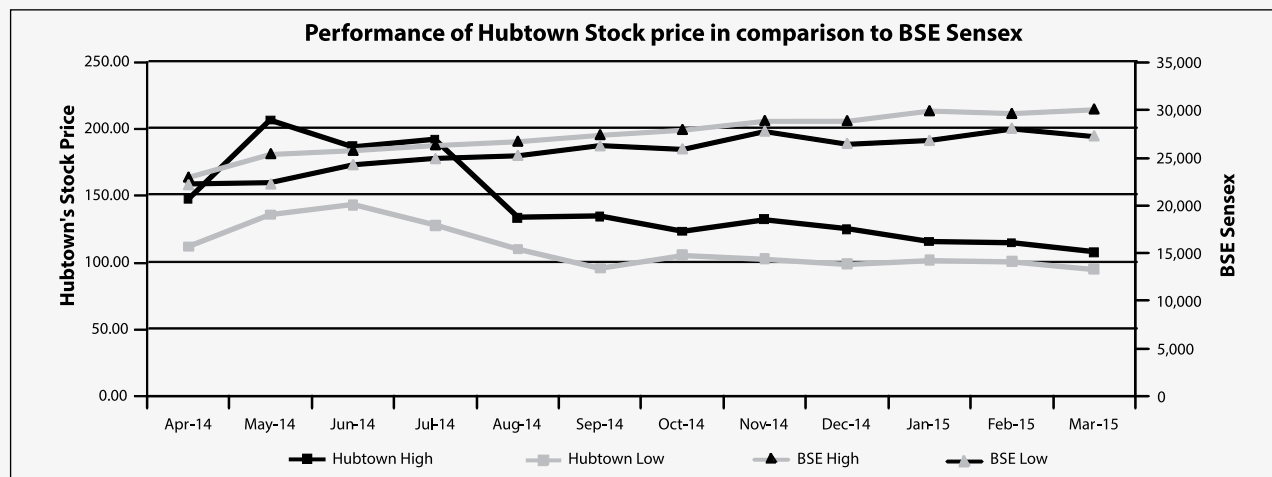
Source : www.bseindia.com; www.nseindia.com

10. Market Capitalisation :

		BSE	NSE
No. of shares traded		7591348	18637755
Highest Share Price	(₹)	207	206
Lowest Share Price	(₹)	95.10	94.50
Closing Share Price as on March 31, 2015	(₹)	100	99.85
Market Capitalisation as on March 31, 2015	(₹ in crores)	727.36	726.27

SHAREHOLDER INFORMATION (CONTD.)

11. Stock Performance (Indexed) :



12. Registrar and Transfer Agent :

Link Intime India Private Limited
C-13, Pannalal Silk Mills Compound
L.B.S. Marg, Bhandup (West)
Mumbai – 400 078
Tel : 022- 2596 3838 : Fax : 022 – 2594 6969
website : www.linkintime.co.in
Time : 10.00 a.m. to 1.00 p.m. and 1.30 p.m. to 5.00 p.m.

13. Trustees for Debentureholder :

IL&FS Trust Company Limited
The IL&FS Financial Centre
Plot C-22, G Block, Bandra Kurla Complex
Bandra (East), Mumbai 400 051

14. Share Transfer System :

The transfer of shares in physical form is processed and completed by Registrar and Transfer Agent – Link Intime India Private Limited within a period of seven days from the date of receipt thereof provided all the documents are in order. In case of shares in electronic form, the transfers are processed by NSDL / CDSL through respective Depository Participants. In compliance with the Listing Agreement with the Stock Exchanges, a Practising Company Secretary carries out audit of the system of transfer and a certificate to that effect is filed with the listed stock exchanges.

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

15. Distribution of shareholding size class as on March 31, 2015:

No. of equity shares held	No. of shareholders	% of shareholders	No. of shares held	% of shareholding
1 - 500	21469	96.13	1066091	1.47
501 - 1000	390	1.74	308494	0.42
1001 - 2000	196	0.87	299055	0.41
2001 - 3000	53	0.24	135650	0.19
3001 - 4000	34	0.15	120672	0.17
4001 - 5000	31	0.16	146611	0.20
5001 - 10000	53	0.23	385239	0.53
10001 - above	108	0.48	70274059	96.61
TOTAL	22334	100	72735871	100

SHAREHOLDER INFORMATION (CONTD.)

16. Distribution of shareholding by ownership as on March 31, 2015 :

CATEGORY	No. of Shareholders	No. of shares held	% of Total
A. Shareholding of Promoter and Promoter Group			
1. Indian			
a. Individuals / Hindu Undivided Family	17	53711816	73.85
b. Bodies Corporate	2	600000	0.82
Sub-Total (A) [1]	19	54311816	74.67
2. Foreign	—	—	—
Sub-Total (A) [2]	—	—	—
A Total Shareholding of Promoter and Promoter Group (A) = (A) (1) + (A) (2)	19	54311816	74.67
B. Public Shareholding			
1. Institutions			
a. Mutual Funds	—	—	---
b. Financial Institutions / Banks	2	34303	0.05
c. Venture Capital Fund	—	—	—
d. Insurance Companies	1	56937	0.08
e. Foreign Institutional Investors	2	67924	0.09
f. Central / State Government	1	5	—
Sub-Total (B) (1)	6	159169	0.22
2. Non-Institutions			
a. Bodies Corporate	380	10228857	14.06
b. Resident Individuals			
i. Individual shareholders holding nominal capital upto ₹1 lac	21571	2029520	2.79
ii. Individual shareholders holding nominal capital in excess of ₹ 1 lac	44	3664635	5.04
c. Trusts	3	45	—
i. Non-Residents	176	2018916	2.78
ii. Overseas Corporate Bodies	2	11	—
iii. Clearing Members	133	322902	0.44
Sub-Total (B) (2)	22309	18264886	25.11
B. Total Public Shareholding (B) = (B)(1) + (B) (2)	22315	18424055	25.33
GRAND TOTAL (A) + (B)	22334	72735871	100.00

17. Dematerialisation of shares and liquidity :

As per the directions of SEBI, the Company's shares are compulsorily traded in dematerialized form and are available for trading on both the depositories in India viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). As on March 31, 2015, 7,27,35,529 equity shares constituting nearly 100% of the total share capital of the Company were held in dematerialized form.

Status of Dematerialisation as on March 31, 2015 :

PARTICULARS	NO. OF SHARES	% TO TOTAL CAPITAL
National Securities Depository Limited	6,42,14,328	88.28 %
Central Depository Services (India) Limited	85,21,201	11.72 %
TOTAL DEMATERIALISED	7,27,35,529	100
Physical	342	----
GRAND TOTAL	7,27,35,871	100

SHAREHOLDER INFORMATION (CONTD.)

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

As at March 31, 2015, the Company has not issued GDRs/ADRs/Warrants or any convertible instruments.

19. Address for Correspondence:

Physical Shares		Electronic Shares
Address	: Link Intime India Private Limited C-13, Pannalal Silk Mills Compound L.B.S. Marg, Bhandup (West) Mumbai – 400 078	Respective Depository Participants of the Shareholders
Contact Person	: Ganesh Jadhav	
E-mail	: rnthelpdesk@linkintime.co.in	
Time	: 10.00 a.m. to 1.00 p.m. and 1.30 p.m. to 5.00 p.m.	

20. Exclusive E- mail ID for redressal of investor complaints :

In terms of Clause 47 (f) of the Listing Agreement, the Company has designated an e-mail ID exclusively for the purpose of registering complaints by investors. The e-mail ID is investorcell@hubtown.co.in. Investors / Shareholders can send their complaints / grievances to the above e-mail ID and the same will be attended to by the Secretarial Department.

21. Electronic Clearing Service (ECS facility) :

The Company uses 'Electronic Clearing Service' (ECS) facility for remitting dividend to its shareholders wherever available.

In terms of a notification issued by Reserve Bank of India, with effect from October 1, 2009, remittance of dividend through ECS has been replaced by 'National Electronic Clearing Service' (NECS). Accordingly, Banks have moved to NECS platform. The advantage of NECS over ECS include faster credit of remittance to the beneficiary's account, coverage of more bank branches and ease of operations.

NECS essentially operates on the new and unique bank account number, allotted by Banks post implementation of Core Banking Solutions (CBS) for centralised processing of inward instructions and efficiency in handling bulk transactions.

Those members who have not yet furnished either to their Depository Participants (in case of electronic shares) or the Registrar and Transfer Agent (in case of physical shares) their latest Bank Account Number allotted to them by their Banks after implementation of CBS, credit of dividend through NECS to their old Bank Account Number may either be rejected or returned by the banking system and physical dividend warrant in lieu of the same may be issued to the concerned members after such rejection.

In view of the above, members are requested to provide /update the new Bank Account Number allotted to them by their Banks together with the name of the Bank, Branch, 9 digit MICR Bank/Branch Code, account type alongwith a photocopy of a blank cheque leaf to their Depository Participants if the equity shares are held in electronic form and to the Registrar and Transfer Agent, Link Intime India Private Limited if the equity shares are held in physical form.

22. Nomination Facility :

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

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

Form Nos. SH - 13 and **SH - 14** can be obtained from the Company's Registrar and Transfer Agent or downloaded from the Company's website: at link [http : www.hubtown.co.in / company information / investors / forms / pdf](http://www.hubtown.co.in / company information / investors / forms / pdf).

23. Secretarial Audit :

- In terms of Clause 47 (c) of the Listing Agreement with the Stock Exchanges, certificates, on half yearly basis have been issued by a Company Secretary in whole-time practice for due compliance of share transfer formalities by the Company.
- As stipulated by SEBI, a qualified practising Company Secretary carries out Secretarial Audit to reconcile the total admitted capital with NSDL and CDSL and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Listed Stock Exchanges. The audit confirms that the total listed and paid-up capital is in agreement with the aggregate of the total number of shares in dematerialised form (held with NSDL and CDSL) and the total number of shares in physical form.

SHAREHOLDER INFORMATION (CONTD.)

24. E-Voting :

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

For detailed information on the e-voting procedure, members may please refer the Notes to the Notice of the Annual General Meeting.

25. General Information :

- A. In terms of the Regulations of NSDL and CDSL, the bank account details of Beneficial Owners of shares held in electronic form will be printed on the dividend warrants as furnished by the Depository Participants (DP). The Company will not entertain any request for change of bank details printed on their dividend warrants. In case of any changes in your bank details, please inform your DP immediately.
- B. Beneficial Owners of shares held in electronic form are requested to send their instructions regarding change of name, change of address, bank details, nomination, power of attorney, etc. directly to their DP as the same are maintained by the DP. Members holding shares in physical form are requested to notify to the Company or the Registrar and Transfer Agent, change in their address/pin code number and bank account details promptly by written request under the signature of sole/first joint holder.
- C. To prevent fraudulent encashment of dividend warrants, members are requested to provide their bank account details (if not provided earlier) to the Company or its Registrar and Transfer Agent (if shares are held in physical form) or to DP (if shares are held in electronic form), as the case may be, for printing of the same on their dividend warrants.
- D. SEBI has made it mandatory in respect of securities market transactions and off market/private transactions involving transfer of shares in physical form of listed companies for the transferee(s) to furnish copy of PAN card to the Company/Registrar and Transfer Agent for registration of transfer of such shares.
- E. SEBI has further clarified that it shall be mandatory to furnish a copy of PAN card in the following cases :
 - Deletion of name of the deceased shareholder(s), where the shares are held in the name of two or more shareholders.
 - Transmission of shares in favour of legal heir(s), where the deceased shareholder was the sole holder of shares.
 - Transposition of shares, when there is a change in the order of names in which physical shares are held jointly in the names of two or more shareholders.

FINANCIAL STATEMENTS
FOR YEAR ENDED MARCH 31, 2015

INDEPENDENT AUDITORS' REPORT

To
The Members of Hubtown Limited

Report on the Financial Statements

We have audited the accompanying standalone financial statements of HUBTOWN LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015, and its profit and its cash flows for the year ended on that date.

Emphasis of Matter

Attention is invited to:

- (a) Note 2 (III) (A) (ii) and (iii) in the financial statements with regard to recognition of expense and income for ongoing projects which is based upon estimated costs, as per the judgment of the management, which have been relied upon by us, these being technical matters.
- (b) Note 4 (footnote c) in the financial statements with regard to non-creation of investments to the extent of 15% of the value of the redeemable debentures, which is required to be created and earmarked in the manner prescribed under Rule 18(7) (c) of the Companies (Share Capital and Debentures) Rules, 2014 notified by the Ministry of Corporate Affairs.
- (c) Note 17 (footnote) of the financial statements regarding the status of the projects and the opinion framed by the Company's management regarding realizable value of the costs incurred, being a technical matter, relied upon by us.
- (d) Note 20 (footnote a) in the financial statements with regard reversal of revenue from sale of properties / FSI in earlier years / periods.
- (e) Note 32(B), regarding guarantees issued and securities provided aggregating ₹ 47,280.82 lacs by the Company to banks and financial institutions on behalf of various entities, which are significant in relation to the profits for the year and the net worth of the Company. In the opinion of the Management, these are not expected to result into any financial liability to the Company.

INDEPENDENT AUDITORS' REPORT (CONTD.)

- (f) Note 32 (footnote) of the financial statements with regard to reliance placed by the auditors on certification received from the management with regard to the disclosure of contingent liabilities given by the Company.
- (g) Note 39 of the financial statements with regards to balances that are subject to confirmations, reconciliation and adjustments if any.
- (h) The Company has not charged interest on advances given to various group entities developing real estate projects, in which the Company has a business interest.

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

Other Matters

Attention is invited to:

- (a) The Statement of Profit and Loss of the Company which includes share of loss (net) from investments in partnership firms / joint ventures aggregating ₹ 20.02 lacs are based on the financial statements of the joint ventures / firms as audited by other auditors whose reports have been furnished to us, which have been relied upon by us. Further, the Statement of Profit and Loss of the Company which includes share of loss from investments in partnership firms / joint ventures aggregating ₹ 349 lacs are based on the financial statements of the joint ventures / firms as prepared by management and presented to us on which we have relied upon.
- (b) Note 12 (footnote c) regarding the Company's investments in certain subsidiaries, jointly controlled entities and associates as at 31st March, 2015 which have incurred losses and have negative net worth as at March 31, 2015.

Report on Other Legal and Regulatory Requirements

- I. As required by 'the Companies (Auditor's Report) Order, 2015' issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
- II. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act; and
 - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
 - i. The Company has disclosed the impact of pending litigations as at March 31, 2015 on its financial position in its financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts 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 Company during the year ended March 31, 2015.

For Dalal Doshi & Associates
Firm Registration Number: 121773W
Chartered Accountants

Dinesh Doshi
Partner
Membership No.: F-9464

Mumbai, May 30, 2015

ANNEXURE TO AUDITORS' REPORT

ANNEXURE 1 REFERRED TO IN OUR REPORT TO THE MEMBERS OF HUBTOWN LIMITED ON THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 WE REPORT THAT;

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 of the quantitative details and situation of its fixed assets; and
 - b) The fixed assets are physically verified by the management according to a phased programme 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. According to the information and explanations given to us, no material discrepancies were noticed on such verification;
- (ii) a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.
 - b) In our opinion, the procedures for physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business; and
 - c) On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material;
- (iii) The Company has granted unsecured loan to one Company covered under the register maintained under Section 189 of the Act;
 - (a) The above loan is interest free and repayable on demand; and
 - (b) As the loan is repayable on demand, the question of overdue amount does not arise;
- (iv) In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the Company and the nature of its business, for the purchase of inventories and fixed assets and for sale of goods and services. Further, on basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across, nor have been informed of, any continuing failure to correct major weaknesses in the aforesaid internal control;
- (v) In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Sections 73, 74, 75 and 76 or any other relevant provisions of the Act and the Rules framed thereunder to the extent notified, with regard to the deposits accepted from the public. According to the information and explanations given to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal on the Company in respect of the aforesaid deposits;
- (vi) We have broadly reviewed the books of account maintained by the Company in respect of projects where, pursuant to the rules made by the Central Government of India, the maintenance of cost records has been specified under sub-section (1) of Section 148 of the Act, 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, Tax Deducted at Source, Value Added Tax and Service Tax, the Company is generally regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Wealth Tax, Sales Tax, Customs Duty, Excise Duty and other material statutory dues, as applicable, with the appropriate authorities. The extent of arrears of statutory dues outstanding as at Balance Sheet date, for a period exceeding six months from the date they became payable are ₹ 153.01 lacs relating to Income Tax, ₹ 2,064.90 lacs relating to Income Tax Deducted at Source, ₹ 522.34 relating to Value Added Tax and ₹ 63.34 relating to Service Tax;
 - b. According to the information and explanations given to us and the records of the Company examined by us, the particular of dues of Income Tax, Value Added Tax and Cess as at Balance Sheet date which have not been deposited on account of a dispute, are as follows:

Statute and nature of dues	Financial Year	Amount (₹ in lacs)	Forum where dispute is pending
Income Tax Act, 1961:			
Income Tax	2003-04	17.48	Hon'ble Bombay High Court
Income Tax	2004-05	21.31	Hon'ble Bombay High Court
Income Tax	2005-06	20.92	Hon'ble Bombay High Court
Income Tax	2009-10	6.46	Hon'ble Bombay Income Tax Appellate Tribunal
Income Tax	2010-11	431.40	Hon'ble Bombay Income Tax Appellate Tribunal
Income Tax	2011-12	29.64	Learned Commissioner of Income Tax (Appeals)

ANNEXURE TO AUDITORS' REPORT (CONTD.)

Statute and nature of dues	Financial Year	Amount (₹ in lacs)	Forum where dispute is pending
Maharashtra Value Added Tax Act, 2002:			
Value Added Tax	2006-07	15.49	Joint Commissioner of Sales Tax Appeal
Value Added Tax	2007-08	0.26	Joint Commissioner of Sales Tax Appeal
Value Added Tax	2008-09	92.94	Joint Commissioner of Sales Tax Appeal
Value Added Tax	2009-10	8.66	Joint Commissioner of Sales Tax Appeal
Value Added Tax	2010-11	5.31	Joint Commissioner of Sales Tax Appeal
Value Added Tax	2011-12	4.53	Joint Commissioner of Sales Tax Appeal

Note: Appeals pending at admission stage with appellate bodies are not considered in the above list.

- c. The amount required to be transferred to Investor Education and Protection Fund has been transferred within the stipulated time in accordance with the provisions of the Companies Act, 2013 and the Rules made thereunder;
- (viii) The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year;
- (ix) 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 and a financial institution. Attention is invited to Footnote "f" to Note 5 with regards to banks and the financial institution for the amounts and period of delay in payment of principal and interest in case of banks and interest in case of the financial institution;
- (x) In our opinion, and according to the information and explanations given to us, the terms and conditions of the guarantees given by the Company for loans taken by others in which Company has business interest from Banks or financial institutions during the year, are not prejudicial to the interest of the Company;
- (xi) In our opinion and according to the information and explanations given to us, the term loans have been applied, on an overall basis, for the purposes for which they were obtained; and
- (xii) 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 on or by the Company, noticed or reported during the year, nor have been informed of any such case by the Management.

For Dalal Doshi & Associates
Firm Registration Number: 121773W
Chartered Accountants

Dinesh Doshi
Partner
Membership No.: F-9464

Mumbai, May 30, 2015

BALANCE SHEET AS AT 31ST MARCH, 2015

Particulars	Note No.	As at 31 March, 2015 (₹ in lacs)	As at 31 March, 2014 (₹ in lacs)
I. EQUITY AND LIABILITIES			
Shareholders' Funds			
Share capital	3	7,273.59	7,273.59
Reserves and surplus	4	163,869.14	161,943.66
		171,142.73	169,217.25
Non-current liabilities			
Long-term borrowings	5	42,960.37	50,417.61
Other Long-term liabilities	6	1,535.82	2,889.39
Long-term provisions	7	147.18	62.30
		44,643.37	53,369.30
Current liabilities			
Short-term borrowings	8	48,941.71	40,312.90
Trade payables	9	11,620.86	8,469.72
Other current liabilities	10	91,579.42	110,684.03
Short term provisions	7	159.43	893.90
		152,301.42	160,360.55
Total		368,087.52	382,947.10
II. ASSETS			
Non-current assets			
Fixed assets :	11		
Tangible assets		1,381.57	2,299.96
Intangible assets		0.19	70.56
Capital work-in-progress		22.84	—
Non-current investments	12	55,681.06	71,427.77
Deferred tax asset (Net)	13	3,002.84	3,500.00
Long term loans and advances	14	152,841.56	53,288.84
Other non-current assets	15	6,828.89	6,577.67
		219,758.95	137,164.80
Current assets			
Current investments	16	19,001.54	19,016.01
Inventories	17	83,416.95	76,158.83
Trade receivables	18	11,096.17	12,907.74
Cash and bank balances	19	3,040.57	2,440.58
Short-term loans and advances	14	24,790.88	107,902.68
Other current assets	15	6,982.46	27,356.46
		148,328.57	245,782.30
Total		368,087.52	382,947.10

The accompanying notes 1 to 40 are an integral part of the Financial Statements.

As per our report of even date

For **DALAL DOSHI & ASSOCIATES**
Firm Registration No. 121773W
Chartered Accountants

DINESH DOSHI
PARTNER
Membership No. : F - 9464

Mumbai
Date: 30th May, 2015

For and on behalf of the Board of Directors

HEMANT M. SHAH
EXECUTIVE CHAIRMAN

VYOMESH M. SHAH
MANAGING DIRECTOR

ANIL AHLUWALIA
CHIEF FINANCIAL OFFICER

CHETAN MODY
COMPANY SECRETARY

Mumbai
Date: 30th May, 2015

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015

Particulars	Note No.	Year ended 31 March, 2015 (₹ in lacs)	Year ended 31 March, 2014 (₹ in lacs)
I. INCOME			
Revenue from operations	20	41,514.77	48,611.64
Share of profit / (loss) from joint ventures and partnership firms (Net)		(369.03)	(847.54)
		41,145.74	47,764.10
Other income	21	4,297.92	3,923.78
Total		45,443.66	51,687.88
II. EXPENSES			
Cost of construction / development	22	9,419.66	12,612.46
Changes in inventories of work-in-progress, finished properties and FSI	23	(7,198.55)	665.51
Employee benefits expense	24	1,702.58	1,734.39
Finance costs	25	32,258.92	30,464.98
Depreciation and amortisation	26	402.96	556.79
Other expenses	27	7,223.83	3,770.85
Total		43,809.40	49,804.98
Profit before extraordinary items and tax		1,634.26	1,882.90
Extraordinary item		350.00	—
Profit before tax		1,984.26	1,882.90
Tax expense :			
Current tax		(504.00)	(117.50)
Excess / (Short) provision for taxation in respect of earlier years		312.53	(520.47)
Deferred tax (charge) / credit		(497.16)	2,296.47
Profit after tax but before adjustments		1,295.63	3,541.40
Prior period adjustments (Net)	28	(221.12)	2.80
Profit for the year		1,074.51	3,544.20
Earning per equity share of nominal value of ₹ 10/- each (in ₹)	29		
Earnings for the year (in ₹) :			
Basic and diluted		1.00	4.87
Earnings after extraordinary item (in ₹) :			
Basic and diluted		1.48	4.87

The accompanying notes 1 to 40 are an integral part of the financial statements.

As per our report of even date

For **DALAL DOSHI & ASSOCIATES**
Firm Registration No. 121773W
Chartered Accountants

DINESH DOSHI
PARTNER
Membership No. : F - 9464

Mumbai
Date: 30th May, 2015

For and on behalf of the Board of Directors

HEMANT M. SHAH
EXECUTIVE CHAIRMAN

VYOMESH M. SHAH
MANAGING DIRECTOR

ANIL AHLUWALIA
CHIEF FINANCIAL OFFICER

CHETAN MODY
COMPANY SECRETARY

Mumbai
Date: 30th May, 2015

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

Particulars	31 March, 2015 (₹ in lacs)	31 March, 2014 (₹ in lacs)
I. CASH FLOWS ARISING FROM OPERATING ACTIVITIES		
Net profit before taxation, prior period items and extraordinary item as per Statement of Profit and Loss	1,634.26	1,882.90
Add / (Less) :		
Finance costs	32,258.92	30,464.98
Share of (Profit) / Loss from Investment in partnership firms and JVs	369.03	847.54
Profit on sale of investments in subsidiaries, JVs, etc. developing real estate projects (Net)	(1,375.72)	(368.34)
Depreciation and amortisation	402.96	556.79
Provision for doubtful advances and bad debts	9.15	—
Provision for diminution in value of investment	10.00	—
Project expenses written off / amortised	676.98	—
Prior period adjustments (Net)	(221.12)	2.80
Advances and other debit balances written off	1,685.50	0.18
(Profit) / Loss on sale of fixed assets (Net)	(8.74)	(1.52)
(Profit) / Loss on sale of investments (Net)	(2.27)	3.45
Provisions no longer required	(685.04)	—
Liabilities written back to the extent no longer required	(1,502.56)	(1,046.39)
Dividend from current investments	—	(5.36)
Interest income	(2,548.21)	(15,418.68)
	29,068.88	15,035.45
Operating profit before working capital changes	30,703.14	16,918.35
Add / (Less) :		
(Increase) / Decrease in inventories	(7,211.09)	991.40
(Increase) / Decrease in trade and other receivables (including current investment)	7,494.79	(778.62)
Increase / (Decrease) in trade and other payables	3,361.59	12,142.50
Direct taxes paid	(198.59)	(1,435.85)
	3,446.70	10,919.43
Net cash flow from operating activities	34,149.84	27,837.78
II. CASH FLOWS ARISING FROM INVESTING ACTIVITIES		
Inflow / (Outflow) on account of :		
Dividend from current investments	—	5.36
Interest income received	2,294.89	15,183.14
(Increase) / Decrease in loans and advances	(3,169.89)	(6,482.50)
(Increase) / Decrease in advances towards share application	—	116.46
(Increase) / Decrease in deposits more than three months	(49.06)	201.85
Purchase of fixed assets, including capital work-in-progress	(195.52)	(29.74)
Proceeds from Sale of fixed assets	9.26	16.69
Purchase of Long term / Current investments (Net)	16,794.09	1,381.04
Net cash flow from investing activities	15,683.77	10,392.30
III. CASH FLOWS ARISING FROM FINANCING ACTIVITIES		
Inflow / (Outflow) on account of :		
Increase / (Decrease) in long term and short term borrowings	(16,339.23)	(10,250.33)
Finance costs paid	(32,689.40)	(29,308.85)
Dividend paid	0.04	(127.36)
Dividend tax paid	—	(21.64)
Net cash flow from financing activities	(49,028.59)	(39,708.18)
Net increase in cash and cash equivalents (I + II + III)	805.02	(1,478.10)
Add: Balance at the beginning of the year	1,011.35	2,489.45
Cash and cash equivalents at the end of the year	1,816.37	1,011.35
Components of cash and cash equivalents (Refer note 19)		
Cash and cash equivalents:		
Cash on hand	20.87	22.90
Balances with banks		
— On current accounts	1,729.23	857.02
— Deposits with maturity of less than three months	66.27	131.43
	1,816.37	1,011.35

Footnote:

Previous year figures have been regrouped / reclassified wherever necessary, to make them comparable with current year figures.

As per our report of even date

For **DALAL DOSHI & ASSOCIATES**
Firm Registration No. 121773W
Chartered Accountants

DINESH DOSHI
PARTNER
Membership No. : F - 9464

Mumbai
Date: 30th May, 2015

For and on behalf of the Board of Directors

HEMANT M. SHAH
EXECUTIVE CHAIRMAN

VYOMESH M. SHAH
MANAGING DIRECTOR

ANIL AHLUWALIA
CHIEF FINANCIAL OFFICER

CHETAN MODY
COMPANY SECRETARY

Mumbai
Date: 30th May, 2015

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

NOTE '1' : CORPORATE INFORMATION

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.

NOTE '2' : SIGNIFICANT ACCOUNTING POLICIES

I. Basis of preparation of financial statements

The financial statements of the Company have been prepared under the historical cost convention on the accrual basis of accounting and in accordance with the generally accepted accounting principles in India. The financial statements have been prepared to comply in all material aspects with the Accounting Standards specified under section 133 of the Companies Act, 2013 (the 'Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Act, to the extent applicable and the Guidance Note issued by the Institute of Chartered Accountants of India.

II. Use of estimates

The preparation of financial statements in conformity with the generally accepted accounting principles in India requires the management to make estimates and assumptions, that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognized in the period in which the results are known / materialized.

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 / rights

- i. Revenue from sale of 'finished properties / buildings / rights' is recognised on transfer of all significant risks and rewards of ownership of such properties / building / rights, as per the terms of the contracts entered into with buyer/(s), which generally coincides with the firming of the sales contracts/ agreements, except for contracts where the Company still has obligations to perform substantial acts even after the transfer of all significant risks and rewards.
- ii. For projects commenced and period where revenue recognised before April 1, 2012:

Revenue from sale of incomplete properties / projects is recognized on the basis of percentage of completion method only if the following thresholds have been met :

- a. 25% of the total estimated construction and development costs of the project; and
- b. Atleast 10% of the sale consideration of each sold unit has been received at the reporting date in respect of such contracts with the buyers.

Further, revenue recognition is restricted, in case, where project cost is revised, resulting in decrease of percentage of actual cost incurred to total estimated cost. The effect of changes in cost, if any, is recognized in the financial statements for the period in which such changes are determined.

- iii. For projects commenced on or after April 1, 2012 and also for projects which have already commenced but where revenue is being recognised for the first time on or after April 1, 2012:

Revenue from sale of incomplete properties / projects is recognized on the basis of percentage of completion method only if the following thresholds have been met;

- a. All critical approvals necessary for the commencement of the project have been obtained;
- b. The expenditure incurred on construction and development costs, excluding land costs, is not less than 25% of the total estimated construction and development costs of the project;
- c. Atleast 25% of the saleable project area is secured by agreements with the buyers; and
- d. Atleast 10% of the sale consideration of each sold unit has been received at the reporting date in respect of such contracts with the buyers.

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (CONTD.)

NOTE '2' : (Contd.)

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

- iv. The Company has adopted the principles of revenue recognition on the basis of "Guidance Note on Accounting Treatment for Real Estate Transactions (Revised 2012)" issued by the Institute of Chartered Accountants of India, for all projects on which revenue recognition was not commenced till 31 March, 2012. Revenue recognition policy on real estate transactions, which was followed prior to March 31, 2012 is continued to be followed on such erstwhile projects. There is no impact on the current year profits on account of such change in revenue recognition policy.
- v. Losses expected to be incurred on projects under construction, are charged in the Statement of Profit and Loss in the period in which the losses are known.
- vi. Costs of the projects are based on the management's estimate of the cost to be incurred upto the completion of the projects and include cost of land, Floor Space Index (FSI), materials, services and other expenses attributable to the projects. Estimates of project income, as well as project costs, are reviewed periodically.
- vii. The sale proceeds of the investments held in the subsidiaries, joint ventures, etc. developing real estate projects are included in real estate revenue, net of cost.

B. Revenue from project management services:

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

C. Profit / loss from partnership firms / association of persons:

Share of profit / loss from partnership firms / association of persons (AOP) is accounted in respect of the financial year of the Firm / AOP, during the reporting period, on the basis of their audited / management reviewed accounts, which is considered as a part of other operating activity.

D. Income from leased premises:

Lease income from operating lease is recognised in the Statement of Profit and Loss on straight line basis over the lease term.

E. Interest and dividend:

Interest is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

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

F. Others:

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

IV. Tangible assets and depreciation / amortisation

- A. Tangible fixed assets are stated at cost of acquisition or construction less accumulated depreciation / amortisation and accumulated impairment losses, if any.
- B. Tangible assets disclosed under 'Non current investments' as 'Investment properties', are stated at cost of acquisition or construction less accumulated depreciation / amortisation and accumulated impairment losses, if any. Attention is also invited to Accounting Policy No. (VI)(C).
- C. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. Depreciation on additions to assets or on sale/disposal of assets is calculated pro-rata from the month of such addition, or upto the month of such sale/disposal, as the case may be.
- D. Cost of Leasehold Land is amortised on a straight line basis, over the primary lease period.
- E. Cost of Mivan System is amortised on a straight line basis, over the life of the project, but not exceeding a period of five years.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (CONTD.)

NOTE '2' : (Contd.)

V. Intangible assets and amortisation

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.

VI. 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 investments' 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 investments' as 'Investment properties' and provision for depreciation / amortisation is made to comply with the requirements of Accounting Standard AS - 19 - 'Leases' and Accounting Standard AS -13 - 'Investments'.
- D. Value of 'Floor Space Index' (FSI) generated is recognized as inventory at cost (i.e. Proportionate Rehab Component Cost) as and when necessary obligations / conditions are fulfilled in entirety, which are imposed on the Company by statutory authorities (viz. Rehabilitation Authority, etc.), in lieu of which the FSI is allotted to the Company. The value of FSI is either carried as inventory (at cost) held for intended sale or with the intention to utilise in construction of projects undertaken for sale.

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

VII. Investments

- A. Investments are classified into Current and Non Current / Long Term Investments. Current investments are stated at lower of cost and fair value. Long term investments are stated at cost. A provision for diminution is made to recognize decline, other than temporary, in the value of long term investments.
- B. Current Account in Partnership Firms and Joint Ventures represents additional contribution, share of profits and losses and excess withdrawal of funds. Additional contribution and share of profits to the extent not withdrawn is carried as 'Current Investment in Partnership Firms and Joint Ventures' under "Current / Non Current Investment" as the case may be. Excess withdrawals and share of losses are booked under "Other Current Liabilities".

VIII. Operating Cycle

Receivables and Payables in relation to operations (Projects) are considered as "Current Assets" and "Current Liabilities" as the case may be considering the nature of real estate business of the Company, unless otherwise provided by an agreement.

All other Assets and Liabilities have been classified as provided in Schedule III to the Companies Act, 2013.

IX. Employee benefits

- A. **Short term employee benefits** are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss in the year in which the related service is rendered;
- B. **Post Employment Benefits**
 - i. Defined contribution plans: The Company's contribution to State governed Provident Fund Scheme is recognized in the year in which the related service is rendered;
 - ii. Defined benefit plans: The present value of gratuity obligation is determined based on an actuarial valuation using the Projected Unit Credit Method. Actuarial gains and losses arising on such valuation are recognised immediately in the Statement of Profit and Loss. In the case of gratuity which is funded with the Life Insurance Corporation of India, the fair value of the Plan Assets is reduced from the gross obligation under the defined benefit plan to recognise the obligation on net basis;

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (CONTD.)

NOTE '2' : (Contd.)

- C. **Other long-term benefits** (leave entitlement) are recognized in a manner similar to defined benefit plans;
- D. **Termination Benefits** are recognized as an expense in the Statement of Profit and Loss in the year in which they are incurred; and
- E. **Actuarial gains / losses** are recognized in the Statement of Profit and Loss during the relevant period.

X. Borrowing costs

Interests and other borrowing costs (including ancillary borrowing costs) attributable to qualifying assets 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. Ancillary borrowing costs (including front-end fees, processing fees, etc. due to which the rate of borrowing gets reduced) are amortised over the period of the related borrowing, but not exceeding a period of three years. Other borrowing costs are charged to the Statement of Profit and Loss.

XI. 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 at the Balance Sheet date, are converted in the reporting currency at the closing rates of exchange prevailing on the said date. The 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.

XII. Segment reporting

The Company is engaged in the business of Real Estate Development, which as per Accounting Standard AS - 17 'Segment Reporting' is considered to be the only reportable business segment. The Company is also primarily operating within the same geographical segment. Hence, disclosures under AS-17 are not applicable.

XIII. Impairment of assets

The carrying amount of assets is reviewed at each Balance Sheet date. If there is any indication of impairment based on internal/external factors, i.e. when the carrying amount of the assets exceeds the recoverable amount, an impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. An impairment loss recognised in prior accounting periods is reversed or reduced if there has been a favourable change in the estimate of the recoverable amount.

XIV. Taxation

Income tax expense comprises current tax and deferred tax charge or credit. Provision for current tax is made on the basis of the assessable income at the tax rate applicable for the relevant assessment year. The deferred tax asset and deferred tax liability is calculated by applying tax rate and laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax laws, are recognized, only if there is a virtual certainty of its realization, supported by convincing evidence. Deferred tax assets on account of other timing differences are recognized only to the extent there is a reasonable certainty of its realization. At each Balance Sheet date, the carrying amounts of deferred tax assets are reviewed to reassure realization.

Excess / short provision for taxation are recognized on completion of necessary taxation proceedings (Viz. revised returns, assessments etc.).

In case, the Company is liable to pay income tax under Section 115JB of the Income Tax Act, 1961 (i.e. MAT), the amount of tax paid in excess of normal income tax is recognised 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.

XV. Provisions, contingent liabilities and contingent assets

Provisions involving a substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the financial statements. Contingent assets are neither recognized nor disclosed in the financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (CONTD.)

	31 March, 2015 (₹ in lacs)	31 March, 2014 (₹ in lacs)
NOTE '3'		
SHARE CAPITAL		
AUTHORISED		
125,000,000 (P.Y. 125,000,000) Equity Shares of ₹ 10/- each	12,500.00	12,500.00
	12,500.00	12,500.00
ISSUED, SUBSCRIBED AND PAID UP		
72,735,871 (P.Y. 72,735,871) Equity Shares of ₹ 10/- each fully paid up	7,273.59	7,273.59
Total	7,273.59	7,273.59
Footnotes:		
a. Reconciliation of the number of Equity Shares outstanding at the beginning and at the end of the year		
Number of shares at the beginning	72,735,871	72,735,871
Add/(Less) :		
Issued during the year	—	—
Buyback during the year	—	—
Conversion during the year	—	—
At the end of the year (Nos.)	72,735,871	72,735,871

	31 March, 2015		31 March, 2014	
	Nos.	% of Holding	Nos.	% of Holding
b. Equity shareholders holding more than five percent shares in the Company				
Hemant M. Shah	5,800,000	7.97%	5,800,000	7.97%
Vyomesh M. Shah	7,540,000	10.37%	7,540,000	10.37%
Hemant M. Shah with Vyomesh M. Shah	1,90,000	0.26%	600,000	0.82%
Mahipatray V. Shah (HUF)	9,600,000	13.20%	9,600,000	13.20%
Hemant M. Shah (HUF)	49,80,500	6.85%	6,892,000	9.48%
Vyomesh M. Shah (HUF)	4,100,000	5.64%	4,100,000	5.64%
Kunjal H. Shah	5,308,000	7.30%	5,308,000	7.30%
Falguni V. Shah	5,993,316	8.24%	6,360,000	8.74%

C. Terms / rights attached to Equity Shares :

The Company has a single class of equity shares having a par value of ₹ 10/- per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in annual general meeting.

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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (CONTD.)

	31 March, 2015 (₹ in lacs)	31 March, 2014 (₹ in lacs)
NOTE '4'		
RESERVES AND SURPLUS		
Securities premium account	60,716.12	60,716.12
Debenture redemption reserve (Refer footnote a)		
Balance as per last financial statements	13,475.00	10,475.00
Add / (Less) :		
Amount transferred from surplus balance in the Statement of Profit and Loss	—	3,000.00
Amount transferred to general reserve	(4,300.00)	—
	9,175.00	13,475.00
General reserve		
Balance as per last financial statements	19,520.00	19,520.00
Add / (Less) :		
Amount transferred from debenture redemption reserve	4,300.00	—
	23,820.00	19,520.00
Surplus in the Statement of Profit and Loss		
Balance as per last financial statements	68,232.54	67,842.96
Profit for the year	1,074.51	3,544.20
Reversal of proposed equity dividend and tax thereon (Refer footnote b)	850.97	696.35
Less: Appropriations :		
Proposed equity dividend	—	727.36
Tax on proposed equity dividend	—	123.61
Transfer to debenture redemption reserve (Refer footnote a)	—	3,000.00
Total appropriations	—	3,850.97
Net surplus in the Statement of Profit and Loss	70,158.02	68,232.54
Total	163,869.14	161,943.66

Footnotes:

- During the previous year, the Company transferred an amount of ₹ 3,000.00 Lacs to debenture redemption reserve in accordance with the provisions of Section 117C of the Companies Act, 1956.
- In the Twenty Sixth Annual General Meeting of the Company held on 25th September, 2014, the motion for declaration of dividend on equity shares for the year ended March 31, 2014 was lost. Consequently, no dividend was paid to the shareholders and hence the proposed equity dividend and tax thereon has been reversed during the year.
- The Company, owing to liquidity crunch, has not invested / deposited ₹ 1,382.46 lacs (P.Y. ₹ 2,686.83 lacs) 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, 2015 (CONTD.)

	Non Current Portions		Current Maturities	
	31 March, 2015 (₹ in lacs)	31 March, 2014 (₹ in lacs)	31 March, 2015 (₹ in lacs)	31 March, 2014 (₹ in lacs)
NOTE '5'				
LONG-TERM BORROWINGS				
Debentures (Secured):				
10,000 (P.Y. 10,000) Redeemable Non-convertible debentures of the face value of ₹ 100,000 each (Refer footnote a)	—	—	6,716.40	10,000.00
CY: Nil (P.Y. 2,500) Redeemable, Non-convertible debentures of the face value of ₹ 1,00,000 each	—	—	—	2,500.00
CY: Nil (P.Y. 7,999) Redeemable Non-convertible debentures of the face value of ₹ 100,000 each	—	—	—	2,904.19
Term Loans (Secured):				
From banks	38,459.10	50,396.75	27,412.72	30,478.21
From financial institution (Refer footnote c)	4,400.00	—	600.00	1,461.44
From a company	—	—	—	1,450.00
Deposits (Unsecured):				
From related parties	—	—	—	687.90
From public	—	—	—	202.18
Other loans and advances:				
Loan from others (Secured) (Refer footnote d)	101.27	20.86	45.35	41.25
	42,960.37	50,417.61	34,774.47	49,725.17
The above amounts include:				
Secured borrowings	42,960.37	50,417.61	34,774.47	48,835.09
Unsecured borrowings	—	—	—	890.08
Amount disclosed under "Other Current Liabilities" (Refer note '10')			(34,774.47)	(49,725.17)
Total	42,960.37	50,417.61	—	—

Footnotes:

- a. 20 % Debentures of ₹ 10,000.00 lacs have been restructured as per the consent terms dated 22nd December, 2014 to be redeemed on or before 14th December, 2015. The said debentures are secured by a first and exclusive charge on the premises located at MIDC, Andheri (East), Mumbai and also secured against pledge of equity shares in the Company held by the promoters.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (CONTD.)

- b. Secured term loans from banks carry interest rates within a range of 13.50 % to 17.25 %. The nature of securities are:

Name of Lenders	Security Offered (Further secured by personal guarantee of one or more promoters)
1. Bank of Maharashtra	i. Mortgage of land and structures on projects located in Andheri (East), Bandra (East) and Pune. ii. First charge by way of escrow of receivables from above projects.
2. UCO Bank	i. Mortgage of land and structures thereto in respect of projects at Mulund and Thane. ii. Registered mortgage of the premises in the project located at Andheri (East), Mumbai. iii. First charge on lease rent receivables from above premises.
3. Dena Bank	i. Mortgage of unsold area of commercial project at Andheri (East), Mumbai. ii. First charge by way of escrow of receivables from above project. iii. Registered mortgage of the premises in the project located at Mahalaxmi, Mumbai. iv. First charge on lease rent receivables from above premises.
4. Indusind Bank	i. Registered mortgage of the premises in the project located at Andheri (East), Mumbai. ii. First charge on lease rent receivables from above premises.
5. Oriental Bank of Commerce	i. Mortgage of unsold units of residential projects located in Andheri (East), Mumbai. ii. First charge by way of escrow of receivables from above projects.
6. 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.
7. United Bank of India	i. Registered mortgage of the premises in the project located at Andheri (East), Mumbai. ii. First charge on lease rent receivables from above premises.

- c. Secured loan from financial institution carry interest rate of 18%. This loan is secured against pledge of equity shares in the Company held by the promoters alongwith personal guarantees of the promoters and mortgage of the premises in the project located at Andheri (East), Mumbai.

- d. Secured loans of ₹ 146.62 lacs are vehicle loans from others, which carry interest rates within a range of 10% to 11% are repayable between December, 2015 and January, 2019.

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

	(₹ in lacs)			
Particulars	Up to 1 year	2 to 5 years	Above 5 years	Total
Term loans from Banks	27,412.72	31,523.88	6,935.22	65,871.82
Term loan from Financial Institution	600.00	4,400.00	—	5,000.00
Loan from Others	45.35	101.27	—	146.62
Total	28,058.07	36,025.15	6,935.22	71,018.44

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

Particulars	31 March, 2015		31 March, 2014	
	₹ in lacs	Period	₹ in lacs	Period
Term loans from Banks				
Overdue instalments	839.74	Jan 15 to Mar 15	1,247.53	Sep 13 to Mar 14
Interest	967.31	Jan 15 to Mar 15	1,238.45	Dec 13 to Mar 14
Term loan from Financial Institution				
Overdue instalments	—	—	961.44	Dec 13 to Mar 14
Interest	171.23	Sep 14 to Mar 15	—	—
Term loan from a company				
Interest	—	—	36.76	Nov 13 to Mar 14
Total	1,978.28		3,484.18	

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (CONTD.)

NOTE '6'

OTHER LONG TERM LIABILITIES

	31 March, 2015 (₹ in lacs)	31 March, 2014 (₹ in lacs)
Retention money payable	1,283.64	1,156.85
Advance against land procurement	—	1,390.45
Security deposits from customers	252.18	342.09
Total	1,535.82	2,889.39

NOTE '7'

PROVISIONS

Provisions for Employee Benefits

	Long Term		Short Term	
	31 March, 2015 (₹ in lacs)	31 March, 2014 (₹ in lacs)	31 March, 2015 (₹ in lacs)	31 March, 2014 (₹ in lacs)
Provision for gratuity (Refer footnote b) [Net of plan assets ₹ 107.60 lacs; (P.Y ₹ 137.50 lacs)]	—	—	142.50	33.74
Provision for leave benefit	147.18	62.30	8.34	6.57
Other Provisions				
Provision for wealth tax	—	—	8.59	2.62
Proposed equity dividend	—	—	—	727.36
Provision for tax on equity dividend	—	—	—	123.61
Total	147.18	62.30	159.43	893.90

Footnotes:

- An amount of ₹ 62.01 lacs (P.Y. ₹ 54.20 lacs) under defined contribution plan is recognised as expense in the Statement of Profit and Loss.
- The disclosures in respect of the Defined Benefit Gratuity Plan (to the extent of information made available by the actuary) are given below:

Change in present value of obligation :

	31 March, 2015 (₹ in lacs)	31 March, 2014 (₹ in lacs)
Obligation at beginning of the year	171.23	217.44
Current service cost	34.69	28.09
Interest cost	15.70	14.84
Actuarial (Gain) / Loss	29.76	(66.03)
Benefits paid	(1.28)	(23.11)
Obligation at the end of the year	250.10	171.23

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (CONTD.)

	31 March, 2015 (₹ in lacs)	31 March, 2014 (₹ in lacs)
<u>Change in plan assets :</u>		
Fair value of Plan Assets at beginning of the year	137.49	191.64
Adjustment to Opening Fair Value of Plan Assets	(31.32)	0.16
Expected return on Plan Assets	9.58	14.30
Actuarial Gain / (Loss)	(8.66)	0.18
Contributions	1.79	(66.03)
Benefits paid	(1.28)	(2.76)
Fair value of Plan Assets at end of the year	107.60	137.49
<u>Experience Analysis - Liabilities</u>		
Actuarial (Gain)/Loss due to change in bases	34.41	(22.45)
Experience (Gain) / Loss due to change in experience	(4.65)	(0.66)
<u>Experience Analysis - Plan Assets</u>		
Experience (Gain) / Loss due to change in Plan Assets	8.66	2.76
<u>Reconciliation of present value of the obligation and the fair value of Plan Assets and amounts recognized in the Balance Sheet:</u>		
Present value of the obligation at the end of the year	250.10	171.23
Fair value of Plan Assets at the end of the year	107.60	137.49
Net liability recognized in the Balance Sheet	(142.50)	(33.74)
<u>Gratuity cost recognised for the year :</u>		
Expected rate of return on Plan Assets	9.00%	9.00%
Current service cost	34.69	28.09
Interest cost	15.69	14.84
Expected return on Plan Assets	(9.58)	(14.30)
Actuarial Gain / (Loss)	38.42	(20.35)
Adjustment to Opening Fair Value of Plan Assets	31.32	(0.16)
Net gratuity cost	110.54	8.12
<u>Investment details of plan assets (Investments with insurer):</u>		
Government securities	48.54%	48.54%
Bonds / NCDs	31.90%	31.90%
Equity Shares	5.08%	5.08%
Fixed Deposits and Margin Money Deposits	14.48%	14.48%

Assumptions:	2014-2015	2013-2014	2012-2013	2011-2012	2010-2011
Mortality	IALM (2006-08) ULT	IALM (2006-08) ULT	LIC (1994-96) ULT	LIC (1994-96) ULT	LIC (1994-96) ULT
Normal age of retirement	65	65	65	65	65
Discount rate	7.80%	9.20%	8.05%	8.50%	8.30%
Rate of increase in compensation	5.00%	5.00%	5.00%	5.00%	5.00%
Withdrawal Plan	1.00%	1.00%	1.00%	1.00%	3.00%
Present value of obligations (₹)	250.10	171.23	217.44	260.67	180.62
Fair value of Plan Assets (₹)	107.60	137.49	191.64	179.17	160.07
Surplus / (Deficit) in the Plan (₹)	(142.50)	(33.74)	(25.80)	(81.50)	(20.55)

The estimate of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (CONTD.)

NOTE '8'

SHORT TERM BORROWINGS

Debentures (Secured):

2,500 (P.Y. Nil) Redeemable Non-convertible debentures of the face value of ₹ 100,000 each (Refer footnote a)

Working capital loans from banks (Secured) (Refer footnote b)

Short term loans:

- from financial institutions (Secured)
- from companies (Secured)

Loans repayable on demand:

- from companies (Secured) (Refer footnote c)
- from companies (Unsecured) (Refer footnote d)
- from others (Unsecured) (Refer footnote d)

Deposits (Unsecured):

- from public

Loan from related party (Unsecured) (Refer footnote e) (Refer note 33)

	31 March, 2015 (₹ in lacs)	31 March, 2014 (₹ in lacs)
	2,500.00	—
	1,628.42	1,484.67
	—	5,000.00
	—	2,444.00
	7,738.41	1,447.78
	15,513.34	12,970.00
	17,605.00	12,600.00
	—	150.75
	3,956.54	4,215.70
Total	48,941.71	40,312.90
	11,866.83	10,376.45
	37,074.88	29,936.45
Total	48,941.71	40,312.90

The above amounts include :

Secured borrowings

Unsecured borrowings

Footnotes:

- a. 2,500 21% Redeemable, Non-convertible debentures of the face value of ₹ 1,00,000 each, secured by mortgage of the immovable properties located at Balewadi, Pune.
- b. Working capital loans from banks carry interest rate of 15.44%. These loans are secured against mortgage of premises located at MIDC, Andheri (East), Mumbai and further secured by personal guarantees of one or more promoters.
- c. Secured loan from a company carries interest rate of 21% and is repayable on demand. However, loan from another company amounting to ₹ 6,250.00 lacs is Interest free. These loans are secured against mortgage of unsold area of the commercial projects at Andheri (East) and Jogeshwari and also secured against pledge of equity shares of the Company held by the promoters.
- d. Unsecured loans from companies and others carry interest rates within a range of 15% to 36% and are repayable on demand.
- e. Unsecured loan taken from related party carries interest rate of 22.00% and is repayable on demand.
- f. Period and amount of default as on Balance Sheet date in repayment of term loans and interest :

Particulars	31 March, 2015		31 March, 2014	
	(₹ in lacs)	Period	(₹ in lacs)	Period
Short term loans from financial institutions	—	—	5,000.00	Mar-14
Overdue instalments	—	—	518.90	Dec 13 to Mar 14
Interest	—	—	5,518.90	
Total	—	—	5,518.90	

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (CONTD.)

NOTE '9'

TRADE PAYABLES

Trade Payables (Refer footnotes)

Total

31 March, 2015 (₹ in lacs)	31 March, 2014 (₹ in lacs)
11,620.86	8,469.72
11,620.86	8,469.72

Footnotes:

Details of dues to Micro, Small and Medium Enterprises as defined under Micro Small Medium Enterprises Development Act, 2006:

- 'Trade payables' in Note 9 includes ₹ 0.25 lacs (P.Y. ₹ 2.28 lacs) due to micro, small and medium enterprises registered under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED).
- No interest was paid / payable to micro and small enterprises during the year.
- The above information has been determined to the extent such parties could be identified on the basis of the information available with the Company regarding the status of parties under the MSMED Act and has been relied upon by the auditors.
- Trade payables includes ₹ 1,052.54 lacs (P.Y ₹ 483.62 lacs) due to related parties. Further, attention is invited to Note 33.

NOTE '10'

OTHER CURRENT LIABILITIES

Current maturities of long-term debts (Refer note 5)

Interest accrued and due on borrowings (Refer foot note a)

Interest accrued but not due on borrowings

Overdrawn bank balances as per books of account

Income received in advance (advance from customers) (Refer foot note b)

Unpaid matured debentures and interest accrued thereon (Refer foot note c)

Investor Education and Protection Fund will be credited by the following amounts (as and when due):

- Unclaimed/Unpaid Dividends

Other payables :

- Statutory dues
- Current account balance in firms and joint ventures
- Employees benefit payables
- Security Deposits (Refundable)
- Other miscellaneous (Refer footnote d)

Total

31 March, 2015 (₹ in lacs)	31 March, 2014 (₹ in lacs)
34,774.47	49,725.17
6,207.50	7,103.45
—	81.85
142.63	138.53
27,858.29	30,220.66
—	3,035.68
4.30	4.80
4,760.87	4,135.29
4,459.90	1,531.88
203.45	8.60
9,005.66	8,585.37
4,162.35	6,112.75
91,579.42	110,684.03

Footnotes:

- Interest accrued and dues includes ₹ 977.36 lacs (P.Y. ₹ 346.73 lacs) due to related parties. Further, attention is invited to Note 33.
- Income received in advance (advance from customer) includes ₹ 1,061.00 lacs (P.Y. ₹ 1,061.00 lacs) received from related parties. Further, attention is invited to Note 33.
- Period and amount of default as on the Balance Sheet date in respect of matured debentures and interest accrued thereon :

Overdue Instalment:

C.Y. Nil (P.Y. 1,000) Redeemable, Non-convertible debentures of the face value of ₹ 1,000,000 each

C.Y. Nil (P.Y. 7,999) Redeemable Non-convertible debentures of the face value of ₹ 100,000 each

Interest:

C.Y. Nil (P.Y. 7,999) Redeemable Non-convertible debentures of the face value of ₹ 100,000 each

31 March, 2015		31 March, 2014	
(₹ in lacs)	Period	(₹ in lacs)	Period
—	—	211.85	Dec-13
—	—	2,296.13	Jul-13
—	—	527.70	Jul-13
—	—	3,035.68	

- Other miscellaneous includes ₹ 262.44 lacs (P.Y. ₹ 1,171.01 lacs) due to a related parties. Further, attention is invited to Note 33.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (CONTD.)

NOTE '11'

FIXED ASSETS

(₹ in lacs)

SR. NO.	PARTICULARS	GROSS BLOCK (AT COST)				DEPRECIATION / AMORTISATION				NET BLOCK	
		As at 31 March, 2014	Additions / Adjustments during the year	Deductions / Adjustments	As at 31 March, 2015	Upto 31 March, 2014	Provided during the year	Deductions / Adjustments	Upto 31 March, 2015	As at 31 March, 2015	As at 31 March, 2014
A.	Tangible assets										
	Leasehold land (Refer footnote b)	765.87	—	728.58	37.29	101.27	1.23	85.10	17.40	19.89	664.60
	Commercial premises (Refer footnotes a & b)	1,144.72	—	307.37	837.35	183.14	13.35	45.21	151.28	686.07	961.58
	Mivan system	366.39	—	—	366.39	332.84	12.43	—	345.27	21.12	33.55
	Computers and laptops	16.72	0.77	—	17.49	9.08	5.81	—	14.89	2.60	7.64
	Furniture and fixture	460.23	0.30	—	460.53	206.48	36.76	—	243.24	217.29	253.75
	Vehicles	865.90	166.88	100.58	932.20	548.34	83.86	100.06	532.14	400.06	317.56
	Office equipment	94.33	4.73	—	99.06	33.05	31.47	—	64.52	34.54	61.28
	Total A	3,714.16	172.68	1,136.53	2,750.31	1,414.20	184.91	230.37	1,368.74	1,381.57	2,299.96
B.	Intangible assets										
	Computer software	519.16	—	—	519.16	448.60	70.37	—	518.97	0.19	70.56
	Total B	519.16	—	—	519.16	448.60	70.37	—	518.97	0.19	70.56
	GRAND TOTAL (A + B)	4,233.32	172.68	1,136.53	3,269.47	1,862.80	255.28	230.37	1,887.71	1,381.76	2,370.52
	Previous Year	4,274.34	95.83	136.85	4,233.32	1,617.39	367.10	121.69	1,862.80	2,370.52	—
C.	Capital work in progress									22.84	—

Footnotes:

- Commercial premises includes cost of shares aggregating ₹ 0.04 lacs (P.Y. ₹ 0.04 lacs) carrying the occupancy rights in the commercial premises.
- Adjustment in lease hold land and commercial premises is on account of transfer of fixed assets to investment properties.
- There is no material impact of depreciation provided during the year as per Schedule II to the Companies Act, 2013 vis-a-vis Schedule XIV to the Companies Act, 1956.

NOTE '12'

NON CURRENT INVESTMENTS (UNQUOTED)

(Trade, unless otherwise specified)

A) Investment property (At cost less accumulated depreciation / amortisation)

Cost of land and building held for lease and capital appreciation
Addition / adjustment on account of reclassification of fixed assets
Transfer to opening inventory on account of sale during the year
Adjustment on account of reversal of provision

Accumulated depreciation / amortisation
Addition / adjustment on account of reclassification of fixed assets
Provided during the year
Deduction on account of sale / transfer

31 March, 2015 (₹ in lacs)	31 March, 2014 (₹ in lacs)
4,883.85	5,168.71
1,035.95	—
(687.00)	(284.86)
(82.00)	—
5,150.80	4,883.85
595.15	512.80
130.31	—
147.68	189.69
(44.99)	(107.34)
828.15	595.15
4,322.65	4,288.70

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (CONTD.)

NOTE '12' (Contd.)

NON CURRENT INVESTMENTS (UNQUOTED) (Contd.)

(Trade, unless otherwise specified)

B) Investment in equity instruments (At cost) (Unquoted)

I) Subsidiary Companies (Fully paid up equity shares)

	31 March, 2015 (₹ in lacs)	31 March, 2014 (₹ in lacs)
a) 50,000 Equity shares of ₹ 10/- each (P.Y. 50,000) Diviniti Projects Private Limited	5.00	5.00
b) 50,000 Equity shares of ₹ 10/- each (P.Y. 50,000) Vishal Techno Commerce Limited	5.00	5.00
c) 4,720 Equity shares of ₹ 100/- each (P.Y. 4,720) Heet Builders Private Limited	652.82	652.82
d) 50,000 Equity shares of ₹ 10/- each (P.Y. 50,000) Devkrupa Build Tech Limited	5.00	5.00
e) 37,000 Equity shares of ₹ 10/- each (P.Y. 37,000) Gujarat Akruti - TCG Biotech Limited	3.70	3.70
f) 50,000 Equity shares of ₹ 10/- each (P.Y. 50,000) Urvi Build Tech Limited	5.00	5.00
g) 36,215 (Class 'A') Equity shares of ₹ 10/- each (P.Y. 36,215) Ackruti Safeguard Systems Private Limited	72.43	72.43
h) 50,000 Equity shares of ₹ 10/- each (P.Y. 50,000) Yantti Buildcon Private Limited	5.00	5.00
i) 9,000 Equity shares of ₹ 10/- each (P.Y. 9,000) Upvan Lake Resorts Private Limited	0.90	0.90
j) 300,000 Equity shares of ₹ 100 each (P.Y. 300,000) Vega Developers Private Limited	300.00	300.00
k) 50,000 Equity shares of ₹ 10/- each (P.Y. 50,000) ABP Realty Advisors Private Limited	5.00	5.00
l) 10,000 Equity shares of ₹ 10/- each (P.Y. 10,000) Headland Farming Private Limited	1.00	1.00
m) 10,000 Equity shares of ₹ 10/- each (P.Y. 10,000) Heddle Knowledge Private Limited	1.00	1.00
n) 50,000 Equity shares of ₹ 10/- each (P.Y. 50,000) Citygold Education Research Limited	5.00	5.00
o) 10,000 Equity shares of ₹ 10/- each (P.Y. 10,000) Citygold Farming Private Limited	1.00	1.00
p) 50,000 Equity shares of ₹ 10/- each (P.Y. 50,000) India Development And Construction Venture Capital Private Limited	5.00	5.00
q) 12,431,045 (Class 'A') Equity shares of ₹ 10 /- each (P.Y. 12,431,045) Joynest Premises Private Limited	1,324.15	1,324.15
r) 52,558,955 (Class 'C') Equity shares of ₹ 10 /- each (P.Y. 52,558,955) Joynest Premises Private Limited	5,255.90	5,255.90
s) 7,400 Equity Shares of ₹ 10 /- each (P.Y. 7,400) Joynest Premises Private Limited	0.74	0.74
c/f	7,653.64	7,653.64

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (CONTD.)

NOTE '12' (Contd.)

NON CURRENT INVESTMENTS (UNQUOTED) (Contd.)

(Trade, unless otherwise specified)

		31 March, 2015 (₹ in lacs)	31 March, 2014 (₹ in lacs)
	b/f	7,653.64	7,653.64
t)	7,497 Equity shares of ₹ 10/- each (P.Y. Associate) Citywood Builders Private Limited	0.75	—
u)	50,000 Equity shares of ₹ 10 /- each (P.Y. 50,000) Vama Housing Limited	5.00	5.00
v)	50,000 Equity shares of ₹ 10 /- each (P.Y. 50,000) Sheshan Housing and Area Development Engineers Limited	5.00	5.00
w)	100,000 Equity shares of ₹ 10 /- each (P.Y. 100,000) Halitious Developer Limited	600.00	600.00
x)	Current year : Nil (P.Y. 50,000) Equity shares of ₹ 10/- each Adhivitiya Properties Limited	—	5.00
y)	Current year : Nil (P.Y. 50,000) Equity shares of ₹ 10/- each Arnav Gruh Limited	—	5.00
z)	Current year : Nil (P.Y. 25,510) Equity shares of ₹ 10/- each Vishal Nirman (India) Limited	—	2.55
aa)	Current year : Nil (P.Y. 10,000) Equity shares of ₹ 10/- each Merrygold Buildcon Private Limited	—	1.00
ab)	Current year : Nil (P.Y. 10,000) Equity shares of ₹ 10/- each Heeler Hospitality Private Limited	—	1.00
		8,264.39	8,278.19
	Less: Provision for diminution in the value of investment	10.00	—
		8,254.39	8,278.19
II)	Jointly Controlled Companies		
a)	50,000 (Class 'A') Equity shares of ₹ 10/- each (P.Y. 50,000) Hubtown Bus Terminal (Mehsana) Private Limited	5.00	5.00
b)	100,000 (Class 'C') Equity shares of ₹ 10/- each (P.Y. 100,000) Hubtown Bus Terminal (Mehsana) Private Limited	629.00	629.00
c)	50,000 (Class 'A') Equity shares of ₹ 10/- each (P.Y. 50,000) Hubtown Bus Terminal (Vadodara) Private Limited	5.00	5.00
d)	115,275 (Class 'C') Equity shares of ₹ 10/- each (P.Y. 115,275) Hubtown Bus Terminal (Vadodara) Private Limited	592.29	592.29
e)	50,000 (Class 'A') Equity shares of ₹ 10/- each (P.Y. 50,000) Hubtown Bus Terminal (Adajan) Private Limited	5.00	5.00
f)	115,463 (Class 'C') Equity shares of ₹ 10/- each (P.Y. 115,463) Hubtown Bus Terminal (Adajan) Private Limited	1,057.49	1,057.49
g)	10,000 (Class 'A') Equity shares of ₹ 10/- each (P.Y. 10,000) Hubtown Bus Terminal (Ahmedabad) Private Limited	1.00	1.00
h)	15,000 (Class 'C') Equity shares of ₹ 10/- each (P.Y. 15,000) Hubtown Bus Terminal (Ahmedabad) Private Limited	2,132.00	2,132.00
i)	14,745 Equity shares of ₹ 10/- each (P.Y. 14,742) Hoary Realty Limited	9,508.14	9,505.11
j)	2,837,270 (Class 'A') Equity shares of ₹ 10/- each (P.Y. 2,837,270) Rare Townships Private Limited	7,345.84	7,345.84
	c/f	21,280.76	21,277.73

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (CONTD.)

NOTE '12' (Contd.)

NON CURRENT INVESTMENTS (UNQUOTED) (Contd.)

(Trade, unless otherwise specified)

		31 March, 2015 (₹ in lacs)	31 March, 2014 (₹ in lacs)
	b/f	21,280.76	21,277.73
k)	425,000 (Class 'B') Equity shares of ₹ 10/- each (P.Y. 425,000) Rare Townships Private Limited	100.00	100.00
l)	25,000 Equity shares of ₹ 100/- each (P.Y. 25,000) Joyous Housing Limited	25.00	25.00
m)	129,000 Equity shares of ₹ 10/- each (P.Y. 129,000) Sunstream City Private Limited	12.90	12.90
		21,418.66	21,415.63
III)	Associate Companies		
a)	8,000 Equity shares of ₹ 10/- each (P.Y. 8,000) Pristine Developers Private Limited	0.80	0.80
b)	25,000 Equity shares of ₹ 10/- each (P.Y. 25,000) Whitebud Developers Limited	2.50	2.50
c)	4,350 Equity shares of ₹ 10 /- each (P.Y. 4,350) Yellowcity Builders Private Limited	0.44	0.44
d)	5,000 Equity shares of ₹ 10/- each (P.Y. Nil) Shubhsiddhi Builders Private Limited	0.50	—
e)	6,095 (Class 'A') Equity shares of ₹ 10 /- each (P.Y. 6,095) Vinca Developer Private Limited	0.61	0.61
f)	450,000 Equity shares of ₹ 10 /- each (P.Y. 275,000) Comral Realty Private Limited	45.21	27.71
g)	Current year : Subsidiary (P.Y. 4,997) Equity shares of ₹ 10/- each Citywood Builders Private Limited	—	0.50
h)	Current year : Nil (P.Y. 5,000) Equity shares of ₹ 10/- each Harbinger Developers Private Limited	—	0.50
i)	Current year : Nil (P.Y. 24,000) Equity shares of ₹ 10/- each Holiac Realty Limited	—	2.40
		50.06	35.46
	Less: Provision for diminution in the value of investment	0.61	0.61
		49.45	34.85
IV)	Others		
a)	240 Equity shares of ₹ 100/- each (P.Y. 240) Citygold Management Services Private Limited	0.24	0.24
b)	6,000 (Class 'B') Equity shares of ₹ 50/- each (P.Y. 6,000) Hogmanay Niharika Buildings Limited	3.00	3.00
c)	7,353 (Class 'B') Equity Shares of ₹ 10 /- each (P.Y. 7,353) Giraffe Developers Private Limited	5,004.79	5,004.79
d)	37,815 Equity shares of ₹ 10/- each (P.Y. .37,815) Janakalyan Sahakari Bank Limited	3.78	3.78
e)	1 Equity share of ₹ 10/- (P.Y. 1) E Commerce Magnum Solution Limited	1.00	1.00
f)	Current year : Nil (P.Y. 1,900) Equity shares of ₹ 10/- each Forefront Realty Private Limited	—	0.19
		5,012.81	5,013.00
	Total (I+II+III+IV)	34,735.31	34,741.67

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (CONTD.)

	31 March, 2015 (₹ in lacs)	31 March, 2014 (₹ in lacs)
NOTE '12' (Contd.)		
NON CURRENT INVESTMENTS (UNQUOTED) (Contd.)		
(Trade, unless otherwise specified)		
C) Investment in Preference Shares (At cost) (Unquoted)		
a) 20,000 Cumulative convertible preference shares of ₹ 100/- each (P.Y. 20,000) Ackruti Safeguard Systems Private Limited (Subsidiary)	20.00	20.00
b) 1,865, 10% Non-Cumulative redeemable preference shares of ₹ 10/- each (P.Y. 1,865) Hoary Realty Limited (Jointly Controlled)	0.19	0.19
c) 6,671, 21% Cumulative optionally convertible reemable preference shares of ₹ 10/- each (P.Y. 6,671) E Commerce Magnum Solution Limited	6,671.00	6,671.00
d) Current year : Nil (P.Y. 900,000) 21% Cumulative redeemable preference shares of ₹ 10/- each Holiac Realty Private Limited	—	90.00
	6,691.19	6,781.19
D) Investment in Debentures (At cost) (Unquoted)		
a) 31,910,000 9% Optionally convertible debentures of ₹ 10/- each (P.Y. 31,910,000) Asmeeta Infratech Private Limited	3,191.00	3,191.00
b) 1,195,299 Compulsorily convertible debentures of ₹ 100/- each (P.Y. Nil) Gujarat Akruiti - TCG Biotech Limited (Subsidiary)	1,195.30	—
c) 768,919 Non - convertible debentures of ₹ 100/- each (P.Y. Nil) Gujarat Akruiti - TCG Biotech Limited (Subsidiary)	768.92	—
d) Current year: Nil (P.Y.150,000) Optionally convertible debentures of ₹ 5,000/- each Giraffe Developers Private Limited	—	7,500.00
	5,155.22	10,691.00
E) Investment in Mutual Funds (Quoted) (At cost) (Other than Trade)		
Growth Option		
a) 373,771.464 units of Canara Robeco Dynamic Bond Fund (P.Y. 140,243.216) [NAV ₹ 5,934,968/- (P.Y. 1,929,059)]	53.00	19.00
b) 37,942.441 units of Canara Robeco Medium Term Opportunities Fund - Regular Growth Plan (P.Y. Nil) [NAV ₹ 430,408/- (P.Y. Nil)]	3.99	—
c) 175,550.703 units of ICICI Prudential Short Term Plan - Regular Growth (P.Y. Nil) [NAV ₹ 5,025,929/- (P.Y. Nil)]	50.00	—
	106.99	19.00
F) Capital Investment in Partnership Firms and Joint Ventures (Refer footnote b)	4,671.30	14,907.81
Less: Provision for Diminution in the value of investments	1.60	1.60
	4,669.70	14,906.21
Total (A+B+C+D+E+F)	55,681.06	71,427.77
Aggregate amount of quoted investments	106.99	19.00
Aggregate amount of unquoted investments	55,574.07	71,408.77
Aggregate provision for diminution in value of investments (Refer footnote a)	12.21	2.21

Footnotes:

- a. Diminution of ₹ 10.00 lacs (P.Y. Nil) has been made for investment during the year.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (CONTD.)

NOTE '12' (Contd.)

NON CURRENT INVESTMENTS (UNQUOTED) (Contd.)

(Trade, unless otherwise specified)

Footnotes:

b. Details of investments made in capital of partnership firms and joint ventures

		Share in profits (%)	
		31 March, 2015	31 March, 2014
A) Partnership firms			
i. M/s Akruti Jay Developers			
Name of the Partners			
Hubtown Limited	66.66	66.66	
Hazel Erectors Private Limited	33.34	33.34	
Total Capital of the firm (₹ in lacs)	2,491.50	2,491.50	
ii. M/s. Shreenath Realtors			
Name of the Partners			
Hubtown Limited	92.50	46.25	
Farooq Y. Patel	—	10.41	
Sailesh R. Mahimtura HUF	—	7.52	
Hiten R. Mahimtura HUF	—	7.52	
Dolbi Incon Private Limited	—	20.80	
Vakratunda Housing Private Limited	7.50	7.50	
Total Capital of the firm (₹ in lacs)	2,120.54	2,120.54	
iii. M/s. Sole Builders (up to 30th November, 2014)			
Name of the Partners			
Hubtown Limited	—	50.00	
Eklavya Securities Private Limited	—	11.25	
Money Link Securities Private Limited	—	11.25	
Amal Finance Private Limited	—	5.00	
Mukesh M. Doshi	—	12.50	
Mukesh M. Doshi (HUF)	—	5.00	
Kaushal M. Doshi	—	5.00	
Total Capital of the firm (₹ in lacs)	Nil	Nil	
iv. M/s. Akruti Kailash Constructions			
Name of the Partners			
Hubtown Limited	90.00	90.00	
Ketan D. Shah	10.00	10.00	
Total Capital of the firm (₹ in lacs)	0.58	0.58	

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (CONTD.)

NOTE '12' (Contd.)

NON CURRENT INVESTMENTS (UNQUOTED) (Contd.)

(Trade, unless otherwise specified)

Footnotes:

b. Details of investments made in capital of partnership firms and joint ventures (Contd.)

		Share in profits (%)	
		31 March, 2015	31 March, 2014
v.	M/s. Rising Glory Developers (from 1st Jan 2015)		
	Name of the Partners		
	Hubtown Limited	4.78	—
	Akruti Safeguard System Private Limited	4.76	—
	Citygold Education Research Limited	4.76	—
	Citygold Farming Private Limited	4.76	—
	Diviniti Projects Private Limited	4.76	—
	Halitious Developer Limited	4.76	—
	Headland Farming Private Limited	4.76	—
	Hedde Knowledge Private Limited	4.76	—
	Heet Builders Private Limited	4.77	—
	Hoary Realty Limited	4.76	—
	Hubtown Bus Terminal (Adajan) Private Limited	4.76	—
	Hubtown Bus Terminal (Ahmedabad) Private Limited	4.76	—
	Hubtown Bus Terminal (Mehsana) Private Limited	4.76	—
	Hubtown Bus Terminal (Surat) Private Limited	4.76	—
	Hubtown Bus Terminal (Vadodara) Private Limited	4.76	—
	Joynest Premises Private Limited	4.76	—
	Sunstream City Private Limited	4.77	—
	Upvan Lake Resorts Private Limited	4.76	—
	Vega Developers Private Limited	4.76	—
	Whitebud Developers Limited	4.76	—
	Yantti Buildcon Private Limited	4.76	—
	Total Capital of the firm (₹ in lacs)	2.10	—
B)	Joint ventures		
i.	M/s Akruti Jay Chandan Joint Venture		
	Name of the Co-Venturers		
	Hubtown Limited	50.00	50.00
	Chandan Shanti Group of Companies	50.00	50.00
	Total Capital of the joint venture (₹ in lacs)	282.40	282.40
ii.	M/s Akruti GM Joint Venture		
	Name of the Co-Venturers		
	Hubtown Limited	50.00	50.00
	GM Construction	50.00	50.00
	Total Capital of the joint venture (₹ in lacs)	910.00	910.00

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (CONTD.)

NOTE '12' (Contd.)

NON CURRENT INVESTMENTS (UNQUOTED) (Contd.)

(Trade, unless otherwise specified)

Footnotes:

b. Details of investments made in capital of partnership firms and joint ventures (Contd.)

		Share in profits (%)	
		31 March, 2015	31 March, 2014
iii.	M/s. Primeria Joint Venture		
	Name of the Co-Venturers		
	Hubtown Limited	16.00	16.00
	Forefront Property Developers Private Limited	84.00	84.00
	Total Capital of the joint venture (₹ in lacs)	10.00	10.00
iv.	M/s. Akruti Realty Forefront Combine		
	Name of the Co-Venturers		
	Hubtown Limited	90.00	90.00
	Forefront Property Developers Private Limited	10.00	10.00
	Total Capital of the joint venture (₹ in lacs)	435.20	435.20
v.	M/s. Sunstone Developers Joint Venture		
	Name of the Co-Venturers		
	Hubtown Limited	5.00	5.00
	Swapnanranjan Infrastructure Private Limited	95.00	95.00
	Total Capital of the joint venture (₹ in lacs)	100.00	100.00
vi.	M/s. Gulati Estate Joint Venture (Up to 31st March 2015)		
	Name of the Co-Venturers		
	Hubtown Limited	—	75.00
	Jamanlal Gulati Trust	—	25.00
	Total Capital of the joint venture (₹ in lacs)	—	16,680.15
vi.	M/s. Celeste Joint Venture		
	Name of the Co-Venturers		
	Fourjone Realtors Private Limited	95.00	95.00
	Hubtown Limited	5.00	5.00
	Total Capital of the joint venture (₹ in lacs)	100.00	100.00

c. The Company has investments in certain subsidiaries, jointly controlled entities and associates aggregating C.Y. ₹ 2,821.92 Lacs (P.Y. ₹ 860.20 lacs) and loans and advances outstanding aggregating C.Y. ₹ 102,057.21 lacs (P.Y. ₹ 104,981.29 lacs) as at March 31, 2015. 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 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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (CONTD.)

NOTE '13'

DEFERRED TAX ASSETS (NET)

Deferred Tax Liability

Fixed Assets : Impact of difference between depreciation as per the Income Tax Act, 1961 and depreciation / amortisation as per the Companies Act, 2013.

Deferred tax liability

Deferred Tax Asset

Fixed Assets : Impact of difference between depreciation as per the Income Tax Act, 1961 and depreciation / amortisation as per the Companies Act, 2013.

Impact of expenditure charged to the Statement of Profit and Loss in the current year but allowed for tax purposes on payment basis.

Provisions for doubtful debts /advances

Deferred tax asset

Total

31 March, 2015 (₹ in lacs)	31 March, 2014 (₹ in lacs)
2.71	—
2.71	—
—	214.39
2,922.20	2,980.00
83.35	305.61
3,005.55	3,500.00
3,002.84	3,500.00

NOTE '14'

LOANS AND ADVANCES

Capital Advances (Unsecured, considered good)

Advances to land owners

Unsecured, considered good

Doubtful

Less: Provision for doubtful advances

Security deposits (Unsecured, considered good)

Loans and advances (Unsecured, considered good)

- to related parties (Refer note 33)

- to others

Doubtful

Less: Provision for doubtful advances

Project Advances

- to related parties (Refer note 33)

- to others

Advances recoverable in cash or kind
(Unsecured, considered good)

- to related parties (Refer note 33)

- to others

Doubtful

- to related parties (Refer note 33)

- to others

Less: Provision for doubtful advances

Other loans and advances:

Advances towards share application / purchase of
shares in entities for interest in projects and others

- to related parties (Refer note 33)

- to others

Advance Income Tax [Net of provisions ₹ 4,319.71 lacs
(P.Y. ₹ 4,128.28 lacs)]

Prepaid expenses

Unamortised ancillary cost of arranging the borrowings

Loans to employees

Total

Non-Current		Current	
31 March, 2015 (₹ in lacs)	31 March, 2014 (₹ in lacs)	31 March, 2015 (₹ in lacs)	31 March, 2014 (₹ in lacs)
9,931.00	9,931.00	—	—
2,604.06	2,573.24	8,048.00	6,063.00
—	602.00	—	—
—	(602.00)	—	—
2,604.06	2,573.24	8,048.00	6,063.00
50.21	417.88	156.22	—
—	—	6,940.93	83,594.60
—	—	3,619.17	2,628.97
—	—	—	—
—	—	—	—
—	—	10,560.10	86,223.57
104,908.49	25,863.30	353.84	—
7,781.10	—	938.62	—
—	—	2,313.36	6,328.50
26,006.25	7,240.21	1,936.65	3,469.30
9.15	—	—	—
256.89	689.93	—	—
(266.04)	(689.93)	—	—
26,006.25	7,240.21	4,250.01	9,797.80
—	2,610.69	—	—
—	842.65	—	4,203.06
1,496.59	3,285.72	—	—
30.46	42.58	15.66	574.21
33.40	481.57	465.85	1,040.56
—	—	2.58	0.48
1,560.45	7,263.21	484.09	5,818.31
152,841.56	53,288.84	24,790.88	107,902.68

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (CONTD.)

	Non Current		Current	
	31 March, 2015 (₹ in lacs)	31 March, 2014 (₹ in lacs)	31 March, 2015 (₹ in lacs)	31 March, 2014 (₹ in lacs)
NOTE '15'				
OTHER ASSETS				
Non current bank balances (Refer note 19)	809.01	555.48	—	—
Unbilled revenue	—	—	4,422.41	23,395.63
Other receivables (other than trade) (Refer footnote)	6,000.00	6,000.00	1,667.77	3,324.18
Others :				
- Interest accrued on fixed deposits	19.88	22.19	52.10	59.61
- Interest accrued on investments	—	—	840.18	577.04
Total	6,828.89	6,577.67	6,982.46	27,356.46

Footnote:

Other receivables includes ₹ Nil (P.Y. ₹ 122.90 lacs) due from a related party. Further attention is invited to Note 33.

	31 March, 2015 (₹ in lacs)	31 March, 2014 (₹ in lacs)
NOTE '16'		
CURRENT INVESTMENTS (UNQUOTED)		
(Trade, unless otherwise specified)		
Capital Investment in Partnership Firms and Joint Ventures (Refer footnotes)	165.33	165.33
Current Investment in Partnership Firms and Joint Ventures	18,836.21	18,850.68
Total	19,001.54	19,016.01

Footnotes:

		Share in profits (%)	
		31 March, 2015	31 March, 2014
a. M/s. Akruti Steelfab Corporation			
Name of the Partners			
Hubtown Limited	55.00	55.00	
Steelfab Turnkey Projects Limited	45.00	45.00	
Total Capital of the firm (₹ in lacs)	54.74	54.74	
b. M/s. Hiranandani Akruti Joint Venture			
Name of the Co-Venturers			
Hubtown Limited	55.00	55.00	
Surendra Hiranandani	22.50	22.50	
Niranjan Hiranandani	22.50	22.50	
Total Capital of the joint venture (₹ in lacs)	383.90	383.90	

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (CONTD.)

NOTE '17'

INVENTORIES

(Valued at lower of cost or net realisable value)

Stock of material at site

Incomplete projects

Floor space index (FSI)

Total

31 March, 2015
(₹ in lacs)

31 March, 2014
(₹ in lacs)

348.24

253.70

82,704.42

75,259.04

364.29

646.09

83,416.95

76,158.83

Footnote:

The projects are under various stages of development and are expected to have net realisable value greater than the cost.

NOTE '18'

TRADE RECEIVABLES

Trade receivables (Unsecured considered good) (Refer footnote)

Outstanding for a period exceeding six months from the date they are due for payment

Other trade receivables

Total

3,823.07

9,449.94

7,273.10

3,457.80

11,096.17

12,907.74

Footnote:

Trade receivables includes ₹ 6,046.86 lacs (P.Y. ₹ 2,407.08 lacs) due from a related party. Further attention is invited to Note 33.

NOTE '19'

CASH AND BANK BALANCES

Cash and cash equivalents:

Cash on hand

Balances with banks:

- In current accounts

- In deposit with maturity of less than three months

Other Bank Balances:

Unpaid dividend accounts

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

Deposits with maturity of more than twelve months (Refer footnote)

Margin money deposits (Refer footnote)

Amount disclosed under "Other Non-Current Asset" (Refer note 15)

Total

Non Current

31 March, 2015
(₹ in lacs)

31 March, 2014
(₹ in lacs)

Current

31 March, 2015
(₹ in lacs)

31 March, 2014
(₹ in lacs)

20.87

22.90

1,729.23

857.02

66.27

131.43

1,816.37

1,011.35

4.89

5.44

25.06

81.34

—

0.12

1,194.25

1,342.45

1,224.20

1,429.23

(809.01)

(555.48)

3,040.57

2,440.58

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, 2015 (CONTD.)

	31 March, 2015 (₹ in lacs)	31 March, 2014 (₹ in lacs)
NOTE '20'		
REVENUE FROM OPERATIONS		
Sale from operations :		
Sale of properties / rights (Net) (Refer footnote a)	39,141.10	35,106.58
Profit on sale of investments in subsidiaries, joint ventures, etc. developing real estate projects	1,375.72	368.34
Project management services	—	78.01
	40,516.82	35,552.93
Other operating revenue :		
Income from investments in subsidiaries, joint ventures, etc. developing real estate projects (Refer footnote b)	681.32	12,781.78
Sale of materials	—	3.47
Lease rentals	316.63	273.46
	997.95	13,058.71
Total	41,514.77	48,611.64
Footnotes:		
a. Sale of properties is net of reversal of revenue recognised in earlier years, amounting to ₹ 18,712.45 lacs.		
b. The above income consists of interest charged to subsidiaries, JVs, etc. on account of investments made in the nature of loans and advances.		
NOTE '21'		
OTHER INCOME		
Dividend from current investments	—	5.36
Interest:		
- Loans	722.02	603.62
- Bank fixed deposits	206.34	191.96
- Debentures	854.05	1,787.19
- Others	84.48	54.13
	1,866.89	2,636.90
Surplus on sale / discardment of fixed assets (Net)	8.74	1.52
Gain on sale of investments	2.27	—
Gain on foreign currency fluctuation [Net of loss ₹ 0.87 lacs ; (P.Y. ₹ Nil)]	3.66	—
Provision for doubtful debts written back	685.04	—
Liabilities written back to the extent no longer required	1,502.56	1,046.39
Miscellaneous income	228.76	233.61
	2,431.03	1,281.52
Total	4,297.92	3,923.78

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (CONTD.)

NOTE '22'

COSTS OF CONSTRUCTION / DEVELOPMENT

Construction costs incurred during the year:

	31 March, 2015 (₹ in lacs)	31 March, 2014 (₹ in lacs)
Land / rights acquired	397.25	989.06
Material and labour costs	6,264.25	6,608.87
Approval and consultation expenses	1,345.75	1,655.27
Other direct development expenses	1,412.41	3,359.26
Total	9,419.66	12,612.46

NOTE '23'

CHANGES IN INVENTORIES OF INCOMPLETE PROJECTS, FINISHED PROPERTIES AND FSI

Opening Inventory :

Floor Space Index (FSI)	646.09	1,088.68
Incomplete projects	75,259.04	75,304.44
	75,905.13	76,393.12

Add / (Less):

Written down value of finished property transferred from investment property sold during the year [Refer note 2 (VI) (C)]	642.01	177.52
Project expenses written off	(676.98)	—
	75,870.16	76,570.64

Closing Inventory :

Floor Space Index (FSI)	364.29	646.09
Incomplete projects	82,704.42	75,259.04
	83,068.71	75,905.13
Total	(7,198.55)	665.51

NOTE '24'

EMPLOYEE BENEFITS EXPENSE

[Net of amounts recovered from other entities ₹ 730.34 lacs; (P.Y. ₹ 387.86 lacs)]

Salaries, bonus, etc.	1,510.30	1,627.83
Contribution to provident and other funds	133.57	30.20
Staff welfare expenses	52.44	70.95
Other fund expenses	6.27	5.41
Total	1,702.58	1,734.39

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (CONTD.)

NOTE '25'

FINANCE COSTS

Interest:

- Debentures
- Fixed loans
- Others

Other borrowing costs

Delayed payments on taxes and statutory dues

Total

31 March, 2015 (₹ in lacs)	31 March, 2014 (₹ in lacs)
3,170.08	2,789.00
24,723.13	22,578.43
2,526.77	3,041.13
30,419.98	28,408.56
1,233.84	1,502.31
605.10	554.11
32,258.92	30,464.98

Footnote:

In line with Accounting Standard AS-16 Borrowing costs issued by The Institute of Chartered Accountants of India, borrowing costs of ₹ 4,499.51 lacs (P.Y. ₹ 6,139.39 lacs) have been capitalised to inventory.

NOTE '26'

DEPRECIATION AND AMORTISATION

Depreciation on tangible fixed assets

Amortization of intangible assets

Depreciation on investment property

Total

184.91	273.17
70.37	93.93
147.68	189.69
402.96	556.79

NOTE '27'

OTHER EXPENSES

[Net of amount recovered from other entities ₹ 348.82 lacs; (P.Y. ₹ 231.86 lacs)]

Insurance

Rent

Rates and taxes (Refer footnote a)

Advertisement expenses

Advances and other debit balances written off

Donations (Refer footnote b)

Corporate Social Responsibility

Brokerage

Loss on sale of current investments (Net)

Directors' fees and travelling expenses

Commission to Non-executive directors

Provision for doubtful advances

Provision for diminution in value of investment

Repairs and society maintenance charges

Legal and professional fees (Refer footnote c)

Prospective projects written off

Loss on foreign currency fluctuation (Net)

Other expenses (Refer footnote c)

Total

75.46	101.49
36.56	61.07
1,920.26	73.10
341.73	447.66
1,685.50	0.18
138.73	283.16
100.00	—
334.50	496.68
—	3.45
20.58	17.54
22.51	20.62
9.15	—
10.00	—
292.68	169.99
415.64	961.53
676.98	—
—	5.43
1,143.55	1,128.95
7,223.83	3,770.85

Footnotes:

a. Rates and taxes includes property tax of earlier years, which were in dispute, provided during the year.

b. No donations have been given to political parties.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (CONTD.)

NOTE '27' (Contd.)

OTHER EXPENSES (Contd.)

Footnotes: (Contd.)

c. Auditors' Remuneration (Included in legal and professional fees and other expenses):

	31 March, 2015 (₹ in lacs)	31 March, 2014 (₹ in lacs)
Audit fees	53.00	53.00
Limited review fees	8.78	7.28
Tax audit fees	1.00	1.00
Certification and other matters	1.10	16.00
Out-of-pocket expenses	3.16	1.18
Service tax on above	7.90	9.55
Total	74.94	88.01

NOTE '28'

PRIOR PERIOD ADJUSTMENTS (NET)

Debits relating to earlier years:

Finance costs	(52.14)	(2.19)
Legal and professional fees	—	(6.90)
Land cost	(166.76)	—
Other expenses	(2.86)	—
Credits relating to earlier years:	—	—
Interest Income	0.64	9.50
Lease Income	—	2.39
Total	(221.12)	2.80

NOTE '29'

EARNINGS PER SHARE (EPS)

Net Profit as per Statement of Profit and Loss available for

Equity Shareholders before extraordinary items (₹)	724.51	3,544.20
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Net Profit as per Statement of Profit and Loss available for

Equity Shareholders after extraordinary items (₹)	1,074.51	3,544.20
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Weighted average number of equity shares outstanding during the year (Nos.)

Earning per equity share (Nominal value per share ₹ 10/- each) (in ₹)	72,735,871	72,735,871
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Earnings before extraordinary item:

Basic and diluted	1.00	4.87
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Earnings after extraordinary item (net of tax expense):

Basic and diluted	1.48	4.87
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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (CONTD.)

	31 March, 2015 (₹ in lacs)	31 March, 2014 (₹ in lacs)
NOTE '30'		
VALUE OF PAYMENTS MADE IN FOREIGN EXCHANGE		
Expenditure in foreign currency:		
Travelling expenses	1.98	2.28
Cost of construction	84.08	33.31
Membership and subscription	52.50	50.10
Advertisement expenses	—	7.45
Software expenses	0.51	—
NOTE '31'		
LEASE RENTAL INCOME IN RESPECT OF PREMISES GIVEN UNDER OPERATING LEASE		
Operating lease obligations: The Company had given office and other facilities under non-cancellable operating leases for a period of thirty six months, which were renewable on a periodic basis with escalation ranging between 10% - 15% as per the terms of agreements.		
Lease rentals receivables:		
Not later than one year	130.11	111.50
Later than one year but not later than five years	50.59	—
Later than five years	—	—
NOTE '32'		
CONTINGENT LIABILITIES (NOT PROVIDED FOR) :		
(A) Claims against the Company not acknowledged as debts on account of :		
1) Income tax and MVAT matters under appeal	654.41	590.51
2) TDS liability on account of short deduction, short payment and interest thereon as per TRACES	411.42	—
3) Demand notice issued by Brihanmumbai Municipal Corporation for land construction charges (property tax)	—	617.20
4) Development permission from forest department	—	156.22
5) Towards pending legal cases	68,909.50	58,542.67
(B) On account of corporate guarantees issued by the Company to bankers and others on behalf of other companies and joint ventures for facilities availed by them (amount outstanding thereagainst.) (Refer footnote b)	47,280.82	64,273.76

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 including corporate guarantees issued are identified by the Company and relied upon by the auditors.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (CONTD.)

NOTE '33'

RELATED PARTIES DISCLOSURES

A. Names of related parties and description of relationship

I. Subsidiaries

- 1 ABP Realty Advisors Private Limited
- 2 Ackruti Safeguard Systems Private Limited
- 3 Adhivitiya Properties Limited (upto August 31, 2014)
- 4 Arnav Gruh Limited (upto February 28, 2015)
- 5 Citywood Builders Private Limited (from November 29, 2014)
- 6 Citygold Education Research Limited
- 7 Citygold Farming Private Limited
- 8 Devkrupa Build Tech Limited
- 9 Diviniti Projects Private Limited
- 10 Gujarat Akruiti - TCG Biotech Limited
- 11 Halitious Developer Limited
- 12 Headland Farming Private Limited
- 13 Heddle Knowledge Private Limited
- 14 Heeler Hospitality Private Limited (upto March 31, 2015)
- 15 Heet Builders Private Limited
- 16 India Development And Construction Venture Capital Private Limited
- 17 Joynest Premises Private Limited
- 18 Merrygold Buildcon Private Limited (upto March 31, 2015)
- 19 Sheshan Housing and Area Development Engineers Limited
- 20 Upvan Lake Resorts Private Limited
- 21 Urvi Build Tech Limited
- 22 Vama Housing Limited
- 23 Vega Developers Private Limited
- 24 Vishal Nirman (India) Limited (upto March 31, 2015)
- 25 Vishal Techno Commerce Limited
- 26 Yantti Buildcon Private Limited

II. Associates

- 1 Citywood Builders Private Limited (upto November 29, 2014)
- 2 Comral Realty Private Limited
- 3 Holiac Realty Private Limited (upto April 01, 2014)
- 4 Harbinger Developers Private Limited (upto November 29, 2014)
- 5 Pristine Developers Private Limited
- 6 Shubhsiddhi Builders Private Limited (from November 29, 2014)
- 7 Vinca Developer Private Limited
- 8 Yellowcity Builders Private Limited
- 9 Whitebud Developers Limited

III. Jointly controlled entities

- 1 Hoary Realty Limited
- 2 Hubtown Bus Terminal (Adajan) Private Limited
- 3 Hubtown Bus Terminal (Ahmedabad) Private Limited
- 4 Hubtown Bus Terminal (Mehsana) Private Limited
- 5 Hubtown Bus Terminal (Surat) Private Limited
- 6 Hubtown Bus Terminal (Vadodara) Private Limited
- 7 Joyous Housing Limited (formerly known as Joyous Housing Private Limited)
- 8 Rukshmani Properties Private Limited (from July 01, 2014)
- 9 Rare Townships Private Limited

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (CONTD.)

- 10 Sunstream City Private Limited
- 11 Akruti GM JV
- 12 Akruti Jay Chandan JV
- 13 Akruti Jay Developers
- 14 Akruti Kailash Constructions
- 15 Akruti Realty Forefront Combine
- 16 Akruti Steelfab Corporation
- 17 Akruti SMC JV (upto February 28, 2015)
- 18 Gandhi Adhivitiya Combine (upto August 31, 2014)
- 19 Gulati Estate Joint Venture (dissolved as on March 31, 2015)
- 20 Hiranandani Akruti JV
- 21 Shreenath Realtors
- 22 Sole Builders (upto November 30, 2014)
- 23 Rising Glory Developers (from January 01, 2015)
- 24 New Township Fintrade JV (from June 01, 2014)
- 25 Town Planning Fintrade JV (from June 01, 2014)
- 26 Hinterland Fintrade JV (from June 01, 2014)

IV. Key management personnel

- 1 Mr. Hemant M. Shah, Executive Chairman
- 2 Mr. Vyomesh M. Shah, Managing Director

V. Relatives of key management personnel

- 1 Mrs. Lata M. Shah, Mother of Executive Chairman and Managing Director
- 2 Mrs. Kunjal H. Shah, Wife of Executive Chairman
- 3 Mrs. Falguni V. Shah, Wife of Managing Director
- 4 Mr. Rushank V. Shah, Son of Managing Director
- 5 Mr. Khilen V. Shah, Son of Managing Director
- 6 Mr. Kushal H. Shah, Son of Executive Chairman
- 7 Mrs. Nutan Dhanki, Sister of Executive Chairman and Managing Director
- 8 Mrs. Hemanti Parekh, Sister of Executive Chairman and Managing Director
- 9 Hemant M. Shah HUF - Karta Executive Chairman
- 10 Vyomesh M. Shah HUF - Karta Managing Director
- 11 Mahipatray V. Shah HUF - Karta Executive Chairman
- 12 Mahipatray V. Shah Discretionary Trust - Trustees Executive Chairman and Managing Director
- 13 Estate of Mahipatray V Shah - Beneficiaries Executive Chairman and Managing Director

VI. Enterprises where key managerial personnel or their relatives exercise significant influence

(Where transactions have taken place)

- 1 Adhivitiya Properties Limited (from August 31, 2014)
- 2 Buildbyte. Com. (India) Private Limited
- 3 Citygold Management Services Private Limited
- 4 Fourjone Realtors Private Limited
- 5 Helik Advisory Limited
- 6 Heeler Hospitality Private Limited (from March 31, 2015)
- 7 Ichha Constructions Private Limited
- 8 Joya Habitat Private Limited
- 9 Lista City Private Limited
- 10 Merrygold Buildcon Private Limited (from March 31, 2015)
- 11 Starzone Developers Private Limited
- 12 Sunmist Builders Private Limited
- 13 Superaction Realty Private Limited
- 14 Trans Gulf MEP Engineers Private Limited
- 15 Vishal Nirman (India) Limited (from March 31, 2015)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (CONTD.)

NOTE '33' (Contd.)

B. Transactions with Related Parties

(₹ in lacs)

Sr. No.	Nature of transaction	Subsidiary companies	Associate companies	Jointly controlled entities	Key management personnel, their relatives and enterprises \$
i.	Loans and Advances received/ recovered/ adjusted				
	Heddle Knowledge Private Limited	14472.15 (1,892.35)	— (—)	— (—)	— (—)
	Heet Builders Private Limited	2,923.86 (6,316.86)	— (—)	— (—)	— (—)
	Citywood Builders Private Limited	— (—)	— (6,611.98)	— (—)	— (—)
	Sunstream City Private Limited	— (—)	— (—)	77,046.68 (1,753.41)	— (—)
	Others	2,964.70 (11,932.15)	906.79 (5,432.76)	— (7,376.02)	353.84 (14.50)
ii.	Loans and Advances given/ repaid/adjusted (including other payments)				
	Hubtown Bus Terminal (Adajan) Private Limited	— (—)	— (—)	— (1,701.99)	— (—)
	Sunstream City Private Limited	— (—)	— (—)	1,694.43 (2,732.46)	— (—)
	Heet Builders Private Limited	3,183.02 (421.73)	— (—)	— (—)	— (—)
	Heddle Knowledge Private Limited	14,472.15 (—)	— (—)	— (—)	— (—)
	Others	4,760.67 (249.75)	37.74 (23.09)	— (131.40)	62.73 (6.62)
iii.	Business Advances received / recovered / adjusted				
	Heet Builders Private Limited	— (1,819.42)	— (—)	— (—)	— (—)
	Citygold Education Research Limited	215.79 (1,525.00)	— (—)	— (—)	— (—)
	Hubtown Bus Terminal (Mehsana) Private Limited	— (—)	— (—)	3,487.00 (2,779.32)	— (—)
	Comral Realty Private Limited	— (—)	5,471.54 (—)	— (—)	— (—)
	Hoary Realty Limited	— (—)	— (—)	7,167.29 (—)	— (—)
	Others	4,525.13 (1,757.61)	7.50 (258.40)	3,789.97 (444.26)	10.00 (—)

Footnote:

\$ Enterprises where Key Management Personnel or their relatives exercise significant influence.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (CONTD.)

NOTE '33' (Contd.)

B. Transactions with Related Parties (Contd.)

(₹ in lacs)

Sr. No.	Nature of transaction	Subsidiary companies	Associate companies	Jointly controlled entities	Key management personnel, their relatives and enterprises \$
iv.	Business Advances given / repaid / adjusted				
	Citywood Builders Private Limited	184.45 (—)	184.60 (6,775.73)	— (—)	— (—)
	Comral Realty Private Limited	— (—)	1,550.10 (3,932.31)	— (—)	— (—)
	Yantti Buildcon Private Limited	95.35 (3,904.03)	— (—)	— (—)	— (—)
	Sunstream City Private Limited	— (—)	— (—)	82,338.78 (—)	— (—)
	Others	5,726.61 (14,688.70)	1,755.02 (1,586.22)	14,524.20 (3,509.13)	375.83 (—)
v.	Interest income				
	Sunstream City Private Limited	— (—)	— (—)	— (12,626.77)	— (—)
	Comral Realty Private Limited	— (—)	607.00 (—)	— (—)	— (—)
	Others	— (283.64)	12.71 (151.07)	16.66 (14.78)	30.44 (48.72)
vi.	Interest expense				
	Heet Builders Private Limited	1,085.96 (320.95)	— (—)	— (—)	— (—)
	Heddle Knowledge Private Limited	1,551.79 (—)	— (—)	— (—)	— (—)
	Others	— (—)	— (—)	— (—)	— (72.38)
vii.	Deposits repaid / pre-matured				
	Hemant M. Shah (HUF)	— (—)	— (—)	— (—)	68.92 (—)
	Mahipatray V. Shah HUF	— (—)	— (—)	— (—)	96.00 (—)
	Mahipatray V. Shah Discretionary Trust	— (—)	— (—)	— (—)	80.50 (—)
	Nutan Dhanki	— (—)	— (—)	— (—)	70.00 (—)
	Others	— (—)	— (—)	— (—)	372.48 (—)

Footnote:

\$ Enterprises where Key Management Personnel or their relatives exercise significant influence.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (CONTD.)

NOTE '33' (Contd.)

B. Transactions with Related Parties (Contd.)

(₹ in lacs)

Sr. No.	Nature of transaction	Subsidiary companies	Associate companies	Jointly controlled entities	Key management personnel, their relatives and enterprises \$
viii.	Directors' Remuneration				
	Hemant M. Shah	— (—)	— (—)	— (—)	85.98 (80.58)
	Vyomesh M. Shah	— (—)	— (—)	— (—)	77.31 (72.51)
	Remuneration to relatives of KMPs				
	Rushank Shah	— (—)	— (—)	— (—)	27.03 (11.26)
	Khilen Shah	— (—)	— (—)	— (—)	27.03 (11.26)
ix.	Investments (Including Debentures) made				
	Akruti Jay Developers	— (—)	— (—)	2,065.00 (3,301.83)	— (—)
	Shreenath Realtors	— (—)	— (—)	28.00 (2,038.87)	— (—)
	Akruti GM JV	— (—)	— (—)	415.50 (1,414.38)	— (—)
	Sole Builders	— (—)	— (—)	21.75 (1,026.44)	— (—)
	Rising Glory Developers	— (—)	— (—)	1,849.00 (—)	— (—)
	Gujarat Akruti - TCG Biotech Limited	1,964.22 (—)	— (—)	— (—)	— (—)
	Others	— (299.00)	— (90.00)	969.93 (1,084.09)	— (—)
x.	Investments transferred / withdrawn				
	Akruti Jay Developers	— (—)	— (—)	5,186.28 (1,336.97)	— (—)
	Akruti Kailash Constructions	— (—)	— (—)	3,979.35 (2,565.31)	— (—)
	Gulati Estate Joint Venture	— (—)	— (—)	10,592.12 (4,000.00)	— (—)
	Others	— (660.00)	— (—)	1,734.91 (1,296.20)	— (—)
xi.	Advance against share application adjusted / refunded				
	Gujarat Akruti - TCG Biotech Limited	1,950.24 (—)	— (—)	— (—)	— (—)
	Shubhsiddhi Builders Private Limited	— (—)	742.65 (—)	— (—)	— (—)
	Others	— (—)	110.45 (—)	— (—)	— (—)

Footnote:

\$ Enterprises where Key Management Personnel or their relatives exercise significant influence.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (CONTD.)

NOTE '33' (Contd.)

B. Transactions with Related Parties (Contd.)

(₹ in lacs)

Sr. No.	Nature of transaction	Subsidiary companies	Associate companies	Jointly controlled entities	Key management personnel, their relatives and enterprises \$
xii.	Services received/availed				
	Citygold Management Services Private Limited	— (—)	— (—)	— (—)	564.87 (739.35)
	Others	— (—)	— (—)	— (—)	1.46 (2.12)
xiii.	Services rendered				
	Akruti Jay Chandan JV	— (—)	— (—)	— (78.01)	— (—)
xiv.	Sale of properties/rights				
	Hoary Realty Limited	— (—)	— (—)	24,004.00 (—)	— (—)
xv.	On behalf payments made (including reimbursement of expenses)				
	Akruti SMC JV	— (—)	— (—)	97.81 (186.03)	— (—)
	Heet Builders Private Limited	32.38 (125.56)	— (—)	— (—)	— (—)
	Hubtown Bus Terminal (Ahmedabad) Private Limited	— (—)	— (—)	336.79 (188.89)	— (—)
	Hubtown Bus Terminal (Adajan) Private Limited	— (—)	— (—)	134.85 (13.23)	— (—)
	Hubtown Bus Terminal (Mehsana) Private Limited	— (—)	— (—)	202.09 (53.11)	— (—)
	Joyneest Premises Private Limited	243.00 (282.36)	— (—)	— (—)	— (—)
	Others	32.34 (34.66)	10.28 (37.72)	120.94 (200.82)	— (0.50)
xvi.	On behalf payments received/adjusted				
	Akruti Jay Developers	— (—)	— (—)	40.74 (183.31)	— (—)
	Primeria JV	— (—)	— (—)	— (152.93)	— (—)
	Hubtown Bus Terminal (Adajan) Private Limited	— (—)	— (—)	8.00 (167.70)	— (—)
	Hubtown Bus Terminal (Ahmedabad) Private Limited	— (—)	— (—)	402.75 (276.45)	— (—)
	Hubtown Bus Terminal (Mehsana) Private Limited	— (—)	— (—)	— (197.60)	— (—)
	Joyneest Premises Private Limited	419.28 (—)	— (—)	— (—)	— (—)
	Akruti Kailash Constructions	— (—)	— (—)	434.00 (—)	— (—)
	Akruti SMC JV	— (—)	— (—)	295.70 (53.10)	— (—)
	Others	0.10 (112.28)	57.74 (—)	41.53 (117.95)	— (—)

Footnote:

\$ Enterprises where Key Management Personnel or their relatives exercise significant influence.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (CONTD.)

NOTE '33' (Contd.)

B. Transactions with Related Parties (Contd.)

(₹ in lacs)

Sr. No.	Nature of transaction	Subsidiary companies	Associate companies	Jointly controlled entities	Key management personnel, their relatives and enterprises \$
xvii.	Advance given towards purchase of flat				
	Fourjone Realtors Private Limited	— (—)	— (—)	— (—)	— (100.00)
xviii.	Advance refunded towards purchase of flat				
	Fourjone Realtors Private Limited	— (—)	— (—)	— (—)	— (100.00)
xix.	Share of profit from Partnerships/Joint Ventures				
	Akruti Jay Chandan JV	— (—)	— (—)	65.79 (17.66)	— (—)
xx.	Share of loss from Partnerships/Joint Ventures				
	Akruti Realty Forefront Combine	— (—)	— (—)	0.91 (9.60)	— (—)
	Hiranandani Akruti JV	— (—)	— (—)	4.65 (220.98)	— (—)
	Akruti Steelfab Corporation	— (—)	— (—)	0.09 (0.11)	— (—)
	Shreenath Realtors	— (—)	— (—)	1.40 (0.10)	— (—)
	Sole Builders	— (—)	— (—)	1.63 (2.38)	— (—)
	Primeria JV	— (—)	— (—)	— (0.23)	— (—)
	Akruti Kailash Constructions	— (—)	— (—)	9.91 (23.53)	— (—)
	Gulati Estate JV	— (—)	— (—)	0.22 (0.12)	— (—)
	Akruti Jay Developers	— (—)	— (—)	400.94 (561.46)	— (—)
	Akruti GM JV	— (—)	— (—)	9.19 (6.94)	— (—)
xxi.	Sale of Shares				
	Kunjal H. Shah	— (—)	— (—)	— (—)	— (50.00)
	Falguni V. Shah	— (—)	— (—)	— (—)	— (50.00)

Footnote:

\$ Enterprises where Key Management Personnel or their relatives exercise significant influence.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (CONTD.)

NOTE '33' (Contd.)

B. Transactions with Related Parties (Contd.)

(₹ in lacs)

Sr. No.	Nature of transaction	Subsidiary companies	Associate companies	Jointly controlled entities	Key management personnel, their relatives and enterprises \$
xxii.	Corporate guarantees given for loans availed by others				
	Hubtown Bus Terminal (Ahmedabad) Private Limited	— (—)	— (—)	3,020.96 (8,732.25)	— (—)
	Holiac Realty Private Limited	— (—)	— (168.61)	— (—)	— (—)
	Akruti Jay Chandan JV	— (—)	— (—)	— (395.20)	— (—)
	Joynest Premises Private Limited	— (6,797.00)	— (—)	— (—)	— (—)
	Heet Builders Private Limited	4,622.00 (9,478.00)	— (—)	— (—)	— (—)
	Hoary Realty Limited	— (—)	— (—)	— (12,283.86)	— (—)
	Hubtown Bus Terminal (Adajan) Private Limited	— (—)	— (—)	98.24 (—)	— (—)
	Hubtown Bus Terminal (Vadodara) Private Limited	— (—)	— (—)	964.55 (—)	— (—)
	Heddle Knowledge Private Limited	15,300.00 (—)	— (—)	— (—)	— (—)
xxiii.	Corporate guarantees vacated for loans availed by others				
	Pristine Developers Private Limited	— (—)	2,302.05 (—)	— (—)	— (—)
	Hubtown Bus Terminal (Mehsana) Private Limited	— (—)	— (—)	150.64 (—)	— (—)
	Hoary Realty Limited	— (—)	— (—)	12,283.86 (—)	— (—)
	Joynest Premises Private Limited	6,797.00 (—)	— (—)	— (—)	— (—)
	Akruti Jay Chandan JV	— (—)	— (—)	395.20 (—)	— (—)
	Akruti SMC JV	— (—)	— (—)	2,084.38 (—)	— (—)
	Heddle Knowledge Private Limited	15,300.00 (—)	— (—)	— (—)	— (—)
xxiv.	Corporate guarantees vacated for on behalf payments				
	Hubtown Bus Terminal (Vadodara) Private Limited	— (—)	— (—)	— (837.24)	— (—)
	Hubtown Bus Terminal (Mehsana) Private Limited	— (—)	— (—)	— (2,474.83)	— (—)
	Hubtown Bus Terminal (Ahmedabad) Private Limited	— (—)	— (—)	— (282.30)	— (—)

Footnote:

\$ Enterprises where Key Management Personnel or their relatives exercise significant influence.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (CONTD.)

NOTE '33' (Contd.)

B. Transactions with Related Parties (Contd.)

(₹ in lacs)

Sr. No.	Nature of transaction	Subsidiary companies	Associate companies	Jointly controlled entities	Key management personnel, their relatives and enterprises \$
xxv.	Balances outstanding				
	Payable *				
	Vinca Developer Private Limited	— (—)	1,061.00 (1,061.00)	— (—)	— (—)
	Heet Builders Private Limited	4,933.90 (4,504.56)	— (—)	— (—)	— (—)
	Citygold Management Services Private Limited	— (—)	— (—)	— (—)	1,052.03 (483.60)
	Others	— (687.00)	— (—)	— (—)	284.15 (746.18)
xxvi.	Receivable *				
	Sunstream City Private Limited	— (—)	— (—)	82,138.78 (80,875.54)	— (—)
	Others	24,496.60 (20,318.96)	2,538.29 (13,792.62)	3,168.58 (3,294.89)	8,234.95 (2,645.05)
xxvii.	Corporate guarantees given for loans availed by others (Amount outstanding thereagainst)				
	Pristine Developers Private Limited	— (—)	2,425.26 (4,727.31)	— (—)	— (—)
	Akruti SMC JV	— (—)	— (—)	— (2,084.38)	— (—)
	Hubtown Bus Terminal (Adajan) Private Limited	— (—)	— (—)	4,292.85 (4,194.61)	— (—)
	Hubtown Bus Terminal (Mehsana) Private Limited	— (—)	— (—)	3,880.98 (4,031.62)	— (—)
	Hubtown Bus Terminal (Vadodara) Private Limited	— (—)	— (—)	3,174.20 (2,209.66)	— (—)
	Hubtown Bus Terminal (Ahmedabad) Private Limited	— (—)	— (—)	11,753.22 (8,732.25)	— (—)
	Holiac Realty Private Limited	— (—)	— (168.61)	— (—)	— (—)
	Akruti Jay Chandan JV	— (—)	— (—)	— (395.20)	— (—)
	Joyneest Premises Private Limited	— (6,797.00)	— (—)	— (—)	— (—)
	Heet Builders Private Limited	14,100.00 (9,478.00)	— (—)	— (—)	— (—)
	Hoary Realty Limited	— (—)	— (—)	— (12,283.86)	— (—)

Footnote:

\$ Enterprises where Key Management Personnel or their relatives exercise significant influence.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (CONTD.)

NOTE '33' (Contd.)

B. Transactions with Related Parties (Contd.)

(₹ in lacs)

Sr. No.	Nature of transaction	Subsidiary companies	Associate companies	Jointly controlled entities	Key management personnel, their relatives and enterprises \$
xxviii.	Corporate guarantees given for and on behalf of payments (Amount outstanding thereagainst)				
	Yantti Buildcon Private Limited	— (1,527.53)	— (—)	— (—)	— (—)
xxix.	Personal Guarantees of Directors				
	Banks	— (—)	— (—)	— (—)	55,592.10 (65,984.29)
	Debenture Trustees	— (—)	— (—)	— (—)	9,343.59 (16,810.35)
	Financial Institution	— (—)	— (—)	— (—)	5,040.63 (20,381.38)
xxx.	Guarantees / Securities by way of shares in the Company pledged against loans availed by the Company	— (—)	— (—)	— (—)	49,626.78 (50,290.62)

Footnotes:

- Previous year figures are given in brackets.
- Related party relationships are identified by the Company and relied upon by the auditors.
- \$ Enterprises where Key Managerial Personnel or their relatives exercise significant influence.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (CONTD.)

NOTE '34'

DISCLOSURE OF LOANS AND ADVANCES IN THE NATURE OF LOANS AS PER CLAUSE 32 OF LISTING AGREEMENT

A. Loans and Advances

Sr. No.	Name of the Loanee	31 March, 2015		31 March, 2014	
		Balance at the end (₹ in lacs)	Maximum Balance (₹ in lacs)	Balance at the end (₹ in lacs)	Maximum Balance (₹ in lacs)
I. Subsidiaries					
1.	Halitious Developer Limited (Refer footnote a)	103.00	103.00	—	—
2.	Vama Housing Limited (Refer footnote a)	437.10	449.10	447.50	451.50
3.	Devkrupa Build Tech Limited (Refer footnote a)	563.65	563.65	43.65	43.65
4.	Sheshan Housing and Area Development Engineers Limited (Refer footnote a)	2.00	2.00	1.00	1.00
5.	Diviniti Projects Private Limited (Refer footnote a)	14.80	14.80	14.40	14.40
6.	Vishal Techno Commerce Limited (Refer footnote a)	3,048.79	3,048.79	1,291.89	1,741.89
7.	Urvi Build Tech Limited (Refer footnote a)	1,213.79	1,213.79	61.78	61.78
8.	India Development And Construction Venture Capital Private Limited (Refer footnote a)	—	—	5.91	5.91
9.	Ackruti Safeguard Systems Private Limited	—	—	1,729.34	1,729.34
10.	Heeler Hospitality Private Limited (Refer footnote a)	—	—	587.09	587.09
11.	Merrygold Buildcon Private Limited (Refer footnote a)	—	—	7.86	7.86
12.	ABP Realty Advisors Private Limited (Refer footnote a)	—	—	4.75	31.75
II. Associates					
1.	Whitebud Developers Limited	—	—	869.05	869.05
2.	Pristine Developers Private Limited	77.96	77.96	66.53	66.53
III. Joint Controlled Entities					
1.	Sunstream City Private Limited	—	—	77,304.58	77,304.58
2.	Joyous Hosuing Limited	882.97	882.97	867.98	867.98
IV. Others					
1.	Providence Natural Resources (I) Private Limited	—	3.02	3.02	33.02
2.	Superaction Realty Private Limited	—	—	74.48	74.48
3.	Sunmist Builders Private Limited	—	—	39.17	39.17
4.	Trans Gulf MEP Engineering Private Limited	—	—	7.23	7.23
5.	Buildbyte.Com (India) Private Limited	—	—	56.34	56.79
6.	Lista City Private Limited	—	—	32.93	32.93
7.	Ichha Constructions Private Limited	—	—	80.97	80.97
8.	Kamal Bakery Private Limited	—	—	927.85	927.85
9.	Bhutada Weaving Mills Private Limited	—	371.49	371.49	371.49
10.	E Commerce Magnum Solution Limited	478.15	478.15	170.53	170.53
11.	Helik Advisory Limited	—	0.20	0.20	0.20
12.	Fern Infrastructure Private Limited	1,239.96	1,239.96	—	—
13.	Citygold Investments Private Limited	—	20,149.88	1,156.09	6,119.74
14.	Merrygold Buildcon Private Limited	9.21	9.21	—	—
15.	Heeler Hospitality Private Limited	587.64	587.64	—	—
16.	City Corporation Limited	1,901.05	1,901.05	—	—

Footnotes:

- Interest free loan has been given to wholly owned subsidiaries.
- Above loans are repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (CONTD.)

NOTE '34' (Contd.)

DISCLOSURE OF LOANS AND ADVANCES IN THE NATURE OF LOANS AS PER CLAUSE 32 OF LISTING AGREEMENT (Contd.)

B. On behalf payments (Including reimbursement of expenses) (Refer footnote)

Sr. No.	Name of the Loanee	31 March, 2015		31 March, 2014	
		Balance at the end (₹ in lacs)	Maximum Balance (₹ in lacs)	Balance at the end (₹ in lacs)	Maximum Balance (₹ in lacs)
I. Subsidiaries					
1.	Heet Builders Private Limited	45.67	45.67	13.29	91.45
2.	Yantti Buildcon Private Limited	248.77	248.77	220.50	220.50
3.	Upvan Lake Resorts Private Limited	18.30	18.30	18.30	18.30
4.	Joynest Premises Private Limited	243.00	419.28	419.28	419.28
5.	Akruti Safeguard Systems Private Limited	1.94	1.94	1.94	1.94
6.	Citywood Builders Private Limited	1.37	1.37	—	—
7.	Gujarat Akruti - TCG Biotech Limited	5.61	5.61	5.61	5.61
II. Associates					
1.	Whitebud Developers Limited	—	5.13	5.13	5.13
2.	Pristine Developers Private Limited	56.69	56.69	56.69	56.69
3.	Comral Realty Private Limited	9.63	62.07	52.52	52.52
4.	Shubhsiddhi Builders Private Limited	188.56	188.56	—	—
5.	Citywood Builders Private Limited	—	—	0.82	0.82
6.	Holiac Realty Private Limited	—	—	46.03	46.03
III. Jointly Controlled Entities					
1.	Sunstream City Private Limited	—	3,597.68	3,570.96	3,570.96
2.	Hubtown Bus Terminal (Mehsana) Private Limited	255.00	255.00	52.91	195.38
3.	Hubtown Bus Terminal (Surat) Private Limited	37.56	37.56	37.56	37.56
4.	Hubtown Bus Terminal (Adajan) Private Limited	139.58	139.58	12.73	167.19
5.	Hubtown Bus Terminal (Vadodara) Private Limited	72.19	72.19	31.53	117.74
6.	Hubtown Bus Terminal (Ahmedabad) Private Limited	52.72	202.47	118.68	276.25
7.	Rare Townships Private Limited	—	0.54	0.54	0.54
8.	Hoary Realty Limited	11.29	11.29	11.29	11.29
IV. Partnership Firms and JVs					
1.	Akruti Kailash Constructions	255.66	689.66	689.66	689.66
2.	Akruti Jay Developers	—	40.74	40.74	183.23
3.	Gandhi Adhivitiya Combine	—	—	81.13	81.13
4.	Akruti GM JV	493.06	493.06	481.96	481.96
5.	Akruti SMC JV	—	—	197.89	213.99
6.	Akruti Realty Forefront Combine	176.76	176.76	176.76	176.76
7.	Commercial Construction Corporation	—	—	0.95	0.95
V. Others					
1.	Shubhsiddhi Builders Private Limited	—	—	188.56	188.56
2.	Pusphak Healthcare Services Private Limited	3.77	3.77	3.77	3.77
3.	Wellgroomed Venture	—	0.27	0.27	0.27
4.	Akruti SMC JV	—	284.55	—	—
5.	Commercial Construction Corporation	—	0.95	—	—
6.	Gandhi Adhivitiya Combine	81.13	81.13	—	—
7.	Holiac Realty Private Limited	42.08	42.08	—	—

Footnote:

Interest free advances

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (CONTD.)

NOTE '34' (Contd.)

DISCLOSURE OF LOANS AND ADVANCES IN THE NATURE OF LOANS AS PER CLAUSE 32 OF LISTING AGREEMENT (Contd.)

C. Project Advances (Refer Footnote)

Sr. No.	Name of the Loanee	31 March, 2015		31 March, 2014	
		Balance at the end (₹ in lacs)	Maximum Balance (₹ in lacs)	Balance at the end (₹ in lacs)	Maximum Balance (₹ in lacs)
I. Subsidiaries					
1.	Adhivitiya Properties Limited	—	—	1,310.60	1,359.60
2.	Gujarat Akruti - TCG Biotech Limited	1.00	3,909.46	8.98	8.98
3.	Yantti Buildcon Private Limited	3,771.42	3,771.42	3,676.07	3,822.57
4.	Upvan Lake Resorts Private Limited	452.89	461.14	435.45	435.45
5.	Heddle Knowledge Private Limited	1,731.74	3,472.50	1,975.85	1,975.85
6.	Citygold Education Research Limited	16.08	145.53	99.53	554.92
7.	Citygold Farming Private Limited	1,709.38	1,816.07	1,794.07	1,794.07
8.	Headland Farming Private Limited	912.69	927.69	926.69	926.69
9.	Joynest Premises Private Limited	74.59	455.31	423.81	423.81
10.	Vega Developers Private Limited	1,050.24	1,050.24	1,037.89	1,329.89
11.	Akruti Safeguard Systems Private Limited	1,769.70	1,769.70	—	—
12.	Citywood Builders Private Limited	7,036.63	7,081.48	—	—
13.	Arnav Gruh Limited	—	1,801.29	1,801.29	2,345.94
II. Associates					
1.	Comral Realty Private Limited	10.87	3,939.41	3,932.31	3,932.31
2.	Yellowcity Builders Private Limited	550.00	550.00	—	—
3.	Whitebud Developers Limited	901.92	901.92	—	—
4.	Shubhsiddhi Builders Private Limited	742.65	742.65	—	—
5.	Holiac Realty Private Limited	—	—	1,383.62	1,560.13
6.	Citywood Builders Private Limited	—	—	6,719.93	6,719.93
III. Jointly Controlled Entities					
1.	Sunstream City Private Limited	82,138.78	82,338.78	—	—
2.	Hoary Realty Limited	313.70	7,436.75	2.01	2.01
3.	Hubtown Bus Terminal (Vadodara) Private Limited	90.31	733.67	80.16	126.62
4.	Hubtown Bus Terminal (Mehsana) Private Limited	34.50	2,909.50	—	2,179.49
5.	Hubtown Bus Terminal (Surat) Private Limited	0.45	200.45	200.45	200.45
6.	Hubtown Bus Terminal (Ahmedabad) Private Limited	—	207.00	—	359.30
7.	Hubtown Bus Terminal (Adajan) Private Limited	276.36	1,581.25	—	—
IV. Others					
1.	Gandhi Adhivitiya Combine	64.59	64.59	—	—
2.	Adhivitiya Properties Limited	1,322.59	1,322.59	—	—
3.	Harbinger Developers Private Limited	110.45	110.45	—	—
4.	Holiac Realty Private Limited	—	1,383.62	—	—
5.	Patarc Developers	3,403.00	3,403.00	—	—
6.	Abhiroop Trading Private Limited	700.69	700.69	—	—
7.	Agarsen Mercantile Private Limited	696.20	696.20	—	—
8.	Akhilesh Consultancy Private Limited	717.44	717.44	—	—
9.	Aksmat Trading Private Limited	571.34	571.34	—	—
10.	Gora Trading Private Limited	415.69	415.69	—	—
11.	Majboot Trading Private Limited	1,101.70	1,101.70	—	—
12.	Superaction Realty Private Limited	90.03	90.03	—	—
13.	Sunmist Builders Private Limited	52.28	52.28	—	—
14.	Trans Gulf MEP Engineering Private Limited	8.47	8.47	—	—
15.	Buildbyte.Com (India) Private Limited	79.84	79.84	—	—
16.	Lista City Private Limited	39.76	39.76	—	—
17.	Ichha Constructions Private Limited	83.46	83.46	—	—
18.	Kamal Bakery Private Limited	938.62	938.62	—	—

Footnote:

Interest free advances

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (CONTD.)

NOTE '35'

	31 March, 2015 (₹ in lacs)	31 March, 2014 (₹ in lacs)
A. INTEREST IN THE LIABILITIES, ASSETS, INCOME AND EXPENSES WITH RESPECT TO ENTITIES UNDER JOINT CONTROL AS AT 31ST MARCH, 2015		
LIABILITIES :		
Non-current liabilities		
Long-term borrowings	17,274.14	8,708.12
Deferred tax liabilities	—	—
Other long term liabilities	3,845.15	1,248.36
Long-term provisions	11.43	4.52
Current liabilities		
Short-term borrowings	12,709.02	43,150.34
Trade payables	7,571.81	9,978.83
Other current liabilities	70,696.75	26,489.24
Short term provisions	22.15	42.69
ASSETS :		
Non-current assets		
Fixed assets :		
Tangible assets	429.28	4,249.45
Intangible assets	16.49	25.43
Capital work-in-progress	60.45	49.70
Non-current investments	7.02	1,276.30
Deferred tax asset (Net)		
Long term loans and advances	911.64	466.18
Other non-current assets	9,564.54	12,235.83
Current assets		
Current investments	—	677.44
Inventories	116,193.05	102,697.59
Trade receivables	4,000.02	5,189.46
Cash and bank balances	1,955.68	1,374.47
Short-term loans and advances	15,297.11	15,698.47
Other current assets	1,249.37	915.31
TOTAL INCOME:		
Total revenue	9,745.27	9,639.85
Prior period adjustments (Net)	(76.89)	(15.07)
EXPENDITURE:		
Cost of construction / development	14,773.06	16,127.34
Changes in inventories of work-in-progress, finished properties and FSI	(12,734.76)	(17,238.55)
Employee benefit expenses	546.53	502.07
Finance costs	4,953.69	9,190.37
Depreciation and amortisation	492.95	359.34
Other expenses	2,688.28	1,545.20
Tax expense	(30.31)	(30.99)
B. SHARE OF CONTINGENT LIABILITIES AND COMMITMENTS (NOT PROVIDED FOR):		
(A) Claims against the Company not acknowledged as debts on account of :		
1) Income tax matters under appeal	320.01	102.57
2) TDS Liability on account of short deduction, short payment and interest thereon as per TRACES	411.42	—
3) Demand notice issued by Brihanmumbai Municipal Corporation for land construction charges (property tax)	42.04	29.07
4) Others	124.25	565.18
(B) Charge created on the assets of jointly controlled entities in favour of bankers /financial institution for loan availed by other body corporate	12,705.69	6,323.20

Footnote : Interest / penalty that may accrue on original demands are not ascertainable, at present. These joint ventures have taken necessary steps to protect their position with respect to the above referred claims, which in their opinion, based on professional / legal advice are not sustainable.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (CONTD.)

NOTE '36'

DISCLOSURE OF DERIVATIVES

- No derivative instruments were outstanding at the end of the year.
- Uncovered risks in foreign currency transactions disclosed as at 31 March, 2015:

Particulars	Cash on Hand		Trade Payables	
	31 March, 2015	31 March, 2014	31 March, 2015	31 March, 2014
USD	2,982	2,982	15,900	63,596
INR	185,883	179,069	1,064,682	3,818,969
EURO	2,000	2,000	—	21
INR	133,940	165,440	—	1,770
UK Pound	67	67	—	—
INR	6,200	6,709	—	—
SG \$	165	165	—	26,235
INR	7,496	7,875	—	1,252,173
HKD	200	200	—	—
INR	1,605	14,148	—	—
AED	805	6,399	—	—
INR	13,661	104,624	—	—

NOTE '37'

DISCLOSURE AS PER GUIDANCE NOTE ON ACCOUNTING FOR REAL ESTATE TRANSACTIONS (REVISED 2012)

Particulars for all projects	31 March, 2015 (₹ in lacs)	31 March, 2014 (₹ in lacs)
Project Revenue recognised in the reporting period	8,917.85	23,331.50
Aggregate amount of cost incurred till date	157,663.36	144,207.12
Advances received (Net of revenue recognition)#	27,858.29	30,220.66
Work-in-progress	82,704.42	75,259.04
Value of inventories	83,416.95	76,158.83
Unbilled revenue	4,422.41	23,395.63

Includes amount received from customer against projects on which revenue is not recognised till date.

NOTE '38'

A major fire which took place at the registered office of the Company on December 23, 2011, causing extensive damage and destruction of records and assets of the Company, including financial accounting records. The management is of the opinion that no significant adjustments would be necessary to the position reported in the financial statements, upon reconstruction of balance documents and records.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (CONTD.)

NOTE '39'

Loans and advances, other receivables, debtors and creditors are subject to confirmations and are considered payable / realisable, as the case may be.

NOTE '40'

Previous year figures have been regrouped / reclassified wherever necessary, to make them comparable with current year figures in the Financial Statements.

As per our report of even date

For **DALAL DOSHI & ASSOCIATES**
Firm Registration No. 121773W
Chartered Accountants

DINESH DOSHI
PARTNER
Membership No. : F - 9464
Mumbai
Date: 30th May, 2015

For and on behalf of the Board of Directors

HEMANT M. SHAH
EXECUTIVE CHAIRMAN

VYOMESH M. SHAH
MANAGING DIRECTOR

ANIL AHLUWALIA
CHIEF FINANCIAL OFFICER

CHETAN MODY
COMPANY SECRETARY

Mumbai
Date: 30th May, 2015

INDEPENDENT AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

To the Members of Hubtown Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Hubtown Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its jointly controlled entities and associate companies, comprising of the Consolidated Balance Sheet as at March 31, 2015, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement (hereinafter referred to as the "Consolidated Financial Statements") for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its jointly controlled entities and associate companies in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group and of its jointly controlled entities and associate companies are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

We report that the consolidated financial statements have been prepared by the Company's Management in accordance with the requirements of Accounting Standard (AS-21) - Consolidated Financial Statements, Accounting Standard (AS-23) - Accounting for Investments in Associates in Consolidated Financial Statements, and Accounting Standard (AS-27) - Financial Reporting of Interests in Joint Ventures as specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates and jointly controlled entities as at 31st March, 2015, and their consolidated profit and their consolidated cash flow for the year ended on that date.

INDEPENDENT AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

Emphasis of Matter

Attention is invited to:

- (a) Note 3 (III) (A) (ii) and (iii) in the financial statements with regard to recognition of revenue for ongoing projects which is based upon estimated costs, as per the judgment of the management, which have been relied upon by us, these being technical matters.
- (b) Note 5 (footnote c) in the financial statements with regard to non-creation of investments to the extent of 15% of the value of redeemable debentures, which is required to be created and earmarked in the manner prescribed under Rule 18 (7) (c) of the Companies (Share Capital and Debentures) Rules, 2014 notified by the Ministry of Corporate Affairs.
- (c) With regards to investments and loans and advances made by the Company in certain associates and jointly controlled entities which have incurred losses and also have negative net worth as at March 31, 2015, as explained to us, investments in these entities are considered strategic and long term in nature and the entities are in early stage of real estate development or have certain investments, or are in the process of acquiring investments / projects which in the opinion of the Company, have current market value of properties and assets significantly in excess of their carrying values and are expected to achieve adequate profitability on substantial completion of their projects or sale of investments. Considering the above, the Company has not provided for diminution in the value of its investments in such entities or in respect of loans and advances to such entities, which are considered good and fully recoverable.
- (d) Note 18 (footnote) of the financial statements regarding the status of the projects and the opinion framed by the Company regarding realizable value of the cost incurred, which being a technical matter, is relied upon by us.
- (e) Note 21 (footnote a) in the financial statements with regard reversal of revenue from sale of properties / FSI in earlier years / periods.
- (f) Note 27 (footnote) in the financial statements with regard to the change in the estimated useful life of the immovable assets.
- (g) Note 34(B) regarding guarantees issued and securities provided aggregating ₹ 22,785.25 lacs by the Company to banks and financial institutions on behalf of various entities, which are significant, in relation to the profit for the year and net worth of the Company. In the opinion of the Company, these are not expected to result into any financial liability for the Company.
- (h) Note 34 (footnote b) of the financial statements with regard to reliance placed by the auditors on certification received from the management with regard to the disclosure of contingent liabilities given by the Company.
- (i) Note 40 of the financial statements with regards to balances that are subject to confirmations, reconciliation and adjustments if any.
- (j) The Company has not charged interest on advances given to various group entities developing real estate projects, in which the Company has a business interest.

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

Other Matters

- a) We did not audit the financial statements of two subsidiaries and ten joint ventures which reflect total assets (net) of ₹ 23,786.36 lacs as at 31st March, 2015, total revenues of ₹ 6,064.96 lacs and net cash inflow of ₹ 148.93 lacs for the year then ended on that date, as considered in the consolidated financial statements. We also did not audit the financial statements of three associates, whose aggregate share of net profit amounting to ₹ 0.33 lacs are also included in the consolidated financial statements. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled entities and associates, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, jointly controlled entities and associates, is based solely on such unaudited financial statements.
- b) We did not audit the financial statements of eleven subsidiaries and nine joint ventures, whose financial statements reflect total assets (net) of ₹ 23,342.99 lacs as at 31st March, 2015, total revenues of ₹ 5,961.41 lacs and net cash inflows amounting to ₹ 198.90 lacs for the year then ended on that date, as considered in the consolidated financial statements. We also did not audit the financial statements of two associates, whose aggregate share of net profit amounting to ₹ 118.28 lacs are also included in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled entities and associates, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, jointly controlled entities and associates, are based solely on the reports of the other auditors.

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

INDEPENDENT AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

Report on Other Legal and Regulatory Requirements

- I. As required by 'the Companies (Auditor's Report) Order, 2015' issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act (hereinafter referred to as the "Order"), and based on the comments in the auditors' reports of the holding company, subsidiary companies, associate companies and jointly controlled companies incorporated in India, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
- II. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors of the Holding Company as at 31st March, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate companies and jointly controlled companies incorporated in India, none of the directors of the Group companies, its associate companies and jointly controlled companies incorporated in India is disqualified as at 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
 - i. The Company has disclosed the impact of pending litigations as on March 31, 2015 on the consolidated financial position of the Group, its associates and jointly controlled entities.
 - ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2015.

For Dalal Doshi and Associates

Firm Registration Number: 121773W

Chartered Accountants

Dinesh Doshi

Partner

Membership No.: F-9464

Mumbai: May 30, 2015

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS OF HUBTOWN LIMITED FOR THE YEAR ENDED 31ST MARCH, 2015.

We report that;

Our Reporting on the Order includes :

- a. eleven subsidiaries and three jointly controlled companies incorporated in India, to which the Order is applicable, which have been audited by other auditors and our report in respect of these Companies is based solely on the report of the other auditors, to the extent considered applicable for reporting in the case of the consolidated financial statements.
- b. unaudited financial statements of two subsidiaries, and four jointly controlled companies incorporated in India, to which, according to the information and explanations given to us and in our opinion, reporting under the Order is applicable in respect of which the possible effects on our reporting under the Order in the case of the consolidated financial statement has not been considered.
 - (i) In respect of the fixed assets of the Holding Company, subsidiary companies and jointly controlled companies incorporated in India:
 - a) The respective companies have maintained proper records showing full particulars of quantitative details and situation of fixed assets; and
 - b) The Holding Company, subsidiary companies and jointly controlled companies have physically verified their fixed assets at reasonable intervals and according to the information and explanations given to us and the other auditors, no material discrepancies were noticed on such verifications.
 - (ii) In respect of the inventories of the Holding Company, subsidiary companies and jointly controlled companies incorporated in India:
 - a) As explained to us and the other auditors, the inventories were physically verified during the year by the management of the respective companies at reasonable intervals;
 - b) In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, the procedures for physical verification of inventories followed by the management of the respective companies were reasonable and adequate in relation to the size of the respective companies and the nature of their business; and
 - c) In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, the respective companies have maintained proper records of their inventories and no material discrepancies were noticed on physical verification.
 - (iii) The Holding Company has granted unsecured loan included in the consolidated financial statements, to one company covered in the Register maintained under Section 189 of the Companies Act, 2013. In respect of such loan:
 - a) The loan is interest free and repayable on demand; and
 - b) As the loan is repayable on demand, the question of overdue amount does not arise;

The subsidiary companies and jointly controlled companies incorporated in India have not granted any loans, secured or unsecured, to companies, firms and other parties covered in the Register maintained under Section 189 of the Companies Act, 2013;
 - (iv) In our opinion and the opinion of the other auditors and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the Holding Company, subsidiary companies and jointly controlled companies and the nature of their business, for the purchase of inventories and fixed assets and for sale of goods and services. Further, on the basis of our examination of the books and records of the Group, and according to the information and explanations given to us, we have neither come across, nor have been informed of, any continuing failure to correct major weaknesses in the aforesaid internal control;
 - (v) In our opinion and the opinion of the other auditors and according to the information and explanations given to us, the Holding Company, subsidiary companies and jointly controlled companies have complied with the provisions of Sections 73, 74, 75 and 76 or any other relevant provisions of the Act to the extent notified, with regard to the deposits accepted from the public. According to the information and explanations given to us and the other auditors, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal on the Company in respect of the aforesaid deposits;
 - (vi) According to the information and explanations given to us and the other auditors, in our opinion and the opinion of the other auditors, the Holding Company, subsidiary companies and jointly controlled companies, prima facie, made and maintained the prescribed cost records pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013. Neither we nor the other auditors have, however, made a detailed examination of the cost 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, Tax Deducted at Source, Value Added Tax, Service Tax and Interest on Tax Payable, the Company is generally regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Wealth Tax, Sales Tax, Customs Duty, Excise Duty and other material statutory dues, as applicable, with the appropriate authorities. The extent of arrears of the statutory dues outstanding as at Balance Sheet date, for a period exceeding six months from the date they became payable are ₹ 186.08 lacs relating to Income Tax, ₹ 2554.08 lacs relating to Income Tax Deducted at Source, ₹ 574.46 lacs relating to Value Added Tax and ₹ 92.33 lacs relating to Service Tax;

ANNEXURE TO INDEPENDENT AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS (CONTD.)

- 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 Cess as at Balance Sheet date which have not been deposited on account of disputes, are as follows:

Statute and nature of dues	Financial Year	Amount (₹ in lacs)	Forum where dispute is pending
Income Tax Act, 1961:			
Income Tax	2003-04	17.48	Hon'ble Bombay High Court
Income Tax	2004-05	21.31	Hon'ble Bombay High Court
Income Tax	2005-06	20.92	Hon'ble Bombay High Court
Income Tax	2008-09	33.96	Hon'ble Bombay Income Tax Appellate Tribunal
Income Tax	2009-10	2457.18	Learned Commissioner of Income Tax (Appeals)
Income Tax	2009-10	14.40	Hon'ble Bombay Income Tax Appellate Tribunal
Income Tax	2010-11	350.00	Learned Commissioner of Income Tax (Appeals)
Income Tax	2010-11	431.40	Hon'ble Bombay Income Tax Appellate Tribunal
Income Tax	2011-12	1037.19	Learned Commissioner of Income Tax (Appeals)
Maharashtra Value Added Tax Act, 2002:			
Value Added Tax	2006-07	15.49	Joint Commissioner of Sales Tax Appeal
Value Added Tax	2007-08	0.26	Joint Commissioner of Sales Tax Appeal
Value Added Tax	2008-09	92.94	Joint Commissioner of Sales Tax Appeal
Value Added Tax	2009-10	8.66	Joint Commissioner of Sales Tax Appeal
Value Added Tax	2010-11	5.31	Joint Commissioner of Sales Tax Appeal
Value Added Tax	2011-12	4.53	Joint Commissioner of Sales Tax Appeal

- c. The Holding Company is regular in transferring amounts to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 2013 and the Rules made thereunder within time. At present, the subsidiary companies and jointly controlled companies are not required to transfer any amount to the Investor Education and Protection Fund.
- (viii) The Group and jointly controlled companies, have no accumulated losses at the end of the financial year and have not incurred cash losses in the current and immediately preceding financial year;
- (ix) In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, the Holding Company, subsidiary companies and jointly controlled companies have delayed in repayment of dues to banks, financial institutions and debenture holders. Attention is invited to Footnote (i) to Note 6 with regards to banks and financial institution for the amounts and the period of delay in payment of principal and interest in case of banks and interest in case of financial institution thereon;
- (x) In our opinion and the opinion of other auditors, and according to the information and explanations given to us and the other auditors, the terms and conditions of the guarantees given by the Holding Company, subsidiary companies and jointly controlled companies for loans taken by others in which the Company has business interest, from banks or financial institutions during the year, are not prejudicial to the interest of the Company;
- (xi) In our opinion and the opinion of the other auditors and according to the information and explanations given to us and the other auditors, the term loans have been applied by the Holding Company, subsidiary companies and jointly controlled companies during the year, on an overall basis, for the purposes for which they were obtained; and
- (xii) To the best of our knowledge and according to the information and explanations given to us and the other auditors, we have neither come across any instance of material fraud on or by the Holding Company, subsidiary companies and jointly controlled companies noticed or found reported during the year, nor have been informed of any such case by the Management of respective companies.

For Dalal Doshi and Associates
Firm Registration Number: 121773W
Chartered Accountants
Dinesh Doshi
Partner
Membership No.: F-9464

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2015

Particulars	Note No.	As at 31 March, 2015 (₹ in lacs)	As at 31 March, 2014 (₹ in lacs)
I. EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	4	7,273.59	7,273.59
Reserves and surplus	5	162,636.06	161,728.86
		169,909.65	169,002.45
Minority Interest		1,797.63	1,843.85
Non-current Liabilities			
Long-term borrowings	6	75,551.48	79,400.73
Other long-term liabilities	7	6,618.30	5,267.41
Long-term provisions	8	263.31	72.31
		82,433.09	84,740.45
Current Liabilities			
Short-term borrowings	9	57,717.94	47,590.88
Trade payables	10	22,619.44	17,608.70
Other current liabilities	11	169,047.62	168,507.93
Short-term provisions	8	348.17	984.86
		249,733.17	234,692.37
Total		503,873.54	490,279.12
II. ASSETS			
Non-current Assets			
Fixed assets :	12		
Tangible assets		4,022.17	8,800.78
Intangible assets:			
- Goodwill on consolidation		11,385.56	11,083.50
- Other Intangible assets		57.98	148.86
Capital work-in-progress		1,301.75	1,159.70
Non-current investments	13	25,060.33	33,726.27
Deferred tax asset (Net)	14	2,977.77	3,479.12
Long-terms loans and advances	15	102,010.17	42,122.43
Other non-current assets	16	16,710.73	19,138.04
		163,526.46	119,658.70
Current Assets			
Current investments	17	3,502.69	3,092.67
Inventories	18	244,175.58	213,606.54
Trade receivables	19	18,243.08	19,181.01
Cash and bank balances	20	5,626.90	4,205.85
Short-term loans and advances	15	55,860.19	101,972.81
Other current assets	16	12,938.64	28,561.54
		340,347.08	370,620.42
Total		503,873.54	490,279.12

The accompanying notes 1 to 40 are an integral part of the financial statements.

As per our report of even date

For **DALAL DOSHI & ASSOCIATES**
Firm Registration No. 121773W
Chartered Accountants

DINESH DOSHI
PARTNER
Membership No. : F - 9464

Mumbai
Date: 30th May, 2015

For and on behalf of the Board of Directors

HEMANT M. SHAH
EXECUTIVE CHAIRMAN

VYOMESH M. SHAH
MANAGING DIRECTOR

ANIL AHLUWALIA
CHIEF FINANCIAL OFFICER

CHETAN MODY
COMPANY SECRETARY

Mumbai
Date: 30th May, 2015

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015

Particulars	Note No.	Year Ended 31 March, 2015 (₹ in lacs)	Year Ended 31 March, 2014 (₹ in lacs)
INCOME			
Revenue from operations	21	44,326.08	47,346.08
Other income	22	9,464.92	7,338.01
Total		53,791.00	54,684.09
EXPENSES			
Costs of construction / development	23	20,661.27	33,829.04
Changes in inventories of work-in-progress, finished properties and FSI	24	(23,166.46)	(25,003.91)
Employee benefits expense	25	2,498.46	2,460.73
Finance costs	26	40,341.35	35,672.83
Depreciation and amortisation on fixed assets and investment properties	27	979.84	984.70
Other expenses	28	10,845.46	5,988.89
Amortisation / adjustment of goodwill		427.58	94.04
Total		52,587.50	54,026.32
Profit before extraordinary items and tax		1,203.50	657.77
Extraordinary item		350.00	—
Profit before tax		1,553.50	657.77
Tax expense :			
Current tax		(742.71)	(148.70)
Excess / (Short) provision for taxation in respect of earlier years		265.69	(694.13)
Deferred tax (charge) / credit		(501.35)	2,322.90
Profit after tax but before adjustments		575.13	2,137.84
Prior period adjustments (Net)	29	(444.76)	21.95
Share of profit /(loss) from associate companies		118.61	108.93
Minority interest		46.26	24.65
Pre-acquisition gain/(loss)		(238.87)	—
Capital reserve written back on dilution		17.28	—
Profit for the year		73.65	2,293.37
Earning per equity share of nominal value of ₹ 10/- each)	30		
Earnings before Extraordinary Item (in ₹)			
Basic and diluted		(0.38)	3.15
Earnings after Extraordinary Item (in ₹)			
Basic and diluted		0.10	3.15

The accompanying notes 1 to 40 are an integral part of the financial statements.

As per our report of even date

For **DALAL DOSHI & ASSOCIATES**
Firm Registration No. 121773W
Chartered Accountants

DINESH DOSHI
PARTNER
Membership No. : F - 9464

Mumbai
Date: 30th May, 2015

For and on behalf of the Board of Directors

HEMANT M. SHAH
EXECUTIVE CHAIRMAN

VYOMESH M. SHAH
MANAGING DIRECTOR

ANIL AHLUWALIA
CHIEF FINANCIAL OFFICER

CHETAN MODY
COMPANY SECRETARY

Mumbai
Date: 30th May, 2015

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

Particulars	31 March 2015 (₹ in lacs)	31 March 2014 (₹ in lacs)
I. CASH FLOWS ARISING FROM OPERATING ACTIVITIES		
Net profit before taxation, prior period items as per Statement of Profit and Loss	1,553.50	657.77
Add / (Less) :		
Finance costs	40,341.35	35,672.83
Share of (Profit) / Loss from investment in partnership firms and JVs	6.06	39.76
Amortisation / adjustment of goodwill	427.58	94.04
(Gain) / Loss on cessation / sale / conversion of shares in Subsidiaries / Joint Ventures	(2,406.50)	259.87
Depreciation and amortisation	979.84	984.70
Provision for doubtful advances and bad debts	-	17.72
Project expenses written off / amortised	676.98	1.09
Prior period adjustments (Net)	(444.76)	21.95
(Profit) / Loss on sale of fixed assets (Net)	(8.74)	(1.57)
(Profit) / Loss on sale of investments	(2.27)	(0.10)
Provisions no longer required	(2,219.55)	(1,402.84)
Dividend from current investments	(64.60)	(46.46)
Interest income	(4,537.74)	(3,993.93)
Operating profit before working capital changes	32,747.65	31,647.06
Add / (Less) :	34,301.15	32,304.83
(Increase) / Decrease in inventories	(27,137.21)	(23,542.42)
(Increase) / Decrease in trade and other receivables	4,264.57	(9,388.13)
Increase / (Decrease) in trade and other payables	16,091.83	20,066.74
Direct taxes paid	969.13	(447.95)
Net cash flow from operating activities	(5,811.68)	(13,311.76)
II. CASH FLOWS ARISING FROM INVESTING ACTIVITIES	28,489.47	18,993.07
Inflow / (Outflow) on account of :		
Dividend from current investments	64.60	46.46
Interest income received	3,916.51	3,988.41
Decrease in loans and advances, including land, etc.	(478.40)	4,695.35
Purchase of fixed assets including capital work-in-progress (Net)	850.07	(168.48)
Acquisition / (disposals) of interest in Joint Ventures (Net)	5,778.65	(427.72)
Long term / Current investments (Net)	6,934.82	(3,758.87)
Net cash flow from investing activities	17,066.25	4,375.15
III. CASH FLOWS ARISING FROM FINANCING ACTIVITIES		
Inflow / (Outflow) on account of :		
Increase / (Decrease) in long term and short term borrowings	(2,776.16)	2,081.93
Finance costs paid	(41,958.35)	(35,473.58)
Dividend and dividend tax paid	-	(149.01)
Net cash flow from financing activities	(44,734.51)	(33,540.66)
Net increase in cash and cash equivalents (I + II + III)	821.21	(10,172.44)
Add: Balance at the beginning of the year	2,478.38	12,650.82
Add/(Less): Impact on cash and cash equivalent on account of acquisition and dilution	(117.86)	-
Cash and cash equivalents at the end of the year	3,181.73	2,478.38
Components of cash and cash equivalents (Refer Note 20)		
Cash and cash equivalents:		
Cash on hand	87.53	84.93
Balances with banks		
- In Current accounts	2,042.22	1,120.60
- Deposit with maturity of less than three months	257.01	705.32
Share in Joint Ventures	794.97	567.53
	3,181.73	2,478.38

Footnote:

Previous year figures have been regrouped / reclassified wherever necessary, to make them comparable with current year figures.

As per our report of even date

For **DALAL DOSHI & ASSOCIATES**
Firm Registration No. 121773W
Chartered Accountants

DINESH DOSHI
PARTNER
Membership No. : F - 9464

Mumbai
Date: 30th May, 2015

For and on behalf of the Board of Directors

HEMANT M. SHAH
EXECUTIVE CHAIRMAN

VYOMESH M. SHAH
MANAGING DIRECTOR

ANIL AHLUWALIA
CHIEF FINANCIAL OFFICER

CHETAN MODY
COMPANY SECRETARY

Mumbai
Date: 30th May, 2015

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

NOTE '1'

PRINCIPLES OF CONSOLIDATION:

- I. The Consolidated Financial Statements relate to Hubtown Limited ('the Company') and its Subsidiary companies, Associates and Joint Ventures. The Consolidated Financial Statements have been prepared on the following basis:
 - a. The Financial Statements of the Company and its subsidiaries have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses as per Accounting Standard (AS-21) – Consolidated Financial Statements.
 - b. Investments in Associates have been accounted under the equity method as per Accounting Standard (AS-23) – Accounting for Investments in Associates in Consolidated Financial Statements.
 - c. Investments in Joint Ventures have been accounted under the proportionate consolidation method as per Accounting Standard (AS-27) – Financial Reporting of Interests in Joint Ventures.
 - d. The excess of the Company's portion of equity in the subsidiaries as at the date of its investment over the cost of its investment is treated as Capital Reserve. The excess of cost of investment over the Company's portion of equity as at the date of investment is treated as Goodwill. Goodwill arising on consolidation of entities acquired by the group, representing value of land / rights held by such entities is carried forward. The said Goodwill is proportionately recognised as an expense in the Statement of Profit and Loss in the year in which revenue is recognised, on the basis of area sold in the related entity. Further, such Goodwill is tested for impairment at each Balance Sheet date.
 - e. The difference between the proceeds from disposal of investment in a subsidiary / joint venture and the carrying amount of its assets less liabilities as on the date of disposal is recognized in the Consolidated Statement of Profit and Loss under revenue from operations.
 - f. Intra-group balances and intra-group transactions and resulting unrealized profits have been eliminated.
 - g. The Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate Financial Statements except for depreciation method/ rates followed by partnership firms and association of persons (AOP). In case of any differences in accounting treatment of subsidiaries, jointly controlled entities and associates, they are brought in line with the Holding Company's accounting policies and treatment, if any, for differences have been duly considered.
- II. Investments other than in Subsidiaries, Associates and Joint Ventures, have been accounted as per Accounting Standard (AS-13) 'Accounting for Investments'.
- III. The list of subsidiary companies considered for consolidation, and the Company's holdings therein are as under:

Name of the Subsidiaries	Country of Incorporation	Percentage of Voting Power as at 31 March, 2015	Percentage of Voting Power as at 31 March, 2014
Ackruti Safeguard Systems Private Limited	India	72.43%	72.43%
Halitious Developer Limited	India	100.00%	100.00%
Adhivitiya Properties Limited (upto 31st August, 2014)	India	—	100.00%
Arnav Gruh Limited (upto 28th February, 2015)	India	—	100.00%
Devkrupa Build Tech Limited	India	100.00%	100.00%
Gujarat Akruti - TCG Biotech Limited	India	74.00%	74.00%
Merrygold Buildcon Private Limited (upto 31st March, 2015)	India	—	100.00%
Sheshan Housing and Area Development Engineers Limited	India	100.00%	100.00%
Diviniti Projects Private Limited	India	100.00%	100.00%
Upvan Lake Resorts Private Limited	India	75.00%	75.00%
Urvi Build Tech Limited	India	100.00%	100.00%
Heet Builders Private Limited	India	94.40%	94.40%
Vama Housing Limited	India	100.00%	100.00%
Vega Developers Private Limited	India	100.00%	100.00%
Vishal Nirman (India) Limited (upto 31st March, 2015)	India	—	51.02%

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (CONTD.)

NOTE '1' : (Contd.)

Name of the Subsidiaries	Country of Incorporation	Percentage of Voting Power as at 31 March, 2015	Percentage of Voting Power as at 31 March, 2014
Vishal Techno Commerce Limited	India	100.00%	100.00%
Yantti Buildcon Private Limited	India	100.00%	100.00%
Heeler Hospitality Private Limited (upto 31st March, 2015)	India	—	100.00%
Headland Farming Private Limited	India	100.00%	100.00%
Citygold Education Research Limited	India	100.00%	100.00%
Citygold Farming Private Limited	India	100.00%	100.00%
India Development And Construction Venture Capital Private Limited	India	100.00%	100.00%
ABP Realty Advisors Private Limited	India	100.00%	100.00%
Hedde Knowledge Private Limited	India	100.00%	100.00%
Joynest Premises Private Limited	India	74.00%	74.00%
Citywood Builders Private Limited (w.e.f. 29th November 2014)	India	75.00%	—

IV. The significant Associate Companies, Jointly Controlled Entities and Joint Ventures considered in the Consolidated Financial Statements are:

	Country of Incorporation	Percentage of Voting Power as at 31 March, 2015	Percentage of Voting Power as at 31 March, 2014
Name of the Associates:			
Whitebud Developers Limited	India	50.00%	50.00%
Holiac Realty Private Limited (upto 1st April, 2014)	India	—	48.00%
Harbinger Developers Private Limited (upto 29th November, 2014)	India	—	50.00%
Comral Realty Private Limited	India	50.00%	30.56%
Pristine Developers Private Limited	India	40.00%	40.00%
Citywood Builders Private Limited (upto 29th November, 2014)	India	—	49.97%
Vinca Developer Private Limited	India	49.00%	49.00%
Yellowcity Builders Private Limited	India	43.50%	43.50%
Shubhsiddhi Builders Private Limited (w.e.f. 29th November, 2014)	India	50.00%	—
Jointly Controlled Entities :			
Hubtown Bus Terminal (Adajan) Private Limited	India	45.00%	45.00%
Hubtown Bus Terminal (Mehsana) Private Limited	India	45.00%	45.00%
Hubtown Bus Terminal (Vadodara) Private Limited	India	45.00%	45.00%
Hubtown Bus Terminal (Ahmedabad) Private Limited	India	45.00%	45.00%
Hubtown Bus Terminal (Surat) Private Limited (*)	India	45.00%	45.00%
Sunstream City Private Limited	India	43.00%	43.00%
Hoary Realty limited	India	39.52%	39.52%
Rare Townships Private Limited	India	40.00%	40.00%
Joyous Housing Limited (Formerly Known as Joyous Housing Private Limited)	India	25.00%	25.00%
Rukshmani Properties Private Limited (*) (w.e.f. 1st July, 2014)	India	25.00%	—
Akruti GM JV	India	77.00%	77.00%
Akruti Jay Chandan JV	India	50.00%	50.00%
Akruti Jay Developers	India	66.66%	66.66%
Akruti Kailash Constructions	India	90.00%	90.00%

(*) Interest through jointly controlled entity.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014 (CONTD.)

NOTE '1' : (Contd.)

	Country of Incorporation	Percentage of Voting Power as at 31 March, 2015	Percentage of Voting Power as at 31 March, 2014
Jointly Controlled Entities : (Contd.)			
Akruti Realty Forefront Combine	India	90.00%	90.00%
Akruti Steelfab Corporation	India	55.00%	55.00%
Hiranandani Akruti JV	India	50.00%	50.00%
Shreenath Realtors	India	92.50%	46.25%
Sole Builders (upto 30th November, 2014)	India	—	50.00%
Akruti SMC JV (#) (upto 28th February, 2015)	India	—	50.00%
Gandhi Adhivitiya Combine (#) (upto 31st August, 2014)	India	—	45.00%
Gulati Estate JV (Dissolved as on March 31, 2015)	India	—	75.00%
Hinterland Fintrade JV (w.e.f. 1st June 2014)	India	60.00%	—
Newtownship Fintrade JV (w.e.f. 1st June 2014)	India	60.00%	—
Townplanning Fintrade JV (w.e.f. 1st June 2014)	India	60.00%	—
Rising Glory Developers (w.e.f. 1st January 2015)	India	76.34%	—

(#) Interest through subsidiaries.

- V. 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	Net Assets (Total Assets — Total Liabilities)		Share in profit / (loss)	
		As a % of consolidated net assets	Amount (₹ in lacs)	As a % of consolidated profit / (loss)	Amount (₹ in lacs)
Parent					
	Hubtown Limited	100.73	171,142.73	1,458.94	1,074.51
Subsidiaries					
1	ABP Realty Advisors Private Limited	—	4.53	(1.11)	(0.82)
2	Ackruti Safeguard Systems Private Limited	(0.65)	(1,109.01)	(28.99)	(21.35)
3	Adhivitya Properties Limited (upto 31st August, 2014)	—	—	(36.89)	(27.17)
4	Arnav Gruh Limited (upto 28th February, 2015)	—	—	630.16	464.11
5	Citygold Education Research Limited	2.35	3,989.20	(97.24)	(71.62)
6	Citygold Farming Private Limited	1.52	2,584.09	(658.06)	(484.66)
7	Citywood Builders Private Limited (w.e.f. 29th November 2014)	(0.27)	(455.11)	(293.94)	(216.49)
8	Devkurpa Build Tech Limited	(0.55)	(942.71)	(101.40)	(74.68)
9	Diviniti Projects Private Limited	0.29	490.50	(6.99)	(5.15)
10	Gujarat Akruti-TCG Biotech Limited	(0.21)	(359.89)	(14.95)	(11.01)
11	Halitious Developer Limited	0.18	307.27	(2.84)	(2.09)
12	Headland Farming Private Limited	0.09	158.10	(7.32)	(5.39)
13	Heddle Knowledge Private Limited	(0.16)	(277.80)	(18.51)	(13.63)
14	Heeler Hospitality Private Limited (upto 31st March, 2015)	—	—	(1.05)	(0.77)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (CONTD.)

NOTE '1' : (Contd.)

Sr. No.	Name of the Entities	Net Assets (Total Assets — Total Liabilities)		Share in profit / (loss)	
		As a % of consolidated net assets	Amount (₹ in lacs)	As a % of consolidated profit / (loss)	Amount (₹ in lacs)
15	Heet Builders Private Limited	(0.08)	(135.32)	(44.30)	(32.63)
16	India Development And Construction Venture Capital Private Limited	(0.00)	(8.20)	(2.67)	(1.97)
17	Joyntest Premises Private Limited	4.87	8,279.88	(281.85)	(207.58)
18	Merrygold Buildcon Private Limited (upto 31st March, 2015)	—	—	(8.38)	(6.17)
19	Sheshan Housing and Area Development Engineers Limited	0.04	73.42	(0.54)	(0.40)
20	Upvan Lake Resorts Private Limited	(0.01)	(20.46)	(11.93)	(8.79)
21	Urvi Build Tech Limited	(0.61)	(1,035.25)	(233.63)	(172.07)
22	Vama Housing Limited	(0.17)	(288.03)	(4.01)	(2.95)
23	Vega Developers Private Limited	0.17	291.12	(2.48)	(1.83)
24	Vishal Nirman (India) Limited (upto 31st March, 2015)	—	—	(0.81)	(0.60)
25	Vishal Techno Commerce Limited	1.25	2,118.73	(1.13)	(0.83)
26	Yantti Buildcon Private Limited	(0.02)	(27.73)	(26.98)	(19.87)
Associates					
27	Pristine Developers Private Limited	—	—	195.74	144.16
28	Yellowcity Builders Private Limited	—	—	1.13	0.83
29	Comral Realty Private Limited	—	—	(35.14)	(25.88)
30	Shubhsiddhi Builders Private Limited (w.e.f. 29th November, 2014)	—	—	(0.68)	(0.50)
31	Holiac Realty Private Limited (upto 1st April, 2014)	—	—	—	—
32	Harbinger Developers Private Limited (upto 29th November, 2014)	—	—	—	—
33	Vinca Developer Private Limited	—	—	—	—
34	Whitebud Developers Limited	—	—	—	—
Jointly Controlled Entities					
35	Rare Townships Private Limited	4.73	8,034.97	(846.84)	(623.70)
36	Hubtown Bus Terminal (Adajan) Private Limited	0.43	736.18	(76.97)	(56.69)
37	Hubtown Bus Terminal (Mehsana) Private Limited	0.68	1,157.59	(31.49)	(23.19)
38	Hubtown Bus Terminal (Vadodara) Private Limited	0.23	386.01	(114.32)	(84.20)
39	Hoary Realty limited	3.82	6,484.68	(129.36)	(95.27)
40	Joyous Housing Limited *	(0.05)	(77.41)	(20.35)	(14.99)
41	Hubtown Bus Terminal (Ahmedabad) Private Limited \$	3.21	5,459.32	(378.62)	(278.85)
42	Sunstream City Private Limited	(0.13)	(220.84)	(89.27)	(65.75)
Minority interests in all subsidiaries		(1.06)	(1,797.63)	62.81	46.26
Inter-company elimination and consolidation adjustments		(20.62)	(35,033.28)	1,362.28	1,003.32
Total		100.00	169,909.65	100.00	73.65

* Figures for Joyous Housing Limited are figures after consolidation with its subsidiary Rukshmani Properties Private Limited.

\$ Figures for Hubtown Bus Terminal (Ahmedabad) Private Limited includes figures for Hubtown Bus Terminal (Surat) Private Limited.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (CONTD.)

NOTE '2'

The significant accounting policies and notes to these Consolidated Financial Statements are intended to serve as a means of informative disclosure and a guide to better understanding the consolidated position of the Company. Recognising this purpose, the Company has disclosed only such policies and notes from the individual financial statements, which fairly present the needed disclosures.

NOTE '3' : SIGNIFICANT ACCOUNTING POLICIES

I. Basis of preparation of financial statements

The financial statements of the Company have been prepared under the historical cost convention on the accrual basis of accounting and in accordance with the generally accepted accounting principles in India. The financial statements have been prepared to comply in all material aspects with the Accounting Standards specified under Section 133 of the Companies Act, 2013 (the 'Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Act, to the extent applicable and the Guidance Note issued by the Institute of Chartered Accountants of India.

II. Use of estimates

The preparation of financial statements in conformity with the generally accepted accounting principles in India requires the management to make estimates and assumptions, that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognized in the period in which the results are known / materialized.

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 the payment.

A. Revenue from sale of properties / rights

- i. Revenue from sale of finished properties / buildings / rights' is recognised on transfer of all significant risks and rewards of ownership of such properties / building / rights, as per the terms of the contracts entered into with buyer(s), which generally coincides with the firming of the sales contracts/ agreements, except for contracts where the Company still has obligations to perform substantial acts even after the transfer of all significant risks and rewards.

- ii. For projects commenced and period where revenue is recognised before April 1, 2012:

Revenue from sale of incomplete properties / projects is recognized on the basis of percentage of completion method only if the following thresholds have been met:

- a. 25% of the total estimated construction and development costs of the project; and
- b. Atleast 10% of the sale consideration of each sold unit has been received at the reporting date in respect of such contracts with the buyers.

Further, revenue recognition is restricted, in case, where project cost is revised, resulting in decrease of percentage of actual cost incurred to total estimated cost. The effect of changes in cost, if any, is recognized in the financial statements for the period in which such changes are determined.

- iii. For projects commenced on or after April 1, 2012 and also for projects which have already commenced but where revenue is being recognised for the first time on or after April 1, 2012:

Revenue from sale of incomplete properties / projects is recognized on the basis of percentage of completion method only if the following thresholds have been met:

- a. All critical approvals necessary for the commencement of the project have been obtained;
- b. The expenditure incurred on construction and development costs, excluding land costs, is not less than 25% of the total estimated construction and development costs of the project;
- c. Atleast 25% of the saleable project area is secured by agreements with the buyers; and
- d. Atleast 10% of the sale consideration of each sold unit has been received at the reporting date in respect of such contracts with the buyers.

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (CONTD.)

NOTE '3' : (Contd.)

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

- iv. The Company has adopted the principles of revenue recognition on the basis of "Guidance Note on Accounting Treatment for Real Estate Transactions (Revised 2012)" issued by the Institute of Chartered Accountants of India, for all projects on which revenue recognition was not commenced till 31 March, 2012. Revenue recognition policy on real estate transactions, which was followed prior to March 31, 2012 is continued to be followed on such erstwhile projects.
- v. Losses expected to be incurred on projects under construction, are charged in the Statement of Profit and Loss in the period in which the losses are known.
- vi. Costs of the projects are based on the management's estimate of the costs to be incurred upto the completion of the projects and include cost of land, Floor Space Index (FSI), materials, services and other expenses attributable to the projects. Estimates of project income, as well as project costs, are reviewed periodically.
- vii. The sale proceeds of the investments held in the subsidiaries, joint ventures, etc. developing real estate projects are included in real estate revenue, net of cost.

B. Revenue from project management services:

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

C. Profit / Loss from partnership firms / association of persons:

Share of profit / loss from partnership firms / Association of Persons (AOP) is accounted in respect of the financial year of the Firm / AOP, during the reporting period, on the basis of their audited / management accounts, which is considered as a part of other operating activity.

D. Income from leased premises:

Lease income from operating lease is recognised in the Statement of Profit and Loss on straight line basis over the lease term.

E. Interest and dividend:

Interest is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

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

F. Others:

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

IV. Tangible assets and depreciation / amortisation

- A. Tangible fixed assets are stated at cost of acquisition or construction less accumulated depreciation / amortisation and accumulated impairment losses, if any.
- B. Tangible assets disclosed under 'Non-Current Investments' as 'Investment Properties', are stated at cost of acquisition or construction less accumulated depreciation / amortisation and accumulated impairment losses, if any. Attention is also invited to Accounting Policy No. (VI)(C).
- C. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. For entities in the nature of Partnership Firms and Association of Persons (AOP), depreciation is calculated on written down value method at the rates prescribed under the Income Tax Act, 1961. 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.
- D. Cost of Leasehold Land is amortised on a straight line basis, over the primary lease period.
- E. Cost of Mivan System is amortised on a straight line basis, over the life of the project, but not exceeding a period of five years.
- F. Technical Know-how are stated at cost less accumulated amortisation. These are being amortised over the estimated useful life of twenty years.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (CONTD.)

NOTE '3' : (Contd.)

V. Intangible assets and amortisation

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.

VI. 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 investments' 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 investments' as 'Investment properties' and provision for depreciation / amortisation is made to comply with the requirements of Accounting Standard AS-19 – 'Leases' and Accounting Standard AS-13 - 'Investments'.
- D. Value of 'Floor Space Index' (FSI) generated is recognized as inventory at cost (i.e. Proportionate Rehab Component Cost) as and when necessary obligations / conditions are fulfilled in entirety, which are imposed on the Company by statutory authorities (viz. Rehabilitation Authority, etc.), in lieu of which the FSI is allotted to the Company. The value of FSI is either carried as inventory (at cost) held for intended sale or with the intention to utilise in construction of projects undertaken for sale.

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

VII. Investments

- A. Investments are classified into Current and Non Current / Long Term Investments. Current investments are stated at lower of cost and fair value. Long term investments are stated at cost. A provision for diminution is made to recognize decline, other than temporary, in the value of long term investments.
- B. Current Account in Partnership Firms and Joint Ventures represent additional contribution, share of profits and losses and excess withdrawal of funds. Additional contribution and share of profits to the extent not withdrawn is carried as 'Current Investment in Partnership Firms and Joint Ventures' under "Current / Non Current Investment", as the case may be. Excess withdrawals and share of losses are booked under "Other Current Liabilities".

VIII. Operating Cycle

Receivables and Payables in relation to operations (Projects) are considered as "Current Assets" and "Current Liabilities" as the case may be considering the nature of real estate business of the Company, unless otherwise provided by an agreement.

All other assets and liabilities have been classified as provided in Schedule III to the Companies Act, 2013.

IX. Employee benefits:

- A. **Short term employee** benefits are recognized as an expense at the undiscounted amount in the Statement of Profit and Loss in the year in which the related service is rendered;
- B. **Post Employment Benefits:**
 - i. Defined contribution plans: The Company's contribution to State governed Provident Fund Scheme is recognized in the year in which the related service is rendered;
 - ii. Defined benefit plans: The present value of gratuity obligation is determined based on an actuarial valuation using the projected Unit Credit Method. Actuarial gains and losses arising on such valuation are recognised immediately in the Statement of Profit and Loss. In the case of gratuity which is funded with the Life Insurance Corporation of India, the fair value of the Plan Assets is reduced from the gross obligation under the defined benefit plan to recognise the obligation on net basis;

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (CONTD.)

NOTE '3' : (Contd.)

- C. **Other long-term benefits** (leave entitlement) are recognized in a manner similar to defined benefit plans;
- D. **Termination Benefits** are recognized as an expense in the Statement of Profit and Loss in the year in which they are incurred;
- E. **Actuarial gains / losses** are recognized in the Statement of Profit and Loss during the relevant period.

X. Borrowing costs

Interests and other borrowing costs (including ancillary borrowing costs) attributable to qualifying assets 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. Ancillary borrowing costs (including front-end fees, processing fees etc. due to which the rate of borrowing gets reduced) are amortised over the period of the related borrowing, but not exceeding a period of three years. Other borrowing costs are charged to the Statement of Profit and Loss.

XI. 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 at the Balance Sheet date, are converted in the reporting currency at the closing rates of exchange prevailing on the said date. The 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.

XII. Segment reporting

The Company is mainly engaged in the business of Real Estate Development, which as per Accounting Standard AS-17 'Segment Reporting' is considered to be the only reportable business segment. The Company is also operating primarily within the same geographical segment. Hence, disclosures under AS-17 are not applicable. Reference is invited to Note 35.

XIII. Impairment of assets

The carrying amount of assets is reviewed at each Balance Sheet date. If there is any indication of impairment based on internal/external factors, i.e. when the carrying amount of the assets exceeds the recoverable amount, an impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. An impairment loss recognised in prior accounting periods is reversed or reduced if there has been a favourable change in the estimate of the recoverable amount.

XIV. Taxation

Income tax expense comprises of current tax and deferred tax charge or credit. Provision for current tax is made on the basis of the assessable income at the tax rate applicable for the relevant assessment year. The deferred tax asset and deferred tax liability is calculated by applying tax rate and laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax laws, are recognized, only if there is a virtual certainty of its realization, supported by convincing evidence. Deferred tax assets on account of other timing differences are recognized only to the extent there is a reasonable certainty of its realization. At each Balance Sheet date, the carrying amounts of deferred tax assets are reviewed to reassure realization.

Excess / short provision for taxation is recognized on completion of necessary taxation proceedings (Viz. revised returns, assessments, etc.).

In case, the Company is liable to pay income tax under Section 115JB of the Income Tax Act, 1961 (i.e. MAT), the amount of tax paid in excess of normal income tax is recognised 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.

XV. Provisions, contingent liabilities and contingent assets

Provisions involving a substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the financial statements. Contingent assets are neither recognized nor disclosed in the financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (CONTD.)

NOTE '4'

SHARE CAPITAL

AUTHORISED

125,000,000 (P.Y. 125,000,000) Equity Shares of ₹ 10/- each

ISSUED, SUBSCRIBED AND PAID UP

72,735,871 (P.Y. 72,735,871) Equity Shares of ₹ 10/- each fully paid up

Total

31 March, 2015 (₹ in lacs)	31 March, 2014 (₹ in lacs)
12,500.00	12,500.00
12,500.00	12,500.00
7,273.59	7,273.59
7,273.59	7,273.59

Footnotes:

a. Reconciliation of the number of Equity shares outstanding at the beginning and at the end of the year

Number of shares at the beginning

Add/(Less) :

Issued during the year

Buyback during the year

Conversion during the year

At the end of the year (Nos.)

Total

31 March, 2015 (₹ in lacs)	31 March, 2014 (₹ in lacs)
72,735,871	72,735,871
—	—
—	—
—	—
72,735,871	72,735,871

b. Equity shareholders holding more than five percent shares in the Company

Hemant M. Shah

Vyomesh M. Shah

Hemant M. Shah with Vyomesh M. Shah

Mahipatray V. Shah (HUF)

Hemant M. Shah (HUF)

Vyomesh M. Shah (HUF)

Kunjal H. Shah

Falguni V. Shah

31 March, 2015		31 March, 2014	
Nos.	% of Holding	Nos.	% of Holding
5,800,000	7.97%	5,800,000	7.97%
7,540,000	10.37%	7,540,000	10.37%
190,000	0.26%	600,000	0.82%
9,600,000	13.20%	9,600,000	13.20%
4,980,500	6.85%	6,892,000	9.48%
4,100,000	5.64%	4,100,000	5.64%
5,308,000	7.30%	5,308,000	7.30%
5,993,316	8.24%	6,360,000	8.74%

c. Terms / rights attached to Equity Shares :

The Company has a single class of equity shares having a par value of ₹ 10/- per share. Each holder of equity share is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in annual general meeting.

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.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (CONTD.)

	31 March, 2015 (₹ in lacs)	31 March, 2014 (₹ in lacs)
NOTE '5'		
RESERVES AND SURPLUS		
Securities premium reserve	60,713.89	60,713.89
Debenture redemption reserve (Refer footnote a)		
Balance as per last financial statements	13,475.00	11,135.00
Add / (Less) :		
Amount transferred from surplus balance in the Statement of Profit and Loss	—	3,000.00
Amount transferred to general reserve	(4,300.00)	(660.00)
	9,175.00	13,475.00
General reserve		
Balance as per last financial statements	20,971.21	20,311.21
Add / (Less) :		
Amount transferred from debenture redemption reserve	4,300.00	660.00
	25,271.21	20,971.21
Capital reserve		
Balance as per last financial statements	5,802.49	5,802.49
Add / (Less) :		
Amount adjusted on dilution of subsidiaries	(17.28)	—
	5,785.21	5,802.49
Surplus in the Statement of Profit and Loss		
Balance as per last financial statements	60,766.27	61,627.52
Profit for the year (including share in joint ventures)	73.65	2,293.37
Reversal of proposed equity dividend and tax thereon (Refer footnote b)	850.97	696.35
Less: Appropriations:		
Proposed equity dividend	—	727.36
Tax on proposed equity dividend	—	123.61
Adjustment in surplus on account of change in depreciation method	0.14	—
Transfer to debenture redemption reserve (Refer footnote a)	—	3,000.00
Total appropriations	0.14	3,850.97
Net surplus in the Statement of Profit and Loss	61,690.75	60,766.27
Total	162,636.06	161,728.86

Footnotes:

- During the previous year, the Company transferred an amount of ₹ 3,000.00 Lacs to debenture redemption reserve in accordance with the provisions of Section 117C of the Companies Act, 1956.
- In the Twenty Sixth Annual General Meeting of the Company held on 25th September, 2014, the motion for declaration of dividend on equity shares for the year ended March 31, 2014 was lost. Consequently, no dividend was paid to the shareholders and hence the proposed equity dividend and tax thereon has been reversed during the year.
- The Company, owing to liquidity crunch, has not invested / deposited ₹ 2,045.46 lacs (P.Y. ₹ 2,910.63 lacs) in the manner prescribed under Rule 18(7) (c) of the Companies (Share Capital and Debentures) Rules, 2014 notified by the Ministry of Corporate Affairs.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (CONTD.)

	Non Current		Current	
	31 March, 2015 (₹ in lacs)	31 March, 2014 (₹ in lacs)	31 March, 2015 (₹ in lacs)	31 March, 2014 (₹ in lacs)
NOTE '6'				
LONG-TERM BORROWINGS				
Debentures (Secured);				
419,970 (P.Y. Nil) Zero Coupon Compulsorily Convertible debentures of the face value of ₹ 100/- each (Refer footnote a)	419.97	—	—	—
4,000,000 (P.Y. 4,000,000) Compulsorily Convertible debentures of the face value of ₹ 100/- each (Refer footnote b)	4,000.00	4,000.00	—	—
Current Year: Nil (P.Y. 7,999) Redeemable Non-convertible debentures of the face value of ₹ 100,000/- each	—	—	—	2,904.19
10,000 (P.Y. 10,000) Redeemable Non-convertible debentures of the face value of ₹ 100,000/- each (Refer footnote c)	—	—	6,716.40	10,000.00
Current Year: Nil (P.Y. 2,500) Redeemable, Non - convertible debentures of the face value of ₹ 100,000/- each	—	—	—	2,500.00
Term loans (Secured);				
From banks (Refer footnote d)	38,459.10	50,396.75	27,412.72	30,478.21
From financial institution (Refer footnote e)	4,400.00	—	600.00	1,461.44
From other companies (Refer footnote f)	4,100.00	9,478.00	10,000.00	1,450.00
Deposits (Unsecured):				
From related parties	—	—	—	687.90
From public	—	—	—	202.18
Other loans and advances:				
Loan from others (Secured) (Refer footnote g)	6,898.27	6,817.86	45.35	41.25
	58,277.34	70,692.61	44,774.47	49,725.17
Share in Joint Ventures	17,274.14	8,708.12	4,321.04	5,388.63
Amount disclosed under "Other Current Liabilities" (Refer note '11')			(49,095.51)	(55,113.80)
Total	75,551.48	79,400.73	—	—

Footnotes:

- 419,970, 0% compulsorily convertible debentures of ₹ 100 each to be converted on or before 28th March, 2020, i.e. not later than five years from the date of allotment. These debentures will be converted into 4,199,700 number of equity shares of the face value of ₹ 10/- each.
- 17.75% debentures of ₹ 4,000 Lacs have a term of 84 months from the issue date (20,00,000 debentures issued on 01/02/2013 and 20,00,000 debentures issued on 10/06/2013). The same may be converted into Class "B" shares in whole or in part at the option of the investor but not before the expiry of 36 months.
- 20 % debentures of ₹ 10,000 lacs have been restructured as per the consent terms dated 22nd December, 2014 to be redeemed on or before 14th December, 2015. The said debentures are secured by a first and exclusive charge on the premises located at MIDC, Andheri (East), Mumbai and also secured against pledge of equity shares in the Company held by the promoters.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (CONTD.)

NOTE '6' (Contd.)

- d. Secured term loans from banks carry interest rates within a range of 13.50 % to 17.25 %. The nature of securities are:

Name of lenders	Security Offered (Further Secured by personal guarantee of one or more promoters)
1. Bank of Maharashtra	i. Mortgage of land and structures on projects located in Andheri (East), Bandra (East) and Pune. ii. First charge by way of escrow of receivables from above projects.
2. UCO Bank	i. Mortgage of land and structures thereto in respect of projects at Thane ii. Registered mortgage of the premises in the project located at Andheri (East), Mumbai. iii. First charge of lease rent receivables from above premises.
3. Indusind Bank	i. Registered mortgage of the premises in the project located at Andheri (East), Mumbai. ii. First charge on lease rent receivables from above premises.
4. Dena Bank	i. Mortgage of unsold area of commercial project at Andheri (East), Mumbai. ii. First charge by way of escrow of receivables from above project. iii. Registered mortgage of the premises in the project located at Mahalaxmi, Mumbai. iv. First charge of lease rent receivables from above premises.
5. Oriental Bank of Commerce	i. Mortgage of unsold units of residential projects located in Andheri (East), Mumbai. ii. First charge by way of escrow of receivables from above projects.
6. Union Bank of India	i. Registered mortgage of the premises in the project located at Andheri (East) and Mahalaxmi, Mumbai. ii. First charge of lease rent receivables from above premises.
7. United Bank of India	i. Registered mortgage of the premises in the project located at Andheri (East), Mumbai. ii. First charge of lease rent receivables from above premises.

- e. Secured loan from financial institution carry interest rate of 18%. This loan is secured against pledge of equity shares in the Company held by the promoters alongwith personal guarantees of the promoters and mortgage of the premises in the project located at Andheri (East), Mumbai.
- f. Secured loan from a company carries interest rate of 20%. This loan is secured against (a) First mortgage and charge on the project and entire receivables of the BIT project, Matunga; (b) Charge by way of mortgage of units of Hubtown Sunmist, and land situated at Mulund; (c) Corporate Guarantee of Hubtown Limited, Corporate Guarantee of Vishal Techno Commerce Limited, and Personal Guarantees of Mr. Hemant Shah and Mr. Vyomesh Shah, Directors of Holding Company Hubtown Limited; and (d) Pledge of 94.4% shares of Heet Builders Private Limited, 100% Shares of Vishal Techno Commerce Limited held by Hubtown Limited and 7,000,000 Shares of Hubtown Limited held by the promoters.
- g. Secured loans of ₹ 146.62 lacs are vehicle loans from others, which carry interest rates within a range of 10% to 11% and are repayable between December, 2015 and January, 2019. Other secured loans amounting to ₹ 6,797.00 Lacs are secured against pledge of equity shares in the Company held by the promoters alongwith personal guarantees of promoters and corporate guarantee of Hubtown Limited.
- h. Details of repayment of long term borrowings are as follows :

Particulars	Up to 1 year	2 to 5 years	Above 5 years	Total
Term loan from Banks	27,412.72	31,523.88	6,935.22	65,871.82
Term loan from Financial Institution	600.00	4,400.00	—	5,000.00
Term loan from a company	10,000.00	4,100.00	—	14,100.00
Loans from Others	45.35	6,898.27	—	6,943.62
Total	38,058.07	46,922.15	6,935.22	91,915.44

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

Particulars	31 March, 2015		31 March, 2014	
	Amount	Period	Amount	Period
Term loans from Banks				
Overdue instalments	839.74	Jan 15 to Mar 15	1,247.53	Sep 13 to Mar 14
Interest	967.31	Jan 15 to Mar 15	1,238.45	Dec 13 to Mar 14
Term loan from Financial Institution				
Overdue instalments	—	—	961.44	Dec 13 to Mar 14
Interest	171.23	Sep 14 to Mar 15	—	—
Term loans from a company				
Overdue instalments	—	—	—	—
Interest	—	—	36.76	Nov 13 to Mar 14
Total	1,978.28		3,484.18	

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (CONTD.)

	31 March, 2015 (₹ in lacs)	31 March, 2014 (₹ in lacs)
NOTE '7'		
OTHER LONG TERM LIABILITIES		
Advance against land procurement	744.59	1,486.78
Retention money payable	1,715.33	2,122.61
Security deposits from customers	309.18	399.08
Other payables	4.06	10.58
	2,773.16	4,019.05
Share in Joint Ventures	3,845.14	1,248.36
Total	6,618.30	5,267.41

	Long term		Short term	
	31 March, 2015 (₹ in lacs)	31 March, 2014 (₹ in lacs)	31 March, 2015 (₹ in lacs)	31 March, 2014 (₹ in lacs)
NOTE '8'				
PROVISIONS				
Provisions for employee benefits				
Provision for gratuity	—	—	143.56	34.43
Provision for leave benefit	159.92	67.79	16.06	6.69
Other provisions				
Provision for Income tax (Net of advance tax)	—	—	153.50	39.86
Provision for Wealth tax	—	—	12.91	10.22
Proposed equity dividend	—	—	—	727.36
Provision for tax on equity dividend	—	—	—	123.61
	159.92	67.79	326.03	942.17
Share in Joint Ventures	103.39	4.52	22.14	42.69
Total	263.31	72.31	348.17	984.86

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (CONTD.)

NOTE '9'

SHORT TERM BORROWINGS

Debentures (Secured):

2,500 (P.Y. Nil) Redeemable Non-convertible debentures of the face value of ₹ 100,000/- each (Refer footnote a)

Working capital loan from banks (Secured) (Refer footnote b)

Short term loan :

- from companies (Secured)

Loans repayable on demand:

- from companies (Secured) (Refer footnote c)

- from companies (Unsecured) (Refer footnote d)

- from others (Unsecured) (Refer footnote e)

Deposits (Unsecured)

- from public

Share in Joint Ventures

	31 March, 2015 (₹ in lacs)	31 March, 2014 (₹ in lacs)
	2,500.00	—
	1,628.42	1,484.67
	—	7,444.00
	7,738.41	1,447.78
	15,594.26	14,589.09
	17,768.08	12,923.35
	—	150.75
	45,229.17	38,039.64
	12,488.77	9,551.24
Total	57,717.94	47,590.88

Footnotes:

- 2,500 21% Redeemable, Non-convertible debentures of the face value of ₹ 100,000/- each, secured by mortgage of the immovable properties located at Balewadi, Pune.
 - Working capital loans from banks carry interest rate of 15.44 % These loans are secured against mortgage of premises located at MIDC, Andheri (East), Mumbai and further secured by personal guarantees of one or more promoters.
- | Name of lenders | Security Offered |
|------------------------|---|
| 1. Canara Bank | Mortgage of the premises at MIDC Andheri (East), Mumbai and further secured by personal guarantee of one or more promoters. |
| 2. Union Bank of India | Mortgage of the premises at Mahalaxmi, Mumbai and mortgage of properties located in Thane. |
- Secured loan from a company carries interest rate of 21% and is repayable on demand. However, loan from another company amounting to ₹ 6,250 lacs is Interest free. These loans are secured against mortgage of unsold area of the commercial projects at Andheri (East), and Jogeshwari and also secured against pledge of equity shares in the Company held by the promoters.
 - Unsecured loans from companies carry interest rates within a range of 11% to 36% and are repayable on demand.
 - Unsecured loans from others carry interest rates within a range of 0% to 36% and are repayable on demand.
 - Period and amount of default as on Balance Sheet date in repayment of term loans and interest:

Particulars	31 March, 2015		31 March, 2014	
	(₹ in lacs)	Period	(₹ in lacs)	Period
Short term loans from companies				
Overdue instalments	—	—	5,000.00	Mar-14
Interest	—	—	518.90	Dec 13 to Mar 14
Total	—	—	5,518.90	

NOTE '10'

TRADE PAYABLES

Trade payables

Share in Joint Ventures

	31 March, 2015 (₹ in lacs)	31 March, 2014 (₹ in lacs)
	15,338.43	10,918.69
	7,281.01	6,690.01
Total	22,619.44	17,608.70

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (CONTD.)

NOTE '11'

OTHER CURRENT LIABILITIES

	31 March, 2015 ₹ in lacs)	31 March, 2014 (₹ in lacs)
Current maturities of long-term debt (Refer note 6)	44,774.47	49,725.17
Interest accrued and due on borrowings	5,558.16	6,994.18
Interest accrued but not due on borrowings	141.66	322.64
Overdrawn bank balances as per books of account	164.05	140.72
Share application money	-	595.97
Advances from customers	39,640.96	50,185.21
Unpaid matured debentures and interest accrued thereon (Refer footnote a)	-	3,035.68
Business advance received from related parties	875.00	-
Investor Education and Protection Fund will be credited by the following amounts as and when due:		
- Unclaimed/unpaid dividends	4.30	4.80
Other payables :		
- Statutory dues	5,836.74	5,099.88
- Current account balance in Firms and Joint Ventures	16,418.96	469.91
- Employees benefit payables	203.45	12.49
- Security Deposits (Refundable)	9,474.69	8,586.98
- On account of Equity Shares with differential voting rights and Preference Shares of jointly controlled entities	17,319.34	17,319.34
- Other miscellaneous	7,205.07	6,930.17
	147,616.85	149,423.14
Share in Joint Ventures	21,430.77	19,084.79
Total	169,047.62	168,507.93

Footnote:

- a. Period and amount of default as on the Balance Sheet date in respect of matured debentures and interest accrued thereon :

Particulars	31 March, 2015		31 March, 2014	
	(₹ in lacs)	Period	(₹ in lacs)	Period
Overdue Instalments:				
Current Year: Nil (P.Y. 1,000) Redeemable, Non-convertible debentures of the face value of ₹ 1,000,000/- each (Refer note a)	—	—	211.85	Dec - 13
Current Year: Nil (P.Y. 7,999) Redeemable Non-convertible debentures of the face value of ₹ 100,000/- each (Refer note b)	—	—	2,296.13	Jul - 13
Interest:				
Current Year: Nil (P.Y. 7,999) Redeemable Non-convertible debentures of the face value of ₹ 100,000/- each (Refer note b)	—	—	527.70	Jul - 13
Total	—	—	3,035.68	

Note :

- a. 1,000 17% Redeemable, Non-convertible debentures of the face value of ₹ 1,000,000/- each, are secured by a mortgage/charge on the immovable properties located at Jogeshwari (East), Mumbai, first charge on the premises on 3rd floor in the project located at Andheri (East) and by pledge of equity shares held by the promoters and promoter group.
- b. 7,999 18.50% Debentures & 3000, 25.17% Debentures: These debentures are secured by a mortgage on the immovable properties located at Jogeshwari (East), Mumbai as well as receivables and advances arising from such properties, and personal guarantees of the promoters.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (CONTD.)

NOTE '12'

FIXED ASSETS

(₹ in lacs)

SR. NO.	PARTICULARS	GROSS BLOCK (AT COST)				DEPRECIATION / AMORTISATION				NET BLOCK	
		As at 31st March, 2014	Additions / (Adjustments)	Deductions / Adjustments	As at 31st March, 2015	Upto 31st March, 2014	Provided during the year	Deductions / Adjustments	Upto 31st March, 2015	As at 31st March, 2015	As at 31st March, 2014
A.	Tangible Assets										
	Freehold land	2.92	—	—	2.92	—	—	—	—	2.92	2.92
	Leasehold Land	2,583.88	—	728.58	1,855.30	118.11	4.25	85.10	37.27	1,818.04	2,465.77
	Commercial Premises (Refer footnote a & b)	1,494.26	—	307.37	1,186.89	281.11	22.59	45.21	258.48	928.40	1,213.15
	Mivan System	366.39	—	—	366.39	332.84	12.43	—	345.27	21.12	33.55
	Plant and Machinery	132.00	11.22	0.07	143.15	37.01	7.85	0.07	44.79	98.36	94.99
	Computers	50.68	2.25	2.37	50.56	40.81	3.99	0.92	43.88	6.68	9.87
	Furniture and Fixture (Refer footnote c)	641.76	16.09	—	657.85	341.09	60.45	(6.49)	408.03	249.82	300.67
	Vehicles	890.82	166.88	100.58	957.12	568.90	85.24	100.06	554.08	403.04	321.92
	Office equipment (Refer footnote d)	165.29	18.10	4.57	178.82	56.80	56.48	(1.03)	114.31	64.52	108.49
		6,328.00	214.54	1,143.54	5,399.00	1,776.67	253.28	223.84	1,806.11	3,592.89	4,551.33
	Share in Joint Ventures (Refer footnote c)	—	—	—	—	—	—	—	—	429.28	4,249.45
	Total A	6,328.00	214.54	1,143.54	5,399.00	1,776.67	253.28	223.84	1,806.11	4,022.17	8,800.78
B.	Intangible Assets:										
	Computer softwares	536.52	0.09	0.85	535.76	458.02	78.39	0.85	535.56	0.20	78.50
	Technical know-how	74.55	—	—	74.55	29.62	3.64	—	33.26	41.29	44.93
		611.07	0.09	0.85	610.31	487.64	82.03	0.85	568.82	41.49	123.43
	Share in Joint Ventures (Refer footnote e)	—	—	—	—	—	—	—	—	16.49	25.43
	Total B	611.07	0.09	0.85	610.31	487.64	82.03	0.85	568.82	57.98	148.86
C.	Capital Work-in-Progress:	—	—	—	—	—	—	—	—	1,241.30	1,110.00
	Share in Joint Ventures	—	—	—	—	—	—	—	—	60.45	49.70
	Total C	—	—	—	—	—	—	—	—	1,301.75	1,159.70
	GRAND TOTAL (A+B+C)	6,939.07	214.63	1,144.39	6,009.31	2,264.31	335.31	224.69	2,374.93	5,381.90	10,109.34

Footnotes:

- Commercial premises includes cost of shares aggregating ₹ 0.04 Lacs (P.Y. ₹ 0.04 Lacs) carrying the occupancy rights in the commercial premises.
- Adjustment in leasehold land and commercial premises is on account of transfer of fixed assets to investment properties.
- Furniture & Fixtures include ₹ 5.61 Lacs (P.Y. Nil) on account of acquisition / consolidation of new subsidiaries.
- Office Equipment include ₹ 1.21 Lacs (P.Y. Nil) on account of acquisition / consolidation of new subsidiaries.
- The Company has transferred its land to inventories, since the construction activity of the project of the Company has started.
- There is no material impact of depreciation provided during the year as per Schedule II to the Companies Act, 2013. Vis-a-vis Schedule XIV to the Companies Act, 1956.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (CONTD.)

NOTE '13'

NON CURRENT INVESTMENTS (UNQUOTED)

(Trade, unless otherwise specified)

A) Investment property (At cost less accumulated depreciation/amortisation)

	31 March, 2015 (₹ in lacs)	31 March, 2014 (₹ in lacs)
Cost of land and building held for lease and capital appreciation	5,049.57	5,421.16
Acquisition/ Adjustment of Investment Property	1,035.95	—
Transfer to opening inventory on account of sale during the year	(687.00)	(371.59)
Adjustment on account of reversal of provision	(82.00)	—
	5,316.52	5,049.57
Accumulated depreciation/amortisation	737.17	645.96
Addition/ Adjustment on account of reclassification of fixed assets	130.31	—
Provided during the year	151.43	198.55
Deduction on account of sale/transfer/adjustment	(44.98)	(107.34)
	973.93	737.17
Share in joint ventures	—	1,232.76
	4,342.59	5,545.16

B) Investment in equity instruments (At cost) (Unquoted)

I. Associate Companies

a)	8,000 Equity Shares of ₹ 10/- each (P.Y. 8,000)		
	Pristine Developers Private Limited	0.80	0.80
	Share of Accumulated Reserves / Profits / (Loss)	1,363.11	1,246.53
	Share of Current Profit / (Loss)	144.16	116.58
		1,508.07	1,363.91
b)	Current Year: Nil (P.Y. Nil)		
	Glamorous Properties Private Limited	—	—
	Share of Accumulated Reserves / Profits / (Loss)	—	2.24
	Share of Current Profit / (Loss)	—	(2.24)
		—	—
c)	Current Year: Nil (P.Y. 24,000 Equity Shares of ₹ 10/- each)		
	Holiac Realty Private Limited	—	2.40
	Share of Accumulated Reserves/Profit/(Loss)	—	(2.40)
	Share of Current Profit / (Loss)	—	—
		—	—
d)	25,000 Equity Shares of ₹ 10/- each (P.Y. 25,000)		
	Whitebud Developers Limited	2.50	2.50
	Share of Accumulated Reserves / Profits / (Loss)	(2.50)	(2.50)
	Share of Current Profit / (Loss)	—	—
		—	—
e)	Current Year: Subsidiary (P.Y. 4,997 Equity Shares of ₹ 10/- each)		
	Citywood Builders Private Limited	—	0.50
	Share of Accumulated Reserves / Profits / (Loss)	—	(0.50)
	Share of Current Profit / (Loss)	—	—
		—	—
		1,508.07	1,363.91

c / f

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (CONTD.)

NOTE '13' (Contd.)

		31 March, 2015 (₹ in lacs)	31 March, 2014 (₹ in lacs)
	b / f	1,508.07	1,363.91
f)	Current Year: Nil (P.Y. 5,000 Equity Shares of ₹ 10/- each) Harbinger Developers Private Limited	0.50	0.50
	Share of Accumulated Reserves/Profit/(Loss)	(0.50)	—
	Share of Current Profit / (Loss)	—	—
		—	0.50
g)	5,000 Equity Shares of ₹ 10/- each (P.Y. Nil) Shubhsiddhi Builders Private Limited	0.50	—
	Share of Accumulated Reserves/Profit/(Loss)	(0.50)	—
	Share of Current Profit / (Loss)	—	—
		—	—
h)	4,350 Equity Shares of ₹ 10 /- each (P.Y. 4,350) Yellowcity Builders Private Limited	0.44	0.44
	Share of Accumulated Reserves / Profits / (Loss)	3.64	3.64
	Share of Current Profit / (Loss)	0.83	—
		4.91	4.08
i)	6,095 Equity Shares of ₹ 10 /- each (P.Y. 6,095) Vinca Developer Private Limited	0.61	0.61
	Share of Accumulated Reserves / Profits / (Loss)	(0.61)	(0.61)
	Share of Current Profit / (Loss)	—	—
	(Includes Goodwill ₹ 159.92 lacs)	—	—
j)	450,000 Equity Shares of ₹ 10 /- each (P.Y. 275,000) Comral Realty Private Limited	45.21	27.71
	Share of Accumulated Reserves / Profits / (Loss)	(16.51)	(8.79)
	Share of Current Profit / (Loss)	(25.88)	(7.73)
		2.82	11.19
		1,515.80	1,379.68
II. Others			
a)	Current Year: Nil (P.Y. 593,770 Equity Shares of ₹ 10/- each) Citygold Investments Private Limited	—	59.38
b)	240 Equity Shares of ₹ 100/- each (P.Y. 240) Citygold Management Services Private Limited	0.24	0.24
c)	37,815 Equity Shares of ₹ 10/- each (P.Y. 37,815) Janakalyan Sahakari Bank Limited	3.78	3.78
d)	766 Class 'A' Equity Shares of ₹ 500/-each (P.Y. 766) Dharni Properties Private Limited	3.83	3.83
e)	6,000 Class 'B' Equity Shares of ₹ 50/- each (P.Y. 6,000) Hogmanay Niharika Buildings Limited	3.00	3.00
f)	150 Equity Shares of ₹ 29/- each (P.Y. 150) Shamrao Vithal Co-operative Bank Limited	0.04	0.04
g)	7,353 (Class 'B') Equity Shares of ₹ 10 each (P.Y. 7,353) Giraffe Developers Private Limited	5,004.79	5,004.79
h)	Current Year: Nil (P.Y. 2 Equity Shares of ₹ 10/- each) Hoary Realty Limited	—	1.12
	c / f	5,015.68	5,076.98

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (CONTD.)

NOTE '13' (Contd.)

	b / f	31 March, 2015 (₹ in lacs)	31 March, 2014 (₹ in lacs)
i) 2,000 Equity Shares of ₹ 10/- each (P.Y. 2,000) Suraksha Realty Limited		5,015.68	5,076.18
j) Current Year: Nil (P.Y. 1,900 Equity Shares of ₹ 10/- each) Forefront Realty Private Limited		0.20	0.20
k) 1 Equity Share of ₹ 100,000/- each (P.Y. 1) E Commerce Magnum Solution Limited		—	0.19
l) 150,000 Equity Shares of ₹ 10/- each (P.Y. 150,000) Asha Multitrade Private Limited		1.00	1.00
m) 270,000 Equity Shares of ₹ 10/- each (P.Y. 270,000) Jineshwar Multitrade Private Limited		1,500.00	1,500.00
		2,700.00	2,700.00
		9,216.88	9,277.57
Total (I+II)		10,732.68	10,657.25
C) Investment in Preference Shares (At Cost) (Unquoted)			
a) 6,671, 21% Cumulative Convertible Preference Shares of ₹ 10/- each (P.Y. 6,671) E Commerce Magnum Solution Limited		6,671.00	6,671.00
b) Current Year: Nil (P.Y. 900,000 21% Cumulative Redeemable Preference Shares of ₹ 10/- each) Holiac Realty Private Limited		—	90.00
c) Current Year: Nil (P.Y. 1,865 3% Cumulative Redeemable Preference Shares of ₹ 10/- each) Hoary Realty Limited		—	0.19
		6,671.00	6,761.19
D) Investment in Debentures (At Cost) (Unquoted)			
a) 31,910,000 9% Optionally Convertible debentures of ₹ 10/- each (P.Y. 31,910,000) Asmeeta Infratech Limited		3,191.00	3,191.00
b) Current Year: Nil (P.Y. 150,000 20% Optionally convertible debentures of ₹ 5,000/- each) Giraffe Developers Private Limited		—	7,500.00
		3,191.00	10,691.00
E) Investment in Mutual Funds (At cost) (Other than Trade) (Quoted)			
Growth Option:			
a) 373,771.464 units of Canara Robeco Dynamic Bond Fund (P.Y. 140,243.216) [NAV ₹ 5,934,968/- (P.Y. ₹ 1,929,059/-)]		53.00	19.00
b) 37,942.441 units of Canara Robeco Medium Term Opportunities Fund - Regular Growth Plan (P.Y. Nil) [NAV ₹ 430,408/- (P.Y. Nil)]		3.99	—
c) 175,550.703 units of ICICI Prudential Short Term Plan - Regular Growth (P.Y. Nil) [NAV ₹ 5,025,929/- (P.Y. Nil)]		50.00	—
		106.99	19.00
F) Capital Investment in Non Controlling Joint Venture (Net)		14.68	13.20
Less: Provision for diminution in the value of investments		1.60	1.60
		13.08	11.60
Total (B+C+D+E+F)		20,714.75	28,140.04
Share in Joint Ventures		2.98	41.07
	Sub-total	20,717.73	28,181.11
	Total	25,060.33	33,726.27
Aggregate amount of quoted investments		106.99	19.00
Aggregate amount of unquoted investments [Net of provision for diminution in the value of investments Current Year: ₹ 1.60 lacs (P.Y. ₹ 1.60 lacs)]		24,953.34	33,707.27

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (CONTD.)

NOTE '14'

DEFERRED TAX ASSETS (NET)

Deferred Tax Liability

Fixed Assets : Impact of difference between depreciation as per the Income Tax Act, 1961 and depreciation / amortisation as per the Companies Act, 2013

Gross deferred tax liability

Deferred Tax Asset

Fixed Assets : Impact of difference between depreciation as per the Income Tax Act, 1961 and depreciation / amortisation as per the Companies Act, 2013

Impact of expenditure charged to the Statement of Profit and Loss in the current year but allowed for tax purposes on payment basis

Provisions for doubtful debts /advances

Gross deferred tax asset

Share in Joint Ventures

31 March, 2015 (₹ in lacs)	31 March, 2014 (₹ in lacs)
(28.16)	(21.59)
(28.16)	(21.59)
0.28	214.63
2,922.30	2,980.00
83.35	306.08
3,005.93	3,500.71
—	—
Total 2,977.77	3,479.12

NOTE '15'

LOANS AND ADVANCES

Capital Advances (Unsecured, considered good)

Advance to land owners

Unsecured, considered good

Doubtful

Less: Provision for doubtful advances

Security deposits:

Unsecured, considered good

Loans and advances (Unsecured, considered good)

- to related parties

- to others

Doubtful

Less: Provision for doubtful advances

Project advances:

- to related parties

- to others

Advances recoverable in cash or kind

(Unsecured, considered good)

- to related parties

- to others

Doubtful

Less: Provision for doubtful advances

c / f

Non Current		Current	
31 March, 2015 (₹ in lacs)	31 March, 2014 (₹ in lacs)	31 March, 2015 (₹ in lacs)	31 March, 2014 (₹ in lacs)
9,931.00	9,931.00	—	—
5,646.18	5,816.78	10,435.56	9,786.56
—	602.00	—	—
—	(602.00)	—	—
5,646.18	5,816.78	10,435.56	9,786.56
66.73	987.54	186.19	29.82
—	—	1,276.59	42,594.52
—	—	15,829.95	16,126.27
—	—	—	—
—	—	—	—
—	—	17,106.54	58,720.79
44,262.81	12,207.56	353.84	—
—	—	938.62	—
—	—	3,800.29	2,223.01
31,502.60	7,400.40	3,652.85	7,047.98
256.89	689.93	—	—
(256.89)	(689.93)	—	—
31,502.60	7,400.40	7,453.14	9,270.99
91,409.32	36,343.28	36,473.89	77,808.16

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (CONTD.)

	31 March, 2015 (₹ in lacs)	31 March, 2014 (₹ in lacs)
NOTE '21'		
REVENUE FROM OPERATIONS		
Sales from Operation:		
Sale of properties / rights in projects (Net) (Refer footnote a)	29,875.10	35,479.04
Gain / (Loss) on cessation / sale / conversion of shares in subsidiaries / joint ventures	2,406.50	(259.87)
Project management services	—	39.01
Share of profit from non-controlling joint venture	(6.06)	(39.76)
	32,275.54	35,218.42
Other Operating Income:		
Lease rentals	344.11	279.46
Income from investments in joint ventures developing real estate projects (Refer footnote b)	677.15	7,208.34
Miscellaneous Income	151.01	217.52
Sale of materials	—	3.47
	1,172.27	7,708.79
	33,447.81	42,927.21
Share in Joint Ventures	10,878.27	4,418.87
Total	44,326.08	47,346.08
Footnotes:		
a. Sale of properties is net of ₹ 20,075.45 lacs on account of reversal of revenue recognised in earlier years.		
b. The above income consists of interest charged to Joint Ventures on account of investments made in the nature of loans and advances.		
NOTE '22'		
OTHER INCOME		
Dividend from current investments	64.60	46.46
Interest:		
- Loans	3,291.49	1,887.69
- Debenture	854.05	1,787.19
- Bank fixed deposits	245.05	231.72
- Others	147.15	87.33
	4,537.74	3,993.93
Surplus on sale / discardment of fixed assets (Net)	8.74	1.57
Surplus on sale of investments	2.27	0.10
Gain on foreign currency fluctuation	3.75	0.24
Provision for doubtful debts written back	685.04	—
Liabilities written back to the extent no longer required	1,534.51	1,402.84
Miscellaneous income	251.19	249.59
	2,485.50	1,654.34
	7,087.84	5,694.73
Share in Joint Ventures	2,377.08	1,643.28
Total	9,464.92	7,338.01

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (CONTD.)

	31 March, 2015 (₹ in lacs)	31 March, 2014 (₹ in lacs)
NOTE '23'		
COSTS OF CONSTRUCTION / DEVELOPMENT		
Construction costs incurred during the year	15,050.80	18,287.48
Add / (Less):		
Transferred to capital work-in-progress during the year	—	(9.37)
	15,050.80	18,278.11
Share in Joint Ventures	5,610.47	15,550.93
Total	20,661.27	33,829.04
NOTE '24'		
CHANGES IN INVENTORIES OF INCOMPLETE PROJECTS, FINISHED PROPERTIES AND FSI		
Opening Inventory :		
Floor space index (FSI)	646.09	1,088.68
Incomplete projects	115,318.85	108,031.25
Finished properties	244.29	—
	116,209.23	109,119.93
Add / (less) :		
Written down value of finished property transferred from investment property sold during the year [Refer note 3 (VI) (C)]	642.01	177.52
Project Expenses written off	(676.98)	—
Reduction of inventory on account of dilution in subsidiary / projects	—	—
Addition to inventory on account of acquisition of subsidiaries / projects	6,540.20	2,618.81
	122,714.46	111,916.26
Closing Inventory :		
Floor space index (FSI)	364.29	646.09
Incomplete projects	135,997.90	115,318.85
Finished properties	244.29	244.29
	136,606.48	116,209.23
	(13,892.02)	(4,292.97)
Share in Joint Ventures	(9,274.44)	(20,710.94)
Total	(23,166.46)	(25,003.91)
NOTE '25'		
EMPLOYEE BENEFITS EXPENSE		
Salaries, bonus, etc.	1,734.76	1,844.47
Contribution to provident and other funds	155.00	34.61
Staff welfare expenses	54.07	72.34
Other fund expenses	6.27	5.41
	1,950.10	1,956.83
Share in Joint Ventures	548.36	503.90
Total	2,498.46	2,460.73

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (CONTD.)

	31 March, 2015 (₹ in lacs)	31 March, 2014 (₹ in lacs)
NOTE '26'		
FINANCE COSTS		
Interest:		
- Debentures	3,958.97	3,415.07
- Fixed loans	26,756.55	23,102.88
- Others	2,549.68	3,091.07
	33,265.20	29,609.02
Other borrowing costs	1,458.04	1,635.22
Delayed payments on taxes and statutory dues	718.00	643.10
	35,441.24	31,887.34
Share in Joint Ventures	4,900.11	3,785.49
Total	40,341.35	35,672.83
NOTE '27'		
DEPRECIATION AND AMORTIZATION		
Depreciation on tangible fixed assets	253.28	322.12
Amortization on intangible assets	82.03	104.87
Depreciation on investment property	151.43	198.55
	486.74	625.54
Share in Joint Ventures	493.10	359.16
Total	979.84	984.70
NOTE '28'		
OTHER EXPENSES		
Insurance	75.46	101.49
Rent	39.86	63.30
Rates and taxes	1,928.48	131.40
Advertisement expenses	511.91	464.48
Advance and other debit balances written off	1,695.56	0.18
Donations	639.73	285.66
Brokerage	350.87	497.98
Corporate Social Responsibility	100.00	—
Directors' fees and travelling expenses	20.58	20.62
Commission to Non-executive directors	22.51	—
Bad debts	—	17.54
Repairs and society maintenance charges	302.32	458.08
Legal and professional fees	514.78	1,054.85
Prospective projects written off	676.98	1.09
Other expenses	1,263.13	1,326.18
Loss on Foreign Currency fluctuation	—	5.43
Loss on sale of current investment	—	3.55
Interest on delayed payments	6.75	3.59
	8,148.92	4,435.42
Share in Joint Ventures	2,696.54	1,553.47
Total	10,845.46	5,988.89

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (CONTD.)

NOTE '29'

PRIOR PERIOD ADJUSTMENTS (NET)

Debits relating to earlier years:

Finance costs

Legal and professional fees

Other expenses

Land cost

Credits relating to earlier years:

Interest

Other expenses

Lease Income

Share in Joint Ventures

	31 March, 2015 (₹ in lacs)	31 March, 2014 (₹ in lacs)
	(196.69)	(2.19)
	(1.48)	(6.98)
	(26.39)	(2.31)
	(166.76)	—
	13.17	15.77
	6.27	0.20
	4.00	2.39
	(367.88)	6.88
	(76.88)	15.07
Total	(444.76)	21.95

NOTE '30'

EARNINGS PER SHARE (EPS)

Net Profit / (Loss) as per Statement of Profit and Loss available for equity shareholders before extraordinary items and tax (₹)

Net Profit / (Loss) as per Statement of Profit and Loss available for equity shareholders after extraordinary items and tax (₹)

Weighted average number of equity shares outstanding during the year (Nos.)

Earnings per equity share (Nominal value per share ₹ 10/- each)

Basic and Diluted before Extraordinary Items (in ₹)

Basic and Diluted after Extraordinary Items (in ₹)

	31 March, 2015 (₹ in lacs) / (Nos.)	31 March, 2014 (₹ in lacs) / (Nos.)
	(276.35)	2,293.37
	73.65	2,293.37
	72,735,871	72,735,871
	(0.38)	3.15
	0.10	3.15

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (CONTD.)

NOTE '31'

RELATED PARTIES DISCLOSURES

A. Names of related parties and description of relationship

I. Associates

- 1 Citywood Builders Private Limited (upto November 29, 2014)
- 2 Comral Realty Private Limited
- 3 Holiac Realty Private Limited (upto April 01, 2014)
- 4 Harbinger Developers Private Limited (upto November 29, 2014)
- 5 Pristine Developers Private Limited
- 6 Shubhsiddhi Builders Private Limited (from November 29, 2014)
- 7 Vinca Developer Private Limited
- 8 Yellowcity Builders Private Limited
- 9 Whitebud Developers Limited

II. Jointly controlled entities

- 1 Hoary Realty Limited
- 2 Hubtown Bus Terminal (Adajan) Private Limited
- 3 Hubtown Bus Terminal (Ahmedabad) Private Limited
- 4 Hubtown Bus Terminal (Mehsana) Private Limited
- 5 Hubtown Bus Terminal (Surat) Private Limited
- 6 Hubtown Bus Terminal (Vadodara) Private Limited
- 7 Joyous Housing Limited (formerly known as Joyous Housing Private Limited)
- 8 Rukshmani Properties Private Limited (From July 1, 2014)
- 9 Rare Townships Private Limited
- 10 Sunstream City Private Limited
- 11 Akruti GM JV
- 12 Akruti Jay Chandan JV
- 13 Akruti Jay Developers
- 14 Akruti Kailash Constructions
- 15 Akruti Realty Forefront Combine
- 16 Akruti Steelfab Corporation
- 17 Akruti SMC JV (upto February 28, 2015)
- 18 Gandhi Adhivitiya Combine (upto August 31, 2014)
- 19 Gulati Estate Joint Venture (Dissolved as on March 31, 2015)
- 20 Hiranandani Akruti JV
- 21 Shreenath Realtors
- 22 Sole Builders (upto November 30, 2014)
- 23 Rising Glory Developers (from January 01, 2015)
- 24 New Township Fintrade JV (from June 01, 2014)
- 25 Town Planning Fintrade JV (from June 01, 2014)
- 26 Hinterland Fintrade JV (from June 01, 2014)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (CONTD.)

NOTE '31' (Contd.)

III. Key Management Personnel

- 1 Mr. Hemant M. Shah, Executive Chairman
- 2 Mr. Vyomesh M. Shah, Managing Director

IV. Relatives of Key Management Personnel

- 1 Mrs. Lata M. Shah, Mother of Executive Chairman and Managing Director
- 2 Mrs. Kunjal H. Shah, Wife of Executive Chairman
- 3 Mrs. Falguni V. Shah, Wife of Managing Director
- 4 Mr. Rushank V. Shah, Son of Managing Director
- 5 Mr. Khilen V. Shah, Son of Managing Director
- 6 Mr. Kushal H. Shah, Son of Executive Chairman
- 7 Mrs. Nutan Dhanki, Sister of Executive Chairman and Managing Director
- 8 Mrs. Hemanti Parekh, Sister of Executive Chairman and Managing Director
- 9 Hemant M. Shah HUF- Karta Executive Chairman
- 10 Vyomesh M. Shah HUF- Karta Managing Director
- 11 Mahipatray V. Shah HUF- Karta Executive Chairman
- 12 Mahipatray V. Shah Discretionary Trust- Trustees Executive Chairman and Managing Director
- 13 Estate of Mahipatray V. Shah – Beneficiaries-Executive Chairman and Managing Director

V. Enterprises where Key Managerial Personnel or their relatives exercise significant influence (Where transactions have taken place)

- 1 Adhivitiya Properties Limited (from August 31, 2014)
- 2 Buildbyte. Com. (India) Private Limited
- 3 Citygold Management Services Private Limited
- 4 Fourjone Realtors Private Limited
- 5 Helik Advisory Limited
- 6 Heeler Hospitality Private Limited (from March 31, 2015)
- 7 Ichha Constructions Private Limited
- 8 Joya Habitat Private Limited
- 9 Lista City Private Limited
- 10 Merrygold Buildcon Private Limited (From March 31, 2015)
- 11 Starzone Developers Private Limited
- 12 Sunmist Builders Private Limited
- 13 Superaction Realty Private Limited
- 14 Trans Gulf MEP Engineers Private Limited
- 15 Vishal Nirman (India) Limited (From March 31, 2015)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (CONTD.)

NOTE '31' (Contd.)

B. Transactions with Related Parties

(₹ in lacs)

Sr. No.	Nature of Transaction	Associate companies	Jointly controlled entities	Key management personnel, their relatives and enterprises \$
i.	Loans and Advances received/ recovered/ adjusted			
	Comral Realty Private Limited	— (3873.03)	— (—)	— (—)
	Citywood Builders Private Limited	— (6,611.98)	— (—)	— (—)
	Sunstream City Private Limited	— (—)	43,916.61 (999.44)	— (—)
	Others	906.79 (1,559.73)	— (3,593.04)	353.84 (14.50)
ii.	Loans and Advances given/ repaid/adjusted (including other payments)			
	Hubtown Bus Terminal (Adajan) Private Limited	— (—)	— (936.09)	— (—)
	Sunstream City Private Limited	— (—)	965.82 (1,557.50)	— (—)
	Akruti SMC JV	— (—)	— (411.53)	— (—)
	Others	37.74 (23.09)	— (—)	62.73 (6.62)
iii.	Business Advances received / recovered / adjusted			
	Hubtown Bus Terminal (Mehsana) Private Limited	— (—)	1,917.85 (1,528.62)	— (—)
	Comral Realty Private Limited	5,471.54 (—)	— (—)	— (—)
	Hoary Realty Limited	— (—)	4,658.74 (—)	— (—)
	Others	7.50 (258.40)	2,084.48 (244.34)	10.00 (—)
iv.	Business Advances given / repaid / adjusted			
	Citywood Builders Private Limited	184.60 (6,775.73)	— (—)	— (—)
	Comral Realty Private Limited	1,550.10 (3,932.31)	— (—)	— (—)
	Holiac Realty Private Limited	— (1,586.22)	— (—)	— (—)
	Hubtown Bus Terminal (Mehsana) Private Limited	— (—)	— (1,528.62)	— (—)
	Sunstream City Private Limited	— (—)	46,933.10 (—)	— (—)
	Others	1,755.02 (—)	8,736.21 (401.60)	375.83 (—)

Footnote:

\$ Enterprises where Key Management Personnel or their relatives exercise significant influence.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (CONTD.)

NOTE '31' (Contd.)

B. Transactions with Related Parties (Contd.)

(₹ in lacs)

Sr. No.	Nature of Transaction	Associate companies	Jointly controlled entities	Key management personnel, their relatives and enterprises \$
v.	Interest received			
	Sunstream City Private Limited	— (—)	— (7,197.26)	— (—)
	Comral Realty Private Limited	607.00 (—)	— (—)	— (—)
	Others	12.71 (151.07)	12.50 (11.08)	30.44 (48.72)
vi.	Interest paid			
	Mahipatray V. Shah Discretionary Trust	— (—)	— (—)	— (8.45)
	Mahipatray V. Shah HUF	— (—)	— (—)	— (10.08)
	Nutan Dhanki	— (—)	— (—)	— (7.70)
	Others	— (—)	— (—)	— (46.15)
vii.	Deposits repaid / pre-matured			
	Hemant M. Shah HUF	— (—)	— (—)	68.92 (—)
	Mahipatray V. Shah HUF	— (—)	— (—)	96.00 (—)
	Mahipatray V. Shah Discretionary Trust	— (—)	— (—)	80.50 (—)
	Nutan Dhanki	— (—)	— (—)	70.00 (—)
	Others	— (—)	— (—)	372.48 (—)
viii.	Directors' Remuneration			
	Hemant M. Shah	— (—)	— (—)	85.98 (80.58)
	Vyomesh M. Shah	— (—)	— (—)	77.31 (72.51)
	Remuneration to Relatives of KMPs			
	Rushank Shah	— (—)	— (—)	27.03 (11.26)
	Khilen Shah	— (—)	— (—)	27.03 (11.26)

Footnote:

\$ Enterprises where Key Management Personnel or their relatives exercise significant influence.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (CONTD.)

NOTE '31' (Contd.)

B. Transactions with Related Parties (Contd.)

(₹ in lacs)

Sr. No.	Nature of Transaction	Associate companies	Jointly controlled entities	Key management personnel, their relatives and enterprises \$
ix.	Investments (Including Debentures) made			
	Akruti Jay Developers	— (—)	688.47 (1,100.83)	— (—)
	Rising Glory Developers	— (—)	437.47 (—)	— (—)
	Shreenath Realtors	— (—)	2.10 (1,095.89)	— (—)
	Sole Builders	— (—)	10.88 (513.22)	— (—)
	Akruti Jay Chandan JV	— (—)	155.31 (116.91)	(—) (—)
	Others	— (90.00)	217.64 (596.54)	— (—)
x.	Investments transferred/ withdrawn			
	Akruti Jay Developers	— (—)	1,729.11 (445.47)	— (—)
	Gulati Estate Joint Venture	— (—)	2,648.03 (1,000.00)	— (—)
	Akruti Jay Chandan JV	— (—)	217.18 (247.86)	— (—)
	Akruti Kailash Constructions	— (—)	397.94 (256.53)	— (—)
	Others	— (0.07)	584.95 (195.11)	— (—)
xi.	Advance against share application adjusted/refunded			
	Harbinger Developers Private Limited	110.45 (—)	— (—)	— (—)
	Shubhsiddhi Builders Private Limited	742.65 (—)	— (—)	— (—)
xii.	Services received/availed			
	Citygold Management Services Private Limited	— (—)	— (—)	564.87 (739.35)
	Others	— (—)	— (—)	1.46 (2.12)
xiii.	Services rendered			
	Akruti Jay Chandan JV	— (—)	— (39.01)	— (—)
xiv.	Sale of Properties / Rights			
	Hoary Realty Limited	— (—)	15,602.60 (—)	— (—)

Footnote:

\$ Enterprises where Key Management Personnel or their relatives exercise significant influence.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (CONTD.)

NOTE '31' (Contd.)

B. Transactions with Related Parties (Contd.)

(₹ in lacs)

Sr. No.	Nature of Transaction	Associate companies	Jointly controlled entities	Key management personnel, their relatives and enterprises \$
xv.	On behalf payments made (Including reimbursement of expenses)			
	Akruti SMC JV	— (—)	48.91 (93.02)	— (—)
	Hubtown Bus Terminal (Ahmedabad) Private Limited	— (—)	185.24 (103.89)	— (—)
	Hubtown Bus Terminal (Adajan) Private Limited	— (—)	74.17 (7.28)	— (—)
	Hubtown Bus Terminal (Mehsana) Private Limited	— (—)	111.15 (29.21)	— (—)
	Hubtown Bus Terminal (Vadodara) Private Limited	— (—)	39.71 (45.87)	— (—)
	Others	10.28 (37.72)	24.04 (49.89)	— (0.50)
xvi.	On behalf payments received/adjusted			
	Primeria JV	— (—)	— (113.17)	— (—)
	Hubtown Bus Terminal (Adajan) Private Limited	— (—)	4.40 (92.23)	— (—)
	Hubtown Bus Terminal (Ahmedabad) Private Limited	— (—)	221.51 (152.05)	— (—)
	Hubtown Bus Terminal (Mehsana) Private Limited	— (—)	— (108.68)	— (—)
	Hubtown Bus Terminal (Vadodara) Private Limited	— (—)	17.34 (64.87)	— (—)
	Comral Realty Private Limited	52.61 (—)	— (—)	— (—)
	Akruti SMC JV	— (—)	147.85 (26.55)	— (—)
	Others	5.13 (—)	62.68 (61.11)	— (—)
xvii.	Advance given towards purchase of flat			
	Fourjone Realtors Private Limited	— (—)	— (—)	— (100.00)
xviii.	Advance refunded towards purchase of flat			
	Fourjone Realtors Private Limited	— (—)	— (—)	— (100.00)
xix.	Share of profit from Partnerships/Joint Ventures			
	Akruti Jay Chandan JV	— (—)	32.90 (17.66)	— (—)

Footnote:

\$ Enterprises where Key Management Personnel or their relatives exercise significant influence.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (CONTD.)

NOTE '31' (Contd.)

B. Transactions with Related Parties (Contd.)

(₹ in lacs)

Sr. No.	Nature of Transaction	Associate companies	Jointly controlled entities	Key management personnel, their relatives and enterprises \$
xx.	Share of loss from Partnerships/Joint Ventures			
	Akruti Realty Forefront Combine	— (—)	0.09 (0.96)	— (—)
	Hiranandani Akruti JV	— (—)	2.33 (110.49)	— (—)
	Akruti Steelfab Corporation	— (—)	0.04 (0.05)	— (—)
	Shreenath Realtors	— (—)	0.10 (0.05)	— (—)
	Sole Builders	— (—)	0.82 (1.19)	— (—)
	Primeria JV	— (—)	— (0.17)	— (—)
	Akruti Kailash Constructions	— (—)	0.99 (2.35)	— (—)
	Gulati Estate JV	— (—)	0.06 (0.03)	— (—)
	Akruti Jay Developers	— (—)	133.67 (187.19)	— (—)
	Akruti GM JV	— (—)	2.11 (1.60)	— (—)
xxi.	Sale of Shares			
	Kunjal H. Shah	— (—)	— (—)	— (50.00)
	Falguni V. Shah	— (—)	— (—)	— (50.00)
xxii.	Cost of Construction			
	Akruti Jay Developers	— (—)	— (200.00)	— (—)
xxiii.	Corporate guarantees given for loan availed by others			
	Hubtown Bus Terminal (Ahmedabad) Private Limited	— (—)	1,661.53 (4,802.74)	— (—)
	Holiac Realty Private Limited	— (168.61)	— (—)	— (—)
	Akruti Jay Chandan JV	— (—)	— (197.60)	— (—)
	Hoary Realty Limited	— (—)	— (7,984.51)	— (—)
	Hubtown Bus Terminal (Vadodara) Private Limited	— (—)	530.50 (—)	— (—)
	Others	— (—)	54.03 (—)	— (—)

Footnote:

\$ Enterprises where Key Management Personnel or their relatives exercise significant influence.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (CONTD.)

NOTE '31' (Contd.)

B. Transactions with Related Parties (Contd.)

(₹ in lacs)

Sr. No.	Nature of Transaction	Associate companies	Jointly controlled entities	Key management personnel, their relatives and enterprises \$
xxiv.	Corporate Guarantees vacated for loans availed by others			
	Pristine Developers Private Limited	2,302.05 (—)	— (—)	— (—)
	Hoary Realty Limited	— (—)	7,984.51 (—)	— (—)
	Others	— (—)	1,322.64 (—)	— (—)
xxv.	Corporate guarantees vacated for on behalf payments			
	Hubtown Bus Terminal (Vadodara) Private Limited	— (—)	— (460.48)	— (—)
	Hubtown Bus Terminal (Mehsana) Private Limited	— (—)	— (1,361.16)	— (—)
	Hubtown Bus Terminal (Ahmedabad) Private Limited	— (—)	— (155.27)	— (—)
xxvi.	Balances outstanding			
	Payable *			
	Vinca Developer Private Limited	— (1,061.00)	— (—)	— (—)
	Falguni V. Shah	— (—)	— (—)	262.32 (66.70)
	Citygold Management Services Private Limited	— (—)	— (—)	1,052.03 (483.60)
	Others	— (—)	— (140.09)	21.83 (679.48)
xxvii.	Receivable *			
	Sunstream City Private Limited	— (—)	46,819.10 (46,654.64)	— (—)
	Citywood Builders Private Limited	— (6,720.74)	— (—)	— (—)
	Others	2,538.29 (7,071.88)	1,614.74 (1,595.68)	8,234.95 (2,645.05)

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, 2015 (CONTD.)

NOTE '31' (Contd.)

B. Transactions with Related Parties (Contd.)

(₹ in lacs)

Sr. No.	Nature of Transaction	Associate companies	Jointly controlled entities	Key management personnel, their relatives and enterprises \$
xxviii.	Corporate guarantees given for loans availed by others (Amount outstanding thereagainst)			
	Pristine Developers Private Limited	2,425.26 (4,727.31)	— (—)	— (—)
	Akruti SMC JV	— (—)	— (1,042.19)	— (—)
	Hubtown Bus Terminal (Adajan) Private Limited	— (—)	2,361.07 (2,307.03)	— (—)
	Hubtown Bus Terminal (Mehsana) Private Limited	— (—)	2,134.54 (2,217.39)	— (—)
	Hubtown Bus Terminal (Vadodara) Private Limited	— (—)	1,745.81 (1,215.31)	— (—)
	Hubtown Bus Terminal (Ahmedabad) Private Limited	— (—)	6,464.27 (4,802.74)	— (—)
	Holiac Realty Private Limited	— (168.61)	— (—)	— (—)
	Akruti Jay Chandan JV	— (—)	— (197.60)	— (—)
	Hoary Realty Limited	— (—)	— (7,984.51)	— (—)
xxix.	Personal Guarantees of Directors			
	Banks	— (—)	— (—)	55,592.10 (65,984.29)
	Debenture Trustees	— (—)	— (—)	9,343.59 (16,810.35)
	Financial Institution	— (—)	— (—)	5,040.63 (20,381.38)
xxx.	Guarantees / Securities by way of shares in the Company pledged against loans availed by the Company	— (—)	— (—)	49,626.78 (50,290.62)

Footnote:

\$ Enterprises where Key Managerial Personnel or their relatives exercise significant influence.

* Including balances relating to transactions entered into when these were not related.

Previous year figures are given in brackets.

Related party relationships are identified by the Company and relied upon by the auditors.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (CONTD.)

NOTE '32'

EFFECT OF ACQUISITION AND DISPOSAL OF SUBSIDIARIES

The effect of acquisition and disposal of subsidiaries on the financial position and results as included in the Consolidated Financial Statements for the year ended 31 March, 2014 are given below:

	31 March, 2015		31 March, 2014	
	Acquisition	Disposal	Acquisition	Disposal
Net Asset	(971.71)	(1,013.67)	—	—
Total Revenue	20.67	460.98	—	—
Loss before tax	(3.29)	448.30	—	—
Loss after tax	(3.85)	429.40	—	—

(₹ in lacs)

NOTE '33'

LEASE RENTAL INCOME IN RESPECT OF PREMISES GIVEN UNDER OPERATING LEASES

Operating lease obligations: The Company had given offices and other facilities under non cancellable operating leases for a period of thirty six months, which were renewable on a periodic basis with escalation ranging between 10% - 15% as per the terms of the agreements.

Lease Rental Receivables:

Not later than one year

Later than one year but not later than five years

Later than five years

31 March, 2015 (₹ in lacs)	31 March, 2014 (₹ in lacs)
130.11	423.26
50.59	621.96
—	170.71
4,652.73	3,219.03
1,101.49	—
42.04	646.27
—	156.22
69,078.19	59,107.85
—	6,323.20
22,785.25	33,278.73
Amount not ascertainable	Amount not ascertainable

NOTE '34'

CONTINGENT LIABILITIES (NOT PROVIDED FOR) :

(A) Claims against the Company not acknowledged as debts on account of :

1) Income tax matters under appeal

2) TDS liability on account of short deduction, short payment and interest thereon as per TRACES

3) Demand notice issued by Brihanmumbai Municipal Corporation for land construction charges (property tax)

4) Development permission from forest department

5) Other Matters

6) Charge created on the assets of Jointly Controlled entity in favour of bankers/financial institution for loan availed by other body corporate.

(B) On account of corporate guarantees issued by the Company to bankers on behalf of other companies and joint ventures for facilities availed by them (amount outstanding thereagainst). (Refer footnote b)

(C) On account of land purchased in four subsidiaries, pending registration and other formalities under different statutes, for which confirmations are pending, with regards to consideration paid for the purchase of land through aggregator.

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 including corporate guarantees issued are identified by the Company and relied upon by the auditors.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015 (CONTD.)

NOTE '35'

The Consolidated Financial Statements present the consolidated accounts of the Company with its Subsidiaries, Joint Ventures and Associates, which incorporate Ackruti Safeguard Systems Private Limited (ASSPL), a subsidiary of the Company whose commercial operations have commenced that are not material. The operations of this subsidiary will fall within a segment, separate from the existing one of Real Estate Development. However, the consolidated segment information would be given once ASSPL operations become material. Further, the group operates within a single geographical segment.

NOTE '36'

M/S. Akruti Kailash Constructions ("the firm") had entered into an agreement and sold FSI to a customer in earlier year. As per clause no. 10(i) (a) of the said agreement, it has been agreed between the parties that the firm will receive the FSI consideration as and when the customer will realise the sale proceeds from sale of units. The Holding Company's share in Trade Receivables (Current & Non Current) outstanding from the customer till date is ₹ 107.92 Crore. (P.Y. ₹ 146.83 Crore). The firm considers the debt to be good and fully recoverable since substantial construction work has been carried out in the project and in its opinion ready stock would fetch good rate and faster realisation of dues.

NOTE '37'

Variation between the Accounting Policies followed by various entities within the group : Depreciation is calculated on Written Down Value method at the rates prescribed by the Income Tax Act, 1961 by entities in the nature of partnership and association of persons (AOP). The proportion of items to which different accounting policy as aforesaid is applied hereunder :

Net Block :

- i) Tangible Assets
- ii) Intangible Assets

31 March, 2015 (₹ in lacs)	31 March, 2014 (₹ in lacs)
203.63	554.44
1.43	0.95

NOTE '38'

Four subsidiaries of the Company have purchased parcels of land in the State of Maharashtra. These lands were purchased in the name of the said subsidiary companies and / or their nominees. The development of the said lands is subject to receipt of permission from the concerned authorities.

NOTE '39'

Loans and advances, other receivables, debtors and creditors are subject to confirmations and are considered payable / realisable, as the case may be.

NOTE '40'

Previous year figures have been regrouped / reclassified wherever necessary, to make them comparable with current year figures in the Financial Statements.

As per our report of even date

For **DALAL DOSHI & ASSOCIATES**
Firm Registration No. 121773W
Chartered Accountants

DINESH DOSHI
PARTNER
Membership No. : F - 9464

Mumbai
Date: 30th May, 2015

For and on behalf of the Board of Directors

HEMANT M. SHAH
EXECUTIVE CHAIRMAN

VYOMESH M. SHAH
MANAGING DIRECTOR

ANIL AHLUWALIA
CHIEF FINANCIAL OFFICER

CHETAN MODY
COMPANY SECRETARY

Mumbai
Date: 30th May, 2015

SCHEDULE - 1

Form – 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 / ASSOCIATE COMPANIES / JOINT VENTURES

PART 'A' – SUBSIDIARIES

(₹ in lac)

Serial No.	PARTICULARS	Name of Subsidiaries								
		ABP Realty Advisors Private Limited	Akruti Safeguard Systems Private Limited	Citywood Builders Private Limited	Citygold Education Research Limited	Citygold Farming Private Limited	Devkrupa Build Tech Limited	Diviniti Projects Private Limited	Gujarat Akruti-TCG Biotech Limited	Halitious Developer Limited
1	Reporting period of the subsidiary concerned, if different from the holding company's reporting period	31.03.2015	31.03.2015	31.03.2015	\$					
2	Reporting currency	INR	INR	INR	INR	INR	INR	INR	INR	INR
3	Share Capital	5	26.76	1	343	259.75	5	5	5	10
4	Reserves and Surplus	(181.8)	(1225.35)	(1185.34)	3308.5	2324.34	(947.71)	485.5	(373.79)	297.27
5	Total Assets (including investments)	1.99	678.42	10618.61	9205.17	16037.95	52.86	506.34	2361.27	470.15
6	Total Liabilities (excluding share capital and reserves)	178.79	1877.01	11802.95	5553.67	13453.86	995.57	15.84	2730.06	162.88
7	Investments	—	32.27	—	2700.16	1500.16	—	0.33	—	0.1
8	Turnover / Total Income	—	151.39	(1262.28)	72.07	27.41	6.46	5.85	0.04	0.37
9	Profit / (Loss) before Taxation	(0.82)	(17.21)	(196.9)	(71.62)	(484.66)	(74.42)	(4.45)	(11.01)	(14.61)
10	Provision for Taxation - (Add) / Less	—	(4.23)	—	—	—	(0.20)	(0.71)	—	—
11	Profit / (Loss) after Taxation	(0.82)	(21.44)	(196.9)	(71.62)	(484.66)	(74.62)	(5.16)	(11.01)	(14.61)
12	Proposed Dividend	—	—	—	—	—	—	—	—	—
13	% of shareholding#	100%	88.27%	75%	2.17 % *	0.38 % *	100%	100%	74%	100%

* There is control of the composition of Board of Directors of these entities by the reporting enterprise – Hubtown Limited.

Based on effective shareholding of Equity and Convertible Preference Shares.

\$ Based on Management Accounts for F.Y. 2014-15.

Form – 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 / ASSOCIATE COMPANIES / JOINT VENTURES
PART 'A' – SUBSIDIARIES

(₹ in lac)

Serial No.	PARTICULARS	Name of Subsidiaries								
		Headland Farming Private Limited	Heddle Knowledge Private Limited	Heet Builders Private Limited	India Development And Construction Venture Capital Private Limited	Joynest Premises Private Limited	Sheshan Housing and Area Development Engineers Limited	Upvan Lake Resorts Private Limited	Urvi Build Tech Limited	Vama Housing Limited
1	Reporting period of the subsidiary concerned, if different from the holding company's reporting period	31.03.2015	31.03.2015	31.03.2015	31.03.2015	31.03.2015	31.03.2015	31.03.2015	31.03.2015	31.03.2015
2	Reporting currency	INR	INR	INR	INR	INR	INR	INR	INR	INR
3	Share Capital	1	1	5	5	10471.94	5	1.2	5	5
4	Reserves and Surplus	157.1	(278.8)	(148.66)	(26.38)	(387.77)	68.42	(29.04)	(1041.71)	(295.41)
5	Total Assets (including investments)	1735.38	7538.25	15426.77	0.45	25109.91	76.26	506.1	366.47	148.14
6	Total Liabilities (excluding share capital and reserves)	1577.28	7816.05	15570.43	21.83	15025.73	2.84	533.94	1403.18	438.55
7	Investments	0.1	0.53	0.1	—	215.89	—	0.1	—	132.32
8	Turnover	15.15	2358.28	1150.39	—	2272.82	0.05	7.88	8.79	—
9	Profit / (Loss) before Taxation	(5.38)	(13.63)	(32.51)	(1.97)	(64.17)	(0.4)	(8.79)	(172.07)	(5.88)
10	Provision for Taxation – (Add) / Less	—	—	—	—	—	—	—	—	(0.98)
11	Profit / (Loss) after Taxation	(5.38)	(13.63)	(32.51)	(1.97)	(64.17)	(0.4)	(8.79)	(172.07)	(6.86)
11	Proposed Dividend	—	—	—	—	—	—	—	—	—
12	% of shareholding#	100%	100%	94.40%	100%	89.38%	100%	75%	100%	100%

Based on effective shareholding of Equity and Convertible Preference Shares.

SCHEDULE - 1
FORM – 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 / ASSOCIATE COMPANIES / JOINT VENTURES
PART 'A' – SUBSIDIARIES

(₹ in lac)

Serial No.	PARTICULARS	Name of Subsidiaries		
		Vega Developers Private Limited	Vishal Techno Commerce Limited	Yantti Buildcon Private Limited
1	Reporting period of the subsidiary concerned, if different from the holding company's reporting period	31.03.2015 \$	31.03.2015	31.03.2015
2	Reporting currency	INR	INR	INR
3	Share Capital	300	5	5
4	Reserves and Surplus	(9.24)	2113.73	(32.73)
5	Total Assets (including investments)	1931.2	5222.79	5620.63
6	Total Liabilities (excluding share capital and reserves)	1640.44	3104.06	5648.36
7	Investments	0.1	35.03	—
8	Turnover	—	4.3	0.46
9	Profit / (Loss) before Taxation	(1.83)	(0.87)	(19.88)
10	Provision for Taxation – (Add) / Less	—	0.05	—
11	Profit / (Loss) after Taxation	(1.83)	(0.82)	(19.88)
11	Proposed Dividend	—	—	—
12	% of shareholding#	100%	100%	100%

\$ Based on Management Accounts for F.Y. 2014-15.

Based on effective shareholding of Equity Shares.

Notes :

- Names of Subsidiaries which are yet to commence operations : Nil
- Names of Subsidiaries which have been liquidated or sold during the year :
(i) Adhivitiya Properties Limited; (ii) Arnav Gruh Limited; (iii) Heeler Hospitality Private Limited;(iv) Merrygold Buildcon Private Limited; and (iv) Vishal Nlrman (India) Limited.

SCHEDULE - 1

Form – 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 / ASSOCIATE COMPANIES / JOINT VENTURES

PART 'B' – ASSOCIATES AND JOINT VENTURES

(₹ in lac)

Serial No.	PARTICULARS	Name of Associates / Joint Ventures								
		Comral Realty Private Limited	Pristine Developers Private Limited	Shubhsiddhi Builders Private Limited	Whitebud Developers Limited	Vinca Developer Private Limited	Yellowcity Builders Private Limited	Hoary Realty Limited	Hubtown Bus Terminal (Adajan) Private Limited	Hubtown Bus Terminal (Ahmedabad) Private Limited
1	Latest Audited Balance Sheet Date	31.03.2015	31.03.2015	31.03.2015	\$ 31.03.2015	31.03.2015	\$ 31.03.2015	\$ 31.03.2015	31.03.2015	\$ 31.03.2015
2	Share of associate / joint venture held by the Company at the year end									
	• Nos.	4,50,000	8,000	5,000	25,000	6,095	4,350	14,745	1,65,463	25,000
	• Amount of Investment in Associates / Joint Ventures	45.21	0.8	0.5	2.5	0.61	0.44	9508.14	1062.49	2133
	• Extent of Holding %	50%	40%	50%	50%	0.05	43.50%	30.63%	47.28%	46.30%
3	Description of how there is significant influence *	See note (1) below								
4	Reason why the associate / joint venture is not consolidated	—	—	—	—	—	—	—	—	—
5	Networth attributable to shareholding as per latest audited balance sheet	(6.59)	1508.06	(0.93)	(29.14)	(2405.72)	4.65	7322.14	736.18	5457.07
6	Profit / (Loss) for the year	(51.76)	360.39	(2.86)	(2.39)	(5214.58)	1.91	(272.21)	(125.97)	(619.66)
	Considered in consolidation	(25.88)	144.16	(1.43)	(1.2)	—	0.83	(107.58)	(56.69)	(278.85)
	Not considered in consolidation	(25.88)	216.23	(1.43)	(1.19)	(5214.58)	1.08	(164.63)	(62.28)	(340.81)

\$ Based on Management Accounts for F.Y. 2014-15.

Note :

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.

SCHEDULE - 1

FORM – 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 / ASSOCIATE COMPANIES / JOINT VENTURES

PART 'B' – ASSOCIATES AND JOINT VENTURES

(₹ in lacs)

Serial No.	PARTICULARS	Name of Associates / Joint Ventures				
		Hubtown Bus Terminal (Mehsana) Private Limited	Hubtown Bus Terminal (Vadodara) Private Limited	Joyous Housing Limited	Rare Townships Private Limited	Sunstream City Private Limited
1	Latest Audited Balance Sheet Date	31.03.2015	31.03.2015	31.03.2015	31.03.2015	31.03.2015
			\$		\$	\$
2	Share of associate / joint venture held by the Company at the year end					
	• Nos.	1,50,000	1,65,275	25,000	32,62,270	1,29,000
	• Amount of Investment in Associates / Joint Venture	634	597.29	25	7445.84	12.9
	• Extent of Holding %	42.86%	47.22%	25%	35.10%	43%
3	Description of how there is significant influence *	See note (1) below				
4	Reason why the associate / joint venture is not consolidated	—	—	—	—	—
5	Networth attributable to shareholding as per latest audited balance sheet	1157.59	386.01	(77.09)	8032.56	(220.84)
6	Profit / (Loss) for the year	(51.54)	(187.10)	(58.65)	(1559.26)	(152.92)
	Considered in consolidation	(23.19)	(84.20)	(14.66)	(623.70)	(65.76)
	Not considered in consolidation	(28.35)	(102.90)	(43.99)	(935.56)	(87.16)

\$ Based on Management Accounts for F.Y. 2014-15.

Notes :

- * 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 :
 - Citywood Builders Private Limited (now subsidiary); (ii) Harbinger Developers Private Limited; and (iii) Holiac Realty Private Limited

For and on behalf of the Board of Directors

HEMANT M. SHAH
EXECUTIVE CHAIRMAN

VYOMESH M. SHAH
MANAGING DIRECTOR

ANIL AHLUWALIA
CHIEF FINANCIAL OFFICER

CHETAN MODY
COMPANY SECRETARY

Mumbai

Date: 30th May, 2015



[CIN : L45200MH1989PLC050688]

Registered Office : Ackruti Center Point, 6th floor, Central Road, Marol MIDC,
Andheri (East), Mumbai 400093, Phone: + 91 22 67037400; Fax: + 91 22 67037403;
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.

Please note that as a member of the Company, you will be entitled to receive all such communication in physical form, upon request.

With kind regards,

Chetan S. Mody
Company Secretary

Name of the Shareholder (s) (In Block Letters) including Joint holders, if any	

Folio No.	
DP ID No.	
Client ID No.	

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.

E- mail - Id	
---------------------	--

Signature of the First Shareholder	
---	--

Date : _____, 2015

Important Notes :

1. The above e-mail address will be registered, subject to verification of your signature with the specimen signature registered with the Company.
2. On registration, all communication will be sent to the e-mail id registered in the Folio No./DP ID and Client ID.
3. This Form has been uploaded on the website of the Company : www.hubtown.co.in

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To:

Link Intime India Private Limited
Unit : Hubtown Limited
C-13, Pannalal Silk Mills Compound,
L. B. S. Marg, Bhandup (West),
Mumbai - 400 078

MANDATE FORM ELECTRONIC CLEARING SERVICE (ECS)

Name of the Sole / First Shareholder (in block letters)	
Folio No.	
No. of Shares held	
Name of the Bank and branch address	
Name of the Account and Account No. (as appearing on your cheque book)	
Ledger Folio No. (as appearing on your cheque book)	
9-Digit Code No. of the bank and branch as appearing on the MICR cheque issued by the bank	(please attach a copy of a blank cancelled cheque for verification)

I hereby declare that the particulars given above are correct and complete. If the transaction is delayed or not effected at all for reasons of incomplete or incorrect information, I will not hold the Company responsible. I agree to discharge my responsibility as participant under the Scheme. I shall not hold the Bank responsible if the ECS could not be implemented or the Bank discontinued the ECS for any reason.

Date: _____

Signature of the Sole / First Shareholder

Name: _____

Address: _____

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(CIN : L45200MH1989PLC050688)

Registered Office : Ackruti Center Point, 6th floor, Central Road, Marol MIDC, Andheri (East), Mumbai 400 093

Phone: + 91 22 67037400; Fax: + 91 22 67037403;

E-mail : investorcell@hubtown.com; Website : www.hubtown.co.in

PROXY FORM

[Pursuant to Section 105 (6) of the Companies Act, 2013

and

Rule 19 (3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s):	
Registered Address:	
E-mail ID :	
Folio / DP ID and Client ID :	

I/We, being the members of _____ shares of the above named Company, hereby appoint :

1.	Name	Address
	E-mail ID	Signature or failing him/her;
2.	Name	Address
	E-mail ID	Signature or failing him/her;
3.	Name	Address
	E-mail ID	Signature

as my/our Proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **TWENTY SEVENTH ANNUAL GENERAL MEETING** of the Company to be held on **TUESDAY, SEPTEMBER 29, 2015 at 9.30 a.m.** at 'Walchand Hirachand Hall', 4th floor, Indian Merchants' Chamber Building, Indian Merchant Chamber Marg, Churchgate, Mumbai 400 020 and at any adjournment thereof in respect of such resolutions and in such manner as indicated on the **reverse:**

P.T.O.

Resolution No.	Particulars of Resolution	Vote (Optional Note 3)	
		For	Against
Ordinary Business			
1.	Adoption of the Audited Financial Statements for the year ended March 31, 2015 together with the reports of the Board of Directors and Auditors thereon.		
2.	Reappointment of Mrs. Priti K. Shah as a Director retiring by rotation.		
3.	Ratification of the appointment of M/s. Dalal Doshi & Associates, Chartered Accountants as Statutory Auditors of the Company and to fix their remuneration.		
Special Business			
4.	Modification of the remuneration payable to the Executive Chairman.		
5.	Modification of the remuneration payable to the Managing Director.		
6.	Payment of Commission to Non-Wholetime Directors of the Company.		
7.	Ratification of remuneration payable to the Cost Auditor.		
8.	Approval of transactions with related parties under Section 188 of the Companies Act, 2013 and Clause 49 of Equity Listing Agreement.		
9.	Authority to the Board of Directors to make offer(s) or invitation for subscription to Non-convertible Debentures on private placement basis.		

Signed this _____ day of _____ 2015.

Signature of Member _____

Affix Re. 1/-
Revenue
Stamp

Signature of Proxy holder _____

- N.B. :**
1. This form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
 2. The Company reserves its right to ask for identification of the proxy.
 3. It is optional to put an (X) in the appropriate column against the resolutions indicated in the box. If you leave the 'For' or 'Against' column blank against any or all resolutions, your Proxy will be entitled to vote in the manner as he/she may deem appropriate.
 4. For the resolutions and explanatory statement, please refer the Notice of the 27th Annual General Meeting.



CIN : L45200MH1989PLC050688

Registered Office : Ackruti Center Point, 6th floor, Central Road, Marol MIDC, Andheri (East), Mumbai 400093
Phone: + 91 22 67037400; Fax: + 91 22 67037403; E-mail : investorcell@hubtown.co.in ; Website : www.hubtown.co.in

TWENTY SEVENTH ANNUAL GENERAL MEETING – TUESDAY, SEPTEMBER 29, 2015

BALLOT FORM

[To be returned to the Scrutinizer appointed by the Company]

Name(s) of Member(s) including Joint-holders, if any	
Registered Address of the Sole/First named member	
Registered Folio No. / DP ID No. * / Client ID No.* (*- applicable to investors holding shares in demat form)	
No. of shares held	

I / We hereby exercise my / our vote in respect of the following resolutions to be passed at the Twenty Seventh Annual General Meeting (AGM) of the Company to be held on **Tuesday, September 29, 2015 at 9.30 a.m.** in respect of businesses as stated in the Notice dated May 30, 2015, by conveying my/our assent or dissent to the said resolutions by placing the tick (√) mark in the appropriate boxes given below :

Sr. No.	Item No.	No. of shares held	I/We assent to the resolution [FOR]	I/We dissent to the resolution [AGAINST]
1.	Adoption of the Audited Financial Statements for the year ended March 31, 2015 together with the reports of the Board of Directors and Auditors thereon.			
2.	Reappointment of Mrs. Priti K. Shah as a Director retiring by rotation.			
3.	Ratification of the appointment of M/s. Dalal Doshi & Associates, Chartered Accountants as Statutory Auditors of the Company for the financial year ending March 31, 2016 and to fix their remuneration.			
4.	Modification of the remuneration payable to the Executive Chairman.			
5.	Modification of the remuneration payable to the Managing Director.			
6.	Payment of commission to Non-Wholetime Directors of the Company.			
7.	Ratification of the remuneration payable to the Cost Auditor.			
8.	Approval of transactions with related parties under Section 188 of the Companies Act, 2013 and Clause 49 of the Equity Listing Agreement.			
9.	Authority to the Board of Directors to make offer(s) or invitation for subscription to Non-convertible Debentures on private placement basis.			

Place : _____

Signature of the Member / Beneficial Owner

Date: _____

Note : Please read the instructions printed overleaf carefully before exercising your vote.

P. T. O.

INSTRUCTIONS

1. The Ballot Form is provided for the benefit of the members who do not have access to e-voting facility.
2. A member can opt for only one mode of voting i.e. either through e-voting or by ballot or by physically voting at the AGM. If a member casts multiple votes, then voting done through e-voting shall be considered valid. In case a member casts votes by ballot and also physically votes at the AGM, then the votes cast by ballot shall be considered valid.
3. The Scrutinizer will collate the votes downloaded from the e-voting system, the votes cast by ballot and the votes cast on poll at the AGM to declare the final result for each of the resolutions forming part of the Notice of the AGM.
4. Please complete and sign the Ballot Form and send it so as to reach the Scrutinizer Mr. Ashish Bhatt, practising company secretary (Membership No. : FCS 4650; CP No. 2956] on or before Monday, September 28, 2015 [5.00 p.m. IST]. No other form or photocopy thereof is permitted.
5. Ballot Forms received after September 28, 2015 shall be strictly treated as if the reply from the members has not been received.
6. The Ballot Form should be signed by the member as per the specimen signature registered with the Company/Depositories. In case of jointholding, the Form should be completed and signed by the first named member and in his/her absence, by the next named jointholder. A Power of Attorney holder (POA) may vote on behalf of a member, mentioning the registration no. of the POA registered with the Company or enclosing an attested copy of the POA. Exercise of votes by Ballots not permitted through proxy.
7. In case the shares are held by companies, trusts, etc., the duly completed Ballot Form should be accompanied by a certified copy of the relevant Board Resolution / Authorization.
8. Votes should be cast in case of each resolution, either in favour or against by putting the tick (√) mark in the appropriate column provided in the Ballot Form.
9. The voting rights of the shareholders shall be in proportion of the share held by them in the paid-up equity share capital of the Company as on May 30, 2015 and as per the Register of Members of the Company.
10. A member may request for a duplicate Ballot Form, if so required. However, duly filled in and signed duplicate Ballot Form should reach the Scrutinizer not later than the date and time specified in serial no. 4 above.
11. Unsigned, incomplete, improperly or incorrectly tick marked Ballot Forms shall be rejected. A Form will also be rejected if it is received torn, defaced or mutilated to an extent which make it difficult for the Scrutinizer to identify either the member or as to whether the votes are cast in favour of or against or if the signature cannot be verified.
12. The decision of the Scrutinizer on the validity of a Ballot Form shall be final and binding.



Regd. Office: Ackruti Center Point, 6th Floor, Central Road,
Marol MIDC, Andheri (E), Mumbai 400093. INDIA

Tel. : +91-22-6703 7400 • Fax : +91-22-6683 0602

www.hubtown.co.in