HUBTOWN

ANNUAL REPORT

2017-2018



HUBTOWN

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HUBTOWN

Corporate Information

BOARD OF DIRECTORS

HEMANT M. SHAH, Executive Chairman
ABHIJIT DATTA
SUNIL C. SHAH
PRITI K. SHAH
SHAILESH HINGARH (from March 22, 2018)
SHIRISH GAJENDRAGADKAR (upto September 12, 2017)
VYOMESH M. SHAH (VIMAL M. SHAH), Managing Director

COMMITTEES OF THE BOARD

AUDIT AND COMPLIANCE COMMITTEE
ABHIJIT DATTA, Chairman
SUNIL C. SHAH
SHAILESH HINGARH (from March 22, 2018)
SHIRISH GAJENDRAGADKAR (upto September 12, 2017)
VYOMESH M. SHAH

NOMINATION AND REMUNERATION COMMITTEE
ABHIJIT DATTA, Chairman
SUNIL C. SHAH
PRITI SHAH (from November 12, 2017)
SHIRISH GAJENDRAGADKAR (upto September 12, 2017)
HEMANT M. SHAH

STAKEHOLDERS' RELATIONSHIP COMMITTEE
SUNIL C. SHAH, Chairman
SHAILESH HINGARH (from March 22, 2018)
SHIRISH GAJENDRAGADKAR (upto September 12, 2017)
PRITI K. SHAH

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE
HEMANT M. SHAH, Chairman
SUNIL C. SHAH
VYOMESH M. SHAH

RISK MANAGEMENT COMMITTEE
ABHIJIT DATTA, Chairman
SHIRISH GAJENDRAGADKAR (upto September 12, 2017)
HEMANT M. SHAH
VYOMESH M. SHAH

CHIEF FINANCIAL OFFICER
NANCY PEREIRA

COMPANY SECRETARY
CHETAN S. MODY

STATUTORY AUDITORS
DALAL DOSHI & ASSOCIATES, Chartered Accountants (upto October 30, 2017)
M. H. DALAL & ASSOCIATES, Chartered Accountants (from October 30, 2017)

COST AUDITOR
D. C. DAVE & CO., Cost Accountants

INTERNAL AUDITOR
MAHAJAN & AIBARA, Chartered Accountants

SECRETARIAL AUDITOR
ASHISH BHATT & ASSOCIATES, Company Secretaries

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

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

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

30th ANNUAL GENERAL MEETING
THURSDAY, SEPTEMBER 27, 2018 AT 10.00 A.M.
'WALCHAND HIRACHAND HALL', 4TH FLOOR
CHURCHGATE, MUMBAI 400 020

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

HUBTOWN
[CIN : L45200MH1989PLC050688]
Registered Office : Plaza Panchsheel, 'A' Wing, 5th floor, Hughes Road, Behind Dharam Palace, Grant Road (West), Mumbai 400007
Phone: + 91 22 66040800; Fax: + 91 22 66040812; E-mail : investorcell@hubtown.co.in ; Website : www.hubtown.co.in

HUBTOWN LIMITED

NOTICE OF 30TH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE THIRTIETH ANNUAL GENERAL MEETING OF THE MEMBERS OF HUBTOWN LIMITED WILL BE HELD ON THURSDAY, SEPTEMBER 27, 2018 AT 10.00 A.M. AT WALCHAND HIRACHAND HALL, 4TH FLOOR, INDIAN MERCHANTS' CHAMBER BUILDING, INDIAN MERCHANTS CHAMBER MARG, CHURCHGATE, MUMBAI 400020 TO TRANSACT THE FOLLOWING BUSINESS :

ORDINARY BUSINESS :

1. To receive, consider and adopt :

   (a) the Audited Financial Statements of the Company for the financial year ended March 31, 2018 and the Reports of the Board of Directors and the Auditors thereon.

   (b) the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2018 and the Reports of the Board of Directors and the Auditors thereon.

2. To appoint a Director in place of Mr. Vyomesh M. Shah (DIN : 00009596), who retires by rotation and being eligible, offers himself for reappointment.

SPECIAL BUSINESS :

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

As an Ordinary Resolution :

3. **APPOINTMENT OF MR. SHAILESH HINGARH AS AN INDEPENDENT DIRECTOR**

   "RESOLVED THAT in accordance with the provisions of Section 152 and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Shailesh Hingarh (DIN:00166916),who was appointed by the Board of Directors pursuant to the provisions of Section 161 of the Act and the Articles of Association of the Company as an Additional Director of the Company in the category of Non-Executive Independent Director with effect from March 22, 2018 and who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member alongwith the deposit of the requisite amount under Section 160 of the Act proposing his candidature for the office of a Director of the Company, be and is hereby appointed as a Director of the Company;

   RESOLVED FURTHER THAT pursuant to the provisions of Sections 149,150, 152 and other applicable provisions, if any, of the Companies Act, 2013 "the Act") and the Rules made thereunder, (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the said Act and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Shailesh Hingarh (DIN:00166916), a Director of the Company who has submitted a declaration that he meets the criteria of independence as prescribed under Section 149 (6) of the Act, be appointed as a Non-Executive Independent Director of the Company, not liable to retire by rotation for a term of 5 (five) consecutive years with effect from March 22, 2018."

As an Ordinary Resolution :

4. **PAYMENT OF COMMISSION TO NON-EXECUTIVE DIRECTORS**

   "RESOLVED THAT pursuant to the provisions of Sections 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V to the said Act and the Companies (Appointment and Remuneration of Managerial Remuneration) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and Regulation 17 (6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, consent of the Company be and is hereby accorded to the payment and distribution of a sum not exceeding 1 % of the net profit of the Company calculated in accordance with the provisions of Section 198 of the Act, subject to a maximum amount of Rs.40,00,000/- (Rupees Forty Lakh) per financial year for three financial years commencing from 2018-2019 to 2020-2021, by way of commission to the Non-Executive Directors of the Company in such proportion as may be decided by the Board of Directors from time to time."

As an Ordinary Resolution :

5. **RATIFICATION OF REMUNERATION PAYABLE TO THE COST AUDITOR OF THE COMPANY FOR THE FINANCIAL YEAR 2018-2019**

   "RESOLVED THAT pursuant to the provisions of Section 148 (3) and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the members hereby ratify and approve the payment of remuneration of ₹ 5,00,000/- (Rupees Five Lakh) plus applicable taxes and out-of-pocket expenses actually incurred during the course of audit to Messrs D. C. Dave & Co., Cost Accountants (Firm Registration No. 000611) appointed as Cost Auditor by the Board of Directors to conduct the audit of the cost records of the Company for the financial year 2018-2019;

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

Notice (Contd.)

As a Special Resolution :

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

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

RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolution, the Board be and is hereby 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 29, 2018

Notes :

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (AGM) IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. The Proxy Form, in order to be valid and effective, should be duly completed and signed and be lodged with the Company at its registered office not less than forty-eight hours before the scheduled commencement of the AGM.
3. A Proxy shall not have a right to speak at the AGM and shall not be entitled to vote except on a poll.
4. A person can act as a proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. If a proxy is appointed for more than fifty (50) members, the proxy shall choose any fifty members and confirm the same to the Company not later than 48 hours before the commencement of the meeting. In case, the proxy fails to do so, the first fifty proxies received by the Company shall be considered as valid.
5. A member holding more than ten percent of the total share capital of the Company may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
6. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.
7. Corporate members intending to send their authorised representatives to attend the Annual General Meeting are requested to send a duly certified copy of their Board Resolution authorizing their representatives to attend and vote on their behalf at the AGM.
8. The Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013, setting out all material facts relating to special business at Item Nos. 3 to 6 of this Notice is annexed herewith and should be taken as part of this Notice.
9. Members/Proxies/Representatives should bring the enclosed duly filled Attendance Slip, for attending the Meeting. Copies of the Annual Report or the Attendance Slip will not be distributed at the AGM.
10. The Register of Beneficial Owners, Register of Members and Share Transfer Books of the Company shall remain closed from Friday, September 21, 2018 to Thursday, September 27, 2018 (both days inclusive) in connection with the AGM.
11. Members having any questions on the Annual Report are requested to send their queries atleast ten days before the AGM, which will enable the Company to furnish the replies at the AGM.

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. The members of the Company had approved the appointment of M/s. M. H. Dalal & Associates, Chartered Accountants (Firm Registration No. : 112449W) as the Statutory Auditors of the Company at the Twenty Ninth AGM of the Company which is valid till the Thirty Fourth AGM of the Company. In accordance with the provisions of the Companies (Amendment) Act, 2017 notified on May 7, 2018 by the Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every AGM.

14. In accordance with the provisions of Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the SEBI Listing Regulations) and the provisions of the Secretarial Standard (SS-2) on General Meetings, brief profile of the Directors seeking reappointment in the ensuing AGM are provided in the Annexure to this Notice.

15. The Notice of the 30th AGM and the Annual Report of the Company for the year 2017-2018 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.

16. 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.

17. Pursuant to the provisions of Section 124 (5) of the Companies Act, 2013, the dividend which remains unclaimed/unpaid for a period of seven years from the date of transfer to the Unpaid Dividend Account is mandatorily required to be transferred by the Company to the credit of 'Investor Education and Protection Fund' (IEPF) established by the Central Government under sub-section (1) of Section 125 of the said Act. In accordance with the above provisions, the unclaimed dividend that are due for transfer to IEPF are as under :

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

    The IEPF Rules mandate the companies to transfer such shares of members of whom dividends remain unpaid/unclaimed for a period of seven consecutive years to the demat account of the IEPF authority. Hence, the Company urges all the members to encash / claim their respective dividend during the prescribed period. The Company has uploaded the information in respect of the Unclaimed Dividends for the aforesaid financial years on the Company's website at www.hubtown.co.in and the website of IEPF at www.iepf.gov.in.

18. 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 under the section 'Investors', sub-section 'Investor Services'.

19. Electronic copy of the Notice of the 30th AGM of the Company inter-alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to the members whose e-mail IDs are registered with the Company / Depository Participants for communication purposes unless any member has requested for a physical copy of the same. For members who have not registered their e-mail address, physical copies of the Notice of the 30th AGM of the Company inter-alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode. Members who desire to receive documents/communication in electronic mode are requested to register their e-mail address with Registrar and Transfer Agent of the Company by filling up the 'e-communication Registration Form' printed at the end of this Annual Report.

    Members holding shares in electronic form are requested to register their e-mail address with their respective Depository Participant. Even after registering for e-communication, members are entitled to receive annual reports and other communication in physical form, upon making a request for the same.

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.

21. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.

Notice (Contd.)

22. a. Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014 ('the Rules') and Regulation 44 of the SEBI Listing Regulations, the aforesaid businesses may also be transacted through electronic voting system and accordingly, the Company is pleased to provide remote e-voting facility (e-voting from a place other than venue of the AGM) to all its shareholders in addition to voting in person in the AGM;

    b. The facility for voting through polling paper shall also be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting or by ballot shall be able to vote at the AGM; and

    c. The members who have already cast their vote by remote e-voting or by ballot prior to the AGM may also attend the AGM, but shall not be entitled to cast their vote again.

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 remote e-voting are annexed to this Notice.

24. The members can opt for only one mode of voting i.e. either by Ballot or remote e-voting. In case, members cast their votes through both the modes, voting done by Ballot shall be considered valid and the votes cast through remote e-voting shall be considered as invalid.

25. The voting rights of the members shall be in proportion to their share in the paid-up equity share capital of the Company as on Thursday, September 20, 2018 i.e. the date prior to the commencement of book closure, being the cut-off date.

26. Pursuant to Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and the SEBI Listing Regulations, the Company, in order to enable its members, who do not have access to remote e-voting facility, to send their assent or dissent in writing in respect of the resolutions as set out in this Notice, is enclosing a Ballot Form along with the Annual Report.

27. A member desiring to exercise voting by using the Ballot Form shall complete the enclosed Ballot form with assent (FOR) and dissent (AGAINST) and send it to the Scrutinizer, Mr. Ashish Bhatt, Practicing Company Secretary, duly appointed by the Board of Directors of the Company, in the enclosed postage pre-paid self-addressed envelope. Ballot Form deposited in person or sent by post or courier at the expense of the member will also be accepted at the Registered Office of the Company.

28. Please convey your assent in Column 'FOR' and dissent in column 'AGAINST' by placing a tick (√) mark in the appropriate column in the Ballot Form only. The assent / dissent received in any other form /manner will not be considered.

29. The duly completed and signed Ballot Forms should reach the Scrutinizer on or before Wednesday, September 26, 2018 (5.00 p.m. IST). The Ballot Forms received after the said date/time shall be strictly treated as if the reply from the member has not been received.

30. Unsigned / incomplete Ballot Forms will be rejected. The Scrutinizer's decision on validity of the Ballot Form shall be final.

31. A member may request for a duplicate Ballot Form, if so required by writing to the Company at its Registered Office or by sending an e-mail to investorcell@hubtown.co.in by mentioning their Folio No./DP ID and Client ID. However, the duplicate Ballot Form should reach the Scrutinizer not later than Wednesday, September 26, 2018 (5.00 p.m. IST).

32. Any person who acquires shares of the Company and becomes a member of the Company after the dispatch of this Notice and holds shares as of the cut-off date i.e. Thursday, September 20, 2018, may obtain login ID and password by sending a request to helpdesk.evoting@cdslindia.com by mentioning his/her Folio No./ DP ID and Client ID. However, if a member is already registered with CDSL for e-voting, then such member can use his / her / its existing user ID and password for casting his / her / its vote.

33. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection without any fee at the Registered Office of the Company during working hours on all working days except Saturdays, upto and including the date of the AGM of the Company.

INSTRUCTIONS FOR E-VOTING

The instructions for shareholders voting electronically are as under:

i. The voting period begins at 9.00 a.m. on Monday, September 24, 2018 and ends at 5.00 p.m. on Wednesday, September 26, 2018. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Thursday, September 20, 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

ii. The shareholders should log on to the e-voting website www.evotingindia.com.

iii. Click on Shareholders / Members.

iv. Now enter your User ID

    a. For CDSL: 16 digits beneficiary ID,

    b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

    c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

v. Next enter the Image Verification as displayed and Click on Login.

vi. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

Notice (Contd.)

vii. If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
	• Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.
	For Members holding shares in Demat Form and Physical Form
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login.
	• If both the details are not recorded with the depository or the Company please enter the member ID / folio no. in the Dividend Bank details field as mentioned in instruction (iv).

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

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

x. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

xi. Click on the EVSN of <HUBTOWN LIMITED> on which you choose to vote.

xii. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

xiii. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

xiv. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

xv. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

xvi. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

xvii. If a demat account holder has forgotten the 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.

xviii. Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

xix. Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com 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 a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com 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.

Annexure to the Notice

EXPLANATORY STATEMENT IN RESPECT OF SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 ('the Act').

As required by Section 102 of the Companies Act, 2013 (the Act), the following explanatory statement sets out all material facts relating to the business mentioned under Item Nos. 3 to 6 of the accompanying Notice.

Item No. 3

The Board of Directors in its meeting held on March 22, 2018 has appointed Mr. Shailesh Hingarh as an Additional Director of the Company in the category of Non-Executive Independent Director with effect from March 22, 2018. Mr. Hingarh holds office upto the date of this Annual General Meeting in terms of Section 161 of the Act and in respect of whom the Company has received a notice in writing from a member alongwith the requisite deposit, proposing the candidature of Mr. Shailesh Hingarh as a candidate for the office of Director of the Company.

Pursuant to Sections 149 and 152 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014, it is proposed that Mr. Shailesh Hingarh who meets the criteria of independence as provided in Section 149 (6) of the Act, be appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a term of 5 (five) consecutive years commencing from March 22, 2018.

Mr. Shailesh Hingarh, is not disqualified from being re-appointed as Director by virtue of the provisions of Section 164 of the Act.

In the opinion of the Board, Mr. Shailesh Hingarh fulfills the conditions specified in the Act and the Rules made thereunder for his appointment as an Independent Director of the Company and is independent of the management of the Company. Having regard to the qualification, knowledge and experience, his appointment for the first term of five consecutive years as Independent Director will be in the interest of the Company. A copy of the draft letter of appointment for Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday and Sunday.

Brief resume of Mr. Shailesh Hingarh, nature of his expertise in specific functional areas, names of companies in which he holds directorships and memberships/chairmanships of Committee of the Board, etc. as stipulated under Regulation 36 (3) of the SEBI Listing Regulations and Secretarial Standards – SS 2 on General Meetings are provided in the Annexure – I to this Notice. Mr. Shailesh Hingarh is not related to any Director or Key Managerial Personnel of the Company.

The Directors recommend the resolution at Item No. 3 of the accompanying Notice for approval of the members.

Except for Mr. Shailesh Hingarh being the appointee, no other Directors and Key Managerial Personnel and their relatives are concerned or interested, financially or otherwise, in the aforesaid resolution.

Item No. 4

At the 27th Annual General Meeting of the Company held on September 29, 2017, the members had approved of the payment of commission to Non Executive Directors of the Company not exceeding one percent per annum of the net profits of the Company, subject to a ceiling limit of ₹ 40,00,000/- (Rupees Forty Lakh) per annum for a period of 3 (three) years commencing from April 1, 2015 to March 31, 2018. It is proposed to continue with the payment of commission to Non Executive Directors of the Company. Accordingly, it is proposed that in terms of Section 197 of the Act, the Directors (apart from the Executive Chairman and the Managing Director) be paid, for each of the 3 (three) consecutive financial years commencing April 1, 2018 to March 31, 2021, remuneration not exceeding one percent per annum of the net profits of the Company, subject to a ceiling limit of ₹ 40,00,000/- (Rupees Forty Lakh) per annum, computed in accordance with the provisions of the Act. This remuneration will be distributed amongst the Non Executive Directors in accordance with the directions given by the Board.

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

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

All the Directors of the Company except the Executive Chairman and the Managing Director, and their relatives to the extent of their shareholding interest, if any, in the Company may be deemed to be concerned or interested in the resolution set out at Item No. 4 of the accompanying Notice to the extent of the remuneration that may be received by them.

Item No. 5

The Board of Directors of the Company in its meeting held on May 29, 2018, on the recommendation of the Audit and Compliance Committee, and subject to the approval of the members on the remuneration to be paid to the Cost Auditor, approved the appointment of Messrs D. C. Dave & Co., Cost Accountants (Firm Registration No. 000611) as the Cost Auditor to conduct the audit of the cost records of the Company for the Financial Year ending March 31, 2019.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor requires to be ratified by the members of the Company. Accordingly, ratification of the members is sought, as referred to in the resolution at Item No. 5 of the accompanying Notice, for the payment of the remuneration amounting to ₹ 5,00,000/- (Rupees Five Lakh) for cost audit plus applicable taxes and out-of-pocket expenses to the Cost Auditor for the Financial Year ending March 31, 2019.

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

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

Annexure to the Notice (Contd.)

Item No. 6

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

Keeping in view the aforesaid legal provisions, the members of the Company had at the 29th Annual General Meeting of the Company held on October 30, 2017, authorised the Board of Directors of the Company to offer or invite subscription for non-convertible debentures, in one or more series / tranches, aggregating upto ₹ 5,000/- crore on private placement basis. The members may note that the Company has not made any private placement of non-convertible debentures pursuant to the said authorization during the Financial Year ended March 31, 2018.

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

Accordingly, the consent of the members is sought for passing the special resolution as set out at Item No. 6 of the accompanying Notice. This resolution is an enabling resolution authorizing the Board of Directors of the Company to offer or invite for subscription to non-convertible debentures on a private placement basis, as may be required by the Company, from time to time upto an aggregate amount not exceeding ₹ 5,000/- crore for a period of one year from the date of passing of this resolution.

The Directors recommend the special resolution at Item No. 6 of the accompanying Notice for approval of the members.

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

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

Chetan S. Mody
Company Secretary
FCS - 2196

Mumbai
May 29, 2018

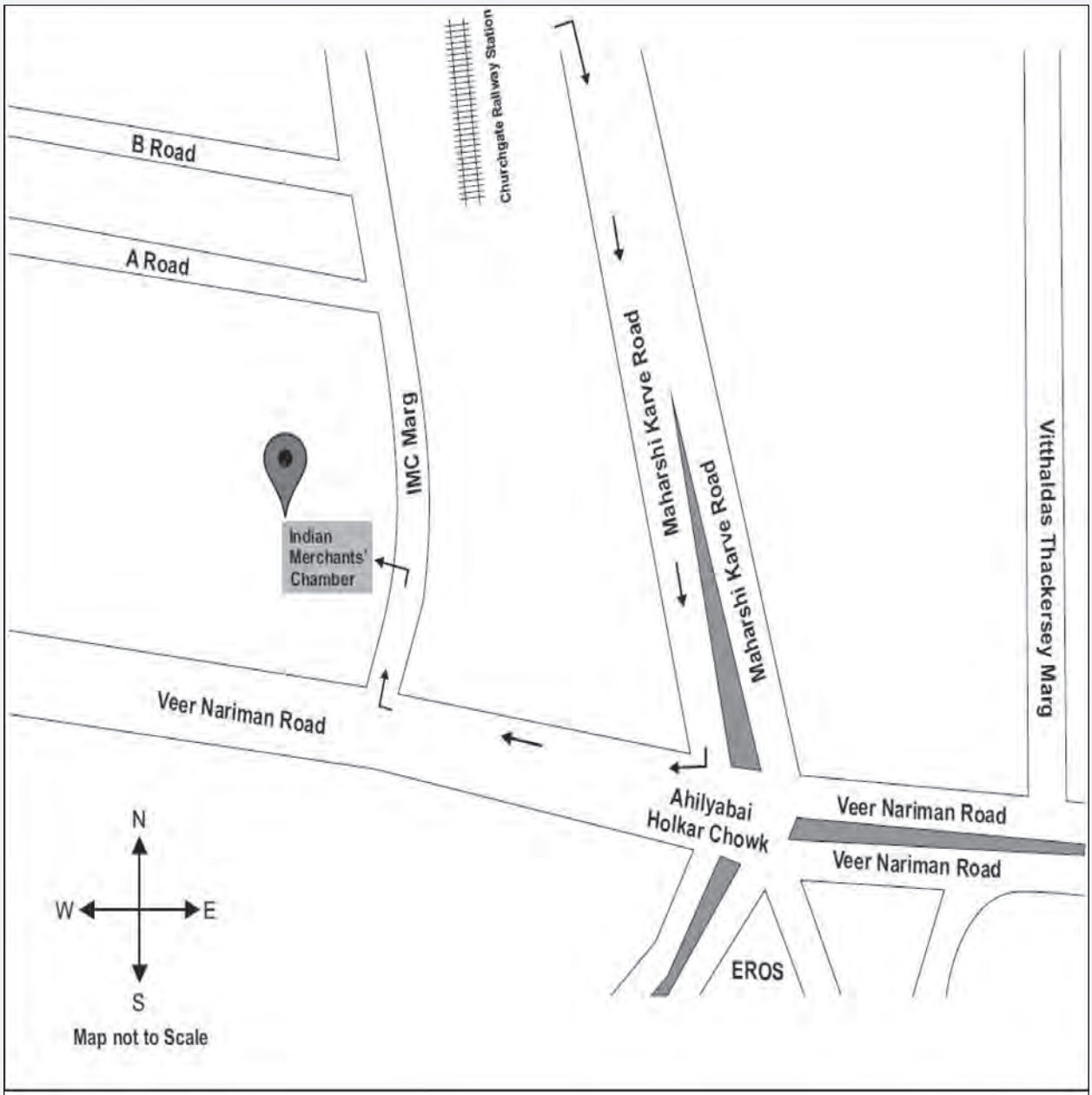
ANNEXURE - I

Details of Directors seeking reappointment in the ensuing Annual General Meeting pursuant to Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with clause 1.2.5 of Secretarial Standard SS- 2 on General Meetings

Name of the Directors **Particulars**	**Mr. Vyomesh M. Shah** **(DIN : 00009596)**	**Mr. Shailesh Hingarh** **(DIN : 00166916)**
Age	58 years	51 years
Qualification	Commerce Graduate and Chartered Accountant	Chartered Accountant
Date of appointment	February 16, 1989	March 22, 2018
No. of shares held	75,40,000 equity shares	Nil
Expertise in specific functional areas.	Over 28 years of experience and expertise in the field of construction, project planning, finance, management and property development.	Over 20 years of experience in the field of corporate finance, construction / mining business and international trade
Terms and conditions of appointment / reappointment	Appointed for a term of 5 (five) years from January 1, 2017 to December 31, 2021. Liable to retire by rotation	Specified in resolution no. 3 of the Notice.
Remuneration last drawn	Please refer MGT-9, forming part of the Annual Report 2017-2018.	Nil
No. of Board meetings attended during the year	11	1 * * [appointed with effect from March 22, 2018]
Relationship with other Directors, Manager and Key Managerial Personnel	Related to Mr. Hemant M. Shah, Executive Chairman of the Company	None
Directorships held in other companies	Joyous Housing Limited	Shree Salasar Investments Limited Jaikh Fabricast Engineering Private Limited Shatrunjay Credit Services Limited TRC Financial Services Limited Vinca Realtors Private Limited Zental Drugs Limited Online Management Services LLP
Membership/Chairmanship of committees of the Company	Member of Audit and Compliance Committee, Corporate Social Responsibility Committee, Risk Management Committee and Committee of Directors	Member of Audit and Compliance Committee and Stakeholders' Relationship Committee
Membership/Chairmanship of committees of other companies	None	None

Annexure to the Notice (Contd.)

ROUTE MAP TO THE VENUE OF 30TH AGM OF HUBTOWN LIMITED



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

Directors' Report and Management Discussion and Analysis

To
The Members,

Your Directors have pleasure in presenting their Thirtieth Annual Report and the Audited Financial Statements (standalone and consolidated) for the Financial Year ended March 31, 2018 together with the Independent Auditors' Report thereon.

1. FINANCIAL HIGHLIGHTS :

The standalone and consolidated financial highlights of your Company for the financial year ended March 31, 2018 are summarized below:

				(₹ in lakh)
	STANDALONE		**CONSOLIDATED**	
	March 31, 2018	**March 31, 2017**	**March 31, 2018**	**March 31, 2017**
Income from Operations	**34481**	60304	**56223**	54250
Total Income	**60521**	63421	**85321**	57540
Total Expenses	**58079**	62187	**87758**	60125
Profit / (Loss) before Tax	**2442**	1234	**(2437)**	(2585)
Profit / (Loss) for the year	**2654**	654	**(3049)**	(4074)
Add : Other Comprehensive Income	**12**	2	**8**	11
Total Comprehensive Income for the year	**2666**	656	**(3041)**	(4063)
Less : Total Comprehensive Income attributable to Non-controlling Interest	**-**	-	**(19)**	(1www59)
Total Comprehensive Income attributable to owners of the Company	**-**	-	**(3022)**	(3904)
Balance brought forward from the Previous Year	**71837**	71181	**53186**	57090
Balance carried to Balance Sheet	**74503**	71837	**49879**	53186
Earnings per Share before Extraordinary Item (₹) (EPS)	**3.65**	0.90	**(4.2)**	(5.4)
Earnings per Share after Extraordinary Item (₹) (EPS)	**3.65**	0.90	**(4.2)**	(5.4)

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

Standalone and Consolidated Financials

Standalone Financials

- Income from operations stood at ₹ 34481 lakh as against ₹ 60304 lakh in the previous year representing a decrease of 42.82% ;
- Total Income stood at ₹ 60521 lakh, lower by 4.57 % as against ₹ 63421 lakh in the previous year;
- Total Expenses stood at ₹ 58079 lakh as against ₹ 62187 lakh in the previous year ;
- Profit before Tax was ₹ 2442 lakh as against ₹ 1234 lakh in the previous year;
- Profit after Tax was ₹ 2654 lakh as against ₹ 654 lakh in the previous year;
- Earning per Share before and after Extraordinary Item was ₹ 3.65 as against ₹ 0.90 in the previous year ; and
- Networth of the Company stood at ₹ 175488 lakh as against ₹ 172822 lakh in the previous year.

Directors' Report and Management Discussion and Analysis (Contd.)

Consolidated Financials :

- Income from operations stood at ₹ 56223 lakh as against ₹ 54250 lakh in the previous year representing an increase of 3.64 %;
- Total income stood at ₹ 85321 lakh as against ₹ 57540 lakh in the previous year representing an increase of 48.28 %;
- Total Expenses stood at ₹ 87758 lakh as against ₹ 60125 lakh in the previous year;
- Loss before Tax was ₹ (2437) lakh as against loss of ₹ (2585) lakh in the previous year;
- Loss after Tax, Minority Interest and Other Items was ₹ (3049) lakh as against loss of ₹ (4074) lakh in the previous year;
- Earning per Share before and after Extraordinary Item was ₹ (4.2) as against ₹ (5.4) in the previous year ; and
- Networth of the Company stood at ₹ 163990 lakh as against ₹ 167175 lakh in the previous year.

3. DIVIDEND :

In the long-term interest of all the stakeholders, the Board felt that the Company utilize the internal accruals on its projects rather than paying dividend to the shareholders. The Directors have, therefore, not recommended any dividend on the equity shares for the Financial Year ended March 31, 2018.

4. TRANSFER TO RESERVES :

No amount is proposed to be transferred to Reserves out of the profits earned during the Financial Year 2017-2018.

5. TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND:

Pursuant to the provisions of Section 124 of the Companies Act, 2013, the unclaimed dividend amount of ₹ 1,27,845/- for the Financial Year 2009-2010 was transferred to the Investor Education and Protection Fund (IEPF) after giving due notices to the members. During the Financial Year 2018-2019, the dividend declared by the Company for the Financial Year 2010-2011 remaining unclaimed in terms of Section 124 of the Companies Act, 2013 will be transferred to IEPF.

6. SHARE CAPITAL :

The paid-up equity share capital of the Company as on March 31, 2018 was ₹ 7273.59 Lakh. During the year under review, the Company has not issued any shares with differential voting rights and hence no information under the provisions of Rule 4 (4) of the Companies (Share Capital and Debentures) Rules, 2014 is furnished. Further, the Company has not issued any sweat equity shares during the year under review and hence no information under the provisions of Rule 8 (13) of the Companies (Share Capital and Debentures) Rules, 2014 is furnished.

Presently, the Company does not have any stock option scheme for its employees.

7. DEBENTURES :

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

8. REVISION OF FINANCIAL STATEMENTS OR BOARDS' REPORT :

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

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

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

10. NATURE OF BUSINESS :

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

11. BUSINESS OVERVIEW :

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

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

Directors' Report 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:

Projects completed :

Hubtown Heaven - Matunga (East) 'A' and 'B' Wings	Hubtown Sunstone – Bandra (East) – Phase - I
Hubtown Gardenia – Mira Road	Hubtown Sunmist - Andheri (East) 'A' Wing
Hubtown Countrywoods Phase II , Phase III Buildings 4 and 5 – Kondhwa, Pune	Hubtown Greenwoods – Thane Phase - I
Hillcrest – Andheri (East)	
Hubtown Vedant – Sion (East) – Phase - I	

Ongoing Projects:

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

Future Projects

Hubtown Divinity – Thane ; Hubtown Square – Thane;

Commercial:

Ongoing Projects

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

Joyos Hubtown – Ahmedabad ; Joyos Hubtown – Mehsana ; Joyos Hubtown – Vadodara

Hubtown Viva – Phase – II, Jogeshwari (East);

IT SEZ and Township:

Ongoing

Sunstream City Phase – I - Mulund-Thane

12. MANAGEMENT DISCUSSION AND ANALYSIS :

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

GLOBAL ECONOMY

World growth strengthened in 2017 to 3.8 percent with a notable rebound in global trade, which was the strongest growth since 2011. Global growth is expected to tick upto 3.9 percent in 2018 and next, supported by strong momentum, favourable market sentiment, accommodative financial conditions, etc. [IMF Report April 2018]

INDIAN ECONOMY

[1]The year 2017 was marked by a number of key structural initiatives to build strength across macro-economic parameters for sustainable growth. The growth in the first half of the year suffered despite global tailwinds. However, the weakness seen at the beginning of 2017, bottomed out as 2018 set in. After a year of disruptions and growth slow-downs, Indian economy is consolidating the gains from the recent reforms and is moving in the right direction. With steady increase in FDI inflows and pick-up in growth in the Q3 2017, 2018 will expectedly remain a period of strong growth for India. The biggest challenges for 2018 are as to how the economy can maintain its recovery in the face of increasing inflationary pressures, combined with a higher fiscal deficit as well as an increasing debt burden.

[1] Indian Economic Outlook March 2018 Deloitte India

Directors' Report and Management Discussion and Analysis (Contd.)

REAL ESTATE SECTOR OVERVIEW

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

2017 has been a year of policy consolidation for the Indian Real Estate Sector. The implementation of GST and RERA have begun to shape up the Sector with new standards of delivery, accountability and transparency.

[2]Private equity and India's debt investments in India's real estate sector grew 12 per cent year-on-year to US $ 4.18 billion across 79 transactions in 2017. In 2017, M&A deals worth US $ 3.26 billion were made in India's real estate sector. Private equity investments in Indian retail assets increased 15 per cent in F.Y. 2017 to reach US $ 800 million.

[2]The Indian real estate sector has witnessed high growth in recent times with the rise in demand for office as well as residential spaces. Private equity investments in real estate are estimated to grow to US $ 100 billion by 2026 with tier 1 and 2 cities being the prime beneficiaries. India stood third in the US Green Building Council's (USGBC) ranking of the top 10 countries for Leadership in Energy and Environmental Design (LEED) certified buildings, with over 752 LEED-certified projects across 20.28 million gross square meters of space. According to data released by Department of Industrial Policy and Promotion (DIPP), the construction development sector in India has received Foreign Direct Investment (FDI) equity inflows to the tune of US$ 24.67 billion in the period April 2000-December 2017. [2] - India Brand Equity Foundation

SEGMENT WISE PERFORMANCE :

Residential :

2017 was the most difficult year for the residential real estate sector. This sector faced several challenges ranging from realigning the businesses to comply with GST rollout to changing business models in the wake of RERA and then post-demonetization, investors disappearing from the market. New residential launches declined 35 % in 2017 with the number of residential units launched across top eight cities estimated to be 74,000 units. Only affordable housing segment registered an year-on-year growth of 6 per cent. The implementation of major reforms such as RERA, GST, the Benami Property Act and demonetization promise to make Indian residential real estate more transparent than ever before. Steady investments will continue to be seen in this asset class in 2018.

Commercial :

In case of office space, new completions increased 7 per cent in 2017 to 32.7 million sq. ft. compared to 30.7 million sq. ft. in 2016, but not at par with demand. Supply grew 13 per cent to 12.5 million sq. ft. compared to 11.1 million sq. ft. in 2016, and the headwinds in the technology sector and supply crunch resulted in subdued growth.

Vacancy levels remained largely unchanged through 2017, hovering at around 14 per cent pan India. Select markets saw lower vacancy levels and are expected to see further declines in 2018. Overall, vacancy levels will likely hover around 15 % during 2018. Space taken up by co-working companies saw a tremendous growth in 2017. This trend is likely to continue in 2018.

Private equity inflows in office and IT/ITES real estate have grown 150 per cent between 2014 and 2017 backed by a strong attraction towards office sector.

Retail :

Retail properties saw significantly less rental value appreciation in Tier – I cities. Investments into retail real estate has shown growth in Tier – II and Tier – III cities, exceeding those in metros. Retail real estate is facing tough competition from e-commerce industry, but growth of online shopping has resulted in increased demand for warehousing space. 100 % FDI via direct route is now admissible in single-brand retailing which will allow the sector to expand rapidly.

Warehousing and Industrial Asset Class :

Warehousing saw upward momentum with total absorption of 25 million sq. ft. E-commerce sector continues to be the major demand driver in this segment. In the GST era, warehousing is emerging as an attractive asset class for investors and private equity players. The stock of modern and better managed warehouses is increasing and the trend is set to continue in 2018 as well.

OPPORTUNITIES :

Rapid Urbanisation

India's urban population is forecasted to almost double from 410 million in 2014 to over 583 million by 2030. The effect of urbanization is most profound in Tier – I cities where a huge influx of migrants is causing housing demand to surge. This trend has significantly increased the demand for housing in the urban context.

Growth in household income

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

Directors' Report and Management Discussion and Analysis (Contd.)

Monetary easing

Housing demand will also get a big boost with interest rates on home loans becoming cheaper following a drop in lending rates by major banks.

THREATS AND CHALLENGES :

Regulatory Hurdles

Unfavourable changes in government policies and the regulatory environment can adversely impact the performance of the sector. Retrospective policy changes and regulatory bottlenecks may impact profitability and affect the attractiveness of the sector and companies operating within the sector.

Manpower and Technology Shortage

The real estate sector faces severe manpower shortage. The sector is heavily dependent on manual labour which increases timelines and cost and often results in supplies getting delayed. Technologically less labour intensive alterative methods of construction needs to be adopted on a large scale through training and skill development of manpower.

Delayed approval of projects

Delays in clearing a project leads to deferment of construction timelines resulting in increased cost of construction. There is an urgent need to create a single window clearance mechanism

Funding Problems

Absence of long term funding from banks is forcing the developers to look at alternative sources of funding, most of which do not offer affordable interest rates.

Inventory Pile Up

Inventory pile-up is a major concern that can severely impact real estate companies. Real estate projects involve huge project costs and inability to market them can adversely impact profitability.

RISKS AND CONCERNS :

REAL ESTATE SPECIFIC RISKS :

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

Directors' Report and Management Discussion and Analysis (Contd.)

CONCERNS :

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

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

- Strict and prolonged regulatory process leading to delays : The process of obtaining construction permit has become difficult over the last several years and is among the major reasons contributing to the delays in real estate development. The delay in obtaining approvals and adhering to regulatory processes results in avoidable time and cost overruns.

- Land related issues : Lack of clear land titles and title insurance often makes difficult to acquire suitable land parcels. Absence of clear land titles sometimes results in long-drawn and expensive litigation for developers. Further, there is no single land policy in India and each state has its own policy which adds to the complexities.

- Inadequate funding channels : Reserve Bank of India has set threshold for the total maximum exposure to real estate, including individual housing loans and lending to developers for construction finance. Absence of long term funding from banks results in developers tapping alternative sources of funds, most of which do not offer affordable interest rates and hence the supply stifled.

- Shortage of manpower and technology : Despite being the second largest employer in the country, the real estate sector as a whole faces manpower shortage. The sector is heavily dependent on manual labour, faces longer time lines for construction completions, which results in supply getting deferred.

- High construction costs : As the raw material costs increase over a period, it becomes very difficult to provide housing at a reasonable cost.

- Uneven development of urban infrastructure.

OUTLOOK

Overall, 2018 is predicted to be a positive year for Real Estate sector with policy reforms driving the market sentiments. Regulatory reforms, steady demand generated through rapid urbanization, rising household income and the emergence of affordable and nuclear housing are some of the key drivers of growth for the real estate sector. Game changing developments like RERA and GST have created a strong base for the sector to grow, which combined with India's strong economic advancement have provided a perfect spring board.

Affordable housing is going to be the big thing in 2018 given the thrust by the government by conferring 'infrastructure status' to this segment.

The Indian real estate market is expected to touch US $ 180 billion by 2020. Housing sector is expected to contribute around 11 per cent to India's GDP by 2020. In the period F.Y. 2008-2020, the market size of this sector is expected to increase at a compound annual growth rate (CAGR) of 11.2 per cent . India is expected to witness an upward rise in the number of real estate deals in 2018, on the back of policy changes that have made the market more transparent. The real estate sector is projected to receive Private Equity (PE) investments to the tune of US$4 billion during this fiscal year. REITs are set to provide investment opportunities to smaller investors during the current fiscal. India's real estate markets are poised for growth in the medium-to-long term on the back of higher transparency and further consolidation.

13. HUMAN RESOURCES :

The Company recognizes that its people are the key to the success of the organization and in meeting its business objectives. The Human Resources function endeavors to create a congenial work environment and synchronizes the working of all the departments of the organization to accomplish their respective objectives, which in turn helps the Company to build and achieve its goals and strategies. Employee relations during the year remained cordial. The Company had 132 employees on its payroll as on March 31, 2018.

14. INTERNAL FINANCIAL CONTROLS :

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

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the Internal, Statutory and Secretarial Auditors and the reviews performed by the Management, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the Financial Year 2017-2018.

Directors' Report and Management Discussion and Analysis (Contd.)

15. DIRECTORS AND KEY MANAGERIAL PERSONNEL :

Directors :

Mr. Shirish Gajendragadkar, Independent Director resigned as Director of the Company with effect from September 13, 2017. The Board places on record its sincere appreciation for the invaluable contribution by Mr. Ganjedragadkar to the deliberations of the meetings of the Board and of the Committees of the Board of which he was a member, during his tenure as Director of the Company.

Mr. Shailesh Hingarh was appointed as an Additional and Independent Director in the Board meeting held on March 22, 2018, with effect from March 22, 2018. As per the provisions of Section 160 of the Companies Act, 2013 (the Act), the Company has received a notice in writing from a member specifying his intention to propose the appointment of Mr. Shailesh Hingarh as Director of the Company in the ensuing Annual General Meeting (AGM). Further, a specific resolution is included in the Notice of the AGM for the appointment of Mr. Shailesh Hingarh as an Independent Director for a period of 5 (five) years with effect from March 22, 2018. The terms and conditions of the appointment of the Independent Director are in accordance with Schedule IV to the said Act and the SEBI Listing Regulations.

In accordance with the provisions of Section 152 (6) (e) of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Vyomesh M. Shah (DIN : 00009596), Director of the Company, who retires by rotation, and being eligible, offers himself for reappointment. Mr. Vyomesh M. Shah is not disqualified from being reappointed as Director by virtue of the provisions of Section 164 of the Companies Act, 2013. The Notice convening the ensuing Annual General Meeting includes the proposal for reappointment of the aforesaid Director.

Brief resume of Mr. Shailesh Hingarh and Mr. Vyomesh M. Shah, as required under the SEBI Listing Regulations and Secretarial Standards – 2 on General Meetings, is provided in the Annexure to the Notice convening the AGM.

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

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

16. FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS :

In compliance with the requirements of the SEBI Listing Regulations, the Company has held familiarization programme for the Independent Directors to familiarize them with their role, rights and responsibility as Directors, the working of the Company, nature of the industry in which the Company operates, business model, corporate policies, etc. The details of familiarization programme have been disclosed on the website of the Company and is available at the link http://www.hubtown.co.in/investors/codesandpolicies.

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

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

18. DECLARATION BY INDEPENDENT DIRECTORS :

Pursuant to the provisions of Section 149 (7) of the Companies Act, 2013, the Company has received individual declarations from all the Independent Directors confirming that they meet the criteria of independence under Section 149 (6) of the said Act and Regulation 16 (1) (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and that there has been no change in the circumstances which may affect their status as Independent Directors during the year.

19. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS :

The Board of Directors met 11 times during the financial year ended March 31, 2018 in accordance with the provisions of the Companies Act, 2013 and the Rules made thereunder and Regulation 17 (2) of the SEBI Listing Regulations. Additionally, during the year ended March 31, 2018, the Independent Directors held a separate meeting in compliance with the requirements of Schedule VI to the Companies Act, 2013 and Regulation 25 (3) of the SEBI Listing Regulations. For details, kindly refer to the section on Corporate Governance forming part of this Annual Report.

20. COMMITTEES OF THE BOARD :

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

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

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

Directors' Report and Management Discussion and Analysis (Contd.)

21. AUDIT AND COMPLIANCE COMMITTEE :

The Audit and Compliance Committee comprises of Mr. Abhijit Datta, Mr. Shailesh Hingarh, Mr. Sunil Shah and Mr. Vyomesh M. Shah. The Committee comprises of majority of Independent Directors with Mr. Datta being the Chairman. Kindly refer to the section on 'Corporate Governance' under the heading 'Audit and Compliance Committee' for details relating to terms of reference, meetings and functions of the said Committee.

22. AUDIT AND COMPLIANCE COMMITTEE RECOMMENDATIONS :

During the year under review, all the recommendations put forth by the Audit and Compliance Committee were duly considered and accepted by the Board of Directors.

23. ANNUAL EVALUATION OF PERFORMANCE :

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

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

24. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION :

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

25. DIRECTORS' RESPONSIBILITY STATEMENT :

Pursuant to sub-section (3) (c) of Sections 134 (3) (c) and 134 (5) of the Companies Act, 2013, in relation to the annual financial statements of the Company for the year ended March 31, 2018, 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, 2018, the applicable accounting standards read with the requirements under Schedule III to the said Act have been followed alongwith proper explanation relating to material departures, if any;

(ii) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year on 31st March, 2018, and of the Profit of the Company for the year ended on that date;

(iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(iv) the annual accounts have been prepared on a 'going concern' basis;

(v) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

(vi) they have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

26. CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the provisions of the Companies Act, 2013 and Ind AS-110 – Consolidated Financial Statement read with Ind AS – 28 - Investments in Associates and Ind AS – 31 – Interests in Joint Ventures, the audited consolidated financial statements are annexed to this Report.

27. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES :

As on March 31, 2018, the Company had 20 subsidiaries, 4 associates and 8 joint venture companies. The Company did not have any material subsidiary company as on March 31, 2018. There has been no change in the nature of business of any of the said subsidiaries, associates and joint venture companies.

During the year under review, Giraffe Developers Private Limited again became an associate due to cancellation of the transaction for sale of the shares on account of non-fulfillment of the conditions of sale.

The Policy for determining 'material subsidiary' under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as approved is posted on the Company's website at the link: http://hubtown.co.in/investors/codeandpolicies.

Directors' Report and Management Discussion and Analysis (Contd.)

In accordance with third proviso of Section 136(1) of the Companies Act, 2013, the Annual Report of the Company, containing therein its standalone and the consolidated financial statements has been placed on the website of the Company at the link: http://hubtown.co.in/investors/codeandpolicies. Further, as per fourth proviso of the said Section, the audited annual accounts of subsidiaries have also been placed on the website of the Company at the link: http://hubtown.co.in/investors/codeandpolicies.

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

During the financial year ended March 31, 2018, the Company was not required to appoint an Independent Director of the Company on the Board of any of its non-listed Indian subsidiaries under Regulation 24 (1) of the SEBI Listing Regulations.

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

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

The statement pursuant to Section 129 (3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, containing the salient features of the performance and the financial statements of the subsidiaries, associates and joint venture companies for the financial year ended March 31, 2018 in the prescribed Form AOC 1 is appended to the consolidated financial statements as Schedule - I.

29. AUDITORS :

STATUTORY AUDITORS :

Messrs M. H. Dalal & Associates, Chartered Accountants (Firm Registration No. 112449W) were appointed as Statutory Auditors of the Company for a term of 5 (five) consecutive years, at the 29th Annual General Meeting held on October 30, 2017. Messrs M. H. Dalal & Associates, Chartered Accountants have confirmed that they are not disqualified from continuing as Auditor of the Company, They have also confirmed that they meet the criteria for independence, eligibility and qualification as prescribed in Section 141 of the said Act and do not have any pecuniary interest in the Company or its subsidiaries, associates and joint venture companies.

In accordance with the Companies Amendment Act, 2017 notified on May 7, 2018 by the Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every Annual General Meeting.

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

AUDITORS' REPORT AND AUDIT OBSERVATIONS :

The Management's reply to the qualified opinion of the Statutory Auditors appearing in their Reports on the Standalone Financial Statements and the Consolidated Financial Statements for the year ended March 31, 2018 is as hereunder :

The Statutory Auditors have made observations under the headings 'Emphasis of matter' and 'Other Matters' respectively in their Reports on the Standalone and Consolidated Financial Statements for the year ended March 31, 2018 which together with the relavant Notes are self explanatory and do not call for further information/clarification.

QUALIFICATION BY AUDITORS

The Notes to the Financial Statements forming part of the Balance Sheet as at March 31, 2018 and the Statement of Profit and Loss for the year ended on that date, referred to in the Auditor's Report, are self explanatory and do not call for any further clarification /elaboration.

COST AUDITORS :

Based on the recommendation of the Audit and Compliance Committee, the Board has appointed Messrs D. C. Dave & Co., Cost Accountants (Firm Registration No. : 000611) as Cost Auditors to conduct audit of the cost records of the Company for the year ending March 31, 2019, subject to ratification of the remuneration payable to them by the members in the ensuing Annual General Meeting pursuant to Section 148 of the Companies Act, 2013. The resolution pertaining to ratification of the the remuneration payable to the Cost Auditor forms part of the Notice of the ensuing AGM.

COST AUDIT REPORT :

The Cost Audit Report for the Financial Year 2017-2018 pursuant to the Companies (Cost Accounting Records) Rules, 2011 will be filed within the period stipulated under the Companies Act, 2013.

SECRETARIAL AUDITOR :

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, Practicing Company Secretary, to conduct the Secretarial Audit of the Company.

Directors' Report and Management Discussion and Analysis (Contd.)

SECRETARIAL AUDIT REPORT :

The report on Secretarial Audit is appended as Annexure – 'B' to this Report. There are no qualifications, observations or adverse remarks in the Secretarial Audit Report.

Your Company is in compliance with the Secretarial Standards specified by the Institute of Company Secretaries of India.

30. EXTRACT OF ANNUAL RETURN :

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

31. MATERIAL CHANGES AND COMMITMENTS :

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

32. DEPOSITS :

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

33. VIGIL MECHANISM :

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

The Whistle Blower Policy has been uploaded on the Company website at the link: http://hubtown.co.in/investors/codeandpolicies.

34. RISK MANAGEMENT :

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

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

As the Company is engaged in the business of 'real estate development' included in the term 'Infrastructure Facilities' as defined in Clause (8) (a) of Schedule VI to the Companies Act, 2013, the provisions of Section 186 of the said Act related to loans made, guarantees given or securities provided are not applicable to the Company. However, the details of the same are provided in the notes to the financial statements. Particulars of investments made under Section 186 of the said Act are provided in the standalone financial statements at Note 6.

36. CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES :

All contracts / arrangements / transactions with related parties that were entered by the Company during the year under review were in the ordinary course of business and on an arm's length basis. All related party transactions are placed before the Audit and Compliance Committee and the Board on a quarterly basis for approval. Also, the Company has obtained prior omnibus approval for related party transactions which are of repetitive nature and/or entered into in the ordinary course of business at arm's length.

There were no materially significant related party transactions with the Company's Promoters, Directors, Key Managerial Personnel or their relatives which could have had a potential conflict with the interest of the Company at large..

Attention of the members is drawn to Note 33 to the standalone financial statements and Note 35 to the consolidated financial statements which sets out related party disclosures pursuant to Ind AS - 24.

The particulars of contracts/arrangements/transactions entered into by the Company during the year under review with its related parties which could be considered material under Section 188 of the Companies Act, 2013 and the Rules made thereunder are furnished in Form AOC – 2, which is appended as Annexure 'D' to this Report..

The Policy for determining the materiality of related party transactions and dealing with related party transactions as approved by the Board is uploaded on the Company's website at the link: http://hubtown.co.in/investors/codeandpolicies.

Directors' Report and Management Discussion and Analysis (Contd.)

37. CODE OF CONDUCT:

The Board of Directors has laid down a Code of Conduct for Board Members and Senior Management Personnel. The said Code has been posted on the Company's website : www.hubtown.co.in. As prescribed under Part 'D' of Schedule V read with Regulation 17 (5) of the SEBI Listing Regulations, a declaration signed by the Managing Director affirming compliance with the Code of Conduct by the Directors and Senior Management Personnel of the Company for the Financial Year 2017-2018 is appended to and forms part of the Corporate Governance Report.

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

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

39. CORPORATE SOCIAL RESPONSIBILITY (CSR) :

The Corporate Social Responsibility Committee has formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR) indicating the activities to be undertaken by the Company, which has been approved and adopted by the Board.

The annual report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 are given in Annexure 'E' appended to this Report. Further, the CSR Policy has been uploaded on the Company website at the link : http://hubtown.co.in/investors/codeandpolicies.

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

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

41. CORPORATE GOVERNANCE :

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

42. 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 ₹ 81.46 lakh in foreign exchange.

43. INSURANCE :

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

44. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES :

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

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

45. CORPORATE POLICIES :

In compliance with the provisions of the Companies Act, 2013 and the Rules made thereunder and the SEBI Listing Regulations, the Board of Directors of the Company have framed the following policies which are available on the website of the Company at the link http://hubtown.co.in/investors/codeandpolicies :

- Code of Conduct and Ethics for Directors and Senior Management
- Code of Conduct for Regulating, Monitoring and Reporting of Trading by Insiders in terms of SEBI (Prohibition of Insider Trading) Regulations, 2015
- Code of Practices and Procedures for fair disclosure of Unpublished Price Sensitive Information
- Policy on Related Party Transactions

Directors' Report and Management Discussion and Analysis (Contd.)

- Familiarization program for Independent Directors
- Policy for determining Material Subsidiaries
- Policy on Prevention of Sexual Harassment at Workplace
- Vigil Mechanism / Whistle Blower Policy
- Corporate Social Responsibility Policy
- Risk Management Policy
- Policy on Board Diversity
- Nomination and Remuneration Policy
- Policy on determining materiality of Events and Information
- Policy on preservation of Documents
- Policy on archival of Events and Information

46. CEO AND CFO CERTIFICATION :

A certificate from the Managing Director and the Chief Financial Officer, pursuant to Regulation 17 (8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year under review was placed before the Board of Directors of the Company at its meeting held on May 29, 2018 which is appended to and forms part of the Corporate Governance Report.

47. APPRECIATION AND ACKNOWLEDGEMENTS :

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

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

DISCLAIMER :

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

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

Place: Mumbai
Date: May 29, 2018

Directors' Report and Management Discussion and Analysis (Contd.)

ANNEXURE - 'A'

REVISED NOMINATION AND REMUNERATION POLICY

1. PREAMBLE :

i. Pursuant to Section 178 (2) and (3) of the Companies Act, 2013 (the Act) and Part 'A' of Part 'D' of Schedule II to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations, 2015), provides inter-alia that :

'The Nomination and Remuneration Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors, a policy relating to, the remuneration of the directors, key managerial personnel and other employees.'

'The Nomination and Remuneration Committee shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal and shall carry out evaluation of every director's performance.'

ii. Therefore, in order to ensure compliance with the aforesaid provisions of the Act and SEBI Listing Regulations, 2015, the Nomination and Remuneration Committee (N&RC) of the Board of Directors of Hubtown Limited has formulated this Nomination and Remuneration Policy.

iii. This Policy shall replace the existing Nomination and Remuneration Policy recommended by Nomination and Remuneration Committee and approved by the Board of Directors in its meeting held on February 12, 2015.

2. GUIDING PRINCIPLES :

The objectives of this Policy is to ensure that :

i. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;

ii. Relationship of remuneration to performance is clear and meets appropriate performance benchmark; and

iii. Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goal.

3. DEFINITIONS :

i. 'Board' means the Board of Directors of the Company;

ii. 'Company' means 'Hubtown Limited;

iii. 'Executive Directors' shall mean the 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

vi. 'Nomination and Remuneration Committee' shall mean a Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 (1) of SEBI Listing Regulations, 2015;

vii. 'Policy or This Policy' means the 'Nomination and Remuneration Policy';

viii. 'SEBI Listing Regulations, 2015' shall mean Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

ix. 'Senior Management' means personnel of the Company who are members of its core management team excluding the Board of Directors. This would include all members of management one level below the Executive Directors including all functional heads.

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

Directors' Report and Management Discussion and Analysis (Contd.)

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

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

i. to identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down in this Policy and recommend to the Board their appointment and removal;

ii. to carry out evaluation of every director's performance;

iii. to formulate the criteria for determining the qualifications, positive attributes and independence of a director, and recommend to the Board a policy relating to the remuneration for the directors;

iv. to formulate the criteria for evaluation of Independent Directors and the Board;

v. to devise a policy on Board diversity;

vi. to recommend/review the remuneration of the Wholetime Director(s) and the Managing Director based on their performance and defined assessment criteria;

vii. to ensure that the level and composition of remuneration is reasonable and sufficient and the relationship of remuneration to performance is clear and meets appropriate performance benchmark;

viii. to assist the Board in ensuring that plans are in place for orderly succession for appointments to the Board and to senior management;

ix. to carry out any other functions as may be mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable; and

x. to carry out such other functions as may be necessary or appropriate for the performance of its duties.

5. MEMBERSHIP OF THE N&RC COMMITTEE :

i. The Committee shall consist of atleast 3 (three) Directors, all of whom shall be Non-Executive Directors and atleast half of such Directors shall be Independent Directors;

ii. The Board shall reconstitute the Committee as and when required to comply with the provisions of the Companies Act, 2013 and applicable statutory requirement;

iii. Minimum 2 (two) members shall constitute a quorum for the Committee meeting;

iv. Membership of the Committee shall be disclosed in the Annual Report;

v. Terms of the Committee shall continue unless terminated by the Board; and

vi. The Chairperson of the Company may be appointed as a member of the Company but shall not chair such Committee.

6. CHAIRMAN OF THE N&RC COMMITTEE :

i. The Chairman of the Committee shall be an Independent Director;

ii. In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as a Chairman;

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

7. FREQUENCY OF MEETINGS :

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

8. N&RC COMMITTEE MEMBERS' INTEREST :

i. A member of the Committee is not entitled to be present when his or her own remuneration is being discussed at a meeting or when his or her performance is being evaluated; and

ii. The Committee may invite such Executives of the Company, as it considers appropriate, to be present at the meetings of the Committee.

9. SECRETARY OF N&RC COMMITTEE :

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

10. VOTING AT N&RC MEETINGS:

i. Matters arising for determination at Committee meetings shall be decided by a majority of votes of members present and voting and any such decision shall for all purposes be deemed a decision of the Committee;

ii. In the case of equality of votes, the Chairman of the meeting shall have a casting vote.

Directors' Report and Management Discussion and Analysis (Contd.)

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

- **Appointment criteria and qualifications :**

  i. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his/her appointment as per the Company's Policy;

  ii. A person should possess adequate qualification, expertise and experience for the position he/she is being considered for appointment. The Committee shall have the discretion to decide whether qualification, expertise and experience possessed by a person is/are sufficient / satisfactory for the concerned position; and

  iii. The Company shall not appoint or continue the employment of any person as Managing Director/Wholetime Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of the shareholders by a special resolution based on the explanatory statement annexed to the notice for such motion indicating justification for extension of appointment beyond seventy years.

- **Tenure of Office :**

  Executive Directors

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

  Independent Director

  i. An Independent Director shall hold office for a term upto 5 (five) consecutive years on the Board of the Company and will be eligible for reappointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's Report;

  ii. An Independent Directors shall not be liable to retire by rotation.

  iii. No Independent Director shall hold office for more than 2 (two) consecutive terms, but such independent Director shall be eligible for appointment after the expiry of 3 (three) years of ceasing to be an Independent Director;

  Provided that the Independent Director shall not, during the said period of 3 (three years), be appointed in or be associated with the Company in any capacity, either directly or indirectly; and

  iv. At the time of appointment of an Independent Director, the Committee shall ensure that the no. of Boards on which such Independent Director serves is restricted to 7 (seven) listed companies as an Independent Director and 3 (three) listed companies as an Independent Director in case such person is serving as a Wholetime Director of a listed company.

- **Evaluation :**

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

  ii. The Committee shall monitor and review Board evaluation framework, conduct an assessment of the performance of the Board, each Board Committee, the Independent Directors and the Chairperson of the Board against criteria determined and approved by the Committee;

  iii. The performance evaluation of Independent Directors shall be done by the entire Board of Directors, on the basis of recommendations of the Committee (excluding the Director being evaluated);

  iv. The Independent Directors shall review the performance of Non-Independent Directors and the Board as a whole;

  v. The Independent Directors shall review the performance of the Chairperson of the Company taking into account the view of the Committee, and the Non-Executive Directors; and

  vi. The criteria for performance evaluation is given in Annexure 'I'. However, these criteria are only suggestive and the Board /Directors may consider such other criteria as it/they may deem necessary for effective evaluation of performance.

- **Removal :**

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

- **Retirement :**

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

Directors' Report and Management Discussion and Analysis (Contd.)

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

- **Remuneration Policy for Executive Directors :**

  i. The remuneration and 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. Payment of remuneration to the Executive Directors is governed by the respective agreements executed between each of such Executive Directors and the Company;

  iii. The remuneration / commission to be paid to the Executive Directors will be determined by the Committee and recommended to the Board for approval.

  iv. The break-up of the pay scale and the quantum of perquisites and allowances shall be decided by the Committee;

  v. The remuneration / commission, etc. shall be subject to prior/post approval of the shareholders of the Company and the Central Government, wherever required;

  vi. 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;

  vii. 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 by passing an ordinary or special resolution as the case may be.

  viii. 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 he/she shall refund such sums to the Company within 2 years or such lesser period as may be prescribed and until such sum is refunded, hold it in trust for the Company. The Company shall waive the recovery of such sum refundable to it upon passing of special resolution within two years from the date such sum became refundable.

- **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 are paid remuneration by way of fees for attending the meeting of the Board/Committee thereof. Provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013 per meeting of the Board/Committee or such amount as may be prescribed by the Central Government from time to time;

  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.

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

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

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

  ii. The performance of the individual, as well as that of the Company from the basis of this Policy.

  iii. The KMP, Senior Management Personnel and other employees of the Company shall be paid monthly remuneration as per the Company's HR Policies and/or as may be approved by the Committee.

  iv. The salary structure of the employees including KMP and Senior Management comprises of basic salary, perquisites, allowances and performance incentive. The salary involves a balance between fixed and variable pay which reflects the performance objective of the individual as against the earmarked Key Performance Indicator and the strategic objective and the performance of the Company.

  v. The components of total remuneration vary for different grades of employees and are based on the qualifications and experience of the employee, responsibilities handled and the individual performance.

  vi. In case any of the relevant Statute/Rules/Regulations require that the remuneration of KMPs, Senior Management or other employees of the Company is to be specifically approved by the Committee and/or the Board of Directors, then such approval(s) shall accordingly be obtained.

Directors' Report and Management Discussion and Analysis (Contd.)

13. FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS :

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

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

14. INSURANCE POLICY :

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

15. IMPLEMENTATION OF THE POLICY :

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

16. DELEGATION OF AUTHORITY :

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

17. DEVIATIONS FROM THE POLICY :

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

18. EXTERNAL ASSISTANCE :

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

19. DISCLOSURE OF THE POLICY:

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

20. AMENDMENTS TO THE POLICY :

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

Directors' Report and Management Discussion and Analysis (Contd.)

SUCCESSION PLAN FOR APPOINTMENT

TO

THE BOARD AND SENIOR MANAGEMENT

1. INTRODUCTION :

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

2. OBJECTIVE :

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

3. PROCESS :

I. Board Level Appointment(s) :

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

II. Senior Management Level Appointment :

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

4. REVIEW OF THE POLICY :

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

Directors' Report and Management Discussion and Analysis (Contd.)

ANNEXURE – I

PERFORMANCE EVALUATION CRITERIA

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

BOARD OF DIRECTORS :

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

Directors' Report and Management Discussion and Analysis (Contd.)

COMMITTEE OF BOARD OF DIRECTORS :

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

NON-EXECUTIVE DIRECTORS :

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

INDEPENDENT DIRECTORS (ID) :

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

Directors' Report and Management Discussion and Analysis (Contd.)

EXECUTIVE DIRECTORS :

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

Directors' Report and Management Discussion and Analysis (Contd.)

ANNEXURE - 'B'

FORM NO. MR - 3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2018

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

To,
The Members,
Hubtown Limited
Plaza Panchsheel, 'A' wing, 5th floor,
Hughes Road, Behind Dharam Palace,
Grant Road (W), Mumbai- 400007

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

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2018 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, 2018 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the Rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment 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 (Not applicable to the Company during audit period);

  (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

  (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

  (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 (Not applicable to the Company during audit period);

  (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.

  We further report that on examination of the relevant documents and records on test-check basis, the Company has complied with the provisions of Real Estate (Regulation and Development) Act, 2016 and Maharashtra Real Estate (Registration of Real Estate Projects, Registration of Real estate Agents, Rates of Interest and Disclosure on Websites) Rules, 2017 and the circulars issued by MahaRERA Authority from time to time.

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

  (i) Secretarial Standards issued by The Institute of Company Secretaries of India.

  (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

Directors' Report and Management Discussion and Analysis (Contd.)

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

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

1. Issue of securities through Qualified Institutions Placement on a Private Placement basis to Qualified Institutional Buyers (Qibs) for aggregate amount not exceeding ₹ 500 Crores.

For **Ashish Bhatt & Associates**

Ashish Bhatt
Practicing Company Secretary
FCS No: 4650
C.P. No. 2956

Place: Thane
Date: May 29, 2018

Annexure I

List of applicable laws to the Company

Under the Major Group and Head

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

For **Ashish Bhatt & Associates**

Ashish Bhatt
Practicing Company Secretary
FCS No: 4650
C.P. No. 2956

Place: Thane
Date: May 29. 2018

Directors' Report and Management Discussion and Analysis (Contd.)

Annexure – 'C'

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2018

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

I. REGISTRATION & OTHER DETAILS:

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

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

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

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES-

Sr. No.	Name And Address Of The Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1	**ABP Realty Advisors Private Limited** Unit No. 116, First Floor, Rehab Building No. 4, Akruti Annexe, Road No. 7, Marol MIDC, Andheri (E), Mumbai-400093	U67190MH2007PTC172390	Subsidiary	100%	2(87)(ii)
2	**Ackruti 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** Unit No. 116, First Floor, Rehab Building No. 4, Akruti Annexe, Road No. 7, Marol MIDC, Andheri (E), Mumbai-400093	U45202MH2009PTC191711	Subsidiary	100%	2(87)(ii)
4	**Citygold Education Research Limited** Unit No. 116, First Floor, Rehab Building No. 4, Akruti Annexe, Road No. 7, Marol MIDC, Andheri (E), Mumbai-400093	U80100MH2006PLC158595	Subsidiary	2.17%	2(87)(i)
5	**Citygold Farming Private Limited** Unit No. 116, First Floor, Rehab Building No. 4, Akruti Annexe, Road No. 7, Marol MIDC, Andheri (E), Mumbai-400093	U01122MH2006PTC163517	Subsidiary	0.38%	2(87)(i)

Directors' Report and Management Discussion and Analysis (Contd.)

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** Unit No. 116, First Floor, Rehab Building No. 4, Akruti Annexe, Road No. 7, Marol MIDC, Andheri (E), Mumbai-400093	U70100MH1995PTC087713	Subsidiary	100%	2(87)(ii)
8	**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** Unit No. 116, First Floor, Rehab Building No. 4, Akruti Annexe, Road No. 7, Marol MIDC, Andheri (E), Mumbai-400093	U70101MH2007PLC172784	Subsidiary	100%	2(87)(ii)
10	**Headland Farming Private Limited** Unit No. 116, First Floor, Rehab Building No. 4, Akruti Annexe, Road No. 7, Marol MIDC, Andheri (E), Mumbai-400093	U74999MH2006PTC163511	Subsidiary	100%	2(87)(ii)
11	**Heddle Knowledge Private Limited** Unit No. 116, First Floor, Rehab Building No. 4, Akruti Annexe, Road No. 7, Marol MIDC, Andheri (E), Mumbai-400093	U01122MH2006PTC163518	Subsidiary	100%	2(87)(ii)
12	**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** Unit No. 116, First Floor, Rehab Building No. 4, Akruti Annexe, Road No. 7, Marol MIDC, Andheri (E), Mumbai-400093	U67190MH2007PTC172391	Subsidiary	100%	2(87)(ii)
14	**Joynest Premises Private Limited** CTS No. 469-A, Chembur, Mumbai - 400071	U45202MH2008PTC183715	Subsidiary	62.07%	2(87)(ii)
15	**Upvan Lake Resorts Private Limited** B-5, Building No 9, Devidaya Nagar, Pokhran Road No 1, Thane 400606	U55204MH2008PTC183084	Subsidiary	75%	2(87)(ii)
16	**Urvi Build Tech Limited** Unit No. 116, First Floor, Rehab Building No. 4, Akruti Annexe, Road No. 7, Marol MIDC, Andheri (E), Mumbai-400093	U15400MH1996PLC101031	Subsidiary	100%	2(87)(ii)
17	**Vama Housing Limited** Unit No. 116, First Floor, Rehab Building No. 4, Akruti Annexe, Road No. 7, Marol MIDC, Andheri (E), Mumbai-400093	U45200MH1995PLC085167	Subsidiary	100%	2(87)(ii)
18	**Vega Developers Private Limited** 14, Ashok Niwas, Ground Floor, South Pond Road, Vile Parle (West), Mumbai – 400056	U45200MH2006PTC159794	Subsidiary	100%	2(87)(ii)
19	**Vishal Techno Commerce Limited** Unit No. 116, First Floor, Rehab Building No. 4, Akruti Annexe, Road No. 7, Marol MIDC, Andheri (E), Mumbai-400093	U45200MH1986PLC041348	Subsidiary	100%	2(87)(ii)

Directors' Report and Management Discussion and Analysis (Contd.)

20	**Yantti Buildcon Private Limited** G2, Plumeria Apartments, No.1, John Armstrong Road, Richards Town, Bangalore, Karnataka - 560005	U45201KA2009PTC052006	Subsidiary	100%	2(87)(ii)
21	**Pristine Developers Private Limited** 3, Narayan Building, 23 L N Road, Dadar (East), Mumbai- 400014 (Upto May 27, 2016)	U45200MH2005PTC152142	Associate	40%	2(6)
22	**Shubhsiddhi Builders Private Limited** Unit No. 116, First Floor, Rehab Building No. 4, Akruti Annexe, Road No. 7, Marol MIDC, Andheri (E), Mumbai-400093	U70100MH2006PTC159241	Associate	50%	2(6)
23	**Twenty Five South Realty Limited** Hindoostan Mills Compound, Kashinath Dhuri Marg, Patilwadi, Off Veer Savarkar Road, Prabhadevi, Mumbai – 400025	U51100MH1996PLC100876	Associate	47.49%	2(6)
24	**Vinca Developer Private Limited** Unit No. 116, First Floor, Rehab Building No. 4, Akruti Annexe, Road No. 7, Marol MIDC, Andheri (E), Mumbai-400093	U45202MH2008PTC185408	Associate	0.05%	2(6)
25	**Whitebud Developers Limited** Unit No. 116, First Floor, Rehab Building No. 4, Akruti Annexe, Road No. 7, Marol MIDC, Andheri (E), Mumbai-400093	U70100MH1994PLC082882	Associate	50%	2(6)
26	**Hubtown Bus Terminal (Adajan) Private Limited** Adajan Bus Depot, Near Shital Police Chowki, Adajan Patia, Surat -395009, Gujarat	U45203GJ2008PTC069636	Associate	47.28%	2(6)
27	**Hubtown Bus Terminal (Ahmedabad) Private Limited** A-512, Joyos Hubtown, Near GSTRC Bus Terminal No.1, Geeta Mandir, Ahmedabad-380022, Gujarat.	U60200GJ2009PTC058763	Associate	46.30%	2(6)
28	**Hubtown Bus Terminal (Mehsana) Private Limited** GSRTC Quarters Class-II, Block No. 2, Ground Floor, Behind Vibhagiya Kacheri, Modhera Crossing, Mehsana - 384002, Gujarat.	U45400GJ2008PTC069638	Associate	42.86%	2(6)
29	**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)
30	**Joyous Housing Limited** Tulsiwadi Project Office, Ambedkar Nagar, S.K. Rathod Marg, Behind Income Tax office, Tardeo, Mumbai – 400034.	U70100MH1995PLC092856	Associate	25%	2(6)
31	**Rare Townships Private Limited** No. 24, CTS No.194 B, Nirankari Baba Ground, Opp. Great Height, Ghatkopar - Mankhurd Link Road, Chheda Nagar, Chembur - 400 071	U70102MH2000PTC126999	Associate	35.10 %	2(6)
32	**Sunstream City Private Limited** Akruti Trade Centre, Road No. 7, Marol MIDC, Andheri (East), Mumbai - 400 093.	U99999MH2006PTC182177	Associate	43%	2(6)
33	**Giraffe Developers Private Limited** 111, G-wing, Akruti Commercial Complex, Co-op Soc. Ltd, next to Akruti Centre Point, Andheri (East), Mumbai-400093	U51900MH2006PTC159247	Associate	7.20%	2(6)

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VI. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

	Category of Shareholders			No. of Shares held at the beginning of the year [As on 31-March-2017]				No. of Shares held at the end of the year [As on 31-March-2018]				% Change during the year
				Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.	Promoters											
	(1)	Indian										
		(a)	Individual/ HUF	51473272	0	51473272	70.77	41018272	0	41018272	56.39	(14.38)
		(b)	Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
		(c)	State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
		(d)	Bodies Corp.	600000	0	600000	0.82	600000	0	600000	0.82	0.00
		(e)	Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
		(f)	Any other	0	0	0	0.00	0	0	0	0.00	0.00
	Total share-holding of Promoter (A)(1)			52073272	0	52073272	71.59	**41618272**	**0**	**41618272**	**57.22**	**(14.38)**
	(2)	Foreign										
		(a)	NRIs - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
		(b)	Other – Individuals	0	0	0	0.00	0	0	0	0.00	0.00
		(c)	Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
		(d)	Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
		(e)	Any Other	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-total (A) (2)			0	0	0	0.00	0	0	0	0.00	0.00
	Total shareholding of Promoter (A) = (A)(1)+(A)(2)			52073272	0	52073272	71.59	**41618272**	**0**	**41618272**	**57.22**	**(14.38)**
B.	Public Shareholding											
	1.	Institutions										
		(a)	Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
		(b)	Banks / FI	171275	0	171275	0.23	390997	0	390997	0.54	0.30
		(c)	Central Govt	5	0	5	0.00	5	0	5	0.00	0.00
		(d)	State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
		(e)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
		(f)	Insurance Companies	56937	0	56937	0.08	56937	0	56937	0.08	0.00
		(g)	FIIs	2659500	0	2659500	3.66	2958743	0	2958743	4.07	0.41
		(h)	Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
		(i)	Foreign National	0	0	0	0.00	0	0	0	0.00	0.00
		Sub-total (B)(1):-		2887717	0	2887717	3.97	**3406682**	**0**	**3406682**	**4.68**	**0.71**
	2.	Non-Institutions										
		(a)	Bodies Corp.									
			(i) Indian	8230839	0	8230839	11.32	11032278	0	11032278	15.17	3.85
			(ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
		(b)	Individuals:									
			(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	1365040	342	1365382	1.88	5398613	342	5398955	7.42	5.54
			(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	3500214	0	3500214	4.81	6598234	0	6598234	9.07	4.26
		(c)	Others (specify)									
			(i) Trusts	30	0	30	0.00	539	0	0.00	0.00	0.00
			(ii) Non-Resident Indians	2313115	0	2313115	3.18	2520218	0	2520218	3.46	0.28
			(iii) Hindu Undivided Family	98719	0	98719	0.14	737286	0	737286	1.01	0.87
			(iv) Overseas Corporate Bodies	11	0	11	0.00	11	0	11	0.00	0.00
			(v) Clearing Members	2266572	0	2266572	3.12	1422396	0	1422396	1.96	(1.16)
			(vi) Foreign Nationals	0	0	0	0.00	1000	0	1000	0.00	0.00
		Sub-total (B)(2)		17774540	342	17774882	24.44	**27710575**	**342**	**27710917**	**38.10**	**13.66**
	Total Public Shareholding (B)=(B)(1)+ (B) (2)			20662257	342	20662599	28.41	**31117257**	**342**	**31117599**	**42.78**	**14.37**
C.	Shares held by Custodian for GDRs & ADRs			0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A+B+C)				72735529	342	72735871	100.00	**72735529**	**342**	**72735871**	**100**	**0.00**

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ii) Shareholding of Promoter-

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year [As on 31-March-2017]			Shareholding at the end of the year [As on 31-March-2018]			% 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	4.36	**5800000**	**7.97**	**7.52**	**0.00**
2	Vyomesh M. Shah	7540000	10.37	10.35	**7540000**	**10.37**	**10.35**	**0.00**
3	Mahipatray V. Shah HUF	9600000	13.20	12.92	**1910000**	**2.63**	**2.61**	**(10.57)**
4	Hemant M. Shah HUF	4980500	6.85	6.50	**4980500**	**6.85**	**6.75**	**0.00**
5	Vyomesh M. Shah HUF	3925000	5.40	5.40	**3925000**	**5.40**	**5.40**	**0.00**
6	Kunjal H. Shah	3308000	4.55	2.40	**3058000**	**4.20**	**4.19**	**(0.35)**
7	Falguni V. Shah	5929772	8.15	7.95	**5789772**	**7.96**	**7.95**	**(0.19)**
8	Rushank V. Shah	1600000	2.20	2.20	**1600000**	**2.20**	**2.20**	**0.00**
9	Khilen V. Shah	2600000	3.57	3.13	**2600000**	**3.58**	**3.13**	**0.00**
10	Kushal H. Shah	3600000	4.95	3.85	**3600000**	**4.95**	**4.81**	**0.00**
11	Lata M. Shah	2400000	3.30	2.44	**25000**	**0.03**	**0**	**(3.27)**
12	Hemant M. Shah and Vyomesh M. Shah	190000	0.26	0.19	**190000**	**0.26**	**0.19**	**0.00**
13	Ukay Valves and Founders Private Limited	300000	0.41	0.00	**300000**	**0.41**	**0**	**0.00**
14	Vishwajeet Consultancy Private Limited	300000	0.41	0.00	**300000**	**0.41**	**0**	**0.00**
	Total	52073272	71.59	61.69	**41618272**	**57.22**	**55.10**	**(14.38)**

(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 (April 01, 2017)	5929772	8.15	5929772	8.15
	Shares sold on November 3, 2017	(140000)	(0.19)	5789772	7.96
	At the end of the year (March 31, 2018)	-	-	5789772	7.96
2.	**Mahipatray V. Shah HUF**				
	At the beginning of the year (April 01, 2017)	9600000	13.20	9600000	13.20
	Shares invoked on August 25, 2017	(10000)	(0.01)	9590000	13.19
	Shares sold on October 13, 2017	(548421)	(0.75)	9041579	12.44
	Shares on November 3, 2017	(2835416)	(3.90)	6206163	8.53
	Shares sold on December 1, 2017	(1657988)	(2.28)	4548175	6.25
	Shares sold on December 15, 2017	(1003304)	(1.38)	3544871	4.87
	Shares sold on December 22, 2017	(1634871)	(2.25)	1910000	2.63
	At the end of the year (March 31, 2018)	-	-	1910000	2.63

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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
3.	**Kunjal H. Shah**				
	At the beginning of the year (April 01, 2017)	3308000	4.55	3308000	4.55
	Shares sold on November 3, 2017	50000	(0.07)	3258000	4.48
	Shares sold on December 1, 2017	200000	(0.27)	3058000	4.20
	At the end of the year (March 31, 2018)			3058000	4.20
4.	**Lata M. Shah**				
	At the beginning of the year (April 01, 2017)	2400000	3.30	2400000	3.30
	Shares sold on November 10, 2017	(70453)	(0.10)	2329547	3.20
	Shares sold on December 1, 2017	(2304547)	(3.17)	25000	0.03
	At the end of the year (March 31, 2018)			25000	0.03

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 SHARE AND STOCK BROKERS LIMITED**				
	At the beginning of the year (April 01, 2017)	2004773	2.7562	2004773	2.7562
	Purchase of Shares on 07-04-2017	27266	0.0375	2032039	2.7937
	Sale of Shares on 14-04-2017	(1949)	(0.0027)	2030090	2.7910
	Sale of Shares on 21-04-2017	(2025946)	(2.7853)	4144	0.0057
	Purchase of Shares on 28-04-2017	399402	0.5491	403546	0.5548
	Purchase of Shares on 05-05-2017	196442	0.2701	599988	0.8249
	Sale of Shares on 12-05-2017	(598452)	(0.8228)	1536	0.0021
	Sale of Shares on 19-05-2017	(1001)	(0.0014)	535	0.0007
	Purchase of Shares on 26-05-2017	261	0.0004	796	0.0011
	Purchase of Shares on 02-06-2017	550	0.0008	1346	0.0019
	Sale of Shares on 09-06-2017	(881)	(0.0013)	465	0.0006
	Purchase of Shares on 16-06-2017	12692	0.0175	13157	0.0181
	Purchase of Shares on 23-06-2017	1454	0.0020	14611	0.0201
	Sale of Shares on 30-06-2017	(1001)	(0.0014)	13610	0.0187
	Sale of Shares on 07-07-2017	(710)	(0.0010)	12900	0.0177
	Sale of Shares on 14-07-2017	(214)	(0.0003)	12686	0.0174
	Sale of Shares on 21-07-2017	(421)	(0.0005)	12265	0.0169
	Purchase of Shares on 28-07-2017	15	0.0000	12280	0.0169
	Sale of Shares on 04-08-2017	(231)	(0.0003)	12049	0.0166
	Purchase of Shares on 11-08-2017	5312	0.0073	17361	0.0239

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Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	Purchase of Shares on 18-08-2017	851	0.0011	18212	0.0250
	Sale of Shares on 25-08-2017	(1799)	(0.0024)	16413	0.0226
	Sale of Shares on 01-09-2017	(12703)	(0.0175)	3710	0.0051
	Sale of Shares on 08-09-2017	(3685)	(0.0051)	25	0.0000
	Purchase of Shares on 15-09-2017	105	0.0002	130	0.0002
	Purchase of Shares on 22-09-2017	1417	0.0019	1547	0.0021
	Sale of Shares on 29-09-2017	(1513)	(0.0021)	34	0.0000
	Sale of Shares on 06-10-2017	(29)	(0.0000)	5	0.0000
	Purchase of Shares on 13-10-2017	95	0.0001	100	0.0001
	Sale of Shares on 20-10-2017	(80)	(0.0001)	20	0.0000
	Sale of Shares on 27-10-2017	(20)	(0.0000)	0	0.0000
	Purchase of Shares on 03-11-2017	2665	0.0037	2665	0.0037
	Purchase of Shares on 10-11-2017	8364	0.0115	11029	0.0152
	Sale of Shares on 17-11-2017	(10643)	(0.0147)	386	0.0005
	Purchase of Shares on 24-11-2017	961	0.0014	1347	0.0019
	Purchase of Shares on 01-12-2017	50114	0.0689	51461	0.0708
	Purchase of Shares on 08-12-2017	2256	0.0031	53717	0.0739
	Purchase of Shares on 15-12-2017	14903	0.0204	68620	0.0943
	Sale of Shares on 22-12-2017	(5969)	(0.0082)	62651	0.0861
	Purchase of Shares on 29-12-2017	23036	0.0317	85687	0.1178
	Sale of Shares on 30-12-2017	(1540)	(0.0021)	84147	0.1157
	Purchase of Shares on 05-01-2018	13116	0.0180	97263	0.1337
	Purchase of Shares on 12-01-2018	86516	0.1190	183779	0.2527
	Sale of Shares on 19-01-2018	(105919)	(0.1457)	77860	0.1070
	Sale of Shares on 26-01-2018	(6491)	(0.0089)	71369	0.0981
	Purchase of Shares on 02-02-2018	1409	0.0020	72778	0.1001
	Sale of Shares on 09-02-2018	(9296)	(0.0128)	63482	0.0873
	Purchase of Shares on 16-02-2018	4376	0.0060	67858	0.0933
	Sale of Shares on 23-02-2018	(11470)	(0.0158)	56388	0.0775
	Sale of Shares on 02-03-2018	(1181)	(0.0016)	55207	0.0759
	Purchase of Shares on 09-03-2018	3162	0.0043	58369	0.0802
	Sale of Shares on 16-03-2018	(803)	(0.0011)	57566	0.0791
	Sale of Shares on 23-03-2018	(19827)	(0.0272)	37739	0.0519
	Purchase of Shares on 31-03-2018	2773053	3.8125	2810972	3.8644
	At the end of the year (March 31, 2018)			2810972	3.8644
2.	**LSO SUBCO NO.2 COMPANY**				
	At the beginning of the year (April 01, 2017)	2652700	3.6470	2652700	3.6470

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Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	No change in shareholding during the year				
	At the end of the year (March 31, 2018)	-	-	2652700	3.6470
3.	**NILESH RAMESHCHANDRA PETHANI**				
	At the beginning of the year (April 01, 2017)	1840876	2.5309	1840876	2.5309
	Purchase of Shares on 15-10-2017	54959	0.0756	1895835	2.6065
	At the end of the year (March 31, 2018)	-	-	1895835	2.6065
4.	**CELLO PENS AND STATIONERY PRIVATE LIMITED**				
	At the beginning of the year (April 01, 2017)	960000	1.3198	960000	1.3198
	No change in shareholding during the year				
	At the end of the year (March 31, 2018)	-	-	960000	1.3198
5.	**IL&FS SECURITIES SERVICES LIMITED**				
	At the beginning of the year (April 01, 2017)	0	0.00	0	0.00
	Purchase of Shares on 26-05-2017	121500	0.1670	121500	0.1670
	Sale of Shares on 02-06-2017	(88094)	(0.1211)	33406	0.0459
	Purchase of Shares on 09-06-2017	233711	0.3213	267117	0.3672
	Sale of Shares on 16-06-2017	(167000)	(0.2296)	100117	0.1376
	Sale of Shares on 23-06-2017	(14361)	(0.0197)	85756	0.1179
	Sale of Shares on 30-06-2017	30700	0.0422	116456	0.1601
	Sale of Shares on 07-07-2017	(33838)	(0.0465)	82618	0.1136
	Sale of Shares on 14-07-2017	(18350)	(0.0252)	64268	0.0884
	Purchase of Shares on 21-07-2017	40561	0.0557	104829	0.1441
	Purchase of Shares on 28-07-2017	61420	0.0845	166249	0.2286
	Sale of Shares on 04-08-2017	(22850)	(0.0314)	143399	0.1972
	Sale of Shares on 11-08-2017	(75675)	(0.1041)	67724	0.0931
	Sale of Shares on 18-08-2017	(268)	(0.0004)	67456	0.0927
	Sale of Shares on 08-09-2017	(1822)	(0.0025)	65634	0.0902
	Sale of Shares on 15-09-2017	(200)	(0.0002)	65434	0,0900
	Sale of Shares on 29-09-2017	(2800)	(0.0039)	62634	0.0861
	Sale of Shares on 06-10-2017	(3700)	(0.0051)	58934	0.0810
	Purchase of Shares on 20-10-2017	824	0.0012	59758	0.0822
	Sale of Shares on 27-10-2017	(574)	(0.0008)	59184	0.0814
	Sale of Shares on 03-11-2017	(409)	(0.0006)	58775	0.0808
	Purchase of Shares on 10-11-2017	121945	0.1677	180720	0.2485
	Purchase of Shares on 17-11-2017	7929	0.0109	188649	0.2594
	Purchase of Shares on 24-11-2017	18147	0.0249	206796	0.2843
	Sale of Shares on 01-12-2017	(19780)	(0.0272)	187016	0.2571
	Purchase of Shares on 08-12-2017	143524	0.1973	330540	0.4544

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Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	Sale of Shares on 15-12-2017	(42850)	(0.0589)	287690	0.3955
	Purchase of Shares on 22-12-2017	243484	0.3348	531174	0.7303
	Purchase of Shares on 29-12-2017	68690	0.0944	599864	0.8247
	Sale of Shares on 30-12-2017	(13550)	(0.0186)	586314	0.8061
	Sale of Shares on 05-01-2018	(376144)	(0.5172)	210170	0.2889
	Purchase of Shares on 12-01-2018	804457	1.1060	1014627	1.3949
	Purchase of Shares on 19-10-2018	63129	0.0868	1077756	1.4817
	Purchase of Shares on 26-01-2018	52862	0.0727	1130618	1.5544
	Sale of Shares on 02-02-2018	(33057)	(0.0454)	1097561	1.5090
	Purchase of Shares on 09-02-2018	160563	0.2207	1258124	1.7297
	Sale of Shares on 16-02-2018	(32945)	(0.0453)	1225179	1.6844
	Sale of Shares on 23-02-2018	(17563)	(0.0241)	1207616	1.6603
	Sale of Shares on 02-03-2018	(900)	(0.0013)	1206716	1.6590
	Sale of Shares on 09-03-2018	(300660)	(0.4133)	906056	1.2457
	Purchase of Shares on 16-03-2018	14970	0.0206	921026	1.2663
	Purchase of Shares on 23-03-2018	39243	0.0539	960269	1.3202
	Sale of Shares on 31-03-2018	(51020)	(0.0701)	909249	1.2501
	At the end of the year (March 31, 2018)			909249	1.2501
6.	**KARVY STOCK BROKING LIMITED**				
	At the beginning of the year (April 01, 2017)	10508	0.0144	10508	0.0144
	Purchase of Shares on 07-04-2017	194	0.0003	10702	0.0147
	Sale of Share on 14-04-2017	(233)	(0.0003)	10469	0.0144
	Purchase of Shares on 21-04-2017	122712	0.1687	133181	0.1831
	Sale of Shares on 28-04-2017	(46229)	(0.0636)	86952	0.1195
	Purchase of Shares on 05-05-2017	52735	0.0725	139867	0.1920
	Purchase of Shares on 12-05-2017	25266	0.0348	164953	0.2268
	Sale of Shares on 19-05-2017	(7205)	(0.0099)	157748	0.2169
	Purchase of Shares on 26-05-2017	20184	0.0277	177932	0.2446
	Purchase of Shares on 02-06-2017	188167	0.2587	366099	0.5033
	Purchase of Shares on 09-06-2017	16146	0.0222	382245	0.5255
	Purchase of Shares on 16-06-2017	65146	0.0896	447391	0.6151
	Purchase of Shares on 23-06-2017	302429	0.4158	749820	1.0309
	Sale of Shares on 30-06-2017	(59964)	(0.0825)	689856	0.9484
	Purchase of Shares on 07-07-2017	17761	0.0245	707617	0.9729
	Sale of shares on 14-07-2017	(16512)	(0.0227)	691105	0.9502
	Purchase of Shares on 21-07-2017	105454	0.1449	796559	1.0951
	Sale of Shares on 28-07-2017	(1305)	(0.0018)	795254	1.0933

Directors' Report and Management Discussion and Analysis (Contd.)

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
	Purchase of Shares on 04-08-2017	28970	0.0399	824224	1.1332
	Sale of Shares on 11-08-2017	(25517)	(0.0351)	798707	1.0981
	Purchase of Shares on 18-08-2017	1386	0.0019	800093	1.1000
	Purchase of Shares on 25-08-2017	29812	0.0410	829905	1.1410
	Purchase of Shares on 01-09-2017	3940	0.0054	833845	1.1464
	Purchase of Shares on 08-09-2017	14435	0.0198	848280	1.1662
	Sale of Shares on 15-09-2017	(15050)	(0.0206)	833230	1.1456
	Purchase of Shares on 22-09-2017	8640	0.0118	841870	1.1574
	Sale of Shares on 29-09-2017	(23981)	(0.0329)	817889	1.1245
	Purchase of Shares on 06-10-2017	1488	0.0020	819377	1.1265
	Sale of Shares on 13-10-2017	(11281)	(0.0155)	808096	1.1110
	Purchase of Shares on 20-10-2017	3323	0.0046	811419	1.1156
	Sale of Shares on 27-10-2017	(4700)	(0.0065)	806719	1.1091
	Sale of Shares on 03.11.-2017	(81897)	(0.1126)	724822	0.9965
	Purchase of Shares on 10-11-2017	144339	0.1985	869161	1.1950
	Sale of Shares on 17-11-2017	(36588)	(0.0503)	832573	1.1447
	Purchase of Shares on 24-11-2017	861	0.0011	833434	1.1458
	Sale of Shares on 01.12.2017	(133191)	(0.1831)	700243	0.9627
	Purchase of Shares on 08-12-2017	139738	0.1921	839981	1.1548
	Purchase of Shares on 15.12.2017	11149	0.0154	851130	1.1702
	Purchase of Shares on 22.12.2017	74305	0.1021	925435	1.2723
	Purchase of Shares on 29.12.2017	8095	0.0112	933530	1.2835
	Purchase of Shares on 30.12.2017	140	0.0001	933670	1.2836
	Sale of Shares on 05-01-2018	(231030)	(0.3176)	702640	0.9660
	Sale of Shares on 12-01-2018	(139793)	(0.1922)	562847	0.7738
	Purchase of Shares on 19.01.2018	4540	0.0063	567387	0.7801
	Purchase of Shares on 26.01.2018	5948	0.0081	573335	0.7882
	Sale of Shares on 02-02-2018	(97091)	(0.1334)	476244	0.6548
	Purchase of Shares on 09.02.2018	120901	0.1662	597145	0.8210
	Sale of Shares on 16-02-2018	(47557)	(0.0654)	549588	0.7556
	Sale of Shares on 23-02-2018	(4831)	(0.0066)	544757	0.7490
	Purchase of Shares on 02.03.2018	5074	0.0069	549831	0.7559
	Sale of Shares on 09-03-2018	(36310)	(0.0499)	513521	0.7060
	Purchase of Shares on 16.03.2018	256371	0.3525	769892	1.0585
	Purchase of Shares on 23.03.2018	2813	0.0038	772705	1.0623
	Purchase of Shares on 31.03.2018	43964	0.0605	816669	1.1228
	At the end of the year (March 31, 2018)			816669	1.1228

Directors' Report and Management Discussion and Analysis (Contd.)

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
7.	**PANKAJ LATA NIGAM**				
	At the beginning of the year (April 01, 2017)	912973	1.2552	912973	1.2552
	Sale of Shares on 28-07-2017	(6000)	(0.0083)	906973	1.2469
	Sale of Shares on 04-08-2017	(10000)	(0.0137)	896973	1.2332
	Sale of Shares on 18-08-2017	(40000)	(0.0550)	856973	1.1782
	Sale of Shares on 15-09-2017	(30000)	(0.0412)	826973	1.1370
	Sale of Shares on 22-09-2017	(90437)	(0.1244)	736536	1.0126
	Sale of Shares on 29-09-2017	(13412)	(0.0184)	723124	0.9942
	Purchase of Shares on 03-11-2017	18650	0.0256	741774	1.0198
	Purchase of Shares on 10-11-2017	63657	0.0875	805431	1.1073
	Sale of Shares on 24-11-2017	(54949)	(0.0755)	750482	1.0318
	Sale of Shares on 01-12-2017	(62456)	(0.0859)	688026	0.9459
	At the end of the year (March 31, 2018)			688026	0.9459
8.	**TRUPTI K. KARANI**				
	At the beginning of the year (April 01, 2017)	0		0	0.00
	Purchase of Shares on 08-12-2017	25000	0.0344	25000	0.0344
	Purchase of Shares on 15-12-2017	50000	0.0687	75000	0.1031
	Purchase of Shares on 26-01-2018	15000	0.0206	90000	0.1237
	Purchase of Shares on 09-02-2018	140000	0.1925	230000	0.3162
	Purchase of Shares on 16-02-2018	5000	0.0069	235000	0.3231
	Purchase of Shares on 23-02-2018	160000	0.2200	395000	0.5431
	Sale of Shares on 02-03-2018	(105000)	(0.1444)	290000	0.3987
	Sale of Shares on 09-03-2018	(165000)	(0.2268)	125000	0.1719
	Purchase of Shares on 16-03-2018	541500	0.7444	666500	0.9163
	Sale of Shares on 23-03-2018	(30000)	(0.0412)	636500	0.8751
	Sale of Shares on 31-03-2018	(78000)	(0.1073)	558500	0.7678
	At the end of the year (March 31, 2018)			558500	0.7678
9.	**AQUA PROOF WALL PLAST PRIVATE LIMITED**				
	At the beginning of the year (April 01, 2017)	0		0	0.00
	Purchase of Shares on 09-03-2018	727000	0.9995	727000	0.9995
	Sale of Shares on 31-03-2018	(205000)	(0.2818)	522000	0.7177
	At the end of the year (March 31, 2018)			522000	0.7177
10.	**TANGO COMMOSALES LLP**				
	At the beginning of the year (April 01, 2017)	0		0	0.00
	Purchase of Shares on 21-04-2017	811380	1.1155	811380	1.1155
	Purchase of Shares on 28-04-2017	90377	0.1243	901757	1.2398
	Sale of Shares on 05-05-2017	(12000)	(0.0165)	889757	1.2233

Directors' Report and Management Discussion and Analysis (Contd.)

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
	Purchase of Shares on 12-05-2017	100000	0.1375	989757	1.3608
	Sale of Shares on 19-05-2017	(240686)	(0.3309)	749071	1.0299
	Sale of Shares on 26-05-2017	(227909)	(0.3134)	521162	0.7165
	Purchase of Shares on 02-06-2017	291879	0.4013	813041	1.1178
	Sale of Shares on 09-06-2017	(19788)	(0.0272)	793253	1.0906
	Sale of Shares on 16-06-2017	(1905)	(0.0026)	791348	1.0880
	Sale of Shares on 23-06-2017	(75142)	(0.1033)	716206	0.9847
	Purchase of Shares on 30-06-2017	87737	0.1206	803943	1.1053
	Purchase of Shares on 07-07-2017	91942	0.1264	895885	1.2317
	Purchase of Shares on 14-07-2017	118843	0.1634	1014728	1.3951
	Sale of Shares on 21-07-2017	(148804)	(0.2046)	865924	1.1905
	Sale of Shares on 28-07-2017	(85250)	(0.1172)	780674	1.0733
	Purchase of Shares on 04-08-2017	87000	0.1196	867674	1.1929
	Purchase of Shares on 11-08-2017	19084	0.0262	886758	1.2191
	Purchase of Shares on 18-08-2017	12227	0.0169	898985	1.2360
	Purchase of Shares on 25-08-2017	4221	0.0058	903206	1.2418
	Purchase of Shares on 01-09-2017	32515	0.0447	935721	1.2865
	Sale of Shares on 08-09-2017	(1489)	(0.0021)	934232	1.2844
	Purchase of Shares on 27-10-2017	16779	0.0231	951011	1.3075
	Sale of Shares on 10-11-2017	(570000)	(0.7837)	381011	0.5238
	Purchase of Shares on 17-11-2017	71000	0.0976	452011	0.6214
	Sale of Shares on 24-11-2017	(66736)	(0.0917)	385275	0.5297
	Purchase of Shares on 01-12-2017	49140	0.0676	434415	0.5973
	Purchase of Shares on 08-12-2017	14878	0.0204	449293	0.6177
	Sale of Shares on 15-12-2017	(3315)	(0.0046)	445978	0.6131
	Purchase of Shares on 22-12-2017	21681	0.0299	467659	0.6430
	Purchase of Shares on 05-01-2018	131000	0.1801	598659	0.8231
	Sale of Shares on 12-01-2018	(95837)	(0.1318)	502822	0.6913
	Purchase of Shares on 19-01-2018	16036	0.0220	518858	0.7133
	Purchase of Shares on 26-01-2018	27460	0.0378	546318	0.7511
	Purchase of Shares on 02-02-2018	240829	0.3311	787147	1.0822
	Sale of Shares on 09-02-2018	(99000)	(0.1361)	688147	0.9461
	Sale of Shares on 16-02-2018	(177230)	(0.2437)	510917	0.7024
	Sale of Shares on 23-02-2018	(349)	(0.0005)	510568	0.7019
	Sale of Shares on 02-03-2018	(104518)	(0.1436)	406050	0.5583
	Purchase of Shares on 09-03-2018	113530	0.1560	519850	0.7143
	At the end of the year (March 31, 2018)			519850	0.7143

Directors' Report and Management Discussion and Analysis (Contd.)

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, 2017)	58,00,000	7.97	58,00,000	7.97
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year (March 31, 2018)	58,00,000	7.97	58,00,000	7.97
2)	**Mr. Vyomesh Shah (Managing Director)**				
	At the beginning of the year (April 01, 2017)	75,40,000	10.37	75,40,000	10.37
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year (March 31, 2018)	75,40,000	10.37	75,40,000	10.37
3)	**Mr. Abhijit Datta (Independent Director)**				
	At the beginning of the year (April 01, 2017)	-	-	-	-
	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, 2018)	-	-	-	-
4)	**Mr. Shailesh Hingarh (Independent Director) (from March 22, 2018)**				
	At the beginning of the year (April 01, 2017)	-	-	-	-
	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, 2018)	-	-	-	-
5)	**Mr. Sunil Shah (Independent Director)**				
	At the beginning of the year (April 01, 2017)	-	-	-	-
	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, 2018)	-	-	-	-
6)	**Ms. Priti Shah (Non-Executive Director)**				
	At the beginning of the year(April 01, 2017)	-	-	-	-
	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, 2018)	-	-	-	-
7)	**Mr. Shirish Gajendragadkar (Independent Director upto September 12, 2017)**				
	At the beginning of the year (April 01, 2017)	-	-	-	-
	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 tenure (September 12, 2017))	-	-	-	-
8)	**Ms. Nancy Pereira (Chief Financial Officer)**				
	At the beginning of the year (April 01, 2017)	200	-	-	200
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year (March 31, 2018)	200	-	-	200
9)	**Mr. Chetan Mody (Company Secretary)**				
	At the beginning of the year (April 01, 2017)	-	-	-	-
	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, 2018)	-	-	-	-

Directors' Report and Management Discussion and Analysis (Contd.)

V) INDEBTEDNESS –

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

(₹ in Lakhs)

Particulars		Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year					
i)	Principal Amount	75035.68	69146.39	----	144182.07
ii)	Interest due but not paid	8775.17	4999.87	----	13775.04
iii)	Interest accrued but not due	5586.30	----	----	5586.30
	Total (i+ii+iii)	89397.15	74146.26	----	163543.41
Change in Indebtedness during the financial year					
* Addition		80341.50	75698.35	----	156039.85
* Reduction		131168.59	62679.98	----	193848.57
Net Change		(50827.09)	13018.37	----	(37808.72)
Indebtedness at the end of the financial year					
i)	Principal Amount	34290.41	82270.43	----	116560.84
ii)	Interest due but not paid	4279.65	4894.20	----	9173.85
iii)	Interest accrued but not due	----	---	----	----
Total (i+ii+iii)		38570.06	87164.63	----	125734.69

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

(₹ in Lakhs)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Mr. Hemant Shah (Executive Chairman)	Mr. Vyomesh Shah (Managing Director)	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	70.20	69.07	139.27
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	9.72	1.44	11.16
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	----	----	----
2	Stock Option	----	----	----
3	Sweat Equity	----	----	----
4	Commission			
	- as % of profit	----	----	----
	- others, specify…			
5	Others :	----	----	----
	Total (A)	79.92	70.51	150.43
	Ceiling as per the Act	₹ 157.24 Lakhs (being 10% of the net profit computed in accordance with Section 198 of the Companies Act, 2013).		

Directors' Report and Management Discussion and Analysis (Contd.)

B. Remuneration to other directors:

(₹ in Lakhs)

Sr. No.	Particulars of Remuneration	Name of Directors					Total Amount
		Mr. Abhijit Datta	Mr. Shailesh Hingarh (from March 22, 2018)	Mr. Sunil Shah	Mr. Shirish Gajendragadkar (upto September 12, 2017)	Ms. Priti Shah	
1	Independent Directors						
	Fee for attending Board/ Committee meetings	3.30	----	4.30	2.60	----	10.20
	Commission	4.60	----	4.60	1.92	----	11.12
	Others, please specify	----	----	----	----	----	----
	Total (1)	7.90	----	8.90	4.52	----	21.32
2	Other Non-Executive Directors						
	Fee for attending Board/ Committee meetings	----	----	----	----	1.50	1.50
	Commission	----	----	----	----	4.60	4.60
	Others, please specify	----	----	----	----	----	---
	Total (2)	----	----	-----	----	6.10	6.10
	Total (B)=(1+2)	7.90	-----	8.90	4.52	6.10	27.42 (including sitting fees) 15.72 (excluding sitting fees)
	Total Managerial Remuneration						166.15
	Overall Ceiling as per the Act	₹ 172.96 Lakhs being 11% of the net profit computed as per Section 198 of the Companies Act, 2013.					

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

(₹ in Lakhs)

Sr. no.	Particulars of Remuneration	Key Managerial Personnel		Total
		Mr. Chetan Mody (Company Secretary)	Ms. Nancy Pereira (Chief Financial Officer)	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	24.47	34.90	59.37
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	others, specify…	-	-	-
5	Others, please specify	-	-	-
	Total	24.47	34.90	59.37

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	-	-	-	-	-

ANNEXURE – 'D'

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3)of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies(Accounts) Rules, 2014)

FORM FOR DISCLOSURE OF PARTICULARS OF CONTRACTS/ARRANGEMENTS ENTERED INTO BY THE COMPANY WITH RELATED PARTIES REFERRED TO IN SUB-SECTION (1) OF SECTION 188 OF THE COMPANIES ACT, 2013 INCLUDING CERTAIN ARMS LENGTH TRANSACTIONS UNDER THIRD PROVISO THERETO

1. Details of contracts or arrangements or transactions not at arm's length basis

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
--	--	--	--	--	--	--	--

2. Details of material contracts or arrangement or transactions at arm's length basis

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
Mr. Kamlesh Shah, spouse of Mrs. Priti Shah, Director of the Company	Sale of immovable property	One time transaction	Sale of immovable property of the Company being flat no. 201 on the 2nd floor of the building namely 'AkrutiAastha' at Doongersy Road, Walkeshwar, Mumbai.	May 29, 2017	₹ 12,00,00,000/- (Rupees Twelve Crore) purchase consideration.
Helictite Residency Private Limited, a promoter group company	Furnishing of Security	One time transaction. Valid till the repayment of the entire loan amount	Furnishing of security by way of creation of charge on the immovable property of the Company being 13 units and the entire 13th floor of the building namely 'Hubtown Solaris' in order to secure the loan of ₹ 153,00,00,000/- (Rupees One Hundred Fifty Three Crore) availed by Helictite Residency Private Limited from Indiabulls Housing Finance Limited.	August 10, 2017	Nil
Joyous Housing Limited, a jointly controlled entity (associate)	Furnishing of Security	One Time Transaction. Valid till the repayment of the entire loan amount	Furnishing of security by way of pledge of the entire shareholding of 25 % held by the Company in the share capital of Joyous Housing Limited, an associate, in order to secure the loan of ₹ 800,00,00,000/- (Rupees Eight Hundred Crore) availed by Joyous Housing Limited from PNB Housing Finance Limited.	November 12, 2017	Nil
Twenty Five South Realty Limited, a jointly controlled entity (associate)	Furnishing of Security	One Time Transaction. Valid till the repayment of the entire loan amount	Furnishing of security by way of pledge of shareholding of 39.50 % held by the Company in the share capital of Twenty Five South Realty Limited, an associate, in order to secure the loan of ₹ 1002,00,00,000/- (Rupees One Thousand Two Crore) availed by Twenty Five South Realty Limited from Indiabulls Housing Finance Limited.	November 12, 2017	Nil

For and on behalf of the Board

For Hubtown Limited

Hemant M. Shah
Executive Chairman
DIN : 00009659

Place: Mumbai
Date: May 29, 2018

Directors' Report and Management Discussion and Analysis (Contd.)

ANNEXURE - 'E'

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

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

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

   Weblink : http://hubtown.co.in/admin/uploaddir/7%20-%20HUBTOWN%20CSR%20POLICY.pdf.

2. Composition of the CSR Committee

   Mr. Hemant M. Shah – Chairman of the Committee

   Mr. Vyomesh M. Shah

   Mr. Sunil C. Shah

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

   Average Net Profit : ₹ 1700.09 lakh

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

   The Company is required to spend : ₹ 34 lakh

5. Details of CSR spend for the financial year.

   a. Total amount spent for the financial year : ₹ 385.25 lakh #

   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 lakhs)	Amount spent on the project or program (₹ in lakhs)	Cumulative Expenditure upto the reporting period (₹ in lakhs)	Amount spent direct or through implementing agency
1.	Promotion of Education	Literacy	Kankavali	₹ 385.25 lakh	₹ 385.25 lakh	₹ 385.25 lakh	Implementing Agency

Details of the Implementing Agency : Sindhudurg Shikshan Prasarak Mandal (SSPM) is the implementing agency. SSPM started the first engineering degree college at Kankavali in Sindhudurg District of Maharashtra, in the year 1999. SSPM has also established in 2017 a medical college at Padvave, Sindhudurg. SSPM also runs 'Dairy development College' in Kankavali. SSPM has also set up a Vridhashram at Bhiravande near Kankavali.

- This includes Rs.39 lakh being the unspent amount of CSR expenditure for the Financial Year 2016-2017.

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

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

Place: Mumbai
Date: May 29, 2018

ANNEXURE - 'F'

DISCLOSURE IN DIRECTORS' REPORT PURSUANT TO SECTION 197 (12) OF THE COMPANIES ACT, 2013 READ WITH THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

1.	Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year ended March 31, 2018		
	Name	**Designation**	**Ratio of remuneration to the median employees' remuneration**
	Hemant M. Shah	Executive Chairman	12:1
	Abhijit Datta	Independent Director	18:1
	Shirish Gajendragadkar (upto September 12, 2018)	Independent Director	NIL
	Shailesh Hingarh (from March 22, 2018)	Independent Director	Nil
	Sunil C. Shah	Independent Director	18:1
	Priti K. Shah	Non-Executive Director	18:1
	Vyomesh M. Shah	Managing Director	11:1
	Remuneration is considered by way of commission only in case of Independent and Non-Executive Directors.		
2.	Percentage increase / (decrease) in remuneration of each Director and Key Managerial Personnel in the Financial Year 2017-2018		
	Name	Designation	Increase / (Decrease) in remuneration over 2017-2018
	Hemant M. Shah	Executive Chairman	Nil
	Vyomesh M. Shah	Managing Director	Nil
	Abhijit Datta ^	Independent Director	20.16 %
	Shirish Gajendragadkar # # (upto September 12, 2018)	Independent Director	Nil
	Shailesh Hingarh # # (from March 22, 2018)	Independent Director	Nil
	Sunil C. Shah ^	Independent Director	20.16 %
	Priti K. Shah ^	Non-Executive Director	20.16 %
	Nancy Pereira	Chief Financial Officer	Nil
	Chetan S. Mody	Company Secretary	Nil
	There has been no increase in the remuneration of the Executive Chairman and the Managing Director. Independent and Non-Executive Directors are paid commission upto 1 % of the net profit of the Company for each financial year and hence the change in remuneration is due to change in the net profit of the Company for the Financial Year under review as compared to the net profit for the previous Financial Year..		
	# # - These persons held office for part of the year and hence remuneration received in Financial Year 2017-2018 may not be strictly comparable with the remuneration received in the previous year.		
	^ - Remuneration considered is by way of commission only. Sitting fees received is not included in the computation of remuneration received.		
3.	The percentage increase in the median remuneration of employees in the Financial Year 2017-2018		
	There is approx. NIL % increase in median remuneration of employees other than managerial personnel in the last financial year.		
4.	The number of permanent employees on the roll of the Company.		
	As on March 31, 2018, there were 132 employees on the roll of the Company.		
5.	Average percentile increase already made in the salaries of the employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.		
	There is NIL% increase in median remuneration of employees other than the managerial remuneration in the last financial year. There was no change in the managerial remuneration. Any increase in remuneration is due to higher replacement cost of the persons leaving the organization and increments given during the Financial Year 2017-2018.		
6.	Affirmation that the remuneration is as per the remuneration policy of the Company.		
	The Company affirms that the remuneration paid is as per the remuneration policy of the Company.		

CORPORATE GOVERNANCE REPORT

INTRODUCTION

Corporate Governance is the evolution of a system by which the values, principles, management policies and procedures of a corporation are inculcated and manifested. Corporate Governance influences how the objectives of the company are set and achieved, how risk is monitored and assessed, and how performance is optimized.

Effective corporate governance structures encourage companies to create value, through entrepreneurialism, innovation, development and exploration, and provide accountability and control systems commensurate with the risks involved.

Kotak Committee on Corporate Governance

On March 28, 2018, the Securities and Exchange Board of India (SEBI) accepted some of the recommendations with or without modifications of Uday Kotak Committee on Corporate Governance and on May 9, 2018, SEBI implemented most of the recommendations by amending the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

MANDATORY REQUIREMENTS

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

The Company's philosophy on corporate governance envisages attainment of transparency, accountability and propriety in the total functioning of the Company and in the conduct of its business internally and externally, including its interactions with employees, shareholders, creditors, consumers, and institutional and other lenders.

The Company believes that its systems and actions must be dovetailed for enhancing the performance and shareholder value in the long term.

The Company's Corporate Governance Policy has been further strengthened through Hubtown Code of Conduct and Business Ethics for Directors and Senior Management; and Hubtown Code of Conduct for Prevention of Insider Trading.

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

2. BOARD OF DIRECTORS:

COMPOSITION :

As on March 31, 2018, the Board comprised of 6 (six) Directors, of whom 2 (two) were Promoter Executive Non-Independent Directors, 3 (three) Independent Directors and 1 (one) Non-Executive Director. The composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations and Section 149 of the Companies Act, 2013 ('the Act').

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

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

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

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

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

Corporate Governance Report (Contd.)

RESPONSIBILITIES :

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

During the year 2017-2018, information mentioned in Part 'A' of Schedule II of Regulation 17 (7) of the SEBI Listing Regulations, has been placed before the Board for its consideration.

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

Name of Director	Category of Directorship	Directorship in other public companies (*)	No. of Board Committee positions held in other public companies		Relationship with other Directors inter-se
			Chairman	Member @	
Mr. Hemant M. Shah Executive Chairman DIN : 00009659	Promoter, Executive Non-Independent	----	----	----	Related to Mr. Vyomesh M. Shah
Mr. Abhijit Datta DIN : 00790029	Non-Executive Independent	4	1	5	Not related to any other Director of the Company
Mr. Shirish Gajendragadkar (upto September 12, 2017) DIN : 01681405	Non-Executive Independent	----	----	----	
Mr. Shailesh Hingarh (from March 22, 2018) DIN : 00166916	Additional Non-Executive Independent	4	----	----	
Mr. Sunil C. Shah DIN : 06947244	Non-Executive Independent	----	----	----	
Mrs. Priti K. Shah DIN : 01880436	Non-Executive	----	----	----	
Mr. Vyomesh M. Shah Managing Director DIN : 00009596	Promoter, Executive Non-Independent	1	----	----	Related to Mr. Hemant M. Shah

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

BOARD DIVERSITY :

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

APPOINTMENT AND TENURE :

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

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

Corporate Governance Report (Contd.)

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 Act and the erstwhile Listing Agreements. The terms and conditions of the appointment of Independent Directors have also been disclosed on the Company's website at http://www.hubtown.co.in/investors/board and board committees.

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

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS :

The Company has a familiarization programme for its Independent Directors, whose objective is to familiarize the Independent Directors to enable them to understand the Company, its operations, its business, industry and environment in which it operates and the regulatory environment applicable to it. Periodic presentations are made at the Board and Board Committee meetings, on business and performance updates. The Independent Directors are also informed about material regulatory and statutory updates affecting the Company. The appointment letters issued to Independent Directors outlines the roles, functions, duties and responsibilities, disclosures and declarations to be submitted by each Independent Directors and the various codes and policies of the Company. Pursuant to the provisions of the Act and Regulation 25 (7) of the SEBI Listing Regulations, the Company has, during the year conducted familiarization programme for its Independent Directors, the details of familiarization program imparted to Independent Directors are disclosed on the website of the Company at http://www.hubtown.co.in/investors/codesandpolicies.

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.

SEPARATE MEETING OF INDEPENDENT DIRECTORS :

As required under Schedule VI to the Act and Regulation 25 (3) of the SEBI Listing Regulations, the Independent Directors met on May 29, 2017 without the presence of Non- Independent Directors and Management Personnel for consideration of the following matters :

- Evaluation of the performance of Non-Independent Directors and the Board 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
- Assessed the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonable perform its duties.

Mr. Abhijit Datta, Mr. Shirish Gajendragadkar and Mr. Sunil Shah attended the meeting of the Independent Directors. Mr. Abhijit Datta chaired the meeting.

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

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

Corporate Governance Report (Contd.)

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

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

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

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 11 (eleven) times. The meetings were held on May 29, 2017; June 30, 2017; July 24, 2017; July 31, 2017; August 10, 2017; September 12, 2017, October 12, 2017; October 30, 2017; November 12, 2017; February 13, 2018 and March 22, 2018 respectively.

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

The attendance of the Directors at the above mentioned Board Meetings and the 29th AGM held on October 30, 2017 are detailed hereunder :

Name of the Director	**No. of Board Meetings attended**	**Attendance at last AGM held on** October 30, 2017
Mr. Hemant M. Shah	5	Attended
Mr. Abhijit Datta	3	Absent
Mr. Shirish Gajendragadkar (upto September 12, 2017)	6	Not Applicable
Mr. Shailesh Hingarh (w.e.f. March 22, 2018)	1	Not Applicable
Mr. Sunil C. Shah	11	Attended
Mrs. Priti K. Shah	10	Attended
Mr. Vyomesh M. Shah	11	Attended

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

The Board met on May 29, 2018, to inter-alia approve the audited annual financial results and audited annual consolidated financial results of the Company for the year ended March 31, 2018.

MEETING COMPLIANCES :

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

3. BOARD COMMITTEES :

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

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

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

Corporate Governance Report (Contd.)

I. AUDIT AND COMPLIANCE COMMITTEE :

BROAD TERMS OF REFERENCE :

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

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

a. oversight of financial reporting process ;

b. recommendation for appointment, remuneration and terms of appointment of auditors of the Company;

c. approval for payment to statutory auditors for any other services rendered by the statutory auditors;

d. reviewing with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

   i. matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of Clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;

   ii. changes, if any, in accounting policies and practices and reasons for the same;

   iii. major accounting entries involving estimates based on the exercise of judgment by the management;

   iv. significant adjustments made in the financial statements arising out of audit findings;

   v. compliance with listing and other legal requirements relating to financial statements;

   vi. disclosure of any related party transactions; and

   vii. modified opinion(s) in the draft audit report;

e. reviewing with the management, the quarterly financial statements and the auditor's report thereon before submission to the Board for approval;

f. reviewing with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency, monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

g. reviewing and monitoring the auditor's independence and performance and effectiveness of audit process;

h. approval or any subsequent modification of transactions of the Company with related parties;

i. scrutiny of inter-corporate loans and investments;

j. evaluation of undertakings or assets of the Company, wherever necessary;

k. evaluation of internal financial controls and risk management system;

l. reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

m. reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

n. discussion with internal auditors of any significant findings and follow up thereon;

o. reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

p. discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern;

q. looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

r. reviewing the functioning of the Whistle Blower mechanism;

s. approving the appointment of Chief Financial Officer (i.e., the Wholetime Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc., of the candidate;

Corporate Governance Report (Contd.)

t. carrying out any other function as is mentioned in the terms of reference of the Audit Committee;

u. to review the Management Discussion and Analysis of financial condition and results of the operations;

v. to review the statement of significant related party transactions as defined by the Audit Committee, submitted by the management;

w. to review the management letters / letters of internal control weaknesses issued by the statutory auditors;

x. to review the Internal Audit Reports relating to internal control weaknesses;

y. to review the appointment, removal and terms of remuneration of the Chief Internal Auditor;

z. to secure attendance of outsiders with relevant expertise, if it considers necessary;

aa. to seek information from any employee;

bb. to obtain outside legal or other professional advice;

cc. to investigate any activity within its terms of reference; and

dd. such other matters as may be prescribed from time to time by the Companies Act, 2013 and the SEBI Listing Regulations.

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

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

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

The Audit and Compliance Committee while reviewing the Annual Financial Statements also reviews the applicability of various Accounting Standards (AS) notified pursuant to Companies (Accounting Standards) Rules, 2006. Compliance with the Indian Accounting Standards (IND AS) as applicable to the Company has been ensured in the Financial Statements for the year ended March 31, 2018.

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

EVALUATION :

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

COMPOSITION :

The Audit and Compliance Committee presently comprises of 4 (four) Directors, 3 (three) of whom are Non-Executive, Independent Directors. All the members of the Committee are financially literate and have accounting and financial management expertise. As required under Regulation 18 of the SEBI Listing Regulations, the Chairman of the Committee is a Non-Executive, Independent Director. The Company Secretary acts as Secretary to the Audit Committee.

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

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

Name of the Director		**Category**
Mr. Abhijit Datta	Chairman	Non-Executive Independent
Mr. Shirish Gajendragadkar (upto September 12, 2017)	Member	Non-Executive Independent
Mr. Shailesh Hingarh (w.e.f. March 22, 2018)	Member	Additional Non-Executive Independent
Mr. Sunil C. Shah	Member	Non-Executive Independent
Mr. Vyomesh M. Shah	Member	Promoter, Executive, Non-Independent

Corporate Governance Report (Contd.)

MEETINGS AND ATTENDANCE :

During the year under review, the Committee met 8 (eight) times. The meetings were held on May 29, 2017; June 30, 2017; July 24, 2017; August 10, 2017; September 12, 2017; October 12, 2017; November 12, 2017 and February 13, 2018. The gap between two meetings did not exceed 120 days.

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

Name of the Director	No. of meetings attended
Mr. Abhijit Datta	3
Mr. Shirish Gajendragadkar (upto September 12, 2017)	5
Mr. Shailesh Hingarh (w.e.f. March 22, 2018)	Nil
Mr. Sunil C. Shah	8
Mr. Vyomesh M. Shah	8

In the absence of Mr. Abhijit Datta, Chairman of the Audit and Compliance Committee at the Annual General Meeting of the Company held on October 30, 2017, Mr. Vyomesh M. Shah, Managing Director answered the queries of the shareholders.

The Committee met on May 29, 2018 to inter-alia review the audited annual financial results of the Company and the audited consolidated financial results for the year ended March 31, 2018 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.

II. NOMINATION AND REMUNERATION COMMITTEE:

COMPOSITION :

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

The present composition of the NRC is as follows:

Name of the Director		Category
Mr. Abhijit Datta	Chairman	Non-Executive Independent
Mr. Shirish Gajendragadkar (upto September 12, 2017)	Member	Non-Executive Independent
Mrs. Priti K. Shah (w.e.f. November 12, 2017)	Member	Non-Executive
Mr. Hemant M. Shah	Member	Promoter, Executive, Non-Independent

In the absence of Mr. Abhijit Datta, Chairman of the NRC, Mr. Vyomesh M. Shah, Managing Director was present at the Annual General Meeting of the Company held on October 30, 2017 to provide clarification on matters relating to managerial remuneration.

MEETING AND ATTENDANCE :

The NRC met 2 (two) times during the year under review. The meetings were held on May 29, 2017 and February 13, 2018, The attendance of each member at the NRC Meetings is as under :

Name of the Director	No. of meetings attended
Mr. Abhijit Datta	2
Mr. Shirish Gajendragadkar (upto September 12, 2017)	1
Mrs. Priti K. Shah (w.e.f. November 12, 2017)	1
Mr. Sunil C. Shah	2
Mr. Hemant M. Shah	2

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

Corporate Governance Report (Contd.)

TERMS OF REFERENCE :

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

i. formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board of Directors a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees;

ii. formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors;

iii. devising a policy on diversity of Board of Directors;

iv. identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board of Directors their appointment and removal; and

v. whether to extend or continue the term of appointment of the Independent Directors on the basis of the report of performance evaluation of Independent Directors.

REMUNERATION POLICY :

Pursuant to the provisions of Section 178 of the Act, the Company has formulated a Policy on the appointment of person as Director and evaluation thereof. The Remuneration Policy aims at attracting, retaining and motivating high caliber talent and ensures equity, fairness and consistency in rewarding the employees. The performance of the individual as well as the performance of the Company forms the basis of the Remuneration Policy.

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

The Policy is available on the website of the Company at http://www.hubtown.co.in/investors/codesandpolicies.

REMUNERATION OF DIRECTORS :

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

A. Remuneration to Non-Executive Directors :

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

i. ₹ 40,000/- for every meeting of the Board attended by each of them;

ii. ₹ 30,000/- for every meeting of the Committees of the Board (except for the Committee of Directors).

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

The role of Non-Executive Directors and their involvement as members of the Board has undergone a significant change pursuant to more stringent accounting standards and corporate governance norms. The Non-Executive Directors are required to take far more complex business decisions and are required to commit their time and provide their expertise for the Company's business. Accordingly, the Board has approved the payment of commission of an amount not exceeding 1% of the net profit of the Company computed in accordance with the provisions of Section 198 of the Act, for the financial year ended March 31, 2018, to be apportioned among the Independent and Non-Executive Directors in proportion to the period for which each of them held office as Director during the year under review.

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

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

Corporate Governance Report (Contd.)

B. Remuneration to Executive Chairman and Managing Director :

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

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

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

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

DETAILS OF REMUNERATION TO ALL DIRECTORS FOR THE YEAR ENDED MARCH 31, 2018

NON-EXECUTIVE DIRECTORS :

Name of the Director	Sitting Fees (Gross) ₹	Commission ₹	No. of Shares held
Mr. Abhijit Datta	330000	460217	Nil
Mr. Sunil C. Shah	430000	460217	Nil
Mr. Shirish Gajendragadkar (upto September 12, 2017)	260000	191759	Nil
Mr. Shailesh Hingarh (w.e.f. March 22, 2018)	Nil	Nil	Nil
Mrs. Priti K. Shah	150000	460217	Nil

EXECUTIVE CHAIRMAN AND MANAGING DIRECTOR :

Name of the Director	Salaries and Allowances ₹	Contribution to Provident Fund ₹	Performance Incentive ₹	Service Contract (Present)
Mr. Hemant M. Shah, Executive Chairman	7992000	777600	Nil	5 years
Mr. Vyomesh M. Shah, Managing Director	7050666	691200	Nil	5 years

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

PERFORMANCE EVALUATION :

Pursuant to the provisions of the Act and Part 'D' of Schedule II of the SEBI Listing Regulation, evaluation of every Director's performance was done by the Nomination and Remuneration Committee. The performance evaluation of Non-Independent Directors and the Board as a whole, Committees thereof and the Chairman of the Company was carried out by the Independent Directors. Evaluation of Independent Directors was carried out by the entire Board excluding the Director being evaluated. A structured questionnaires were prepared covering various aspects of the Board's as well as the Committees functioning based on the criteria determined by the Nomination and Remuneration Committee were circulated to the Directors for evaluation process.

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 Act and Regulation 20 of the SEBI Listing Regulations.

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

Corporate Governance Report (Contd.)

COMPOSITION :

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

Name of the Director		Category
Mr. Sunil C. Shah	Chairman	Non-Executive, Independent
Mr. Shirish Gajendragadkar (upto September 12, 2017)	Member	Non-Executive, Independent
Mr. Shailesh Hingarh (w.e.f. March 22, 2018)	Member	Additional Non-Executive Independent
Mrs. Priti K. Shah	Member	Non-Executive

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

The Company Secretary acts as Secretary to the Committee.

MEETINGS AND ATTENDANCE :

The Committee met once during the year under review on May 29, 2017.

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

Name of the Director	No. of meetings attended
Mr. Sunil C. Shah	1
Mr. Shirish Gajendragadkar (upto September 12, 2017)	1
Mr. Shailesh Hingarh (w.e.f. March 22, 2018)	----
Mrs. Priti K. Shah	1

Mr. Chetan S. Mody, Company Secretary of the Company is the Compliance Officer for the purpose of the SEBI Listing Regulations.

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

During the financial year 2017-2018, 2 complaints were received by the Company from the investors.

The status of investor's complaints as on March 31, 2018, is as follows :

No. of complaints pending as on April 1, 2017	Nil
No. of complaints received during the financial year 2017-2018	2
No. of complaints resolved upto March 31, 2018	2
No. of complaints pending as on March 31, 2018	Nil

The number of pending requests for dematerialization as on March 31, 2018 were Nil. Shareholders'/Investors' complaints and other correspondences are normally attended to within seven working days except where constrained by disputes or legal impediments.

IV. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE :

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

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

TERMS OF REFERENCE :

i. to formulate and recommend to the Board, the Corporate Social Responsibility (CSR) Policy which shall indicate the activities to be undertaken by the Company;

ii. to recommend the amount of expenditure to be incurred on the activities mentioned in (i) above;

iii. to monitor the Corporate Social Responsibility Policy of the Company from time to time;

Corporate Governance Report (Contd.)

iv. to prepare an annual report on Corporate Social Responsibility initiatives for inclusion in the Board's Report; and

v. to perform such functions as may be detailed in the Companies Act, 2013 and the relevant Rules made thereunder and any other applicable legislation.

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

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

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, 2018, the CSR Committee met once on February 13, 2018.

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

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

The Company Secretary acts as Secretary to the CSR Committee.

V. RISK MANAGEMENT COMMITTEE :

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

The role of the Risk Management Committee is to monitor and review the risk assessment, mitigation and risk management plan for the Company from time to time.

COMPOSITION :

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

Name of the Director		Category
Mr. Abhijit Datta	Chairman	Independent
Mr. Shirish Gajendragadkar (upto September 12, 2017)	Member	Independent
Mr. Hemant M. Shah	Member	Promoter, Executive, Non-Independent
Mr. Vyomesh M. shah	Member	Promoter, Executive, Non-Independent

The Committee met once on May 29, 2017 in which all the Committee members were present.

The Company Secretary acts as Secretary to the Committee.

VI. COMMITTEE OF DIRECTORS :

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

Corporate Governance Report (Contd.)

COMPOSITION :

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

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

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

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
2014-2015	September 29, 2015	Walchand Hirachand Hall, 4th floor, Indian Merchants' Chamber Building Indian Merchants' Chamber Marg, Churchgate, Mumbai 400 020	9.30 A.M.	i. payment of commission pursuant to Sections 197 and 198 of the Companies Act, 2013, to Non-Wholetime Directors of the Company for a period of three Financial Years from April 1, 2015 to March 31, 2018. ii. approval of Related Party Transactions under Section 188 of the Companies Act, 2013 and Clause 49 of the Listing Agreement. iii. issue of Non-convertible Debentures on private placement basis.
2015-2016	September 29, 2016	Kilachand Conference Room, 2nd floor, Indian Merchants' Chamber Building, Indian Merchants' Chamber Marg, Churchgate, Mumbai 400 020	10.00 A.M.	i. issue of Non-convertible Debentures on private placement basis.
2016-2017	October 30, 2017	Walchand Hirachand Hall, 4th floor, Indian Merchants' Chamber Building Indian Merchants' Chamber Marg, Churchgate, Mumbai 400 020	10.00 A.M.	i. issue of Non-convertible Debentures on private placement basis

The special resolutions for the financial years 2014-2015, 2015-2016 and 2016-2017, which were put to vote by e-voting, ballot and on poll, were passed with requisite majority.

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

No Extraordinary General Meetings were held during the last three financial years i.e. 2014-2015, 2015-2016 and 2016-2017 respectively.

Corporate Governance Report (Contd.)

POSTAL BALLOT :

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

Financial Year	Date of passing of the resolution	Nature of the resolution Ordinary / Special	Particulars of the resolution	No. of votes in favour of the resolution	No. of votes against the resolution
2017-2018	Due to technical issue, the result of the Postal ballot was cancelled and the entire Postal Ballot process was withdrawn.	Special	Issue of securities through Qualified Institutions Placement to Qualified Institutional Buyers.	Nil	Nil
	September 6, 2017	Special	Issue of securities through Qualified Institutions Placement to Qualified Institutional Buyers.	53472053	1139284

The aforesaid special resolution was passed with requisite majority. The results of the above Postal Ballots have been posted on the Company's website at http://www.hubtown.co.in/investors/postalballot/votingresults.

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

Procedure for Postal Ballot :

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

The Notices of the Postal Ballot dated May 29, 2017 and July 31, 2017 respectively were sent to all the members alongwith a self addressed postage pre-paid business reply envelopes whose e-mail id was not registered with the Company and through e-mail along with details of Login ID and Password to the members whose e-mail id was registered with the Company. The Company also published notices in the newspapers furnishing the details of completion of the Postal Ballot Notices and Forms and other requirements as mandated under the provisions of the Act and the Rules.

The voting under the Postal Ballots was kept open from June 27, 2017 (9.00 a.m. IST) to July 26, 2017 (5.00 p.m. IST) and from August 6, 2017 (9.00 a.m. IST) to September 4, 2017 (5.00 p.m. IST) respectively. Upon completion of the scrutiny of the Postal Ballot forms and the votes cast through remote e-voting, Mr. Ashish Bhatt, Company Secretary in Practice, Scrutinizer, submitted his reports to the Company. The result of the Postal Ballot voting in respect of Postal Ballot Notice dated May 29, 2017 was cancelled due to a technical issue, while the result of the Postal ballot voting in respect of the Postal ballot Notice dated July 31, 2017 was announced on September 6, 2017. The voting results were also intimated to the listed stock exchanges and also uploaded on the website of the Company.

During the current financial year (2018-2019), presently, there is no proposal to pass any special resolution through Postal Ballot.

5. SUBSIDIARIES:

During the year under review, the Company did not have any 'material subsidiary' as defined under Regulation 16 (1) (c) of the SEBI Listing Regulations. Hence, the Company was not required to have an Independent Director of the Company on the Board of such material subsidiary company. As required under Regulation 16 (1) (c) of the SEBI Listing Regulations, the Company has framed a policy for determining 'material subsidiaries' which has been posted on the Company's website at http://www.hubtown.co.in/investors/codesandpolicies.

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

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

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

Corporate Governance Report (Contd.)

6. CODE OF CONDUCT :

The Board of Directors has adopted Code of Conduct and Ethics for the Board of Directors and Senior Management Personnel of the Company in terms of Regulation 17 (5) of the SEBI Listing Regulations. All Board members and Senior Management Personnel have affirmed their compliance with the said Code for the financial year ended March 31, 2018. A declaration to this effect signed by the Managing Director is appended at the end of this report.

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

7. INSIDER TRADING :

7.1 CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE :

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

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

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

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

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

8. RECORD MANAGEMENT POLICY :

Pursuant to Regulation 9 of the SEBI Listing Regulations, the Board of Directors of the Company has approved the Policy for Archival and Preservation of Documents. The Policy can be viewed on the Company's website at http://www.hubtown.co.in/investors/codesandpolicies.

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

Pursuant to Regulation 30 of the SEBI Listing Regulations, the Board of Directors of the Company has approved the Policy for determining the materiality of an event or information and for making disclosures to the stock exchanges. The Policy can be viewed on the Company's website at http://www.hubtown.co.in/investors/codesandpolicies.

All disclosures made to the stock exchanges can be viewed on the Company's website at http://www.hubtown.co.in/investors/disclosureofevents andinformation.

10. CERTIFICATION FOR FINANCIAL REPORTING AND INTERNAL CONTROLS :

The Managing Director and the Chief Financial Officer of the Company have certified to the Board that all the requirements of Regulation 17 (8) of the SEBI Listing Regulations as specified in Part B of Schedule II to the SEBI Listing Regulations, inter alia, dealing with the review of the financial statements and cash flow statements for the year ended March 31, 2018, transactions entered into by the Company during the said year, their responsibility for establishing and maintaining internal control systems for financial reporting and evaluation of the effectiveness of the internal control system and making of necessary disclosures to the Auditors and the Audit and Compliance Committee have been duly complied with. A certificate to that effect signed by the Managing Director and the Chief Financial Officer is appended at the end of this Report.

11. OTHER DISCLOSURES :

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

During the year under review there were no materially significant related party transactions entered between the Company and its Promoters, Directors or Key Managerial Personnel, Senior Management or their relatives, subsidiaries, etc. that may have potential conflict with the interest of the Company at large. Details of related party transactions entered into by the Company in the ordinary course of its business are included in the notes forming part of the financial statements. All related party transactions were in the ordinary course of business and on an arm's length basis. All related party transactions have been approved by the Audit and Compliance Committee. The policy for related party transactions as approved by the Board has been uploaded on the website of the Company at http://hubtown.co.in/investors/codesandpolicies.

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

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

Corporate Governance Report (Contd.)

iii. WHISTLE BLOWER POLICY :

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

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

iv. POLICY AGAINST SEXUAL AND WORKPLACE HARASSMENT :

The Company has put in place a 'Policy on Prevention of Sexual Harassment at Workplace' as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. As per the Policy, any employee may report his/her complaint to the Internal Complaints 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 website of the Company at http://www.hubtown.co.in/investors/codesandpolicies.

12. MANDATORY REQUIREMENTS :

The Company has complied with the mandatory requirements as stipulated under Part 'C' of Schedule V to the SEBI Listing Regulations. The Company has submitted the quarterly compliance report on corporate governance to the stock exchanges within the prescribed time limit.

13. DIVIDEND DISTRIBUTION POLICY :

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

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

14. MEANS OF COMMUNICATION :

(i) the main channel of communication to the shareholders is through Annual Report which includes inter-alia, the audited Standalone and Consolidated Financial Statements, the Directors' Report, the Auditors' Reports and other relevant information;

(ii) the Annual General Meeting of the Company is the principal forum for face-to-face communication with the shareholders, where the Board answers specific queries of the shareholders;

(iii) the unaudited quarterly financial results are announced within forty-five days of the close of the relevant quarter. The audited annual financial results are announced within sixty days from the close of the relevant financial year

(iv) the approved financial results are forthwith sent to the Listed Stock Exchanges- BSE Limited and National Stock Exchange of India Limited and are published in widely circulated local daily newspapers namely 'Free Press Journal' and 'Navshakti', within forty-eight hours of approval thereof;

(v) the approved financial results are also posted on the Company's website at http://www.hubtown.co.in/investors/financialresults;

(vi) the Company discloses to the Stock Exchanges, all information required to be disclosed under Regulation 30 read with Part A of Schedule III to the SEBI Listing Regulations. All information is filed electronically on BSE on-line portal – BSE Corporate Compliance & Listing Centre and on NSE Electronic Application Processing System (NEAPS), the on-line portal of National Stock Exchange of India Limited; and

(vii) all news releases as and when made are also posted on the Company's website.

15. COMPLIANCE WITH NON-MANDATORY REQUIREMENTS :

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

a. Non-Executive Chairman's Office :

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

b. Shareholder Rights :

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

Corporate Governance Report (Contd.)

c. Audit Qualifications :

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

d. Separate posts of Chairman and Chief Executive Officer :

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

e. Reporting of Internal Auditors :

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

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

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

17. GENERAL SHAREHOLDER INFORMATION :

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

18. DETAILS OF DEMAT SUSPENSE ACCOUNT :

Pursuant to Regulation 34 (9) read with Schedule VI to Listing Regulations, the Company has opened a separate demat suspense account in the name and style of "Hubtown Limited – Unclaimed Shares Suspense Account" and credited the shares of the Company which are remaining unclaimed by the shareholders under the Initial Public Offering (IPO). The details of such unclaimed shares as on March 31, 2018 are set out hereinunder :.

Sr. No.	Particulars	No. of shareholders	No. of shares
1.	Aggregate no. of shareholders and the outstanding shares in the aforesaid suspense account lying at the beginning of the year i.e. April 1, 2017	20	270
2.	No. of shareholders who approached for transfer of shares from the said account during the year 2017-2018	Nil	Nil
3.	No. of shareholders to whom the shares were transferred from the said account during the year 2017-2018	Nil	Nil
4.	Aggregate no. of shareholders and the outstanding shares in the aforesaid suspense account lying at the end of the year i.e. March 31, 2018	20	270

The voting rights on the outstanding unclaimed shares as on March 31, 2018 shall remain frozen as long as the shares remain in the Suspense Account till the rightful owner of such shares claims the shares by submission of the requisite documentary proof of their identity to the Company's Registrar and Transfer Agent, M/s. Link Intime India Private Limited.

19. SEBI COMPLAINTS REDRESS SYSTEM (SCORES) :

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

20. NSE ELECTRONIC APPLICATION PROCESSING SYSTEM (NEAPS) :

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

21. BSE CORPORATE COMPLIANCE AND LISTING CENTRE (LISTING CENTRE) :

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

Corporate Governance Report (Contd.)

22. AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE :

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

23. 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, notice of Board meeting, the quarterly / half yearly unaudited and annual audited financial results, annual reports, postal ballot notices and results, details of unpaid dividend, various policies adopted by the Company inter-alia the Code of Business Conduct and Ethics, Code of Conduct for Prevention of Insider Trading, Whistle Blower Policy and Prevention of Sexual Harassment of Women at Workplace Policy, Policy on Material Related party Transactions, Policy on Material Subsidiaries, Policy on determination of materiality of Events/Information, Risk management Policy, Policy on Board Diversity, disclosure of material information etc. in a user-friendly manner. This Section is regularly updated.

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

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

25. DIRECTORS SEEKING APPOINTMENT / REAPPOINTMENT :

As required under Regulation 36 (3) of the SEBI Listing Regulations, particulars of the Directors seeking reappointment are given in the Explanatory Statement and annexure to the Notice of the Annual General Meeting which form part of this Annual Report.

Corporate Governance Report (Contd.)

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

As provided under Regulation 34 (3) read with Para D of Schedule V to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the members of Board of Directors and the Senior Management Personnel and other employees have affirmed their compliance with Hubtown Code of Business Conduct and Ethics as applicable to them, for the Financial Year ended March 31, 2018.

For Hubtown Limited

Vyomesh M. Shah
Managing Director
DIN : 00009596

Mumbai, May 29, 2018

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

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

a. We have reviewed the financial statements and the cash flow statements for the year ended March 31, 2018 and that to the best of our knowledge and belief, we state that :

   (i) these statements do not contain any materially untrue statement or omit any material fact or contain any statement that might be misleading; and

   (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with the existing generally accepted accounting standards, applicable laws and regulations.

b. We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year ended March 31, 2018 which are fraudulent, illegal or violative of the Company's Code of Business Conduct and Ethics;

c. We hereby declare that all the members of the Board and Senior Management Personnel have confirmed compliance with the Code of Business Conduct and Ethics as adopted by the Company ;

d. We accept responsibility for establishing and maintaining internal controls for financial reporting in the Company and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors of the Company and the Audit and Compliance Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies; and

e. We have indicated, based on our evaluation, wherever applicable, to the Auditors and the Audit and Compliance Committee that :

   (i) significant changes, if any, in internal control over financial reporting during the year;

   (ii) significant changes, if any, in the accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and

   (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Hubtown Limited
Vyomesh M. Shah
Managing Director
DIN : 00009596

Nancy Pereira
Chief Financial Officer

Mumbai, May 29, 2018

Corporate Governance Report (Contd.)

To the Members of
Hubtown Limited.

CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

We have examined the records concerning the compliance of conditions of Corporate Governance by Hubtown Limited ("the Company") for the year ended on 31 March, 2018, as stipulated in Regulation 17 to 27 and clause (b) to (i) of sub-regulation (2) of regulation 46 and Para C, D and E of schedule V of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

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

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

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

For **Ashish Bhatt & Associates**
Company Secretaries

Ashish Bhatt
Membership No 4650
CP No 2956

Place: Thane
Date: May 29, 2018

General Shareholder Information

1. Thirtieth Annual General Meeting :

Day	Thursday
Date	September 27, 2018
Time	10.00 a.m.
Venue	Walchand Hirachand Hall, 4th floor, Indian Merchants' Chamber Building Indian Merchants Chamber Marg, Churchgate, Mumbai 400020

2. Financial Calendar :

Financial Year : April 1 to March 31

For the Financial Year 2018–2019, the Financial Results will be announced as per the following tentative schedule (subject to change) :

First Quarter ending June 30, 2018	within 45 days of the close of the respective reporting period.
Second Quarter and Half Year ending September 30, 2018	
Third Quarter ending December 31, 2018	
Year ending March 31, 2019	within 60 days of the close of the relevant financial year
Newspapers wherein results are published	Free Press Journal and Navshakti
Website where the financial results, shareholding pattern, corporate governance report and annual report, etc. are uploaded	www.hubtown.co.in www.bseindia.com www.nseindia.com

3. Date of Book Closure :

The Register of Members and Share Transfer Books shall remain closed from Friday, September 21, 2018 to Thursday, September 27, 2018 (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, 2018.

5. Listing Information :

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

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

6. Stock Code :

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

7. Payment of Fees :

7.01 Listing Fees to Stock Exchanges

The Annual Listing Fees for the year 2018 – 2019 have been paid to BSE and NSE respectively.

7.02 Annual Custodial Fees to Depositories :

The Annual Custodial Fees for the year 2018-2019 have been paid to the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited on the basis of the number of beneficial accounts maintained by the respective Depositories as on March 31, 2018.

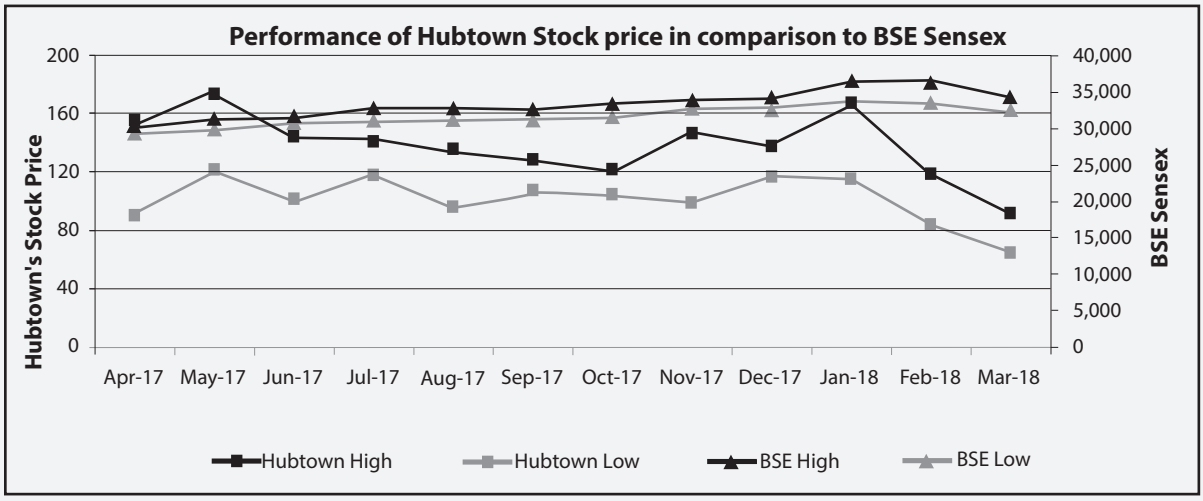
General Shareholder Information (Contd.)

8. Market Price Data during 2017 - 2018 :

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, 2017 to March 31, 2018 are given below:

MONTH	BSE			BSE SENSEX	
	High (₹)	Low (₹)	Volume (in nos.)	High	Low
April – 2017	155.75	90.25	8705478	30184.22	29241.48
May – 2017	173	121.50	3794715	31255.28	29804.12
June – 2017	144.25	101.40	2389176	31522.87	30680.66
July – 2017	141	117.80	3381211	32672.66	31017.11
August – 2017	135	96.15	1673515	32686.48	31128.02
September – 2017	128.30	107	507614	32524.11	31081.83
October – 2017	121.30	104	563773	33340.17	31440.48
November – 2017	146.50	99	6510286	33865.95	32683.59
December - 2017	137.60	116.10	4471759	34137.97	32565.16
January - 2018	166.85	115.55	5930371	36443.98	33703.37
February - 2018	118.80	83.40	3514396	36256.83	33482.81
March - 2018	91.45	64.55	4260322	34278.63	32483.84

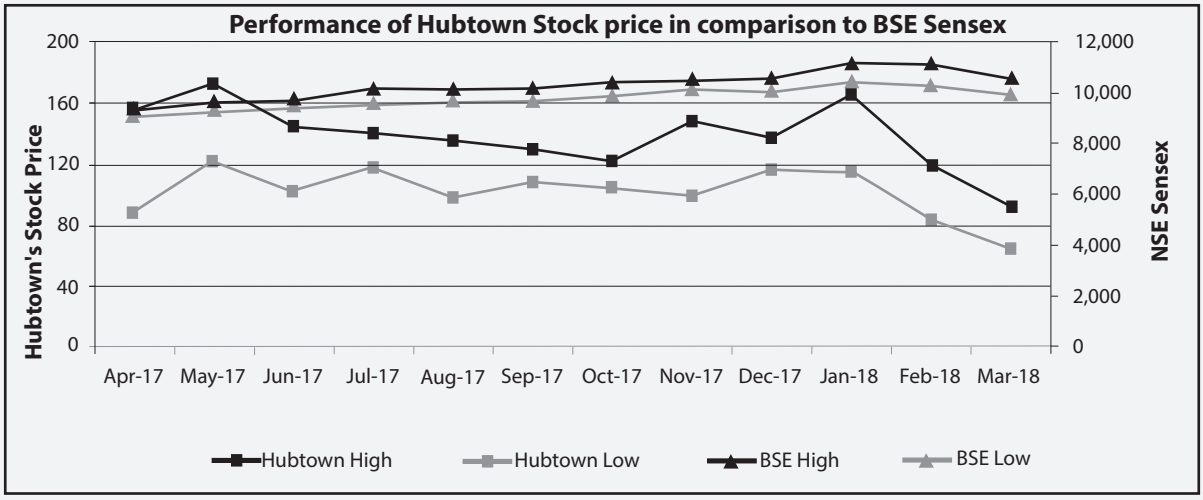
Stock Performance (Indexed) :



MONTH	NSE			NSE SENSEX	
	High (₹)	Low (₹)	Volume (in nos.)	High	Low
April – 2017	155.50	88	13994495	9367.15	9075.15
May – 2017	172.75	121.30	10187580	9649.60	9269.90
June – 2017	144.30	101.40	11038381	9709.30	9448.75
July – 2017	140.50	117.60	7258824	10114.85	9543.55
August – 2017	134.70	96.90	5001902	10137.85	9685.55
September – 2017	129	107.50	3213907	10178.95	9687.55
October – 2017	121.60	104.25	2173324	10384.50	9831.05
November – 2017	148.20	98.70	22764195	10490.45	10094
December - 2017	137.30	116.25	18541148	10552.40	10033.35
January - 2018	167	115.40	22578837	11171.55	10404.65
February - 2018	118.90	83.20	10920089	11117.35	10276.30
March - 2018	90.85	64.60	11387077	10525.50	9951.90

General Shareholder Information (Contd.)

Stock Performance (Indexed) :



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

9. Suspension of Trading in securities :

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

10. Registrar and Transfer Agent :

Link Intime India Private Limited

C-101, 247 Park , L.B.S. Marg, Vikhroli (West), Mumbai – 400 083

Tel : 022- 49186200 ; Fax : 022 49186195 ;

website : www.linkintime.co.in ; e-mail : rnt.helpdesk@linkintime.co.in

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

11. Share Transfer System :

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

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

12. Distribution of shareholding size class as on March 31, 2018 :

Slab of shareholding	No. of shareholders	% of shareholders	No. of shares held	% of shareholding
1-500	22261	88.79	1756512	2.42
501 – 1000	1196	4.77	995487	1.37
1001 – 2000	624	2.49	990684	1.36
2001 – 3000	244	0.97	635237	0.87
3001 - 4000	127	0.51	458905	0.64
4001 – 5000	123	0.49	592104	0.81
5001 – 10000	203	0.81	1486281	2.04
10001 - above	294	1.17	65820661	90.49
TOTAL	**25072**	**100**	**72735871**	**100**

General Shareholder Information (Contd.)

13. Distribution of shareholding by ownership as on March 31, 2018 :

CATEGORY	No. of Shareholders	No. of shares held	% of Total
A. Shareholding of Promoter and Promoter Group			
1. Indian			
a. Individuals / Hindu Undivided Family	11	41018272	56.40
b. Bodies Corporate	2	600000	0.82
Sub-Total (A) [1]	**13**	**41618272**	**57.22**
2. Foreign	0	0	0
Sub-Total (A) [2]	0	0	0
A Total Shareholding of Promoter and Promoter Group (A) = (A) (1) + (A) (2)	**13**	**41618272**	**57.22**
B. Public Shareholding			
1. Institutions			
a. Mutual Funds	0	0	0
b. Financial Institutions / Banks	4	390997	0.54
c. Venture Capital Fund	0	0	0
d. Insurance Companies	1	56937	0.08
e. Foreign Institutional Investors	6	2958743	4.07
f. Central / State Government	1	5	0
Sub-Total (B) (1)	**12**	**3406682**	**4.69**
2. Non-Institutions			
a. Bodies Corporate	352	11032278	15.16
b. Resident Individuals			
i. Individual shareholders holding nominal capital upto ₹ 2 lakh	22812	6495329	8.93
ii. Individual shareholders holding nominal capital in excess of ₹ 2 lakh	65	5501860	7.56
c. Trusts	3	539	0
i. Non-Residents	207	2521218	3.47
ii Overseas Corporate Bodies	2	11	0
iii Clearing Members	193	1422396	1.96
iv. HUF	867	737286	1.01
Sub-Total (B) (2)	**24501**	**27710917**	**38.09**
B. Total Public Shareholding (B) = (B)(1) + (B) (2)	**24513**	**31117599**	**42.78**
GRAND TOTAL (A) + (B)	**24526**	**72735871**	**100**

14. Dematerialisation of shares and liquidity :

The Company's shares are compulsorily traded in dematerialized form on BSE and NSE. As on March 31, 2018, 7,27,35,529 equity shares constituting nearly 100 % of the total share capital of the Company were held in dematerialized form.

Status of Dematerialization as on March 31, 2018 :

Particulars	No. of Shares	% to Total Capital
National Securities Depository Limited	5,90,77,766	81.22
Central Depository Services (India) Limited	1,36,57,763	18.78
Total Dematerialized	7,27,35,529	100
Physical	342	0
Grand Total	**7,27,35,871**	**100**

General Shareholder Information (Contd.)

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

The Company has not issued GDRs/ADRs/Warrants or any convertible instruments in the past and hence as on March 31, 2018, the Company does not have any outstanding GDRs / ADRs / Warrants or any convertible instruments.

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

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

17. Plant locations :

The Company has no plants.

18. Reconciliation of Share Capital Audit :

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

19. Address for Correspondence:

All members' correspondence should be forwarded to Link Intime India Private Limited, the Registrar and Transfer Agent of the Company at the address mentioned below.

The Company's dedicated e-mail address for Investors' complaints and other communications is : investorcell@hubtown.co.in.

SEBI vide its Circular dated March 26, 2018 issued new measures with reference to SEBI Complaints Redressal System (SCORES). As per the new process, SEBI has requested the members to approach the Company directly at the first instance for their grievances.

Physical Shares			Electronic Shares
Address	:	Link Intime India Private Limited C-101, 247 Park L.B.S. Marg, Vikhroli (West) Mumbai – 400 083	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.	
Designated e-mail for investor services	:	investorcell@hubtown.co.in	

20. Nomination Facility :

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

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

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

21. E- Voting :

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

22. General Information :

A. 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.

B. 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.

Independent Auditors' Report

To The Members of Hubtown Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of HUBTOWN LIMITED ('the Company'), which comprise the Balance Sheet as at 31st March, 2018, the statement of profit and loss (including other comprehensive income), the cash flow statement and the statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

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

Auditor's Responsibility

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

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

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

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

Basis for Qualified Opinion

(a) As stated in Footnote (a) to Note 28 to the standalone financial statements of the Company for the year, with regards the Company not having provided for Interest amounting to ₹ 4,162.00 Lakhs on certain Inter-corporate deposits, including reversal of interest in current quarter amounting to ₹ 2,561.57 Lakhs provided in a previous quarter's. Consequent to above, finance cost for the quarter and year ended 31st March, 2018 has been understated by ₹ 2,561.57 and ₹ 4,162.00 Lakhs respectively resulting in a consequential increase in the profit for the quarter and year ended 31st March, 2018.

(b) As stated in Footnote (c) Note 23 to the standalone financial statements of the Company for the year, with regards the company not having recognized finance Income from Deep Discount bond held in one of its Joint Venture entities. Consequently, Finance Income and profit for the year has been understated by ₹ 18,508.44 Lakhs.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2018, and its profit/loss and its cash flows for the year ended on that date.

Emphasis of Matters

We draw attention to:

(a) Note 2 (II) (b) (i) to the standalone financial statements regarding recognition of expense and income for ongoing projects which is based upon estimated project costs, as per the judgement of the management, which have been relied upon by us, these being technical matters.

(b) Footnote to Note 17 of standalone financial results, regarding the company has not created investments to the extent of 15% of the value of the such debentures, which is required to be created and earmarked in the manner prescribed under Rule 18(7)(c) of the Companies (Share Capital and Debentures) Rules, 2014 notified by the Ministry of Corporate Affairs.

(c) Footnote (a) to Note 13 to the standalone financial statements regarding the status of the projects and the opinion framed by the Company's management regarding realizable value of the costs incurred on the projects, which, being a technical matter is relied upon by us.

(d) Note 36 (i) (B) to the standalone financial statements regarding Corporate guarantees issued and securities provided aggregating ₹ 98,457.50 lakhs by the Company to banks and financial institutions on behalf of various entities as at 31st March, 2018, which are significant in relation to the profits for the year and the net worth of the Company. In the opinion of the Management, these are not expected to result into any financial liability to the Company.

(e) Footnote (c) to Note 36 of the standalone financial statements regarding the above corporate guarantees issued and securities provided are disclosed at amounts outstanding as at 31st March, 2018. The financial liabilities on account of such financial guarantee contracts have not been measured at fair value as management is of the opinion that there is no material benefit which is expected to accrue to the borrowers on behalf of whom the company has provided the corporate guarantees.

(f) Footnote (b) to Note 36 of the standalone financial statements, regarding reliance placed by the auditors on certification received from the management with regard to the disclosure of contingent liabilities of the Company.

(g) Note 42 of the standalone financial statements regarding balances that are subject to confirmations, reconciliation and adjustments, if any.

(h) Footnote (a) to Note 19 of the standalone financial results, regarding the Company's default in redemption of non-convertible debentures along with interest amounting to ₹ 2,199 lakhs. We are however informed by the management that the company is in the process of negotiation for settlement / redemption of the said debentures.

(i) Footnote (c) to Note no. 9 of the standalone financial statements regarding the company not having charged interest on advances given by it to various group entities developing real estate projects, in which the Company has a commercial and business interest.

(j) Footnote (f) to Note 6 of the standalone financial statements regarding the Company's investments, in certain subsidiaries, joint ventures and associates as at 31st March, 2018 which have incurred losses and carry an eroded net worth as at 31st March, 2018.

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

Other Matters

Attention is further invited to:

1. The Statement of Profit and Loss of the Company which includes share of Profit from investments in partnership firms / joint ventures aggregating ₹ 325.47 lakhs that are based on the financial statements of the firms/joint ventures prepared by the management and presented to us on which we have relied.
2. The audited standalone financial statements for the year ended 31st March 2017, was carried out and reported by Dalal Doshi & Associates, vide their unmodified audit report dated 29th May 2017, whose report has been furnished to us by the management and which has been relied upon by us for the purpose of our audit of the standalone financial statements.

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

Report on Other Legal and Regulatory Requirements

I. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in the **Annexure "A"**, a statement on the matters specified in paragraphs 3 and 4 of the Order;

II. As required by Section 143 (3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books.

(c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of accounts.

(d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standard specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a Director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **Annexure "B"**; and

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

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.

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

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **M H DALAL & ASSOCIATES**
Firm Registration No.: 112449W
Chartered Accountants

DEVANG DALAL
Partner
Membership No.:109049

Place: Mumbai
Date: May 29, 2018

ANNEXURE "A" REFERRED TO IN OUR REPORT TO THE MEMBERS OF HUBTOWN LIMITED ON THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2018;

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

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The fixed assets have been physically verified by the Management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and nature of its assets. Pursuant to the program, a portion of the fixed assets has been physically verified by the management during the year and no material discrepancies between the book records and the physical fixed assets have been noticed.

(c) the title deeds of immovable properties are held in the name of the Company.

(ii) The physical verification of inventory has been conducted at reasonable intervals by the Management during the year. The discrepancies noticed on physical verification of inventory as compared to book records were not material and have been appropriately dealt with in the books of accounts;

(iii) The Company has granted unsecured loan to one company covered under the register maintained under Section 189 of the Act;

(a) The terms and condition of the loan are prima facie not prejudicial to the interest of the Company, and

(b) The schedule of repayment of principal and interest has been stipulated as per terms of the arrangement;

(c) As per the terms and conditions of the arrangement, the amount of the loan is not overdue;

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it;

(v) The Company has not accepted any deposits during the year from the public within the meaning of Sections 73 to 76 of the Act and the Rules framed thereunder to the extent notified;

(vi) Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act. We have broadly reviewed the cost records maintained by the Company in respect of projects and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete;

(vii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, except for dues in respect of Income Tax, Provident Fund, Profession Tax, Tax Deducted at Source, Value Added Tax, Goods and Service Tax and Service Tax, the Company is generally regular in depositing undisputed statutory dues, including, Employees' State Insurance, Wealth Tax, duty of customs, duty of excise and other material statutory dues, as applicable, with the appropriate authorities. The extent of arrears of statutory dues outstanding including Interest as at the Balance Sheet date, for a period exceeding six months from the date they became payable are ₹ 1316.75 lakhs relating to Income Tax Deducted at Source, ₹ 11.86 lakhs relating to Provident Fund, ₹ 111.99 lakhs relating to Value Added Tax, ₹ 173.82 relating to Works Contract Tax and ₹ 156.84 lakhs relating to Service Tax;

(b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of Income Tax, Value Added Tax and Service Tax as at the Balance Sheet date which have not been deposited on account of a dispute, are as follows:

Statute and nature of dues	Financial Year	Amount (₹ in lakhs)	Forum where dispute is pending
Income Tax Act, 1961			
Income Tax	2003-04	17.48	Mumbai High Court
Income Tax	2004-05	21.31	Mumbai High Court
Income Tax	2005-06	20.92	Mumbai High Court
Maharashtra Value Added Tax Act, 2002			
Maharashtra Value Added Tax	2006-07	1.64	Joint Commissioner of Sales Tax (Appeals)
Service Tax			
(Finance Act,1994)			
Service Tax	2011-12	481.60	Commissioner of Service Tax
Service Tax	2012-13	451.00	Commissioner of Service Tax
Service Tax	2013-14	520.83	Commissioner of Service Tax
Service Tax	2014-15	727.52	Commissioner of Service Tax

(viii) On the basis of the records examined by us and the information and explanations given to us, the Company has delayed in repayment of dues to banks, financial institution and debentures holders. Attention is invited to footnote "e" to Note 18 – Non-Current Borrowings, with regards to banks, footnote "e" to Note 18 – Current Borrowings, with regards to financial institution and footnote "b" to Note 19 with regards to debentures, for the amounts and period of delays in payment of principle and interest thereon;

(ix) In our opinion, and according to the information and explanations given to us, the term loans have been applied on an overall basis for the purposes for which they were obtained;

(x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practice in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the management. Attention is however invited to Note 36(ii)(c) to accounts in connection with a commercial transaction with an erstwhile associate company;

(xi) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013;

(xii) As the Company is not a Nidhi company, the provisions of clause 3(xii) of the Order are not applicable to the Company;

(xiii) The company has entered into transactions with related parties in compliance with the provisions of section 177 and 188 of the Act. The details of such related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards;

(xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provision of clause 3(xiv) of the Order are not applicable to the Company;

(xv) Based upon the audit procedures performed and the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, the provisions of clause 3(xv) of the Order are not applicable to the Company;

(xvi) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3(xvi) of the Order are not applicable to the Company.

For **M H DALAL & ASSOCIATES**
Firm Registration No.: 112449W
Chartered Accountants

DEVANG DALAL
Partner
Membership No.:109049

Place: Mumbai
Date: May 29, 2018

"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE

STANDALONE FINANCIAL STATEMENTS OF HUBTOWN LIMITED

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

We have audited the internal financial controls over financial reporting of Hubtown Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

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

(3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **M H DALAL & ASSOCIATES**
Firm Registration No.: 112449W
Chartered Accountants

DEVANG DALAL
Partner
Membership No.:109049

Place: Mumbai
Date: May 29, 2018

Balance Sheet as at 31st March, 2018

Particulars	Note No.	As at 31st March, 2018 (₹ in lakhs)	As at 31st March, 2017 (₹ in lakhs)
ASSETS			
Non-Current Assets			
(a) Property, plant and equipment	3	**1,017.25**	1,131.96
(b) Capital work-in-progress	3	**—**	—
(c) Investment properties	4	**4,006.94**	4,218.83
(d) Intangible assets	5	**—**	—
(e) Financial assets			
(i) Investments	6	**175,685.48**	171,280.70
(ii) Trade Receivables	7	**—**	—
(iii) Loans	8	**458.00**	404.17
(iv) Other financial assets	9	**341.69**	297.77
(f) Current tax assets (Net)	10	**2,642.80**	2,687.02
(g) Deferred tax assets (Net)	11	**4,386.86**	3,572.99
(h) Other non-current assets	12	**4,092.89**	13,107.51
Total Non-Current Assets		**192,631.91**	196,700.95
Current Assets			
(a) Inventories	13	**94,765.95**	91,028.36
(b) Financial assets			
(i) Investments	6	**153.47**	28.79
(ii) Trade receivables	7	**35,055.70**	33,631.00
(iii) Cash and cash equivalents	14	**1,414.17**	489.52
(iv) Bank balances other than (iii) above	15	**140.31**	139.30
(v) Loans	8	**7,382.32**	7,325.80
(vi) Other financial assets	9	**83,572.10**	84,842.49
(c) Other current assets	12	**2,357.82**	1,354.97
Total Current Assets		**224,841.84**	218,840.23
TOTAL ASSETS		**417,473.75**	415,541.18
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	16	**7,273.59**	7,273.59
(b) Other equity	17	**168,214.17**	165,548.54
Total Equity		**175,487.76**	172,822.13
Liabilities			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	18	**6,547.45**	17,520.81
(ii) Other Financial Liabilities	19	**7,571.58**	1,035.00
(b) Provisions	20	**208.94**	210.85
Total Non-Current Liabilities		**14,327.97**	18,766.66
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	18	**77,801.67**	80,677.70
(ii) Trade payables	21	**10,389.45**	11,241.09
(iii) Other financial liabilities	19	**91,899.25**	98,573.56
(b) Other current liabilities	22	**47,277.34**	33,232.72
(c) Provisions	20	**290.31**	227.32
Total Current Liabilities		**227,658.02**	223,952.39
Total Liabilities		**241,985.99**	242,719.05
TOTAL EQUITY AND LIABILITIES		**417,473.75**	415,541.18

The accompanying notes are an integral part of the financial statements

As per our report of even date

For **M H DALAL AND ASSOCIATES**
Firm Registration No. 112449W
CHARTERED ACCOUNTANTS

DEVANG DALAL
PARTNER
Membership No. 109049

Mumbai
Date: 29th May, 2018

For and on behalf of the Board of Directors

HEMANT M. SHAH
EXECUTIVE CHAIRMAN

VYOMESH M. SHAH
MANAGING DIRECTOR

CHETAN MODY
COMPANY SECRETARY

NANCY PEREIRA
CHIEF FINANCIAL OFFICER

Mumbai
Date: 29th May, 2018

Statement of Profit and Loss for the year ended 31st March, 2018

Particulars	Note No.	Year ended 31st March, 2018 (₹ in lakhs)	Year ended 31st March, 2017 (₹ in lakhs)
I INCOME			
Revenue from Operations	23	**34,156.17**	60,353.01
Other Income	24	**26,039.79**	3,116.77
Share of Profit / (Loss) of Joint Ventures and Partnership Firms (Net)		**325.47**	(48.39)
TOTAL INCOME		**60,521.43**	63,421.39
II EXPENSES			
Costs Of Construction / Development	25	**8,726.44**	11,524.29
Purchase of Stock-in-Trade		**452.40**	294.70
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	26	**(3,730.98)**	(108.93)
Employee Benefits Expense	27	**1,498.86**	2,094.57
Finance Costs	28	**31,276.99**	36,625.49
Depreciation and Amortisation Expenses	29	**274.26**	284.33
Other Expenses	30	**19,581.22**	11,472.38
TOTAL EXPENSES		**58,079.19**	62,186.83
Profit before Tax		**2,442.24**	1,234.56
Tax Expense			
(a) Current Tax		**(450.37)**	(453.25)
(b) Deferred tax (charge) / credit		**813.87**	(115.91)
(c) Excess / (Short) provision for taxation in respect of earlier years		**(151.85)**	(11.32)
		211.65	(580.48)
Profit for the Year		**2,653.89**	654.08
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to profit or loss			
Remeasurement of the net defined benefit liability / asset		**11.74**	1.64
Total other Comprehensive Income		**11.74**	1.64
Total Comprehensive Income for the year		**2,665.63**	655.72
Earning per equity share of nominal value of ₹ 10/- each (in Rupees)	31		
Basic and Diluted		**3.65**	0.90

The accompanying notes are an integral part of the financial stathements

As per our report of even date

For **M H DALAL AND ASSOCIATES**
Firm Registration No. 112449W
CHARTERED ACCOUNTANTS

DEVANG DALAL
PARTNER
Membership No. 109049

Mumbai
Date: 29th May, 2018

For and on behalf of the Board of Directors

HEMANT M. SHAH
EXECUTIVE CHAIRMAN

VYOMESH M. SHAH
MANAGING DIRECTOR

CHETAN MODY
COMPANY SECRETARY

NANCY PEREIRA
CHIEF FINANCIAL OFFICER

Mumbai
Date: 29th May, 2018

Cash Flow Statement for the year ended 31st March, 2018

Particulars		Year ended 31st March, 2018 (₹ in lakhs)	Year ended 31st March, 2017 (₹ in lakhs)
I.	**CASH FLOWS FROM OPERATING ACTIVITIES**		
	Net Profit before taxation as per Statement of Profit and Loss	**2,442.24**	1,234.56
	Adjustments for:		
	Finance costs	**31,276.99**	36,625.49
	Share of (Profit) / Loss from investment in partnership firms and JVs	**(325.47)**	48.39
	Profit on sale of investments in associates, JVs, etc. developing real estate projects (Net)	**—**	(3,719.11)
	Reversal of Profit on sale of investments in associates, JVs, etc. developing real estate projects (Net)	**142.31**	—
	Depreciation and amortisation	**274.26**	284.33
	Project expenses written off / amortised	**—**	5,642.41
	Unwinding of Interest free loans	**(32.35)**	(28.43)
	Unwinding of security deposits	**(140.44)**	(20.17)
	Interest income on financial assets at amortised cost	**(253.61)**	(1,118.31)
	Advances and other debit balances written off	**7,086.81**	1,336.51
	(Profit) / Loss on sale of fixed assets (Net)	**(1,131.25)**	(0.97)
	(Profit) / Loss on sale of investments (Net)	**—**	(3.28)
	Provision for doubtful debts written back	**—**	(148.89)
	Liabilities written back to the extent no longer required	**—**	(558.58)
	Interest income	**(1,670.24)**	(18,120.20)
	Remeasurement of the net defined benefit liability / asset	**11.74**	1.64
	Bad Debts	**19.88**	1,000.72
	Provision for doubtful debts and advances and investments	**76.20**	114.40
	Gain on Fair Valuation of Investments in Mutual Funds	**(3.47)**	—
	Income on account of OTS	**(14,714.04)**	—
	Interest waiver	**(313.63)**	—
	Interest write back	**(6,971.31)**	—
	Investment write off	**776.60**	—
	Interest expenses on financial liabilities measured at fair value	**939.79**	—
	Interest income on financial liabilities measured at fair value	**(1,224.63)**	—
	Provision for diminution / Receivables written back	**(1.60)**	—
	Cancellation of Compensation for rights in Project	**8,452.86**	—
	Sundry credit balances appropriated	**(56.25)**	(193.97)
		22,219.15	21,141.98
	Operating profit before working capital changes	**24,661.39**	22,376.54
	Add / (Less) :		
	(Increase) / Decrease in inventories	**(3,737.59)**	(230.83)
	(Increase) / Decrease in trade and other receivables	**(11,961.66)**	(19,754.47)
	Increase / (Decrease) in trade and other payables	**26,875.72**	8,914.52
	Cash generated from operations	**35,837.86**	11,305.76
	Less: Direct taxes paid	**(558.01)**	(823.73)
	Net cash flow from operating activities	**35,279.84**	10,482.03
II.	**Cash flows arising from investing activities**		
	Inflow / (Outflow) on account of :		
	Interest income received	**32.70**	122.77
	(Increase) / Decrease in loans and advances	**947.81**	4,461.26
	(Increase) / Decrease in deposits with maturity of more than three months	**(1.02)**	109.44
	Sale/(Purchase) of fixed assets, including capital work -in- progress (net)	**1,183.60**	(27.05)
	Increase/ Decrease in Long term investments	**(113.04)**	8,729.36
	Net cash flow from investing activities	**(2050.05)**	13,395.78

Cash Flow Statement for the year ended 31st March, 2018 (Contd.)

Particulars		Year ended 31st March, 2018 (₹ in lakhs)	Year ended 31st March, 2017 (₹ in lakhs)
III.	**Cash flows arising from financing activities**		
	Inflow / (Outflow) on account of :		
	Increase / (Decrease) in long term and short term borrowings	**(8,490.35)**	5,729.69
	Finance Cost Paid	**(27,801.41)**	(29,811.64)
	Net cash flow from financing activities	**(36,291.76)**	(24,081.95)
	Net increase in cash and cash equivalents (I + II + III)	**1,038.13**	(204.14)
	Add: Balance at the beginning of the year	**(917.16)**	(713.02)
	Cash and cash equivalents at the end of the year	**120.97**	(917.16)
	Components of cash and cash equivalents (Refer Note 14)		
	Cash and cash equivalents:		
	Cash on hand	**20.89**	11.77
	Balances with banks		
	- On Current accounts	**1,365.73**	345.19
	- Deposit with maturity of less than three months	**27.55**	132.56
	Cash Credit facilities (Refer Note 18)	**(1,293.20)**	(1,406.68)
		120.97	(917.16)

The accompanying notes are an integral part of the financial statements

Note:

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

As per our report of even date

For **M H DALAL AND ASSOCIATES**
Firm Registration No. 112449W
CHARTERED ACCOUNTANTS

DEVANG DALAL
PARTNER
Membership No. 109049

Mumbai
Date: 29th May, 2018

For and on behalf of the Board of Directors

HEMANT M. SHAH
EXECUTIVE CHAIRMAN

VYOMESH M. SHAH
MANAGING DIRECTOR

CHETAN MODY
COMPANY SECRETARY

NANCY PEREIRA
CHIEF FINANCIAL OFFICER

Mumbai
Date: 29th May, 2018

Statement of Changes in Equity for the year ended 31st March, 2018

		Note	(₹ in lakhs)
A.	**EQUITY SHARE CAPITAL**		
	As at 1st April, 2016	16	**7,273.59**
	Changes in equity share capital		**—**
	As at 31st March, 2017		**7,273.59**
	Changes in equity share capital		**—**
	As at 31st March, 2018		**7,273.59**

B. OTHER EQUITY

	Reserves and Surplus				(₹ in lakhs)
	Securities Premium Reserve	**Debenture Redemption Reserve**	**General Reserve**	**Retained Earnings**	**Total**
Balance at 1st April, 2016	**60,716.12**	**8,381.00**	**24,614.00**	**71,181.70**	**164,892.82**
Changes in accounting Policy or prior period errors	—	—	—	—	—
Restated balance at the beginning of the reporting period	—	—	—	—	—
Changes in accounting Policy or prior period errors	—	—	—	—	—
Profit / (Loss) for the year	—	—	—	654.08	654.08
Items of Other Comprehensive Income: Remeasurement of net defined benefit	—	—	—	1.64	1.64
Transfer (to)/from General Reserve	—	(3,721.85)	3,721.85	—	—
Balance at 31st March, 2017	**60,716.12**	**4,659.15**	**28,335.85**	**71,837.42**	**165,548.54**
Balance at 1st April, 2017	**60,716.12**	**4,659.15**	**28,335.85**	**71,837.42**	**165,548.54**
Profit / (Loss) for the year	—	—	—	2,653.89	2,653.89
Items of Other Comprehensive Income: Remeasurement of net defined benefit	—	—	—	11.74	11.74
Transfer (to)/from General Reserve	—	(2,459.15)	2,459.15	—	—
Balance at 31st March, 2018	**60,716.12**	**2,200.00**	**30,795.00**	**74,503.05**	**168,214.17**

The accompanying notes are an integral part of the financial statements

As per our report of even date

For **M H DALAL AND ASSOCIATES**
Firm Registration No. 112449W
CHARTERED ACCOUNTANTS

DEVANG DALAL
PARTNER
Membership No. 109049

Mumbai
Date: 29th May, 2018

For and on behalf of the Board of Directors

HEMANT M. SHAH — EXECUTIVE CHAIRMAN
VYOMESH M. SHAH — MANAGING DIRECTOR

CHETAN MODY — COMPANY SECRETARY
NANCY PEREIRA — CHIEF FINANCIAL OFFICER

Mumbai
Date: 29th May, 2018

Notes to the Financial Statements for the year ended 31st March, 2018

Note 1. Statement of Significant Accounting Policies.

1.1 Company Overview

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

1.2 The financial statements are approved for issue by the Company's Board of Directors on 29th May, 2018.

Note 2. Significant Accounting Policies followed by the Company

I. Basis of preparation of Financial Statements

(i) Compliance with Ind AS

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

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

(ii) Historical cost convention

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

1) certain financial assets and liabilities that are measured at fair value;

2) assets held for sale - measured at lower of carrying amount or fair value less cost to sell;

3) defined benefit plans - plan assets measured at fair value;

(iii) Current non-current classification

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

(iv) Rounding of amounts

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

II. Significant accounting judgements, estimates and assumptions

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

a) Judgements

Classification of properties

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

b) Estimates and assumptions

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

Notes to the Financial Statements for the year ended 31st March, 2018 (Contd.)

Note '2' : (Contd.)

i) Revenue Recognition

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

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

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

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

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

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

iii) Valuation of investment in/ loans to subsidiaries

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

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

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

III. Revenue recognition

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

A. Revenue from sale of properties / development rights

i. The Company has adopted the principles of revenue recognition on the basis of "Guidance note on Accounting for Real Estate Transactions " issued by the Institute of Chartered Accountants of India, for the entities to whom Ind AS is applicable.

ii. Revenue from sale of 'finished properties / buildings / rights' is recognised on transfer of all significant risks and rewards of ownership of such properties / buildings / rights, as per the terms of the contracts entered into with buyer/(s), which generally coincides with the firming of the sale contracts/ agreements, except for contracts where the Company still has obligations to perform substantial acts even after the transfer of all significant risks and rewards.

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

a. All critical approvals necessary for the commencement of the project have been obtained;

b. The expenditure incurred on construction and development costs, excluding land costs, is not less than 25% of the total estimated construction and development costs of the project;

c. Atleast 25% of the saleable project area is secured by agreements with the buyers; and

d. Atleast 10% of the agreement value of each sold unit has been received at the reporting date in respect of such contracts with the buyers.

Notes to the Financial Statements for the year ended 31st March, 2018 (Contd.)

Note '2' : (Contd.)

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

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

iv. Losses expected to be incurred on projects under construction, are charged in the Statement of Profit and Loss in the period in which the losses are known.

v. Costs of the projects are based on the management's estimate of the cost to be incurred upto the completion of the projects and include cost of land, Floor Space Index (FSI), materials, services and other expenses attributable to the projects. Estimates of project income, as well as project costs, are reviewed periodically.

vi. The sale proceeds of the investments held in subsidiaries, joint ventures, etc. developing real estate projects are included in revenue from operations, net of cost.

B. Revenue from Trading Materials:

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

C. Revenue from project management services:

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

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

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

E. Income from leased premises:

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

F. Interest and dividend:

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

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

G. Others:

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

IV. Property, plant and equipment, investment property and depreciation / ammortisation

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

B. Tangible fixed assets are stated at cost of acquisition or construction including attributable interest and finance cost, if any till the date of acquisition/installation of the assets, less accumulated depreciation/amortisation and accumulated impairment losses, if any.

C. Subsequent expenditure relating to Property, Plant and Equipment is capitalised only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the Statement of Profit and Loss as incurred. The cost and related accumulated depreciation are eliminated from the financial statements, either on disposal or when retired from active use and the resultant gain or loss are recognised in the Statement of Profit and Loss.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

Note '2' : (Contd.)

D. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. Depreciation on additions to assets or on sale/disposal of assets is calculated pro-rata from the month of such addition, or upto the month of such sale/disposal, as the case may be.

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

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

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

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

V. Intangible assets and amortisation

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

VI. Financial Instruments

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

A. Investments and Financial Assets

i. Initial recognition

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in finance income using the effective interest rate ("EIR") method. Impairment gains or losses arising on these assets are recognised in the Statement of Profit and Loss.

ii. Subsequent measurement

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

a) Financial Assets at Amortised Cost

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

b) Financial Assets Measured at Fair Value

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

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

Notes to the Financial Statements for the year ended 31st March, 2018 (Contd.)

Note '2' : (Contd.)

iii. De-recognition of Financial Assets:

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

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

B. Equity Instruments and Financial Liabilities

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

i. Equity Instruments

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

ii. Financial Liabilities

1. Initial Recognition

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

2. Subsequent Measurement

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

- Financial liabilities at FVTPL

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

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

- Financial liabilities at amortised cost

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

3. De-recognition of Financial Liabilities

Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as de-recognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

C. Offsetting Financial Instruments

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

Notes to the Financial Statements for the year ended 31st March, 2018 (Contd.)

Note '2' : (Contd.)

VII. Derecognition of financial instruments

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

VIII. Impairment

a. Financial assets

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

b. Non-financial assets

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

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

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

i. Intangible assets and property, plant and equipment

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

ii. Provisions

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

IX. Taxation

i. Current Tax

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

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

ii. Deferred Tax

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

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

Notes to the Financial Statements for the year ended 31st March, 2018 (Contd.)

Note '2' : (Contd.)

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

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

iii. Current and deferred tax for the year

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

X. Inventories

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

A. 'Stock of material at Site' includes cost of purchase, other costs incurred in bringing them to their respective present location and condition. Cost formula used is average cost.

B. 'Incomplete Projects' include cost of incomplete properties for which the Company has not entered into sale agreements and in other cases where the revenue recognition is postponed. 'Incomplete Projects' also include initial project costs that relate directly to a (prospective) project, incurred for the purpose of securing the project. These costs are recognized as expenditure in the year in which they are incurred unless they are separately identifiable and it is probable that the respective project will be obtained.

C. Finished properties given under operating lease are disclosed under 'Non Current Assets' as 'Investment Properties'. The costs transferred to the 'Investment properties' are shown as deductions from the costs carried in opening inventory and construction costs incurred during the year. These assets are depreciated / amortised as per the Accounting Policy Nos. (IV)(C) and (IV)(D). Although the Company considers these assets as Inventories held for sale in the ordinary course of business, the disclosure under 'Non Current Assets' as 'Investment properties' and provision for depreciation / amortisation is made to comply with the requirements of Indian Accounting Standard (Ind AS) 17 – 'Leases' and Indian Accounting Standard (Ind AS) 40 - 'Investment Property'.

D. Value of 'Floor Space Index' (FSI) generated is recognized as inventory at cost (i.e. proportionate rehab component cost) as and when necessary obligations / conditions are fulfilled in entirety, which are imposed on the Company by statutory authorities (viz. Rehabilitation Authority, etc.), in lieu of which the FSI is allotted to the Company. The value of FSI is either carried as inventory (at cost) held for intended sale or with the intention to utilise in construction of projects undertaken for sale.

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

XI. Trade and other payables

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

XII. Trade receivable

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

XIII. Employee benefits

a) Defined Contribution Plan

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

b) Defined Benefit Plan

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

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

Notes to the Financial Statements for the year ended 31st March, 2018 (Contd.)

Note '2' : (Contd.)

c) Leave Entitlement

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

d) Short-term Benefits

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

XIV. Borrowings and Borrowing costs

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

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

XV. Earnings per Share

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

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

XVI. Cash Flow Statement

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

XVII. Cash and Cash Equivalents

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

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

XVIII. Foreign currency transactions

A. All transactions in foreign currency are recorded in the reporting currency, based on closing rates of exchange prevalent on the dates of the relevant transactions.

B. Monetary assets and liabilities in foreign currency, outstanding as on the Balance Sheet date, are converted in reporting currency at the closing rates of exchange prevailing on the said date. Resultant gain or loss is recognized during the year in the Statement of Profit and Loss.

C. Non monetary assets and liabilities denominated in foreign currencies are carried at the exchange rate prevalent on the date of the transaction.

XIX. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker regularly monitors and reviews the operating result of the whole Company as one segment of "Real Estate Development". Thus, as defined in Ind AS 108 "Operating Segments", the Company's entire business falls under this one operational segment and hence the necessary information has already been disclosed in the Balance Sheet and the Statement of Profit and Loss.

Notes to the Financial Statements for the year ended 31st March, 2018 (Contd.)

Note '2' : (Contd.)

XX. Provisions, contingent liabilities and contingent assets

A provision is recognized when an enterprise has a present obligation (legal or constructive) as result of past event and it is probable that an outflow of embodying economic benefits of resources will be required to settle a reliably assessable obligation. Provisions are determined based on best estimate required to settle each obligation at each balance sheet date. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. A contingent liability also arises, in rare cases, where a liability cannot be recognised because it cannot be measured reliably.

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

XXI. Interest in Joint Arrangements

As per Ind AS 111 - Joint Arrangements, investment in Joint Arrangement are classified as either Joint Operation or Joint Venture. The classification depends on the contractual rights and obligations of each investor rather than legal structure of the Joint Arrangement. The Company classifies its Joint Arrangements as Joint Ventures.

The Company recognizes its interest in Joint Ventures as an investment and accounts for that investment using the Equity method in accordance with Ind AS 28.

XXII. Recent accounting pronouncements

Appendix B to Ind AS 21, Foreign currency transactions and advance consideration: On March 28, 2018, Ministry of Corporate Affairs (""MCA"") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency.

The amendment will come into force from 1 April 2018. The Company's exposure towards foreign currency transaction is minimal, and hence the impact on the financial statements and effect on adoption of Ind AS 21 is expected to be insignificant.

Ind AS 115

In March 2018, the Ministry of Corporate Affairs has notified the Companies (Indian Accounting Standards) Amended Rules, 2018 ("amended rules"). As per the amended rules, Ind AS 115 "Revenue from contracts with customers" supersedes Ind AS 11, "Construction contracts" and Ind AS 18, "Revenue" and is applicable for all accounting periods commencing on or after 1 April 2018.

Ind AS 115 introduces a new framework of five step model for the analysis of revenue transactions. The model specifies that revenue should be recognised when (or as) an entity transfers control of goods or services to a customer at the amount to which the entity expects to be entitled. Further, the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The new revenue standard is applicable to the Company from 1 April 2018.

The standard permits two possible methods of transition:

- Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors.

- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach).

The Company is evaluating the requirement of the amendment and the impact on the financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

Note '3'

Property, plant and equipment and capital work-in-progress (₹ in lakhs)

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

	Leasehold land	Commercial Premises	Mivan System	Computers and Laptops	Furniture and Fixtures	Vehicles	Office Equipment	Total	Capital work-in-progress
Gross Carrying Value (At Deemed Cost)									
Balance at 1st April, 2017	37.29	837.35	366.39	19.07	460.61	953.32	99.92	2,773.95	-
Additions	-	-	-	-	11.28	0.58	4.95	16.81	-
Disposals/Discardment of Assets	-	-	-	-	(35.57)	(26.31)	-	(61.88)	-
Balance at 31st March, 2018	37.29	837.35	366.39	19.07	436.32	927.59	104.87	2,728.88	-
Accumulated depreciation and impairment									
Balance at 1st April, 2017	19.84	177.96	348.07	18.17	313.20	669.47	95.28	1,641.99	-
Eliminated on disposal/discardment of assets	-	-	-	-	(35.57)	(24.53)	-	(60.10)	-
Depreciation Charges	1.24	13.35	-	0.75	33.34	78.08	2.98	129.74	-
Balance at 31st March, 2018	21.08	191.31	348.07	18.92	310.97	723.02	98.26	1,711.63	-
Net Carrying value as on 31st March, 2018	**16.21**	**646.04**	**18.32**	**0.15**	**125.35**	**204.57**	**6.61**	**1,017.25**	**-**

Footnote:

Commercial premises include cost of shares aggregating ₹ 0.04 lakhs (March 31, 2017: ₹ 0.04 lakhs) carrying the occupancy rights in the commercial premises.

3.1 Assets pledged as security

Leasehold Land and Commercial properties and vehicles with a carrying amount of ₹ 167.47 lakhs (As at 31st March, 2017: ₹ 210.08 lakhs) have been pledged to secure the borrowings of the Company.

3.2 Contractual obligations

Capital expenditure contracted for at the end of the reporting period (net of advances), but not recognised as liabilities is ₹ Nil (as at 31st March, 2017: ₹ Nil).

3.3 Leased Assets

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

Notes to the Financial Statements for the year ended 31st March, 2018 (Contd.)

Note '4'

Investment property

(₹ in lakhs)

	Completed investment properties
Gross Carrying Value (At Deemed Cost)	
Balance at 1st April, 2016	5,336.58
Additions	-
Disposals	-
Balance at 31st March, 2017	**5,336.58**
Accumulated depreciation and impairment	
Balance at 1st April, 2016	972.32
Depreciation charges	145.43
Eliminated on disposal of assets	-
Balance at 31st March, 2017	**1,117.75**
Net Carrying amount as on 31st March, 2017	**4,218.83**
Cost or demeed cost	
Balance at 1st April, 2017	**5,336.58**
Additions	**-**
Disposals	**(103.86)**
Balance at 31st March, 2018	**5,232.72**
Accumulated depreciation and impairment	
Balance at 1st April, 2017	1,117.75
Depreciation charges	144.52
Eliminated on disposal of assets	(36.49)
Balance at 31st March, 2018	**1,225.78**
Net Carrying amount as on 31st March, 2018	**4,006.94**

4.1 Amounts recognised in Statement of Profit and Loss for investment properties

	31st March, 2018	31st March, 2017
Rental Income	**881.77**	407.88
Direct operating expenses from properties	**-**	-
Profit from Investment properties before depreciation	**881.77**	407.88
Depreciation	**144.52**	145.43
Profit from Investment properties	**737.25**	262.44
Rental Income from others	**243.53**	188.94

4.2 Leasing Arrangements

Certain investment properties are leased to tenants.

Minimum lease payments receivable are as follows.	31st March, 2018	31st March, 2017
Within one year	**304.13**	796.41
Later than one year but not later than five years	**543.34**	2,762.17
Later than five years	**-**	6.75

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

Note '4' : (Contd.)

4.3 Investment properties pledged as security

Leasehold Land and Commercial properties with a carrying amount of ₹ 3,996.54 lakhs (As at 31st March, 2017: ₹4,039.39 lakhs) have been pledged to secure the borrowings of the Company.

4.4 Fair Valuation of Investment Properties

Property Name	Fair Value (₹ in Lakhs)	Basis
Mahalaxmi car park	22,610.00	Independent Valuers Report
Others	2,453.04	Stamp Duty Ready Reckoner Rate

The Company has not determined the fair value of other properties from any independent valuer as at 31st March, 2018. Instead the values disclosed above are based on ready reckoner rate of the said properties for the year ended 31st March, 2018 duly published by the Government of Maharashtra.

Note '5'

Intangible assets	(₹ in lakhs)
	Computer software
Gross Carrying Value (At Deemed Cost)	
Balance at 1st April, 2016	519.16
Additions	-
Disposals	-
Balance at 31st March, 2017	**519.16**
Accumulated depreciation and impairment	
Balance at 1st April, 2016	519.16
Eliminated on disposal of assets	-
Depreciation expense	-
Balance at 31st March, 2017	**519.16**
Net carrying value as on 31st March, 2017	**-**
Cost or deemed cost	
Balance at 1st April, 2017	519.16
Additions	-
Disposals	-
Balance at 31st March, 2018	**519.16**
Accumulated depreciation and impairment	
Balance at 1st April, 2017	519.16
Eliminated on disposal of assets	-
Depreciation expense	-
Balance at 31st March, 2018	**519.16**
Net carrying value as on 31st March, 2018	**-**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

Note '6'

Investments

			As at 31st March, 2018 (₹ in lakhs)	As at 31st March, 2017 (₹ in lakhs)
Non Current				
A)	**Investment in equity instruments (Unquoted) (Carried at deemed cost)**			
	I)	**Subsidiary Companies (Fully paid up equity shares)**		
	a)	50,000 (As at March 31, 2017: 50,000) Equity shares of ₹ 10/- each		
		Diviniti Projects Private Limited	**5.00**	5.00
	b)	50,000 (As at March 31, 2017: 50,000) Equity shares of ₹ 10/- each		
		Vishal Techno Commerce Limited	**5.00**	5.00
	c)	4,720 (As at March 31, 2017: 4,720) Equity shares of ₹ 100/-each		
		Heet Builders Private Limited	**652.82**	652.82
	d)	50,000 (As at March 31, 2017: 50,000) Equity shares of ₹ 10/- each		
		Devkrupa Build Tech Limited	**5.00**	5.00
	e)	37,000 (As at March 31, 2017: 37,000) Equity shares of ₹ 10/- each		
		Gujarat Akruti - TCG Biotech Limited	**3.70**	3.70
	f)	50,000 (As at March 31, 2017: 50,000) Equity shares of ₹ 10/-each		
		Urvi Build Tech Limited	**5.00**	5.00
	g)	36,215 (As at March 31, 2017: 36,215) (Class 'A') Equity shares of ₹ 10/- each		
		Ackruti Safeguard Systems Private Limited	**72.43**	72.43
	h)	50,000 (As at March 31, 2017: 50,000) Equity shares of ₹ 10/- each		
		Yantti Buildcon Private Limited	**5.00**	5.00
	i)	9,000 (As at March 31, 2017: 9,000) Equity shares of ₹ 10/- each		
		Upvan Lake Resorts Private Limited	**0.90**	0.90
	j)	3,00,000 (As at March 31, 2017: 3,00,000) Equity shares of ₹ 100 each		
		Vega Developers Private Limited	**300.00**	300.00
	k)	50,000 (As at March 31, 2017: 50,000) Equity shares of ₹ 10/- each		
		ABP Realty Advisors Private Limited	**5.00**	5.00
	l)	10,000 (As at March 31, 2017: 10,000) Equity shares of ₹ 10/- each		
		Headland Farming Private Limited	**1.00**	1.00
	m)	10,000 (As at March 31, 2017: 10,000) Equity shares of ₹ 10/- each		
		Heddle Knowledge Private Limited	**1.00**	1.00
	n)	50,000 (As at March 31, 2017: 50,000) Equity shares of ₹ 10/- each		
		Citygold Education Research Limited	**5.00**	5.00
	o)	10,000 (As at March 31, 2017: 10,000) Equity shares of ₹ 10/- each		
		Citygold Farming Private Limited	**1.00**	0.99
	p)	50,000 (As at March 31, 2017: 50,000) Equity shares of ₹ 10/- each		
		India Development and Construction Venture Capital Private Limited	**5.00**	5.00
	q)	1,24,31,045 (As at March 31, 2017: 1,24,31,045) (Class 'A') Equity shares of ₹ 10 /- each		
		Joynest Premises Private Limited	**1,324.15**	1,324.15
	r)	5,25,58,955 (As at March 31, 2017: 5,25,58,955) (Class 'C') Equity shares of ₹ 10 /- each		
		Joynest Premises Private Limited	**5,255.90**	5,255.90
	s)	7,400 (As at March 31, 2017: 7,400) Equity Shares of ₹ 10 /- each		
		Joynest Premises Private Limited	**0.74**	0.74
	t)	10,000 (As at March 31, 2017: 9,997) Equity shares of ₹ 10/- each		
		Citywood Builders Private Limited	**1.00**	0.99
	u)	50,000 (As at March 31, 2017: 50,000) Equity Shares of ₹ 10 /- each		
		Vama Housing Limited	**5.00**	5.00
	v)	1,00,000 (As at March 31, 2017: 1,00,000) Equity Shares of ₹ 10 /- each		
		Halitious Developer Limited	**600.00**	600.00
			8,259.64	8,259.63
		Less: Provision for diminution in the value of investments (Refer Footnote a)	**10.90**	10.90
			8,248.74	8,248.73

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

Note '6' : Investments (Contd.)

		As at 31st March, 2018 (₹ in lakhs)	As at 31st March, 2017 (₹ in lakhs)
II)	**Joint Ventures**		
a)	50,000 (As at March 31, 2017: 50,000) (Class 'A') Equity shares of ₹ 10/- each		
	Hubtown Bus Terminal (Mehsana) Private Limited	**5.00**	5.00
b)	1,00,000 (As at March 31, 2017: 1,00,000) (Class 'C') Equity shares of ₹ 10/- each		
	Hubtown Bus Terminal (Mehsana) Private Limited	**629.00**	629.00
c)	50,000 (As at March 31, 2017: 50,000) (Class 'A') Equity shares of ₹ 10/- each		
	Hubtown Bus Terminal (Vadodara) Private Limited	**5.00**	5.00
d)	1,15,275 (As at March 31, 2017: 1,15,275) (Class 'C') Equity shares of ₹ 10/- each		
	Hubtown Bus Terminal (Vadodara) Private Limited	**592.29**	592.29
e)	50,000 (As at March 31, 2017: 50,000) (Class 'A') Equity shares of ₹ 10/- each		
	Hubtown Bus Terminal (Adajan) Private Limited	**5.00**	5.00
f)	1,15,463 (As at March 31, 2017: 1,15,463) (Class 'C') Equity shares of ₹ 10/- each		
	Hubtown Bus Terminal (Adajan) Private Limited	**1,057.49**	1,057.49
g)	10,000 (As at March 31, 2017: 10,000) (Class 'A') Equity shares of ₹ 10/- each		
	Hubtown Bus Terminal (Ahmedabad) Private Limited	**1.00**	1.00
h)	15,000 (As at March 31, 2017: 15,000) (Class 'C') Equity shares of ₹ 10/- each		
	Hubtown Bus Terminal (Ahmedabad) Private Limited	**2,132.00**	2,132.00
i)	22,859 (As at March 31, 2017: 22,859) Equity shares of ₹ 10/- each		
	Twenty Five South Realty Limited	**29,208.14**	29,208.14
j)	28,37,270 (As at March 31, 2017: 28,37,270)(Class 'A') Equity shares of ₹ 10/- each		
	Rare Townships Private Limited	**7,345.84**	7,345.84
k)	4,25,000 (As at March 31, 2017: 4,25,000) (Class 'B') Equity shares of ₹ 10/- each		
	Rare Townships Private Limited	**100.00**	100.00
l)	25,000 (As at March 31, 2017: 25,000) Equity shares of ₹ 100/- each		
	Joyous Housing Limited	**25.00**	25.00
m)	1,22,000 (As at March 31, 2017: 129,000) Equity shares of ₹ 10/- each		
	Sunstream City Private Limited	**12.20**	12.90
		41,117.96	41,118.66
	Equity contribution by way of Interest free loans given to Joyous Housing Limited	**568.20**	568.20
		41,686.16	41,686.86
III)	**Associate Companies**		
a)	25,000 (As at March 31, 2017: 25,000) Equity shares of ₹ 10/- each		
	Whitebud Developers Limited	**2.50**	2.50
b)	5,000 (As at March 31, 2017: 5,000) Equity shares of ₹ 10 /- each		
	Shubhsiddhi Builders Private Limited	**0.50**	0.50
c)	6,095 (As at March 31, 2017: 6,095) (Class 'A') Equity shares of ₹ 10 /- each		
	Vinca Developer Private Limited	**0.61**	0.61
d)	7353 (As at March 31, 2017: NIL)(Class 'B') Equity Shares of ₹ 10 /- each		
	Giraffe Developers Private Limited (Refer Footnote b)	**5,004.79**	-
		5,008.40	3.61
	Less: Provision for diminution in the value of investments	**0.61**	0.61
		5,007.79	3.00
IV)	**Others**		
a)	240 (As at March 31, 2017: 240)Equity shares of ₹ 100/- each		
	Citygold Management Services Private Limited	**0.24**	0.24
b)	6,000 (As at March 31, 2017: 6,000)(Class 'B') Equity shares of ₹ 50/- each		
	Hogmanay Niharika Buildings Limited	**3.00**	3.00
d)	37,815 (As at March 31, 2017: 37,815) Equity shares of ₹ 10/- each		
	Janakalyan Sahakari Bank Limited	**3.78**	3.78
e)	1 (As at March 31, 2017: 1) Equity Share of ₹ 10/- each		
	E-Commerce Magnum Solutions Limited	**1.00**	1.00
		8.02	8.02
	Total (I+II+III+IV)	**54,950.71**	49,946.62

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

Note '6' : Investments (Contd.)

			As at 31st March, 2018 (₹ in lakhs)	As at 31st March, 2017 (₹ in lakhs)
B)		**Investment in Preference Shares (Unquoted)**		
	i.	**At deemed cost**		
	a)	20,000 (As at March 31, 2017: 20,000) Cumulative convertible preference shares of ₹ 100/- each		
		Ackruti Safeguard Systems Private Limited (Subsidiary)	**20.00**	20.00
	b)	1,865 (As at March 31, 2017: 1,865) 10% Non-Cumulative Redeemable Preference Shares of ₹ 10/- each		
		Twenty Five South Realty Private Limited (Joint Venture)	**0.19**	0.19
	ii.	**Others**		
		6,671 (As at March 31, 2017: 6,671) 21% Cumulative Optionally Convertible Redeemable Preference Shares of ₹ 10/- each		
		E-Commerce Magnum Solutions Limited	**6,671.00**	6,671.00
			6,691.19	6,691.19
C)	**i.**	**Investment in Debentures (At Amortised Cost) (Unquoted)**		
		7,68,919 (As at March 31, 2017: 7,68,919) Non - convertible debentures of ₹ 100/- each		
		Gujarat Akruti - TCG Biotech Limited (Subsidiary)	**1,223.93**	1,048.25
	ii.	**Investment in Debentures (At Cost) (Unquoted)**		
		3,19,10,000 (As at March 31, 2017: 3,19,10,000) 9% Optionally convertible debentures of ₹ 10/- each		
		Asmeeta Infratech Limited	**3,191.00**	3,191.00
	iii.	**Investment in Bonds (At Amortised Cost)(Quoted)**		
		39,13,310 (As at March 31, 2017: 39,13,310) Deep Discount Bonds, issued @ ₹ 2090/- of face value ₹ 10,000 [Tenure of 9 Years] [Refer foot note (c) to Note 23]		
		Sunstream City Private Limited (Joint venture)	**97,412.85**	97,412.85
	iv.	**Investment in Debentures, classified as equity by the investee (At Cost) (Unquoted)**		
		11,95,299 (As at March 31, 2017: 11,95,299) Compulsorily Convertible Debentures of ₹ 100/- each		
		Gujarat Akruti - TCG Biotech Limited (Subsidiary)	**1,195.30**	1,195.30
			103,023.08	102,847.40
D)		**Capital Investment in Partnership Firms and Joint Ventures (Refer footnote c)**	**3,450.50**	4,225.50
E)		**Non-controlling Capital Investment in Partnership Firms and Joint Ventures (Refer footnote d)**	**7,570.00**	7571.60
		Less: Provision for diminution in the value of investments	**-**	1.60
			11,020.50	11,795.50
		Total Non Current Investments (A+B+C+D+E)	**175,685.48**	171,280.70
		Aggregate amount of quoted investments	**97,412.85**	97,412.85
		Aggregate amount of unquoted investments	**78,272.62**	73,867.85
		Aggregate provision for diminution in value of investments:	**11.51**	13.11

Footnotes:

a. Diminution of ₹ NIL (March 31, 2017: ₹ 0.90 lakhs) has been made for Investments.

b. The Company had sold its entire holding in the share capital of Giraffe Developers Private Limited, vide sale deed dated 15th February, 2017. The sale transacation has been cancelled in current year due to non fulfillment of certain conditions of sale.

c. Shreenath Realtors (a partnership firm) was into development and exploitation of areas at Nirmal Nagar, Sion, Mumbai. Since the approval from the Government has not been received till date nor there is any scope of it being approved in the near future, operation cost has been mounting year on year in the said firm. In view of the facts, the Company has written off the capital amount given for project development amounting to ₹ 775.00 lakhs. However, the Firm has not been dissolved as on date. Refer footnote (a) to Note 30.

d. Primeria (a joint venture), where the Company has invested capital of ₹ 1.60 lakhs has been written off. However, the Firm has not been dissolved as on date.

e. Details of investments made in the capital of partnership firms and joint ventures :

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

Note '6' : Investments (Contd.)

A) Partnership firms

		Share in profits (%)	
	Name of the Partners	**31 March, 2018**	31 March, 2017
i.	**M/s. Akruti Jay Developers**		
	Hubtown Limited	**66.66**	66.66
	Hazel Erectors Private Limited	**33.34**	33.34
	Total Capital of the firm (₹ in lakhs)	**2,491.50**	2,491.50
ii.	**M/s. Shreenath Realtors (Refer footnote c above)**		
	Hubtown Limited	**92.50**	92.50
	Vakratunda Housing Private Limited	**7.50**	7.50
	Total Capital of the firm (₹ in lakhs)	**2,120.54**	2,120.54
iii.	**M/s. Akruti Kailash Constructions**		
	Hubtown Limited	**90.00**	90.00
	Ketan D. Shah	**10.00**	10.00
	Total Capital of the firm (₹ in lakhs)	**0.58**	0.58
iv.	**M/s. Rising Glory Developers**		
	Hubtown Limited	**20.00**	20.00
	Ackruti Safeguard Systems Private Limited	**5.34**	5.34
	Citygold Education Research Limited	**5.34**	5.34
	Citygold Farming Private Limited	**5.34**	5.34
	Diviniti Projects Private Limited	**5.34**	5.34
	Halitious Developer Limited	**5.34**	5.34
	Headland Farming Private Limited	**5.33**	5.33
	Heddle Knowledge Private Limited	**5.33**	5.33
	Heet Builders Private Limited	**5.33**	5.33
	Subhsiddhi Builders Private Limited	**5.33**	5.33
	Sunstream City Private Limited	**10.66**	10.66
	Upvan Lake Resorts Private Limited	**5.33**	5.33
	Vega Developers Private Limited	**5.33**	5.33
	Whitebud Developers Limited	**5.33**	5.33
	Yantti Buildcon Private Limited	**5.33**	5.33
	Total Capital of the firm (₹ in lakhs)	**1.50**	1.50

B) Joint Ventures

		Share in profits (%)	
	Name of the Co-Venturers	**31 March, 2018**	31 March, 2017
i.	**M/s. Akruti Jay Chandan Joint Venture**		
	Hubtown Limited	**50.00**	50.00
	Chandan Shanti Group of Companies	**50.00**	50.00
	Total Capital of the joint venture (₹ in lakhs)	**282.40**	282.40
ii.	**M/s. Akruti GM Joint Venture**		
	Hubtown Limited	**50.00**	50.00
	GM Construction	**50.00**	50.00
	Total Capital of the joint venture (₹ in lakhs)	**910.00**	910.00

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

Note '6' : Investments (Contd.)

		Share in profits (%)	
	Name of the Co-Venturers	**31 March, 2018**	31 March, 2017
iii.	**M/s. Primeria Joint Venture (Formerly known as Akruti Forefront Joint Venture) (Refer footnote d on page 97)**		
	Hubtown Limited	**16.00**	16.00
	Forefront Property Developers Private Limited	**84.00**	84.00
	Total Capital of the joint venture (₹ in lakhs)	**10.00**	10.00
iv.	**M/s. Sunstone Developers Joint Venture**		
	Hubtown Limited	**5.00**	5.00
	Swapanranjan Infrastructure Private Limited	**95.00**	95.00
	Total Capital of the joint venture (₹ in lakhs)	**5.00**	5.00
v.	**M/s. Celeste Joint Venture**		
	Fourjone Realtors Private Limited	**95.00**	95.00
	Hubtown Limited	**5.00**	5.00
	Total Capital of the joint venture (₹ in lakhs)	**100.00**	100.00
vi.	**M/s. Jairaj Developers - Unit 9**		
	Hubtown Limited	**19.00**	19.00
	Shri. Jayant Hiralal Shah	**31.00**	31.00
	Shri.Malav Jayant Shah	**31.00**	31.00
	Giraffe Developers Private Limited	**19.00**	19.00
	Total Capital of the joint venture (₹ in lakhs)	**100.00**	100.00

f. The Company has investments in certain subsidiaries, jointly controlled entities and associates aggregating ₹ 98217.00 lakhs (March 31, 2017: ₹ 98217.00 lakhs) and loans and advances outstanding aggregating ₹ 22826.00 lakhs (March 31, 2017: ₹ 27696.00 lakhs) as at March 31, 2018. While such entities have incurred losses and have negative net worth as at the year end, the underlying projects in such entities are at various stages of real estate development and are expected to achieve adequate profitability on substantial completion and/ or have current market values of certain properties which are in excess of the carrying values. The Company considers its investments in such entities as long term and strategic in nature. Accordingly, no provision is considered necessary towards diminution in the value of the Company's investments in such entities or in respect of loans and advances advanced to such entities, which are considered good and fully recoverable.

		As at 31st March, 2018 (₹ in lakhs)	As at 31st March, 2017 (₹ in lakhs)
Current			
A)	**Investment in Mutual Funds (Quoted)(Other than Trade)**		
	At Fair value through profit and loss		
	Indiabulls Liquid fund Direct Plan (Growth)		
	9,036.952 units each paid up value per unit ₹ 1659.85 each (As at March 31, 2017: NIL)		
	[NAV ₹ 1698.25 per unit (As at March 31, 2017:NIL)]	**153.47**	-
		153.47	-
B)	**Capital Investment in Partnership Firms (Trade, unless otherwise specified)(Unquoted) (Refer footnote)**	**-**	28.79
		-	28.79
	Total Current Investments (A+B)	**153.47**	28.79
	Aggregate amount of quoted investments	**153.47**	-
	Aggregate amount of unquoted investments	**-**	28.79
	Aggregate provision for diminution in value of investments:	**-**	-

Footnote:

M/s. Akruti Steelfab Corporation (under the process of dissolution)	**Share in profits (%)**	
Name of the Partners	**31 March, 2018**	31 March, 2017
Hubtown Limited	**-**	55.00
Steelfab Turnkey Projects Limited	**-**	45.00
Total Capital of the firm (₹ in lakhs)	**-**	100.00

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

	As at 31st March, 2018 (₹ in lakhs)	As at 31st March, 2017 (₹ in lakhs)
Note '7'		
Trade Receivables		
Non-current		
Unsecured, considered good		
Trade Receivables	-	-
Total	-	-
Current		
Unsecured, considered good		
Related Parties (Refer Note 33)	**15,942.86**	31,990.06
Others	**19,112.85**	1,640.94
Doubtful		
Others	**165.19**	88.99
Less: Allowance for doubtful debts	**(165.19)**	(88.99)
Total	**35,055.70**	33,631.00

Footnotes:

a) No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person, or from any firms or private companies in which any director is a partner, a director or a member.

b) Trade receivables are towards sale of FSI/projects/rights and services. Credit terms for such receivables are based on respective contracts.

	As at 31st March, 2018 (₹ in lakhs)	As at 31st March, 2017 (₹ in lakhs)
Note '8'		
Loans		
Non-current		
Unsecured, considered good		
- Loan to a related party (Refer Note 33)	**458.00**	404.17
Total	**458.00**	404.17
Current		
Unsecured, considered good		
- Loans to related parties (Refer Note 33)	**4,757.67**	4,421.04
- Loans to others	**2,622.30**	2,902.23
- Loans to Employees	**2.35**	2.53
Total	**7,382.32**	7,325.80

Notes to the Financial Statements for the year ended 31st March, 2018 (Contd.)

	As at 31st March, 2018 (₹ in lakhs)	As at 31st March, 2017 (₹ in lakhs)
Note '9'		
Other financial assets		
Non-current		
Bank balances (Refer Footnote)		
- Deposits with maturity of more than twelve months	**0.16**	0.16
- Margin money deposits	**259.81**	242.50
Security deposits	**79.89**	54.33
Other Advances		
Advances recoverable		
Doubtful		
- Related parties (Refer Note 33)	**9.15**	9.15
- Others	**124.51**	124.51
Less: Provision for doubtful advances	**(133.66)**	(133.66)
Other receivables		
Interest accrued on fixed deposits	**1.83**	0.78
Total	**341.69**	297.77
Footnote:		
Balances with banks in margin money and fixed deposits are kept as security for guarantees / other facilities.		
Current		
Security deposits	**337.54**	156.22
Project Advances (Refer Footnote a and c)		
- Related parties (Refer Note 33 and Footnote f of Note 6)	**27,657.39**	24,220.38
Other Advances		
Current Account Balances in Partnership Firms and Joint Ventures (Refer Note 33)	**23,745.57**	20,717.72
Advances recoverable		
- Related parties (Refer Note 33)	**2,049.06**	1,773.91
- Others	**20,375.79**	21,986.92
Unbilled revenue	**6,845.98**	7,178.83
Other receivables		
- Other than Trade Receivables (Refer Footnote b)	**1,938.20**	7,262.70
- Interest accrued on fixed deposits	**9.06**	10.85
- Interest accrued on investments	**-**	1,357.11
- Interest accrued on loan - Related Party (Refer Note 33)	**613.51**	177.85
Total	**83,572.10**	84,842.49

Footnotes:

a. The amount funded by the Company to its subsidiaries, joint ventures and associate entities initially were in infant stage. These entities are on the verge of launching their own projects and are also in the process of obtaining finance facilities / investors, etc. on their own strength. In view of the above developments, project advances to these entities are considered as repayable on demand.

b. Other receivables other than trade receivables include ₹ NIL(as on 31st March,2017 ₹ 5,004.79 lakhs) receivable towards sale of shares by the Company of one of its erstwhile associate.

c. The Company has not charged interest on advances given by it to certain group entities developing real estate projects, in which the Company has commercial and business interests.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

		As at 31st March, 2018 (₹ in lakhs)	As at 31st March, 2017 (₹ in lakhs)
Note '10'			
Income Tax Assets (Net)			
Income tax assets		**4,892.14**	4,893.73
Income tax liabilities		**(2,249.34)**	(2,206.71)
Total		**2,642.80**	2,687.02
Income Tax expense			
(a)	Income Tax expense		
	Current Tax	**450.37**	453.25
	Tax in respect of earlier years	**151.85**	11.32
		602.22	464.57
	Deferred tax expense / (credit)	**(813.87)**	115.91
	Income Tax expense / (credit)	**(211.65)**	580.48
(b)	Reconciliation of tax expense and the accounting profit multiplied by the Company's tax rate		
	Profit for the Year	**2,442.24**	1,234.56
	Income tax expense calculated at 34.608%	**845.21**	427.26
	Tax effects of amounts that are not deductible (taxable) in calculating taxable income:		
	Effect of expenses that are not deductible in determining taxable profit	**95.19**	268.77
	Effect of difference in rate of tax due to MAT	**(347.26)**	(163.78)
	Effect of expenses that are deductible in determining taxable profit due to timing diffrence	**(76.40)**	(79.00)
	Effect of income that is exempt from taxation	**(66.37)**	-
	Effect on deferred tax due to timing difference (Refer Note 11)	**(813.87)**	115.91
	Adjustments for current tax of prior periods	**151.85**	11.32
	Income tax expense	**(211.65)**	580.48

	As at 31st March, 2018 (₹ in lakhs)	As at 31st March, 2017 (₹ in lakhs)
Note '11'		
Deferred Tax balances (Net)		
The following is the analysis of deferred tax asset / (liabilities) presented in the Balance Sheet		
Deferred Tax Asset	**8,380.38**	3,891.18
Deferred Tax Liability	**(3,993.52)**	(318.19)
Total	**4,386.86**	3,572.99

2017-2018	**Opening Balance**	**Recognised in Statement of Profit and Loss**	**Closing Balance**
Deferred tax assets / (liabilities) in relation to:			
Difference in Debtors Under Subvention Scheme	177.31	(75.88)	101.43
Difference in security deposit	9.18	(36.61)	(27.43)
Difference in advance lease rent	(8.80)	34.05	25.25
On account of differential interest	26.13	(124.43)	(98.30)
Temporary difference in relation to investments in joint ventures	(17.34)	16.99	(0.35)
Depreciation	(112.33)	(374.02)	(486.34)
Provisions	73.89	0.00	73.89
Others	3,424.95	1,373.77	4,798.72
	3,572.99	**813.87**	**4,386.86**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

Note '11' : Deferred Tax balances (Net) (Contd.)

2016-2017	Opening Balance	Recognised in profit or loss	Closing Balance
Deferred tax assets / (liabilities) in relation to:			
Difference in Debtors Under Subvention Scheme	523.30	(345.99)	177.31
Unwinding of security deposit	1.86	7.32	9.18
Amortization of advance lease rent	(2.26)	(6.54)	(8.80)
On account of differential interest	16.57	9.56	26.13
Temporary difference in relation to investments in joint ventures	(8.11)	(9.23)	(17.34)
Depreciation	(49.75)	(62.58)	(112.33)
Provisions	86.13	(12.25)	73.89
Others	3,121.16	303.80	3,424.95
	3,688.90	**(115.91)**	**3,572.99**

Significant estimates: Based on the approved plans and budgets, the Company has estimated that the future taxable income will be sufficient to absorb carried forward losses and unabsorbed depreciation, which the management believes is probable and accordingly the Company has recognised deferred tax assets.

	As at 31st March, 2018 (₹ in lakhs)	As at 31st March, 2017 (₹ in lakhs)
Note '12'		
Other assets		
Non-current		
Capital Advances (Unsecured, considered good)		
Related parties	**-**	4,881.41
Others	**1,681.00**	1,681.00
Advances to land owners (Unsecured, considered good)	**2,390.98**	1,821.01
Other advances		
Deposits against sub judice matter [Refer footnote (a) to Note 18 - Current Borrowings and Note 36 (ii) (c)]	**-**	4,700.00
Prepaid Expenses	**20.91**	24.09
Total	**4,092.89**	13,107.51

Current	As at 31st March, 2018 (₹ in lakhs)	As at 31st March, 2017 (₹ in lakhs)
Advance to Suppliers	**1,618.46**	958.89
Other Advances		
Prepaid Expenses	**5.02**	4.04
Others	**734.34**	392.04
Total	**2,357.82**	1,354.97

Notes to the Financial Statements for the year ended 31st March, 2018 (Contd.)

	As at 31st March, 2018 (₹ in lakhs)	As at 31st March, 2017 (₹ in lakhs)
Note '13'		
Inventories		
Inventories (lower of cost or net realisable value)		
Stock of material at site	**196.09**	189.49
Incomplete projects	**94,443.59**	90,712.61
Floor space index (FSI)	**126.26**	126.26
Total	**94,765.95**	91,028.36

Footnotes :

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

b. Incomplete projects include inventory with carrying value of ₹ 52,842.53 lakhs (As at 31st March, 2017: 50,546.12 lakhs) which have been mortgaged against the borrowings of the Company. The Company has various projects under construction, and it has obtained loan/finance facilities against the mortgage of units to be constructed on the said projects and the same is reflected as inventory. The Company has also sold units which are under construction and the lender has issued NOC for the same.

	As at 31st March, 2018 (₹ in lakhs)	As at 31st March, 2017 (₹ in lakhs)
Note '14'		
Cash and cash equivalents		
Balances with banks:		
- in current accounts	**1,365.73**	345.19
- in deposit with maturity of less than three months	**27.55**	132.56
Cash on hand	**20.89**	11.77
Cash and cash equivalents as per balance sheet	**1,414.17**	489.52
Working Capital Loan from Bank (Refer Note 18)	**(1,293.20)**	(1,406.68)
Cash and cash equivalents as per statement of cash flows	**120.97**	(917.16)

Footnote:

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

	As at 31st March, 2018 (₹ in lakhs)	As at 31st March, 2017 (₹ in lakhs)
Note '15'		
Other bank balances		
Unpaid dividend accounts	**2.05**	3.33
Deposits with maturity of more than three months but less than twelve months	**37.98**	35.85
Margin money deposits	**100.28**	100.12
Total	**140.31**	139.30

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, 2018 (CONTD.)

	As at 31st March, 2018 (₹ in lakhs)	As at 31st March, 2017 (₹ in lakhs)
Note '16'		
Equity share capital		
Authorised Share Capital:		
125,000,000 (As at 31st March, 2017: 125,000,000) Equity Shares of ₹ 10/- each	**12,500.00**	12,500.00
Issued and subscribed capital comprises:		
72,735,871 (As at 31st March, 2017: 72,735,871) Equity Shares of ₹ 10/- each fully paid up	**7,273.59**	7,273.59
	7,273.59	7,273.59

a) Reconciliation of number of shares outstanding at the beginning and at the end of the year

	Number of Shares	Share Capital (₹ in Lakhs)
Fully paid equity shares		
Balance at 1st April, 2016	72735871	7,273.59
Add : Issued during the year	-	-
Less : Bought back during the year	**-**	**-**
Balance at 31st March, 2017	72735871	7273.59
Add : Issued during the year	-	-
Less : Bought back during the year	-	-
Balance at 31st March, 2018	**72735871**	**7273.59**

b) Terms / rights attached to equity shares

The Company has a single class of equity shares having a par value of ₹10 per share. Each shareholder of equity share is entitled to one vote per share. The Company declares and pays dividend in Indian rupees.

In the event of liquidation of the Company, the holder of equity shares will be entitled to receive the remaining assets of the Company in proportion to the number of equity shares held by each shareholder, after settlement of all preferential obligations.

c) Details of shares held by each shareholder holding more than 5% shares

	As at 31st March, 2018		As at 31st March, 2017	
	No of shares held	**% holding of this class of shares**	No of shares held	% holding of this class of shares
Fully paid equity shares				
Hemant M. Shah	**5,990,000**	**8.24%**	5,800,000	7.97%
Vyomesh M. Shah	**7,540,000**	**10.37%**	7,540,000	10.37%
Mahipatray V. Shah (HUF)	**1,910,000**	**2.63%**	9,600,000	13.20%
Hemant M. Shah (HUF)	**4,980,500**	**6.85%**	4,980,500	6.85%
Vyomesh M. Shah (HUF)	**3,925,000**	**5.40%**	3,925,000	5.40%
Kunjal H. Shah	**3,058,000**	**4.20%**	3,308,000	4.55%
Falguni V. Shah	**5,789,772**	**7.96%**	5,929,772	8.15%

Notes to the Financial Statements for the year ended 31st March, 2018 (Contd.)

	As at 31st March, 2018 (₹ in lakhs)	As at 31st March, 2017 (₹ in lakhs)
Note '17'		
Other Equity		
Securities premium reserve		
Balance at the beginning of the year	**60,716.12**	60,716.12
Add / (Less) :		
Appropriations	**-**	-
Balance at the end of the year	**60,716.12**	**60,716.12**

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

Debenture redemption reserve		
Balance at the beginning of the year	**4,659.15**	8,381.00
Add / (Less) :		
Amount transferred to general reserve	**(2,459.15)**	(3,721.85)
Balance at the end of the year	**2,200.00**	4,659.15

A debenture redemption reserve is a reserve that any Indian Company that issues debentures must create to protect investors against the possibility of default by the Company.

General reserve		
Balance at the beginning of the year	**28,335.85**	24,614.00
Add / (Less) :		
Amount transferred from Debenture redemption reserve	**2,459.15**	3,721.85
Balance at the end of the year	**30,795.00**	28,335.85

General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. This reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

Retained Earnings		
Balance at the beginning of the year	**71,837.42**	71,181.70
Profit attributable to the owners of the Company	**2,653.89**	654.08
Items of OCI recognised directly in retained earnings	**11.74**	1.64
Balance at the end of the year	**74,503.05**	71,837.42
Total	**168,214.17**	165,548.54

Footnote:

The Company, owing to liquidity issues, has not invested / deposited as at 31st March, 2018: ₹ 310.46 lakhs (as at 31st March, 2017: ₹ 630.95 lakhs) in the manner prescribed under Rule 18(7)(c) of the Companies (Share Capital and Debentures) Rules, 2014 notified by the Ministry of Corporate Affairs.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

	As at 31st March, 2018 (₹ in lakhs)	As at 31st March, 2017 (₹ in lakhs)
Note '18'		
Borrowings		
Non-current		
Secured		
(i) Term Loans		
- From banks (Refer footnote a)	**15,937.02**	40,828.15
- From a company (Refer footnote a (ii) to Note 24)	**5,737.21**	-
- From financial institutions (Refer footnote b)	**14,832.44**	18,385.12
	36,506.67	59,213.27
(ii) Other Loans		
- Loan from Others (Refer footnote c)	**53.50**	84.74
	36,560.17	59,298.01
Less: Transferred to Current Maturities		
Long Term Loans from Banks	**(15,937.02)**	(29,599.50)
Long Term Loans from Financial Institutions	**(12,671.31)**	(12,145.83)
Long Term Loans from a Company	**(1,376.10)**	-
Long Term Loans from Others	**(28.29)**	(31.87)
	(30,012.72)	(41,777.20)
Total	**6,547.45**	17,520.81

Footnotes :

a. Secured term loans from banks carry interest rates within a range of 12.00% to 16.60 %. The nature of securities are:

Name of lenders		Security Offered (Further secured by personal guarantee of one or more promoters)
1	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.
2	Oriental Bank of Commerce	i. Mortgage of unsold units of residential projects located in Andheri (East). ii. First charge by way of escrow of receivables from above projects.
3	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.
4	United Bank of India	i. Registered mortgage of the premises in the project located at Andheri (East). ii. First charge on lease rent receivables from above premises.

b. Secured loan from Indiabulls Housing Finance Limited (financial institution) carries IRR of 29.94%. This loan is secured against mortgage of property of the Company located at Andheri (East) along with the personal guarantee of promoters.

c. Secured loans of ₹ 53.50 lakhs are vehicle loans from others, which carry interest rates within a range of 9.5 - 11% and are repayable by May, 2021.

d. Details of repayment of long term borrowings are as follows : (₹ in lakhs)

Particulars	* Up to 1 year	2 to 5 years	Above 5 years	Total
Term loans from Banks	15,937.02	-	-	15,937.02
Term loans from Companies $	1,376.10	4,361.11	-	5,737.21
Term loans from Financial Institutions #	12,671.31	2,161.13	-	14,832.43
Loans from Others	28.29	25.22	-	53.50
Total	**30,012.72**	**6,547.45**	**-**	**36,560.17**

* Including overdue amounts

$ - Measured at fair value

- Measured at amortised cost (net of transaction cost)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

Note '18' : Borrowings (Contd.)

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

Particulars	31 March, 2018 ₹ in lakhs	31 March, 2018 Period	31 March, 2017 ₹ in lakhs	31 March, 2017 Period
Term loans from Banks				
Overdue instalments	**15,937.02**	**Before Apr 17**	262.38	Jan 17 to Mar 17
Interest	**4,177.53**	**Before Apr 17**	1,133.56	Jan 17 to Mar 17
Overdue instalments			3,366.73	Oct 16 to Mar 17
Interest			1,492.88	Oct 16 to Mar 17
Overdue instalments			6,292.02	Apr 16 to Mar 17
Interest			2,161.17	Apr 16 to Mar 17
Overdue instalments			16,457.33	Before Apr 16
Interest			1,793.55	Before Apr 16
Term loans from Financial Institutions				
Interest	**-**		-	
Total	**20,114.55**		32,959.62	

		As at 31st March, 2018 (₹ in lakhs)	As at 31st March, 2017 (₹ in lakhs)
Current			
Secured			
(i)	Working Capital Loan / Cash credit from Banks (Refer Footnote a and Note 14)	**1,293.20**	1,406.68
(ii)	Loans from Financial Institutions (Refer Footnote b)	**4,950.00**	4,950.00
(iii)	Loans repayable on demand:		
	From companies (Refer Footnote c)	**4,488.04**	23,462.56
		10,731.24	29,819.24
Unsecured			
(i)	Loans repayable on demand:		
	- From Companies (Refer Footnote d)	**16,046.20**	15,155.68
	- From Others (Refer Footnote d)	**51,024.23**	35,702.77
		67,070.43	50,858.45
Total		**77,801.67**	80,677.70

Footnotes :

a. Working capital loan from bank carries interest rate of 17.30% (31st March, 2017: 17.60%). The loan is secured against mortgage of premises located at MIDC, Andheri (East), Mumbai and further secured by personal guarantee of one or more promoters. The said account of the Company has been attached by the Maharashtra State CID in connection with an ongoing case with regard to a commercial transaction with an erstwhile associate company. [Refer Note 36 (ii) (c)]

Name of lender	Security Offered
Canara Bank	Mortgage of the premises at MIDC Andheri (East), Mumbai. Further secured by personal guarantee of one or more promoters and mortgage of the property at Andheri (East).

b. Secured loan from financial institution carries average interest rate of 16.50%. This loan is secured against pledge of equity shares in the Company held by the promoters alongwith personal guarantee of promoters and mortgage of premises in the project located at Andheri (East).

c. Secured loans from companies carry interest rate of 21% and are repayable on demand. However, loan from a company amounting to ₹ 3040.26 lakhs (As at 31st March, 2017: ₹ 3726.85 lakhs) is interest free.These Loans are secured against mortgage of unsold areas of the commercial projects at Andheri (East) and Jogeshwari (East) and secured against pledge of equity shares in 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.

Notes to the Financial Statements for the year ended 31st March, 2018 (Contd.)

Note '18' : Borrowings (Contd.)

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

Particulars	31st March, 2018		31st March, 2017	
	(₹ in lakhs)	Period	(₹ in lakhs)	Period
Loans from Financial Institutions				
Overdue instalments	-	-	-	-
Interest (Net of TDS)	**19.09**	**March 18**	149.88	Jan 17 to March 17
	19.09	**-**	149.88	-

	As at 31st March, 2018 (₹ in lakhs)	As at 31st March, 2017 (₹ in lakhs)
Note '19'		
Other financial liabilities		
Non-current		
Retention money payable (Refer Footnote d)	**684.77**	659.78
Lease deposits from tenants	**72.69**	175.62
Advance Lease Rentals	**83.04**	199.60
Advance Finance Income	**6,731.08**	-
Total	**7,571.58**	1,035.00

Current

	As at 31st March, 2018 (₹ in lakhs)	As at 31st March, 2017 (₹ in lakhs)
Current maturities and overdue installments of long-term debts (Refer Note 18)	**30,012.72**	41,777.20
Interest accrued and due on borrowings (Refer Footnote b)	**9,583.35**	13,322.25
Interest accrued but not due on borrowings	**-**	5,586.30
Retention money payable	**475.83**	247.51
Unpaid matured debentures and interest accrued thereon (Refer Footnote a and b)	**2,199.01**	4,659.15
Unclaimed/unpaid dividends	**2.01**	3.29
Current account balance in firms and joint ventures (Refer Note 33)	**5,670.20**	4,099.83
Security deposits (Refundable)	**14,606.50**	11,642.48
Advance Lease Rentals	**22.35**	23.88
Advance Finance Income (Refer Footnote a (ii) to Note 24)	**2,447.66**	-
Other payables (Refer Footnote c)	**26,879.62**	17,211.68
Total	**91,899.25**	98,573.56

Footnotes:

a. As per Fourth consent terms dated 2nd February, 2018, outstanding amount was repayable with interest @ 20% p. a., of which last installment was to be redeemed on or before 31st March 2018. The said debentures are secured by first and exclusive charge on the premises located at MIDC, Andheri (East), project located at Andheri (West) Mumbai and secured against pledge of equity shares in the Company held by the promoters of Hubtown Limited. The said Debentures have matured and unpaid amount of ₹ 2199.01 Lakhs has been disclosed under other current financial liabilities. However, the Company is in the process of renegotiating the terms of the Non – Convertible Debentures with the Debenture holders.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

Note '19' : Other financial liabilities (Contd.)

b. Period and amount of default as on the Balance Sheet date in respect of matured debentures and interest accrued thereon :

	31st March, 2018		31st March, 2017	
	(₹ in lakhs)	**Period**	(₹ in lakhs)	Period
Overdue Instalments:				
10,000 (As at 31st March, 2017: 10,000) Redeemable non-convertible debentures of the face value of ₹ 100,000 each	**2069.72**	**Mar 18**	4,206.37	Mar 17
Interest :				
10,000 (As at 31st March, 2017: 10,000) Redeemable non-convertible debentures of the face value of ₹ 100,000 each	**129.29**	**Mar 18**	452.78	Dec. 2016 to March 2017
Total	**2,199.01**		4,659.15	

c. Other payable includes ₹ 17,779.65 lakhs (As at 31st March, 2017: ₹ 4,184.79 lakhs) due to related parties. Further, attention is invited to Note 33.

d. Retention Money liability to the contractors which are not due for payment as at 31st March, 2018 have been shown under the head "Other Financial Liabilities" as per Ind AS-32. As per the management, the retention liability is in the nature of holding the amount as guarantee towards performance and does not relate to credit period given by the contractor. Further in the opinion of the management, there has not been any authoritative clarification / interpretation with regard to measurement of fair value in respect of above item and hence retention liability has not been discounted as on 31st March, 2018.

	As at 31st March, 2018 (₹ in lakhs)	As at 31st March, 2017 (₹ in lakhs)
Note '20'		
Provisions		
Non-current		
Employee Benefits		
Provision for Gratuity (Refer Note 32 and Footnote)	**76.03**	87.71
Provision for leave benefit	**132.91**	123.14
Total	**208.94**	210.85
Current		
Employee Benefits		
Provision for Gratuity (Refer Note 32 and Footnote)	**203.44**	170.84
Provision for leave benefit	**86.87**	56.48
Total	**290.31**	227.32

Footnote:

Provision for gratuity is stated net of plan assets ₹ 76.03 lakhs (As at 31st March 2017: ₹ 87.71 lakhs)

	As at 31st March, 2018 (₹ in lakhs)	As at 31st March, 2017 (₹ in lakhs)
Note '21'		
Trade payables		
Dues to MSME	**-**	-
Dues to others	**10,389.45**	11,241.09
Total	**10,389.45**	11,241.09

Footnote:

a. The average credit period on purchases is 6 to 9 months.

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

a. Trade payables include ₹ Nil (As at 31st March, 2017: ₹Nil) due to micro, small and medium enterprises registered under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED).

b. No interest was paid / payable to micro and small enterprises during the year.

c. The above information has been determined to the extent such parties could be identified on the basis of the information available with the Company regarding the status of parties under the MSMED Act and has been relied upon by the auditors.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

	As at 31st March, 2018 (₹ in lakhs)	As at 31st March, 2017 (₹ in lakhs)
Note '22'		
Other Liabilities		
Current		
Advance from customers (Refer Footnote)	**40,775.69**	25,735.53
Overdrawn bank balances as per books of accounts	**274.05**	450.69
Other payables :		
Statutory dues	**3,110.19**	6,093.17
Employees benefit payables	**295.26**	650.23
Others	**2,822.16**	303.09
Total	**47,277.34**	33,232.72

Footnote:

Income received in advance (advance from customers) includes ₹ 17,168.82 lakhs (As at 31st March, 2017: ₹4,385.94 lakhs) received from related paties. Further, attention is invited to Note 33.

	Year ended 31st March, 2018 (₹ in lakhs)	Year ended 31st March, 2017 (₹ in lakhs)
Note '23'		
Revenue from operations		
Sale from operations :		
Sale of properties / rights (Net) (Refer Footnote a and b)	**31,140.30**	38,035.35
Revenue from sale of Trading Materials	**496.65**	381.43
Profit on sale of investments in subsidiaries, Joint ventures, etc. developing real estate projects	**-**	3,719.11
Loss on cancellation of sale of shares in joint ventures [Refer Footnote (b) to note 6]	**(142.31)**	-
	31,494.64	42,135.89
Other operating revenue :		
Income on investments in subsidiaries, Joint ventures, etc. developing real estate projects (Refer Footnote c)	**1,389.32**	16,635.95
Unwinding of Interest free loans	**32.35**	28.43
Lease rentals	**1,125.30**	596.82
Sundry credit balances appropriated (Refer Note 33)	**56.25**	193.97
Liabilities written back to the extent no longer required	**-**	558.58
Provision for doubtful debts written back	**-**	148.89
Provision for diminution / written back	**1.60**	-
Others	**56.70**	54.48
	2,661.53	18,217.12
Total	**34,156.17**	60,353.01

Footnotes:

a. Sale of Properties/Rights includes ₹ 2932.11 lakhs (For 2016-17: ₹ 22,983.84 lakhs) from related parties. Further attention is invited to Note 33.

b. Sale of Properties is net Services of ₹ NIL (For 2016-17: ₹ 3,000.00 lakhs) on account of reversal of revenue recognised in earlier years.

c. The Company has not recognised finance income amounting to ₹ 18,508.44 lakhs from Deep Discount Bonds held in one of its joint venture entities as the terms of the said Bonds relating to tenure of the Bonds and redemption premium are under negotiation with the Issuer.

Notes to the Financial Statements for the year ended 31st March, 2018 (Contd.)

	Year ended 31st March, 2018 (₹ in lakhs)	Year ended 31st March, 2017 (₹ in lakhs)
Note '24'		
Other income		
Interest Income:		
Debentures	**-**	287.19
Loans	**250.00**	290.03
Bank fixed deposits	**30.92**	65.97
Interest income on financial asset at amortised cost	**253.61**	1,118.31
Income on account of OTS (Refer footnote a)	**14,714.04**	-
Interest write back	**6,971.31**	-
Interest waiver	**313.63**	-
Interest income on financial liabilities measured at fair value	**1,224.63**	-
Others	**1,002.97**	841.06
	24,761.11	2,602.56
Other gains and losses		
Surplus on sale / discardment of fixed assets (Net)	**1,131.25**	0.97
Gain on Fair Valuation of Investments in Mutual Funds	**3.47**	-
Gain on sale of investments	**-**	3.28
Gain on foreign currency fluctuation (Net)	**0.30**	-
	1,135.02	4.25
Miscellaneous income	**143.66**	509.96
Total	**26,039.79**	3,116.77

Footnotes:

a. (i) Income on account of OTC included waiver of outstanding loan and interest thereon from Bank of Maharashtra and Dena Bank amounting to ₹ 11,868.43 lakhs and ₹ 57.67 lakhs respectively.

(ii) UCO Bank has transferred the loan amount including interest thereon amounting to ₹ 18,287.94 lakhs as on 31.03.2017 to a third party "Invent Asset Securitisation & Reconstruction Private Limited". vide letter dated 11.04.2017. The said loan has been settled at ₹ 15,500.00 lakhs vide letter dated 27.11.2017 from Invent Asset Securitisation & Reconstruction Private Limited. The waiver for the said loan amounted to ₹ 2,787.94 lakhs. The loan carries 0% interest rate and is repayable within 5 years. The loan is secured against properties located at Mulund, Thane and Andheri (East) and also by first charge on lease rent receivable from said Premises.

	Year ended 31st March, 2018 (₹ in lakhs)	Year ended 31st March, 2017 (₹ in lakhs)
Note '25'		
Costs of Construction / Development		
Construction costs incurred during the year:		
Land / rights acquired	**323.65**	46.92
Material and labour costs	**5,880.20**	8,099.62
Approval and consultation expenses	**683.45**	1,474.68
Other direct development expenses	**1,839.14**	1,903.07
Total	**8,726.44**	11,524.29

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

	Year ended 31st March, 2018 (₹ in lakhs)	Year ended 31st March, 2017 (₹ in lakhs)
Note '26'		
Changes In Inventories Of Incomplete Projects, Finished Properties And FSI		
Opening Inventory :		
Floor Space Index (FSI)	**126.26**	240.30
Incomplete projects	**90,712.61**	96,132.05
	90,838.87	96,372.35
Add / (Less):		
Project expenses written off (Refer Footnote and Note 30)	**-**	(5,642.41)
	90,838.87	90,729.94
Closing Inventory :		
Floor Space Index (FSI)	**126.26**	126.26
Incomplete projects	**94,443.59**	90,712.61
	94,569.85	90,838.87
Total	**(3,730.98)**	(108.93)

Footnote:

Cost incurred till date on Project Jewell has been written off amounting to ₹ 5642.41 lakhs during the F.Y. 2016-17. Change in town planning policies has affected the envisaged profitability of the Project and continuing with the same would have resulted in losses to the Company. Hence the losses have been curtailed by writing off the costs incurred in Project Jewell earlier carried under incomplete projects.

	Year ended 31st March, 2018 (₹ in lakhs)	Year ended 31st March, 2017 (₹ in lakhs)
Note '27'		
Employee Benefits Expense		
[Net of amounts recovered from other entities ₹ 198.68 lakhs (P.Y. ₹ 478.72 lakhs)]		
Salaries, bonus, etc.	**1,399.07**	1,959.92
Contribution to provident and other funds	**58.56**	85.81
Staff welfare expenses	**37.36**	41.98
Other fund expenses	**3.87**	6.86
Total	**1,498.86**	2,094.57

	Year ended 31st March, 2018 (₹ in lakhs)	Year ended 31st March, 2017 (₹ in lakhs)
Note '28'		
Finance Costs		
Interest costs		
Interest on Debentures	**301.46**	1,152.51
Interest on Fixed loans	**28,085.18**	32,906.09
Unwinding of security deposits	**132.85**	22.56
Interest expenses on financial liabilities measured at fair value	**939.79**	-
Other interest expense	**930.89**	1,613.95
Delayed/penal interest on loans and statutory dues	**886.82**	930.38
Total	**31,276.99**	36,625.49

Footnotes:

a. The Company has not provided for interest amounting to ₹ 4,162.00 lakhs on certain inter-corporate deposits as the Company is in the process of re-negotiating the terms / waiver of interest by respective lenders.

b. In line with IND AS-23 'Borrowing Costs' issued by The Institute of Chartered Accountants of India, borrowing costs of ₹ 7405.45 lakhs (F.Y. 2016-17: ₹ 9,796.50 lakhs) have been capitalised to inventory.

Notes to the Financial Statements for the year ended 31st March, 2018 (Contd.)

	Year ended 31st March, 2018 (₹ in lakhs)	Year ended 31st March, 2017 (₹ in lakhs)
Note '29'		
Depreciation and Amortisation Expenses		
Depreciation of property, plant and equipment	**129.74**	138.90
Depreciation of investment properties	**144.52**	145.43
Total	**274.26**	284.33

	Year ended 31st March, 2018 (₹ in lakhs)	Year ended 31st March, 2017 (₹ in lakhs)
Note '30'		
Other Expenses		
Insurance	**48.09**	54.09
Rent	**105.04**	54.61
Rates and taxes	**180.36**	659.08
Advertisement expenses	**494.82**	389.35
Advances and other debit balances written off (Refer Footnote a and Note 33)	**7,086.81**	1,336.51
Investment write off [Refer Footnotes (c) and (d) to Note 6] (Refer Note 33)	**776.60**	-
Bad Debts	**19.88**	1,000.72
Donations	**1.21**	-
Corporate Social Responsibility (CSR) activities	**385.25**	-
Brokerage	**223.83**	417.52
Directors' fees and travelling expenses	**26.47**	26.46
Commission to non-executive directors	**15.72**	16.93
Provision for doubtful advances	**-**	24.51
Provision for doubtful debts	**76.20**	88.99
Provision for diminution in value of investment	**-**	0.90
Repairs and society maintenance charges	**257.75**	103.26
Legal and professional fees	**503.84**	987.54
Prospective projects written off (Refer Footnote to Note 26)	**-**	5,642.41
Loss on foreign currency fluctuation (Net)	**-**	0.03
Cancellation of Compensation for rights in Project	**8,452.86**	-
Other expenses (Refer Footnote c)	**926.49**	669.47
Total	**19,581.22**	11,472.38

Footnotes:

a. The Company has given advances to certain companies towards potential interest in their projects. Due to cancellation of approvals, continuing losses and no movement in the project status, in the opinion of the management such advances/ receivables aggregating ₹ 7,086.81 being non-recoverable were written off during the year.

b. CSR amount required to be spent as per Section 135 of the Companies Act, 2013 read with Schedule VII thereto by the Company during the year was ₹ 34 Lakhs (Previous Year ₹ 39 lakhs), the actual amount spent during the year was ₹ 385.25 lakhs (Previous year ₹ NIL) for purpose other than construction/acquisition of assets.

c. Auditors' Remuneration (included in Legal and professional fees and Other Expenses):

	Year ended 31st March, 2018 (₹ in lakhs)	Year ended 31st March, 2017 (₹ in lakhs)
Audit fees	**53.00**	53.00
Limited review fees (including earlier auditors)	**8.77**	10.09
Certification and other matters	**-**	-
Out-of-pocket expenses	**-**	-
GST/Service tax on above	**-**	8.55
	61.77	71.64

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

	Year ended 31st March, 2018 (₹ in lakhs)	Year ended 31st March, 2017 (₹ in lakhs)
Note '31'		
Earnings per share (EPS)		
Basic Earning Per Share (In ₹)	**3.65**	0.90
Diluted Earnings Per Share (In ₹)	**3.65**	0.90
Basic and Diluted EPS		
The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows:		
Earnings used in the calculation of basic and diluted earnings per share	**2,653.89**	654.08
Weighted average number of equity shares for the purposes of basic and diluted earnings per share (Nos.)	**7,27,35,871**	7,27,35,871

Note '32'

Disclosure relating to employee benefits as per Ind AS 19 'Employee Benefits'

A. Defined Contribution Plans

An amount of ₹ 52.94 lakhs (F.Y. 2016-17: ₹ 74.19 lakhs) under defined benefit plan is recognised as expense in the Statement of Profit and Loss.

B. Defined benefit obligation - Gratuity

The Prinicipal assumptions used for the purpose of the actuarial valuations were as follows:

	31st March, 2018	31st March, 2017
Discount Rate	**7.67%**	7.44%
Expected rate of salary increase	**5%**	5%
Expected average remaining service	**20.6**	21.5
Service cost		
Current service cost	**47.53**	40.23
Past service cost and (gain)/loss from settlement	**-**	-
Net interest expense	**24.26**	23.70
component of define benefit cost recognised in Statement of Profit and Loss	**71.79**	63.94
Actuarial (gains) / losses for the period	**(11.74)**	(1.64)
Component of defined benefit cost recognised in OCI	**(11.74)**	(1.64)
Total	**83.53**	65.58
Present value of funded defined benefit obligation	**365.49**	342.92
Fair value of plan assets	**(86.02)**	(87.71)
Funded status	**279.47**	255.22
Net liability arising from defined benefit obligation		
Movement in PV of defined benefit obligation		
Opening defined benefit obligation	**342.92**	310.21
Current service cost	**47.53**	40.23
Interest cost	**24.26**	23.70
Actuarial gains and losses arising from changes in experience adjustment	**(15.54)**	(3.39)
Benefits paid	**(33.67)**	(27.83)
Closing defined benefit obligation	**365.49**	342.92
Movements in fair value of plan assets		
Opening fair value of plan assets	**87.71**	84.37
Interest income	**6.01**	6.69
Return on plan assets (excluding amounts included in net interest expense)	**(3.81)**	(1.75)
Contribution from employer	**29.77**	26.24
Benefits paid	**(33.66)**	(27.83)
Closing fair value of plan assets	**86.02**	87.71

Notes to the Financial Statements for the year ended 31st March, 2018 (Contd.)

Note '32' : Disclosure relating to employee benefits as per Ind AS 19 'Employee Benefits' (Contd.)

	Year ended 31st March, 2018 (₹ in lakhs)	
Asset Information:	**Total Amount**	**Target Allocation**
		%
Gratuity Fund	66.03	100%

Expected Payout:

Year	**PVO Payout**
Expected Outgo First	63.62
Expected Outgo Second	13.69
Expected Outgo Third	17.37
Expected Outgo Fourth	13.38
Expected Outgo Fifth	21.54
Expected Outgo Sixth to Tenth Year	212.43

Sensitivity Analysis:

As of 31st March, 2018, every percentage point increase in discount rate will affect our gratuity benefit obligation ₹ 328.21 lakhs.

As of 31st March, 2018, every percentage point decrease in discount rate will affect our gratuity benefit obligation ₹ 410.46 lakhs.

As of 31st March, 2018, every percentage point increase in salary escalation rate will affect our gratuity benefit obligation ₹ 410.75 lakhs.

As of 31st March, 2018, every percentage point decrease in salary escalation rate will affect our gratuity benefit obligation ₹ 327.43 lakhs.

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation by one percentage, keeping all other actuarial assumptions constant.

Projected service cost as on 31st March 2019 is ₹ 47.49 lakhs.

Narrations:

1 Analysis of Defined Benefit Obligation

The number of members under the scheme have decreased by 1.70%. Similarly the total salary increased by 0.25% during the accounting period. The resultant liability at the end of the period over the beginning of the period has increased by 6.58%.

2 Expected rate of return basis:

Since the scheme funds are invested with LIC of India EROA is based on rate of return declared by fund managers.

3 Description of Plan Assets and Reimbursement Conditions

100% of the Plan Asset is entrusted to LIC of India under their Group Gratuity Scheme. The reimbursement is subject to Insurer's Surrender Policy.

Note '33'

Related Parties Disclosures

A.	**Names of related parties and description of relationship**	**Country of Incorporation**	**Company's holding as at (%)**	
			31st March, 2018	**31st March, 2017**
I.	**Subsidiaries**			
1	ABP Realty Advisors Private Limited	India	100.00%	100.00%
2	Ackruti Safeguard Systems Private Limited	India	72.43%	72.43%
3	Citygold Education Research Limited	India	100.00%	100.00%
4	Citygold Farming Private Limited	India	100.00%	100.00%
5	Citywood Builders Private Limited	India	100.00%	100.00%
6	Devkrupa Build Tech Limited	India	100.00%	100.00%
7	Diviniti Projects Private Limited	India	100.00%	100.00%
8	Gujarat Akruti-TCG Biotech Limited	India	74.00%	74.00%
9	Halitious Developer Limited	India	100.00%	100.00%
10	Headland Farming Private Limited	India	100.00%	100.00%

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

Note '33' : Related Parties Disclosures (Contd.)

A.	Names of related parties and description of relationship	Country of Incorporation	Company's holding as at (%)	
			31st March, 2018	31st March, 2017
11	Heddle Knowledge Private Limited	India	100.00%	100.00%
12	Heet Builders Private Limited	India	94.40%	94.40%
13	India Development And Construction Venture Capital Private Limited	India	100.00%	100.00%
14	Joynest Premises Private Limited	India	74.00%	74.00%
15	Upvan Lake Resorts Private Limited	India	75.00%	75.00%
16	Urvi Build Tech Limited	India	100.00%	100.00%
17	Vama Housing Limited	India	100.00%	100.00%
18	Vega Developers Private Limited	India	100.00%	100.00%
19	Vishal Techno Commerce Limited	India	100.00%	100.00%
20	Yantti Buildcon Private Limited	India	100.00%	100.00%
II.	**Associates**			
1	Giraffe Developers Private Limited (From March 1, 2018)	India	7.20%	-
2	Shubhsiddhi Builders Private Limited	India	50.00%	50.00%
3	Vinca Developer Private Limited	India	49.00%	49.00%
4	Whitebud Developers Limited	India	50.00%	50.00%
III.	**Joint Ventures**			
1	Akruti GM Joint Venture	India	77.00%	77.00%
2	Akruti Jay Chandan Joint Venture	India	50.00%	50.00%
3	Akruti Jay Developers	India	66.66%	66.66%
4	Akruti Kailash Constructions	India	90.00%	90.00%
5	Akruti Steelfab Corporation	India	-	55.00%
6	Hubtown Bus Terminal (Adajan) Private Limited	India	45.00%	45.00%
7	Hubtown Bus Terminal (Ahmedabad) Private Limited	India	45.00%	45.00%
8	Hubtown Bus Terminal (Mehsana) Private Limited	India	45.00%	45.00%
9	Hubtown Bus Terminal (Surat) Private Limited	India	45.00%	45.00%
10	Hubtown Bus Terminal (Vadodara) Private Limited	India	45.00%	45.00%
11	Joyous Housing Limited	India	25.00%	25.00%
12	Rare Townships Private Limited	India	40.00%	40.00%
13	Rising Glory Developers	India	86.30%	86.30%
14	Shreenath Realtors	India	92.50%	92.50%
15	Sunstream City Private Limited	India	43.00%	43.00%
16	Twenty Five South Realty Limited	India	61.27%	61.27%
17	New Township Fintrade JV	India	-	60.00%
18	Town Planning Fintrade JV	India	-	60.00%
19	Hinterland Fintrade JV	India	-	60.00%

IV. Key Management Personnel

1 Mr. Hemant M. Shah, Executive Chairman

2 Mr. Vyomesh M. Shah, Managing Director

Notes to the Financial Statements for the year ended 31st March, 2018 (Contd.)

Note '33' : Related Parties Disclosures (Contd.)

V. Relatives of Key Management Personnel

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

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

(Where transactions have taken place)

1 Adhivitiya Properties Limited
2 Helik Advisory Limited
3 Sheshan Housing And Area Development Engineers Limited
4 Vishal Nirman (India) Limited
5 Buildbyte. Com (India) Private Limited
6 Celeste Joint Venture
7 Citygold Management Services Private Limited
8 Distinctive Realty Private Limited
9 Fern Infrastructure Private Limited
10 Fourjone Realtors Private Limited
11 Heeler Hospitality Private Limited
12 Ichha Constructions Private Limited
13 Lista City Private Limited
14 Merrygold Buildcon Private Limited
15 Starzone Developers Private Limited
16 Sunmist Builders Private Limited
17 Sunstone Developers Joint Venture
18 Superaction Realty Private Limited
19 Trans Gulf MEP Engineers Private Limited

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

Note '33' : Related Parties Disclosures (Contd.)

B. Transactions with Related Parties (₹ in lakhs)

Sr. No.	Nature of transaction	Subsidiary companies	Associate companies	Joint Ventures	Key management personnel, their relatives and enterprises $
i.	**Loans and Advances received/ recovered/ adjusted**				
	Ackruti Safeguard Systems Private Limited	-	-	-	-
		(7.00)	(-)	(-)	(-)
	Urvi Buildtech Limited	110.00	-	-	-
		(11.00)	(-)	(-)	(-)
	Heet Builders Private Limited	-	-	-	-
		(1,926.77)	(-)	(-)	(-)
	Vama Housing Limited	1.00	-	-	-
		(2.00)	(-)	(-)	(-)
	Vishal Techno Commerce Limited	-	-	-	-
		(3,250.00)	(-)	(-)	(-)
	Halitious Developer Limited	-	-	-	-
		(5.00)	(-)	(-)	(-)
	Diviniti Projects Private Limited	-	-	-	-
		(7.34)	(-)	(-)	(-)
	Twenty Five South Realty Limited	-	-	296.08	-
		(-)	(-)	(110.00)	(-)
	Sunstream City Private Limited	-	-	650.90	-
		(-)	(-)	(70.60)	(-)
	Fern Infrastructure Private Limited	-	-	-	2,866.21
		(-)	(-)	(-)	(2,362.98)
	Heeler Hospitality Private Limited	-	-	-	-
		(-)	(-)	(-)	(587.64)
	Sheshan Housing & Area Development Engineers Limited	-	-	-	-
		(-)	(-)	(-)	(2.00)
	Adhivitiya Properties Limited	-	-	-	1.00
		(-)	(-)	(-)	(-)
	Vishal Nirman (India) Limited	-	-	-	54.34
		(-)	(-)	(-)	(-)
ii.	**Loans and Advances given/ repaid/adjusted**				
	Twenty Five South Realty Limited	-	-	71.99	-
		(-)	(-)	(312.29)	(-)
	Devkrupa Build Tech Limited	-	-	-	-
		(0.71)	(-)	(-)	(-)
	Heet Builders Private Limited	-	-	-	-
		(10,848.20)	(-)	(-)	(-)
	Vama Housing Limited	5.35	-	-	-
		(1.00)	(-)	(-)	(-)
	Vishal Techno Commerce Limited	9.75	-	-	-
		(309.50)	(-)	(-)	(-)
	Sunstream City Private Limited	-	-	-	-
		(-)	(-)	(5.47)	(-)
	Fern Infrastructure Private Limited	-	-	-	150.30
		(-)	(-)	(-)	(710.07)
	Buildbyte.Com (India) Private Limited	-	-	-	-
		(-)	(-)	(-)	(86.25)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

Note '33' : Related Parties Disclosures (Contd.)

B. Transactions with Related Parties (Contd.)

Sr. No.	Nature of transaction	Subsidiary companies	Associate companies	Joint Ventures	Key management personnel, their relatives and enterprises $
ii.	India Development And Construction Venture Capital Private Limited	0.40 (-)	- (-)	- (-)	- (-)
	Celeste Joint Venture	- (-)	- (-)	- (-)	- (2,540.65)
	Distinctive Realty Private Limited	- (-)	- (-)	- (-)	369.51 (-)
	Adhivitiya Properties Limited	- (-)	- (-)	- (-)	10.90 (-)
iii.	**Business Advances received / recovered / adjusted**				
	Citygold Education Research Limited	2,028.00 (43.50)	- (-)	- (-)	- (-)
	Citywood Builders Private Limited	113.40 (387.00)	- (-)	- (-)	- (-)
	Citygold Farming Private Limited	1,668.85 (323.15)	- (-)	- (-)	- (-)
	Heet Builders Private Limited	95.05 (-)	- (-)	- (-)	- (-)
	Headland Farming Private Limited	14.00 (143.50)	- (-)	- (-)	- (-)
	Heddle Knowledge Private Limited	2,071.64 (431.69)	- (-)	- (-)	- (-)
	Vega Developers Private Limited	11.00 (-)	- (-)	- (-)	- (-)
	Twenty Five South Realty Limited	- (-)	- (-)	- (110.00)	- (-)
	Hubtown Bus Terminal (Ahmedabad) Private Limited	- (-)	- (-)	70.50 (33.00)	- (-)
	Hubtown Bus Terminal (Adajan) Private Limited	- (-)	- (-)	- (75.00)	- (-)
	Hubtown Bus Terminal (Mehsana) Private Limited	- (-)	- (-)	20.00 (318.00)	- (-)
	Sunstream City Private Limited	- (-)	- (-)	4.00 (76.22)	- (-)
	Joynest Premises Private Limited	2,438.15 (12,456.71)	- (-)	- (-)	- (-)
	Ackruti Safeguard Systems Private Limited	3.50 (-)	- (-)	- (-)	- (-)
	Adhivitiya Properties Limited	- (-)	- (-)	- (-)	- (721.40)
	Citygold Management Services Private Limited	- (-)	- (-)	- (-)	375.13 (628.31)
	Buildbyte.Com (India) Private Limited	- (-)	- (-)	- (-)	- (88.00)
	Giraffe Developers Private Limited	- (-)	13,663.75 (-)	- (-)	- (-)

Notes to the Financial Statements for the year ended 31st March, 2018 (Contd.)

Note '33' : Related Parties Disclosures (Contd.)

B. Transactions with Related Parties (Contd.)

Sr. No.	Nature of transaction	Subsidiary companies	Associate companies	Joint Ventures	Key management personnel, their relatives and enterprises $
iv.	**Business Advances given / repaid / adjusted**				
	Citygold Education Research Limited	170.90	-	-	-
		(783.65)	(-)	(-)	(-)
	Citywood Builders Private Limited	2862.52	-	-	-
		(362.65)	(-)	(-)	(-)
	Citygold Farming Private Limited	3.20	-	-	-
		(65.34)	(-)	(-)	(-)
	Heet Builders Private Limited	2,776.01	-	-	-
		(-)	(-)	(-)	(-)
	Headland Farming Private Limited	0.50	-	-	-
		(15.00)	(-)	(-)	(-)
	Heddle Knowledge Private Limited	1,132.80	-	-	-
		(586.35)	(-)	(-)	(-)
	Twenty Five South Realty Limited	-	-	-	-
		(-)	(-)	(197.00)	(-)
	Hubtown Bus Terminal (Ahmedabad) Private Limited	-	-	182.81	-
		(-)	(-)	(198.20)	(-)
	Hubtown Bus Terminal (Adajan) Private Limited	-	-	449.69	-
		(-)	(-)	(358.00)	(-)
	Hubtown Bus Terminal (Mehsana) Private Limited	-	-	172.44	-
		(-)	(-)	(275.07)	(-)
	Hubtown Bus Terminal (Vadodara) Private Limited	-	-	65.98	-
		(-)	(-)	(94.60)	(-)
	Sunstream City Private Limited	-	-	1,109.27	-
		(-)	(-)	(9,367.70)	(-)
	Joynest Premises Private Limited	2,171.60	-	-	-
		(-)	(-)	(-)	(-)
	Wellgroomed Developers Limited	-	-	107.50	-
		(-)	(-)	(-)	(-)
	Whitebud Developers Limited	-	5.50	-	-
		(-)	(5.00)	(-)	(-)
	Yantti Buildcon Private Limited	102.86	-	-	-
		(21.30)	(-)	(-)	(-)
	Gujarat Akruti - TCG Limited	-	-	-	-
		(2.00)	(-)	(-)	(-)
	Upvan Lake Resorts Private Limited	-	-	-	-
		(0.50)	(-)	(-)	(-)
	Vega Developers Private Limited	12.40	-	-	-
		(-)	(-)	(-)	(-)
	Buildbyte.Com (India) Private Limited	-	-	-	39.50
		(-)	(-)	(-)	(130.65)
	Starzone Developers Private Limited	-	-	-	1.00
		(-)	(-)	(-)	(1,683.40)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

Note '33' : Related Parties Disclosures (Contd.)

B. Transactions with Related Parties (Contd.)

Sr. No.	Nature of transaction	Subsidiary companies	Associate companies	Joint Ventures	Key management personnel, their relatives and enterprises $
iv.	Citygold Management Services Private Limited	-	-	-	740.40
		(-)	(-)	(-)	(950.95)
	Adhivitiya Properties Limited	-	-	-	-
		(-)	(-)	(-)	(137.98)
	Celeste Joint Venture	-	-	-	-
		(-)	(-)	(-)	(2,540.65)
	Shubhsiddhi Builders Private Limited	-	5.00	-	-
		(-)	(-)	(-)	(-)
v.	**Interest income on loans/Debenture**				
	Twenty Five South Realty Limited	-	-	1,213.65	-
		(-)	(-)	(851.16)	(-)
	Sunstream City Private Limited	-	-	-	-
		(-)	(-)	(16,245.75)	(-)
	Joyous Housing Limited	-	-	21.49	-
		(-)	(-)	(19.06)	(-)
	Gujarat Akruti - TCG Biotech Limited	175.67	-	-	-
		(150.46)	(-)	(-)	(-)
vi.	**Directors' Remuneration**				
	Hemant M. Shah	-	-	-	70.20
		(-)	(-)	(-)	(48.53)
	Vyomesh M. Shah	-	-	-	69.05
		(-)	(-)	(-)	(43.73)
vii.	**Commission to Non whole-time Directors**				
	Sunil Shah	-	-	-	4.60
		(-)	(-)	(-)	(3.83)
	Abhijit Datta	-	-	-	4.60
		(-)	(-)	(-)	(3.83)
	Priti K Shah	-	-	-	4.60
		(-)	(-)	(-)	(3.83)
	Shirish Gajendragadkar	-	-	-	1.92
		(-)	(-)	(-)	(2.87)
viii.	**Remuneration to Relatives of KMPs**				
	Rushank Shah	-	-	-	27.03
		(-)	(-)	(-)	(27.03)
	Khilen Shah	-	-	-	27.03
		(-)	(-)	(-)	(27.03)
	Kushal Shah	-	-	-	6.87
		(-)	(-)	(-)	(-)
ix.	**Contribution in Partner's Current Account**				
	Celeste Joint Venture	-	-	-	-
		(-)	(-)	(-)	(705.83)
	Akruti Kailash Constructions	-	-	-	258.86
		(-)	(-)	(-)	(194.41)
	Shreenath Realtors	-	-	-	112.00
		(-)	(-)	(-)	(33.00)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

Note '33' : Related Parties Disclosures (Contd.)

B. Transactions with Related Parties (Contd.)

Sr. No.	Nature of transaction	Subsidiary companies	Associate companies	Joint Ventures	Key management personnel, their relatives and enterprises $
ix.	Rising Glory Developers	-	-	35,304.62	-
		(-)	(-)	(26,657.58)	(-)
	Akruti Jay Developers	-	-	309.48	-
		(-)	(-)	(-)	(-)
	Sunstream City Private Limited	-	-	-	
		(-)	(-)	(3,395.13)	(-)
	Akruti Jay Chandan JV	-	-	694.29	-
		(-)	(-)	(-)	(-)
	Sunstone Developers Joint Venture	-	-	4,446.58	-
		(-)	(-)	(3,395.13)	(-)
	Akruti GM JV	-	-	97.12	-
		(-)	(-)	(-)	(-)
x.	**Amount Withdrawn from Partner's Current Account**				
	Akruti Jay Developers	-	-	348.28	-
		(-)	(-)	(907.90)	(-)
	Akruti Jay Chandan JV	-	-	2,567.09	-
		(-)	(-)	(-)	(-)
	Akruti Steelfab Corporation	-	-	28.79	-
		(-)	(-)	(-)	(-)
	Akruti Kailash Constructions	-	-	2,508.33	-
		(-)	(-)	(3,051.55)	(-)
	Shreenath Realtors	-	-	250.00	-
		(-)	(-)	(600.00)	(-)
	Rising Glory Developers	-	-	31,290.70	-
		(-)	(-)	(16,688.64)	(-)
	Akruti GM JV	-	-	217.50	-
		(-)	(-)	(-)	(-)
	Sunstone Developers JV	-	-	-	1,589.35
		(-)	(-)	(-)	(-)
xi.	**Sale of properties/rights**				
	Heet Builders Private Limited	-	-	-	-
		(5,900.00)	(-)	(-)	(-)
	Twenty Five South Realty Limited	-	-	154.51	-
		(-)	(-)	(-)	(-)
	Celeste Joint Venture	-	-	-	-
		(-)	(-)	(-)	(9,714.24)
	Sunstone Developers Joint Venture	-	-	-	2,932.11
		(-)	(-)	(-)	(7,369.60)
xii.	**On behalf payments made (Including reimbursement of expenses)**				
	Citygold Education Research Limited	2.58	-	-	-
		(-)	(-)	(-)	(-)
	Citygold Farming Private Limited	6.44	-	-	-
		(-)	(-)	(-)	(-)
	Heet Builders Private Limited	61.86	-	-	-
		(-)	(-)	(-)	(-)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

Note '33' : Related Parties Disclosures (Contd.)

B. Transactions with Related Parties (Contd.)

Sr. No.	Nature of transaction	Subsidiary companies	Associate companies	Joint Ventures	Key management personnel, their relatives and enterprises $
xii.	Hubtown Bus Terminal (Ahmedabad) Private Limited	-	-	33.04	-
		(-)	(-)	(495.41)	(-)
	Hubtown Bus Terminal (Adajan) Private Limited	-	-	48.46	-
		(-)	(-)	(111.46)	(-)
	Hubtown Bus Terminal (Mehsana) Private Limited	-	-	27.84	-
		(-)	(-)	(108.00)	(-)
	Hubtown Bus Terminal (Vadodara) Private Limited	-	-	32.79	-
		(-)	(-)	(51.82)	(-)
	Sunstream City Private Limited	-	-	-	-
		(-)	(-)	(0.02)	(-)
	Joynest Premises Private Limited	101.83	-	-	-
		(-)	(-)	(-)	(-)
	Brainpoint Infotech Private Limited	-	20.00	-	-
		(-)	(-)	(-)	(-)
	Distinctive Realty Private Limited	-	-	-	20.39
		(-)	(-)	(-)	(-)
	Citygold Management Services Private Limited	-	-	-	2.46
		(-)	(-)	(-)	(-)
	Celeste Joint Venture	-	-	394.65	-
		(-)	(-)	(-)	(-)
	Giraffe Developers Private Limited	-	80.43	-	-
		(-)	(-)	(-)	(-)
	Well-Groomed Developers Limited	-	-	-	0.51
		(-)	(-)	(-)	(-)
	Akruti Jay Developers	-	-	1.53	-
		(-)	(-)	(-)	(-)
xiii.	**On behalf payments received/adjusted**				
	Heet Builders Private Limited	12.50	-	-	-
		(-)	(-)	(-)	(-)
	Hubtown Bus Terminal (Adajan) Private Limited	-	-	24.00	-
		(-)	(-)	(78.00)	(-)
	Hubtown Bus Terminal (Ahmedabad) Private Limited	-	-	-	-
		(-)	(-)	(224.00)	(-)
	Hubtown Bus Terminal (Vadodara) Private Limited	-	-	-	-
		(-)	(-)	(5.00)	(-)
	Joynest Premises Private Limited	90.86	-	-	-
		(-)	(-)	(-)	(-)
	Akruti Jay Developers	-	-	10.61	-
		(-)	(-)	(-)	(-)
	Brainpoint Infotech Private Limited	-	98.34	-	-
		(-)	(-)	(-)	(-)
	Upvan Lake Resorts Private Limited	-	-	-	-
		(18.40)	(-)	(-)	(-)
	Kunjal Shah	-	-	-	-
		(-)	(-)	(-)	(1,973.19)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

Note '33' : Related Parties Disclosures (Contd.)

B. Transactions with Related Parties (Contd.)

Sr. No.	Nature of transaction	Subsidiary companies	Associate companies	Joint Ventures	Key management personnel, their relatives and enterprises $
xiv.	**Advances / Other Debit balances written off**				
	Upvan Lake Resorts Private Limited	- (473.13)	- (-)	- (-)	- (-)
	Shreenath Realtors	- (-)	- (-)	1,361.49 (-)	 (-)
	Primeria Co-Ventures	- (-)	- (-)	0.77 (-)	- (-)
	Fern Infrastructure Private Limited	- (-)	- (-)	- (-)	2,107.01 (-)
	Ichha Constructions Private Limited	- (-)	- (-)	- (-)	1,492.46 (-)
	Shubhsiddhi Builders Private Limited	- (-)	747.65 (-)	- (-)	- (-)
xv.	**Investment write off in Partnership/Joint Venture**				
	Shreenath Realtors	- (-)	- (-)	775.00 (-)	- (-)
	Primeria Co-Ventures	- (-)	- (-)	1.60 (-)	- (-)
xvi.	**Advance received against FSI**				
	Khilen Shah	- (-)	- (-)	- (-)	622.24 (622.24)
	Kunjal Shah	- (-)	- (-)	- (-)	622.24 (622.24)
	Falguni Shah	- (-)	- (-)	- (-)	622.24 (622.24)
	Kushal Shah	- (-)	- (-)	- (-)	622.30 (622.30)
	Pratiti Shah	- (-)	- (-)	- (-)	622.30 (622.30)
	Rushank Shah	- (-)	- (-)	- (-)	622.30 (622.30)
	Meha Shah	- (-)	- (-)	- (-)	622.30 (622.30)
	Hemant Shah (HUF)	- (-)	- (-)	- (-)	30.00 (30.00)
	Sunstone Developers Joint Venture	- (-)	- (-)	- (-)	12,782.88 (-)
xvii.	**Received against sale**				
	Sunstone Developers Joint Venture	- (-)	- (-)	- (-)	7,369.60 (-)
	Fourjone Realtors Private Limited	- (-)	- (-)	- (-)	74.96 (-)
	Heet Builders Private Limited	79.00 (-)	- (-)	- (-)	- (-)

Notes to the Financial Statements for the year ended 31st March, 2018 (Contd.)

Note '33' : Related Parties Disclosures (Contd.)

B. Transactions with Related Parties (Contd.)

Sr. No.	Nature of transaction	Subsidiary companies	Associate companies	Joint Ventures	Key management personnel, their relatives and enterprises $
xviii.	**Share of profit from Partnerships/Joint Ventures**				
	Akruti Jay Chandan JV	- (-)	- (-)	41.59 (18.82)	- (-)
	Akruti Jay Developers	- (-)	- (-)	257.10 (-)	- (-)
	Akruti Kailash Constructions	- (-)	- (-)	- (35.95)	- (-)
	Akruti GM JV	- (-)	- (-)	66.45 (-)	- (-)
xix.	**Share of loss from Partnerships/Joint Ventures**				
	Shreenath Realtors	- (-)	- (-)	- (2.02)	- (-)
	Akruti Kailash Constructions	- (-)	- (-)	32.99 (-)	- (-)
	Akruti Jay Developers	- (-)	- (-)	- (94.24)	- (-)
	Akruti GM JV	- (-)	- (-)	- (6.69)	- (-)
	Rising Glory Developers	- (-)	- (-)	0.06 (0.01)	- (-)
	Sunstone Developers JV	- (-)	- (-)	6.61 (0.20)	- (-)
	Celeste Joint Venture	- (-)	- (-)	- (-)	0.01 (-)
xx.	**Corporate guarantees given for loans availed by others**				
	Hubtown Bus Terminal (Ahmedabad) Private Limited	- (-)	- (-)	- (9,570.60)	- (-)
	Sunstream City Private Limited	- (-)	- (-)	349.47 (3,891.98)	- (-)
	Hubtown Bus Terminal (Mehsana) Private Limited	- (-)	- (-)	- (4,426.27)	- (-)
	Diviniti Projects Private Limited	- (5,166.60)	- (-)	- (-)	- (-)
	Heet Builders Private Limited	- (1,012.75)	- (-)	- (-)	- (-)
	Twenty Five South Realty Limited	- (-)	- (-)	63,374.59 (46,774.45)	- (-)
	Hubtown Bus Terminal (Adajan) Private Limited	- (-)	- (-)	- (3,937.50)	- (-)
	Hubtown Bus Terminal (Vadodara) Private Limited	- (-)	- (-)	27.05 (4,403.63)	- (-)
	Rare Townships Private Limited	- (-)	- (-)	177.33 (6,141.67)	- (-)
	Vishal Techno Commerce Limited	4,945.79 (23,818.11)	- (-)	- (-)	- (-)
	Giraffe Developers Private Limited	- (-)	5,113.53 (-)	- (-)	- (-)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

Note '33' : Related Parties Disclosures (Contd.)

B. Transactions with Related Parties (Contd.)

Sr. No.	Nature of transaction	Subsidiary companies	Associate companies	Joint Ventures	Key management personnel, their relatives and enterprises $
xxi.	**Corporate Guarantees vacated for loans availed by others**				
	Hubtown Bus Terminal (Adajan) Private Limited	-	-	96.65	-
		(-)	(-)	(164.46)	(-)
	Hubtown Bus Terminal (Ahmedabad) Private Limited	-	-	5,208.14	-
		(-)	(-)	(509.71)	(-)
	Hubtown Bus Terminal (Mehsana) Private Limited	-	-	576.57	-
		(-)	(-)	(565.24)	(-)
	Heet Builders Private Limited	1,012.75	-	-	-
		(-)	(-)	(-)	(-)
	Diviniti Project Private Limited	5,166.60	-	-	-
		(-)	(-)	(-)	(-)
	Fern Infrastructure Private Limited	-	-	-	5,142.99
		(-)	(-)	(-)	(-)
	Twenty Five South Realty Limited	-	-	46,774.45	-
		(-)	(-)	(-)	(-)
xxii.	**Bank guarantees given on behalf of related parties**				
	Joynest Premises Private Limited	5.00	-	-	-
		(-)	(-)	(-)	(-)
xxiii.	**Bank Guarantees vacated for loans availed by others**				
	Hubtown Bus Terminal (Ahmedabad) Private Limited	-	-	-	-
		(-)	(-)	(282.30)	(-)
xxiv.	**Sundry Balance written Back**				
	Akruti Steelfab Corporation	-	-	22.84	-
		(-)	(-)	(-)	(-)
xxv.	**Cancellation of Compensation for rights in Project**				
	Sunstream City Private Limited	-	-	8452.86	-
		(-)	(-)	(-)	(-)

Balances outstanding

	Particulars	As at 31st March, 2018 (₹ in lakhs)	As at 31st March, 2017 (₹ in lakhs)
xxvi.	**Payables***		
	Subsidiary companies		
	Joynest Premises Private Limited	2,017.30	1,761.73
	Citygold Farming Private Limited	1,519.14	-
	Associate companies		
	Giraffe Developers Private Limited	13,650.98	-
	Joint Ventures		
	Hubtown Bus Terminal (Mehsana) Private Limited	267.92	448.20
	Akruti Jay Developers JV	2,627.65	2,836.86
	Akruti Jay Chandan Joint Venture	3,042.55	1,211.33

Notes to the Financial Statements for the year ended 31st March, 2018 (Contd.)

Note '33' : Related Parties Disclosures (Contd.)

Balances outstanding (Contd.)

	Particulars	As at 31st March, 2018 (₹ in lakhs)	As at 31st March, 2017 (₹ in lakhs)
	Akruti Steelfab Corporation	-	51.63
	Key management personnel, their relatives and enterprises $		
	Citygold Management Services Private Limited	-	224.41
	Buildbyte.Com (India) Private Limited	-	79.96
	Falguni Shah	884.56	884.56
	Hemant Shah	64.84	7.62
	Hemant Shah (HUF)	30.00	-
	Vyomesh Shah	76.26	13.56
	Kunjal Shah	1,351.05	1,351.05
	Vishal Nirman (India) Limited	45.34	-
	Distinctive Realty Private Limited	-	57.77
	Khilen Shah	622.24	622.24
	Kushal Shah	622.30	622.30
	Meha Shah	622.30	622.30
	Pratiti Shah	622.30	622.30
	Rushank shah	622.30	622.30
	Dina Chetan Mody	0.66	-

Footnotes:

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

* Includes balances relating to transactions entered into when these were not related.

Sr. No.	Nature of transaction	As at 31st March, 2018 (₹ in lakhs)	As at 31st March, 2017 (₹ in lakhs)
xxvii.	**Receivables***		
	Subsidiary Companies		
	Ackruti Safeguard Systems Private Limited	1,757.42	1,761.08
	Citygold Education Research Limited	2,656.41	4,510.93
	Citygold Farming Private Limited	-	140.07
	Citywood Builders Private Limited	7,197.52	4,448.40
	Devkrupa Build Tech Private Limited	567.36	567.36
	Gujarat Ackruti TCG Biotech Limited	5.60	5.60
	Heet Builders Private Limited	3,802.69	1,151.37
	Heddle Knowledge Private Limited	692.94	1,631.78
	Headland Farming Private Limited	762.69	776.19
	Halitious Developer Limited	108.00	108.00
	Urvi Build Tech Limited	1,036.01	1,146.01

Notes to the Financial Statements for the year ended 31st March, 2018 (Contd.)

Note '33' : Related Parties Disclosures (Contd.)

Balances outstanding (Contd.)

Sr. No.	Nature of transaction	As at 31st March, 2018 (₹ in lakhs)	As at 31st March, 2017 (₹ in lakhs)
	Vama Housing Limited	441.05	436.70
	Vega Developers Private Limited	1,061.39	1,059.99
	Vishal Techno Commerce Limited	126.74	116.99
	Yantti Buildcon Private Limited	4,205.08	4,102.22
	Diviniti Projects Private Limited	14.32	14.32
	India Development And Construction Venture Capital Private Limited	0.40	-
	Associate Companies		
	Hubtown Bus Terminal (Surat) Private Limited	0.45	0.45
	Whitebud Developers Limited	914.12	908.62
	Shubhsiddhi Builders Private Limited	-	742.65
	Brainpoint Infotech Private Limited	117.11	-
	Joint Ventures		
	Hubtown Bus Terminal (Adajan) Private Limited	2,175.91	1,701.76
	Hubtown Bus Terminal (Ahmedabad) Private Limited	2,456.95	2,311.61
	Hubtown Bus Terminal (Vadodara) Private Limited	333.65	285.18
	Joyous Housing Limited	1,016.89	995.41
	Sunstream City Private Limited	1,966.89	9,920.38
	Twenty Five South Realty Limited	3,077.70	2,209.51
	Rising Glory Developers	13,812.11	9,798.25
	Akruti GM JV	2,223.40	2,277.33
	Akruti Kailash Constructions	392.52	2,674.98
	Shreenath Realtors Private Limited	-	1,499.49
	Wellgroomed Developers Limited	2,269.38	-
	Key Management Personnel, their relatives and enterprises		
	Adhivitiya Properties Limited	833.15	823.25
	Buildbyte.Com (India) Private Limited	87.35	47.85
	Citygold Management Services Private Limited	143.52	-
	Sunstone Developers JV	-	7,369.60
	Fern Infrastructure Private Limited	-	4,749.51
	Ichha Constructions Private Limited	-	1,492.46
	Lista City Private Limited	40.41	40.41
	Sunmist Builders Private Limited	52.28	52.28
	Superaction Realty Private Limited	90.08	90.08
	Trans Gulf MEP Engineers Private Limited	8.61	8.61
	Starzone Developers Private Limited	245.40	244.40
	Fourjone Realtors Private Limited	4,440.73	4,365.77

Notes to the Financial Statements for the year ended 31st March, 2018 (Contd.)

Note '33' : Related Parties Disclosures (Contd.)

Balances outstanding (Contd.)

Sr. No.	Nature of transaction	As at 31st March, 2018 (₹ in lakhs)	As at 31st March, 2017 (₹ in lakhs)
	Merrygold Buildcon Private Limited	9.36	9.36
	Vishal Nirman (India) Limited	-	9.00
	Distinctive Realty Private Limited	332.13	-
	Celeste Joint Venture	13,035.53	12,640.89

Sr. No.	Nature of transaction	Subsidiary companies	Associate companies	Joint Ventures	Key management personnel, their relatives and enterprises $
xxviii.	**Corporate guarantees given for loans availed by others (Amount outstanding there against)**				
	Hubtown Bus Terminal (Adajan) Private Limited	-	-	3,840.85	-
		(-)	(-)	(3,937.50)	(-)
	Hubtown Bus Terminal (Mehsana) Private Limited	-	-	3,849.70	-
		(-)	(-)	(4,426.27)	(-)
	Hubtown Bus Terminal (Vadodara) Private Limited	-	-	4,430.68	-
		(-)	(-)	(4,403.63)	(-)
	Hubtown Bus Terminal (Ahmedabad) Private Limited	-	-	4,362.46	-
		(-)	(-)	(9,570.60)	(-)
	Heet Builders Private Limited	-	-	-	-
		(1,012.75)	(-)	(-)	(-)
	Sunstream City Private Limited	-	-	4,241.45	-
		(-)	(-)	(3,891.98)	(-)
	Citywood Builders Private Limited	3,017.50	-	-	-
		(3,017.50)	(-)	(-)	(-)
	Diviniti Projects Private Limited	-	-	-	-
		(5,166.60)	(-)	(-)	(-)
	Twenty Five South Realty Limited	-	-	63,374.59	-
		(-)	(-)	(46,774.45)	(-)
	Rare Townships Private Limited	-	-	6,319.00	-
		(-)	(-)	(6,141.67)	(-)
	Fern Infrastructure Private Limited	-	-	-	-
		(-)	(-)	(-)	(5,142.99)
	Vishal Techno Commerce Limited	28,763.91	-	-	-
		(23,818.11)	(-)	(-)	(-)
	Giraffe Developers Private Limited	-	5,113.53	-	-
		(-)	(-)	(-)	(-)
xxix.	**Bank guarantees given on behalf of related parties**				
	Citywood Builders Private Limited	10.00	-	-	-
		(10.00)	(-)	(-)	(-)
	Joynest Premises Private Limited	695.00	-	-	-
		(690.00)	(-)	(-)	(-)
	Sunstream City Private Limited	-	-	10.00	-
		(-)	(-)	(10.00)	(-)

Notes to the Financial Statements for the year ended 31st March, 2018 (Contd.)

Note '33' : Related Parties Disclosures (Contd.)

Balances outstanding (Contd.)

Sr. No.	Nature of transaction	Subsidiary companies	Associate companies	Joint Ventures	Key management personnel, their relatives and enterprises $
xxix.	Ackruti Safeguard Systems Private Limited	150.00	-	-	-
		(150.00)	(-)	(-)	(-)
	Hubtown Bus Terminal (Adajan) Private Limited	-	-	368.83	-
		(-)	(-)	(368.83)	(-)
	Hubtown Bus Terminal (Vadodara) Private Limited	-	-	332.13	-
		(-)	(-)	(332.13)	(-)
	Hubtown Bus Terminal (Mehsana) Private Limited	-	-	839.76	-
		(-)	(-)	(839.76)	(-)
	Shreenath Realtors	-	-	10.00	-
		(-)	(-)	(10.00)	(-)
	Gujarat Akruti - TCG Biotech Limited	-	-	-	-
		(0.10)	(-)	(-)	(-)
xxx.	**Personal Guarantee of Directors towards loans availed by the Company**				
	Banks	-	-	-	17,230.22
		(-)	(-)	(-)	(42,234.83)
	Debenture Trustees	-	-	-	2,069.72
		(-)	(-)	(-)	(4,206.37)
	Financial Institutions	-	-	-	20,790.65
		(-)	(-)	(-)	(25,914.46)
	Companies	-	-	-	15,200.00
		(-)	(-)	(-)	(14,636.39)
xxxi.	**Guarantees/Securities given by way of shares in the Company pledged against loans availed by the Company**	-	-	-	40,877.05
		(-)	(-)	(-)	(40,877.05)

Footnotes:

a. Previous year figures are given in brackets.

b. Related party relationships are as identified by the Company and relied upon by the auditors.

c. $ Enterprises where Key Management personnel or their relatives exercise significant influence.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

Note '34'

Disclosure of Loans and Advances in the nature of loans as per SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015

A. Loans and Advances

Sr. No.	Name of the Loanee	31st March, 2018		31st March, 2018	
		Balance at the end	Maximum balance during the year	Shares held by loanee in the Company	
		(₹ in lakhs)	(₹ in lakhs)	No. of shares outstanding at the year end	Maximum No. of shares held during the year
I.	**Subsidiaries (Refer footnote a)**				
1.	Halitious Developer Limited	108.00	108.00	-	
		(108.00)	(108.00)	(-)	(-)
2.	Vama Housing Limited	441.05	441.05	-	-
		(436.70)	(437.70)	(-)	(-)
3.	Devkrupa Build Tech Private Limited	567.36	567.36	-	-
		(567.36)	(567.36)	(-)	(-)
4.	Diviniti Projects Limited	14.32	14.32	-	-
		(14.32)	(21.66)	(-)	(-)
5.	Vishal Techno Commerce Limited	126.74	126.74	-	-
		(116.99)	(3,057.49)	(-)	(-)
6.	Urvi Build Tech Limited	1,036.00	1,146.01	-	-
		(1,146.01)	(1,157.04)	(-)	(-)
II.	**Associate**				
	Pristine Developers Private Limited	-	-	-	
		(-)	(4.06)	(-)	(-)
III.	**Joint Ventures**				
1.	Joyous Housing Limited	940.42	940.42	-	-
		(918.93)	(918.93)	(-)	(-)
2.	Twenty Five South Realty Limited	2,464.20	2,464.20	-	-
		(2,031.66)	(2,209.51)	(-)	(-)

Footnotes:

a. Interest free loans have been given to wholly owned subsidiaries.

b. Above loans are repayable on demand.

c. Previous year figures are given in brackets.

B. Project Advances (Refer Footnote a)

Sr. No.	Name of the Loanee	31st March, 2018		31st March, 2018	
		Balance at the end	Maximum balance during the year	Shares held by loanee in the Company	
		(₹ in lakhs)	(₹ in lakhs)	No. of shares outstanding at the year end	Maximum No. of shares held during the year
I.	**Subsidiaries**				
1.	Gujarat Akruti-TCG Biotech Limited	5.60	5.60	-	-
		(5.60)	(5.60)	(-)	(-)
2.	Yantti Buildcon Private Limited	3,942.08	3,942.08	-	-
		(3,839.22)	(3,839.22)	(-)	(-)
3.	Upvan Lake Resorts Private Limited	-	-	-	-
		(-)	(473.14)	(-)	(-)
4.	Heddle Knowledge Private Limited	692.94	1,631.78	-	-
		(1,631.78)	(1,836.09)	(-)	(-)

Notes to the Financial Statements for the year ended 31st March, 2018 (Contd.)

Note '34' : Disclosure of Loans and Advances in the nature of loans as per SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 (Contd.)

B. Project Advances

Sr. No.	Name of the Loanee	31st March, 2018		31st March, 2018	
		Balance at the end	Maximum balance during the year	Shares held by loanee in the Company	
		(₹ in lakhs)	(₹ in lakhs)	No. of shares outstanding at the year end	Maximum No. of shares held during the year
5.	Citygold Education Research Limited	2,653.83 (4,510.93)	4,839.18 (4,510.93)	- (-)	- (-)
6.	Citygold Farming Private Limited	- (140.07)	140.07 (334.88)	- (-)	- (-)
7.	Headland Farming Private Limited	762.69 (776.19)	776.19 (904.69)	- (-)	- (-)
8.	Joynest Premises Private Limited	- -	- (8,210.86)	- (-)	- (-)
9.	Vega Developers Private Limited	1,061.39 (1,059.99)	1,072.39 (1,059.99)	- (-)	- (-)
10.	Ackruti Safeguard Systems Private Limited	1,757.44 (1,756.78)	1,757.44 (1,763.77)	- (-)	- (-)
11.	Citywood Builders Private Limited	7,197.52 (4,448.40)	7,197.52 (4,526.25)	- (-)	- (-)
12.	Heet Builders Private Limited	2,680.96 (-)	2,680.96 (-)	- (-)	- (-)
II.	**Associates**				
1.	Whitebud Developers Limited	914.12 (908.62)	914.12 (908.62)	- (-)	- (-)
2.	Shubhsiddhi Builders Private Limited	- (742.65)	742.65 (742.65)	- (-)	- (-)
III.	**Joint Ventures**				
1.	Sunstream City Private Limited	1,823.29 (862.58)	1,967.85 (930.45)	- (-)	- (-)
2.	Twenty Five South Realty Limited	- (-)	- (1,156.06)	- (-)	- (-)
3.	Hubtown Bus Terminal (Vadodara) Private Limited	220.98 (155.00)	220.98 (205.30)	- (-)	- (-)
4.	Hubtown Bus Terminal (Mehsana) Private Limited	- (-)	- (6.00)	- (-)	 (-)
5.	Hubtown Bus Terminal (Surat) Private Limited	0.45 (0.45)	0.45 (0.45)	- (-)	- (-)
6.	Hubtown Bus Terminal (Ahmedabad) Private Limited	2,033.26 (1,920.96)	2,033.26 (1,995.96)	- (-)	- (-)
7.	Hubtown Bus Terminal (Adajan) Private Limited	1,910.84 (1,461.16)	1,910.84 (1,504.88)	- (-)	- (-)

Footnotes:

a. Interest free advances

b. Previous year figures are given in brackets.

Note '35'

In the opinion of the Board of Directors of the Company, all items of Current Assets, Current Liabilities and Loans and Advances continue to have a realizable value of at least the amounts at which they are stated in the Balance Sheet.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

			As at 31st March, 2018 (₹ in lakhs)	As at 31st March, 2017 (₹ in lakhs)
Note '36'				
CONTINGENT LIABILITIES AND COMMITMENTS (NOT PROVIDED FOR) :				
(i)	(A)	Claims against the Company not acknowledged as debts on account of :		
		1) Income tax and MVAT matters under appeal	**2,242.29**	2,902.53
		2) Towards pending legal cases	**57,291.93**	61,618.24
	(B)	On account of corporate guarantees issued by the Company to bankers and others on behalf of other companies and joint ventures for facilities availed by them (amount outstanding thereagainst.) (Refer Footnote c)	**98,457.50**	1,23,209.57
(ii)		Other commitments :		
	(a)	Bank Guarantees against own projects	**1,095.00**	1,095.00
	(b)	Bank Guarantees given on behalf of subsidiaries, Joint ventures, etc.	**1,448.49**	2,400.72
	(c)	Towards amounts to be deposited against undertaking given to the Hon'ble Sessions Court, advance paid thereagainst ₹ NIL (₹ 4,700.00 lakhs as on 31st March, 2017)	**5,900.00**	5,900.00

Footnotes:

a. 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.

b. Contingent liabilities include corporate guarantees issued by the Company and are relied upon by the Auditors.

c. The management is of the view that it was necessary to provide the corporate guarantees to further the business interest of the Company in the entities on whose behalf such guarantees have been provided and the management is of the view that there would be no sustainable claims on the Company in respect of these corporate guarantees.

The rate of interest, processing fees, any other charges levied by the lenders on the entities availing loans are based on internal guidelines of the lenders depending on the merits of the underlying projects and their estimated cash flows. Majority of the corporate guarantees issued by the Company are basically to provide comfort by the Company as a shareholder of the Borrower entity to the Lenders. These corporate guarantees, in any case, do not result in any additional benefits to the borrowers. Accordingly, the financial liability on account of financial guarantee contracts have not been fair valued as these are expected to be immaterial.

Note '37'

Financial Risk Management Objectives and Policies

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

1) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument which fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Major financial instruments affected by market risk include loans and borrowings.

a) Interest rate risk

Majority of the long-term borrowings of the Company bear fixed interest rate, thus interest rate risk is limited for the Company.

b) Foreign currency risk

The Company is engaged in real estate business and only imports certain material against Letter of Credit for which hedging instruments are not required.

c) Equity price risk

The Company's equity securities are not majorly susceptible to market price risk. However, the Company's Board of Directors reviews and approves all equity investment decisions after taking due diligence which may affect the market related risk.

2) Credit Risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure of the financial assets are contributed by trade receivables, unbilled revenue, cash and cash equivalents and receivables from group companies.

a) Receivables resulting from sale of properties: Customer credit risk is managed by requiring customers to pay advances before transfer of ownership, thereby, substantially eliminating the Company's credit risk in this respect.

Notes to the Financial Statements for the year ended 31st March, 2018 (Contd.)

Note '37' : Financial Risk Management Objectives and Policies (Contd.)

b) Receivables resulting from other than sale of properties: Credit risk related to such receivables is managed as per Company's established policy, procedures and control. Outstanding customer receivables are regularly monitored. The impairment analysis is performed at each reporting date on an individual basis for major receivables. The Company does not hold collateral as security. The company's credit period genarally ranges from 30 to 90 days.

c) Credit risk on cash and cash equivalents is limited as the Company generally invests deposits with banks which have high credit ratings.

3) Liquidity risk

The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

Note '38'

Disclosure of derivatives

a. No derivative instrument was outstanding at the end of the year.

b. Uncovered risks in foreign currency transactions disclosed as at:

Particulars	31st March, 2018	31st March, 2017
Cash on Hand		
USD	2,982	2,982
INR	1,93,585	1,93,409
EURO	2,000	2,000
INR	1,59,942	1,38,768
UK POUND	925	925
INR	84,257	75,198
SG$	165	165
INR	8,170	7,661
HKD	200	200
INR	1,654	1,669
AED	5,759	5,759
INR	1,28,094	1,01,698
KWD	1	1
INR	215	206
Trade Payables		
USD	4,725	4,725
INR	3,06,738	2,83,736
SG$	26,675	26,675
INR	13,20,861	12,52,173
Advances to Suppliers		
USD	93,704	96,904
INR	60,15,089	65,96,260

Notes to the Financial Statements for the year ended 31st March, 2018 (Contd.)

Note '39'

Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's management is to maximise shareholders value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may issue new shares. Consistent with others in the industry, the Company monitors its capital using the gearing ratio which is total net debt (borrowings offset by cash and cash equivalents) divided by total capital of the Company.

Gearing Ratio

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the borrowings that define the capital structure requirements. Breaches in meeting the financial covenants would permit the lenders to immediately call loans and borrowings.

The gearing ratio at the reporting period was as follows:

	As at 31st March, 2018 (₹ in lakhs)	As at 31st March, 2017 (₹ in lakhs)
Borrowings including curent maturities	**1,14,361.84**	1,39,975.71
Interest accured and due/and but not due	**9,583.35**	18,908.55
Unpaid matured debentures and interest accrued thereon	**2,199.01**	4,659.15
Total Debt	**1,26,144.19**	1,63,543.41
Less: Cash and cash equivalents	**1,414.17**	489.52
Net Debt (A)	**1,24,730.02**	1,63,053.89
Equity Share Capital	**7,273.59**	7,273.59
Other Equity	**1,68,214.17**	1,65,548.54
Total Equity (B)	**1,75,487.76**	1,72,822.13
Debt Equity Ratio (A/B)	**0.71**	0.94

Note '40'

Categories of Financial Instruments

Fair Value measurement

	31st March, 2018		**31st March, 2017**	
	FVPL / FVOCI	**Amortised Cost**	**FVPL / FVOCI**	**Amortised Cost**
Financial Assets				
Investments	153.47	1,03,023.08	-	1,02,847.40
Trade receivables	-	35,055.70	-	33,631.00
Cash and cash equivalents	-	1,414.17	-	489.52
Bank balances other than above	-	140.31	-	139.30
Loans	-	7,840.32	-	7,729.97
Other financial assets	-	83,913.79	-	85,140.26
Total	**153.47**	**2,31,387.37**	**-**	**2,29,977.45**
Financial Liabilities				
Borrowings	-	84,349.12	-	98,198.51
Trade payables	-	10,389.45	-	11,241.09
Other financial liabilities	-	99,470.83	-	99,608.56
Total	**-**	**1,94,209.40**	**-**	**2,09,048.16**

Notes to the Financial Statements for the year ended 31st March, 2018 (Contd.)

Note '41'

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

	As at 31st March, 2018 (₹ in lakhs)	As at 31st March, 2017 (₹ in lakhs)
Particulars for all projects		
Project Revenue recognised in the reporting period	**17,144.03**	17,691.31
The aggregate amount of cost incurred tilll date	**2,06,540.03**	1,89,404.36
Advances received (Net of revenue recognition)#	**40,775.69**	25,735.53
Work-in-Progress	**94,443.59**	90,712.61
Value of inventories	**94,765.95**	91,028.36
Unbilled revenue	**6,845.98**	7,178.83

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

Note '42'

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

As per our report of even date

For **M H DALAL AND ASSOCIATES**
Firm Registration No. 112449W
CHARTERED ACCOUNTANTS

DEVANG DALAL
PARTNER
Membership No. 109049

Mumbai
Date: 29th May, 2018

For and on behalf of the Board of Directors

HEMANT M. SHAH
EXECUTIVE CHAIRMAN

VYOMESH M. SHAH
MANAGING DIRECTOR

CHETAN MODY
COMPANY SECRETARY

NANCY PEREIRA
CHIEF FINANCIAL OFFICER

Mumbai
Date: 29th May, 2018

Independent Auditors' Report

To the Members of Hubtown Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Hubtown Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), its associates and joint ventures which comprise the Consolidated Balance Sheet as at March 31, 2018, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income),the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ('the Act') that give a true and fair view of the consolidated state of affairs (consolidated financial position), consolidated profit or loss (consolidated financial performance including other comprehensive income),consolidated cash flows and consolidated statement of changes in equity of the Group including its associates and joint ventures in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards(Ind AS) specified under Section 133 of the Act. The respective board of directors of the companies included in the group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding assets of the group and its associates and its joint ventures and for preventing and detecting fraud and other irregularities; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of accounting records, relevant to preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the consolidated financial statements by the directors of Holding Company, as aforesaid.

Auditors' Responsibility

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

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

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

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

Basis for Qualified Opinion

(a) As stated in Footnote to Note 29 to the consolidated financial statement of the Company for the year, with regards the Holding Company not having provided for Interest amounting to ₹ 4,162.00 Lakhs on certain Inter-corporate deposits, including reversal of interest in current quarter amounting to ₹ 2,561.57 Lakhs provided in a previous quarter. Consequent to above, finance cost for the quarter and year ended 31st March, 2018 has been understated by ₹ 2,561.57 and ₹ 4,162.00 Lakhs respectively resulting in a consequential increase in the profit for the quarter and year ended 31st March, 2018.

(b) As stated in Footnote (b) to Note 24 to the consolidated financial statement of the Company for the year, with regards the Holding company not having recognized finance Income from Deep Discount bond held in one of its Joint Venture entities. Consequently, Finance Income and profit for the year has been understated by ` 18,508.44 Lakhs.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs (consolidated financial position) of the Group, its associates and joint ventures as at March 31, 2018 and their consolidated loss (consolidated financial performance including other comprehensive income), their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

Emphasis of Matter

We draw attention to:

a) Note 2(B)(II)(b)(i)to the consolidated financial statements, regarding to recognition of expense and income for ongoing projects which, based upon estimated costs, as per the judgment of the management and have been relied upon by us, these being technical matters.

b) Footnote (a) to Note 18 to the consolidated financial statements, regarding to non-creation of investments to the extent of 15% of the value of the redeemable debentures, which is required to be created and earmarked in the manner prescribed under Rule 18(7)(c) of the Companies (Share Capital and Debentures) Rules, 2014 notified by the Ministry of Corporate Affairs.

c) Footnote (a) to Note 14 to the consolidated financial statements, regarding the status of the projects and the opinion framed by the Company's management regarding realizable value of the costs incurred which, being a technical matter is relied upon by us.

d) Note 34 (E) to the consolidated financial statements, regarding Corporate guarantees issued and securities provided aggregating ₹ 69,693.59 lakhs by the Company to banks and financial institutions on behalf of various entities, which are significant in relation to the profits for the year and the net worth of the Company. In the opinion of the Management, these are not expected to result into any financial liability to the Company.

e) Footnote (c) to Note 34 of the consolidated financial statements, regarding the above corporate guarantees issued and securities provided are disclosed at amounts outstanding as at 31st March, 2018. The financial liabilities on account of such financial guarantee contracts have not been measured at fair value as management is of the opinion that there is no material benefit which is expected to accrue to the borrowers on behalf of whom the company has provided the corporate guarantees.

f) Footnote (b) to Note 34 of the consolidated financial statements, regarding to reliance placed by the auditors on certification received from the management with regard to the disclosure of contingent liabilities of the Group.

g) Note 42 of the consolidated financial statements, regarding to balances that are subject to confirmations, reconciliation and adjustments, if any.

h) Footnote (c) to Note 10 of the consolidated financial statements, regarding the Company not having charged interest on advances given by it to associates and joint ventures developing real estate projects, in which the Company has a commercial and business interest.

i) Footnote (a) to Note 20 of the consolidated financial statements, regarding the Company's default in redemption of non-convertible debentures along with interest amounting to ₹ 2,199 lakhs. We are however informed by the management that the company is in the process of negotiation for settlement / redemption of the said debentures.

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

Other Matters

a. We did not audit the financial statements of twenty subsidiaries, whose financial information reflect total assets (net) of ₹ 1,38,416.95 Lakhs as at 31st March, 2018, total revenue of ₹ 24,975.11 Lakhs and Net Cash Flows amounting to ₹ 65.01 Lakhs for the year ended on that date, as considered in the consolidated financial statements. The statement also include the Group's share of net profit (including other comprehensive income) of ₹ 277.06 Lakhs for the year ended 31st March, 2018, as considered in the consolidated financial statement, in respect of fourteen joint ventures, whose financial statements have not been audited by us. Further we also did not audit the financial of four associates, whose aggregate share of net loss amounting to ₹ 340.17 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 statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, associates and joint ventures, and our report in terms of sub section 3 of section 143 of the act, in so far as it relates to the aforesaid subsidiaries, associates, and joint ventures is based solely on such unaudited financial statements.

b. As stated in Footnote (e) to Note 7 to the consolidated financial statements, investments are written off by two of the subsidiaries of the company in their respective subsidiaries (step down) aggregating to ₹ 4200 Lacs. As per the information and explanation given to us, the subsidiaries have lodged a complaint against the Directors of the step down subsidiaries for recovery of amount of investment. However on conservative basis, the subsidiaries have written off such investments in their respective financial statements. Our report is not qualified in respect of this matter.

c. The audit of consolidated financial statements for the year ended 31st March 2017, was carried out and reported by Dalal Doshi & Associates, vide their unmodified audit report dated 29th May 2017, whose report has been furnished to us by the management and which has been relied upon by us for the purpose of our audit of the consolidated financial statements.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the unaudited financial statements /financial information certified by the management.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and other financial information of the subsidiaries, associates and joint ventures, we report, to the extent applicable, that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;

(c) The consolidated Balance sheet, consolidated statement of profit and loss (including other comprehensive income), the consolidated cash flow statement, and consolidated statement of changes in equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

(d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act;

(e) On the basis of the written representations received from the directors of the Holding Company and taken on record by the Board of Directors of the Holding Company, none of the directors of the Holding Company, are disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company, its subsidiary companies, associate companies and joint venture companies covered under the Act and the operating effectiveness of such controls, refer to our separate Report in Annexure "A";

(g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the financial information of the subsidiaries, associates and joint ventures:

i. The consolidated financial statements disclose the impact of pending litigations, if any on the consolidated financial position of the Group, its associates and joint ventures as at March 31, 2018;

ii. The Holding Company and its subsidiary companies, associate companies and joint ventures did not have any long term contracts including derivative contracts as at March 31, 2018 for which there were any material foreseeable losses; and

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, associate companies and joint venture covered under the Act.

For **M H DALAL & ASSOCIATES**
Firm Registration No.: 112449W
Chartered Accountants

DEVANG DALAL
Partner
Membership No.:109049

Place : Mumbai
Date : May 29, 2018

Independent Auditors' Report (Contd.)

"ANNEXURE A" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE

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

In conjunction with our audit of the consolidated financial statements of the Hubtown Limited ('the Holding Company') and its subsidiaries, ('the Holding Company and its subsidiaries together referred to as 'the Group'), its associates and its joint ventures as at and for the year ended March 31, 2018, we have audited the internal financial controls over financial reporting of the Holding Company, its subsidiary companies, associate companies and joint ventures, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding Company, its subsidiary companies, associate companies and joint venture companies as aforesaid, based on our audit. We conducted our audit in accordance with the guidance note on Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence and financial information we have obtained as referred to in Other matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting of the Holding Company, its subsidiary companies, associate companies and joint venture companies as aforesaid.

Meaning of Internal Financial Controls over Financial Reporting

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

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

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

(3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Holding Company, its subsidiary companies, its associate companies and jointly controlled companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

We did not audit the financial statements of twenty subsidiaries, fourteen joint ventures, and four associates considered in consolidated financial statements. These financial statements are unaudited and have been furnished to us by the management. Our report under Section 143(3)(i) of the Act in so far as it relates to adequacy and operating effectiveness of the internal financial controls over financial reporting in respect of these subsidiaries, associates and joint ventures, is based solely on the information provided to us with respect to internal financial controls over financial reporting and its operating effectiveness in such companies. Our opinion is not qualified in respect of this matter.

For **M H DALAL & ASSOCIATES**
Firm Registration No.: 112449W
Chartered Accountants

DEVANG DALAL
Partner
Membership No.:109049

Place : Mumbai
Date : May 29, 2018

Consolidated Balance Sheet as at 31st March, 2018

Particulars	Note No.	As at 31st March, 2018 (₹ in lakhs)	As at 31st March, 2017 (₹ in lakhs)
ASSETS			
Non-Current Assets			
(a) Property, plant and equipment	4	**3,161.97**	3,301.06
(b) Capital work-in-progress	4	**1,190.74**	1,015.06
(c) Investment Properties	5	**4,021.56**	4,236.06
(d) Goodwill on consolidation		**1,800.79**	1,823.81
(e) Intangible assets	6	**30.37**	34.01
(f) Financial assets			
(i) Investments	7	**170,094.66**	170,870.49
(ii) Loans	9	**1,080.34**	404.49
(iii) Other financial assets	10	**1,375.91**	1,329.90
(g) Current tax assets (Net)	11	**3,359.91**	3,459.00
(h) Deferred tax assets (Net)	12	**4,414.98**	3,601.46
(i) Other non-current assets	13	**4,362.79**	20,315.20
Total Non-Current Assets		**194,894.02**	210,390.54
Current Assets			
(a) Inventories	14	**167,661.52**	169,582.26
(b) Financial assets			
(i) Investments	7	**216.48**	217.68
(ii) Trade receivables	8	**47,074.69**	30,183.77
(iii) Cash and cash equivalents	15	**1,897.00**	908.77
(iv) Bank balances other than (iii) above	16	**161.72**	190.99
(v) Loans	9	**8,486.75**	8,287.93
(vi) Other financial assets	10	**63,505.65**	58,013.69
(c) Other current assets	13	**7,746.02**	15,368.25
Total Current Assets		**296,749.83**	282,753.34
TOTAL ASSETS		**491,643.85**	493,143.88
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	17	**7,273.59**	7,273.59
(b) Other equity	18	**154,773.69**	157,796.00
Equity attributable to the Owners of the Parent		**162,047.28**	165,069.59
Non-Controlling Interest		**2,227.10**	2,104.99
Total Equity		**164,274.38**	167,174.58
Liabilities			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	**40,613.80**	52,232.26
(ii) Other Financial Liabilities	20	**8,088.19**	1,316.10
(b) Provisions	21	**213.35**	217.94
(c) Deferred Tax Liabilities	12	**365.32**	480.97
Total Non-Current Liabilities		**49,280.66**	54,247.27
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	**78,099.83**	80,939.35
(ii) Trade payables	22	**17,362.28**	17,696.89
(iii) Other financial liabilities	20	**124,707.35**	133,147.95
(b) Other current liabilities	23	**57,588.31**	39,704.51
(c) Provisions	21	**331.04**	233.33
Total Current Liabilities		**278,088.81**	271,722.03
Total Liabilities		**327,369.47**	325,969.30
TOTAL EQUITY AND LIABILITIES		**491,643.85**	493,143.88

The accompanying notes are an integral part of the financial statements

As per our report of even date

For **M H DALAL AND ASSOCIATES**
Firm Registration No. 112449W
CHARTERED ACCOUNTANTS

DEVANG DALAL
PARTNER
Membership No. 109049

Mumbai
Date: 29th May, 2018

For and on behalf of the Board of Directors

HEMANT M. SHAH
EXECUTIVE CHAIRMAN

VYOMESH M. SHAH
MANAGING DIRECTOR

CHETAN MODY
COMPANY SECRETARY

NANCY PEREIRA
CHIEF FINANCIAL OFFICER

Mumbai
Date: 29th May, 2018

Consolidated Statement of Profit and Loss for the year ended 31st March, 2018

Particulars	Note No.	Year ended 31st March, 2018 (₹ in lakhs)	Year ended 31st March, 2017 (₹ in lakhs)
I INCOME			
Revenue from Operations	24	**56,223.17**	54,250.10
Other Income	25	**29,097.68**	3,289.96
TOTAL INCOME		**85,320.85**	57,540.06
II EXPENSES			
Costs Of Construction / Development	26	**14,178.22**	18,979.46
Purchase of Stock-in-Trade		**742.63**	315.70
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	27	**(821.43)**	(17,662.32)
Employee Benefits Expense	28	**2,213.50**	2,286.33
Finance Costs	29	**38,047.62**	42,365.31
Depreciation and Amortisation Expenses	30	**316.97**	325.21
Other Expenses	31	**33,058.50**	12,903.76
Impairment of goodwill		**23.02**	611.58
TOTAL EXPENSES		**87,759.03**	60,125.03
Profit before Tax		**(2,438.18)**	(2,584.97)
Tax Expense			
(a) Current Tax		**(599.82)**	(462.25)
(b) Deferred tax (charge) / credit		**929.17**	(89.13)
(c) Excess / (Short) provision for taxation in respect of earlier years		**(158.85)**	(23.25)
		170.50	(574.63)
Profit/ (Loss) after tax but before adjustments		**(2,267.68)**	(3,159.60)
Share of Profit /(Loss) From Associates / JVs using equity method		**(781.60)**	(847.08)
Pre-acquisition gain		**-**	0.50
(Loss) / Gain on cessation / sale / conversion of share in Subsidiaries / JVs / Associates		**-**	(68.43)
Profit / (Loss) for the year		**(3,049.28)**	(4,074.61)
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to profit or loss			
Share of OCI from Associates / JVs		**3.70**	2.11
Remeasurement of the net defined benefit liability / asset		**4.05**	9.12
Total other Comprehensive Income		**7.75**	11.23
Total Comprehensive Income for the year		**(3,041.53)**	(4,063.38)
Total Comprehensive Income for the year attributable to:			
Non controlling interest		**(19.23)**	(158.85)
Owners of the parent		**(3,022.30)**	(3,904.53)
Earning per equity share of nominal value of ₹ 10/- each (in Rupees)	32		
Basic and Diluted		**(4.17)**	(5.38)

The accompanying notes are an integral part of the financial statements

As per our report of even date

For **M H DALAL AND ASSOCIATES**
Firm Registration No. 112449W
CHARTERED ACCOUNTANTS

DEVANG DALAL
PARTNER
Membership No. 109049

Mumbai
Date: 29th May, 2018

For and on behalf of the Board of Directors

HEMANT M. SHAH
EXECUTIVE CHAIRMAN

VYOMESH M. SHAH
MANAGING DIRECTOR

CHETAN MODY
COMPANY SECRETARY

NANCY PEREIRA
CHIEF FINANCIAL OFFICER

Mumbai
Date: 29th May, 2018

Consolidated Cash Flow Statement for the year ended 31st March, 2018

Particulars		Year ended 31st March, 2018 (₹ in lakhs)	Year ended 31st March, 2017 (₹ in lakhs)
CASH FLOWS ARISING FROM OPERATING ACTIVITIES			
Net Profit Before Taxation as per Statement of Profit and Loss		**(2,438.18)**	(2,584.98)
Add / (Less) :			
Remeasurement of the net defined benefit liabiliy / asset		**7.75**	11.23
Investment wriitten of		**4,976.60**	
Provision for doubtful advances		**-**	24.51
Gain on Investments measured at FVTPL		**(8.70)**	(4.80)
Provision for doubtful debts		**76.20**	88.99
Advances and other debit balances written off		**10,107.54**	1,352.79
Unwinding of interest free loan		**(32.34)**	(28.43)
Unwinding of Security Deposit		**(140.44)**	(20.17)
Sundry credit balances appropriated		**(63.24)**	(194.92)
Provision for doubtful debts written back		**(1.60)**	(148.89)
Bad debts		**19.88**	1,000.72
Finance costs		**38,047.62**	42,172.32
Share of (Profit) / Loss from investment in partnership firms and JVs			48.31
Amortisation / adjustment of goodwill		**23.02**	611.58
(Gain) / Loss on ceesation / sale / conversion of shares in Joint Ventures		**(325.36)**	(1,835.36)
Depreciation and amortisation		**316.97**	325.21
Project expenses written off / amortised		**2,568.54**	5,642.41
(Profit) / Loss on sale of fixed assets (Net)		**(1,133.08)**	(0.97)
(Profit) / Loss on sale of investments		**-**	(6.36)
Liabilities written back to the extent no longer required		**(760.41)**	(580.02)
Dividend from current investments		**-**	(0.41)
Interest Income on financial asset at amortised cost		**(253.61)**	(1,118.31)
Interest income		**(1,707.01)**	(18,093.17)
Loss on Cancellation of Sale of shares in Joint vetures		**142.31**	-
Cancellation/Compensation for rights in Project		**8,452.86**	-
Interest income on financial liablities measured at fair value		**(1,224.63)**	-
Interest Expense on financial liablities measured at fair value		**939.79**	-
Income on account of OTS		**(14,714.04)**	-
Interest write back		**(6,971.32)**	-
Interest waiver		**(313.61)**	-
		38,029.69	29,246.25
Operating profit before working capital changes		**35,591.51**	26,661.28
Add / (Less) :			
(Increase) / Decrease in inventories		**(647.79)**	(17,793.79)
(Increase) / Decrease in trade and other receivables		**(20,103.15)**	(14,491.38)
Increase / (Decrease) in trade and other payables		**33,574.64**	6,459.89
Direct taxes paid		**(659.59)**	(1,095.79)
		12,164.11	(26,921.07)
Net cash flow from operating activities	I	**47,755.62**	(259.79)

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

Particulars		Year ended 31st March, 2018 (₹ in lakhs)	Year ended 31st March, 2017 (₹ in lakhs)
CASH FLOWS ARISING FROM INVESTING ACTIVITIES			
Inflow / (Outflow) on account of :			
Dividend from current investments		**-**	0.41
Interest income received		**649.94**	2,193.39
(Increase) / Decrease in loans and advances		**(842.33)**	1,382.58
(Purchase) / Sale of fixed assets including capital WIP (Net)		**997.66**	272.85
(Increase)/ Decrease in deposits		**29.27**	1,319.45
(Purchase) / Sale of Long term / Current investments (Net)		**(124.81)**	10,255.34
Net cash flow from investing activities	II	**709.73**	15,424.02
CASH FLOWS ARISING FROM FiNANCING ACTIVITIES			
Inflow / (Outflow) on account of :			
Increase / (Decrease) in long term and short term borrowings		**(10,758.76)**	17,945.04
Finance costs paid		**(36,604.88)**	(33,878.11)
Net cash flow from financing activities	III	**(47,363.64)**	(15,933.07)
Net increase in cash and cash equivalents (I + II + III)		**1,101.71**	(768.85)
Add: Balance at the beginning of the year		**(497.91)**	270.92
Cash and cash equivalents at the end of the year		**603.80**	(497.93)
Components of cash and cash equivalents			
Cash and cash equivalents:			
Cash on hand		**41.04**	32.15
Balances with banks			
- In Current accounts		**1,760.66**	450.21
- Deposit with maturity of less than three months		**70.20**	168.46
- Escrow accounts		**25.10**	257.95
Cash Credit facilities		**(1,293.20)**	(1,406.68)
		603.80	(497.91)

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

Note:

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

The accompanying notes are an integral part of the financial statements

As per our report of even date

For **M H DALAL AND ASSOCIATES**
Firm Registration No. 112449W
CHARTERED ACCOUNTANTS

DEVANG DALAL
PARTNER
Membership No. 109049

Mumbai
Date: 29th May, 2018

For and on behalf of the Board of Directors

HEMANT M. SHAH
EXECUTIVE CHAIRMAN

VYOMESH M. SHAH
MANAGING DIRECTOR

CHETAN MODY
COMPANY SECRETARY

NANCY PEREIRA
CHIEF FINANCIAL OFFICER

Mumbai
Date: 29th May, 2018

Consolidated Statement of Changes in Equity for the year ended 31st March, 2018

	Notes	Amount (₹ in lakhs)
A. EQUITY SHARE CAPITAL		
As at 31st March, 2016		7,273.59
Changes in equity share capital		-
As at 31st March, 2017		7,273.59
Changes in equity share capital		-
As at 31st March, 2018		7,273.59

B. OTHER EQUITY AND CONVERTIBLE INSTRUMENTS

	Reserves and Surplus					Non Controlling Interest	Total
	Securities Premium reserve	Debenture Redemption Reserve	General reserve	Capital Reserve	Retained Earnings (Refer footnote b to Note 18)		
Balance at 1st April, 2016	**64,379.05**	**8,381.00**	**26,065.21**	**5,785.21**	**57,090.06**	**2,263.84**	**163,964.38**
Profit / (Loss) for the year	-	-	-	-	(3,914.08)	(160.53)	(4,074.61)
Other Comprehensive Income:							
Remeasurement of net defined benefit	-	-	-	-	9.55	1.68	11.23
Transfer (to)/from General Reserve	-	(3,721.85)	3,721.85	-	-	-	-
Balance at 31st March, 2017	**64,379.05**	**4,659.15**	**29,787.06**	**5,785.21**	**53,185.53**	**2,104.99**	**159,901.00**
Profit / (Loss) for the year	-	-	-	-	(3,030.05)	(19.23)	(3,049.28)
Other Comprehensive Income:							
Remeasurement of net defined benefit	-	-	-	-	7.75	-	7.75
Transfer (to)/from General Reserve	-	-	-	-	-	-	-
Any other changes	-	-	-	-	-	141.34	(143.13)
Balance at 31st March, 2018	**64,379.05**	**4,659.15**	**29,787.06**	**5,785.21**	**50,163.23**	**2,227.10**	**156,716.34**

The accompanying notes are an integral part of the financial statements

As per our report of even date

For **M H DALAL AND ASSOCIATES**
Firm Registration No. 112449W
CHARTERED ACCOUNTANTS

DEVANG DALAL
PARTNER
Membership No. 109049

Mumbai
Date: 29th May, 2018

For and on behalf of the Board of Directors

HEMANT M. SHAH
EXECUTIVE CHAIRMAN

VYOMESH M. SHAH
MANAGING DIRECTOR

CHETAN MODY
COMPANY SECRETARY

NANCY PEREIRA
CHIEF FINANCIAL OFFICER

Mumbai
Date: 29th May, 2018

Notes to Consolidated Financial Statements for the year ended 31st March, 2018

Note 1. Statement of Significant Accounting Policies.

1.1 Company Overview

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

1.2 The financial statements are approved for issue by the Company's Board of Directors on 29th May, 2018.

Note 2. Significant Accounting Policies followed by the Company

IA. Basis of preparation of Financial Statements

(i) Compliance with Ind AS

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

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

(ii) Historical cost convention

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

1) certain financial assets and liabilities that are measured at fair value;

2) assets held for sale - measured at lower of carrying amount or fair value less cost to sell;

3) defined benefit plans - plan assets measured at fair value.

(iii) Current non-current classification

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

(iv) Rounding of amounts

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

IB. " Principles of consolidation and equity accounting"

The financial statements have been prepared on the following basis:

(i) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date the control ceases.

The acquisition method of accounting is used to account for business combination by the Group.

The Group combines the separate financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, contingent liability, equity, income and expenses. Inter-Company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary and practicable to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and Balance Sheet, respectively.

The consolidated financial statements have been presented to the extent possible, in the same manner as Parent Company's standalone financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

Note 2 : (Contd.)

(ii) Associates

Associates are all entities over which the Group has significant influence but no control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

(iii) Joint arrangements

Under Ind AS 111 Joint Arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement.

Joint operations

The Group recognises its direct right to the assets, liabilities, contingent liabilities, revenues and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses. These have been incorporated in the financial statements under the appropriate headings.

Joint ventures

Interests in joint ventures are accounted for using the equity method, after initially being recognised at cost in the Consolidated Balance Sheet.

(iv) Equity Method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in the statement of Profit and Loss, and the Group's share of other comprehensive income of the investee in other comprehensive income ("OCI"). Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary and practicable to ensure consistency with the policies adopted by the Group.

The carrying amount of the equity accounted investments are tested for impairment in accordance with the policy.

(v) Change in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests or reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in the statement of Profit and Loss. The fair value becomes the initial carrying amount for the purposes of subsequent accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in OCI in respect of that entity are reclassified to the statement of Profit and Loss as if the Group had directly disposed off the related assets and liabilities.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in OCI are reclassified to the statement of Profit and Loss where appropriate.

(vi) The financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's separate financial statements in preparing the financial statements to ensure conformity with the Group's accounting policies, wherever necessary and practicable.

(vii) Notes to the financial statements represent notes involving items which are considered material and are accordingly disclosed. Materiality for the purpose is assessed in relation to the information contained in the financial statements. Further, additional statutory information disclosed in separate financial statements of the subsidiary and/or a parent having no bearing on the true and fair view of the financial statements has not been disclosed in these financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

Note 2 : (Contd.)

II. Significant accounting judgements, estimates and assumptions

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

a) Judgements

Classification of property

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

b) Estimates and assumptions

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

i) Revenue Recognition

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

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

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

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

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

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

iii) Valuation of investment in/ loans to subsidiaries

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

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

Note 2 : (Contd.)

III. Revenue recognition

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

A. Revenue from sale of properties / development rights

i. The Company has adopted the principles of revenue recognition on the basis of " Guidance note on Accounting for Real Estate Transactions " issued by the Institute of Chartered Accountants of India, for the entities to whom Ind AS is applicable.

ii. Revenue from sale of 'finished properties / buildings / rights' is recognised on transfer of all significant risks and rewards of ownership of such properties / buildings / rights, as per the terms of the contracts entered into with buyer/(s), which generally coincides with the firming of the sale contracts/ agreements, except for contracts where the Company still has obligations to perform substantial acts even after the transfer of all significant risks and rewards.

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

a. All critical approvals necessary for the commencement of the project have been obtained;

b. The expenditure incurred on construction and development costs, excluding land costs, is not less than 25% of the total estimated construction and development costs of the project;

c. Atleast 25% of the saleable project area is secured by agreements with the buyers; and

d. Atleast 10% of the agreement value of each sold unit has been received at the reporting date in respect of such contracts with the buyers.

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

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

iv. Losses expected to be incurred on projects under construction, are charged in the Statement of Profit and Loss in the period in which the losses are known.

v. Costs of the projects are based on the management's estimate of the cost to be incurred upto the completion of the projects and include cost of land, Floor Space Index (FSI), materials, services and other expenses attributable to the projects. Estimates of project income, as well as project costs, are reviewed periodically.

vi. The sale proceeds of the investments held in subsidiaries, joint ventures, etc. developing real estate projects are included in revenue from operations, net of cost.

B. Revenue from Trading Materials:

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

C. Revenue from project management services:

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

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

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

E. Income from leased premises:

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

Note 2 : (Contd.)

F. Interest and dividend:

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

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

G. Others:

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

IV. Property, plant and equipment, investment property and depreciation / ammortisation

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

B. Tangible fixed assets are stated at cost of acquisition or construction including attributable interest and finance cost, if any till the date of acquisition/installation of the assets, less accumulated depreciation/amortisation and accumulated impairment losses, if any.

C. Subsequent expenditure relating to Property, Plant and Equipment is capitalised only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the Statement of Profit and Loss as incurred. The cost and related accumulated depreciation are eliminated from the financial statements, either on disposal or when retired from active use and the resultant gain or loss is recognised in the Statement of Profit and Loss.

D. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. Depreciation on additions to assets or on sale/disposal of assets is calculated pro-rata from the month of such addition, or upto the month of such sale/disposal, as the case may be.

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

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

E. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation.

V. Intangible assets and amortisation

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

Note 2 : (Contd.)

VI. Financial Instruments

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

A. Investments and Financial Assets

i. Initial recognition

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in finance income using the effective interest rate ("EIR") method. Impairment gains or losses arising on these assets are recognised in the Statement of Profit and Loss.

ii. Subsequent measurement

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

a) Financial Assets at Amortised Cost

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

b) Financial Assets Measured at Fair Value

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

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

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

iii. De-recognition of Financial Assets:

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

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

B. Equity Instruments and Financial Liabilities

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

i. Equity Instruments

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

Note 2 : (Contd.)

ii. Financial Liabilities

1. Initial Recognition

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

2. Subsequent Measurement

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

- Financial liabilities at FVTPL

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

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

- Financial liabilities at amortised cost

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

3. De-recognition of Financial Liabilities

Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as de-recognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

C. Offsetting Financial Instruments

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

VII Derecognition of financial instruments

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

VIII. Impairment

a. Financial assets

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

b. Non-financial assets

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

Note 2 : (Contd.)

independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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

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

i. Intangible assets and property, plant and equipment

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

ii. Provisions

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

IX. Taxation

i. Current Tax

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

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

ii. Deferred Tax

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

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

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

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

iii. Current and deferred tax for the year

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

X. Inventories

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

A. 'Stock of material at Site' includes cost of purchase, other costs incurred in bringing them to their respective present location and condition. Cost formula used is average cost.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

Note 2 : (Contd.)

B. 'Incomplete Projects' include cost of incomplete properties for which the Company has not entered into sale agreements and in other cases where the revenue recognition is postponed. 'Incomplete Projects' also include initial project costs that relate directly to a (prospective) project, incurred for the purpose of securing the project. These costs are recognized as expenditure in the year in which they are incurred unless they are separately identifiable and it is probable that the respective project will be obtained.

C. Finished properties given under operating lease are disclosed under 'Non Current Assets' as 'Investment Properties'. The costs transferred to the 'Investment properties' are shown as deductions from the costs carried in opening inventory and construction costs incurred during the year. These assets are depreciated / amortised as per the Accounting Policy Nos. (IV)(C) and (IV)(D). Although the Company considers these assets as Inventories held for sale in the ordinary course of business, the disclosure under 'Non Current Assets' as 'Investment properties' and provision for depreciation / amortisation is made to comply with the requirements of Indian Accounting Standard (Ind AS) 17 – 'Leases' and Indian Accounting Standard (Ind AS) 40 - 'Investment Property'.

D. Value of 'Floor Space Index' (FSI) generated is recognized as inventory at cost (i.e. proportionate rehab component cost) as and when necessary obligations / conditions are fulfilled in entirety, which are imposed on the Company by statutory authorities (viz. Rehabilitation Authority, etc.), in lieu of which the FSI is allotted to the Company. The value of FSI is either carried as inventory (at cost) held for intended sale or with the intention to utilise in construction of projects undertaken for sale.

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

XI. Trade and other payables

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

XII. Trade receivable

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

XIII. Employee benefits

a) Defined Contribution Plan

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

b) Defined Benefit Plan

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

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

c) Leave Entitlement

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

d) Short-term Benefits

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

Note 2 : (Contd.)

XIV. Borrowings and Borrowing costs

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

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

XV. Earnings per Share

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

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

XVI. Cash Flow Statement

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

XVII. Cash and Cash Equivalents

Cash and cash equivalent in the Balance Sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the Statement of Cash Flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

XVIII. Foreign currency transactions

A. All transactions in foreign currency are recorded in the reporting currency, based on closing rates of exchange prevalent on the dates of the relevant transactions.

B. Monetary assets and liabilities in foreign currency, outstanding as on the Balance Sheet date , are converted in reporting currency at the closing rates of exchange prevailing on the said date. Resultant gain or loss is recognized during the year in the Statement of Profit and Loss.

C. Non monetary assets and liabilities denominated in foreign currencies are carried at the exchange rate prevalent on the date of the transaction.

XIX. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker regularly monitors and reviews the operating result of the whole Company as one segment of "Real Estate Development". Thus, as defined in Ind AS 108 "Operating Segments", the Company's entire business falls under this one operational segment and hence the necessary information has already been disclosed in the Balance Sheet and the Statement of Profit and Loss.

XX. Provisions, contingent liabilities and contingent assets

A provision is recognized when an enterprise has a present obligation (legal or constructive) as result of past event and it is probable that an outflow of embodying economic benefits of resources will be required to settle a reliably assessable obligation. Provisions are determined based on best estimate required to settle each obligation at each balance sheet date. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. A contingent liability also arises, in rare cases, where a liability cannot be recognised because it cannot be measured reliably.

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

Note 2 : (Contd.)

XXI. Recent accounting pronouncements

Appendix B to Ind AS 21, Foreign currency transactions and advance consideration: On March 28, 2018, the Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreigncurrency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency.

The amendment will come into force from 1 April 2018. The Company's exposure towards foreign currency transaction is minimal, and hence the impact on the financial statements and effect on adoption of Ind AS 21 is expected to be insignificant.

Ind AS 115

In March 2018, the Ministry of Corporate Affairs has notified the Companies (Indian Accounting Standards) Amended Rules, 2018 ("Amended Rules"). As per the amended rules, Ind AS 115 "Revenue from contracts with customers" supersedes Ind AS 11, "Construction contracts" and Ind AS 18, "Revenue" and is applicable for all accounting periods commencing on or after 1 April 2018.

Ind AS 115 introduces a new framework of five step model for the analysis of revenue transactions. The model specifies that revenue should be recognised when (or as) an entity transfer control of goods or services to a customer at the amount to which the entity expects to be entitled. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The new revenue standard is applicable to the Company from 1 April 2018.

The standard permits two possible methods of transition:

- Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors; and
- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach)

The Company is evaluating the requirement of the amendment and the impact on the financial statements.

XXII. Interest in Joint Arrangements

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

Note 3.1 Additional information as required under Schedule III to the Companies Act, 2013 of entities consolidated as Subsidiaries / Associates / Joint Ventures

		31st March, 2017							
Sr. No.	Name of the Entities	Net Assets (Total Assets - Total Liabilities)		Share in profit/(loss)		Share in other comprehensive income		Share in total comprehensive income	
		As a % of consolidated net assets	Amount (` in lakhs)	As a % of consolidated Profit	Amount	As a % of consolidated Profit	Amount	As a % of consolidated profit / (loss)	Amount (` in lakhs)
	Parent								
	Hubtown Limited	74.94	125,274.63	(16.71)	654.08	17.16	1.64	(16.79)	655.72
	Subsidiaries								-
1	ABP Realty Advisors Private Limited	0.00	4.27	0.00	(0.07)	-	-	0.00	(0.07)
2	Ackruti Safeguard Systems Private Limited	(0.67)	(1,116.83)	0.57	(22.33)	-	-	0.57	(22.33)
3	Citygold Education Research Limited	2.24	3,740.94	3.52	(137.81)	-	-	3.53	(137.81)
4	Citygold Farming Private Limited	1.37	2,286.69	0.16	(6.12)	-	-	0.16	(6.12)
5	Citywood Builders Private Limited	(1.58)	(2,641.64)	57.18	(2,238.09)	-	-	57.32	(2,238.09)
6	Devkurpa Build Tech Limited	(0.52)	(866.34)	0.01	(0.20)	-	-	0.01	(0.20)
7	Diviniti Projects Private Limited	0.30	496.95	0.09	(3.48)	-	-	0.09	(3.48)
8	Gujarat Akruti-TCG Biotech Limited	0.46	777.32	0.53	(20.82)	-	-	0.53	(20.82)
9	Halitious Developer Limited	0.18	305.86	0.02	(0.64)	-	-	0.02	(0.64)
10	Headland Farming Private Limited	(0.02)	(31.49)	4.54	(177.74)	-	-	4.55	(177.74)
11	Heddle Knowledge Private Limited	(0.59)	(985.48)	3.17	(124.20)	10.73	1.02	3.15	(123.17)
12	Heet Builders Private Limited	(0.51)	(847.03)	15.34	(600.30)	-	-	15.37	(600.30)
13	India Development And Construction Venture Capital Private Limited	(0.01)	(9.80)	(0.00)	0.01	-	-	(0.00)	0.01
14	Joynest Premises Private Limited	4.57	7,645.97	11.21	(438.90)	67.59	6.46	11.08	(432.44)
15	Upvan Lake Resorts Private Limited	(0.01)	(24.21)	0.13	(4.91)	-	-	0.13	(4.91)
16	Urvi Build Tech Limited	(0.52)	(865.83)	(0.04)	1.72	-	-	(0.04)	1.72
17	Vama Housing Limited	(0.18)	(299.39)	0.16	(6.09)	-	-	0.16	(6.09)
18	Vega Developers Private Limited	0.17	289.44	0.03	(1.10)	-	-	0.03	(1.10)
19	Vishal Techno Commerce Limited	1.25	2,088.70	0.44	(17.24)	-	-	0.44	(17.24)
20	Yantti Buildcon Private Limited	(0.03)	(48.83)	0.41	(16.07)	-	-	0.41	(16.07)
	Joint Venture								
21	Rare Townships Private Limited	7.18	11,999.37	5.85	(229.00)	(9.78)	(0.93)	5.89	(229.94)
22	Hubtown Bus Terminal (Adajan) Private Limited	0.41	685.37	0.18	(6.94)	2.98	0.28	0.17	(6.66)
23	Hubtown Bus Terminal (Mehsana) Private Limited	0.67	1,120.99	1.70	(66.54)	5.09	0.49	1.69	(66.06)
24	Hubtown Bus Terminal (Vadodara) Private Limited	0.09	148.03	0.78	(30.40)	3.90	0.37	0.77	(30.03)
25	Twenty South Realty Limited	17.71	29,598.93	6.81	(266.37)	5.87	0.56	6.81	(265.81)
26	Joyous Housing Limited	-	-	-	-	-		-	-
27	Hubtown Bus Terminal (Ahmedabad) Private Limited	2.39	3,994.32	6.33	(247.83)	14.04	1.34	6.31	(246.49)
28	Sunstream City Private Limited	-	-	-	-			-	-
	Associates								
29	Shubhsiddhi Builders Private Limited	0.00	0.50	-	-	-	-	-	-
30	Vinca Developer Private Limited	-	-	-	-	-	-	-	-
31	Whitebud Developers Limited	-	-	-	-	-	-	-	-
	Firms								
32	Akruti GM JV	0.42	700.00	-	-	-	-	-	-
33	Akruti Jay Chandan JV	0.17	282.40	-	-	-	-	-	-
34	Akruti Jay Developers	1.48	2,467.50	-	-	-	-	-	-
35	Akruti Kailash Constructions	0.00	0.50	-	-	-	-	-	-
36	Akruti Steelfab Corporation	0.02	28.79	-	-	-	-	-	-
37	Shreenath Realtors	0.46	775.00	-	-	-	-	-	-
Minority Interest in all subsidiaries		1.26	2,104.99	(4.10)	160.53	(17.59)	(1.68)	(4.07)	158.85
Inter company elimination and consolidation adjustments		(13.10)	(21,906.00)	1.72	(67.24)	-	-	1.72	(67.25)
	Total	**100**	**167,174.58**	**100.00**	**(3,914.08)**	**100.00**	**9.55**	**100.00**	**(3,904.53)**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

Note 3.1 Additional information as required under Schedule III to the Companies Act, 2013 of entities consolidated as Subsidiaries / Associates / Joint Ventures

		31st March, 2018							
Sr. No.	**Name of the Entities**	**Net Assets (Total Assets - Total Liabilities)**		**Share in profit/(loss)**		**Share in other comprehensive income**		**Share in total comprehensive income**	
		As a % of consolidated net assets	**Amount (` in lakhs)**	**As a % of consolidated Profit**	**Amount**	**As a % of consolidated Profit**	**Amount**	**As a % of consolidated profit / (loss)**	**Amount (` in lakhs)**
	Parent		-						
	Hubtown Limited	75.31	123,712.24	(87.03)	2,653.89	151.51	11.74	(88.20)	2,665.63
	Subsidiaries		-		-				-
1	ABP Realty Advisors Private Limited	0.00	4.12	0.00	(0.15)	-		0.00	(0.15)
2	Ackruti Safeguard Systems Private Limited	(0.67)	(1,094.60)	(1.01)	30.70	-		(1.02)	30.70
3	Citygold Education Research Limited	0.29	481.29	106.90	(3,259.65)	-		107.85	(3,259.65)
4	Citygold Farming Private Limited	(0.04)	(69.83)	71.20	(2,171.02)	-		71.83	(2,171.02)
5	Citywood Builders Private Limited	(0.18)	(295.65)	(2.11)	64.31	-		(2.13)	64.31
6	Devkurpa Build Tech Limited	(0.53)	(872.15)	0.19	(5.81)	-		0.19	(5.81)
7	Diviniti Projects Private Limited	0.30	499.06	(0.09)	2.84	-		(0.09)	2.84
8	Gujarat Akruti-TCG Biotech Limited	0.52	861.15	(3.71)	113.28	-		(3.75)	113.28
9	Halitious Developer Limited	0.26	427.67	(3.99)	121.80	-		(4.03)	121.80
10	Headland Farming Private Limited	(0.13)	(208.71)	5.81	(177.22)	-		5.86	(177.22)
11	Heddle Knowledge Private Limited	(0.61)	(1,008.25)	0.33	(10.13)	(99.29)	(7.69)	0.59	(17.82)
12	Heet Builders Private Limited	(0.28)	(460.71)	3.52	(107.27)	-		3.55	(107.27)
13	India Development And Construction Venture Capital Private Limited	(0.01)	(10.01)	0.01	(0.21)	-		0.01	(0.21)
14	Joynest Premises Private Limited	4.42	7,268.01	6.73	(205.21)	-		6.79	(205.21)
15	Upvan Lake Resorts Private Limited	(0.01)	(17.57)	(0.29)	8.86	-		(0.29)	8.86
16	Urvi Build Tech Limited	(0.05)	(78.95)	(25.81)	786.88	-		(26.04)	786.88
17	Vama Housing Limited	(0.16)	(268.13)	(1.03)	31.26	-		(1.03)	31.26
18	Vega Developers Private Limited	0.18	288.80	0.02	(0.65)	-		0.02	(0.65)
19	Vishal Techno Commerce Limited	1.21	1,985.69	3.38	(103.01)	-		3.41	(103.01)
20	Yantti Buildcon Private Limited	(0.04)	(66.98)	0.60	(18.16)	-		0.60	(18.16)
	Joint Venture		-						-
21	Hubtown Bus Terminal (Adajan) Private Limited	0.42	692.96	(0.24)	7.19	5.30	0.41	(0.25)	7.60
22	Hubtown Bus Terminal (Ahmedabad) Private Limited	2.44	4,003.52	(0.26)	8.07	14.58	1.13	(0.30)	9.20
23	Hubtown Bus Terminal (Mehsana) Private Limited	0.69	1,130.26	(0.30)	9.20	0.86	0.07	(0.31)	9.27
24	Hubtown Bus Terminal (Vadodara) Private Limited	0.10	158.55	(0.34)	10.34	2.34	0.18	(0.35)	10.52
25	Joyous Housing Limited	-	-	-	-	-	-	-	-
26	Rare Townships Private Limited	7.22	11,853.59	4.81	(146.69)	11.75	0.91	4.82	(145.78)
27	Sunstream City Private Limited	-	-	-	-	-	-	-	-
28	Twenty South Realty Limited	17.82	29,272.02	10.79	(329.01)	12.95	1.00	10.85	(328.01)
	Associates								-
29	Shubhsiddhi Builders Private Limited	-	-	0.02	(0.50)	-		0.02	(0.50)
30	Vinca Developer Private Limited	-	-	-		-		-	-
31	Whitebud Developers Limited	-	-	-		-		-	-
32	Giraffe Developers Private Limited	2.84	4,664.62	11.16	(340.20)	-		11.26	(340.20)
	Firms		-						-
35	Akruti GM JV	0.43	700.00	-		-		-	-
36	Akruti Jay Chandan JV	0.17	282.40	-		-		-	-
37	Akruti Jay Developers	1.50	2,467.50	-		-		-	-
38	Akruti Kailash Constructions	0.00	0.50	-		-		-	-
39	Akruti Steelfab Corporation	-	-	-		-		-	-
40	Shreenath Realtors	-	-	-		-		-	-
Minority Interest in all subsidiaries		1.10	1,807.14	0.63	(19.23)	-		0.64	(19.23)
Inter company elimination and consolidation adjustments		(14.51)	(23,835.16)	0.12	(3.77)	-	-	(0.51)	15.43
	Total	**100.00**	**164,274.38**	**100.00**	**(3,049.25)**	**100.00**	**7.75**	**100.00**	**(3,022.30)**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

Note 4.Property, Plant and Equipment and Capital Work In Progress (₹ in lakhs)

	Freehold Land	Leasehold land	Commercial Premises	Mivan System	Plant and Machinery	Computers and Laptops	Furniture and Fixtures	Vehicles	Office Equipment	Total	Capital work-in-progress
Gross Carrying value (At Deemed Cost)											
Balance at 1st April, 2016	2.92	1,855.30	1,186.89	366.39	143.15	52.14	658.02	961.98	187.39	5,414.18	1,357.29
Additions	-	-	-	-	-	-	-	67.29	3.16	70.45	153.49
Disposals	-	-	-	-	-	-	-	(11.75)	-	(11.75)	(495.72)
Balance at March 31, 2017	2.92	1,855.30	1,186.89	366.39	143.15	52.14	658.02	1,017.52	190.55	5,472.88	1,015.06
Accumulated depreciation and impairment											
Balance at 1st April, 2016	-	41.52	281.67	348.07	53.09	49.61	466.65	617.49	152.60	2,010.70	-
Eliminated on disposal of assets	-	-	-	-	-	-	-	(11.75)	-	(11.75)	-
Depreciation expense	-	2.74	22.00	-	8.25	1.59	36.82	82.77	18.70	172.87	-
Balance at March 31, 2017	-	44.26	303.67	348.07	61.34	51.20	503.47	688.51	171.30	2,171.82	-
Net carrying value as at 31st March, 2017	2.92	1,811.04	883.22	18.32	81.81	0.94	154.55	329.01	19.25	3,301.06	1,015.06

	Freehold Land	Leasehold land	Commercial Premises	Mivan System	Plant and Machinery	Computers and Laptops	Furniture and Fixtures	Vehicles	Office Equipment	Total	Capital work-in-progress
Gross Carrying value (At Deemed Cost)											
Balance at 1st April, 2017	2.92	1,855.30	1,186.89	366.39	143.15	52.14	658.02	1,017.52	190.55	5,472.88	1,015.06
Additions	-	-	-	-	-	-	11.28	11.98	5.95	29.21	175.68
Disposals	-	-	-	-	(1.73)	-	(40.29)	(44.91)	(3.78)	(90.72)	-
Balance at March 31, 2018	2.92	1,855.30	1,186.89	366.39	141.42	52.14	629.01	984.59	192.71	5,411.37	1,190.74
Accumulated depreciation and impairment											
Balance at 1st April, 2017	-	44.26	303.67	348.07	61.34	51.20	503.47	688.51	171.30	2,171.82	-
Eliminated on disposal of assets	-	-	-	-	(1.01)	-	(38.58)	(49.03)	-	(88.62)	-
Depreciation expense	-	2.74	22.60	-	8.30	0.79	36.24	84.03	11.50	166.20	-
Balance at March 31, 2018	**-**	**47.00**	**326.27**	**348.07**	**68.63**	**51.99**	**501.13**	**723.51**	**182.80**	**2,249.41**	**-**
Net carrying value as at 31st March, 2018	**2.92**	**1,808.30**	**860.62**	**18.32**	**72.79**	**0.15**	**127.88**	**261.08**	**9.91**	**3,161.97**	**1,190.74**

Footnote:

Commercial premises includes cost of shares aggregating ₹ 0.04 lakhs (March 31, 2017: ₹ 0.04 lakhs) carrying the occupancy rights in the commercial premises.

4.1 Assets pledged as security

Leasehold Land and Commercial properties and vehicles with a carrying amount of ₹ 200.41 lakhs (As at 31st March, 2017: ₹ 247.94 lakhs) have been pledged to secure the borrowings of the Company.

4.2 Contractual obligations

Capital expenditure contracted for at the end of the reporting period (net of advances), but not recognised as liabilities is ₹ Nil (as at 31st March, 2017: ₹ Nil).

4.3 Leased Assets

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

Note 5. Investment properties

(₹ in lakhs)

	Completed investment properties
Gross Carrying value (At Deemed Cost)	
Balance at 1st April, 2016	5,506.13
Additions	-
Disposals	-
Balance at 31st March, 2017	**5,506.13**
Accumulated depreciation and impairment	
Balance at 1st April, 2016	1,121.37
Depreciation expense	148.70
Eliminated on disposal of assets	-
Balance at 31st March, 2017	**1,270.07**
Net carrying value as on 31st March, 2017	**4,236.06**
Gross Carrying value (At Deemed Cost)	
Balance at 1st April, 2017	5,506.13
Additions	-
Disposals	(103.86)
Balance at 31st March, 2018	**5,402.26**
Accumulated depreciation and impairment	
Balance at 1st April, 2017	1,270.07
Depreciation expense	147.13
Eliminated on disposal of assets	(36.50)
Balance at 31st March, 2018	**1,380.70**
Net carrying value as on 31st March, 2018	**4,021.56**

5.1 Amounts recognised in the Statement of Profit and Loss for investment properties

(₹ in lakhs)

	31st March, 2018	31st March, 2017
Rental Income	**881.77**	387.71
Direct operating expenses from property	**2.33**	2.82
Profit from Investment properties before depreciation	**879.44**	384.89
Depreciation	**147.13**	148.70
Profit from Investment properties	**732.31**	236.18
Rental Income from others	**314.36**	295.54

5.2 Leasing Arrangements

Certain investment properties are leased to tenants.

(₹ in lakhs)

Minimum lease payments receivable are as follows.	31st March, 2018	31st March, 2017
Within one year	**304.13**	796.41
Later than one but not later than five years	**543.34**	2,762.17
Later than five years	**-**	6.75

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

Note 5. Investment properties (Contd.)

5.3 Investment properties pledged as security

Leasehold Land and Commercial properties with a carrying amount of ₹ 3,996.54 lakhs (As at 31st March, 2017: ₹4,039.39 lakhs) have been pledged to secure the borrowings of the Company.

5.4 Fair Valuation of Investment Properties

Property Name	Fair Value (₹ in Lakhs)	Basis
Mahalaxmi carpark	22,610.00	Independent Valuers Report
Others	3,869.39	Stamp Duty Ready Reckoner Rate

The Company has not determined the fair value of the other properties from any independent valuer as at 31st March, 2018 instead the values disclosed above are based on ready reckoner rate of the said properties for the year ended 31st March, 2018 duly published by the Government of Maharashtra.

Note 6. Intangible assets

(₹ in Lakhs)

	Technical Knowhow	Computer software	Total
Gross Carrying Value (At Deemed Cost)			
Balance at 1st April, 2016	**74.55**	**535.76**	**610.31**
Additions	-	-	-
Disposals	-	-	-
Balance at 31st March, 2017	**74.55**	**535.76**	**610.31**
Accumulated depreciation			
Balance at 1st April, 2016	**36.90**	**535.76**	**572.66**
Eliminated on disposal of assets	-	-	-
Depreciation expense	3.64	-	3.64
Balance at 31st March, 2017	**40.54**	**535.76**	**576.30**
Net carrying value as at 31st March, 2017	**34.01**	**-**	**34.01**
Gross Carrying Value (At Deemed Cost)			
Balance at 1st April, 2017	**74.55**	**535.76**	**610.31**
Additions	-	-	-
Disposals	-	-	-
Balance at 31st March, 2018	**74.55**	**535.76**	**610.31**
Accumulated depreciation			
Balance at 1st April, 2017	40.54	535.76	576.30
Eliminated on disposal of assets	-	-	-
Depreciation expense	3.64	-	3.64
Balance at 31st March, 2018	**44.18**	**535.76**	**579.94**
Net carrying value as at 31st March, 2018	**30.37**	**-**	**30.37**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

		As at 31st March, 2018 (₹ in lakhs)	As at 31st March, 2017 (₹ in lakhs)
Note 7. Investments			
Non Current			
A)	**Investment in equity instruments (Unquoted) (Carried at deemed cost)**		
	I) Subsidiaries		
a)	NIL (As at March 31, 2017: 1,50,000) Equity Share of ₹ 10/- each Asha Multitrade Private Limited (Refer Footnote e)	-	1,500.00
b)	NIL (As at March 31, 2017: 2,70,000) Equity Share of ₹ 10/- each Jineshwar Multitrade Private Limited (Refer Footnote e)	-	2,700.00
		-	4,200.00
	II) Joint Ventures		
a)	50,000 (As at March 31, 2017: 50,000) (Class 'A') Equity shares of ₹ 10/- each Hubtown Bus Terminal (Mehsana) Private Limited	**5.00**	5.00
b)	1,00,000 (As at March 31, 2017: 1,00,000) (Class 'C') Equity shares of ₹ 10/- each Hubtown Bus Terminal (Mehsana) Private Limited	**1,125.26**	1,115.99
c)	50,000 (As at March 31, 2017: 50,000) (Class 'A') Equity shares of ₹ 10/- each Hubtown Bus Terminal (Vadodara) Private Limited	**5.00**	5.00
d)	1,15,275 (As at March 31, 2017: 1,15,275) (Class 'C') Equity shares of ₹ 10/- each Hubtown Bus Terminal (Vadodara) Private Limited	**153.55**	143.03
e)	50,000 (As at March 31, 2017: 50,000) (Class 'A') Equity shares of ₹ 10/- each Hubtown Bus Terminal (Adajan) Private Limited	**5.00**	5.00
f)	1,15,463 (As at March 31, 2017: 1,15,463) (Class 'C') Equity shares of ₹ 10/- each Hubtown Bus Terminal (Adajan) Private Limited	**687.96**	680.37
g)	10,000 (As at March 31, 2017: 10,000) (Class 'A') Equity shares of ₹ 10/- each Hubtown Bus Terminal (Ahmedabad) Private Limited	**4,002.27**	3,993.07
h)	15,000 (As at March 31, 2017: 15,000) (Class 'C') Equity shares of ₹ 10/- each Hubtown Bus Terminal (Ahmedabad) Private Limited	**1.25**	1.25
i)	22,859 (As at March 31, 2017: 22,859) Equity shares of ₹ 10/- each Twenty Five South Realty Limited	**29,272.02**	29,598.93
j)	28,37,270 (As at March 31, 2017: 28,37,270)(Class 'A') Equity shares of ₹ 10/- each Rare Townships Private Limited	**5,121.88**	5,121.88
k)	4,25,000 (As at March 31, 2017: 4,25,000) (Class 'B') Equity shares of ₹ 10/- each Rare Townships Private Limited	**6,731.72**	6,877.49
l)	25,000 (As at March 31, 2017: 25,000) Equity shares of ₹ 100/- each Joyous Housing Limited [Refer Note 2 II (iv)]	-	-
m)	1,29,000 (As at March 31, 2017: 129,000) Equity shares of ₹ 10/- each Sunstream City Private Limited [Refer Note 2 II (iv)]	-	-
		47,110.92	47,547.01
	III) Associate Companies		
a)	5,000 (As at March 31, 2017: 5,000) Equity shares of ₹ 10 /- each Shubhsiddhi Builders Private Limited [Refer Note 2 II (iv)]	-	0.50
b)	7,353 (As at March 31, 2017: NIL)(class 'B') Equity Shares of Rs 10 each Giraffe Developers Private Limited (Refer Footnote a)	**4,664.62**	-
		4,664.62	0.50
	IV) Others		
a)	240 (As at March 31, 2017: 240;)Equity shares of ₹ 100/- each Citygold Management Services Private Limited	**0.24**	0.24
b)	6,000 (As at March 31, 2017: 6,000)(Class 'B') Equity shares of ₹ 50/- each Hogmanay Niharika Buildings Limited	**3.00**	3.00
c)	37,815 (As at March 31, 2017: 37,815) Equity shares of ₹ 10/- each Janakalyan Sahakari Bank Limited	**3.78**	3.78

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

Note 7. Investments (Contd.)

			As at 31st March, 2018 (₹ in lakhs)	As at 31st March, 2017 (₹ in lakhs)
	IV)	**Others (Contd.)**		
	d)	1 (As at March 31, 2017: 1) Equity Share of ₹ 10/- each		
		E Commerce Magnum Solutions Limited	**1.00**	1.00
	e)	150 (As at March 31, 2017: 150)Equity shares of ₹ 25/- each		
		Shamrao Vithal Co-operative Bank Limited (at FVPL)	**0.64**	0.56
	f)	2,000 (As at March 31, 2017: 2,000)Equity shares of ₹ 10/- each		
		Suraksha Realty Limited (at FVPL)	**15.37**	13.52
			24.02	22.10
B)	**i.**	**Investment in Preference Shares (Unquoted)**		
	a)	At deemed cost		
		1,865 (As at March 31, 2017: 1,865) 10% Non-Cumulative Redeemable Preference Shares of ₹ 10/- each		
		Twenty Five South Realty Limited (Joint Venture)	**0.19**	0.19
	b)	Others		
		6,671 (As at March 31, 2017: 6,671) 21% Cumulative Optionally Convertible Redeemable Preference Shares of ₹ 10/- each		
		E Commerce Magnum Solutions Limited	**6,671.00**	6,671.00
			6,671.19	6,671.19
C)	**i.**	**Investment in Debentures (Unquoted)**		
		3,19,10,000 (As at March 31, 2017: 3,19,10,000) 9% Optionally convertible debentures of ₹ 10/- each		
		Asmeeta Infratech Limited	**3,191.00**	3,191.00
	ii.	**Investment in Bonds (At Amortised Cost) (Quoted)**		
		39,13,310 (As at March 31, 2017: 39,13,310] Deep Discount Bonds, issued @ ₹ 2090/- of face value ₹ 10,000 [Tenure of 9 Year] (Refer Footnote (c) to Note 24)		
		Sunstream City Private Limited (Joint venture)	**97,412.85**	97,412.85
			100,603.85	100,603.85
D)		**Capital Investment in Partnership Firms and Joint Ventures (Refer Footnote b & c)**	**3,450.06**	4,254.19
E)		**Non Controlling Capital Investment in Partnership Firms and Joint Ventures**	**7,570.00**	7,573.25
		Less: Provision for Diminution in the value of investments	**-**	(1.60)
		Total Non Current Investments (A+B+C+D+E+F)	**170,094.66**	170,870.49
		Aggregate amount of quoted investments	**97,412.85**	97,412.85
		Aggregate amount of unquoted investments	**72,681.81**	73,459.24
		Aggregate provision for diminution in value of investments	**-**	(1.60)

Footnotes:

a) The Company had sold its entire holding in the share capital of Giraffe Developers Private Limited, vide sale deed dated 15th February, 2017. The sale transaction has been cancelled in current year due to non fulfillment of certain conditions of sale.

b) Shreenath Realtors (a partnership firm) was into development and exploitation of areas at Nirmal Nagar, Sion, Mumbai. Since the approval from the Government has not been received till date nor there is any scope of it being approved in the near future, operation cost has been mounting year on year in the said firm. In view of the facts, the Company has written off the capital amount given for project development amounting to ₹ 775.00 lakhs. However the Firm has not been dissolved as on date.

c) Primeria (a joint venture), where the Company has invested capital of ₹ 1.60 lakhs has been written off. However the Joint Venture has not been disolved as on date.

d) As at 31st March, 2018 the Group has investments, loans and project advances in certain joint ventures and associates which have incurred losses and have negative net worth as at the year end. The underlying projects in such entities are at various stages of real estate development and are expected to achieve adequate profitability on substantial completion and/ or have current market values of certain properties which are in excess of the carrying values. The Company considers its investments in such entities as long term and strategic in nature. Accordingly, no provision is considered necessary towards diminution in the value of the Company's loans and project advances to such entities, which are considered good and fully recoverable.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

Note 7. Investments (Contd.)

e) During the year, based on certain events, the investments made in two steps down subsidiaries, Jineshwar Multitrade Private Limited in Citygold Education Research limited and Asha Multitrade Private Limited in citygold Farming Private Limited have been written off.

During the year, it has come to the knowledge of the management of the Subsidiaries that the directors of Jineshwar Multitrade Private Limited ("JMPL") and Asha Multitrade Private Limited ("AMPL") had allegedly indulged in nefarious and fraudulent activities. Considering the above, the management of the subsidiaries have approached the Economic Offence Wing ("EOW") and Registrar of Companies ("ROC") to lodge a complaint against the directors of JMPL and requested a thorough investigation so as to uncover the true facts of the case and to try and recover the investments made by the subsidiaries in JMPL & AMPL. Pending the results of the investigation and further considering the chances of its recoverability, the management of the subsidiaries has written of the investments made by them in JMPL & AMP.

		As at 31st March, 2018 (₹ in lakhs)	As at 31st March, 2017 (₹ in lakhs)
	Current		
a)	**Investment in Mutual Funds (Quoted)**		
(i)	NIL units (As at 31st March 2017: 649,173.824 units) of L & T Short Term Opportunities Fund - Growth [NAV ₹ NIL per unit (As at March 31, 2017: 15.65 per unit)]	**-**	101.59
(ii)	NIL units (As at 31st March 2017: 490,988.9410 units of Canara Robeco Plus Fund - Regular Daily Dividend [NAV ₹ NIL per unit (As at March 31, 2017: 10.26 per unit)]	**-**	50.38
(iii)	NIL Units (As at 31st March, 2017: 22.968) of ₹1675.03/- each of State Bank of India Mutual Fund [NAV ₹ NIL per unit (As at March 31, 2017: 1675.02 per unit)]	**-**	0.38
(iv)	NIL units (As at 31st March, 2017: 39,507.8 units) DSP Black Rock Income Opportunities Fund [NAV ₹ NIL per unit (As at March 31, 2017: 26.86 per unit)]	**-**	10.61
(v)	NIL units (As at 31st March, 2017: 8,636.9 Units) IDFC Super Saver IF MT Plan [NAV ₹ NIL per unit (As at March 31, 2017: 258.66 per unit)]	**-**	22.34
(vi)	9,036.952 units(As at March 31, 2017: NIL) Indiabulls Liquid Fund Direct Plan (Growth) [NAV ₹ 1698.25 per unit (As at March 31, 2017:NIL)]	**153.47**	-
(vii)	24.072 units(As at March 31, 2017: 24.071) State Bank of India Mutual Fund [NAV ₹ 1738.83 per unit (As at March 31, 2017:NIL)]	**0.42**	-
(viii)	62,228.4 units (As at 31st March, 2017: 62,228.4 units) L&T Income Opportunities Fund [NAV ₹ 19.89 per unit (As at March 31, 2017:₹18.66 per unit)]	**12.38**	11.61
(ix)	1,19,372.3 units (As at 31st March, 2017: 1,19,372.3 units L & T Short Term Income Fund Growth [NAV ₹ 18.67 per unit (As at March 31, 2017:17.40 per unit)]	**22.28**	20.77
(x)	218093.70 Units (As at 31st March, 2017: Nil Units) of ICICI Prudential Equity Income Fund Growth [NAV ₹ 1698.25 per unit (As at March 31, 2017:NIL)]	**27.94**	-
	Total	**216.48**	217.68
	Aggregate amount of quoted investments	**216.48**	217.68
	Aggregate amount of unquoted investments	**-**	-
	Aggregate provision for diminution in value of investments:	**-**	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

	As at 31st March, 2018 (₹ in lakhs)	As at 31st March, 2017 (₹ in lakhs)
Note 8. Trade Receivables		
Current		
Unsecured, considered good		
-Related Parties	**14,740.54**	25,665.07
-Others	**32,334.15**	4,518.70
Doubtful	**165.19**	88.99
Allowance for doubtful debts	**(165.19)**	(88.99)
Total	**47,074.69**	30,183.77

Footnotes:

a) No trade receivables are due from directors or other officers of the Holding Company either severally or jointly with any other person, or from any firms or private companies in which any director is a partner, a director or a member.

b) Trade receivables are towards sale of FSI/projects/rights and services. Credit term for such receivables are based on respective contracts.

Note 9. Loans		
Non-current		
Loans to related parties		
- Unsecured, considered good	**1,080.34**	404.49
Total	**1,080.34**	404.49
Current		
Loans to related parties		
- Unsecured, considered good	**5,286.67**	2,032.19
Loans to others		
- Unsecured, considered good	**3,197.58**	6,253.05
Loans to Employees	**2.50**	2.69
Total	**8,486.75**	8,287.93

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

	As at 31st March, 2018 (₹ in lakhs)	As at 31st March, 2017 (₹ in lakhs)
Note 10. Other financial assets		
Non-current		
Bank balances		
- Deposits with maturity of more than twelve months	**998.65**	997.62
- Margin money deposits	**277.98**	260.67
Security deposits	**88.30**	61.68
Other Advances		
Doubtful		
- Others	**124.51**	124.51
Less: Provision for doubtful advances	**(124.51)**	(124.51)
Other receivables		
Other than Trade Receivables	**9.15**	9.15
Interest accrued on fixed deposits	**1.83**	0.78
Total	**1,375.91**	1,329.90
Footnote:		
Balances with bank in margin money and fixed deposits are kept as security for guarantees / other facilities.		
Current		
Security deposits	**374.63**	193.31
Project Advances (Refer Footnote a and c)		
Related parties	**1,706.88**	260.70
Others	**-**	893.75
Advances recoverable		
Related parties	**1,705.45**	1,773.91
Others	**22,054.58**	14,609.75
Unbilled revenue	**6,845.98**	7,487.79
Other Advances		
Current Account Balances in Partnership Firms and Joint Ventures	**21,476.81**	16,147.68
Other receivables		
Other than Trade Receivables (Refer Footnote b)	**8,707.50**	15,060.26
Interest accrued on fixed deposits	**20.32**	51.58
Interest accrued on loans	**613.50**	177.85
Interest accrued on investments	**-**	1,357.11
Total	**63,505.65**	58,013.69

Footnotes:

a. The amount funded by the Group to its joint ventures and associate entities initially were in infant stage. These entities are on the verge of launching their own projects and are also in the process of obtaining finance facilities / investors, etc. on their own strength. In view of the above developments, project advances to these entities are considered as repayable on demand.

b. Other receivables other than trade receivables includes ₹ NIL(as on 31st March,2017 ₹ 5,004.79 lakhs receivable towards sale of shares by the Company of one of its erstwhile associate.

c. The Company has not charged interest on advances given by it to certain group entities developing real estate projects, in which the Company has a commercial and business interests.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

	As at 31st March, 2018 (₹ in lakhs)	As at 31st March, 2017 (₹ in lakhs)
Note 11. Income Tax Assets (Net)		
Income Tax Assets	**3,404.25**	3,495.16
Income Tax Liabilities	**(44.34)**	(36.16)
Total	**3,359.91**	3,459.00
Income Tax expense		
(a) Income Tax expense		
Current Tax	**599.82**	462.25
Tax in respect of earlier years	**158.85**	23.25
	758.67	485.50
Deferred Tax		
Decrease /(Increase) in deferred tax assets	**(813.52)**	(87.80)
(Decrease) /Increase in deferred tax liabilities	**(115.65)**	(1.33)
Total deferred tax expense (credit)	**(929.17)**	(89.13)
Income Tax expense/(credit)	**(170.50)**	574.63
(b) Reconciliation of tax expense and the accounting profit multiplied by the Company's tax rate		
Profit / (Loss) for the Year	**(2,438.18)**	(2,584.97)
Share of Profit /(Loss) from Associates / JV's using equity method	**(781.60)**	(847.08)
Pre-acquisition gain	**-**	0.50
(Loss) / gain on cessation / sale / conversion of share in subsidiaries / JVs / Associates	**-**	(68.43)
Add: Loss on account of consolidation of group entities	**6,859.15**	4,760.53
Total Profit / (Loss)	**3,639.38**	1,260.55
Income tax expense calculated at 34.608%	**1,259.52**	436.25
Tax effects of amounts that are not deductible (taxable) in calculating taxable income:		
Effect of expenses that are not deductible in determining taxable profit	**102.85**	268.77
Effect of difference in rate of Tax due to MAT	**(489.11)**	(163.78)
Effect of expenses that are deductible in determining taxable profit due to timing diffrence	**(84.13)**	(79.00)
Effect of income that is exempt from taxation	**(121.13)**	
Effect of income that is exempt from taxation	**(68.19)**	-
Effect on deferred tax due to timing difference (Refer note 12)	**(929.17)**	89.13
Adjustments for current tax of prior periods	**158.86**	23.25
Income tax expense	**(170.50)**	574.63

Note 12. Deferred Tax Assets / Liability (Net)		
The following is the analysis of deferred tax asset / (liabilities) presented in the balance sheet		
Deferred Tax Asset (Net)		
Deferred Tax Asset	**5,027.40**	3,919.29
Deferred Tax Liability	**(612.42)**	(317.83)
Total	**4,414.98**	3,601.46
Deferred Tax Liability (net)		
Deferred Tax Asset	**206.50**	333.78
Deferred Tax Liability	**(571.82)**	(814.75)
Total	**(365.32)**	(480.97)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

Note 12. Deferred Tax Assets / Liability (Net) (Contd.)

2017-18

Deferred Tax Asset (Net)	Opening Balance	Recognised in the Statement of Profit and Loss	Closing Balance
On account of :			
Difference in debtors under subvention scheme	357.03	(255.60)	101.43
Unwinding of debtors under subvention scheme	(179.72)	179.72	-
Difference in security deposits	9.18	(36.61)	(27.43)
Difference in advance lease rent	(8.80)	34.05	25.25
Differential interest	26.13	(124.43)	(98.30)
Temporary difference in relation to investments in joint ventures	(17.34)	16.99	(0.35)
Depreciation	(111.97)	(374.37)	(486.34)
Provisions made	73.89	-	73.89
Others	3,453.06	1,373.78	4,826.84
Total	**3,601.46**	**813.52**	**4,414.98**

Deferred Tax Liability (Net)	Opening Balance	Recognised in the Statement of Profit and Loss	Closing Balance
On account of :			
Difference in capital work-in-progress	27.87	(6.04)	21.83
Unamortised premium on debentures	186.81	(94.15)	92.66
Premium payable on debentures	(311.35)	79.69	(231.66)
Difference in borrowings / convertible instruments classified as Equity	(462.34)	163.57	(298.77)
Difference in WDV of Fixed Assets	(39.97)	2.42	(37.55)
Fair valuation of investments	(1.09)	(2.77)	(3.86)
Others	119.10	(27.07)	92.02
Total	**(480.97)**	**115.65**	**(365.32)**
Deferred Tax (Charge) / Credit	-	929.17	-

2016-17	Opening Balance	Recognised in the Statement of Profit and Loss	Closing Balance
Deferred Tax Asset (Net)			
On account of :			
Restating debtors at PV due to extended credit period and subvention scheme	597.84	(240.81)	357.03
Unwinding of debtors under subvention scheme	(74.53)	(105.19)	(179.72)
Unwinding of security deposit	1.86	7.32	9.18
Amortization of advance lease rent	(2.26)	(6.54)	(8.80)
Differential interest	16.57	9.56	26.13
Temporary difference in relation to investments in joint ventures	(8.11)	(9.23)	(17.34)
Depreciation	(49.39)	(62.58)	(111.97)
Provisions	86.14	(12.25)	73.89
Deferred tax on account of unused losses	-	297.11	297.11
Others	3,121.14	34.81	3,155.95
Total	**3,689.26**	**(87.80)**	**3,601.46**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

Note 12. Deferred Tax Assets / Liability (Net) (Contd.)

	Opening Balance	Recognised in the Statement of Profit and Loss	Closing Balance
Deferred Tax Liability (net)			
On account of :			
Depreciation	(39.52)	(0.45)	(39.97)
Capital work-in-progress	17.67	10.20	27.87
Unamortised Premium on Debentures	249.08	(62.27)	186.81
Premium Payable on Debentures	(311.35)	0.00	(311.35)
Borrowings / Convertible instruments classified as Equity	(514.41)	52.07	(462.34)
Fair valuation of investments	(1.36)	0.27	(1.09)
Others	120.25	(1.15)	119.10
Total	**(479.64)**	**(1.33)**	**(480.97)**
Deferred Tax (Charge) / Credit	**-**	**(89.13)**	**-**

Significant estimates: Based on the approved plans and budgets, the Company has estimated that the future taxable income will be sufficient to absorb carried forward losses and unabsorbed depeciation, which management believes is probable and accordingly the Company has recognised deferred tax assets.

	As at 31st March, 2018 (₹ in lakhs)	As at 31st March, 2017 (₹ in lakhs)
Note 13. Other assets		
Non-current		
Capital Advances		
- Related parties	**-**	10,028.31
- Others	**1,681.00**	1,681.00
Advances to land owners	**2,660.88**	3,881.07
Other advances		
- Deposits against sub-judice matter (Refer Footnote a to Note 19 - Current Borrowings and Footnote (F) (b) to Note 34)	**-**	4,700.00
- Prepaid Expenses	**20.91**	24.82
Total	**4,362.79**	20,315.20
Current		
Advances to land owners	**-**	1,584.78
Advance to Suppliers	**3,306.34**	2,360.41
Advances / Deposits recoverable in cash or in kind or for value to be received	**2,138.00**	1,578.84
Balances with Statutory / Government Authorities	**372.73**	400.37
Other Advances		
- Prepaid Expenses	**29.28**	29.02
- Others	**1,899.67**	9,414.83
Total	**7,746.02**	15,368.25

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

	As at 31st March, 2018 (₹ in lakhs)	As at 31st March, 2017 (₹ in lakhs)
Note 14. Inventories		
Inventories (lower of cost or net realisable value)		
- Stock of material at site	**398.93**	236.87
- Incomplete projects	**167,019.04**	169,098.47
- Floor space index (FSI)	**126.26**	126.26
- Finished properties	**117.29**	120.66
Total	**167,661.52**	169,582.26

Footnotes :

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

b. Incomplete projects include inventory with carrying value of ₹ 63,338.48 lakhs (As at 31st March, 2017: ₹ 57,066.15 lakhs) which have been pledged against the borrowings of the Group. The Group has various projects under construction, and it has obtained loan/finance facilities against the mortgage of units to be constructed on the said projects and the same is reflected as inventory. The Group has also sold units which are under construction and the lender has issued NOC for the same.

Note 15. Cash and cash equivalents

Balances with banks:		
- in current accounts	**1,760.66**	450.21
- Escrow accounts	**25.10**	257.95
- in deposit with maturity of less than three months	**70.20**	168.46
Cash on hand	**41.04**	32.15
Cash and cash equivalents as per balance sheet	**1,897.00**	908.77
Working Capital Loan from Bank (Refer note 19)	**(1,293.20)**	(1,406.68)
Cash and cash equivalents as per statement of cash flows	**603.80**	(497.91)

Footnote:

Balances with bank in fixed deposits are kept as security for guarantees / other facilities.

Note 16. Other bank balances

Other Bank Balances:		
Unpaid dividend accounts	**2.05**	3.33
Deposits with maturity of more than three months but less than twelve months	**59.38**	54.55
Margin money deposits	**100.29**	133.11
Total	**161.72**	190.99

Footnote:

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

	As at 31st March, 2018 (₹ in lakhs)	As at 31st March, 2017 (₹ in lakhs)
Note 17. Equity share capital		
Authorised Share Capital:		
125,000,000 (As at 31st March, 2017: 125,000,000) Equity Shares of ₹ 10/- each	**12,500.00**	12,500.00
Issued and subscribed capital:		
72,735,871 (As at 31st March, 2017: 72,735,871) Equity Shares of ₹ 10/- each fully paid up	**7,273.59**	7,273.59
	7,273.59	7,273.59

a) Reconciliation of number of shares outstanding at the beginning and at the end of the year

	Number of shares	Share Capital (₹ in lakhs)
Fully paid equity shares		
Balance at 31st March, 2016	72,735,871	7,273.59
Add : Issued during the year	-	-
Less : Bought back during the year	-	-
Balance at 31st March, 2017	72,735,871	7,273.59
Add : Issued during the year	-	-
Less : Bought back during the year	-	-
Balance at 31st March, 2018	**72735871**	**7273.59**

b) Terms / rights attached to equity shares

The Company has a single class of equity shares having a par value of ₹ 10/- per share. Each shareholder of equity share is entitled to one vote per share. The Company declares and pays dividend in Indian rupees.

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

c) Details of shares held by each shareholders holding more than 5% shares

	As at 31st March, 2018		As at 31st March, 2017	
	No of shares held	% holding of this class of shares	No of shares held	% holding of this class of shares
Fully paid equity shares				
Hemant M. Shah	**5,990,000**	**8.24%**	5,800,000	7.97%
Vyomesh M. Shah	**7,540,000**	**10.37%**	7,540,000	10.37%
Mahipatray V. Shah (HUF)	**1,910,000**	**2.63%**	9,600,000	13.20%
Hemant M. Shah (HUF)	**4,980,500**	**6.85%**	4,980,500	6.85%
Vyomesh M. Shah (HUF)	**3,925,000**	**5.40%**	3,925,000	5.40%
Kunjal H. Shah	**3,058,000**	**4.20%**	3,308,000	4.55%
Falguni V. Shah	**5,789,772**	**7.96%**	5,929,772	8.15%

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

	As at 31st March, 2018 (₹ in lakhs)	As at 31st March, 2017 (₹ in lakhs)
Note18. Other Equity		
Securities premium reserve		
Balance at the beginning of the year	**64,379.05**	64,379.05
Add / (Less) :		
Appropriations	**-**	-
Balance at the end of the year	**64,379.05**	64,379.05

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

Debenture redemption reserve		
Balance at the beginning of the year	**4,659.15**	8,381.00
Add / (Less) :		
Amount transferred to general reserve	**-**	(3,721.85)
Balance at the end of the year	**4,659.15**	4,659.15

A debenture redemption reserve is a reserve that any Indian company that issues debentures must create to protect investors against the possibility of default by the Company.

General reserve		
Balance at the beginning of the year	**29,787.06**	26,065.21
Add / (Less) :		
Amount transferred from Debenture redemption reserve	**-**	3,721.85
Balance at the end of the year	**29,787.06**	29,787.06

General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. This reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

Capital Reserve		
Balance as per Last Financial Statements	**5,785.21**	5,785.21
Transferred during the year	**-**	-
Balance at the end of the year	**5,785.21**	5,785.21

Capital Reserves represents the gains of capital nature which mainly includes the excess of value of net assets acquired over consideration paid by the Company for business amalgamation transaction in earlier years.

Retained Earnings		
Balance at the beginning of the year	**53,185.52**	57,090.06
Profit / (Loss) for the year (Refer footnote b)	**(3,030.05)**	(3,914.08)
Items of OCI recognised directly in retained earnings	**7.75**	9.55
Balance at the end of the year	**50,163.22**	53,185.52
Total	**154,773.69**	157,796.00

Footnotes:

a) The Company, owing to liquidity issues, has not invested / deposited as at 31st March, 2018: ₹ 310.46 lakhs(As at 31st March, 2017: ₹ 630.95 lakhs) in the manner prescribed under Rule 18(7)(c) of the Companies (Share Capital and Debentures) Rules, 2014 notified by the Ministry of Corporate Affairs.

b) During the year the Company had consolidated certain subsidiaries based on management compiled financial statements. However, the audited financial statements had significant variations compared to the management compiled financial statements considered for consolidation.

Accordingly, the figures for the year ended March 31,2017 have been restated to give effect of such variation. Consequent to such restatement, consolidated losses for the previous year ended March, 31 2017 have reduced by ₹ 2,496 lakhs and correspondingly other equity has increased to that extent.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

	As at 31st March, 2018 (₹ in lakhs)	As at 31st March, 2017 (₹ in lakhs)
Note 19. Borrowings		
Non Current		
Secured		
(i) Debentures		
40,00,000 (As at March 31, 2017: 40,00,000) Compulsorily convertible debentures of the face value of ₹ 100/- each (Refer footnote a)	**4,000.00**	4,000.00
300 (As at 31st March , 2017: 300) 0% Redeemable non-convertible debentures of the face value of ₹ 10,00,000 each (Refer footnote b)	**4,531.38**	4,023.40
(ii) Term Loans		
- From banks (Refer footnote c)	**18,407.99**	40,847.91
- From a company (Refer footnote a(ii) to Note 25)	**5,737.21**	-
- From financial institutions (Refer footnote d)	**40,325.43**	45,481.46
	73,002.01	94,352.77
(iii) Other Loans		
- Liability component of preference shares (At amortised cost)		
1,12,500 (As at 31st March, 2017: 1,12,500) 10% Non Cumulative Non -Convertible Redeemable Preference Shares of ₹ 100/- each fully paid up (Refer Footnote e)	**26.93**	24.48
- Loans from Others (Refer footnote f)	**53.50**	453.56
	73,082.44	94,830.81
Less: Transferred to Current Maturities:		
Long Term Debentures	**-**	-
Long Term Loans from Banks	**(18,392.94)**	(29,599.50)
Long Term Loans from Financial Institutions	**(12,671.31)**	(12,967.18)
Long Term Loans from Companies	**(1,376.10)**	-
Long Term Loans from Others	**(28.29)**	(31.87)
	(32,468.64)	(42,598.55)
Total	**40,613.80**	**52,232.26**

Footnotes:

a. 17.75% Debentures of ₹4,000 Lakhs have a term of 84 months from issue date (20,00,000 debentures issued on 01/02/2013 and 20,00,000 debentures issued on 10/06/2013). The same can be convereted into Class "B" Shares in whole or in part at the option of the investor but not before expiry of 36 months.

b. 22% unlisted, unrated, dematerialized, secured, redeemable, non-convertible debentures (NCDs) for cash at par, on a private placement basis. The maximum outstanding principal amount of NCDs from the date of first disbursement will not exceed at the end of 12 months 94% of the issue size, 24 months 88%, 36 months 44% and at the end of 48 months Nil of the issue size. These debentures are secured by personal guarantees of the promoters of Hubtown Limited.

c. Secured term loans from banks carry interest rates within a range of 12.00% to 16.60 %. The nature of securities are:

	Name of lenders	Security Offered (Further secured by personal guarantee of one or more promoters)
1	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.
2	Oriental Bank of Commerce	i. Mortgage of unsold units of residential projects located in Andheri (East).
		ii. First charge by way of escrow of receivables from above projects.
3	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.
4	United Bank of India	i. Registered mortgage of the premises in the project located at Andheri (East).
		ii. First charge on lease rent receivables from above premises.
5	ICICI Bank Car Loan	i. Secured Vehicle loans from banks, which carry interest rate @ 9.76% p.a and are repayable by November, 2021.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

Note 19. Borrowings (Contd.)

d. (i) An amount of ₹ 25493.00 Lakhs carry interest rate at 21% p.a repayable in quarterly installment starting from 30th September 2019. This amount is secured by mortgage of land and structures on projects located in Andheri (East), Matunga, Kelavali, Ghodivali, Raigad, Mulund, Khalapur and Majiwade; first charge by way of hypothecation over the receivables and escrow account collections from above projects; irrevocable and unconditional Personal Guarantee(s) of Mr. Hemant Shah and Mr. Vyomesh Shah; corporate guarantees of Heet Builders Private Limited and Citygold Education Research Limited Pledge of shares of Heet Builder Private Limited, Citygold Education Research Limited held by Hubtown Limited and pledge of 70,00,000 shares of Hubtown Limited.

(ii) Secured loan from Indiabulls Housing Finance Limited (financial institution) carries IRR of 29.94%. This loan is secured against mortgage of property of the Company located at Andheri (East).

e. The preference shares have been classified as a financial liability as per Ind AS 32 and 109 if the issuer does not have the unconditional right to avoid cash outflow at the end of the term of preference shares, the instrument is classified as a financial liabiity. Hence they have been grouped under non-current borrowings.

f. Secured loans of ₹ 53..50 lakhs are vehicle loans from others, which carry interest rates within a range of 9.5 - 11% and are repayable by May, 2021.

Details of repayment of long term borrowings are as follows :

Particulars	*Up to 1 year	2 to 5 years	Above 5 years	Total
Debentures	-	8,531.38	-	8,531.38
Term loans from Banks	18,392.94	15.05	-	18,407.99
Term loans from Company $	1,376.10	4,361.11	-	5,737.21
Term loans from Financial Institution #	12,671.31	27,654.12	-	40,325.43
Loans from Others	28.29	52.14	-	80.43
Total	**32,468.64**	**40,613.80**	**-**	**73,082.44**

* Including overdue amounts

$ Measured at fair value

Measured at amortized cost (net of transaction cost)

g. Period and amount of continuing default as on balance sheet date in repayment of term loans and interest :

	31st March, 2018		31st March, 2017	
Particulars	**(₹ in lakhs)**	**Period**	(₹ in lakhs)	Period
Term loans from Banks				
Overdue instalments	**15,937.02**	Before Apr 17	262.38	Jan 17 to Mar 17
Interest	**4,177.53**	Before Apr 17	1,133.56	Jan 17 to Mar 17
Overdue instalments	-		3,366.73	Oct 16 to Mar 17
Interest	-		1,492.88	Oct 16 to Mar 17
Overdue instalments	-		6,292.02	Apr 16 to Mar 17
Interest	-		2,161.17	Apr 16 to Mar 17
Overdue instalments	-		16,457.33	Before Apr 16
Interest	-		1,793.55	Before Apr 16
Term loan from Financial Institution	-			
Interest	-		11.05	Mar-17
Total	**20,114.55**		32,970.67	

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

Note 19. Borrowings (Contd.)

		As at 31st March, 2018 (₹ in lakhs)	As at 31st March, 2017 (₹ in lakhs)
Current			
Secured			
(i)	Working Capital Loan from Bank (Refer footnote a and Footnote to Note 15)	**1,293.20**	1,406.68
(ii)	Loans from Financial Institutions (Refer footnote b)	**4,950.00**	4,950.00
(iii)	Loans repayable on demand:		
-	From Companies (Refer footnote c)	**4,488.04**	23,462.56
		10,731.24	29,819.24
Unsecured			
	Loans repayable on demand:		
-	From Related Parties	**11.31**	10.23
-	From Companies (Refer footnote d)	**16,331.92**	15,420.36
-	From Others (Refer footnote d)	**51,025.36**	35,689.52
		67,368.59	51,120.11
Total		**78,099.83**	80,939.35

Footnotes:

a. Working capital loan from bank carries interest rate of 17.30% (31st March, 2017: 17.60%). The loan is secured against mortgage of premises located at MIDC, Andheri (East), Mumbai and further secured by personal guarantee of one or more promoters. The said account of the Company has been attached by the Maharashtra State CID in connection with an ongoing case with regard to a commercial transaction with erstwhile associate company. (Refer footnote (F) (b) to note 34)

Name of lender	Security Offered
Canara Bank	Mortgage of the premises at MIDC Andheri (East), Mumbai.
	Further secured by personal guarantee of one or more promoters
	and mortgage of the property at Andheri (East).

b. Secured loan from financial institution carries interest rate of 16.50%. This loan is secured against pledge of equity shares in the Company held by the promoters alongwith personal guarantee of promoters and mortgage of premises in the project located at Andheri (East).

c. Secured loans from companies carry interest rate of 21% and are repayable on demand. However, loan from a company amounting to ₹ 3040.26 lakhs (As at 31st March, 2017: ₹ 3726.85 lakhs) is interest free.These Loans are secured against mortgage of unsold area of the commercial project at Andheri (East) and Jogeshwari and secured against pledge of equity shares in the Company held by the promoters.

d. Unsecured loans from companies and others carry interest rates within a range of 0% to 36% and are repayable on demand.

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

Particulars	31st March, 2018 (₹ in lakhs)	Period	31st March, 2017 (₹ in lakhs)	Period
Loans from Financial Institutions				
Overdue instalments	**-**	**-**	-	-
Interest (Net of TDS)	**19.09**	**March 18**	149.88	Jan 17 to March 17
	19.09		149.88	

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

	As at 31st March, 2018 (₹ in lakhs)	As at 31st March, 2017 (₹ in lakhs)
Note 20. Other financial liabilities		
Non-current		
Retention money payable (Refer footnote c)	**1,018.73**	1,035.88
Lease deposits from tenants	**107.76**	211.74
Advance Lease Rentals	**83.04**	65.60
Advance Finance Income	**6,731.08**	-
Other Payables	**147.59**	2.88
Total	**8,088.19**	1,316.10
Current		
Current maturities of long-term debts (Refer Note 19)	**32,468.64**	42,598.55
Interest accrued and due on borrowings	**7,477.41**	15,771.91
Interest accrued but not due on borrowings	**30.71**	5,592.71
Retention money payable	**475.83**	331.77
Unpaid matured debentures and interest accrued thereon (Refer footnote a & b)	**2,199.01**	4,659.15
Unclaimed/unpaid dividends	**2.01**	3.29
Current account balance in firms and joint ventures	**5,663.37**	3,282.06
Business advance received (including related parties)	**618.27**	2,839.64
Advance received from others	**6,011.00**	10,675.01
Security deposits (Refundable)	**14,883.90**	12,361.94
Advance Finance Income(Refer Footnote a(ii) to Note 25)	**2,447.67**	-
Advance Lease Rentals	**22.35**	23.88
On account of Shares with Differential Voting Rights	**13,648.78**	13,695.80
Other payables	**38,758.40**	21,312.24
Total	**124,707.35**	133,147.95

Footnotes:

a. As per Fourth consent terms dated 2nd February, 2018, outstanding amount was repayable with interest @ 20% p. a., of which last installment was to be paid on or before 31st March 2018. The said debentures are secured by first and exclusive charge on the premises located at MIDC, Andheri (East), project located at Andheri (West) Mumbai and secured against pledge of equity shares in the Company held by the promoters of the Company. The said Debentures have matured and unpaid amount of ₹ 2199.01 Lakhs has been disclosed under other current financial liabilities. However, the Company is in the process of renegotiating the terms of the Non – Convertible Debentures with the Debenture holders.

b. Period and amount of default as on the Balance Sheet date in respect of matured debentures and interest accrued thereon :

	31 March, 2018 (₹ in lakhs)	Period	31 March, 2017 (₹ in lakhs)	Period
Overdue Instalments:				
10,000 (As at 31st March, 2017: 10,000) Redeemable non-convertible debentures of the face value of ₹ 100,000 each	**2069.72**	**Mar 18**	4206.37	Mar-17
Interest :				
10,000 (As at 31st March, 2017: 10,000) Redeemable non-convertible debentures of the face value of ₹ 100,000 each	**129.29**	**Mar 18**	452.78	Dec. 2016 to March 2017
Total	**2,199.01**		4,659.15	

c. Retention Money liability to the contractors which are not due for payment as at 31st March, 2018 have been shown under the head "Other Financial Liabilities" as per Ind AS-32. As per the management, the retention liability is in the nature of holding the amount as guarantee towards performance and does not relate to credit period given by the contractor. Further, in the opinion of the management, there has not been any authoritative clarification / interpretation with regard to measurement of fair value in respect of above item and hence retention liability has not been discounted as on 31st March, 2018.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

	As at 31st March, 2018 (₹ in lakhs)	As at 31st March, 2017 (₹ in lakhs)
Note 21. Provisions		
Non-current		
Employee Benefits		
Provision for Gratuity	**80.34**	87.71
Provision for leave benefit	**133.01**	130.23
Total	**213.35**	217.94
Current		
Employee Benefits		
Provision for Gratuity	**207.68**	171.30
Provision for leave benefit	**91.20**	57.79
Other Provisions	**32.16**	4.24
Total	**331.04**	233.33

Note 22. Trade payables		
Dues to MSME	**-**	-
Dues to others	**17,362.28**	17,696.89
Total	**17,362.28**	17,696.89

Footnotes:

The average credit period on purchases is 6 to 9 months.

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

a. Trade payables include ₹ Nil (As at 31st March, 2017: ₹Nil) due to micro, small and medium enterprises registered under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED).

b. No interest was paid / payable to micro and small enterprises during the year.

c. The above information has been determined to the extent such parties could be identified on the basis of the information available with the Group regarding the status of parties under the MSMED Act and has been relied upon by the auditors.

Note 23. Other Liabilities		
Current		
Advance from customers	**45,788.44**	27,445.53
Overdrawn bank balances as per books of accounts	**397.73**	471.17
Other payables :		
- Statutory dues	**5,911.78**	8,252.76
- Employees benefit payables	**295.91**	659.41
- Others	**5,194.45**	2,875.64
Total	**57,588.31**	39,704.51

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

	Year ended 31st March, 2018 (₹ in lakhs)	Year ended 31st March, 2017 (₹ in lakhs)
Note 24. Revenue from operations		
Sale from operations :		
Sale of properties / rights in projects (Net) (Refer footnote a)	**51,292.87**	33,728.33
Revenue from sale of Trading Materials	**799.62**	408.46
Gain / (Loss) on cessation / sale / conversion of shares in Joint Ventures / Associates	**325.36**	1,787.05
Loss on Cancellation of Sale of shares in Joint Veture (Refer footnote (a) to Note 7)	**(142.31)**	-
	52,275.54	35,923.84
Other operating revenue :		
Income on investments in Joint ventures developing real estate projects (Refer footnote b)	**1,213.65**	16,485.50
Unwinding of Interest free loans	**32.34**	28.43
Lease rentals	**1,196.13**	683.25
Sundry credit balances appropriated	**63.24**	194.92
Liabilities written back to the extent no longer required	**111.60**	570.71
Provision for doubtful debts and diminution written back	**1.60**	148.89
Compensation received on surrender of rights	**1,100.00**	-
Miscellaneous Income	**229.07**	214.56
	3,947.63	18,326.26
Total	**56,223.17**	54,250.10

Footnotes:

a. Sale of properties is net of ₹ NIL (For 2016-17: ₹ 3,000.00 lakhs) on account of reversal of revenue recognised in earlier years.

b. The Company has not recognized finance income amounting to ₹ 18,508.44 from Deep Discount Bonds held in one of its joint venture entities as the terms of the said Bonds relating to tenure of the Bonds and redemption premium are under negotiation with the Issuer.

Note 25. Other income		
Interest Income:		
- Debentures	**-**	287.19
- Loans	**389.01**	348.87
- Bank fixed deposits	**104.35**	126.61
- Interest Income on financial assets at amortised cost	**253.61**	1,118.31
Income on account of OTS (Refer footnote a)	**14,714.04**	-
Interest write back	**6,971.32**	-
Interest waiver	**313.63**	-
Interest income on financial liablities measured at fair value	**1,224.63**	-
Surplus on sale / discardment of fixed assets (Net)	**1,133.08**	0.97
Compensation / surrender of rights	**1,000.00**	-
Management and Professional Fees Received	**1,118.15**	-
Liabilities/Advances written back	**648.81**	-
Miscellaneous income	**1,227.05**	1,408.00
Total	**29,097.68**	**3,289.96**

Footnotes:

a. (i) Income on account of OTS includes waiver of outstanding loan and interest thereon from Bank of Maharashtra and Dena Bank amounting to ₹ 11,868.43 lakhs and ₹ 57.67 lakhs respectively.

(ii) UCO Bank has transferred the Loan amount including interest thereon amounting to ₹ 18,287.94 lakhs as on 31.03.2017 to the third party "Invent Asset Securitisation & Reconstruction Private Limited (company)" vide letter dated 11.04.17. The said loan has been settled at ₹ 15,500.00 lakhs vide letter dated 27.11.2017 from Invent Asset Securitisation & Reconstruction Private Limited (company). The waiver for the said loan is amounitng to ₹ 2,787.94 lakhs. The loan carries 0% interest rate and is repayble within 5 years. The loan is securred against Properties located at Mulund, Thane and Andheri (East) and also first charge on lease rent receivable from said Premises.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

	Year ended 31st March, 2018 (₹ in lakhs)	Year ended 31st March, 2017 (₹ in lakhs)
Note 26. Costs Of Construction / Development		
Construction costs incurred during the year		
Land / rights acquired	**2,842.22**	46.92
Material and labour costs	**7,675.28**	15,513.72
Approval and consultation expenses	**1,440.34**	1,476.19
Other direct development expenses	**2,220.38**	1,942.63
Total	**14,178.22**	**18,979.46**
Note 27. Changes In Inventories Of Incomplete Projects, Finished Properties And FSI		
Opening Inventory :		
Floor Space Index (FSI)	**126.26**	240.30
Incomplete projects	**169,098.47**	156,840.88
Finished Properties	**120.66**	244.29
	169,345.39	157,325.47
Add / (Less):		
Purchase Return - Land	**(335.69)**	-
Project expenses written off (Refer Note 31)	**(2,568.54)**	(5,642.41)
	166,441.16	151,683.07
Closing Inventory :		
Floor Space Index (FSI)	**126.26**	126.26
Incomplete projects	**167,019.04**	169,098.47
Finished Properties	**117.29**	120.66
	167,262.59	169,345.39
Total	**(821.43)**	(17,662.32)

Footnote:

Cost incurred till date on Project Jewell has been written off amounting to ₹ 5642.41 lakhs during the F.Y. 2016-17. Change in town planning policies has affected the envisaged profitability of the project and continuing with the same would have resulted in losses to the Company. Hence the losses have been curtailed by writing off the costs incurred in Project Jewell earlier carried under incomplete projects.

Note 28. Employee Benefits Expense		
Salaries, bonus, etc.	**2,090.42**	2,144.27
Contribution to provident and other funds	**78.52**	89.90
Staff welfare expenses	**39.65**	45.09
Other fund expenses	**4.91**	7.07
Total	**2,213.50**	**2,286.33**
Note 29. Finance Costs		
Interest costs:-		
Interest on Debentures	**1,884.43**	2,106.83
Interest on Fixed loans	**32,902.61**	37,599.36
Unwinding of security deposits	**138.51**	22.56
Interest Expense on financial liablities measured at fair value	**939.79**	-
Other interest expense and Finance Charges	**1,180.39**	1,542.17
Delayed/penal interest on loans and statutory dues	**1,001.89**	1,094.40
Total	**38,047.62**	**42,365.31**

Footnote:

a. The Company has not provided for interest amounting to ₹ 4162.00 lakhs on certain inter-corporate deposits as the Company is in the process of re-negotiating the terms / waiver of interest by respective lenders.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

	Year ended 31st March, 2018 (₹ in lakhs)	Year ended 31st March, 2017 (₹ in lakhs)
Note 30. Depreciation and Amortisation Expenses		
Depreciation of Properties, plant and equipment	**166.20**	172.87
Amortization of intangible assets	**3.64**	3.64
Depreciation of investment properties	**147.13**	148.70
Total	**316.97**	**325.21**

	Year ended 31st March, 2018 (₹ in lakhs)	Year ended 31st March, 2017 (₹ in lakhs)
Note 31. Other Expenses		
Insurance	**62.06**	64.33
Rent	**159.97**	138.99
Rates and taxes	**245.13**	670.94
Advertisement expenses	**579.36**	926.48
Advances and other debit balances written off (Refer Footnote)	**10,107.54**	1,352.79
Donations	**1.46**	-
Bad Debts	**19.88**	1,000.72
Corporate Social Responsibility (CSR) activities	**385.25**	-
Brokerage	**274.50**	451.88
Directors' fees and travelling expenses	**26.74**	27.29
Commission to non-executive directors	**15.72**	16.93
Provision for doubtful debts and advances	**76.20**	113.50
Repairs and society maintenance charges	**271.33**	126.85
Legal and professional fees	**736.77**	1,203.51
Prospective projects written off (Refer Note 27)	**2,568.54**	5,642.41
Compensation Paid	**2,100.00**	-
Cancellation of Compensation for rights in Project	**8,452.86**	-
Investment written off (Refer footnote (b), (c) and (e) to Note 7)	**4,976.60**	-
Other expenses	**1,998.59**	1,167.13
Total	**33,058.50**	**12,903.76**

Footnote:
The Company had given advances to certain companies towards potential interest in their projects. Due to cancellation of approvals, continuing losses and no movement in the project status, in the opinion of the management such advances/receivables aggregating ₹ 7,086.81 being non-recoverable were writen off during the year.

	Year Ended 31st March, 2018 (₹ in lakhs)	Year Ended 31st March, 2017 (₹ in lakhs)
Note 32. EARNINGS PER SHARE (EPS)		
Basic and Diluted Earning Per Share (In ₹)	**(4.17)**	(5.38)
Basic and Diluted EPS		
The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows		
Profit / (Loss) for the year attributable to the owners of the Company	**(3,030.05)**	(3,914.08)
Weighted average number of equity shares for the purposes of basic and diluted earnings per share (Nos.)	**72,735,871**	72,735,871

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

		As at 31st March, 2018 (₹ in lakhs)	As at 31st March, 2017 (₹ in lakhs)
Note 34. CONTINGENT LIABILITIES (NOT PROVIDED FOR)			
(A)	**Claims against the Company, not acknowledged as debts on account of:-**		
(a)	Income Tax, Service Tax and MVAT matters under Appeal	**4,955.40**	5,713.59
(b)	Towards pending legal cases	**57,291.93**	61,618.24
(B)	Non Agricultural Tax payable to Gujarat Industrial Development Corporation	**-**	143.50
(C)	On account of land purchased in two subsidiaries, pending registration and other formalities under different statutes, for which confirmations are pending, with regards to consideration paid for the purchase of land through aggregator.	**Amount not determinable**	Amount not determinable
(E)	On account of corporate guarantees issued by the Company to bankers and others on behalf of other companies and joint ventures for facilities availed by them (amount outstanding thereagainst.)	**69,693.59**	89,188.71
(F)	Other commitments :		
a)	Bank Guarantees against various projects	**2,543.49**	3,495.72
b)	Towards amounts to be deposited against undertaking given to the Hon'ble Sessions Court, advance paid thereagainst ₹ NIL (₹ 4,700.00 lakhs as on 31st March, 2017)	**5,900.00**	5,900.00

Footnotes:

a. Interest / penalty that may accrue on original demands are not determinable, at present. The Group has taken necessary steps to protect its position with respect to the above referred claims, which in its opinion, based on professional / legal advice are not sustainable.

b. Contingent liabilities include corporate guarantees issued by the Company and are relied upon by the Auditors.

c. The management is of the view that it was necessary to provide the corporate guarantees to further the business interest of the Group in the entities on whose behalf such guarantees have been provided and the management is of the view that there would be no sustainable claims on the Group in respect of these corporate guarantees.
The rate of interest, processing fees, any other charges levied by the lenders on the entities availing loans are based on internal guidelines of the lenders depending on the merits of the underlying projects and their estimated cash flows. Majority of the corporate guarantees issued by the Group are basically to provide comfort by the Company as a shareholder of the Borrower entity to the Lenders. These corporate guarantees, in any case, do not result in any additional benefits to the borrowers. Accordingly, the financial liabilities on account of financial guarantee contracts have not been fair valued as these are expected to be immaterial.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

Note 35. Related Parties Disclosures

A.	Names of related parties and description of relationship	Country of Incorporation	Companies holding as at (%)	
			31st March, 2018	31st March, 2017
I.	**Associates**			
1	Giraffe Developers Private Limited (From 1st March 2018)	India	7.20%	-
2	Shubhsiddhi Builders Private Limited	India	50.00%	50.00%
3	Vinca Developer Private Limited	India	49.00%	49.00%
4	Whitebud Developers Limited	India	50.00%	50.00%
II.	**Joint Ventures**			
1	Akruti GM Joint Venture	India	77.00%	77.00%
2	Akruti Jay Chandan Joint Venture	India	50.00%	50.00%
3	Akruti Jay Developers	India	66.66%	66.66%
4	Akruti Kailash Constructions	India	90.00%	90.00%
5	Akruti Steelfab Corporation (Under process of dissolution)	India	55.00%	55.00%
6	Hubtown Bus Terminal (Adajan) Private Limited	India	45.00%	45.00%
7	Hubtown Bus Terminal (Ahmedabad) Private Limited	India	45.00%	45.00%
8	Hubtown Bus Terminal (Mehsana) Private Limited	India	45.00%	45.00%
9	Hubtown Bus Terminal (Surat) Private Limited	India	45.00%	45.00%
10	Hubtown Bus Terminal (Vadodara) Private Limited	India	45.00%	45.00%
11	Joyous Housing Limited	India	25.00%	25.00%
12	Rare Townships Private Limited	India	40.00%	40.00%
13	Rising Glory Developers	India	86.30%	86.30%
14	Shreenath Realtors	India	92.50%	92.50%
15	Sunstream City Private Limited	India	43.00%	43.00%
16	Twenty Five South Realty Limited	India	61.27%	61.27%

III. Key management personnel

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

IV. Relatives of key management personnel

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

V. Enterprises where key management personnel or their relatives exercise significant influence

(Where transactions have taken place)

1 Adhivitiya Properties Limited
2 Helik Advisory Limited
3 Sheshan Housing And Area Development Engineers Limited
4 Vishal Nirman (India) Limited
5 Buildbyte. Com. (India) Private Limited
6 Celeste Joint Venture
7 Citygold Management Services Private Limited
8 Distinctive Realty Private Limited
9 Fern Infrastructure Private Limited
10 Fourjone Realtors Private Limited
11 Heeler Hospitality Private Limited
12 Ichha Constructions Private Limited
13 Lista City Private Limited
14 Merrygold Buildcon Private Limited
15 Starzone Developers Private Limited
16 Sunmist Builders Private Limited
17 Sunstone Devlopers Joint Venture
18 Superaction Realty Private Limited
19 Trans Gulf MEP Engineers Private Limited

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

Note 35. Related Parties Disclosures (Contd.)

B. Transactions with Related Parties (₹ in lakhs)

Sr. No.	Nature of transaction	Associate companies	Joint Ventures	Key management personnel, their relatives and enterprises $
i.	**Loans and Advances received/ recovered/ adjusted**			
	Twenty Five South Realty Limited	-	296.08	-
		(-)	(110.00)	(-)
	Sunstream City Private Limited	-	650.90	-
		(-)	(70.60)	(-)
	Fern Infrastructure Private Limited	-	-	2,866.21
		(-)	(-)	(2,363.98)
	Vishal Nirman (India) Limited	-	-	54.34
		(-)	(-)	(-)
	Heeler Hospitality Private Limited	-	-	-
		(-)	(-)	(587.64)
	Adhivitiya Properties Limited	-	-	1.00
		(-)	(-)	(-)
	Sheshan Housing & Area Development Engineers Limited	-	-	-
		(-)	(-)	(2.00)
ii.	**Loans and Advances given/ repaid/adjusted**			
	Twenty Five South Realty Limited	-	71.99	-
		(-)	(312.29)	(-)
	Sunstream City Private Limited	-	-	-
		(-)	(5.47)	(-)
	Fern Infrastructure Private Limited	-	-	150.30
		(-)	(-)	(710.07)
	Buildbyte.Com (India) Private Limited	-	-	-
		(-)	(-)	(86.25)
	Adhivitiya Properties Limited	-	-	10.90
		(-)	(-)	(-)
	Distinctive Realty Private Limited	-	-	369.51
		(-)	(-)	(-)
	Celeste Joint Venture	-	-	-
		(-)	(-)	(2,540.65)
iii.	**Business Advances received / recovered / adjusted**			
	Twenty Five South Realty Limited	-	-	-
		(-)	(110.00)	(-)
	Hubtown Bus Terminal (Ahmedabad) Private Limited	-	70.50	-
		(-)	(33.00)	(-)
	Hubtown Bus Terminal (Adajan) Private Limited	-	-	-
		(-)	(75.00)	(-)
	Hubtown Bus Terminal (Mehsana) Private Limited	-	20.00	-
		(-)	(318.00)	(-)
	Sunstream City Private Limited	-	4.00	-
		(-)	(76.22)	(-)
	Giraffe Developers Private Limited	13,663.75	-	-
		(-)	(-)	(-)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

Note 35. Related Parties Disclosures (Contd.)

B. Transactions with Related Parties (Contd.) (₹ in lakhs)

Sr. No.	Nature of transaction	Associate companies	Joint Ventures	Key management personnel, their relatives and enterprises $
	Adhivitiya Properties Limited	-	-	-
		(-)	(-)	(721.40)
	Citygold Management Services Private Limited	-	-	375.13
		(-)	(-)	(628.31)
	Buildbyte.Com (India) Private Limited	-	-	-
		(-)	(-)	(88.00)
iv.	**Business Advances given / repaid / adjusted**			
	Twenty Five South Realty Limited	-	-	-
		(-)	(197.00)	(-)
	Hubtown Bus Terminal (Ahmedabad) Private Limited	-	182.81	-
		(-)	(198.20)	(-)
	Hubtown Bus Terminal (Adajan) Private Limited	-	449.69	-
		(-)	(358.00)	(-)
	Hubtown Bus Terminal (Mehsana) Private Limited	-	172.44	-
		(-)	(275.07)	(-)
	Hubtown Bus Terminal (Vadodara) Private Limited	-	65.98	-
		(-)	(94.60)	(-)
	Sunstream City Private Limited	-	1,109.27	-
		(-)	(9,367.70)	(-)
	Buildbyte.Com (India) Private Limited	-	-	39.50
		(-)	(-)	(-)
	Whitebud Developers Limited	5.50	-	-
		(5.00)	(-)	(-)
	Buildbyte.Com (India) Private Limited	-	-	-
		(-)	(-)	(130.65)
	Well-Groomed Developers Limited	-	107.50	-
		(-)	(-)	(-)
	Starzone Developers Private Limited	-	-	1.00
		(-)	(-)	(1,683.40)
	Citygold Management Services Private Limited	-	-	740.60
		(-)	(-)	(950.95)
	Adhivitiya Properties Limited	-	-	-
		(-)	(-)	(137.98)
	Shubhsiddhi Builders Private Limited	5.00	-	-
		(-)	(-)	(-)
	Celeste Joint Venture	-	-	-
		(-)	(-)	(2,540.65)
v.	**Interest income on loans/Debenture**			
	Twenty Five South Realty Limited	-	1,213.65	-
		(-)	(851.16)	(-)
	Sunstream City Private Limited	-	-	-
		(-)	(16,245.75)	(-)
	Joyous Housing Limited	-	21.49	-
		(-)	(19.06)	(-)
vi.	**Directors' Remuneration**			
	Hemant M. Shah	-	-	70.20
		(-)	(-)	(48.53)
	Vyomesh M. Shah	-	-	69.05
		(-)	(-)	(43.73)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

Note 35. Related Parties Disclosures (Contd.)

B. Transactions with Related Parties (Contd.) (₹ in lakhs)

Sr. No.	Nature of transaction	Associate companies	Joint Ventures	Key management personnel, their relatives and enterprises $
vii.	**Remuneration to Relatives of KMPs**			
	Rushank Shah	-	-	27.03
		(-)	(-)	(27.03)
	Kushal Shah	-	-	6.87
		(-)	(-)	(-)
	Khilen Shah	-	-	27.03
		(-)	(-)	(27.03)
viii.	**Contribution in Partner's Current Account**			
	Celeste Joint Venture	-	-	-
		(-)	(-)	(705.83)
	Akruti Kailash Constructions	-	-	258.86
		(-)	(-)	(194.41)
	Shreenath Realtors	-	-	112.00
		(-)	(-)	(33.00)
	Rising Glory Developers	-	35,304.62	-
		(-)	(26,657.58)	(-)
	Sunstream City Private Limited	-	-	
		(-)	(3,395.13)	(-)
	Akruti Jay Chandan JV	-	694.29	-
		(-)	(-)	(-)
	Akruti GM JV	-	97.12	-
		(-)	(-)	(-)
	Sunstone Developers Joint Venture	-	-	4,446.58
		(-)	(-)	(3,395.13)
ix.	**Amount Withdrawn from Partner's Current Account**			
	Akruti Jay Developers	-	348.28	-
		(-)	(907.90)	(-)
	Akruti Kailash Constructions	-	2,508.33	-
		(-)	(3,051.55)	(-)
	Shreenath Realtors	-	250.00	-
		(-)	(600.00)	(-)
	Rising Glory Developers	-	31,290.70	-
		(-)	(16,688.64)	(-)
	Akruti Steelfab Corporation	-	28.79	-
		(-)	(-)	(-)
	Akruti GM JV	-	217.50	-
		(-)	(-)	(-)
	Akruti Jay chandan JV	-	2,567.09	-
		(-)	(-)	(-)
	Sunstone Developers JV	-	-	1,589.35
		(-)	(-)	(-)
x.	**Investment (Including debenture) made**			
	Akruti Jay Chandan JV	-	694.29	-
		(-)	(-)	(-)
	Akruti Kailash Constructions	-	258.86	-
		(-)	(-)	(-)
	Shreenath Realtors	-	112.00	-
		(-)	(-)	(-)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

Note 35. Related Parties Disclosures (Contd.)

B. Transactions with Related Parties (Contd.) (₹ in lakhs)

Sr. No.	Nature of transaction	Associate companies	Joint Ventures	Key management personnel, their relatives and enterprises $
	Akruti GM JV	-	97.12	-
		(-)	(-)	(-)
	Rising Glory Developers	-	35,304.62	-
		(-)	(-)	(-)
	Sunstone Developers JV	-	-	4,446.58
		(-)	(-)	(-)
	Akruti Jay Developers	-	309.48	-
		(-)	(-)	(-)
xi.	**Sale of properties/rights/Service**			
	Twenty Five South Realty Limited	-	154.51	-
		(-)	(-)	(-)
	Hill View JV	-	-	1,700.14
		(-)	(-)	(-)
	Hillcrest JV	-	-	12,000.00
		(-)	(-)	(-)
	Celeste Joint Venture	-	-	-
		(-)	(-)	(9,714.24)
	Fourjone Realtors Private Limited	-	-	74.96
		(-)	(-)	(-)
	Sunstone Developers JV	-	-	2,932.11
		(-)	(-)	(7,369.60)
xii.	**On behalf payments made (Including reimbursement of expenses)**			
	Hubtown Bus Terminal (Ahmedabad) Private Limited	-	33.04	-
		(-)	(495.41)	(-)
	Hubtown Bus Terminal (Adajan) Private Limited	-	48.46	-
		(-)	(111.46)	(-)
	Hubtown Bus Terminal (Mehsana) Private Limited	-	27.84	-
		(-)	(108.00)	(-)
	Hubtown Bus Terminal (Vadodara) Private Limited		32.79	-
		(-)	(51.82)	(-)
	Sunstream City Private Limited	-	-	-
		(-)	(0.02)	(-)
	Celeste JV	-	-	394.65
		(-)	(-)	(-)
	Distinctive Realty Private Limited	-	-	20.39
		(-)	(-)	(-)
	Giraffe Developers Private Limited	80.43	-	-
		(-)	(-)	(-)
	Brainpoint Infotech Private Limited	20.00	-	-
		(-)	(-)	(-)
	Well-Groomed Developers Limited	-	0.51	-
		(-)	(-)	(-)
	Akruti Jay Developers	-	1.53	-
		(-)	(-)	(-)
	Citygold Management Services Private Limited	-	-	2.46
		(-)	(-)	(-)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

Note 35. Related Parties Disclosures (Contd.)

B. Transactions with Related Parties (Contd.) (₹ in lakhs)

Sr. No.	Nature of transaction	Associate companies	Joint Ventures	Key management personnel, their relatives and enterprises $
xiii.	**On behalf payments received/adjusted**			
	Hubtown Bus Terminal (Adajan) Private Limited	-	24.00	-
		(-)	(78.00)	(-)
	Hubtown Bus Terminal (Ahmedabad) Private Limited	-	-	-
		(-)	(224.00)	(-)
	Hubtown Bus Terminal (Vadodara) Private Limited	-	-	-
		(-)	(5.00)	(-)
	Akruti Kailash Constructions	-	10.61	-
		(-)	(-)	(-)
	Brainpoint Infotech Private Limited	98.34	-	-
		(-)	(-)	(1,973.19)
xiv.	**Advance received against FSI**			
	Khilen Shah	-	-	-
		(-)	(-)	(622.24)
	Kunjal Shah	-	-	-
		(-)	(-)	(622.24)
	Falguni Shah	-	-	-
		(-)	(-)	(622.24)
	Kushal Shah	-	-	-
		(-)	(-)	(622.30)
	Pratiti Shah	-	-	-
		(-)	(-)	(622.30)
	Rushank Shah	-	-	-
		(-)	(-)	(622.30)
xv.	**Share of profit from Partnerships/Joint Ventures**			
	Akruti Jay Chandan JV	-	41.58	-
		(-)	(35.35)	(-)
	Sunstone Developers JV	-	-	6.61
		(-)	(-)	(-)
	Akruti GM JV	-	66.45	-
		(-)	(-)	(-)
	Akruti Kailash Constructions	-	-	-
		(-)	(35.95)	(-)
xvi.	**Share of loss from Partnerships/Joint Ventures**			
	Shreenath Realtors	-	-	-
		(-)	(2.02)	(-)
	Akruti Kailash Constructions	-	32.99	-
		(-)	(38.54)	(-)
	Akruti Jay Developers	-	257.10	-
		(-)	(10.86)	(-)
	Akruti GM JV	-	-	-
		(-)	(6.69)	(-)
	Rising Glory Developers	-	0.06	-
		(-)	(0.01)	(-)
	Celeste JV	-	-	0.01
		(-)	(-)	(-)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

Note 35. Related Parties Disclosures (Contd.)

B. Transactions with Related Parties (Contd.) (₹ in lakhs)

Sr. No.	Nature of transaction	Associate companies	Joint Ventures	Key management personnel, their relatives and enterprises $
xvii.	**Corporate guarantees given for loans availed by others**			
	Hubtown Bus Terminal (Ahmedabad) Private Limited	-	-	-
		(-)	(9,570.60)	(-)
	Sunstream City Private Limited	-	349.47	-
		(-)	(3,891.98)	(-)
	Hubtown Bus Terminal (Mehsana) Private Limited	-	-	-
		(-)	(4,426.27)	(-)
	Twenty Five South Realty Limited	-	63,374.59	-
		(-)	(46,774.45)	(-)
	Hubtown Bus Terminal (Adajan) Private Limited	-	-	-
		(-)	(3,937.50)	(-)
	Hubtown Bus Terminal (Vadodara) Private Limited	-	27.05	-
		(-)	(4,403.63)	(-)
	Giraffe Developers Private Limited	5,113.53	-	-
		(-)	(-)	(-)
	Rare Townships Private Limited	-	177.33	-
		(-)	(6,141.67)	(-)
xviii.	**Corporate Guarantees vacated for loans availed by others**			
	Hubtown Bus Terminal (Adajan) Private Limited	-	96.65	-
		(-)	(164.46)	(-)
	Hubtown Bus Terminal (Mehsana) Private Limited	-	576.57	-
		(-)	(565.24)	(-)
	Fern Infrastructure Private Limited	-	-	5,142.99
		(-)	(-)	(-)
	Twenty Five South Realty Limited	-	46,774.45	-
		(-)	(-)	(-)
xix.	**Bank Guarantees vacated for loans availed by others**			
	Hubtown Bus Terminal (Ahmedabad) Private Limited	-	-	-
		(-)	(28,230.00)	(-)
xx.	**Investment written off in Partnership/Joint Venture**			
	Shreenath Realtors	-	775.00	-
		(-)	(-)	(-)
	Primeria Co-Ventures	-	1.60	-
		(-)	(-)	(-)
xxi.	**Balance Write Back**			
	Akruti Steelfab Corporation	-	22.84	-
		(-)	(-)	(-)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

Note 35. Related Parties Disclosures (Contd.)

B. Transactions with Related Parties (Contd.) (₹ in lakhs)

Sr. No.	Nature of transaction	Associate companies	Joint Ventures	Key management personnel, their relatives and enterprises $
xxii.	**Advances/ Other Debit balance written off**			
	Shreenath Realtors	-	1,361.49	-
		(-)	(-)	(-)
	Primeria Co-Ventures	-	0.77	-
		(-)	(-)	(-)
	Fern Infrastructure Private Limited	-	-	2,107.01
		(-)	(-)	(-)
	Subhsiddhi Builders Private Limited	-	-	747.65
		(-)	(-)	(-)
	Ichha Constructions Private Limited	-	-	1,492.46
		(-)	(-)	(-)
xxiii.	**Cancellation of Compensation for rights in Project**			
	Sunstream City Private Limited	-	8,452.86	-
		(-)	(-)	(-)
xxiv.	**Commission to Non wholetime Directors**			
	Sunil Shah	-	-	4.60
		(-)	(-)	(4)
	Abhijit Datta	-	-	4.60
		(-)	(-)	(4)
	Priti K Shah	-	-	4.60
		(-)	(-)	(4)
	Shirish Gajendragadkar	-	-	1.92
		(-)	(-)	(3)
xxv.	**Received against sale**			
	Sunstone Developers Joint Venture	-	-	7,369.60
		(-)	(-)	(-)
	Fourjone Realtors Private Limited	-	-	74.96
		(-)	(-)	(-)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

Note 35. Related Parties Disclosures (Contd.)

Balances outstanding

(₹ in lakhs)

Sr. No.	Nature of Transaction	As at 31st March, 2018 (₹ in lakhs)	As at 31st March, 2017 (₹ in lakhs)
xxvi.	**Payables***		
	Associate companies		
	Giraffe Developers Private Limited	13,650.98	-
	Joint Ventures		
	Hubtown Bus Terminal (Mehsana) Private Limited	267.92	448.20
	Akruti Jay Developers	2,627.65	2,836.86
	Akruti Jay Chandan Joint Venture	3,042.55	1,211.33
	Akruti Steelfab Corporation	-	51.63
	Key management personnel, their relatives and enterprises $		
	Citygold Management Services Private Limited	-	224.41
	Buildbyte.Com (India) Private Limited	-	79.96
	Falguni Shah	884.56	359.92
	Hemant Shah (HUF)	30.00	-
	Hemant Shah	64.84	7.62
	Vyomesh Shah	76.26	13.56
	Kunjal Shah	1,351.05	2,595.53
	Sunstone Developers JV	7,911.94	-
	Distinctive Realty Private Limited	-	57.77
	Khilen Shah	622.24	622.24
	Kushal Shah	622.30	622.30
	Meha Shah	622.30	622.30
	Pratiti Shah	622.30	622.30
	Dina Chetan Mody	0.66	-
	Vishal Nirman (India) Limited	45.34	-
	Rushank Shah	622.30	622.30
Footnotes: $ Enterprises where Key Management Personnel or their relatives exercise significant influence. * Including balances relating to transactions entered into when these were not related.			
xxvii.	**Receivables***		
	Associate companies		
	Whitebud Developers Limited	914.12	908.62
	Shubhsiddhi Builders Private Limited	747.65	742.65
	Brainpoint Infotech Private Limited	117.11	-
	Joint Ventures		
	Hubtown Bus Terminal (Adajan) Private Limited	2,175.91	1,701.76
	Hubtown Bus Terminal (Ahmedabad) Private Limited	2,456.95	2,311.61
	Hubtown Bus Terminal (Vadodara) Private Limited	333.65	285.18
	Joyous Housing Limited	1,016.89	995.41
	Sunstream City Private Limited	1,966.89	9,920.38
	Twenty Five South Realty Limited	3,077.70	2,209.51
	Rising Glory Developers	13,812.11	9,798.25
	Akruti GM JV	2,223.40	2,277.33
	Akruti Kailash Construction	392.52	2,674.98
	Shreenath Realtors	-	1,499.49
	Celeste Joint Venture	13,035.53	12,640.89
	Well-Groomed Developers Limited	2,269.38	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

Note 35. Related Parties Disclosures (Contd.)

Balances outstanding (Contd.)

(₹ in lakhs)

Sr. No.	Nature of Transaction	As at 31st March, 2018 (₹ in lakhs)	As at 31st March, 2017 (₹ in lakhs)
	Key management personnel, their relatives and enterprises		
	Adhivitiya Properties Limited	833.15	823.25
	Buildbyte.Com (India) Private Limited	87.35	47.85
	Citygold Management Services Private Limited	143.52	-
	Sunstone Developers JV	-	7,369.60
	Fern Infrastructure Private Limited	-	4,749.51
	Ichha Constructions Private Limited	-	1,492.46
	Lista City Private Limited	40.41	40.41
	Sunmist Builders Private Limited	52.28	52.28
	Superaction Realty Private Limited	90.08	90.08
	Trans Gulf MEP Engineers Private Limited	8.61	8.61
	Starzone Developers Private Limited	245.40	244.40
	Fourjone Realtors Private Limited	4,440.73	4,365.77
	Merrygold Buildcon Private Limited	9.36	9.36
	Vishal Nirman (India) Limited	-	9.00
	Distinctive Realty Private Limited	332.13	-

Sr. No.	Nature of transaction	Associate companies	Joint Ventures	Key management personnel, their relatives and enterprises $
xxviii.	**Corporate guarantees given for loans availed by others (Amount outstanding thereagainst)**			
	Hubtown Bus Terminal (Adajan) Private Limited	-	3,840.85	-
		(-)	(3,937.50)	(-)
	Hubtown Bus Terminal (Mehsana) Private Limited	-	3,849.70	-
		(-)	(4,426.27)	(-)
	Hubtown Bus Terminal (Vadodara) Private Limited	-	4,430.68	-
		(-)	(4,403.63)	(-)
	Hubtown Bus Terminal (Ahmedabad) Private Limited	-	4,362.46	-
		(-)	(9,570.60)	(-)
	Sunstream City Private Limited	-	4,241.45	-
		(-)	(3,891.98)	(-)
	Twenty Five South Realty Limited	-	63,374.59	-
		(-)	(46,774.45)	(-)
	Rare Townships Private Limited	-	6,319.00	-
		(-)	(6,141.67)	(-)
	Giraffe Developers Private Limited	5,113.53	-	-
		(-)	(-)	(-)
	Fern Infrastructure Private Limited	-	-	-
		(-)	(-)	(5,142.99)
xxix.	**Bank guarantees given on behalf of related parties**			
	Sunstream City Private Limited	-	10.00	-
		(-)	(10.00)	(-)
	Hubtown Bus Terminal (Adajan) Private Limited	-	368.83	-
		(-)	(368.83)	(-)
	Hubtown Bus Terminal (Vadodara) Private Limited	-	332.13	-
		(-)	(332.13)	(-)
	Hubtown Bus Terminal (Mehsana) Private Limited	-	839.76	-
		(-)	(839.76)	(-)
	Shreenath Realtors	-	10.00	-
		(-)	(-)	(-)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

Note 35. Related Parties Disclosures (Contd.)
Balances outstanding (Contd.)

(₹ in lakhs)

Sr. No.	Nature of transaction	Associate companies	Joint Ventures	Key management personnel, their relatives and enterprises $
xxx.	**Personal Guarantee of Directors towards loans availed by the company**			
	Banks	-	-	17,230.22
		(-)	(-)	(53,435.06)
	Debenture Trustees	-	-	2,069.72
		(-)	(-)	(8,229.77)
	Financial Institutions	-	-	20,790.65
		(-)	(-)	(48,827.46)
	Companies	-	-	15,200.00
		(-)	(-)	(14,636.39)
xxxi.	**Guarantees / Securities given by way of shares in the Company pledged against loans availed by the Company**	-	-	40,877.05
		(-)	(-)	(40,877.05)

Footnotes:
Previous year figures are given in brackets.
Related party relationships are as identified by the Company and relied upon by the auditors.
$ Enterprises where Key Management personnel or their relatives exercise significant influence.

Note 36.

The Consolidated Financial Statements present the consolidated accounts of the Comapany with its Subsidiaries, Associates and Joint Ventures which incorporate Acruti Safeguard Syatems Private Limited (ASSPL), a subsidiary of the Company engaged in manufacturing activities whose commercial operations have commenced but do not meet the quantitative threshold of a reportable segment as per Ind AS 108. Further, the Group operates within a single geographical segment.

Note 37. Financial Risk Management Objectives

The Group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Group's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

1) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument which will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Major financial instruments affected by market risk include loans and borrowings.

a) Interest rate risk

Majority of the long-term borrowings of the Group bear fixed interest rate and thus interest rate risk is limited for the Group.

b) Foreign currency risk

The Group has limited exposure to foreign exchange risk. The Group evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies. Further, the Group is engaged in real estate business and only imports certain material against Letter of Credit for which hedging instruments are not required.

c) Equity price risk

The Group's equity securities are not majorly susceptible to market price risk. However, the Company's Board of Directors reviews and approves all equity investment decisions after taking due diligence which may affect the market related risk.

2) Credit Risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure of the financial assets are contributed by trade receivables, cash and cash equivalents and receivables from group companies.

a) Receivables resulting from sale of properties: Customer credit risk is managed by requiring customers to pay milestone advances/ payment advances before transfer of possession, thereby, substantially eliminating the Group's credit risk in this respect.

b) Receivables resulting from other than sale of properties: There is no such major receivables resulting from other than sale of properties. However credit risk related to such receivables is managed as per Group's established policy, procedures and control. Outstanding customer receivables are regularly monitored against work done.

c) Credit risk on cash and cash equivalents is limited as the Group keeps its cash balance in Current Accounts / Fixed Deposit Accounts with the Banks which have high credit ratings.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

Note 35. Related Parties Disclosures (Contd.)

3) Liquidity risk

The Group's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. The Management monitors the Group's net liquidity position through rolling forecasts on the basis of expected cash flows.

Note 38. Capital Management

For the purpose of the Group's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Group. The Group strives to safeguard its ability to continue as a going concern so that they can maximise returns for the shareholders and benefits for other stake holders. The aim is to maintain an optimal capital structure and minimise cost of capital.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may issue new shares. Consistent with others in the industry, the Group monitors its capital using the gearing ratio which is total net debt (borrowings offset by cash and cash equivalents) divided by equity attributable tp the parents of the Company.

Gearing Ratio

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the borrowings that define the capital structure requirements. Breaches in meeting the financial covenants would permit the lenders to immediately call loans and borrowings.

The gearing ratio at the reporting period was as follows

	As at 31st March, 2018 (₹ in lakhs)	As at 31st March, 2017 (₹ in lakhs)
Secured Loan	**83,813.67**	124,650.05
Unsecured Loan	**67,368.59**	51,120.11
Interest accured and due/and but not due	**7,508.12**	21,364.63
Unpaid matured debentures and interest accrued thereon	**2,199.01**	4,659.15
Total Debt	**160,889.39**	201,793.94
Less: Cash and cash equivalents	**1,897.00**	908.77
Net Debt (A)	**158,992.39**	200,885.17
Equity Share Capital	**7,273.59**	7,273.59
Other Equity	**154,773.69**	157,796.00
Total Equity (B)	**162,047.28**	165,069.59
Debt Equity Ratio (A/B)	**0.98**	1.22

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

Note 39: Categories Of Financial Instruments

Fair Value measurement

(₹ in lakhs)

	31st March, 2018		31st March, 2017	
	FVPL / FVOCI	**Amortised Cost**	**FVPL / FVOCI**	**Amortised Cost**
Financial Assets				
Investments	**232.49**	**170,078.64**	231.75	170,856.41
Trade receivables	**-**	**47,074.69**	-	30,183.77
Cash and cash equivalents	**-**	**1,897.00**	-	908.77
Bank balances other than above	**-**	**161.72**	-	190.99
Loans	**-**	**8,486.75**	-	8,287.93
Other financial assets	**-**	**64,881.56**	-	58,013.69
Total	**232.49**	**292,580.36**	231.75	268,441.56
Financial Liabilities				
Borrowings	**-**	**118,713.63**	-	133,171.61
Trade payables	**-**	**17,362.28**	-	17,696.89
Other Financial liabilities	**-**	**132,795.54**	-	134,464.05
Total	**-**	**268,871.45**	-	285,332.56

i) Fair Value hierarchy

This section explains the judgements and estimates in determining the fair value of the financial instruments that are recognised and measured at fair value

Financial assets and liabilities measured at fair value - recurring fair value measurements	**Level 1**	**Level 2**	**Level 3**	**Total**
At 31st March 2018				
Financial Assets				
Financial Investments at FVPL	232.49	-	-	232.49
Total Financial Assets	**232.49**	**-**	**-**	**232.49**
Financial assets and liabilities measured at fair value - recurring fair value measurements	Level 1	Level 2	Level 3	Total
At 31st March 2017				
Financial Assets				
Financial Investments at FVPL	231.75	-	-	231.75
Total Financial Assets	**231.75**	**-**	**-**	**231.75**

Level 1

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

Level 2

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

Level 3

If one or more of the significant inputs is not based on observable market data, the instruments is included in level 3.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

Note 40. Interest in Other Entities

40.1 Subsidiaries

The Group's subsidiaries as at 31 March 2018 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation is also their principal place of business.

Name of the Entity	Country of Incorporation	Ownership interest held by the group		Ownership interest held by the Non controlling interest		Principal Activities
		31st March, 2018	31st March, 2017	31st March, 2018	31st March, 2017	
Name of the Subsidiaries:						
ABP Realty Advisors Private Limited	India	100.00%	100.00%	-	-	Financial Services
Ackruti Safeguard Systems Private Limited	India	72.43%	72.43%	27.57%	27.57%	Security Plates
Citygold Education Research Limited	India	100.00%	100.00%	-	-	Education Research
Citygold Farming Private Limited	India	100.00%	100.00%	-	-	Infrastructure Facilities
Citywood Builders Private Limited	India	100.00%	100.00%	-	-	Real Estate Development
Devkrupa Build Tech Limited	India	100.00%	51.00%	-	49.00%	Real Estate Development
Diviniti Projects Private Limited	India	100.00%	100.00%	-	-	Real Estate Development
Gujarat Akruti - TCG Biotech Limited	India	74.00%	74.00%	26.00%	26.00%	Infrastructure Facilities
Halitious Developer Limited	India	100.00%	100.00%	-	-	Real Estate Development
Headland Farming Private Limited	India	100.00%	100.00%	-	-	Real Estate Development
Heddle Knowledge Private Limited	India	100.00%	100.00%	-	-	Real Estate Development
Heet Builders Private Limited	India	94.40%	94.40%	5.60%	5.60%	Real Estate Development
India Development And Construction Venture Capital Private Limited	India	100.00%	100.00%	-	-	Venture Capital
Joynest Premises Private Limited	India	74.00%	74.00%	26.00%	26.00%	Real Estate Development
Upvan Lake Resorts Private Limited	India	75.00%	75.00%	25.00%	25.00%	Real Estate Development
Urvi Build Tech Limited	India	100.00%	100.00%	-	-	Real Estate Development
Vama Housing Limited	India	100.00%	100.00%	-	-	Real Estate Development
Vega Developers Private Limited	India	100.00%	100.00%	-	-	Real Estate Development
Vishal Techno Commerce Limited	India	100.00%	100.00%	-	-	Real Estate Development
Yantti Buildcon Private Limited	India	100.00%	100.00%	-	-	Real Estate Development
Jineshwar Multitrade Private Limited (*) (Refer Footnote e to Note 7)	India	96.43%	96.43%	-	-	Trading
Asha Multitrade Private Limited (#) (Refer footnote e to Note 7)	India	93.75%	93.75%	-	-	Trading

* Subsidiary company of Citygold Education Research Limited

Subsidiary company of Citygold Farming Private Limited

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

40.2 Non Controlling Interest (NCI)

The following table summarises the information relating to each of the subsidieries that has NCI. The amounts disclosed for each subsidiary are before intra group eliminations,

(₹ in lakhs)

Particulars	Ackruti Safeguard Systems Private Limited		Gujarat Ackruti -TCG Biotech Limited		Heet Builders Private Limited	
	31st MARCH, 2018	31st MARCH, 2017	**31st MARCH, 2018**	31st MARCH, 2017	**31st MARCH, 2018**	31st MARCH, 2017
Non-Current Assets	**352.67**	376.76	**2,804.56**	2,632.13	**57.78**	320.77
Current Assets	**300.61**	245.41	**2.57**	5.30	**34,665.77**	26,545.51
Non-Current Liabilities	**40.47**	40.47	**1,564.81**	1,505.81	**24,389.19**	20,864.93
Current Liabilities	**1,794.68**	1,794.27	**366.04**	368.61	**10,814.10**	6,890.34
Net Assets	**(1,181.87)**	(1,212.57)	**876.29**	763.01	**(479.75)**	(888.99)
Net Assets Attributable to NCI	**(325.84)**	(334.31)	**227.84**	198.38	**(26.87)**	(49.78)
Revenue	**182.09**	170.71	**8.91**	0.19	**1,158.77**	407.93
Profit/(Loss) For the Year	**30.70**	(22.33)	**113.28**	(20.82)	**(107.27)**	(600.30)
Other Comprehensive Income	**-**	-	**-**	-		-
Total Comprehensive Income	**30.70**	(22.33)	**113.28**	(20.82)	**(107.27)**	(600.30)
Profit/(Loss) allocated to NCI	**8.46**	(6.16)	**29.45**	(5.41)	**(6.01)**	(33.62)
Dividend paid to NCI	**-**	-	**-**	-	**-**	-
OCI allocated to NCI	**-**	-	**-**	-	**-**	-
Total Comprehensive Income allocated to NCI	**8.46**	(6.16)	**29.45**	(5.41)	**(6.01)**	(33.62)
Cash Flow From Operating Activities	**(4.77)**	(22.84)	**(2.70)**	4.05	**70.14**	(8,073.54)
Cash Flow From Investing Activities	**9.48**	12.83	**-**	-	**-**	4,525.75
Cash Flow From Financing Activities	**(0.51)**	(7.21)	**(0.02)**	(0.09)	**(56.60)**	3,551.21
Net increase/(decrease) in cash and cash equivalents	**4.20**	(17.22)	**(2.72)**	3.96	**13.54**	3.42

Particulars	Joynest Premises Private Limited		Upvan Lake Resorts Private Limited	
	31st MARCH, 2018	31st MARCH, 2017	**31st MARCH, 2018**	31st MARCH, 2017
Non-Current Assets	**1,288.56**	1,383.52	**0.65**	0.86
Current Assets	**25,180.16**	22,685.41	**16.06**	2.39
Non-Current Liabilities	**4,231.70**	4,136.22	**9.00**	15.58
Current Liabilities	**13,171.82**	10,662.30	**31.67**	20.50
Net Assets	**9,065.20**	9,270.41	**(23.96)**	(32.82)
Net Assets Attributable to NCI	**2,356.95**	2,410.31	**(5.99)**	(8.21)
Revenue	**430.83**	131.50	**12.65**	-
Profit/(Loss) For the Year	**(205.21)**	(438.90)	**8.86**	(4.91)
Other Comprehensive Income	**-**	6.46	**-**	-
Total Comprehensive Income	**(205.21)**	(432.44)	**8.86**	(4.91)
Profit/(Loss) allocated to NCI	**(53.36)**	(114.11)	**2.21**	(1.23)
Dividend paid to NCI	**-**	-	**-**	-
OCI allocated to NCI	**-**	1.68	**-**	-
Total Comprehensive Income allocated to NCI	**(53.36)**	(112.43)	**2.21**	(1.23)
Cash Flow From Operating Activities	**110.14**	(8,769.67)	**6.69**	(0.43)
Cash Flow From Investing Activities	**136.43**	9,084.78	**-**	0.24
Cash Flow From Financing Activities	**(246.82)**	(302.20)	**(6.69)**	(0.97)
Net increase/(decrease) in cash and cash equivalents	**(0.25)**	12.91	**(0.00)**	(1.16)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

40.3 Interest in associates and joint venture

(₹ in lakhs)

	Note	Carrying amount as at 31-Mar-18	31-Mar-17
Interest in associates	See (A) below	4,664.62	0.50
Interest in joint ventures	See (B) below	50,560.98	51,801.20
		55,225.60	51,801.70

(A) Interest in associates

The Group's associates as at 31 March 2018 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation is also their principal place of business.

Name of the entity	Country of incorporation	Ownership interest (%)	Carrying amount as at * 31-Mar-18	31-Mar-17	Pricipal Activities
Shubhsiddhi Builders Private Limited	India	50.00%	-	0.50	Real Estate Development
Vinca Developer Private Limited	India	49.00%	-	-	Real Estate Development
Whitebud Developers Limited	India	50.00%	-	-	Real Estate Development
Giraffe Developers Private Limited (From 1st March 2018)	India	49.00%	4,664.62	-	Real Estate Development
			4,664.62	0.50	

* Unlisted entity - no quoted price available

(B) Interest in joint ventures

The Group's joint ventures as at 31 March 2018 are set out below. Joint Venture in the nature of companies have share capital consisting solely of equity shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. Capital contribution in Joint venture in the nature of Partnership firms or AOP are disclosed in carrying amount. The country of incorporation is also their principal place of business.

(₹ in lakhs)

Name of the entity	Country of incorporation	Ownership interest (%)	Carrying amount as at * 31-Mar-18	31-Mar-17	Pricipal Activities
Twenty Five South Realty Limited	India	61.27%	29,272.02	29,598.93	Real Estate Development
Hubtown Bus Terminal (Adajan) Private Limited #	India	45.00%	692.96	685.37	Real Estate Development
Hubtown Bus Terminal (Ahmedabad) Private Limited#	India	45.00%	4,003.52	3,994.32	Real Estate Development
Hubtown Bus Terminal (Mehsana) Private Limited #	India	45.00%	1,130.26	1,120.99	Real Estate Development
Hubtown Bus Terminal (Vadodara) Private Limited #	India	45.00%	158.55	148.03	Real Estate Development
Joyous Housing Limited	India	25.00%	-	-	Real Estate Development
Rare Townships Private Limited #	India	40.00%	11,853.60	11,999.37	Real Estate Development
Sunstream City Private Limited	India	43.00%	-	-	Real Estate Development
Joint Venture in the nature of Partnership Firm / AOP					
Akruti GM JV	India	77.00%	700.00	700.00	Real Estate Development
Akruti Jay Chandan JV	India	50.00%	282.40	282.40	Real Estate Development
Akruti Jay Developers	India	66.66%	2,467.50	2,467.50	Real Estate Development
Akruti Kailash Constructions	India	90.00%	0.50	0.50	Real Estate Development
Akruti Steelfab Corporation	India	55.00%	-	28.79	Real Estate Development
Shreenath Realtors	India	92.50%	-	775.00	Real Estate Development
			50,561.33	**51,801.20**	

(#) Includes carrying amount in shares with differential voting rights

* Unlisted entity - no quoted price available

Refer Note 40.4 for The table below provides summarised financial information for material joint ventures. The information disclosed reflects the amount presented in the financial statements of the relevant Joint Venture and not Group's share of those amounts. They have been amended to reflect adjustments made by the Group when using the equity method, including modifications for difference in accounting policies.

Though the Group's investment in some of the entities exceed 50% of the total share capital / total capital contribution, these entities have been classified as joint ventures. The management has assessed whether or not the Group has control over these entities based on whether the Group has practical ability to direct relevant activities unilaterally. In these cases, based on specific shareholders agreement / Partnership deed, the management concluded that the Group does not have practical ability to direct the relevant activities unilaterally but has such ability along with the other shareholders / partners.

During the years ended 31 March 2018 and 31 March 2017, the Group did not receive dividends from any of its joint ventures.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

40.4 Summarised Balance Sheet for material Joint Ventures: (₹ in lakhs)

	Twenty Five South Realty Limited		Joyous Housing Limited		Rare Townships Private Limited		Sunstream City Private Limited	
	31st March, 2018	31st March, 2017	**31st March, 2018**	31st March, 2017	**31st March, 2018**	31st March, 2017	**31st March, 2018**	31st March, 2017
Cash and cash equivalents	1,662.35	959.33	6581.95	32.07	279.94	649.38	12.19	17.73
Other Assets	118,146.54	100,608.95	69233.47	59202.68	58,922.72	53,672.03	104547.09	111772.67
Total Current Assets	119,808.89	101,568.28	75815.42	59234.76	59,202.66	54,321.42	104559.29	111790.40
Non - Current Assets	1,990.11	1,322.12	6359.30	4859.10	965.50	1225.94	72.75	74.52
Current Financial Liabilities (excluding trade payables)	21,313.07	28,049.87	4375.47	851.21	4,686.26	3,032.93	6440.47	1862.11
Other Liabilities	16,361.63	16,428.27	1404.35	2106.93	34,338.42	29,752.41	953.53	9917.06
Total Current Liabilities	37674.70	44478.14	5779.82	2958.14	39,024.68	32,785.34	7394.00	11779.16
Non - Current Financial Liabilities (excluding trade payables)	66,773.55	40603.95	70610.80	54195.25	2444.75	3722.72	97749.50	-
Other Liabilities	257.58	179.81	2179.39	7867.29	361.99	338.12	0.00	101307.71
Total Non - Current Liabilities	67031.13	40783.75	72790.19	62062.55	2806.75	4060.84	97749.50	101307.71
Net Assets	**17093.17**	17628.52	**3604.72**	(926.83)	**18336.74**	18701.18	**(511.46)**	(1221.95)
Group Share of Net Assets	**10472.98**	10800.99	**901.18**	(231.71)	**7334.70**	7480.47	**(219.93)**	(525.44)
Reconciliation of carrying amounts of material Joint Ventures:								
Group share of net assets	10,472.98	10,800.99	901.18	(231.71)	7,334.70	7,480.47	(219.93)	(525.44)
Goodwill	18,799.29	18,799.29	-	-	4,518.90	4,518.90	-	-
Other Adjustments	(0.26)	(1.35)	(901.18)	231.71	0.00	-	219.93	525.44
Carrying amount	**29,272.02**	29,598.93	**-**	-	**11,853.59**	11,999.37	**-**	**-**

Summarised Statement of Profit and Loss of material Joint Ventures:

	31st March, 2018	31st March, 2017	**31st March, 2018**	31st March, 2017	**31st March, 2018**	31st March, 2017	**31st March, 2018**	31st March, 2017
Revenue	838.55	-	-	-	144.41	45.41	48.28	41.06
Interest Income	114.40	7.38	68.65	85.83	30.69	20.81	1.05	1.90
Interest Expense	12635.28	10596.68	9029.34	7034.88	1370.78	1502.48	338.40	16523.61
Depreciation & Amortisation	127.74	8.76	11.17	19.56	304.63	182.96	10.47	11.22
Income tax expense/ income	145.38	172.96	405.68	(351.16)	(78.81)	-	-	-
Profit/Loss from Continuing Operations	**(536.98)**	(434.74)	**(357.08)**	(539.10)	**(366.72)**	(572.51)	**4.49**	(704.01)
Post - Tax Profit/ Loss from Discontinued Operations	-	-	-	-	-	-	-	-
Other Comprehensive Income	1.64	0.92	(1.50)	1.97	2.28	(2.33)	-	0.67
Total Comprehensive Income	**(535.35)**	(433.83)	**(358.57)**	(537.13)	**(364.44)**	(574.84)	**4.49**	(703.34)

Carrying amount of investments in Joint Ventures:

	As at (₹ in lakhs)	
	31st March, 2018	31st March, 2017
Non-material Joint Ventures	**9,435.72**	10,202.90
Material Joint Ventures	**41,125.61**	41,598.30
Total	**50,561.33**	51,801.20
Share in Total Comprehensive Income (net):		
Non-material Joint Ventures	**32.89**	(351.34)
Material Joint Ventures	**(473.78)**	(495.74)
Total	**(440.90)**	(847.08)
Contingent Liabilities in respect of Joint Ventures:		
Share of contingent liabilities incurred jointly with other investors of the Joint ventures	**1,395.97**	7,634.73
Share of Other Commitments	**12,996.00**	12,996.00

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018 (CONTD.)

Note 41.

In the opinion of the Board of Directors of the Company, all items of Current Assets, Current Liabilities and Loans and Advances continue to have a realizable value of at least the amounts at which they are stated in the Balance Sheet.

Note 42.

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

The accompanying notes are an integral part of the financial statements

As per our report of even date

For **M H DALAL AND ASSOCIATES**
Firm Registration No. 112449W
CHARTERED ACCOUNTANTS

DEVANG DALAL
PARTNER
Membership No. 109049

Mumbai
Date: 29th May, 2018

For and on behalf of the Board of Directors

HEMANT M. SHAH
EXECUTIVE CHAIRMAN

VYOMESH M. SHAH
MANAGING DIRECTOR

CHETAN MODY
COMPANY SECRETARY

NANCY PEREIRA
CHIEF FINANCIAL OFFICER

Mumbai
Date: 29th May, 2018

Schedule - I

FORM NO. – AOC - 1

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule (5) of the Companies (Accounts) Rules , 2014)

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES / ASSOCIATES COMPANIES / JOINT VENTURES

PART 'A' – SUBSIDIARIES

(₹ in lakh)

	Name of Subsidiaries →	**ABP Realty Advisors Private Limited**	**Ackruti Safeguard Systems Private Limited**	**Citygold Education Research Limited**	**Citygold Farming Private Limited**	**Citywood Builders Private Limited**	**Devkurpa Build Tech Private Limited**	**Diviniti Projects Private Limited**	**Gujarat Akruti-TCG Biotech Limited**	**Halitious Developer Limited**	**Headland Farming Private Limited**	**Heddle Knowledge Private Limited**
Serial No. ↓	PARTICULARS	$	$	$	$	$	$	$	$	$	$	$
1.	The date since when subsidiary was acquired	01.04.2009	09.04.2007	01.04.2009	01.04.2009	29.11.2014 **	14.12.2007	31.03.2001	11.01.2008	12.11.2007	01.04.2009	01.04.2009
2.	Reporting period of the subsidiary concerned, if different from the holding company's reporting period	31.03.2018	31.03.2018	31.03.2018	31.03.2018	31.03.2018	31.03.2018	31.03.2018	31.03.2018	31.03.2018	31.03.2018	31.03.2018
3.	Reporting currency	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR
4.	Share Capital	5.00	26.76	230.50	259.75	1.00	5.00	5.00	1620.27	10.00	1.00	1.00
5.	Reserves and Surplus	(182.21)	(1177.59)	(86.91)	(329.58)	(1322.22)	(877.15)	494.06	(743.98)	417.67	(209.71)	(1009.25)
6.	Total Assets (including investments)	1.66	641.91	6119.99	10148.38	14718.18	52.45	612.28	2807.13	676.42	583.94	4135.48
7.	Total Liabilities	178.87	1792.74	5976.40	10218.21	16039.40	924.60	113.22	1930.84	248.75	792.65	5143.73
8.	Investments	—	62.60	0.10	0.10	—	—	16.01	—	0.10	0.10	0.52
9.	Turnover / Total Income	—	183.99	4958.81	10395.55	1122.18	—	96.79	8.91	175.98	681.21	4726.08
10.	Profit / (Loss) before Taxation	(0.15)	32.09	(3259.65)	(2171.02)	64.31	(5.81)	2.84	(3.41)	168.15	(177.22)	(10.13)
11.	Provision for Taxation (Add)/Less	—	(29.65)	—	—	—	—	—	(116.69)	46.35	—	—
12.	Profit / (Loss) after Taxation	(0.15)	61.74	(3259.65)	(2171.02)	64.31	(5.81)	2.84	113.28	121.80	(177.22)	(10.13)
13.	Proposed Dividend	—	—	—	—	—	—	—	—	—	—	—
14.	% of shareholding #	100%	88.27%	2.17 *	0.38 % *	100%	100%	100%	74%	100%	100%	100%

$ - based on management accounts for F. Y. 2017-2018.

* - considered as subsidiaries under Section 2 (87) (i) of the Companies Act, 2013.

- total share capital = equity share capital + convertible preference share capital.

FORM NO. – AOC - 1

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule (5) of the Companies (Accounts) Rules , 2014)

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES / ASSOCIATES COMPANIES / JOINT VENTURES

PART 'A' – SUBSIDIARIES

(₹ in lakh)

	Name of Subsidiaries →	**Heet Builders Private Limited**	**India Development and Construction Venture Capital Private Limited**	**Joynest Premises Private Limited**	**Upvan Lake Resorts Private Limited**	**Urvi Build Tech Limited**	**Vama Housing Limited**	**Vega Developers Private Limited**	**Vishal Techno Commerce Limited**	**Yantti Buildcon Private Limited**
Serial No. ↓	PARTICULARS	$	$	$	$	$	$	$	$	$
1.	The date since when subsidiary was acquired	06.12.2002	01.04.2009	15.02.2013	18.02.2010	28.04.2008	31.03.2002	10.07.2010	30.06.2006	20.01.2010
2.	Reporting period of the subsidiary concerned.	31.03.2018	31.03.2018	31.03.2018	31.03.2018	31.03.2018	31.03.2018	31.03.2018	31.03.2018	31.03.2018
3.	Reporting currency	INR	INR	INR	INR	INR	INR	INR	INR	INR
4.	Share Capital	5.00	5.00	10471.95	1.20	5.00	5.00	300.00	5.00	5.00
5.	Reserves and Surplus	(484.75)	(28.20)	(1406.75)	(25.16)	(85.41)	(275.52)	(11.57)	1980.69	(71.98)
6.	Total Assets (including investments)	34706.58	—	26468.73	16.71	1160.82	189.68	1865.20	27753.44	5746.57
7.	Total Liabilities	35186.33	23.20	17403.53	40.67	1241.23	460.20	1576.77	25767.75	5813.55
8.	Investments	0.10	—	—	0.10	—	124.50	0.10	34.78	0.10
9.	Turnover / Total Income	1158.77	—	430.83	12.65	967.10	49.50	0.13	8147.92	0.38
10.	Profit / (Loss) before Taxation	(107.27)	(0.21)	(205.21)	11.93	875.07	42.14	(0.65)	(95.65)	(18.16)
11.	Provision for Taxation (Add)/Less	—	—	—	3.08	88.20	10.88	—	(7.36)	—
12.	Profit / (Loss) after Taxation	(107.27)	(0.21)	(205.21)	8.85	786.87	31.26	(0.65)	(103.01)	(18.16)
13.	Proposed Dividend	—	—	—	—	—	—	—	—	—
14.	% of shareholding #	94.40 %	100 %	62.07 %	75 %	100 %	100 %	100 %	100 %	100 %

$ - based on management accounts for F. Y. 2017-2018.

- total share capital = equity share capital + convertible preference share capital.

Notes :

1. Names of Subsidiaries which are yet to commence operations : Nil
2. Names of Subsidiaries which have been liquidated or sold during the year : Nil

FORM NO. – AOC - 1

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule (5) of the Companies (Accounts) Rules, 2014)

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES / ASSOCIATES COMPANIES / JOINT VENTURES

PART 'B' – ASSOCIATES AND JOINT VENTURES

(₹ in lakh)

	Name of Associates / Joint Ventures →	**Giraffe Developers Private Limited**	**Subhsiddhi Builders Private Limited**	**Vinca Developer Private Limited**	**Whitebud Developer Private Limited**	**Hubtown Bus Terminal (Adajan) Private Limited**	**Hubtown Bus Terminal (Ahmedabad) Private Limited**	**Hubtown Bus Terminal (Mehsana) Private Limited**	**Hubtown Bus Terminal (Vadodara) Private Limited**	**Joyous Housing Limited**	**Rare Townships Private Limited**
Serial No. ↓	PARTICULARS	$	$	$	$	$	$	$	$	$	$
1.	Latest Audited Balance Sheet Date	31.03.2018	31.03.2018	31.03.2018	31.03.2018	31.03.2018	31.03.2018	31.03.2018	31.03.2018	31.03.2018	31.03.2008
2.	Date on which the Associate or Joint Venture was associated or acquired	01.03.2018	29.11.2014	23.11.2009	20.08.1999	18.03.2009	17.05.2010	18.03.2009	18.03.2009	30.04.2004	27.03.2006
3.	Share of associate / joint venture held by the Company at the year end										
	• Nos.	7353	5000	6095	25000	165463	25000	150000	165275	25000	3262270
	• Amount of Investment in Associates / Joint Venture	5004.79	0.50	0.61	2.50	1062.49	2133.00	634.00	597.29	25.00	7445.84
	• Extent of Holding %	7.20%	50%	0.05%	50%	47.28%	46.30%	42.86%	47.22%	25%	35.10%
4.	Description of how there is significant influence *	See note (1) below									
5.	Reason why the associate / joint venture is not consolidated	—	—	—	—	—	—	—	—	—	—
6.	Networth attributable to shareholding as per latest audited balance sheet	1516.41	(226.06)	0.09	(30.25)	725.45	5192.37	985.71	123.24	901.18	6436.20
7.	Profit / (Loss) for the year	(694.23)	(2.37)	(0.33)	71.79	7.60	9.20	9.27	10.52	(89.64)	(145.78)
	Considered in consolidation	(340.70)	-	-	-	7.19	8.07	9.20	10.34	-	(146.69)
	Not considered in consolidation	(353.53)	(2.37)	(0.33)	71.79	0.41	1.13	0.07	0.18	(89.64)	0.91

$ - based on management accounts for F. Y. 2017-2018.

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.
2. Names of associates or joint ventures which are yet to commence operations : Nil
3. Names of associates or joint ventures which have been liquidated or sold during the year : Nil

FORM NO. – AOC - 1

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule (5) of the Companies (Accounts) Rules, 2014)

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES / ASSOCIATES COMPANIES / JOINT VENTURES

PART 'B' – ASSOCIATES AND JOINT VENTURES

(₹ in lakh)

	Name of Associates / Joint Ventures →	**Sunstream City Private Limited**	**Twenty Five South Realty Limited**
Serial No. ↓	PARTICULARS	$	
1.	Latest Audited Balance Sheet Date	31.03.2018	31.03.2018
2.	Date on which the Associate or Joint Venture was associated or acquired	20.05.2010	23.06.2015
3.	Share of associate / joint venture held by the Company at the year end		
	• Nos.	122000	22859
	• Amount of Investment in Associates / Joint Venture	12.20	29208.14
	• Extent of Holding %	40.67%	47.49%
4.	Description of how there is significant influence *	See note (1) below	
5.	Reason why the associate / joint venture is not consolidated	—	—
6.	Networth attributable to shareholding as per latest audited balance sheet	(208.01)	8117.55
7.	Profit / (Loss) for the year	(3.21)	(328.01)
	Considered in consolidation	-	(329.01)
	Not considered in consolidation	(3.21)	1.00

$ - based on management accounts for F. Y. 2017-2018.

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.

For and on behalf of the Board

Hemant M. Shah
Executive Chairman

Vyomesh M. Shah
Managing Director

Chetan S. Mody
Company Secretary

Nancy Pereira
Chief Financial Officer

Mumbai, May 29, 2018

HUBTOWN

[CIN : L45200MH1989PLC050688]

Registered Office : Plaza Panchsheel, 'A' Wing, 5th floor, Hughes Road, Behind Dharam Palace
Grant Road (West), Mumbai 400007 Phone: + 91 22 66040800; Fax: + 91 22 66040812;
E-mail : investorcell@hubtown.co.in ; Website : www.hubtown.co.in

E - Communication Registration Form

Dear Shareholder(s),

We draw your attention to the provisions of Sections 101 and 136 of the Companies Act, 2013 read with the relevant Rules thereunder, whereby companies can serve Annual Reports and other communications through electronic mode to those shareholders who have registered their e-mail address with the Company's Registrar and Transfer Agent (RTA) or with their respective Depository Participants (DP).

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 : _____, 2018

Important Notes :

1. Members holding shares in demat form are requested to address and send the E-communication registration form to their respective depository participants (DP). Members are requested to keep the DP/RTA informed as and when there is any change in the e-mail address.
2. The above e-mail address will be registered, subject to verification of your signature with the specimen signature registered with the Company.
3. On registration, all communication will be sent to the e-mail id registered in the Folio No./DP ID and Client ID.

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HUBTOWN

To:

Link Intime India Private Limited
Unit : Hubtown Limited
C-101, 247 Park,
L. B. S. Marg, Vikhroli (West),
Mumbai - 400 083

Mandate Form

Electronic Clearing Service (ECS)

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.

_____

Signature of the Sole / First Shareholder

Date: _____

Name: _____

Address: _____

_____

_____

_____

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HUBTOWN

(CIN : L45200MH1989PLC050688)
Registered Office : Plaza Panchsheel, 'A' Wing, 5th floor, Hughes Road, Behind Dharam Palace, Grant Road (West), Mumbai 400007 Phone: + 91 22 66040800; Fax: + 91 22 66040812;
E-mail : investorcell@hubtown.com; Website : www.hubtown.co.in

Proxy Form

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

Name of the Member(s) : _____

Registered Address : _____

_____

E-mail ID : _____

Folio / DP ID and Client ID : _____

I/We, being the holders of _____ shares of the above named Company, hereby appoint :

1.	Name	Address
	E-mail ID	Signature or failing him/her;
2.	Name	Address
	E-mail ID	Signature or failing him/her;
3.	Name	Address
	E-mail ID	Signature

as my/our Proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Thirtieth Annual General Meeting of the Company to be held on THURSDAY, SEPTEMBER 27, 2018 at 10.00 a.m. at 'Walchand Hirachand Hall', 4th floor, Indian Merchants' Chamber Building, Indian Merchant Chamber Marg, Churchgate, Mumbai 400 020 and at any adjournment thereof in respect of such resolutions and in such manner as indicated on the reverse :

P.T.O

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, 2018 together with the reports of the Board of Directors and Auditors thereon; and		
	Adoption of the Audited Consolidated Financial Statements for the year ended March 31, 2018 together with the reports of the Board of Directors and Auditors thereon		
2.	Reappointment of Mr. Vyomesh M. Shah as a Director retiring by rotation.		
Special Business			
3.	Appointment of Mr. Shailesh Hingarh as Non-Executive Independent Director.		
4.	Payment of commission to Non-Executive Directors.		
5.	Ratification of remuneration payable to the Cost Auditor.		
6.	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 _____ 2018.

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 30th Annual General Meeting

HUBTOWN

[CIN : L45200MH1989PLC050688]

Registered Office : Plaza Panchsheel, 'A', Wing 5th floor, Hughes Road, Behind Dharam Palace,
Grant Road (West), Mumbai 400007
Phone: + 91 22 66040800; Fax: + 91 22 66040812; CIN : L45200MH1989PLC050688
E-mail : investorcell@hubtown.co.in ; Website : www.hubtown.co.in

Thirtieth Annual General Meeting – Thursday, September 27, 2018

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 Thirtieth Annual General Meeting (AGM) of the Company to be held on **Thursday, September 27, 2018 at 10.00 a.m.** in respect of businesses as stated in the Notice dated **May 29, 2018**, by conveying my/ our assent or dissent to the said resolutions by placing the tick (√) mark in the appropriate boxes given below :

No.	Item No.	No. of shares held	I/We assent to the resolution [FOR]	I/We dissent to the resolution [AGAINST]
1.	Adoption of the Audited Financial Statements for the year ended March 31, 2018 together with the reports of the Board of Directors and Auditors thereon.			
	Adoption of the Audited Consolidated Financial Statements for the year ended March 31, 2018 together with the reports of the Board of Directors and Auditors thereon.			
2.	Reappointment of Mr. Vyomesh M. Shah as a Director retiring by rotation.			
3.	Appointment of Mr. Shailesh Hingarh as Non-Executive Independent Director.			
4.	Payment of commission to Non-Executive Directors.			
5.	Ratification of the remuneration payable to the Cost Auditor.			
6.	Authority to the Board of Directors to make offer(s) or invitation for subscription to Non-convertible Debentures on private placement basis.			

(Signature of the Member / Beneficial owner)

Place :

Date :

Note : Please read the instructions printed overleaf carefully before exercising your vote.

INSTRUCTIONS

1. The Ballot Form is provided for the benefit of the members who do not have access to e-voting facility.

2. A member can opt for only one mode of voting i.e. either through e-voting or by ballot or by physically voting at the AGM. If a member casts multiple votes, then voting done 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 Wednesday, September 26, 2018 [5.00 p.m. IST]. No other form or photocopy thereof is permitted.

5. Ballot Forms received after the said date / time shall be strictly treated as if the reply from the members has not been received.

6. The Ballot Form should be signed by the member as per the specimen signature registered with the Company/Depositories. In case of jointholding, the Form should be completed and signed by the first named member and in his/her absence, by the next named jointholder. A Power of Attorney holder (POA) may vote on behalf of a member, mentioning the registration no. of the POA registered with the Company or enclosing an attested copy of the POA. Exercise of votes by Ballots not permitted through proxy.

7. In case the shares are held by companies, trusts, etc., the duly completed Ballot Form should be accompanied by a certified copy of the relevant Board Resolution / Authorization.

8. Votes should be cast in case of each resolution, either in favour or against by putting the tick (√) mark in the appropriate column provided in the Ballot Form.

9. The voting rights of the shareholders shall be in proportion of the share held by them in the paid-up equity share capital of the Company as on September 20, 2018 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.

HUBTOWN

HUBTOWN LIMITED

Regd Office: Plaza Panchsheel, 'A' Wing, 5th Floor, Hughes Road
Behind Dharam Palace, Grant Road (West), Mumbai 400007
www.hubtown.co.in.