

To,  
The DCS-Corporate Relationship Department,  
BSE Limited,  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai-400001.

3<sup>rd</sup> October, 2017

**SUB: ANNUAL REPORT OF ELDECO HOUSING AND INDUSTRIES LIMITED FOR  
THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

**REF: REGULATION 34(1) OF SECURITIES AND EXCHANGE BOARD OF INDIA  
(LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS)  
REGULATIONS, 2015**

Dear Sir,

Apropos above, please find enclosed herewith the copy of Annual Report of the Company for the year ended 31<sup>st</sup> March, 2017 duly approved and adopted by the members as per the provisions of Companies Act, 2013.

Kindly take the above information on record and oblige.

Thanking you.

Yours faithfully,

For **Eldeco Housing and Industries Limited**

For Eldeco Housing & Industries Ltd.

A handwritten signature in blue ink, appearing to read 'Chandni'.

**Chandni Vij** Company Secretary  
**Company Secretary**

Encl: a/a

**Eldeco Housing & Industries Ltd.**





Eldeco Elegante

Eldeco Regalia



Eldeco Shaurya

Eldeco Samridhi



Eldeco Eternia



Eldeco Saubhagyam

# Annual Report 2016 - 2017



## ● BOARD OF DIRECTORS ●

|                      |                                |                    |          |
|----------------------|--------------------------------|--------------------|----------|
| Mr. Pankaj Bajaj     | Chairman cum Managing Director | Mr. Ranjit Khattar | Director |
| Mr. Shrikant Jajodia | Director                       | Mr. Anil Tiwari    | Director |
| Mr. Rahul Aggarwal   | Director                       | Ms. Rupali Chopra  | Director |
| Mr. Ashish Jain      | Director                       |                    |          |

### Company Secretary

Ms. Chandni Vij

### Chief Financial Officer

Mr. Sushil Dutt Mishra

### Statutory Auditor

M/s Doogar & Associates

Chartered Accountants

13, Community Centre, East of Kailash New Delhi – 110065

### Registrar and Share Transfer Agent

M/s Skyline Financial Services Pvt. Ltd.

D-153A, 1st Floor, Okhla Industrial Area,

Phase-I, New Delhi – 110 020.

Ph. : 011-26812682-83

### Stock Exchanges where Company is Listed

#### BSE Limited

Phiroze Jeejeebhoy Towers

Dalal Street, Mumbai – 400 001

### Bankers

State Bank of India

Punjab National Bank

ICICI Bank

HDFC Bank

### Registered Office

S-16, Second Floor, Eldeco Station 1,

Site No. 1, Sector 12, Faridabad,

Haryana-121007

### Corporate Office

2nd Floor, Eldeco Corporate Chamber-I,

(Opp. Mandi Parishad) Vibhuti Khand, Gomti Nagar,

Lucknow – 226 010

### Divisions

- Virendra Smriti Complex, First Floor, 15/54-B, Civil Lines, Kanpur – 208 001
- 201-212, 2nd Floor, Splendor Forum, Jasola District Centre, New Delhi- 110 025

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## **NOTICE**

Notice is hereby given that the **32nd Annual General Meeting** of the Members of **Eldeco Housing and Industries Limited** will be held on Friday, 29th September, 2017 at 2.00 P.M. at Park Plaza, Plot No. 1, Sector -21 C, Faridabad, Haryana- 121003 to transact the following businesses:

### **ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2017 and the Statement of Profit and Loss Account and Cash Flow Statement for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To confirm Interim Dividend paid on Equity Shares during the Financial Year 2016-17.
3. To appoint a Director in place of Mr. Shrikant Jajodia (holding DIN: 00602511), who retires by rotation and being eligible offers himself for re-appointment.
4. Appointment of Statutory Auditors in place of retiring auditors and fixation of remuneration  
To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:  
**"RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions of the Companies Act, 2013 and rules made thereunder and considering the recommendation made by the Audit Committee, M/s BSD & CO., Chartered Accountants (Firm Registration No.000312S), be and is hereby appointed as Statutory Auditors of the Company in place of retiring auditors to hold office for a term of five years i.e from the conclusion of this Annual General Meeting ("AGM") till the conclusion of the 37th AGM of the Company to be held in the year 2022 (subject to ratification of their appointment at every AGM), at such remuneration as may be mutually agreed between the Board of Directors of the Company and the said Auditors."

### **SPECIAL BUSINESS**

5. To consider and if thought fit to pass with or without modification(s), the following resolution as a Special Resolution:  
**"RESOLVED THAT** pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act 2013, the consent of the members of the Company, be and is hereby accorded to the Board of Directors of the Company to borrow any sum or sums of money, by way of loans and other finance facilities, from time to time as the Company deems requisite for the purpose of the business of the Company from Banks and/or Financial Institutions and/or any other lending institutions and/or Bodies Corporate and/or other persons/ individuals, notwithstanding that moneys to be borrowed together with moneys already borrowed (apart from temporary loans obtained from Company's bankers in the ordinary course of business) may and/or will exceed the aggregate of the paid up share capital of the Company and its free reserves (reserves not set apart for any specific purpose) on such terms and conditions as to interest, repayment, security or otherwise as the Board may think fit in the overall interest of the Company provided that the total amount upto which moneys may be borrowed & outstanding at any time shall not exceed the sum of Rs. 500 Crores (Rupees Five Hundred Crores Only).  
**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorised under Section 180(1) (a) and other applicable provisions of the Companies Act, 2013 to mortgage any of the properties or any/all of the undertakings of the Company in favour of aforesaid Banks and/or Financial Institutions and/or any other lending institutions and/or Bodies Corporate and/or persons/ individuals to secure the aforesaid loans and other finance facilities.  
**RESOLVED FURTHER THAT** Board of Directors and Company Secretary of the Company, be and is hereby jointly/severally authorized to take all necessary steps to give effect to the aforesaid resolution."

6. To consider, and if thought fit, to pass the following resolutions, with or without modification(s) as a Ordinary Resolution:  
“**RESOLVED THAT** the consent of the members of the Company be and is hereby accorded to appoint Mr. Pankaj Bajaj, the Managing Director of the Company as the Executive Chairman of the Company with effect from 26th May, 2017.  
**RESOLVED FURTHER THAT** Board of Directors and Company Secretary of the Company, be and is hereby jointly/severally authorized to take all necessary steps to give effect to the aforesaid resolution.”

**Regd. Office:**  
S-16, Second Floor  
Eldeco Station 1, Site No.1  
Sector-12, Faridabad-121007  
Haryana

**Date:** 21st August, 2017  
**Place:** New Delhi

By order of the board  
For **Eldeco Housing and Industries Ltd**

**Chandni Vij**  
Company Secretary

## **NOTES**

1. The Register of Members and the Share Transfer books of the Company will remain closed from 23rd September, 2017 to 29th September, 2017 (both days inclusive).
2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 which sets out details relating to Special Business at the meeting, is annexed hereto.
3. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY/PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY/PROXIES NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of member(s).

The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the Companies, Societies etc., must be supported by an appropriate Resolution/authority, as applicable

4. Members holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars cannot act on any request receiving directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the Members. Members holding shares in physical form and desirous of either registering bank particulars or changing bank particulars already registered against their respective folios for payment of dividend are requested to write to the Company.
5. The amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund (IEPF), constituted by the Central Government. The Company had, accordingly, transferred Rs. 1,53,610/- being the unpaid and unclaimed dividend amount pertaining to Dividend 2009 to the Investor Education and Protection Fund of the Central Government.
6. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any members as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
7. The Securities and Exchange Board of India (SEBI) 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 Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
8. Electronic copy of the Annual Report for 2016-17 is being sent to all the members whose Email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2016-17 is being sent in the permitted mode.
9. The Company has paid the Annual Listing Fee for the financial year 2017-18 to the Bombay Stock Exchange Limited on which the Company's Securities are presently listed.
10. Voting through electronic means
- I. In compliance with provisions of Regulation 44 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management & Administration) Rules, 2014, as substituted by the Companies (Management and Administration) Rules, 2015, the Company is providing the shareholders facility to exercise their right to vote on Resolutions proposed to be considered at the forthcoming Annual General Meeting by electronic means and the business may be transacted through remote e-voting platform provided by Central Depository Services (India) Limited (CDSL).

- II. That the facility for voting, through Ballot Paper shall also be made available at the Meeting & Members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting through Ballot Paper.
- III. That the Members who have cast their vote by remote e-voting prior to the Meeting may also attend the meeting but shall not be entitled to cast their vote again.

**The process and manner for e-voting are as under:**

- i) The voting period begins on 26th September, 2017 (9:00 AM) and ends on 28th September, 2017 (5:00 PM). During this period Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 22nd September, 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii) The Members should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- iii) Click on "Shareholders" Tab.
- iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- v) Next enter the Image Verification as displayed and click on Login.
- vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- vii) If you are a first time user follow the steps given below:

|                       | <b>For Members holding shares in Demat Form and Physical Form</b>  |
|-----------------------|--|
| PAN                   | <p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <p>•Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the Folio number / Client ID in the PAN Field.</p> <p>•In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with Folio/ Client ID 1 then enter RA00000001 in the PAN Field.</p> |
| DOB                   | <p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p>   |
| Dividend Bank Details | <p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <p>•Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id/ folio number in the Dividend Bank details field as mentioned in instruction (iv).</p>  |

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 for 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 for **Eldeco Housing and Industries 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 out print of the voting done by you by clicking on “**Click here to print**” option on the Voting page.
  - xvii) If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on **Forgot Password** & enter the details as prompted by the system.
  - xviii) Note for Non-Individual Shareholders & Custodians:
    - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporate and Custodians respectively.
    - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
    - After receiving the login details, a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
    - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
    - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
11. The Voting Rights of the Members shall be in proportion to their shares of the paid up equity share capital of the company as on the cut-off date i.e. 22nd September, 2017.
12. A person whose name is recorded in the Registrar of Members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting in the Annual General Meeting through ballot paper.
13. M/s Kumar Gaurav Agarwal & Co., Chartered Accountants, New Delhi, has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
14. The Chairman shall, at the Annual General Meeting, at the end of discussion on the Resolutions on which voting is to be held, allow voting, with the assistance of Scrutinizer, by use of “ballot paper” or “polling paper” for all those Members who are present at the annual general meeting but have not cast their votes by availing the remote e-voting facility.
15. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses, not in the employment of the



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Company and shall make not later than three days of conclusion of the AGM , a consolidated Scrutinizer's Report of the total votes cast in favour or against , if any , to the Chairman or a person authorized by him in writing who shall countersign the same and declare the result of voting forthwith.

16. The Results along with the Scrutinizer's Report shall be placed on the Company's website [www.eldecogroup.com](http://www.eldecogroup.com) and on the website of CDSL immediately after declaration of results and communicated to the Stock Exchanges.
17. All the documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hour between 11.00 am to 1.00 pm up to and including the date of Annual General Meeting.
18. As a measure of economy, copies of Annual Report will not be distributed at the venue of the Annual General Meeting. Members are, therefore, requested to bring their own copies of the Annual Report to the meeting.
19. In case you have any query relating to the enclosed Annual Accounts you are requested to send the same to the Company Secretary at the Registered Office of the Company at least 10 days before the date of Annual General Meeting so as to enable the management to keep the information ready for replying at the meeting.

## **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

### **Item No. 5**

The Members are informed that keeping in view the Company's existing and future financial requirements to support its business operations, the Company needs additional funds. For this purpose, the Company is desirous of raising finance from various Banks and/or Financial Institutions and/or any other lending institutions and/or Bodies Corporate and/or such other persons/ individuals as may be considered fit, which, together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid-up capital and the free reserves of the Company. Hence it is proposed to increase the maximum borrowing limits upto Rs.500 crores (Rupees Five Hundred Cores only)

It is further informed that in terms of the provisions of Section 180(1)(c) of the Companies Act, 2013, a Company cannot borrow more than the aggregate amount of its paid-up capital and free reserves (apart from temporary loans obtained from company's bankers in the ordinary course of business) at any one time except with the consent of the members of the Company by a Special Resolution.

In order to facilitate securing the aforesaid borrowing/s, it may be required to create charge on the properties or whole/substantially the whole of the undertaking of the Company. Section 180(1)(a) of the Companies Act, 2013 provides for the power to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company subject to the approval of members in the general meeting.

In view of the above, the members are requested to approve the aforesaid limit and accordingly, the proposed resolution is placed for your approval as a Special Resolution.

No Director, Key managerial personnel or their relatives respectively is in any way interested or concerned in the proposed resolution.

### **Item No. 6**

The Members are informed that in the 31st Annual General Meeting of the Company duly held on 2nd September, 2016, Mr. Pankaj Bajaj was re-appointed as the Managing Director of the Company for the period of five years commencing from 15th May, 2016.

It is further informed that since Mr. Pankaj Bajaj plays a significant role in the growth and efficient management of the Company, the Board of Directors of the Company at their meeting held on 26th May, 2017 recommended to appoint him as the Executive Chairman of the Company.

In view of the above, the members are requested to approve the aforesaid appointment and accordingly, the proposed resolution is placed for your approval as a Ordinary Resolution.

No Director, Key managerial personnel or their relatives except Mr. Bajaj and his relatives respectively is in any way interested or concerned in the proposed resolution.

**DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE  
FORTHCOMING ANNUAL GENERAL MEETING**

**[Pursuant to Regulation 36(3) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]**

|   |   |
|---|---|
| Name of Director  | MR.SHRIKANT JAJODIA   |
| DIN   | 00602511  |
| Date of Birth   | 22/12/1963  |
| Father's Name   | Shri Purushottam Brijmohandas Jajodia   |
| Date of Appointment   | 01/10/2013  |
| Designation   | Director  |
| Experience in specific Functional areas   | 13 years experience in Real Estate Industry and more than 14 years experience in Multinational and FMCG companies at Senior Management level. |
| Qualification   | Masters Degree in Management from Boston University   |
| Disclosure Of Relationships Between Directors Inter-Se  | N.A.  |
| Directorship in other Public Limited Companies/excluding private companies which are subsidiary of public company | 1.Eldeco Townships And Housing Limited<br>2.Eldeco County Limited   |
| Member/Chairman of Committee of the Board of the Public Limited Companies on which he is Director                 | NIL   |
| No. of Shares Held in the Company   | NIL   |



**DETAILS OF SHAREHOLDING/ OTHER CONVERTIBLE INSTRUMENTS OF  
NON-EXECUTIVE DIRECTORS OF THE COMPANY**

| <b>S.No.</b> | <b>Name of Director</b> | <b>No. of Equity Shares</b> | <b>Other convertible instruments</b> |
|--------------|-------------------------|-----------------------------|--------------------------------------|
| 1.           | Mr. Shrikant Jajodia    | Nil                         | Nil                                  |
| 2.           | Mr. Anil Tewari         | Nil                         | Nil                                  |
| 3.           | Mr. Rahul Aggarwal      | Nil                         | Nil                                  |
| 4.           | Mr. Ashish Jain         | Nil                         | Nil                                  |
| 5.           | Mr. Ranjit Khattar      | Nil                         | Nil                                  |
| 6.           | Ms. Rupali Chopra       | Nil                         | Nil                                  |

## **DIRECTORS' REPORT**

### **Dear Members**

Your Directors have the pleasure in presenting the 32nd Annual Report of your Company together with the Audited Annual Accounts for the financial year ended 31st March, 2017.

### **Financial Highlights**

The summarized financial results for the year ended 31st March, 2017 and for the previous year ended 31st March, 2016 are as follows:

(Rs. in Lacs)

| Particulars  | Financial Year ended             |                                |                                  |                                |
|--|----------------------------------|--------------------------------|----------------------------------|--------------------------------|
|  | 31st March, 2017<br>Consolidated | 31st March, 2017<br>Standalone | 31st March, 2016<br>Consolidated | 31st March, 2016<br>Standalone |
| <b>Revenue:</b>  |                                  |                                |                                  |                                |
| 1) Revenue from operations   | 16908.95                         | 7270.28                        | 14096.10                         | 6797.54                        |
| 2) Other Income  | 515.64                           | 148.32                         | 808.10                           | 156.15                         |
| <b>Total Revenue</b>   | <b>17424.59</b>                  | <b>7418.60</b>                 | <b>14904.20</b>                  | <b>6953.69</b>                 |
| <b>Expenses:</b>   |                                  |                                |                                  |                                |
| 1) Expenditure   | 12482.32                         | 4537.55                        | 10014.16                         | 5424.56                        |
| 2) Changes in Inventories of<br>Finished Stock & Project in Progress | 1248.05                          | 1474.13                        | 1867.19                          | 694.07                         |
| <b>Total Expenses</b>  | <b>13730.37</b>                  | <b>6011.68</b>                 | <b>11881.35</b>                  | <b>6118.63</b>                 |
| <b>Profit before tax</b>   | <b>3694.21</b>                   | <b>1406.92</b>                 | <b>3022.84</b>                   | <b>835.06</b>                  |
| <b>Tax Expenses:</b>   |                                  |                                |                                  |                                |
| i) Current Tax   | 1275.87                          | 479.44                         | 1012.54                          | 284.70                         |
| ii) Tax related to previous years                                    | 29.14                            | -                              | 1.26                             | -                              |
| iii) Deferred Tax  | 17.60                            | 18.84                          | 16.29                            | 17.55                          |
| <b>Profit After Tax</b>  | <b>2371.60</b>                   | <b>908.64</b>                  | <b>1992.75</b>                   | <b>532.81</b>                  |
| Previous Balance in Profit & Loss Account                            | 9165.76                          | 6433.15                        | 7369.07                          | 6337.05                        |
| Minority Interest  | -96.61                           | -                              | -0.01                            | -                              |
| Shares of Profits of Associates (Net)                                | -                                | -                              | 57.15                            | -                              |
| Profit available for appropriation                                   | 9069.15                          | 6433.15                        | 7426.21                          | 6337.05                        |
| Less:  |                                  |                                |                                  |                                |
| Proposed dividend/   |                                  |                                |                                  |                                |
| Interim Dividend   | 245.82                           | 245.83                         | 196.66                           | 196.66                         |
| Tax on:  |                                  |                                |                                  |                                |
| proposed dividend/   |                                  |                                |                                  |                                |
| Interim Dividend   | 50.04                            | 50.04                          | 40.04                            | 40.04                          |
| Transfer to general reserve  | 250                              | 250                            | 200                              | 200                            |
| Balance in Profit & Loss Account                                     | 10684.89                         | 6795.92                        | 9165.76                          | 6433.16                        |
| Earning per share (Rs.)  | 115.68                           | 46.20                          | 104.24                           | 27.09                          |
| Dividend per Share (Rs.)   | -                                | -                              | -                                | -                              |

### **Year in Retrospect**

During the year under review, your Company recorded on Consolidated basis total revenue of Rs. 17424.59 lacs including other income of Rs. 515.64 lacs as against total revenue of Rs. 14904.20 lacs including other income of Rs. 808.10 lacs of the previous financial year ended 31st March, 2016. There is a growth in the profit for the year ended 31st March, 2017 amounting to Rs. 2371.60 lacs as compared to the previous financial year profit ended 31st March, 2016 amounting to Rs. 1992.75 lacs.

Further, your Company recorded on Standalone basis total revenue of Rs. 7418.60 lacs including other income of Rs. 148.32 lacs as against total revenue of Rs. 6953.69 lacs including other income of Rs. 156.15 lacs of the previous financial year ended 31st March, 2016. There is a growth in the profit for the year ended 31st March, 2017 at Rs. 908.64 lacs as compared to the financial year profit ended 31st March, 2016 at Rs. 532.81 lacs.

The operational performance of the Company has been comprehensively covered in the Management Discussion and Analysis Report.

### **Board Evaluation**

Pursuant to the provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of its committees. The evaluation criteria, inter-alia, covered various aspects of the board's functioning including its composition and quality, understanding business and risks, process and procedure, oversight of financial reporting process including internal controls and audit functions, Ethics and compliance and monitoring activities.

The performance of individual Directors was evaluated on parameters, inter-alia such as regularity, preparatory, participation at the Board meetings, timely execution of action items, recommendations and their periodic update to the Board, effective and successful relationships and communication with fellow Board members and senior management quality and value of their contributions at board meetings, adherence to the Company's policies and resolutions, devoting time and effort to understand the company and its business etc.

### **Material Changes etc.**

Same as mentioned elsewhere in this Report, no material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year of the Company 31st March, 2017 and the date of the Report.

### **Dividend**

The Board in its Meeting held on February 14, 2017 declared an interim dividend of Rs. 12.5/- per Equity Share. Further the Board has not recommended any dividend for the financial year ended 31<sup>st</sup> March, 2017.

### **Transfer to Investors Education and Protection Fund**

Pursuant to the provisions of Section 205(A)(5) and 205(C) of the Companies Act, 1956, relevant amounts which remained unpaid or unclaimed for a period of seven years have been transferred by the Company, from time to time on due dates, to the Investor Education and Protection Fund.

Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on September 02, 2016 (date of last Annual General Meeting) on the Company's website ([www.eldecogroup.com](http://www.eldecogroup.com)), as also on the Ministry of Corporate Affairs website.

### **Share Capital**



The paid-up equity share capital as on 31st March, 2017 was Rs.196.66 lacs. During the year under review, the Company has neither issued Shares with Differential Voting Rights nor granted Stock Options nor Sweat Equity. As on 31st March, 2017 none of the Directors of the Company held Shares or Convertible instruments of the Company except Mr. Pankaj Bajaj, Chairman cum Managing Director who held 10,68,267 equity shares.

### Public Deposits

No fresh/renewal of deposits was accepted during the financial year 2016-17 from the Public, Shareholders and Employees. There was no unclaimed deposit as at 31st March, 2017, therefore no amount was outstanding as of the Balance Sheet date.

### Directors' & Key Managerial Personnel

#### a) Changes in Directors

- Mr. Shiv Kumar Garg, Whole Time Director, had resigned from the Company on 28th of February, 2017.
- Mr. Arvind Bajaj, Director, had resigned from the Company on 21st of February, 2017.
- In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Shrikant Jajodia, Director (DIN 00602511) of the Company retires by rotation and being eligible, offers himself for reappointment.

All the Independent Directors have given Declarations that they meet criteria of Independence as laid down u/s 149(6) of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Brief resume of the Directors proposed to be reappointed, nature of their expertise in specific functional areas and names of the public companies in which they hold directorships and memberships/ chairmanships of Board/ Committees, are provided in the Report on Corporate Governance forming part of the Annual Report.

#### b) Changes in Company Secretary

There was no change in Company Secretary in the Financial Year 2016-17.

*\*Ms. Naina Tandon, Company Secretary had resigned from the Company on 15th day of June, 2017. The Board vide Resolution dated 27th June, 2017 appointed Ms. Chandni Vij as Company Secretary of the Company with effect from 16th day of June, 2017.*

### Directors' Responsibility Statement

In terms of the provisions of Section 134(3)(c) of the Companies Act, 2013, and to the best of their knowledge and belief and according to the information and explanations obtained by them and save as mentioned elsewhere in this Report, the attached Annual Accounts and the Auditor's Report thereon, your Directors confirm that :

- a. in the preparation of the Annual Accounts for the year ended 31st March, 2017, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b. the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2017 and of the Profit of the Company for the year ended on that date;
- c. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the directors had prepared the annual accounts on a going concern basis : and

- e. the directors, in case of listed companies had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- f. the directors had devised proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

#### **Auditors & Audit**

At the Annual General Meeting of the Company duly held on September 26th, 2014, whereby the Members of the Company approved the appointment of M/s. Doogar & Associates, Chartered Accountants (Firm Registration No.000561N) as Statutory Auditors of the Company till the conclusion of the 32nd Annual General Meeting of the Company to be held in the year 2017.

Since the aforesaid term of M/s. Doogar & Associates, Chartered Accountants (Firm Registration No.000561N) has expired, the Audit Committee in its meeting held on 26th May, 2017 recommended to appoint M/s. BSD & CO. Chartered Accountants (Firm Registration No.000312S) as the Statutory Auditors of the Company to hold office for a tenure of five years for the financial years 2017-2018 to 2021-2022 i.e till the conclusion of the 37th Annual General Meeting of the Company to be held in the year 2022 (subject to ratification of their appointment at every AGM), at such remuneration as may be mutually agreed between the Board of Directors of the Company and the said Auditors.

The observations of the Auditors and the relevant notes on the accounts are self-explanatory and therefore do not call for any further comments.

#### **Secretarial Auditors**

The Board had appointed M/s R. K. Tandon & Associates, Company Secretaries, Lucknow, as Secretarial Auditor pursuant to the provisions of Section 204 of the Companies Act, 2013. Secretarial Audit Report is annexed herewith as 'Annexure A'.

#### **Internal Auditor**

M/s Seth & Associates, Chartered Accountants, Lucknow (Uttar Pradesh) represented by Mr. Dhruv Seth (Membership No. 404028) performs the duties of internal auditors of the Company and their report is reviewed by the Audit Committee from time to time.

#### **Subsidiary Companies**

As on date there are following subsidiaries of the Company:

1. Carnation Realtors Private Limited
2. Deepjyoti Constructions Private Limited
3. Eldeco City Limited\*
4. Facility Constructions Private Limited
5. Fixity Constructions Private Limited
6. Garv Constructions Private Limited
7. Halwasiya Agro Industries Limited
8. Iris Realtors Private Limited
9. Khwahish Constructions Private Limited
10. Neo Realtors Private Limited
11. Neptune Infracon Private Limited
12. Numerous Constructions Private Limited

13. Perpetual Constructions Private Limited
14. Primacy Constructions Private Limited
15. Samarpit Constructions Private Limited
16. Shivaye Constructions Private Limited
17. Suniyojit Constructions Private Limited
18. Sushobhit Constructions Private Limited
19. Swarg Constructions Private Limited
20. Swarnim Nirman Private Limited
21. Villa Constructions Private Limited
22. MAK Sales Private Limited
23. Aaj Constructions Private Limited\*\*
24. Yojna Constructions Private Limited\*\*
25. Flourish Constructions Private Limited\*\*

\*\* Became wholly owned subsidiary on 29.10.2016

**\*Following are the wholly owned subsidiaries of Eldeco City Limited:**

1. Artistry Construction Private Limited
2. Conviction Constructions Private Limited
3. Erudite Constructions Private Limited
4. Frozen Constructions Private Limited
5. Heather Buildcon Private Limited
6. Placate Constructions Private Limited
7. Swarajya Builders Private Limited
8. Dua Constructions Private Limited
9. Utsav Constructions Private Limited
10. Turbo Realtors Private Limited
11. Omni Farms Private Limited\*\*\*

\*\*\*The Parent Company i.e Eldeco Housing and Industries Limited (EHIL) holds 32% equity shares of Omni Farms Private Limited thereby making it as associate and consolidated in the balance sheet as associate. During the year Eldeco City Limited being wholly owned subsidiary of parent company has purchased 51% of equity shares of Omni Farms Private Limited, by virtue of which Eldeco Housing and Industries Limited and Eldeco City Limited together holds 83% of equity shares of Omni Farms Private Limited, thereby making the parent company as the Ultimate Holding Company and Eldeco City Limited as Holding Company. During the year ending 31st March, 2017, Omni Farms Private Limited has been consolidated as Step Down Subsidiary of parent company.

In accordance with the general circular No. 2 and 3 dated 8th February, 2011 and 21st February, 2011 issued by the Ministry of Corporate Affairs, Government of India, the Balance Sheet, Profit and Loss Account and other documents of the subsidiary companies are not being attached with the Balance Sheet of the Company. However the financial information of the subsidiary companies is disclosed in the Annual Report in compliance with the said circular. The Company will make available the Annual Accounts of the subsidiary companies and the related detailed information to any member of the Company who may be interested in obtaining the same. The annual accounts of the subsidiary companies will also be kept open for inspection at the Registered Office of the Company. The Consolidated Financial Statements presented by the Company include the financial results of its subsidiary companies & Associates Companies.

Financial position of the each of the Subsidiaries is provided in a separate statement attached to the Financial Statement pursuant to first proviso to Section 129(3) of the Companies Act, 2013.



### **Consolidated Financial Statements**

In accordance with the Accounting Standard-21, Consolidated Financial Statements read with Accounting Standard-27 on Financial Reporting of Interest in Joint Ventures and Accounting Standard-23 on 'Accounting for Investments in Associates' issued by the Institute of Chartered Accountants of India, your Directors have pleasure in attaching the consolidated financial statements, which form part of the Annual Report & Accounts.

### **Corporate Social Responsibility**

With the enactment of the Companies Act, 2013 and the Companies (Corporate Social Responsibility) Rules, 2014 read with various clarifications issued by the Ministry of Corporate Affairs, every Company having the net worth of Rs.500 crores or more or turnover of Rs.1000 crores or more or net profit of Rs.5 crore or more during any financial year have to spend at least 2% of the average net profit of the Company made during the three immediately preceding financial years.

Accordingly, the Company has to spend an amount of Rs. 17.19 lacs on CSR Activities based on the average profits of the three preceding financial years.

The CSR activities carried/to be carried out by the Company is driven by the expertise of the management. Additionally, the Company gives preference to the local area(s) of its operations for CSR activities. The Company believes that the CSR should be in the field(s) which have substantial social impact and which co-relate with the philosophy of the Company to improve the quality of life.

During the Financial year 2016-17, the Company has spent Rs. 1.12 lacs through Bal Sewa Kendra towards Mid day meals for the poor section of the society. However, for the balance amount, the company could not identify relevant projects, and hence the entire spending prescribed towards CSR could not be made. The details of the Corporate Social Responsibility is annexed as per 'Annexure B'.

### **Corporate Governance**

Your Company has taken adequate steps to ensure compliance with the provisions of Corporate Governance as prescribed under the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, with the Stock Exchanges.

A separate Report on Corporate Governance along with Report on Management Discussion and Analysis is enclosed as part of the Annual Report.

### **Disclosure under Companies Act, 2013**

#### **(i) Extracts of Annual Return**

The details forming Part of the Extracts of Annual Return is annexed as per 'Annexure C'.

#### **(ii) Meetings**

During the year, Eight Board Meetings and Seven Audit Committee Meetings were convened and held. The details of which are given in Corporate Governance Report.

#### **(iii) Composition of Audit Committee**

The Board has constituted an Audit Committee, which comprises of Mr. Anil Tiwari as the Chairman and Mr. Shiv Kumar Garg\* and Mr. Ranjit Khattar as the Members. Other details about the Committee are given in the Corporate Governance Report.

\* Mr. Shiv Kumar Garg resigned w.e.f 28.02.2017. Mr. Pankaj Bajaj & Mr. Ashish Jain were appointed as the Members of the Committee w.e.f. 8th April, 2017.

#### **(iv) Related Party Transactions**

During the year, the Company has not entered into any contracts/arrangement /transactions with its related parties which is material as per Section 188(1) of the Companies Act, 2013. However some transactions undertaken with its wholly owned subsidiaries in the ordinary course of business during the year are detailed in Notes to Accounts of the Financial Statement.

None of the transactions with any of related parties were in conflict with the Company's interest. Suitable disclosure as required by the Accounting Standards (AS18) has been made in the notes to the Financial Statements.

All related party transactions are negotiated on an arms-length basis and are in the ordinary course of business. Therefore, the Provisions of Section 188(1) of the Companies Act, 2013 are not applicable. The details of the transaction with Related Party are provided in the accompanying financial statements.

#### **(v) Particulars of Loans, Guarantees and Investments**

Details of Loans, Guarantees and Investments covered under the Provisions of Section 186 of the Companies Act, 2013 are given in the Financial Statements provided in this Annual Report.

#### **Significant and Material Orders Passed By the Regulators or Courts**

There are no significant, material orders passed by the Regulators or Courts, which would impact the going concern status of the Company and its future operations.

#### **Internal Financial Control**

A detailed note is given under Management Discussion and Analysis Report.

#### **Vigil Mechanism**

Fraud-free and corruption-free work culture has been the core of the Company's functioning. In view of the potential risk of fraud and corruption due to rapid growth and geographical spread of operations, the company has put even greater emphasis to address this risk.

To meet this objective, the Company has established sufficient Vigil Mechanism for the Directors and employees of the Company in compliance of the provisions of Section 177(9) of the Companies Act, 2013.

#### **Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

Sexual Harassment Committee ("Committee") has been set up to redress the complaints regarding sexual harassment. There were no complaint received from any employee during the financial year 2016-17 and hence no complaint is outstanding as on 31st March, 2017 for redressal.

#### **Particulars of employees**

During the financial year under review, none of the Company's employees was in receipt of remuneration as under section 134(3) (q) of the Companies Act, 2013 read with Rule 5(2) & (3) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 and hence no particulars are required to be disclosed in this Report. The Company in total has 40 (Forty) employees on roll as on 31st March, 2017.

#### **Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo**

Information pursuant to Section 134(1)(m) of the Companies Act, 2013 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are given as under:

1. **Conservation of Energy:** Your Company is conscious about energy consumption and environmental issues related with it. It is continuously making sincere efforts towards conservation of energy and optimizing its usage in all aspects of operations.
2. **Technology Absorption:** The Company is taking advantage of the latest developments and advancements in the Construction Industry. The Company is using indigenous technology which is well established in the Country and no foreign technology/ know how was purchased. The Company has not incurred any R & D expenditure during the year.
3. **Export Activities:** There was no export activity in the Company during the year under review. The company is not planning any export in the near future, as well.
4. **Foreign Exchange Earnings and Outgo:** There was no Foreign Exchange Earning and Outgo during the year under review.

#### **Listing**

The Equity shares of the Company are presently listed at BSE Limited. The Company has already paid listing fees of Bombay Stock Exchange for the financial year 2017-2018.

#### **Acknowledgement**

Your Directors take this opportunity to place on record their sincere appreciation for the co-operation and assistance the Company has received from the Bankers and various Government Departments. The Board also places on record its appreciation of the devoted services of the employees; support and co-operation extended by the valued business associates and the continuous patronage of the customers of the Company.

**For & on behalf of the Board  
Eldeco Housing and Industries Limited**

**Date: 21st August, 2017  
Place: New Delhi**

**Pankaj Bajaj  
Chairman cum Managing Director**



## **ANNEXURE –A**

Form No. MR-3

### **SECRETARIAL AUDIT REPORT**

For the Financial Year Ending 31st March, 2017

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

To,  
The Members,  
ELDECO HOUSING AND INDUSTRIES LIMITED,  
S-16, SECOND FLOOR, ELDECO STATION 1,  
SITE NO.1, SECTOR-12, FARIDABAD,  
HARYANA-121007.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Eldeco Housing & Industries Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also information provided by the Company, its Officers, Agents and Authorized Representatives during the conduct of Secretarial Audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2017, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Eldeco Housing & Industries Limited for the financial year ended on 31st March, 2017 according to the provisions of:

- (1) The Companies Act, 2013 (the Act) and the rules made thereunder.
- (2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder.
- (3) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder.
- (4) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.
- (5) The Following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (i) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
  - (ii) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992.
  - (iii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.
  - (iv) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999.
  - (v) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.
  - (vi) 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.
  - (vii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and
  - (viii) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.

(6) OTHER APPLICABLE ACTS:

- (i) National Building Code 2005 & Local Building Bye Laws.
- (ii) Payment of Wages Act, 1936, and rules made thereunder.
- (iii) The Minimum Wages Act, 1948, and rules made thereunder.
- (iv) Employees' State Insurance Act, 1948, and rules made thereunder.
- (v) The Employees' Provident Fund and Miscellaneous Provisions Act, 1952, and rules made thereunder.
- (vi) The Payment of Bonus Act, 1965, and rules made thereunder.
- (vii) Payment of Gratuity Act, 1972, and rules made thereunder.
- (viii) The Water (Prevention & Control of Pollution) Act, 1974, Read with Water (Prevention & Control of Pollution) Rules, 1975.
- (ix) The Transfer of Property Act 1882.
- (x) The Land Acquisition, Rehabilitation & Resettlement Act, 2013.
- (xi) Indian Contract Act, 1872.
- (xii) U.P. Zamindari Abolition Land Reforms Act 1950.
- (xiii) Works of Defence Act, 1903.
- (xiv) The National Highways Authority of India (Amendment) Act, 2013.
- (xv) Forest Conservation Act, 1980.
- (xvi) Registration Act, 1908.
- (xvii) Indian Stamp Act, 1899.
- (xviii) Building & Other Construction Workers' (Regulation of Employment & Conditions of Service) Act, 1996 & Rules, 1998.
- (xix) Building & Other Construction Workers' Welfare Cess Act, 1996.
- (xx) Shops & Establishment Act, 1954.
- (xxi) The Contract Labour (Regulation & Abolition) Act, 1970.
- (xxii) Environment Protection Act, 1986.
- (xxiii) U. P. Apartment (Promotion of Construction, Ownership and Maintenance) Act, 2010.
- (xxiv) Consumer Protection Act, 1986.
- (xxv) Right to Information Act, 2005.
- (xxvi) The Competition Act, 2002.
- (xxvii) The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal Act) 2013.
- (xxviii) The Maternity Benefits Act, 1961.
- (xxix) Air (Prevention & Control of Pollution) Act, 1981.

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

- (i) The Listing Agreements entered into by the Company with Bombay Stock Exchange.

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**COMPLIANCE OF COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES 2014:**

Company spent Rs.111925 during the Financial Year 2016-17 as against 2% of the average net profit of the last three years of the Company, which worked out to Rs. 1719148.579. The Company had adopted CSR policy in its board meeting held on 11th February, 2015, recommended by the CSR committee.

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

We further report that, the Board of Directors of the Company is duly constituted with proper balance of Executive Directors & Non-Executive 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 Companies Act, 2013.

Adequate notice is given to all directors to conduct the Board/General Meetings as per requirement of Secretarial Standards of the Institute of Company Secretaries of India, Agenda and detailed Notes on Agenda were sent in accordance of Law.

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

**For R K Tandon & Associates**

**Place: Lucknow**  
**Dated: 01/08/2017**

**Sd/-**  
**(R K Tandon)**  
**FCS 672**  
**CPNo.3556**

## **ANNEXURE – B**

### **CORPORATE SOCIAL RESPONSIBILITY**

With the enactment of the Companies Act, 2013 and the Companies (Corporate Social Responsibility) Rules, 2014 read with various clarifications issued by the Ministry of Corporate Affairs, every Company having the net worth of Rs.500 crores or more or turnover of Rs.1000 crores or more or net profit of Rs.5 crores or more during any financial year have to spend at least 2% of the average net profit of the Company made during the three immediately preceding financial years.

Accordingly, the details of the expenditure made by the company are as follows:

**1. The Board has approved the CSR Policy of the Company.**

It can be viewed at [www.eldecogroup.com](http://www.eldecogroup.com)

**2. The Composition of the CSR Committee:**

|    |                      |          |
|----|----------------------|----------|
| 1. | Mr. Anil Tiwari      | Chairman |
| 2. | Mr. Pankaj Bajaj     | Member   |
| 3. | Mr. Shiv Kumar Garg* | Member   |

\* Mr. Shiv Kumar Garg resigned w.e.f 28.02.2017. Mr. Shrikant Jajodia was appointed as the Member of the Committee w.e.f. 8th April, 2017.

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

Rs. 8,59,57,428.97

**4. Prescribed CSR expenditure (Two percent of the amount as in the point 3 above):**

Rs. 17,19,148.579/-

**5. Details of the CSR spent during the financial year:**

(a) Total amount to be spent for the financial year: Rs. 17,19,148.579/-

(b) Amount unspent: Rs.16,07,223.579/-

(c) Manner in which the amount is spent during the financial year is Detailed below.

| (1)    | (2)  | (3)                                    | (4)  | (5)   | (6)  | (7)  | (8)   |
|--------|--|--|--|---|--|--|---|
| S. No. | CSR project or activity identified                           | Sector in which the project is covered | Projects and programs (1) Local area or other (2) Specify the state and district where projects and programs was undertaken. | Amount outlay (budget) project or programs wise | Amount spent on the projects or programs Sub heads: (1) Direct expenditure on projects or programs. (2) Overheads: | Cumulative expenditure upto reporting period | Amount spent: Direct or through implementing agency |
| 1.     | Activity - Mid day meals for the poor section of the society | Poverty and Malnutrition               | Lucknow, Uttar Pradesh   | NIL   | Direct expenditure— Rs. 111925/-   | Direct— Rs. 111925/-                         | Direct  |

6. **In case the Company has failed to spent the two-percent:** The Company has spend Rs. 1,11,925/- towards Mid day meals for the poor section of the society. However, for the balance amount, the Company could not identify relevant projects, and hence the entire pending prescribed towards CSR could not be made.
7. **A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company:**  
The implementation and monitoring of CSR Policy is in compliance with the CSR objectives and Policy of the Company.

**Anil Tiwari**  
**Chairman of CSR Committee**

**ANNEXURE – C****FORM NO. MGT 9****EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31.03.2017

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

**I. REGISTRATION & OTHER DETAILS:**

|    |  |  |
|----|--|--|
| 1. | CIN  | L45202HR1985PLC044265  |
| 2. | Registration Date  | 6th March, 1985  |
| 3. | Name of the Company  | ELDECO HOUSING AND INDUSTRIES LIMITED  |
| 4. | Category/Sub-category of the Company                                       | N.A.   |
| 5. | Address of the Registered office & contact details                         | Shop no.16, Second Floor, Eldeco Station-I, Site No. -1, Sector-12, Faridabad, Haryana-121007  |
| 6. | Whether listed company   | Yes (Listed at Bombay Stock Exchange)  |
| 7. | Name, Address & contact details of the Registrar & Transfer Agent, if any. | M/s Skyline Financial Services Private Limited<br>D-153 A, 1st Floor, Okhla Industrial Area, Phase-I,<br>New Delhi-110 020.<br>Tel.: +91 11 64732681-88   Fax: +91 11 26812682-83  <br>Web: www.skylinerta.com |

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

| S. No. | Name and Description of main products/ services | NIC Code of the Product/service | % to total turnover of the company |
|--------|---|---------------------------------|------------------------------------|
| 1      | Real Estate Activity                            | 68100                           | 100%                               |

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

| S. No. | Name And Address Of the Company  | CIN                       | Holding/ Subsidiary/ Associate          | % of Shares held | Applicable Section |
|--------|--|---------------------------|---|------------------|--------------------|
| 1      | Aaj Constructions Private Limited<br>Regd Off- Hall No. 2, IIInd Floor,<br>Eldeco Corporate Chamber-I, Vibhuti Khand,<br>Gomti Nagar, Lucknow-226010 | U45400UP2007<br>PTC034025 | Subsidiary<br>(Wholly Owned Subsidiary) | 100%             | Sec 2(87)(ii)      |
| 2      | Carnation Realtors Private Limited<br>Regd Off- Plot No. TC/60-V, 4th Floor,<br>Corporate Chamber-I, Vibhuti Khand,<br>Gomti Nagar, Lucknow-226010   | U70102UP2012<br>PTC048698 | Subsidiary<br>(Wholly Owned Subsidiary) | 100%             | Sec 2(87)(ii)      |
| 3      | Deepjyoti Constructions Private Limited<br>Regd. Off- IIInd Floor, Eldeco Corporate<br>Chamber-I, Vibhuti Khand, Gomti Nagar,<br>Lucknow-226010      | U45400UP2008<br>PTC035101 | Subsidiary<br>(Wholly Owned Subsidiary) | 100%             | Sec 2(87)(ii)      |



|    |  |                           |   |      |               |
|----|--|---------------------------|---|------|---------------|
| 4  | Eldeco City Limited<br>Regd. Off- First Floor, 15/54- B, Civil Lines,<br>Virendra Smriti Complex Kanpur-208001   | U70109UP2006<br>PLC066091 | Subsidiary<br>(Wholly<br>Owned<br>Subsidiary) | 100% | Sec 2(87)(ii) |
| 5  | Facility Constructions Private Limited<br>Regd. Off- IIInd Floor,<br>Eldeco Corporate Chamber-I, Vibhuti Khand,<br>Gomti Nagar, Lucknow -226010            | U45400UP2008<br>PTC035097 | Subsidiary<br>(Wholly<br>Owned<br>Subsidiary) | 100% | Sec 2(87)(ii) |
| 6  | Fixity Constructions Private Limited<br>Regd. Off- IIInd Floor,<br>Eldeco Corporate Chamber-I, Vibhuti Khand,<br>Gomti Nagar, Lucknow -226010              | U45400UP2008<br>PTC035098 | Subsidiary<br>(Wholly<br>Owned<br>Subsidiary) | 100% | Sec 2(87)(ii) |
| 7  | Flourish Constructions Private Limited<br>Regd. Off- Hall No. 2, IIInd Floor,<br>Eldeco Corporate Chamber-I, Vibhuti Khand,<br>Gomti Nagar, Lucknow-226010 | U45400UP2007<br>PTC033725 | Subsidiary<br>(Wholly<br>Owned<br>Subsidiary) | 100% | Sec 2(87)(ii) |
| 8  | Garv Constructions Private Limited<br>Regd. Off- IIInd Floor,<br>Eldeco Corporate Chamber-I, Vibhuti Khand,<br>Gomti Nagar, Lucknow -226010                | U45400UP2007<br>PTC034023 | Subsidiary<br>(Wholly<br>Owned<br>Subsidiary) | 100% | Sec 2(87)(ii) |
| 9  | Halvasiya Agro Industries Limited<br>Regd. Off- IIInd Floor,<br>Eldeco Corporate Chamber-I, Vibhuti Khand,<br>Gomti Nagar, Lucknow -226010                 | U21015UP1985<br>PLC007522 | Subsidiary<br>(Wholly<br>Owned<br>Subsidiary) | 100% | Sec 2(87)(ii) |
| 10 | Iris Realtors Private Limited<br>Regd. Off- Plot No. TC/60-V, 4th Floor,<br>Corporate Chamber-I, Vibhuti Khand,<br>Gomti Nagar, Lucknow-226010             | U70102UP2012<br>PTC048699 | Subsidiary<br>(Wholly<br>Owned<br>Subsidiary) | 100% | Sec 2(87)(ii) |
| 11 | Khawahish Constructions Private Limited<br>Regd. Off- IIInd Floor,<br>Eldeco Corporate Chamber-I, Vibhuti Khand,<br>Gomti Nagar, Lucknow -226010           | U45400UP2008<br>PTC035099 | Subsidiary<br>(Wholly<br>Owned<br>Subsidiary) | 100% | Sec 2(87)(ii) |
| 12 | MAK Sales Private Limited<br>Regd. Off- IIInd Floor,<br>Eldeco Corporate Chamber-I, Vibhuti Khand,<br>Gomti Nagar, Lucknow -226010                         | U26106UP2003<br>PTC027989 | Subsidiary<br>(Wholly<br>Owned<br>Subsidiary) | 100% | Sec 2(87)(ii) |
| 13 | Neo Realtors Private Limited<br>Regd. Off- Plot No. TC/60-V, 4th Floor,<br>Corporate Chamber-I, Vibhuti Khand,<br>Gomti Nagar, Lucknow-226010              | U70102UP2012<br>PTC048706 | Subsidiary<br>(Wholly<br>Owned<br>Subsidiary) | 100% | Sec 2(87)(ii) |
| 14 | Neptune Infracon Private Limited<br>Regd. Off- Plot No. TC/60-V, 4th Floor,<br>Corporate Chamber-I, Vibhuti Khand,<br>Gomti Nagar, Lucknow-226010          | U70102UP2012<br>PTC048700 | Subsidiary<br>(Wholly<br>Owned<br>Subsidiary) | 100% | Sec 2(87)(ii) |
| 15 | Numerous Constructions Private Limited<br>Regd. Off- Plot No. TC/60-V, 4th Floor,<br>Corporate Chamber-I, Vibhuti Khand,<br>Gomti Nagar, Lucknow-226010    | U70102UP2012<br>PTC048707 | Subsidiary<br>(Wholly<br>Owned<br>Subsidiary) | 100% | Sec 2(87)(ii) |

|    |   |                           |   |      |               |
|----|---|---------------------------|---|------|---------------|
| 16 | Perpetual Constructions Private Limited<br>Regd. Off- IIInd Floor,<br>Eldeco Corporate Chamber-I, Vibhuti Khand,<br>Gomti Nagar, Lucknow -226010        | U45400UP2008<br>PTC035093 | Subsidiary<br>(Wholly<br>Owned<br>Subsidiary) | 100% | Sec 2(87)(ii) |
| 17 | Primacy Constructions Private Limited<br>Regd. Off- IIInd Floor,<br>Eldeco Corporate Chamber-I, Vibhuti Khand,<br>Gomti Nagar, Lucknow -226010          | U45400UP2008<br>PTC035092 | Subsidiary<br>(Wholly<br>Owned<br>Subsidiary) | 100% | Sec 2(87)(ii) |
| 18 | Samarpit Constructions Private Limited<br>Regd. Off- IIInd Floor,<br>Eldeco Corporate Chamber-I, Vibhuti Khand,<br>Gomti Nagar, Lucknow -226010         | U45400UP2007<br>PTC034024 | Subsidiary<br>(Wholly<br>Owned<br>Subsidiary) | 100% | Sec 2(87)(ii) |
| 19 | Suniyogit Constructions Private Limited<br>Regd. Off- IIInd Floor,<br>Eldeco Corporate Chamber-I, Vibhuti Khand,<br>Gomti Nagar, Lucknow -226010        | U45400UP2007<br>PTC034028 | Subsidiary<br>(Wholly<br>Owned<br>Subsidiary) | 100% | Sec 2(87)(ii) |
| 20 | Sushobhit Constructions Private Limited<br>Regd. Off- IIInd Floor,<br>Eldeco Corporate Chamber-I, Vibhuti Khand,<br>Gomti Nagar, Lucknow -226010        | U45400UP2008<br>PTC035094 | Subsidiary<br>(Wholly<br>Owned<br>Subsidiary) | 100% | Sec 2(87)(ii) |
| 21 | Shivaye Constructions Private Limited<br>Regd. Off- TC/60-V, 4th Floor,<br>Eldeco Corporate Chamber-I, Vibhuti Khand,<br>Gomti Nagar, Lucknow-226010    | U70102UP2012<br>PTC048704 | Subsidiary<br>(Wholly<br>Owned<br>Subsidiary) | 100% | Sec 2(87)(ii) |
| 22 | Swarg Constructions Private Limited<br>Regd. Off- TC/60-V, 4th Floor,<br>Eldeco Corporate Chamber-I, Vibhuti Khand,<br>Gomti Nagar, Lucknow-226010      | U70102UP2012<br>PTC048703 | Subsidiary<br>(Wholly<br>Owned<br>Subsidiary) | 100% | Sec 2(87)(ii) |
| 23 | Swarnim Nirman Private Limited<br>Regd. Off- Plot No. TC/60-V, 4th Floor,<br>Corporate Chamber-I, Vibhuti Khand,<br>Gomti Nagar, Lucknow-226010         | U70102UP2012<br>PTC048702 | Subsidiary<br>(Wholly<br>Owned<br>Subsidiary) | 100% | Sec 2(87)(ii) |
| 24 | Villa Constructions Private Limited<br>Regd. Off- Plot No. TC/60-V, 4th Floor,<br>Corporate Chamber-I, Vibhuti Khand,<br>Gomti Nagar, Lucknow-226010    | U70102UP2012<br>PTC048705 | Subsidiary<br>(Wholly<br>Owned<br>Subsidiary) | 100% | Sec 2(87)(ii) |
| 25 | Yojna Constructions Private Limited<br>Regd. Off- Hall No. 2, IIInd Floor,<br>Eldeco Corporate Chamber-I, Vibhuti Khand,<br>Gomti Nagar, Lucknow-226010 | U45400UP2007<br>PTC034009 | Subsidiary<br>(Wholly<br>Owned<br>Subsidiary) | 100% | Sec 2(87)(ii) |

#### IV. A. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

##### Category-wise Share Holding

| Category of Shareholders                   | No. of Shares held at the beginning of the year [As on 31st March, 2016] |          |                |                   | No. of Shares held at the end of the year [As on 31st March, 2017] |          |                |                   | % Change during the year |
|--|--|----------|----------------|-------------------|--|----------|----------------|-------------------|--------------------------|
|  | Demat  | Physical | Total          | % of Total Shares | Demat  | Physical | Total          | % of Total Shares |                          |
| <b>A. Promoter</b>                         |  |          |                |                   |  |          |                |                   |                          |
| <b>(1) Indian</b>                          |  |          |                |                   |  |          |                |                   |                          |
| a) Individual/HUF                          | 1075490  | -        | 1075490        | 54.69             | 1068267  | -        | 1068267        | 54.32             | -0.37                    |
| b) Central Govt                            | -  | -        | -              | -                 | -  | -        | -              | -                 | -                        |
| c) State Govt(s)                           | -  | -        | -              | -                 | -  | -        | -              | -                 | -                        |
| d) Bodies Corp.                            | 10000  | -        | 10000          | 0.51              | 10000  | -        | 10000          | 0.51              | -                        |
| e) Banks / FI                              | -  | -        | -              | -                 | -  | -        | -              | -                 | -                        |
| f) Any other                               | -  | -        | -              | -                 | -  | -        | -              | -                 | -                        |
| <b>Total share holding of Promoter (A)</b> | <b>1085490</b>   | <b>-</b> | <b>1085490</b> | <b>55.20</b>      | <b>1078267</b>   | <b>-</b> | <b>1078267</b> | <b>54.83</b>      | <b>-0.37</b>             |
| <b>B. Public Shareholding</b>              |  |          |                |                   |  |          |                |                   |                          |
| <b>1. Institutions</b>                     |  |          |                |                   |  |          |                |                   |                          |
| a) Mutual Funds                            | -  | -        | -              | -                 | -  | -        | -              | -                 | -                        |
| b) Banks / FI                              | -  | -        | -              | -                 | -  | -        | -              | -                 | -                        |
| c) Central Govt                            | -  | -        | -              | -                 | -  | -        | -              | -                 | -                        |
| d) State Govt(s)                           | -  | -        | -              | -                 | -  | -        | -              | -                 | -                        |
| e) Venture Capital Funds                   | -  | -        | -              | -                 | -  | -        | -              | -                 | -                        |
| f) Insurance Companies                     | -  | -        | -              | -                 | -  | -        | -              | -                 | -                        |
| g) FIIs                                    | -  | -        | -              | -                 | -  | -        | -              | -                 | -                        |
| h) Foreign Venture Capital Funds           | -  | -        | -              | -                 | -  | -        | -              | -                 | -                        |
| i) Others (specify)                        | -  | -        | -              | -                 | -  | -        | -              | -                 | -                        |
| <b>Sub-total (B)(1):-</b>                  | <b>-</b>   | <b>-</b> | <b>-</b>       | <b>-</b>          | <b>-</b>   | <b>-</b> | <b>-</b>       | <b>-</b>          | <b>-</b>                 |
| <b>2. Non-Institutions</b>                 |  |          |                |                   |  |          |                |                   |                          |
| a) Bodies Corp.                            | 185841   | 3100     | 188941         | 9.61              | 218026   | 3100     | 221126         | 11.24             | 1.63                     |
| i) Indian                                  |  | -        |                |                   |  |          |                |                   | -                        |

|  |                |               |                |              |                |               |                |              |             |
|--|----------------|---------------|----------------|--------------|----------------|---------------|----------------|--------------|-------------|
| ii) Overseas   | -              | -             | -              | -            |                |               |                |              | -           |
| b) Individuals   | -              | -             | -              | -            |                |               |                |              | -           |
| i) Individual shareholders holding nominal share capital upto Rs. 1 lakh         | 306650         | 142398        | 449048         | 22.83        | 322268         | 130898        | 453166         | 23.04        | 0.21        |
| ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh | 205992         | 19000         | 224992         | 11.44        | 162011         | 19000         | 181011         | 9.20         | -2.24       |
| c) Others (specify)  | -              | -             | -              | -            | -              | -             | -              | -            | -           |
| NRI – Repatriable & Non-Repatriable  | 2398           | -             | 2398           | 0.12         | 3699           | -             | 3699           | 0.19         | 0.07        |
| HUF  | 15687          | -             | 15687          | 0.80         | 28595          | -             | 28595          | 1.45         | 0.65        |
| Clearing Members   | 44             | -             | 44             | 0.00         | 676            | -             | 676            | 0.03         | 0.03        |
| Trusts   | -              | -             | -              | -            | 60             | -             | 60             | 0            | -           |
| Foreign Bodies - DR  | -              | -             | -              | -            | -              | -             | -              | -            | -           |
| <b>Sub-total (B)(2):-</b>  | <b>716612</b>  | <b>164498</b> | <b>881110</b>  | <b>44.80</b> | <b>735335</b>  | <b>152998</b> | <b>888333</b>  | <b>45.17</b> | <b>0.37</b> |
| Total Public Shareholding (B)=(B)(1)+(B)(2)                                      | 716612         | 164498        | 881110         | 44.80        | 735335         | 152998        | 888333         | 45.17        | 0.37        |
| <b>C. Shares held by Custodian for GDRs &amp; ADRs</b>                           | -              | -             | -              | -            |                |               |                |              | -           |
| <b>Grand Total (A+B+C)</b>   | <b>1802102</b> | <b>164498</b> | <b>1966600</b> | <b>100</b>   | <b>1813602</b> | <b>152998</b> | <b>1966600</b> | <b>100</b>   | <b>-</b>    |

#### B) Shareholding of Promoter-

| S. No | Shareholder's Name                           | Shareholding at the beginning of the year [As on 31-March-2016] |                                  |  | Shareholding at the end of the year [As on 31-March-2017] |                                  |  | % change in share holding 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     | Rashi Bajaj                                  | 2100  | 0.11                             | -  | -   | -                                | -  | (0.11)                                    |
| 2     | Shivani Garg                                 | 16390   | 0.83                             | -  | -   | -                                | -  | (0.83)                                    |
| 3     | Pankaj Bajaj                                 | 1057000   | 53.75                            | -  | 1068267   | 54.32                            | -  | 0.57                                      |
| 4     | Eldeco Infrastructure And Properties Limited | 10000   | 0.51                             | -  | 10000   | 0.51                             | -  | -   |

**C) Change in Promoters' Shareholding**

| S. No. | Name of the Shareholder's                           | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                                  |
|--------|---|---|----------------------------------|---|----------------------------------|
|        |   | No. of Shares                             | % to total Shares of the Company | No. of Shares                           | % of total shares of the Company |
| 1.     | <b>Rashi Bajaj</b>                                  |   |                                  |   |                                  |
|        | At the beginning of the year                        | 2100                                      | 0.11                             | 2100                                    | 0.11                             |
|        | Sale of Shares as on 13/05/2016                     | 2100                                      | 0.11                             | NIL                                     | NIL                              |
|        | At the end of the year                              | NIL                                       | NIL                              | NIL                                     | NIL                              |
| 2.     | <b>Shivani Garg</b>                                 |   |                                  |   |                                  |
|        | At the beginning of the year                        | 16390                                     | 0.83                             | 16390                                   | 0.83                             |
|        | Sale of Shares as on 08/07/2016                     | 100                                       | 0.00                             | 16290                                   | 0.83                             |
|        | Sale of Shares as on 15/07/2016                     | 4000                                      | 0.20                             | 12290                                   | 0.62                             |
|        | Sale of Shares as on 22/07/2016                     | 1000                                      | 0.051                            | 11290                                   | 0.57                             |
|        | Sale of Shares as on 29/07/2016                     | 9000                                      | 0.46                             | 2290                                    | 0.12                             |
|        | Sale of Shares as on 19/08/2016                     | 1   | 0.00                             | 2289                                    | 0.12                             |
|        | Sale of Shares as on 26/08/2016                     | 999                                       | 0.051                            | 1290                                    | 0.07                             |
|        | Sale of Shares as on 16/09/2016                     | 1290                                      | 0.07                             | 0                                       | 0.00                             |
|        | At the end of the year                              | NIL                                       | NIL                              | NIL                                     | NIL                              |
| 3.     | <b>Pankaj Bajaj</b>                                 |   |                                  |   |                                  |
|        | At the beginning of the year                        | 1057000                                   | 53.75                            | 1057000                                 | 53.75                            |
|        | Purchase of shares as on 20/05/2016                 | 2100                                      | 0.11                             | 1059100                                 | 53.85                            |
|        | Purchase of shares as on 02/12/2016                 | 9167                                      | 0.47                             | 1068267                                 | 54.32                            |
|        | At the end of the year                              | 1068267                                   | 54.32                            | 1068267                                 | 54.32                            |
| 4.     | <b>Eldeco Infrastructure and Properties Limited</b> |   |                                  |   |                                  |
|        | At the beginning of the year                        | 10000                                     | 0.51                             | 10000                                   | 0.51                             |
|        | At the end of the year                              | 10000                                     | 0.51                             | 10000                                   | 0.51                             |

**D) Shareholding Pattern of top ten Shareholders:**

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

| S. No. | Name of the Shareholder's   | Shareholding at the beginning of the year  |  | Cumulative Shareholding during the year  |  |
|--------|---|--|--|--|--|
|        |   | No. of Shares  | % to total Shares of the Company   | No. of Shares  | % of total shares of the Company   |
| 1.     | <b>GUARDIAN ADVISORS PVT. LTD- CORE VALUE A/C</b><br>At the beginning of the year<br>Purchase of shares as on 09/09/2016<br>At the end of the year  | NIL<br>41226<br>41226  | NIL<br>2.10<br>2.10  | NIL<br>41226<br>41226  | NIL<br>2.10<br>2.10  |
| 2.     | <b>SANJIV DHIRESHBHAI SHAH</b><br>At the beginning of the year<br>Sale of shares as on 10/02/2017<br>At the end of the year   | 40753<br>83<br>40670   | 2.07<br>0.00<br>2.07   | 40753<br>40670<br>40670  | 2.07<br>2.07<br>2.07   |
| 3.     | <b>SHRI PARASRAM HOLDINGS PVT.LTD.</b><br>At the beginning of the year<br>Purchase of Shares as on 29/04/2016<br>Purchase of Shares as on 20/05/2016<br>Sale of Shares as on 27/05/2016<br>Sale of Shares as on 10/06/2016<br>Purchase of Shares as on 17/06/2016<br>Purchase of Shares as on 24/06/2016<br>Purchase of Shares as on 08/07/2016<br>Purchase of Shares as on 15/07/2016<br>Purchase of Shares as on 22/07/2016<br>Purchase of Shares as on 29/07/2016<br>Purchase of Shares as on 05/08/2016<br>Purchase of Shares as on 12/08/2016<br>Purchase of Shares as on 19/08/2016<br>Purchase of Shares as on 26/08/2016<br>Purchase of Shares as on 02/09/2016<br>Sale of Shares as on 09/09/2016<br>Purchase of Shares as on 16/09/2016<br>Purchase of Shares as on 23/09/2016<br>Sale of Shares as on 30/09/2016<br>Purchase of Shares as on 07/10/2016<br>Purchase of Shares as on 14/10/2016 | 25249<br>180<br>200<br>162<br>275<br>3387<br>25<br>1573<br>5231<br>3364<br>3154<br>9878<br>1147<br>8196<br>949<br>682<br>49226<br>150<br>10<br>1289<br>344<br>20 | 1.28<br>0.09<br>0.77<br>0.008<br>0.014<br>0.172<br>0.00<br>0.08<br>0.27<br>0.171<br>0.160<br>0.50<br>0.058<br>0.42<br>0.048<br>0.035<br>2.50<br>0.008<br>0.00<br>0.066<br>0.01<br>0.00 | 25249<br>25429<br>25629<br>25467<br>25192<br>28579<br>28604<br>30177<br>35408<br>38772<br>41926<br>51804<br>52951<br>61147<br>62096<br>62778<br>13552<br>13702<br>13712<br>12423<br>12767<br>12787 | 1.28<br>1.29<br>1.30<br>1.29<br>1.28<br>1.45<br>1.45<br>1.53<br>1.80<br>1.97<br>2.13<br>2.63<br>2.69<br>3.11<br>3.16<br>3.19<br>0.69<br>0.70<br>0.70<br>0.63<br>0.65<br>0.65 |



|    |                                     |       |       |       |      |
|----|-------------------------------------|-------|-------|-------|------|
|    | Purchase of Shares as on 28/10/2016 | 4223  | 0.215 | 17010 | 0.86 |
|    | Purchase of Shares as on 04/11/2016 | 3131  | 0.16  | 20141 | 1.02 |
|    | Purchase of Shares as on 11/11/2016 | 4421  | 0.22  | 24562 | 1.25 |
|    | Purchase of Shares as on 18/11/2016 | 2700  | 0.14  | 27262 | 1.39 |
|    | Sale of Shares as on 25/11/2016     | 1774  | 0.09  | 25488 | 1.30 |
|    | Sale of Shares as on 02/12/2016     | 365   | 0.019 | 25123 | 1.28 |
|    | Purchase of Shares as on 09/12/2016 | 244   | 0.01  | 25367 | 1.29 |
|    | Sale of Shares as on 16/12/2016     | 30    | 0.00  | 25337 | 1.29 |
|    | Sale of Shares as on 23/12/2016     | 66    | 0.00  | 25271 | 1.29 |
|    | Purchase of Shares as on 30/12/2016 | 2139  | 0.109 | 27410 | 1.39 |
|    | Purchase of Shares as on 06/01/2017 | 10192 | 0.52  | 37602 | 1.91 |
|    | Purchase of Shares as on 13/01/2017 | 3310  | 0.17  | 40912 | 2.08 |
|    | Purchase of Shares as on 27/01/2017 | 4450  | 0.23  | 45362 | 2.31 |
|    | Sale of Shares as on 03/02/2017     | 19999 | 1.02  | 25363 | 1.29 |
|    | Purchase of Shares as on 24/02/2017 | 663   | 0.034 | 26026 | 1.32 |
|    | Purchase of Shares as on 03/03/2017 | 2216  | 0.113 | 28242 | 1.44 |
|    | Purchase of Shares as on 10/03/2017 | 620   | 0.032 | 28862 | 1.47 |
|    | Purchase of Shares as on 17/03/2017 | 250   | 0.013 | 29112 | 1.48 |
|    | Sale of Shares as on 24/03/2017     | 1250  | 0.064 | 27862 | 1.42 |
|    | Sale of Shares as on 31/03/2017     | 878   | 0.045 | 26984 | 1.37 |
|    | At the end of the year              | 26984 | 1.37  | 26984 | 1.37 |
| 4. | <b>VIC ENTERPRISES PVT LTD</b>      |       |       |       |      |
|    | At the beginning of the year        | 14843 | 0.75  | 14843 | 0.75 |
|    | Purchase of Shares as on 25/11/2016 | 700   | 0.036 | 15543 | 0.79 |
|    | Purchase of Shares as on 02/12/2016 | 75    | 0.00  | 15618 | 0.79 |
|    | Purchase of Shares as on 03/02/2017 | 4458  | 0.227 | 20076 | 1.02 |
|    | Purchase of Shares as on 24/02/2017 | 800   | 0.041 | 20876 | 1.06 |
|    | At the end of the year              | 20876 | 1.06  | 20876 | 1.06 |
| 5. | <b>EDELWEISS BROKING LTD</b>        |       |       |       |      |
|    | At the beginning of the year        | 7941  | 0.40  | 7941  | 0.40 |
|    | Purchase of Shares as on 08/04/2016 | 36    | 0.002 | 7977  | 0.41 |
|    | Purchase of Shares as on 29/04/2016 | 751   | 0.038 | 8728  | 0.44 |
|    | Purchase of Shares as on 06/05/2016 | 6130  | 0.312 | 14858 | 0.76 |
|    | Purchase of Shares as on 13/05/2016 | 1735  | 0.088 | 16593 | 0.84 |
|    | Purchase of Shares as on 10/06/2016 | 1075  | 0.055 | 17668 | 0.90 |
|    | Sale of Shares as on 17/06/2016     | 1000  | 0.051 | 16668 | 0.85 |
|    | Purchase of Shares as on 30/06/2016 | 225   | 0.01  | 16893 | 0.86 |
|    | Purchase of Shares as on 08/07/2016 | 6420  | 0.326 | 23313 | 1.19 |

|    |                                     |       |       |       |      |
|----|-------------------------------------|-------|-------|-------|------|
|    | Purchase of Shares as on 15/07/2016 | 2914  | 0.148 | 26227 | 1.33 |
|    | Purchase of Shares as on 29/07/2016 | 2914  | 0.148 | 29141 | 1.48 |
|    | Sale of share as on 05/08/2016      | 200   | 0.010 | 28941 | 1.47 |
|    | Purchase of Shares as on 19/08/2016 | 250   | 0.013 | 29191 | 1.48 |
|    | Sale of Shares as on 16/09/2016     | 250   | 0.013 | 28941 | 1.47 |
|    | Purchase of Shares as on 23/09/2016 | 1     | 0.00  | 28942 | 1.47 |
|    | Purchase of Shares as on 07/10/2016 | 15    | 0.00  | 28957 | 1.47 |
|    | Sale of Shares as on 14/10/2016     | 6     | 0.00  | 28951 | 1.47 |
|    | Sale of Shares as on 21/10/2016     | 100   | 0.00  | 28851 | 1.47 |
|    | Purchase of Shares as on 11/11/2016 | 1486  | 0.076 | 30337 | 1.54 |
|    | Purchase of Shares as on 02/12/2016 | 10    | 0.00  | 30347 | 1.54 |
|    | Purchase of Shares as on 09/12/2016 | 40    | 0.00  | 30387 | 1.55 |
|    | Purchase of Shares as on 30/12/2016 | 7     | 0.00  | 30394 | 1.55 |
|    | Purchase of Shares as on 06/01/2017 | 5     | 0.00  | 30399 | 1.55 |
|    | Sale of Shares as on 13/01/2017     | 2911  | 0.148 | 27488 | 1.40 |
|    | Sale of Shares as on 20/01/2017     | 987   | 0.050 | 26501 | 1.35 |
|    | Sale of Shares as on 27/01/2017     | 2419  | 0.123 | 24082 | 1.22 |
|    | Sale of Shares as on 03/02/2017     | 2025  | 0.103 | 22057 | 1.12 |
|    | Sale of Shares as on 10/03/2017     | 2648  | 0.133 | 19409 | 0.99 |
|    | Purchase of Shares as on 17/03/2017 | 6     | 0.00  | 19415 | 0.99 |
|    | Purchase of Shares as on 24/03/2017 | 11    | 0.00  | 19426 | 0.99 |
|    | At the end of the year              | 19426 | 0.99  | 19426 | 0.99 |
| 6. | <b>CHETAN DHIRESHBHAI SHAH</b>      |       |       |       |      |
|    | At the beginning of the year        | 28088 | 1.43  | 28088 | 1.43 |
|    | Sale of Shares as on 19/08/2016     | 4001  | 0.20  | 24087 | 1.22 |
|    | Sale of Shares as on 26/08/2016     | 3915  | 0.199 | 20172 | 1.03 |
|    | Sale of Shares as on 07/10/2016     | 844   | 0.043 | 19328 | 0.98 |
|    | At the end of the year              | 19328 | 0.98  | 19328 | 0.98 |
| 7. | <b>SUDHIR SHALWASIYA</b>            |       |       |       |      |
|    | At the beginning of the year        | 19000 | 0.97  | 19000 | 0.97 |
|    | At the end of the year              | 19000 | 0.97  | 19000 | 0.97 |
| 8. | <b>PURAN ASSOCIATES PVT. LTD.</b>   |       |       |       |      |
|    | At the beginning of the year        | 12725 | 0.65  | 12725 | 0.65 |
|    | Purchase of Shares as on 25/11/2016 | 700   | 0.036 | 13425 | 0.68 |
|    | Purchase of Shares as on 02/12/2016 | 75    | 0.004 | 13500 | 0.69 |
|    | Purchase of Shares as on 03/02/2017 | 4494  | 0.23  | 17994 | 0.91 |
|    | Purchase of Shares as on 24/02/2017 | 800   | 0.04  | 18794 | 0.96 |
|    | At the end of the year              | 18794 | 0.96  | 18794 | 0.96 |

|     |   |       |       |       |      |
|-----|---|-------|-------|-------|------|
| 9.  | <b>GYAN ENTERPRISES PRIVATE LIMITED</b> |       |       |       |      |
|     | At the beginning of the year            | 14103 | 0.72  | 14103 | 0.72 |
|     | Purchase of Shares as on 25/11/2016     | 700   | 0.035 | 14803 | 0.75 |
|     | Purchase of Shares as on 02/12/2016     | 100   | 0.00  | 14903 | 0.76 |
|     | Purchase of Shares as on 06/01/2017     | 510   | 0.026 | 15413 | 0.78 |
|     | Purchase of Shares as on 03/02/2017     | 2393  | 0.122 | 17806 | 0.91 |
|     | At the end of the year                  | 17806 | 0.91  | 17806 | 0.91 |
| 10. | <b>VIVEK CHAND BURMAN</b>               |       |       |       |      |
|     | At the beginning of the year            | 15000 | 0.76  | 15000 | 0.76 |
|     | At the end of the year                  | 15000 | 0.76  | 15000 | 0.76 |

*Note: Dates of Purchase/Sale of Shares is based on the Benpose Data given by the RTA of the Company*

**E) Shareholding of Directors and Key Managerial Personnel:**

| S. No. | Name of the Shareholder's                            | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                                  |
|--------|--|---|----------------------------------|---|----------------------------------|
|        |  | No. of Shares                             | % to total Shares of the Company | No. of Shares                           | % of total shares of the Company |
| 1.     | <b>Pankaj Bajaj – Chairman cum Managing Director</b> |   |                                  |   |                                  |
|        | At the beginning of the year                         | 1057000                                   | 53.75                            | 1057000                                 | 53.75                            |
|        | Purchase of shares as on 20/05/2016                  | 2100                                      | 0.11                             | 1059100                                 | 53.85                            |
|        | Purchase of shares as on 02/12/2016                  | 9167                                      | 0.47                             | 1068267                                 | 54.32                            |
|        | At the end of the year                               | 1068267                                   | 54.32                            | 1068267                                 | 54.32                            |

The following Directors / Key Managerial Personnel (KMP) did not hold any Shares during the financial year 2016-2017:

- Shiv Kumar Garg – Chairman\*
- Arvind Bajaj- Director\*\*
- Shrikant Jajodia – Director
- Ashish Jain- Director
- Anil Tiwari- Director
- Rahul Aggarwal – Director
- Ranjit Khattar- Director
- Rupali Chopra- Director
- Sushil Dutt Mishra – Chief Financial Officer
- Naina Tandon- Company Secretary \*\*\*

\*Mr. Shiv Kumar Garg ceased to be a Director w.e.f. 28.02.2017

\*\*Mr. Arvind Bajaj ceased to be a Director w.e.f. 21.02.2017

\*\*\*Ms. Naina Tandon ceased to be a Company Secretary w.e.f. 15.06.2017

## VI. INDEBTEDNESS

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

|  | Secured Loans<br>excluding deposits | Unsecured<br>Loans | Deposits | Total<br>Indebtedness |
|--|-------------------------------------|--------------------|----------|-----------------------|
| <b>Indebtedness at the beginning of the financial year</b> |                                     |                    |          |                       |
| i) Principal Amount  | 5858835                             | 0                  | 0        | 5858835               |
| ii) Interest due but not paid                              | 113178                              | 0                  | 0        | 113178                |
| iii) Interest accrued but not due                          | 0                                   | 0                  | 0        | 0                     |
| Total (i+ii+iii)   | 5972013                             | 0                  | 0        | 5972013               |
| <b>Change in Indebtedness during the financial year</b>    |                                     |                    |          |                       |
| * Addition   | 0                                   | 525594520          | 0        | 525594520             |
| * Reduction  | 2502396                             | 0                  | 0        | 2502396               |
| Net Change   | -2502396                            | 525594520          | 0        | 523092124             |
| <b>Indebtedness at the end of the financial year</b>       |                                     |                    |          |                       |
| i) Principal Amount  | 3066544                             | 500000000          | 0        | 503066544             |
| ii) Interest due but not paid                              | 403073                              | 25594520           | 0        | 25997593              |
| iii) Interest accrued but not due                          | 0                                   | 0                  | 0        | 0                     |
| Total (i+ii+iii)   | 3469617                             | 525594520          | 0        | 529064137             |

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

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

| S. No | Particulars of Remuneration   | Name of MD/WTD/Manager     |              | Total Amount    |
|-------|---|----------------------------|--------------|-----------------|
|       |   | Shiv Kumar Garg            | Pankaj Bajaj |                 |
| 1.    | Gross Salary  | 6,00,000*                  |              | 6,00,000        |
|       | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | (Inclusive of Perquisites) | -            |                 |
|       | (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  | -                          |              |                 |
| 5.    | Others, Please Specify  | -                          | -            |                 |
|       | <b>Total (A)</b>  | -                          | -            | <b>6,00,000</b> |

\* For the month of April, 2017 and May, 2017.

## B. REMUNERATION TO OTHER DIRECTORS (SITTING FEES)

| S. Particulars of<br>N. Remuneration           | Name of Directors |                     |                |                   |                  | Total Amount<br>(In Rs) |
|--|-------------------|---------------------|----------------|-------------------|------------------|-------------------------|
|  | Anil<br>Tiwari    | Rahul<br>Aggarwal   | Ashish<br>Jain | Ranjit<br>Khattar | Rupali<br>Chopra |                         |
| 1 Independent Directors                        |                   |                     |                |                   |                  |                         |
| Fee for attending Board/<br>Committee meetings | 80,000            | 20,000              | 20,000         | 20,000            | 20,000           | 1,60,000                |
| Commission                                     | -                 | -                   | -              | -                 | -                | -                       |
| Others, please specify                         | -                 | -                   | -              | -                 | -                | -                       |
| <b>Total (I)</b>                               | <b>80,000</b>     | <b>20,000</b>       | <b>20,000</b>  | <b>20,000</b>     | <b>20,000</b>    | <b>1,60,000</b>         |
| 2 Other Non-Executive Directors                | Arvind<br>Bajaj   | Shrikant<br>Jajodia |                |                   |                  |                         |
| Fee for attending Board/<br>Committee meetings | 10,000            | 70,000              |                |                   |                  | 80,000                  |
| Commission                                     | -                 | -                   |                |                   |                  |                         |
| Others, please specify                         | -                 | -                   |                |                   |                  |                         |
| <b>Total (II)</b>                              | <b>10,000</b>     | <b>70,000</b>       |                |                   |                  | <b>80,000</b>           |
| <b>Total = (I+II)</b>                          |                   |                     |                |                   |                  | <b>2,40,000</b>         |
| <b>Total Managerial<br/>Remuneration (A+B)</b> |                   |                     |                |                   |                  | <b>8,40,000</b>         |

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

| S. No | Particulars of Remuneration   | Key Managerial Personnel |                 |                  |
|-------|---|--------------------------|-----------------|------------------|
|       |   | CFO                      | CS              | Total            |
| 1     | Gross salary  |                          |                 |                  |
|       | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 15,95,167                | 3,45,000        | 19,40,167        |
|       | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961                             | -                        | -               |                  |
|       | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961              | -                        | -               |                  |
| 2     | Stock Option  | -                        | -               |                  |
| 3     | Sweat Equity  | -                        | -               |                  |
| 4     | Commission  | -                        | -               |                  |
|       | - as % of profit  | -                        | -               |                  |
|       | Others specify...   | -                        | -               |                  |
| 5     | Others, please specify  | -                        | -               |                  |
|       | <b>Total</b>  | <b>15,95,167</b>         | <b>3,45,000</b> | <b>19,40,167</b> |

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

There were no penalties/punishment/compounding of offences for the year ending March 31, 2017.

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

### **Cautionary Statement**

Certain Statements found in the Management Discussion and Analysis may constitute “Forward Looking Statements” within the meaning of applicable securities laws and regulations. These forward looking statements involve known and unknown risks, uncertainties and other factors that are difficult to predict and which may cause our actual results, performance or achievements to be different from any future results, performance and achievements expressed or implied by these statements.

In accordance with the Code of Corporate Governance approved by the Securities and Exchange Board of India, shareholders and readers are cautioned that in the case of data and information external to the Company, no representation is made on its accuracy or comprehensiveness though the same are based on sources thought to be reliable.

The Company does not undertake to make any announcement in case any of these forward looking Statements become materially incorrect in future or any update made thereon.

### **Business Overview**

**Eldeco City**, the integrated township in 133 Acres at I.I.M Road, Lucknow comprising villas, plots, group housing, convenient shopping has taken shape. Most of the villas/plots of Sector A and Sector B are ready and offer of possession for approx 870 units has already been issued. Approx 600 possessions have been handed over. The township has been widely appreciated by every visitor for its ambience, low-rise open layout and the infrastructure. The construction of LIG/EWS is in advanced stage with structure work completed and finishing work going on. Allotment of 188 units of LIG and 184 units of EWS was done through Draw (lottery system) in April 2015. Since there have been some cancellations and withdrawal from the scheme, second draw for allotment of vacant units will be commenced soon. **Eldeco City Breeze** is a group housing project located within Eldeco City, comprises approximately 2 lacs sq. ft of built up area. Approx 80% of the units at Eldeco City Breeze have been booked and the construction is progressing as per schedule, structure work of all towers is complete with finishing work going on. Possession in Breeze would be offered within 6 months. The Capital City Club opened its doors for members in May 2017 and is fully operational with all the facilities in place. Possessions for Eldeco City Arcade have been offered and execution of Sale deeds have also commenced. Construction of Eldeco City Arcade 2 is going at a good pace. 75% of the shops at Eldeco City Arcade 2 have been booked and expected to be offered for possession timely. In Sector C, some Plots opened for sale have received good response. A Few more plots in Sector C will be released for sale in phases. .

**Eldeco Saubhagyam**, a group housing project comprising 11 towers and convenient shopping spanning approximately 11.9 lac sq. ft built up area is situated at Shaheed Path, Raibareilly Road. The construction of 9 towers is complete and finishing work is going on in full swing. Possessions for seven towers T2, T3, T4, T7, T8, T9 and T10 have been offered, whereas finishing work in T6 and T11 is nearing completion and the possession will be offered soon. Construction work of T1 is going on as per schedule and has reached upto 7th floor. In final and last phase of Eldeco Saubhagyam, Tower T5 will be launched soon. Eldeco Saubhagyam Arcade a convenient shopping was launched in December 2016 with bookings going on. In terms of Sales, majority of the units have been sold in these 10 towers.

**Eldeco Eternia**, a premium group housing of more than 4.30 Lacs sq. ft of built up area at Sitapur Road is completed and possessions for all 3 towers (T1, T2 and T3) is happening and many families have already moved in. Integrated with Eldeco Eternia is the proposed high end block- Eldeco Luxa and alongwith a convenient shopping Eldeco Eternia Arcade which shall be launched soon.

**Eldeco Samridhi**, the project comprising plots and villas spread in approx 8 acres, was launched in 2013-14, which got a steady response from the market. With infrastructure work and services in place, the possession for all the plots and villas has been offered before the committed timeline. Registrations and possessions are a going on at good pace with families moving in.



**Eldeco Shaurya**, is a 43 acres township project situated at Bijnore road, Lucknow consisting of Plotted development, villas & Group Housing. Most of the units released for sale are booked. Construction of villas launched in Phase 1 is completed and the possession of these villas has been offered. The infrastructure work and services for plots in Phase 1 is complete and possession of plots have been offered. Registration and possession of villas and plots is going on. Club at Eldeco Shaurya is complete and will be made operational soon.

**Eldeco Regalia**, a 33 acres township project situated off IIM Road, Lucknow consisting of Plotted development and villas, was launched in October, 2016 and got enormous response from the market. Out of 418 units comprising plots/villas, more than 75% of the units were booked in space of 60 days in the middle of adverse impact of demonetization. The Company is waiting for final NOC from pollution department before it commences the development works.

**Eldeco Elegante**, a commercial project consisting of approx 52000 sqft built up area at Vibhuti Khand, Gomti Nagar, Lucknow, received completion certificate and the possession have been offered.

### **Industry Structure & Developments**

The real estate sector witnessed a tremendous slowdown in 2016-17 with the adverse impact on sentiments due to demonetisation. The trend of poor sentiments is continuing in 2017-18 with the uneasy passage of RERA and also the adverse impact of GST on real estate. However, given the huge demand for all kinds of real estate in our country and the paucity of professional developers, it is expected that the efficient developers will make gain in strength in the coming years.

### **Growth Prospects**

The Company primarily operates in the geographical market of Lucknow. Being the capital of the most populous state of the country, Lucknow offers tremendous growth opportunities to the Company. Over the last decade there has been tremendous growth in population and augmentation of social and physical infrastructure. Being an old and established developer with a blemish free track record, our Company is best placed to participate in and contribute to this growth. Currently, the Company is cautiously reviewing a number of new project opportunities.

### **Opportunities and Threats**

Various initiatives have been taken by the Government of India such as development of 100 Smart Cities along with Housing for all by 2022, Affordable Housing and Atal Mission for Rejuvenation and Urban Transformation (AMRUT), relaxation in foreign direct investment (FDI) norms have been done to boost the Sector. Moreover, respective State Governments have also taken keen interest and encouraged the Real Estate Sector.

The Government of India in Union Budget 2016-17 announced a number of initiatives to boost real estate sector mainly exemption of affordable housing fulfilling certain criteria from income tax.

At the same time, the real estate sector continued to face a challenging environment due to one adverse event after another. Following are the major risks and threats for the real estate sector currently:

- Policy uncertainty principally with respect to implementation of RERA
- Delay in various approvals required for development of projects
- Lack of suitable project pipeline
- Adverse impact of GST on projects in advance stages of construction

On the whole, the opportunities and growth prospects outweigh the threats especially for a professionally managed Company with a good execution track record.

### Internal Control System and their Adequacy

The Company has an adequate system of internal controls in place. These controls have been designed to provide a reasonable assurance with regard to maintaining of proper accounting controls, monitoring of operations, protecting assets from unauthorized use or losses, compliances with regulations and for ensuring reliability of financial reporting. The Company has continued its efforts to align all its processes and controls with global best practices in these areas as well.

#### Some significant features of the internal control systems are:

- ✓ Preparation and monitoring of annual budgets for all operating and service functions;
- ✓ A well-established multi-disciplinary Internal Audit team, which reviews and reports to management and the Audit Committee about the compliance with internal controls and the efficiency and effectiveness of operations and the key process risks;
- ✓ Audit Committee of the Board of Directors, comprising independent directors, regularly reviews the audit plans, significant audit findings, adequacy of internal controls, compliance with Accounting Standards as well as reasons for changes in accounting policies and practices, if any;
- ✓ Anti-fraud programme.

The Board takes responsibility for the total process of risk management in the organization. The Audit Committee reviews reports covering operational, financial and other business risk areas. The business risk is managed through cross functional involvement and communication across businesses. The results of the risk assessment and residual risks are presented to the senior management.

### Material Developments in Human Resources

Human resource continues to be the backbone of the Eldeco business. The Company lays strong emphasis on attracting and retaining the best talent. Personal developmental initiatives including training, both technical and managerial, are regularly conducted to enhance human potential. Eldeco had 40 (Forty) employees on roll.

The Company's objective going forward would be to nurture and harness core management teams and explore outsourcing which will enable us to enhance management bandwidth and focus.

### Financial Performance Vis-à-vis Operational Performance

The Company has exhibited growth in its revenues and profits. The Company's profit after tax is Rs. 2371.60 Lacs (Consolidated) against Rs. 1992.75 Lacs (Consolidated) in the previous year. The following table sets forth the breakup of the Company's expenses as part of the net profits.

(Rs. in Lacs)

| Particulars   | Financial Year ended             |                                |                                  |                                |
|---|----------------------------------|--------------------------------|----------------------------------|--------------------------------|
|   | 31st March, 2017<br>Consolidated | 31st March, 2017<br>Standalone | 31st March, 2016<br>Consolidated | 31st March, 2016<br>Standalone |
| <b>Revenue:</b>   |                                  |                                |                                  |                                |
| 1) Revenue from operations  | 16908.95                         | 7270.28                        | 14096.10                         | 6797.54                        |
| 2) Other Income   | 515.64                           | 148.32                         | 808.10                           | 156.15                         |
| <b>Total Revenue</b>  | <b>17424.59</b>                  | <b>7418.60</b>                 | <b>14904.20</b>                  | <b>6953.69</b>                 |
| <b>Expenses:</b>  |                                  |                                |                                  |                                |
| 1) Expenditure  | 12482.32                         | 4537.55                        | 10014.16                         | 5424.56                        |
| 2) Changes in Inventories of Finished Stock & Project in Progress | 1248.05                          | 1474.13                        | 1867.19                          | 694.07                         |

|   |                 |                |                 |                |
|---|-----------------|----------------|-----------------|----------------|
| <b>Total Expenses</b>                     | <b>13730.37</b> | <b>6011.68</b> | <b>11881.35</b> | <b>6118.63</b> |
| <b>Profit before tax</b>                  | <b>3694.21</b>  | <b>1406.92</b> | <b>3022.84</b>  | <b>835.06</b>  |
| <b>Tax Expenses:</b>                      |                 |                |                 |                |
| i) Current Tax                            | 1275.87         | 479.44         | 1012.54         | 284.70         |
| ii) Tax related to previous years         | 29.14           | -              | 1.26            | -              |
| iii) Deferred Tax                         | 17.60           | 18.84          | 16.29           | 17.55          |
| <b>Profit After Tax</b>                   | <b>2371.60</b>  | <b>908.64</b>  | <b>1992.75</b>  | <b>532.81</b>  |
| Previous Balance in Profit & Loss Account | 9165.76         | 6433.15        | 7369.07         | 6337.05        |
| Minority Interest                         | -96.61          | -              | -0.01           | -              |
| Shares of Profits of Associates (Net)     | -               | -              | 57.15           | -              |
| Profit available for appropriation        | 9069.15         | 6433.15        | 7426.21         | 6337.05        |
| Less:                                     |                 |                |                 |                |
| Proposed dividend/                        |                 |                |                 |                |
| Interim Dividend                          | 245.82          | 245.83         | 196.66          | 196.66         |
| Tax on:                                   |                 |                |                 |                |
| proposed dividend/                        |                 |                |                 |                |
| Interim Dividend                          | 50.04           | 50.04          | 40.04           | 40.04          |
| Transfer to general reserve               | 250             | 250            | 200             | 200            |
| Balance in Profit & Loss Account          | 10684.89        | 6795.92        | 9165.76         | 6433.16        |
| Earning per share (Rs.)                   | 115.68          | 46.20          | 104.24          | 27.09          |
| Dividend per Share (Rs.)                  | -               | -              | -               | -              |

## **REPORT ON CORPORATE GOVERNANCE**

Corporate Governance refers to the set of systems, principles and processes by which a company is governed. They provide the guidelines as to how the company can be directed or controlled so as to fulfill its goal and objectives in a manner that adds to the value of the company and benefit to all stakeholders in the long term. Stakeholders in this case would include everyone ranging from the Board of Directors, management and shareholders to customers, suppliers, financiers, employees and society at large. Strong and improved Corporate Governance practices are indispensable in today's competitive world and complex economy.

Eldeco looks at Corporate Governance requirements as an integral part of business strategy which contributes to business growth in ethical perspective. Besides complying with the prescribed corporate practices as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has voluntarily adopted various practices of governance in terms of highest ethical and responsible standard of business, globally benchmarked.

This chapter, along with the chapters on Management Discussion and Analysis and Additional Shareholders Information, reports Eldeco compliance with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 highlighting the additional initiatives taken in line with international best practices.

### **1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

Eldeco's philosophy is to view Corporate Governance from the view point of business strategy rather than mere compliance norms. Strong governance practices of the Company have been rewarded in terms of improved share valuations, stakeholder's confidence, market capitalization, high credit ratings etc. This has helped Eldeco to pay uninterrupted dividends to its shareholders.

The Company has established systems and procedures to ensure that its Board of Directors is well informed and well equipped to fulfill its overall responsibilities and to provide the management with the strategic direction catering to exigency of long term shareholders value. It's initiatives towards adhering to highest standards of governance include self governance, professionalization of the Board, fair and transparent processes and reporting systems and going beyond the mandated Corporate Governance Code requirements of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Being a value driven organization the Company envisages attainment of the highest level of transparency, accountability and equity in all facets of its operations including everyone it works with, the community it is in touch with and the environment it has an impact on.

### **2. BOARD OF DIRECTORS**

The Company maintains an optimum combination of Executive, Non-Executive and Independent Directors. The Board consists of total Seven (7) directors on 31st March, 2017. Mr. Pankaj Bajaj is the Chairman cum Managing Director of the Company.

None of the Directors on the Company's Board is a Member of more than ten Committees and Chairman of more than five Committees (Committees being Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee) across all the companies in which he is a Director.

Following is the list of Directors and other details as on 31st March, 2017:

| Name of the Director & Designation              | Category                  | No. of positions held in other Public Companies <sup>1</sup> |            |              |
|---|---------------------------|--|------------|--------------|
|   |                           | Board  | Committee  |              |
|   |                           |  | Membership | Chairmanship |
| Pankaj Bajaj<br>Chairman cum Managing Director* | Executive Promoter        | 1  | 2**        | 2**          |
| Shrikant Jajodia<br>Director                    | Non-Executive Director    | 2  | -          | -            |
| Anil Tiwari<br>Director                         | Non-Executive Independent | 2  | 2          | -            |
| Ranjit Khattar<br>Director                      | Non-Executive Independent | 1  | -          | -            |
| Ashish Jain<br>Director                         | Non-Executive Independent | -  | -          | -            |
| Rahul Aggarwal<br>Director                      | Non-Executive Independent | -  | -          | -            |
| Rupali Chopra<br>Director                       | Non-Executive Independent | -  | -          | -            |
| Shiv Kumar Garg<br>Executive Chairman***        | Executive Director        | -  | -          | -            |
| Arvind Bajaj****<br>Director                    | Non-Executive             | -  | -          | -            |

<sup>1</sup>excludes directorships in Associations, Private, Foreign and Section 8 companies.

\* Mr. Pankaj Bajaj was appointed as Chairman cum Managing Director w.e.f. 26.05.2017

\*\*Mr. Pankaj Bajaj is the Member/Chairman of Audit/CSR Committee in M/s Eldeco Infrastructure and Properties Limited.

\*\*\*Mr. Shiv Kumar Garg ceased to be a Director w.e.f. 28.02.2017

\*\*\*\*Mr. Arvind Bajaj ceased to be a Director w.e.f. 21.02.2017

#### Directors' Attendance Record

During the financial year 2016-2017, 8 (eight) meetings of the Board of Directors were held on 11.04.2016, 13.05.2016, 27.05.2016, 19.07.2016, 10.08.2016, 20.10.2016, 09.11.2016 and 14.02.2017. The Board was supplied with all relevant information and supporting papers, which were required, to transact the business specified in the agenda of Board Meetings held. The intervening period between the Board Meetings was well within the maximum time gap of One Hundred and Twenty days as prescribed in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015. Details of attendance of Directors in the Board meeting during this period are as under:

| Name of the Director | No. of Board Meeting | Attendance at the Board Meeting | Whether attended Last AGM |
|----------------------|----------------------|---------------------------------|---------------------------|
| Shiv Kumar Garg*     | 8                    | 6                               | Yes                       |
| Pankaj Bajaj         | 8                    | 6                               | Yes                       |
| Shrikant Jajodia     | 8                    | 6                               | Yes                       |
| Arvind Bajaj         | 8                    | 1                               | No                        |
| Anil Tiwari          | 8                    | 7                               | Yes                       |
| Ranjit Khattar       | 8                    | 1                               | Yes                       |
| Ashish Jain          | 8                    | 1                               | Yes                       |
| Rahul Aggarwal       | 8                    | 1                               | Yes                       |
| Rupali Chopra        | 8                    | 1                               | Yes                       |

*\*Mr. Shiv Kumar Garg ceased to be a Director w.e.f. 28.02.2017*

### 3. DISCLOSURE REGARDING APPOINTMENT & RE-APPOINTMENT OF DIRECTORS IN THE ENSUING ANNUAL GENERAL MEETING

Brief particulars of Directors who are appointed/re-appointed in this Annual General Meeting are as follows:

| PARTICULARS  | MR. SHRIKANT JAJODIA   |
|--|--|
| DIN  | 00602511   |
| Father's Name                                      | Shri Purushottam Brijmohandas Jajodia  |
| Date of Birth                                      | 22/12/1963   |
| Address  | 35, Anupam Appartments, M.B. Road, Saket, New Delhi-110030.  |
| Designation  | Director   |
| Education  | Masters Degree in Management from Boston University  |
| Experience   | 13 years experience in Real Estate Industry, 14 years experience in Multinational and FMCG companies at Senior Management level. |
| Companies in which holds Directorship*             | 3  |
| Companies in which holds membership of committees* | Nil  |
| Shareholding in the Company (No. & %)              | Nil  |

*\*Only Public Companies included.*

#### 4. COMMITTEES OF BOARD OF DIRECTORS

Eldeco has Four Board level Committees:

- a) Audit Committee
- b) Nomination and Remuneration Committee
- c) Stakeholders Relationship Committee
- d) Corporate Social Responsibility Committee

The Board is responsible for constituting, assigning, co-opting and fixing the terms of reference for members of various Committees. Details on the role and composition of these Committees, including the number of meetings held during the financial year and the related attendance, are provided below.

##### I. AUDIT COMMITTEE

###### Composition

As on 31st March, 2017, the Audit Committee of the Company comprises the following directors:

1. Mr Anil Tiwari - Chairman (Independent Director)
2. Mr. Shiv Kumar Garg- Member (Executive Promoter)\*
3. Mr Ranjit Khattar– Member (Independent Director)

Ms. Naina Tandon, Company Secretary was the Secretary of the Committee.\*\*

\* Mr. Shiv Kumar Garg resigned w.e.f 28.02.2017. Mr. Pankaj Bajaj & Mr. Ashish Jain were appointed as the Members of the Committee w.e.f. 8th April, 2017.

\*\* Ms. Naina Tandon resigned w.e.f. 15th June, 2017.

###### Meetings & Attendance

During the financial year 2016-17 the Audit Committee held 7 (seven) meetings on 26.04.2016, 13.05.2016, 27.05.2016, 11.07.2016, 10.08.2016, 08.11.2016 and 14.02.2017. The intervening period between the Audit Committee Meetings was well within the maximum time gap of four months as prescribed in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015. Details of attendance of members in the Audit Committee meeting during this period are as under:

| Name of the Director | Category                         | No of Audit Committee Meeting | Attendance at the Audit Committee Meeting |
|----------------------|----------------------------------|-------------------------------|---|
| Mr. Anil Tiwari      | Chairman<br>Independent Director | 7                             | 7   |
| Mr. Shiv Kumar Garg* | Member<br>Executive Promoter     | 7                             | 1   |
| Mr. Ranjit Khattar   | Member<br>Independent Director   | 7                             | 7   |

\* Mr. Shiv Kumar Garg resigned w.e.f 28.02.2017. Mr. Pankaj Bajaj & Mr. Ashish Jain were appointed as the Members of the Committee w.e.f. 8th April, 2017.

###### Role and Powers of Audit Committee

All members of the Audit Committee have accounting and financial management expertise. The Audit Committee shall have the authority to investigate into any matter that may be prescribed and the matters listed below and for this purpose the Audit



Committee shall have full access to information contained in the records of the Company and external professional advice, if necessary:

- i. To review the financial reporting process, all financial statements.
- ii. To recommend appointment/ re-appointment/ replacement/ removal/ Audit fees/ any other fees of Statutory Auditor.
- iii. Reviewing along with management, the listing compliances, related party disclosures, qualifications in draft audit report, matters required to be included in Directors Responsibility Statement, quarterly financial statements before its submission to the Board, changes in accounting policies, major accounting entries based on estimate of management.
- iv. To look into all matters relating to internal control system, internal audit system and the reasons for substantial defaults in the payment to the depositors.
- v. To review functioning of "Whistle Blower/Vigil Mechanism", if any.
- vi. To review Management Discussion and Analysis of financial condition and results of operation, statement of significant Related Party Transactions as submitted by management, internal audit report, term of chief internal auditor (including his remuneration).

## II. NOMINATION AND REMUNERATION COMMITTEE

### Composition

As on 31st March, 2017, the Nomination and Remuneration Committee consists of three Directors, all of them being non-executive and independent directors.

1. Mr Anil Tiwari - Chairman (Independent Director)
2. Mr Ranjit Khattar - Member (Independent Director)
3. Mr Ashish Jain - Member (Independent Director)

Ms. Naina Tandon, Company Secretary was the Secretary of the Committee.\*

\*Ms. Naina Tandon resigned w.e.f. 15th June, 2017.

### Meetings & Attendance

During the financial year 2016-2017, the Nomination and Remuneration Committee held 2 (two) meetings on 11.07.2016 and 13.02.2017. The Committee was supplied with all relevant information and supporting papers, which were required, to transact the business specified in the agenda of Meeting held.

| Name of the Director | Category                        | No. of Nomination and Remuneration Committee meeting | Attendance at the Remuneration Committee Meeting |
|----------------------|---------------------------------|--|--|
| Mr Anil Tiwari       | Chairman (Independent Director) | 2  | 2  |
| Mr Ranjit Khattar    | Member (Independent Director)   | 2  | 0  |
| Mr Ashish Jain       | Member (Independent Director)   | 2  | 2  |

The Nomination and Remuneration Committee ("Committee") shall have the power to determine the qualifications, competencies, positive attributes and independence for appointment of a Director (Executive/Non-Executive) and recommend to the Board policies relating to the remuneration of the Directors, Key Managerial Personnel and other employees and for this purpose, the Committee shall have full access to information contained in the records of the Company and external professional advice, if necessary.

Nomination and Remuneration Policy has been formulated by the Nomination and Remuneration Committee of the Company in compliance with section 178 of the Companies Act, 2013 read with the applicable rules thereto, which has been posted on the website of the Company – [www.eldecogroup.com](http://www.eldecogroup.com)

### Details of the Directors' Remuneration for the financial year ended 31st March, 2017

| Name of Director | Salaries & Perquisites (In Rs.) | Commission, Bonus Ex-gratia (In Rs.) | Sitting Fee (In Rs.) | Total Amount (In Rs.) | No. of Shares held (& %) |
|------------------|---------------------------------|--------------------------------------|----------------------|-----------------------|--------------------------|
| Shiv Kumar Garg  | 6,00,000*                       | Nil                                  | Nil                  | 6,00,000              | Nil                      |
| Pankaj Bajaj     | Nil                             | Nil                                  | Nil                  | Nil**                 | 10,68,267 (54.32)        |
| Shrikant Jajodia | Nil                             | Nil                                  | 70,000               | 70,000                | Nil                      |
| Arvind Bajaj     | Nil                             | Nil                                  | 10,000               | 10,000                | Nil                      |
| Anil Tiwari      | Nil                             | Nil                                  | 80,000               | 80,000                | Nil                      |
| Ranjit Khattar   | Nil                             | Nil                                  | 20,000               | 20,000                | Nil                      |
| Ashish Jain      | Nil                             | Nil                                  | 20,000               | 20,000                | Nil                      |
| Rahul Aggarwal   | Nil                             | Nil                                  | 20,000               | 20,000                | Nil                      |
| Rupali Chopra    | Nil                             | Nil                                  | 20,000               | 20,000                | Nil                      |

\*For the month of April, 2017 and May, 2017.

\*\*Application filed with Central Government for approval of Managerial Remuneration to Mr. Pankaj Bajaj has been rejected and closed.

### III. STAKEHOLDERS GRIEVANCE COMMITTEE

#### Composition

As on 31st March, 2017, the Stakeholders Relationship Committee consists of three Directors, the Chairman being non-executive:

1. Mr. Anil Tiwari - Chairman (Independent Director)
2. Mr. Shiv Kumar Garg- Member (Executive Promoter)\*
3. Mr. Ashish Jain- Member (Independent Director)

Ms. Naina Tandon, Company Secretary was the Secretary of the Committee.\*\*

\* Mr. Shiv Kumar Garg resigned w.e.f. 28.02.2017. Mr. Shrikant Jajodia was appointed as the Member of the Committee w.e.f. 8th April, 2017.

\*\* Ms. Naina Tandon resigned w.e.f. 15th June, 2017.

#### Attendance

During the financial year 2016-2017, the Stakeholders Relationship Committee held 5 (Five) meetings on 09.04.2016, 23.04.2016, 25.05.2016, 04.10.2016 and 25.01.2017. The Committee was supplied with all relevant information and supporting papers, which were required, to transact the business specified in the agenda of Meeting held.

| Name of the Director | Category                        | No of Stakeholders Relationship Committee Meeting | Attendance at the Stakeholders Relationship Committee Meeting |
|----------------------|---------------------------------|---|---|
| Mr. Anil Tiwari      | Chairman (Independent Director) | 5   | 5   |
| Mr. Shiv Kumar Garg* | Member (Executive Promoter)     | 5   | 5   |
| Mr. Ashish Jain      | Member (Independent Director)   | 5   | 0   |

The Committee was constituted to look into redressing the shareholders and investors' complaints and to expedite the process of redressal of complaints like transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends etc.

Ms. Naina Tandon, Company Secretary was the Secretary of the Committee.\*\*

During the year, the Company received 3 (Three) complaints from the shareholders. The Complaints were resolved. There were no complaints pending as on 31st March, 2017.

*Mr. Shiv Kumar Garg resigned w.e.f. 28.02.2017. Mr. Shrikant Jajodia was appointed as the Member of the Committee w.e.f. 8th April, 2017.*

*\*\* Ms. Naina Tandon resigned w.e.f. 15th June, 2017.*

#### IV. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSR COMMITTEE)

##### Composition

CSR Committee of the Company is constituted in line with the provisions of Section 135 of the Act, 2013 consisting of Mr. Anil Tiwari, Chairman, Mr. Pankaj Bajaj, Member and Mr. Shiv Kumar Garg\*, Member.

The Committee's prime responsibility is to assist the Board in discharging its social responsibilities by way of formulating and monitoring implementation of the framework of 'Corporate Social Responsibility Policy'.

The Committee's constitution and terms of reference meet with the requirements of the Companies Act, 2013.

The Terms of reference of the Committee includes formulation and recommendation to the Board, a Corporate Social Responsibility (CSR) Policy indicating activities to be undertaken by the Company in compliance with provisions of the Companies Act, 2013 and rules made thereunder; recommending the amount of expenditure to be incurred on the CSR activities and monitoring the implementation of the CSR Policy of the Company from time to time.

One meeting of the Corporate Social Responsibility Committee was held on 03.02.2017 during the year and Mr. Pankaj Bajaj, Member, was granted leave of absence.

*\*Mr. Shiv Kumar Garg resigned w.e.f. 28.02.2017. Mr. Shrikant Jajodia was appointed as the Member of the Committee w.e.f. 8th April, 2017.*

#### 5. GENERAL BODY MEETINGS

##### A. Particulars of past three Annual General Meetings of the Company:

| Date                 | Year    | Venue  | Time      | No.(s) of Special Resolution passed |
|----------------------|---------|--|-----------|-------------------------------------|
| 02nd September, 2016 | 2015-16 | Goldfinch Hotel, Suraj kund Road, Sector-39, Faridabad-121010, Haryana         | 2.00 p.m. | 1                                   |
| 25th September, 2015 | 2014-15 | Hotel Express Sarovar Portico, Sector-39, Surajkund, Faridabad-121010, Haryana | 2.00 p.m. | 1                                   |
| 26th September, 2014 | 2013-14 | Hotel Express Sarovar Portico, Sector-39, Surajkund, Faridabad-121010, Haryana | 3.00 p.m. | 1                                   |

##### Special Resolution passed during the last three Annual General Meetings.

| Date                 | Year    | Business passed   |
|----------------------|---------|---|
| 02nd September, 2016 | 2015-16 | ► Re-appointment of Mr. Shiv Kumar Garg as the Whole-Time Director of the Company and approval of remuneration paid to him. |
| 25th September, 2015 | 2014-15 | ► Approval of Remuneration of Mr. Pankaj Bajaj, Managing Director of the Company.   |
| 26th September, 2014 | 2013-14 | ► Approval of Remuneration of Mr. Shiv Kumar Garg, Executive Chairman of the Company.                                       |

## B. POSTAL BALLOT

### 2016-17

No resolution was passed through Postal Ballot in the year 2016-17.

### 2017-18

The Members were informed that presently, the Registered Office of the Company is situated in the State of Haryana while the Corporate Office of the Company is situated in State of Uttar Pradesh. The Company's operational activities are mainly handled at the Corporate Office of the Company and Registered Office being at very distant place, the Company faces operational difficulties.

Hence, in overall interest of the Company to conduct its operations more economically and efficiently, it was recommended to shift the registered office from the State of Haryana to the State of Uttar Pradesh.

In terms of Section 12 and other applicable provisions of the Companies Act, 2013 read with Rules made thereunder, shifting of Registered Office from one State to another requires the approval of the members by way of Special Resolution and confirmation by Regional Director.

Further, pursuant to the provisions of Section 110 of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, the Special Resolution for shifting the Registered Office for a listed Company from one State to another is required to be passed by way of Postal Ballot.

The Notice of Postal Ballot was approved by the Board of Directors in the Board Meeting held on 27th June, 2017.

#### The details of the Postal Ballot are as follows:

|                               |                                   |
|-------------------------------|-----------------------------------|
| Date of Postal Ballot Notice  | 27th June, 2017                   |
| Voting period                 | 1st July, 2017 to 31st July, 2017 |
| Date of passing of resolution | 31st July, 2017                   |
| Date of declaration of result | 2nd August, 2017                  |

#### The Result of Postal Ballot (including e-voting) based on the Scrutinizer's Report

| Description of Resolution | Special Resolution for shifting of Registered Office of the Company from the State of Haryana to the State of Uttar Pradesh and Alteration of Clause II of the Memorandum of Association of the Company |                  |                 |                  |                |                  |
|---------------------------|---|------------------|-----------------|------------------|----------------|------------------|
| Particulars               | E-Voting  | % of Total Votes | Physical Voting | % of Total Votes | Total Votes    | % of Total Votes |
| Votes casted in favour    | 1095407   | 99.09%           | 10026           | 0.91%            | 1105433        | 100%             |
| Votes casted against      | NIL   | 0                | NIL             | 0                | NIL            | 0                |
| Invalid Votes             | NIL   | 0                | NIL             | 0                | NIL            | 0                |
| <b>GRAND TOTAL</b>        |   |                  |                 |                  | <b>1105433</b> | <b>100%</b>      |

Post shareholders' approval by Postal Ballot, an Application for shifting of the Registered Office from the State of Haryana to the State of Uttar Pradesh is pending to be filed with concerned authorities. The same is in the process of being finalized.

## 6. SUBSIDIARY COMPANIES

The Audit Committee reviews the consolidated financial statements of the Company and the investments made by its unlisted subsidiary companies. The minutes of the board meetings along with a report on significant developments of the unlisted subsidiary companies are periodically placed before the Board of Directors of the Company.

The Company has a material non-listed Indian subsidiary company under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015, a “material non-listed Indian subsidiary” shall mean an unlisted subsidiary, incorporated in India, whose income or net worth (i.e. Paid up capital and free reserves) exceeds 20% of the consolidated income or net worth respectively, of the listed holding company and its subsidiaries in the immediately preceding accounting year and hence, it is required to have an Independent Director of the Company on the Board of such subsidiary company. The Audit Committee will review the financial statements of the Subsidiary Companies.

## **7. DISCLOSURES**

### **(a) Related Party Transactions**

There are no materially significant related party transactions with its Promoters, the Directors, Key Managerial Personnel, their Subsidiaries or Relatives etc., which may have potential conflict with the interest of the company at large. The other related party transactions are given in Notes on Accounts annexed to and forming the part of Balance Sheet and Profit and Loss Account of the Company.

### **(b) Vigil Mechanism**

The Company promotes ethical behavior in all its business activities and has put in place a mechanism for reporting illegal or unethical behavior. The Company has established sufficient Vigil Mechanism for the Directors and employees of the Company in compliance of the provisions of Section 177(9) of the Companies Act, 2013.

### **(c) Non-compliance by the Company, Penalties, Structures**

There were no instances of non-compliance by the Company, penalties, structures imposed on the Company by the Stock Exchange or SEBI or any statutory authority on any matter related to capital markets during the last three years.

### **(d) Non mandatory requirements**

The Company adopts the non-mandatory requirements given in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015.

## **8. CODE OF CONDUCT**

### **DECLARATION SIGNED BY CHAIRMAN CUM MANAGING DIRECTOR STATING THAT THE MEMBERS OF BOARD OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL HAVE AFFIRMED COMPLIANCE WITH CODE OF CONDUCT OF BOARD OF DIRECTORS AND SENIOR MANAGEMENT**

The Company has in place a comprehensive Code of Conduct (the Code) applicable to all the directors and senior management. The Code gives guidance and support needed for ethical conduct of business and compliance of law. The same has also been posted on the website i.e [www.eldecogroup.com](http://www.eldecogroup.com) of the Company.

As the Chairman cum Managing Director of Eldeco Housing and Industries Limited and as required under Regulation 34(3) read with Schedule-V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby declare that all Board Members and Senior Management Personnel of the Company have affirmed compliance with the Company's Code of Conduct for Board Members and Senior Management for the Financial Year 2016-17. It is hereby affirmed that all the Directors and senior management personnel have complied with the code of conduct framed by the Company and a confirmation to that effect has been obtained from the directors and senior management.

Sd/-

**Pankaj Bajaj**

Chairman cum Managing Director

## 9. MEANS OF COMMUNICATION

- a) At present, soft copies of annual report are sent to all those shareholder(s) who have registered their email addresses and hard copies to those shareholder(s) who have not registered their email addresses or who request for the same.
- b) **The Quarterly / half-yearly / Annual Accounts results:** The Company's quarterly results are generally published in 'Financial Chronical' (English), 'Naya India' (Hindi), 'Economic Times' (English) and 'Mint' (English) and are displayed on its website ([www.eldecogroup.com](http://www.eldecogroup.com))
- c) **Website:** The Company's website is [www.eldecogroup.com](http://www.eldecogroup.com)
- d) **Annual Report:** The Annual Report containing, inter alia, Audited Annual Accounts, Consolidated Financial Statements, Directors' Report, Auditors' Report and other important information is circulated to members and others entitled thereto. The Management's Discussion and Analysis (MD&A) Report forms part of the Annual Report and is displayed on the Company's website ([www.eldecogroup.com](http://www.eldecogroup.com)).
- e) **SEBI Complaints Redress System (SCORES):** The investor complaints are processed in a centralized web-based complaints redress system. The salient features of this system are: Centralized database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.
- f) **BSE Corporate Compliance & Listing Centre (the 'Listing Centre'):** BSE's Listing Centre is a web-based application designed for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are also filed electronically on the Listing Centre.

## 10. GENERAL SHAREHOLDERS INFORMATION

### i) Annual General Meeting

|                      |  |
|----------------------|--|
| Date & Time          | 29th September, 2017 at 2:00 pm                                    |
| Venue                | Park Plaza, Plot No. 1, Sector-21C, Faridabad, Haryana-121003      |
| Date of Book Closure | 23rd September, 2017 - 29th September, 2017 (both dates inclusive) |

### ii) Financial Calendar

| For the Year Ended 31st March, 2017 results announced on:               |                         |
|---|-------------------------|
| Events  | Time frame              |
| Financial Reporting for the first quarter ended 30th June, 2016         | 10th August, 2016       |
| Financial Reporting for the second quarter ending 30th September, 2016  | 09th November, 2016     |
| Financial Reporting for the third quarter ending 31st December, 2016    | 14th February, 2017     |
| Financial Reporting for the fourth quarter/year ending 31st March, 2017 | 26th May, 2017(Audited) |

### For the Year Ending 31st March, 2018

| Events   | Tentative time frame                 |
|--|--------------------------------------|
| Financial Reporting for the first quarter ended 30th June, 2017          | On or before 14th September, 2017    |
| Financial Reporting for the second quarter ending 30th September, 2017   | On or before 14th December, 2017     |
| Financial Reporting for the third quarter ending 31st December, 2017     | On or before 14th February, 2017     |
| Financial Reporting for the fourth quarter/ year ending 31st March, 2018 | On or before 30th May, 2018(Audited) |

### iii) Dividend Payment Date

An interim was declared on 14th February, 2017, by the Board of Directors of the Company. The Record Date for ascertaining the names of the shareholders who were eligible to receive the said dividend was 24th February, 2017.

### iv) Listing on Stock Exchange

The equity shares of the Company are listed on the following Stock Exchanges:

#### BSE Ltd (BSE)

Phiroze Jeejeebhoy Towers  
Dalal Street, Mumbai - 400 001  
Tel No.: 022-22721233, 22721234  
Fax No.: 022-22721919  
E-Mail: corp.relations@bseindia.com  
Website: [www.bseindia.com](http://www.bseindia.com)

The company has paid the listing fees payable to BSE for 2017-18.

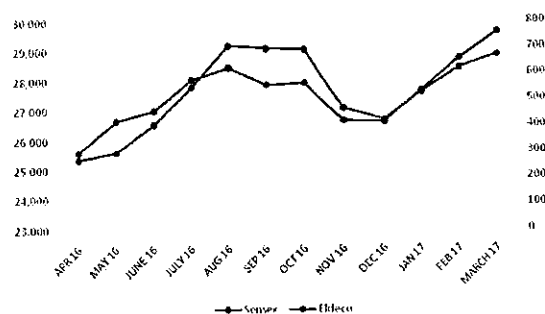
#### v) Stock Code: BSE: 523329

vi) Market Price Data: High/ low of market price of the Company's equity shares traded on BSE during the last financial year were as follows:

| Month        | High   | Low    | Volume |
|--------------|--------|--------|--------|
| April 16     | 276.70 | 236.60 | 9049   |
| May 16       | 297.05 | 254.00 | 6835   |
| June 16      | 403.95 | 311.90 | 90462  |
| July 16      | 549.35 | 431.10 | 77202  |
| August 16    | 763.00 | 475.00 | 164513 |
| September 16 | 749.00 | 625.10 | 55421  |
| October 16   | 730.00 | 580.00 | 45164  |
| November 16  | 717.00 | 380.00 | 68792  |
| December 16  | 489.00 | 378.75 | 14220  |
| January 17   | 564.90 | 404.05 | 30951  |
| February 17  | 685.00 | 535.00 | 37460  |
| March 17     | 670.00 | 565.05 | 17403  |

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

#### vii) Performance in comparison to broad-base indices BSE Sensex



#### viii) Registrar and Transfer Agents

M/s Skyline Financial Services Private Limited is the Registrar and Transfer Agent for the shares of the Company in both physical as well as electronic modes. Securities lodged for transfer at the Registrar's address or at the Company's Registered Office, are normally processed within 15 days from the date of lodgment, if the documents are clear in all respects. All requests for dematerialization of securities are processed and the confirmation is given to the depositories within 15 days. Grievances received from investors and other miscellaneous correspondence on change of address, mandates, etc. are processed by the Registrars within 15 days.

Members are requested to correspond with the Company's Registrar and Transfer Agents M/s Skyline Financial Services Private Limited quoting their folio no. at the following address:

**M/s Skyline Financial Services Private Limited,**  
D-153A, 1st Floor,  
Okhla Industrial Area Phase -1,  
New Delhi-110 020  
Tel- 011-26292682-83, E-Mail: info@skylinerta.com  
parveen@skylinerta.com

#### ix) Reconciliation of Share Capital

A qualified practicing Company Secretary carried out a Reconciliation of Share Capital to reconcile the total admitted capital with NSDL and CDSL and the total issued and listed capital. The audit confirms that the total issued/paid up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form (held with NSDL and CDSL).

#### x) Shareholding Pattern

Shareholding Pattern of the Company as on 31st March, 2017 is given below:-

| Category                                     | No. of Shares  | % Promoters   |
|--|----------------|---------------|
| a) Individuals / Hindu Undivided Family      | 1068267        | 54.32         |
| b) Bodies Corporate                          | 10000          | 0.51          |
| <b>Total (A)</b>                             | <b>1078267</b> | <b>54.83</b>  |
| <b>Public Shareholding (Non Institution)</b> |                |               |
| a) Bodies Corporate                          | 221126         | 11.24         |
| b) Individuals/HUF                           | 662772         | 33.70         |
| c) NRI/OCB's                                 | 3699           | 0.19          |
| d) Clearing Member/ House                    | 676            | 0.034         |
| e) Others (Public Trust)                     | 60             | 0.003         |
| <b>Total (B)</b>                             | <b>888333</b>  | <b>45.17</b>  |
| <b>Grand Total (A+B)</b>                     | <b>1966600</b> | <b>100.00</b> |



**xi) Distribution of Shareholding**

Distribution of Shareholding of the Company as on 31st March, 2017 is as following:

| Range of Shares    | Shareholder's Numbers | % to Total Number | No. of Shares held |                |               |                | % to total Shares |
|--------------------|-----------------------|-------------------|--------------------|----------------|---------------|----------------|-------------------|
|                    |                       |                   | Physical           | NSDL           | CDSL          | Total          |                   |
| Upto— 5,000        | 2350                  | 98.53             | 126498             | 210861         | 103933        | 441292         | 22.44             |
| 5001 – 10,000      | 14                    | 0.59              | 7500               | 66914          | 21268         | 95682          | 4.87              |
| 10001 – 20,000     | 16                    | 0.67              | 19000              | 173480         | 40028         | 232508         | 11.82             |
| 20001 – 30,000     | 2                     | 0.08              | 0                  | 47860          | 0             | 47860          | 2.43              |
| 30001 – 40,000     | 1                     | 0.04              | 0                  | 39765          | 0             | 39765          | 2.02              |
| 40001 – 50,000     | 1                     | 0.04              | 0                  | 41226          | 0             | 41226          | 2.10              |
| 50001 – 1,00,000   | 0                     | 0.00              | 0                  | 0              | 0             | 0              | 0.00              |
| 1,00,001 and above | 1                     | 0.04              | 0                  | 1068267        | 0             | 1068267        | 54.32             |
| <b>Total</b>       | <b>2385</b>           | <b>100.00</b>     | <b>152998</b>      | <b>1648373</b> | <b>165229</b> | <b>1966600</b> | <b>100.00</b>     |

**xii) Dematerialization of Shares**

The shares of the Company are in dematerialized segment and are available for trading in depository system of both National Securities Depository Limited and Central Depository Services (India) Limited. As on 31st March, 2017 about 92.22% (previous year 91.64%) of the Company's equity paid-up capital had been dematerialized. Trading in equity shares of the Company at the Stock Exchange is permitted compulsorily in demat mode.

**xiii)** There are no outstanding GDRs/ ADRs/ Warrants or any Convertible other Instruments as on the date.

**xiv) Address for Correspondence:** The shareholders may send their communication grievances/ queries to the Registrar and Share Transfer Agents at their Address mentioned above or to the Company at its Corporate Office:

2nd Floor, Eldeco Corporate Chamber- I,  
Vibhuti Khand, Gomti Nagar, Lucknow-226 010  
Phone: 0522-4039999, Fax No. 0522-4039900  
E-mail: [shareholdercomplaint@eldecousing.co.in](mailto:shareholdercomplaint@eldecousing.co.in)

## **CEO/CFO CERTIFICATION**

We, Pankaj Bajaj, Managing Director and Sushil Dutt Mishra, Chief Financial Officer, responsible for the finance function certify that:

- (a) We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2017 and that to the best of our knowledge and belief:
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) To the best of our knowledge and belief, no transactions entered into by the company during the years which are fraudulent, illegal or violative of the company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and they have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the Auditors and the Audit committee that:
  - (i) significant changes in internal control over financial reporting during the year;
  - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (iii) instances of significant fraud of which they 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.

Sd/-

Sd/-

Date : 21st August, 2017  
Place: New Delhi

**Pankaj Bajaj**  
Chairman cum Managing Director

**Sushil Dutt Mishra**  
Chief Financial Officer

## **COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE**

To  
The Members of  
**M/s Eldeco Housing & Industries Ltd**

We have examined the compliance of conditions of Corporate Governance by Eldeco Housing & Industries Ltd, for the year ended on 31st March, 2017, as stipulated in Listing agreement and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the said company with Stock Exchange.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing agreement and Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

**For Rishi Raj Tandon**  
**Practising Company Secretary**

**Date: 24th July, 2017**  
**Place: Lucknow**

**Rishi Raj Tandon**  
**FCS**  
**CP: 8701**

## **INDEPENDENT AUDITOR'S REPORT ON STANDALONE FINANCIAL STATAMENTS**

To,  
The Members of  
Eldeco Housing and Industries Limited

### **Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of **Eldeco Housing and Industries Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of 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 financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. 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. 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 Company's directors, as well as evaluating the overall presentation of the financial statements.

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

## Opinion

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

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2017 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure A, a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable.
2. 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 purpose of our audit;
  - b) in our opinion, proper books of account as required by the law have been kept by the Company so far as appears from our examination of those books;
  - c) the balance sheet, the statement of profit and loss, and the cash flow statement dealt with by this Report are in agreement with the books of account;
  - d) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e) on the basis of written representations received from the directors as on 31st March, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017, from being appointed as a director in terms of section 164 (2) of the Act;
  - f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
  - g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 30 to the financial statements;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;
    - iv. The Company did not have any holdings or dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 (Refer Note 39 to the standalone financial statements).

**FOR DOOGAR & ASSOCIATES**  
Chartered Accountants  
(Firm Reg No-000561N)

Place: Lucknow  
Dated: 26th May, 2017

(CA. UDIT BANSAL)  
Partner  
M.No. 401642

## **ANNEXURE – A TO THE INDEPENDENT AUDITOR’S REPORT**

**The Annexure referred to in Independent Auditor’s Report to the members of the Company on the standalone financial statements for the year ended 31st March, 2017 we report that:**

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of two years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the company, no immovable properties are owned by the company.
2. (a) The inventories includes land, completed real estate projects, project in progress, and construction material, the same has been physically verified at reasonable intervals by the management during the year.
- (b) In our opinion and according to the information and explanations given to us, the procedures followed by the management for such physical verification are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) In our opinion, the Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material and have been properly dealt with in the books of accounts.
3. According to information and explanation given to us, the Company has not granted any secured or unsecured loans, to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, paragraph 3(iii) of the order is not applicable to the Company.
4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
5. The Company has not accepted any deposits from the public. Accordingly, paragraph 3 (v) of the order is not applicable to the Company.
6. According to the information and explanations given to us, the cost records have been maintained by the Company pursuant to section 148 (1) of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed cost records have been made and maintained, however, we have not made a detailed examination of such cost records.
7. (a) According to the information & explanations given to us and on the basis of our examination of the records of the Company, the Company is generally regular in depositing with the appropriate authorities undisputed statutory dues including provident fund, employees’ state insurance, income tax, sales tax, service tax, duty of customs, excise, value added tax, cess and any other statutory dues applicable to it and there are no undisputed statutory dues outstanding as at 31st March, 2017 for a period exceeding six months from the date they became payable.
- (b) According to the information & explanations given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax or cess which have not been deposited on account of any dispute, except the following, along with the forum where dispute is pending:

| <b>Name of the Statute</b> | <b>Nature of the dues/Period to which it relates</b> | <b>Amount (in Rs)</b> | <b>Forum where dispute is pending</b> |
|----------------------------|--|-----------------------|---------------------------------------|
| Income Tax Act             | Income Tax/ A.Y. 2009-10                             | 2,15,355              | ITAT, Agra                            |
| Income Tax Act             | Income Tax/ A.Y. 2013-14                             | 5,43,003              | ITAT, New Delhi                       |
| Income Tax Act             | Income Tax/ A.Y. 2014-15                             | 8,43,850              | CIT (Appeal) -I, Kanpur               |
| UP VAT Act                 | VAT/ F.Y. 2011-12                                    | 4,18,812              | Addl. Commissioner Grade II           |

|               |                            |           |  |
|---------------|----------------------------|-----------|--|
|               |                            |           | (Appeals),<br>Range III, Agra                                      |
| UP VAT<br>Act | Entry Tax/<br>F.Y. 2011-12 | 2,24,921  | Addl.<br>Commissioner<br>Grade II<br>(Appeals),<br>Range III, Agra |
| UP VAT<br>Act | VAT/<br>F.Y. 2012-13       | 20,29,366 | Addl.<br>Commissioner<br>Grade II<br>(Appeals),<br>Range III, Agra |

8. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institutions or banks. During the year, the Company has not issued any debentures. Further, the Company has old outstanding of Rs. 46.07 lacs (shown in Note 8 of balance sheet) from City Co-operative Bank, Lucknow in overdraft account against FDR's of Rs. 106.29 lacs. The said bank has discontinued its operations; however the company has applied for repayment of fixed deposits after adjustment of the balance outstanding in the overdraft account. A writ petition is also pending in respect of the same in Hon'ble Allahabad High Court. Further the Reserve Bank of India has issued Directions as per Section 35A of the Banking Regulation Act, 1949 to Indian Mercantile Co-operative Bank Ltd., Lucknow. Accordingly, the last two installments of Term Loan is not adjusted by bank against balance in Current Account, FDR and security taken at the time of disbursement of Term Loan, even though request for the same is already communicated by the Company. (Refer Note No. 41)
9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable.
10. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
11. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
12. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3 (xii) of the Order is not applicable.
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
16. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

**FOR DOOGAR & ASSOCIATES**  
Chartered Accountants  
(Firm Reg No-000561N)

**(CA. UDIT BANSAL)**  
Partner  
M.No. 401642

**Place: Lucknow**  
**Dated: 26th May, 2017**

## **ANNEXURE - B TO THE INDEPENDENT AUDITOR'S REPORT**

### **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 **Eldeco Housing and Industries Limited** ("the Company") as at 31st March, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 control 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 31st March, 2017 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

**FOR DOOGAR & ASSOCIATES**  
**Chartered Accountants**  
**(Firm Reg No-000561N)**

**Place: Lucknow**  
**Dated: 26th May, 2017**

**(CA. UDIT BANSAL)**  
**Partner**  
**M. No. 401642**

## **BALANCE SHEET AS AT 31ST MARCH, 2017**

(Amount in Rupees unless otherwise stated)

| PARTICULARS   | NOTE | As At<br>31st March, 2017 | As At<br>31st March, 2016 |
|---|------|---------------------------|---------------------------|
| <b>I. EQUITY AND LIABILITIES :</b>  |      |                           |                           |
| <b>1 SHAREHOLDERS' FUNDS</b>  |      |                           |                           |
| a. Share Capital  | 2    | 19,666,000.00             | 19,666,000.00             |
| b. Reserves and Surplus   | 3    | 817,119,101.53            | 755,842,453.53            |
| <b>2 NON CURRENT LIABILITIES</b>  |      |                           |                           |
| a. Long Term Borrowings   | 4    | -                         | -                         |
| b. Deferred Tax Liabilities(Net)  | 5    | 6,544,025.00              | 4,659,963.00              |
| c. Other Long Term Liabilities  | 6    | 19,657,940.78             | 21,494,733.21             |
| d. Long Term Provisions   | 7    | 5,642,230.00              | 5,072,087.00              |
| <b>3 CURRENT LIABILITIES</b>  |      |                           |                           |
| a. Short Term Borrowings  | 8    | 555,095,826.02            | 528,241,230.72            |
| b. Trade Payables   | 9    |                           |                           |
| i total outstanding dues of micro enterprises and small enterprises           |      | -                         | -                         |
| ii total outstanding dues of creditors other than micro and small enterprises |      | 65,022,906.40             | 55,922,167.50             |
| c. Other Current Liabilities  | 10   | 988,588,342.72            | 1,231,010,037.98          |
| d. Short Term Provisions  | 11   | 316,524.00                | 1,367,219.00              |
| <b>TOTAL</b>  |      | <b>2,477,652,896.45</b>   | <b>2,623,275,891.94</b>   |
| <b>II. ASSETS:</b>  |      |                           |                           |
| <b>1 NON-CURRENT ASSETS</b>   |      |                           |                           |
| a. Fixed Assets   | 12   |                           |                           |
| (i) Tangible Assets   |      | 27,280,247.20             | 30,344,506.06             |
| (ii) Intangible Assets  |      | 300,598.43                | 578,230.98                |
| b. Non Current Investments  | 13   | 620,942,848.75            | 620,942,848.75            |
| c. Long Term Loans & Advances   | 14   | 30,049,577.16             | 30,369,342.26             |
| d. Other Non-Current Assets   | 15   | -                         | 903,096.00                |
| <b>2 CURRENT ASSETS</b>   |      |                           |                           |
| a. Inventories  | 16   | 646,236,778.30            | 820,852,544.10            |
| b. Trade Receivables  | 17   | 319,986,985.10            | 156,343,484.49            |

|  |    |                         |                         |
|--|----|-------------------------|-------------------------|
| c. Cash and Bank Balances  | 18 | 138,074,073.62          | 99,627,922.99           |
| d. Short Term Loans & Advances                                   | 19 | 339,082,025.42          | 538,229,726.33          |
| e. Other Current Assets  | 20 | 355,699,762.47          | 325,084,189.98          |
| <b>TOTAL</b>   |    | <b>2,477,652,896.45</b> | <b>2,623,275,891.94</b> |
| <b>Notes to Balance Sheet and Statement of Profit &amp; Loss</b> |    | <b>1-44</b>             |                         |

In terms of our report attached

For and on Behalf of the Board

**For DOOGAR & ASSOCIATES**  
Chartered Accountants  
(Firm Reg. No. 000561N)

**PANKAJ BAJAJ**  
(Chairman Cum Managing Director)  
DIN:00024735

**SHRIKANT JAJODIA**  
(Director)  
DIN:00602511

**CA. UDIT BANSAL**  
(Partner)  
M.NO. - 401642

**NAINA TANDON**  
(Company Secretary)  
M.No. A37976

**SUSHIL DUTT MISHRA**  
(Chief Financial Officer)

**Place : Lucknow**  
**Dated : 26th May, 2017**

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

(Amount in Rupees unless otherwise stated)

| PARTICULARS   | NOTE | Year Ended<br>31st March, 2017 | Year Ended<br>31st March, 2016 |
|---|------|--------------------------------|--------------------------------|
| <b>I REVENUE</b>  |      |                                |                                |
| 1 Revenue from Operations   | 21   | 727,028,252.45                 | 679,754,193.59                 |
| 2 Other Income  | 22   | 14,832,119.08                  | 15,615,003.34                  |
| <b>Total Revenue</b>  |      | <b>741,860,371.53</b>          | <b>695,369,196.93</b>          |
| <b>II EXPENSES</b>  |      |                                |                                |
| 1 Cost of Material Consumed, Construction & Other related Project Cost        | 23   | 303,179,494.90                 | 375,270,629.23                 |
| 2 Changes in Inventories of Finished Stock & Project in Progress              | 24   | 147,413,780.84                 | 69,407,405.20                  |
| 3 Employee Benefit Expenses   | 25   | 31,297,719.00                  | 41,938,030.00                  |
| 4 Finance Cost  | 26   | 55,187,149.62                  | 49,018,360.30                  |
| 5 Depreciation  |      | 3,604,691.18                   | 4,496,645.61                   |
| 6 Other Expenses  | 27   | 60,485,819.99                  | 71,731,853.48                  |
| <b>Total Expenses</b>   |      | <b>601,168,655.53</b>          | <b>611,862,923.82</b>          |
| <b>III PROFIT BEFORE TAX</b>  |      | <b>140,691,716.00</b>          | <b>83,506,273.11</b>           |
| <b>IV Tax Expense</b>   |      |                                |                                |
| i. Current Tax  |      | 47,944,000.00                  | 28,470,000.00                  |
| ii. Deferred Tax  |      | 1,884,062.00                   | 1,755,404.00                   |
| <b>V PROFIT AFTER TAX</b>   |      | <b>90,863,654.00</b>           | <b>53,280,869.11</b>           |
| <b>VI EARNINGS PER EQUITY SHARE</b><br>(Nominal value of share Rs. 10/- each) |      |                                |                                |
| <b>Basic &amp; Diluted Earnings Per Share</b>                                 | 28   | 46.20                          | 27.09                          |
| Notes to Balance Sheet and Statement of Profit & Loss                         | 1-44 |                                |                                |

**In terms of our report attached**

**For and on Behalf of the Board**

**For DOOGAR & ASSOCIATES**  
Chartered Accountants  
(Firm Reg. No. 000561N)

**PANKAJ BAJAJ**  
(Chairman Cum  
Managing Director)  
DIN:00024735

**SHRIKANT JAJODIA**  
(Director)  
DIN:00602511

**CA. UDIT BANSAL**  
(Partner)  
M. NO. - 401642

**NAINA TANDON**  
(Company Secretary)  
M.No. A37976

**SUSHIL DUTT MISHRA**  
(Chief Financial Officer)

**Place : Lucknow**  
**Dated : 26th May, 2017**

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

(Amount in Rupees unless otherwise stated)

| PARTICULARS  | Year Ended<br>31st March, 2017 | Year Ended<br>31st March, 2016 |
|--|--------------------------------|--------------------------------|
| <b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>         |                                |                                |
| Net Profit before tax and extraordinary items          | 140,691,716.00                 | 83,506,273.11                  |
| Adjustment for :                                       |                                |                                |
| Profit on sale of Fixed Assets                         | -                              | (11,625.00)                    |
| Depreciation   | 3,671,607.40                   | 4,563,561.83                   |
| Dividend received                                      | -                              | (41,151.00)                    |
| Profit on Sale of Non Current Investment               | -                              | (4,116,853.69)                 |
| Interest received                                      | (4,820,145.08)                 | (5,151,719.06)                 |
| Interest paid  | 55,187,149.62                  | 49,018,360.30                  |
| <b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b> | <b>194,730,327.94</b>          | <b>127,766,846.49</b>          |
| <b>ADJUSTMENTS FOR WORKING CAPITAL CHANGES:</b>        |                                |                                |
| Inventories  | 174,615,765.80                 | 113,877,923.08                 |
| Trade and other receivables                            | (163,643,500.61)               | 3,517,862.32                   |
| Other current & non current assets                     | 170,859,070.85                 | (123,010,390.97)               |
| Trade payables   | 9,100,738.90                   | (46,387,377.99)                |
| Other current & non current liabilities                | (242,854,977.69)               | 42,134,542.27                  |
| <b>CASH GENERATED FROM OPERATING ACTIVITIES:</b>       | <b>142,807,425.19</b>          | <b>117,899,405.20</b>          |
| Direct Taxes Paid                                      | (49,828,062.00)                | (30,225,404.00)                |
| <b>NET CASH FROM OPERATING ACTIVITIES</b>              | <b>92,979,363.19</b>           | <b>87,674,001.20</b>           |
| <b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>         |                                |                                |
| Sale of Fixed Assets                                   | -                              | 30,000.00                      |
| Purchase of Fixed Assets                               | (329,716.00)                   | (515,002.00)                   |
| Purchase of Investments                                | (300,000.00)                   | (499,233,386.75)               |
| Sale of Investment                                     | 300,000.00                     | 4,316,853.69                   |
| Interest received                                      | 4,820,145.08                   | 5,151,719.06                   |
| Dividend received                                      | -                              | 41,151.00                      |

|  |                        |                         |
|--|------------------------|-------------------------|
| <b>NET CASH USED IN INVESTING ACTIVITIES</b>                 | <b>4,490,429.08</b>    | <b>(490,208,665.00)</b> |
| <b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>               |                        |                         |
| Proceeds from borrowings                                     | 525,594,520.00         | 494,097,746.35          |
| Repayment of borrowings                                      | (498,739,924.70)       | (6,063,805.00)          |
| Interest & Finance Charges paid                              | (55,187,149.61)        | (49,018,360.30)         |
| Dividend Paid  | -                      | (3,933,200.00)          |
| Tax on Dividend  | -                      | (800,721.00)            |
| Interim Dividend Paid  | (24,582,500.00)        | (19,666,000.00)         |
| Tax on Interim Dividend                                      | (5,004,506.00)         | (4,003,605.00)          |
| <b>NET CASH USED IN FINANCING ACTIVITIES</b>                 | <b>(57,919,560.31)</b> | <b>410,612,055.05</b>   |
| <b>NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS</b> | <b>39,550,231.96</b>   | <b>8,077,391.25</b>     |
| <b>CASH AND CASH EQUIVALENTS (OPENING BALANCE)</b>           | <b>84,610,466.66</b>   | <b>76,533,075.41</b>    |
| <b>CASH AND CASH EQUIVALENTS (CLOSING BALANCE)</b>           | <b>124,160,698.62</b>  | <b>84,610,466.66</b>    |

Note: The above Cash flow statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard 3 on 'Cash Flow Statements'.

Previous year's figures have been restated, wherever necessary, to conform to this year's classification.

**In terms of our report attached**

**For and on Behalf of the Board**

**For DOOGAR & ASSOCIATES**  
Chartered Accountants  
(Firm Reg. No. 000561N)

**PANKAJ BAJAJ**  
(Chairman Cum Managing Director)  
DIN:00024735

**SHRIKANT JAJODIA**  
(Director)  
DIN:00602511

**CA. UDIT BANSAL**  
(Partner)  
M. NO. - 401642

**NAINA TANDON**  
(Company Secretary)  
M.No. A37976

**SUSHIL DUTT MISHRA**  
(Chief Financial Officer)

Place : Lucknow  
Dated : 26th May, 2017

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

### **1. SIGNIFICANT ACCOUNTING POLICIES:**

#### **i. Basis of Accounting**

Financial Statements have been prepared under the historical cost convention in accordance with the generally accepted accounting principles and to comply with Accounting Standards referred to in Section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules, 2014, to the extent applicable.

The Company follows the mercantile system of accounting and recognizes the income & expenditure on accrual basis.

All assets and liabilities have been classified as Current or Non-current as per Company's normal operating cycle. Based on the nature of products and time between acquisition of assets/materials for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle being a period of one year for the purpose of classification of assets and liabilities as current and non-current.

#### **ii. Use of Estimates**

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

#### **iii. Accounting Policies**

##### **a. Fixed Assets**

Fixed Assets are stated at acquisition cost less accumulated depreciation. Cost includes inward freight, duties, taxes and incidental expenses related to acquisition and installation incurred up to the date of commissioning of assets.

##### **b. Depreciation**

Depreciation on fixed assets is provided on straight line method based on the useful life of the asset as specified in Schedule II to the Companies Act, 2013. The

management estimates the useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

Intangible assets are amortized over their estimated useful life. In respect of Computer Software as 5 years.

##### **c. Impairment of Assets**

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash-generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss.

##### **d. Investments**

Long-term investments are carried at cost less provision, if any, for diminution in value other than temporary. Current investments are carried individually, at lower of cost or fair value.

##### **e. Inventories**

**Inventories are valued as under:**

Building Materials, Stores and Consumables are valued at cost, where cost is determined on first in first out basis.

Land is valued at cost. Cost includes cost of acquisition and all related costs.

Project in Progress is valued at cost and consists of all direct expenditure incurred on projects under execution. Cost includes cost of land, materials, construction, services, borrowing costs and other directly attributable to the construction/development of the projects.

Completed real estate project for sale and trading stock are valued at lower of cost or net realizable value.

##### **f. Revenue Recognition**

##### **A. Real Estate Projects**

The Company follows the Percentage of Completion Method (POC) of Accounting. As per this method, the revenue in the Statement of Profit and Loss at the end of

the accounting year is recognized in proportion to the actual cost incurred as against the total estimated cost of projects under execution with the Company subject to actual cost being 30% or more of the total estimated cost. The stage of completion under the POC method is measured on the basis of percentage that actual costs incurred on real estate projects including land, construction and development cost bears to the total estimated cost of the project. The estimates of the projected revenues, projected profits, projected costs, cost to completion and the foreseeable loss are reviewed periodically by the management and any effect of changes in estimates is recognized in the period in which such changes are determined.

Effective from 1st April, 2012, in accordance with the "Guidance Note on Accounting for Real Estate Transactions (Revised), 2012" (referred to as "Guidance Note"), all projects commencing on or after the said date or projects where revenue is recognized for the first time on or after the said date, Revenue from real estate projects has been recognized on Percentage of Completion method provided the following conditions are met:

- (i) All critical approvals necessary for commencement of the project have been obtained.
- (ii) The expenditure incurred on construction and development is not less than 25% of the total estimated construction and development cost.
- (iii) At least 25% of the saleable project area is secured by way of contracts or agreements with buyers.
- (iv) At least 10% of the total revenue as per the agreement of sale or any other legally enforceable documents are realized at the reporting date in respect of each of the contracts and it is reasonable to expect that the parties to such contracts will comply with the payment terms as defined in the respective contracts.

Unbilled revenue disclosed under other assets represents revenue recognized based on percentage of completion method over and above amount due as per payment plan agreed with the customers. Amount received from customers which exceeds the cost and recognized profits to date on projects in progress, is disclosed as advance received from customers under other current liabilities. Any billed amount against

which revenue is recognized but amount not collected is disclosed under trade receivable.

Surrender of flats by buyers are valued at cost and accounted for as 'Cost of Construction'. When sold, proceeds are treated as 'Sales'.

Repair, maintenance and other costs incurred after the completion of the project are charged to the cost of construction in the year in which cost is incurred.

Interest due on delayed payments by customers are recognized when the recovery is reasonable certain.

Revenue from sale of completed real estate projects, land, development rights and sale/transfer of rights in agreements are recognised in the financial year in which agreements of such sales are executed and there is no uncertainty about ultimate collections.

#### **B. Income from Construction Contracts**

- a. Revenue from construction contracts is recognized on the "Percentage of Completion Method" of accounting.
- b. Income from Construction contracts is recognized by reference to the stage of completion of the contract activity as certified by the client.
- c. Revenue on account of contract variations, claims and incentives are recognized upon determination or settlement of the contract.

#### **C. Revenue from Trading activities of completed projects is accounted for on accrual basis.**

#### **g. Retirement Benefits**

- i) Short-term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit & Loss of the year in which the employee has rendered services.
- ii) Post employment benefits are recognized as an expense in the Statement of Profit & Loss for the year in which the employee has rendered services. The expense is recognized at the present value of the amount payable towards contributions. The present value is determined using market yields of government bonds, at the balance sheet date, as the discounting rate.
- iii) Other long term employee benefits are recognized as an expense in the Statement of Profit & Loss for the year in which the employee has rendered services. Estimated liability on account of long term



benefits is discounted to the present value using the market yield on government bonds as on the date of balance sheet.

- iv) Actuarial gains and losses in respect of post employment and other long term benefits are charged to the Statement of Profit & Loss.

**h. Borrowing Costs**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets (including real estate projects) are capitalized as part of the cost of such asset/project. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

**i. Accounting for taxes on income**

The accounting treatment followed for taxes on income is to provide for current and deferred tax. Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961. Deferred Tax resulting from the difference between book and taxable profits is accounted for using the tax rates and laws that have been enacted or substantially enacted as on Balance Sheet date. The Deferred Tax is recognized and carried forward only to the extent that there is a reasonable certainty that the assets will be realized in future.

**j. Operating lease**

Lease arrangements where the risk and rewards incident to ownership of an asset substantially vest with the lessor are recognized as operating lease. Lease rent under operating lease are charged to statement of profit and

loss on a straight line basis over the lease term.

**k. Earnings per share**

The earnings considered in ascertaining the company's EPS comprise the Net Profit or Loss for the period after tax and extra ordinary items. The basic EPS is computed on the basis of weighted average number of equity shares outstanding during the year. The number of shares for computation of diluted EPS comprises of weighted average number of equity shares considered for deriving basic EPS and also the weighted average number of equity shares which could be issued on the conversion of all dilutive potential equity shares.

**l. Provisions, Contingent Liabilities and Contingent Assets**

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not; require an out flow of resources. Where there is a possible obligation of a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made. Provision is made in account in respect of those contingencies which are likely to materialize in to liabilities after the year end till the adoption of accounts by the Board of Directors and which have material effect on the position stated in the balance sheet.

**m. Cash & Cash Equivalents**

For the purpose of Cash Flow Statement, cash and cash equivalents include cash in hand, demand deposit with the bank, other short term highly liquid investments within original maturities of 3 months or less.

(Amount in Rupees )

| 2-Share Capital                                       | As At 31st March, 2017 |                      | As At 31st March, 2016 |                      |
|---|------------------------|----------------------|------------------------|----------------------|
|   | Number                 | Amount               | Number                 | Amount               |
| <b>Authorised</b>                                     |                        |                      |                        |                      |
| Equity Shares of Rs 10/- (Previous Year Rs. 10/-)each | 10,000,000             | 100,000,000.00       | 10,000,000             | 100,000,000.00       |
| <b>Issued, Subscribed &amp; Fully Paid up</b>         |                        |                      |                        |                      |
| Equity Shares of Rs 10/- (Previous Year Rs. 10/-)each | 1,966,600              | 19,666,000.00        | 1,966,600              | 19,666,000.00        |
| <b>Total Issued, Subscribed &amp; Fully Paid up</b>   | <b>1,966,600</b>       | <b>19,666,000.00</b> | <b>1,966,600</b>       | <b>19,666,000.00</b> |

## 2.1 Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year

| Particulars                                     | As At 31st March, 2017 |               | As At 31st March, 2016 |               |
|---|------------------------|---------------|------------------------|---------------|
|   | Number                 | Amount        | Number                 | Amount        |
| <b>Equity Shares</b>                            |                        |               |                        |               |
| Shares outstanding at the beginning of the year | 1,966,600              | 19,666,000.00 | 1,966,600              | 19,666,000.00 |
| Shares issued during the year                   | -                      | -             | -                      | -             |
| Shares bought back during the year              | -                      | -             | -                      | -             |
| Shares outstanding at the end of the year       | 1,966,600              | 19,666,000.00 | 1,966,600              | 19,666,000.00 |

## 2.2 Terms/ Rights Attached to Equity Shares

The Company has only one class of Equity Shares having a par value of Rs.10 per share. Each holder of Equity Shares is entitled to one vote per share and ranks pari passu. The Dividend proposed by the Board of Directors is subject to approval of the shareholders at the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

## 2.3 Details of Shareholders holding more than 5% shares in Equity Capital of the Company.#

| Name of Shareholder   | As At 31st March, 2017 |              | As At 31st March, 2016 |              |
|---|------------------------|--------------|------------------------|--------------|
|   | No. of Shares held     | % of Holding | No. of Shares held     | % of Holding |
| Equity Shares of Rs 10/- (Previous Year Rs. 10/-)each<br>Pankaj Bajaj | 1,068,267              | 54.32        | 1,057,000              | 53.75        |

#The aforesaid disclosure is based upon percentages computed separately for class of shares outstanding as at the balance sheet date. As per records of the company, including its register of shareholders/members and other declaration received from shareholders regarding beneficial interest, the above shareholding represents both legal & beneficial ownership of shares.

(Amount in Rupees )

| 3-Reserves & Surplus   | As At<br>31st March, 2017 | As At<br>31st March, 2016 |
|--|---------------------------|---------------------------|
| <b>a. Capital Reserve</b>                                    |                           |                           |
| As Per Last Balance Sheet                                    | 133,600.00                | 133,600.00                |
| <b>b. General Reserve</b>                                    |                           |                           |
| As Per Last Balance Sheet                                    | 112,393,067.71            | 92,393,067.71             |
| Add: Transfer from surplus in the Statement of Profit & Loss | 25,000,000.00             | 20,000,000.00             |
| Closing Balance  | <b>137,393,067.71</b>     | <b>112,393,067.71</b>     |
| <b>c. Surplus in the Statement of Profit &amp; Loss</b>      |                           |                           |
| As Per Last Balance Sheet                                    | 643,315,785.82            | 633,704,521.71            |
| Add: Profit for the Year                                     | 90,863,654.00             | 53,280,869.11             |
| Less: Appropriations:  |                           |                           |
| Transfer to General Reserve                                  | 25,000,000.00             | 20,000,000.00             |
| Interim Dividend Paid  | 24,582,500.00             | 19,666,000.00             |
| [Rs. 12.50 per share (Previous Year Rs. 10 per share)]       |                           |                           |
| Tax on Interim Dividend                                      | 5,004,506.00              | 4,003,605.00              |
| Closing Balance  | <b>679,592,433.82</b>     | <b>643,315,785.82</b>     |
| <b>Total</b>   | <b>817,119,101.53</b>     | <b>755,842,453.53</b>     |

(Amount in Rupees )

| 4-Long Term Borrowings   | As At 31st March, 2017 |                       | As At 31st March, 2016 |                       |
|--|------------------------|-----------------------|------------------------|-----------------------|
|  | Non<br>Current         | Current<br>Maturities | Non<br>Current         | Current<br>Maturities |
| <b>Secured Loans</b>   |                        |                       |                        |                       |
| <b>Term Loan From Bank</b>   | -                      | -                     | -                      | 5,972,013.00          |
| Less: Amount disclosed under the head 'Other<br>Current Liabilities (Refer Note no.10) |                        | -                     |                        | 5,972,013.00          |
| <b>Total</b>   | -                      | -                     | -                      | -                     |

**Term Loan From Bank**

| Particulars                              | Up To 1 Year | Total |
|--|--------------|-------|
| Term Loan (ROI 16%)/ Installment monthly | -            | -     |

**Nature of Security of Term Loan :**

Term Loan from bank are secured by Equitable Mortgage of Commercial Property of Plot No TC/G-10/10 Group Housing Scheme, Vibhuti Khand, Gomti Nagar, Lucknow.

(Amount in Rupees )

| 5-Deferred Tax Liability (Net)                                   | Deferred tax Liability/(Asset)<br>As At<br>31st March, 2016 | Current year charge/(Credit) | Deferred tax Liability/(Asset)<br>As At<br>31st March, 2017 |
|--|---|------------------------------|---|
| Difference in depreciation for accounting and income tax purpose | 3,042,494.00  | (177,667.00)                 | 2,864,827.00  |
| Provision For Leave Encashment & Gratuity                        | 1,617,469.00  | 2,061,729.00                 | 3,679,198.00  |
| <b>Total</b>   | <b>4,659,963.00</b>   | <b>1,884,062.00</b>          | <b>6,544,025.00</b>   |

(Amount in Rupees )

| 6-Other Long Term Liabilities | As At<br>31st March, 2017 | As At<br>31st March, 2016 |
|-------------------------------|---------------------------|---------------------------|
| Security Deposit Received     | 19,657,940.78             | 21,494,733.21             |
| <b>Total</b>                  | <b>19,657,940.78</b>      | <b>21,494,733.21</b>      |

(Amount in Rupees )

| 7-Long Term Provisions                 | As At<br>31st March, 2017 | As At<br>31st March, 2016 |
|--|---------------------------|---------------------------|
| <b>Provision For Employee benefits</b> |                           |                           |
| Provision For Gratuity                 | 4,555,405.00              | 3,895,543.00              |
| Provision For Leave Encashment         | 1,086,825.00              | 1,176,544.00              |
| <b>Total</b>                           | <b>5,642,230.00</b>       | <b>5,072,087.00</b>       |

(Amount in Rupees )

| 8-Short Term Borrowings         | As At<br>31st March, 2017 | As At<br>31st March, 2016 |
|---------------------------------|---------------------------|---------------------------|
| <b><u>Secured</u></b>           |                           |                           |
| <b>(a) Working Capital Loan</b> |                           |                           |
| From Banks*                     | 29,501,306.02             | 32,759,853.59             |
| <b>(b) Short Term Loan</b>      |                           |                           |
| From Bank                       | -                         | 495,481,377.13            |
| <b><u>Unsecured</u></b>         |                           |                           |
| From Corporate**                | 525,594,520.00            | -                         |
| <b>Total</b>                    | <b>555,095,826.02</b>     | <b>528,241,230.72</b>     |

**Nature of Security of Working Capital & Short Term Loan from Bank :**

- (i) Residential and Commercial Land with construction of site office and surrounded by boundary wall and gate at Faizullahganj, Mohibullapur, Sitapur Road, near Janakipuram flyover, Lucknow bearing khasra no. 58,59,60 & 85 measuring 15141.54 sq. mts. Land having khasra no. 703,704 & 851 ka Haiwat Mau Mawajya, Pargana Bijnor, Ward Ibrahimpur, Raibareilly Road, Lucknow.
- (ii) Further Secured by personal guarantee of Shri Shiv Kumar Garg & Shri Pankaj Bajaj (Managing Director).
- (iii) Further Secured by First Charge on Block Assets of the Company.
- (iv) In overdraft account secured against lien on bank Fixed Deposits and personal guarantee of Directors.
- (v) Short Term Loan is availed for purchase of 67.58% of the shareholding of Eldeco City Private Limited (now known as Eldeco City Limited) from Xander Investment Holding Private Limited and Nalonrod Holdings Limited, thereby becomes wholly owned subsidiary of the company (Refer Note No. 13) and secured by:
  - a. Pledge of 100% Equity Shares of Eldeco City Private Limited (now known as Eldeco City Limited)
  - b. First Equitable Mortgage of "Eldeco Shaurya" project land, admeasuring 43.069 acres approximately, located at village Bijnor, Tehsil Mohan Lal Ganj, near Bhonwal Engineering College, Lucknow, with construction thereon, present and future.
  - c. Charge on the entire sale proceeds/receivables accruing from sold and unsold area of the entire "Eldeco Shaurya" project at the above-mentioned land.
  - d. Personal Guarantee of Mr. Pankaj Bajaj (Managing Director).
  - e. And/or any other security of higher or equivalent amount as may be acceptable to bank so as to maintain the said Loan-Asset-Cover at a minimum of 2.00 times the principal outstanding at all times.

\*Includes overdraft facility of Rs 46.07 Lacs from City Cooperative Bank Limited, against fixed deposit of Rs 106.29 Lacs. The said Bank has discontinued its operations, however the company has applied for repayment of fixed deposit after adjustment of the balance outstanding in the overdraft account. A writ petition is also pending in respect of the same in Hon'ble Allahabad High Court.

\*\* Company has taken unsecured loan from wholly owned subsidiary company Eldeco City Limited. The loan is repayable on demand with yearly interest rate of 6% p.a.

(Amount in Rupees )

| 9-Trade Payables   | As At<br>31st March, 2017 | As At<br>31st March, 2016 |
|--|---------------------------|---------------------------|
| Total outstanding dues of micro and small enterprises                |                           |                           |
| Due to Micro and Small Enterprises*                                  | -                         | -                         |
| Outstanding dues of creditors other than micro and small enterprises | 65,022,906.40             | 55,922,167.50             |
| <b>Total</b>   | <b>65,022,906.40</b>      | <b>55,922,167.50</b>      |

\* The information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 ("the Act") has been determined to the extent such parties have been identified by the company, on the basis of information and records available.

(Amount in Rupees )

| <b>10-Other Current Liabilities</b>                     | <b>As At<br/>31st March, 2017</b> | <b>As At<br/>31st March, 2016</b> |
|---|-----------------------------------|-----------------------------------|
| Current maturities of long-term debt (Refer Note No.4)* | 3,066,544.00                      | 5,972,013.00                      |
| Interest accrued and due on borrowings                  | 403,073.00                        | 5,414,814.09                      |
| Advance from Customers                                  | 964,882,145.60                    | 1,192,507,179.11                  |
| Investor Education & Protection Fund**                  |                                   |                                   |
| (i) Unclaimed dividend                                  | 2,412,361.00                      | 3,914,653.00                      |
| Book Overdraft  | 2,335,543.19                      | 6,626,893.29                      |
| Security Deposits/Retention Money                       | 7,782,372.43                      | 5,752,897.73                      |
| Due to Directors  | -                                 | 167,510.26                        |
| Other payables  |                                   |                                   |
| (i) Employee Related Liabilities                        | 371,186.00                        | 6,180,495.00                      |
| (ii) Statutory Liabilities                              | 7,335,117.50                      | 4,473,582.50                      |
| <b>Total</b>  | <b>988,588,342.72</b>             | <b>1,231,010,037.98</b>           |

\* Refer Note No. 41

\*\* Appropriate amounts shall be transferred to Investor Education &amp; Protection Fund if and when due.

(Amount in Rupees )

| <b>11-Short Term Provisions</b> | <b>As At<br/>31st March, 2017</b> | <b>As At<br/>31st March, 2016</b> |
|---------------------------------|-----------------------------------|-----------------------------------|
| <b>Others</b>                   |                                   |                                   |
| Provision for Gratuity          | 212,103.00                        | 1,191,419.00                      |
| Provision for Leave Encashment  | 104,421.00                        | 175,800.00                        |
| <b>Total</b>                    | <b>316,524.00</b>                 | <b>1,367,219.00</b>               |

(Amount in Rupees)

| 12-Fixed Assets        |                     | GROSS BLOCK |                            |                     |                     | DEPRECIATION      |                            |                     |                           | NET BLOCK                 |  |
|------------------------|---------------------|-------------|----------------------------|---------------------|---------------------|-------------------|----------------------------|---------------------|---------------------------|---------------------------|--|
| Particulars            | As At<br>01.04.2016 | Additions   | Sales/<br>Adjust-<br>ments | As At<br>31.03.2017 | As At<br>01.04.2016 | For the<br>Period | Deductions/<br>Adjustments | As At<br>31.03.2017 | W.D.V.As<br>At 31.03.2017 | W.D.V.As<br>At 31.03.2016 |  |
| Tangible Assets        |                     |             |                            |                     |                     |                   |                            |                     |                           |                           |  |
| 1 Office Premises      | 24,902,451.72       | -           | -                          | 24,902,451.72       | 3,783,179.09        | 378,645.32        | -                          | 4,161,824.41        | 20,740,627.31             | 21,119,272.63             |  |
| 2 Office Equipment     | 11,732,136.59       | 287,401.00  | -                          | 12,019,537.59       | 9,483,305.74        | 1,341,949.38      | -                          | 10,825,255.12       | 1,194,282.47              | 2,248,830.85              |  |
| 3 Plant & Machinery    | 872,016.99          |             | -                          | 872,016.99          | 362,772.37          | 66,916.22         | -                          | 429,688.59          | 442,328.40                | 509,244.62                |  |
| 4 Furniture & Fixtures | 9,462,180.23        | -           | -                          | 9,462,180.23        | 4,295,623.91        | 885,576.28        | -                          | 5,181,200.19        | 4,280,980.04              | 5,166,556.32              |  |
| 5 Vehicles             | 8,827,681.36        | -           | -                          | 8,827,681.36        | 7,859,877.93        | 557,565.43        | -                          | 8,417,443.36        | 410,238.00                | 967,803.43                |  |
| 6 Computers            | 2,910,544.00        | 42,315.00   | -                          | 2,952,859.00        | 2,577,745.80        | 163,322.22        | -                          | 2,741,068.02        | 211,790.98                | 332,798.20                |  |
| Sub-Total (A)          | 58,707,010.89       | 329,716.00  | -                          | 59,036,726.89       | 28,362,504.84       | 3,393,974.84      | -                          | 31,756,479.69       | 27,280,247.20             | 30,344,506.06             |  |
| Previous Year Figures  | 58,559,508.89       | 515,002.00  | 367,500.00                 | 58,707,010.89       | 24,426,266.10       | 4,285,363.74      | 349,125.00                 | 28,362,504.84       | 30,344,506.06             | 34,133,242.79             |  |
| Intangible Assets      |                     |             |                            |                     |                     |                   |                            |                     |                           |                           |  |
| 1 Computer Software    | 2,199,352.00        | -           | -                          | 2,199,352.00        | 1,621,121.02        | 277,632.56        | -                          | 1,898,753.58        | 300,598.42                | 578,230.98                |  |
| Sub-Total (B)          | 2,199,352.00        | -           | -                          | 2,199,352.00        | 1,621,121.02        | 277,632.56        | -                          | 1,898,753.58        | 300,598.43                | 578,230.98                |  |
| Previous Year Figures  | 2,199,352.00        | -           | -                          | 2,199,352.00        | 1,342,922.93        | 278,198.08        | -                          | 1,621,121.01        | 578,230.98                | 856,429.07                |  |
| Total (A+B)            | 60,906,362.89       | 329,716.00  | -                          | 61,236,078.89       | 29,983,625.86       | 3,671,607.40      | -                          | 33,655,233.27       | 27,580,845.63             | 30,922,737.04             |  |
| Previous Year Figures  | 60,758,860.89       | 515,002.00  | 367,500.00                 | 60,906,362.89       | 25,769,189.03       | 4,563,561.82      | 349,125.00                 | 29,983,625.86       | 30,922,737.04             | 34,989,671.86             |  |

(Amount in Rupees)

| 13-Non Current Investments  | As At<br>31st March, 2017 | As At<br>31st March, 2016 |
|---|---------------------------|---------------------------|
| <b>Trade, Unquoted, at Cost</b>   |                           |                           |
| <b>(a) Investment in Equity instruments</b>   |                           |                           |
| <b>In Subsidiary Companies</b>  |                           |                           |
| 400000 (400000) Equity Shares of Rs. 10/- each fully paid up in Halwasiya Agro Industries Ltd.        | 7,525,002.00              | 7,525,002.00              |
| NIL (10000) Equity Shares of Rs 10/- each fully paid up in Aadesh Constructions Private Limited*      | -                         | 100,000.00                |
| 10000 (NIL) Equity Shares of Rs. 10/- each fully paid up in Aaj Constructions Private Limited**       | 100,000.00                | -                         |
| 10000 (10000) Equity Shares of Rs 10/- each fully paid up in Carnation Realtors Private Limited       | 100,000.00                | 100,000.00                |
| 10000 (10000) Equity Shares of Rs. 10/- each fully paid up in Deepjyoti Constructions Private Limited | 100,000.00                | 100,000.00                |
| 10000 (10000) Equity Shares of Rs. 10/- each fully paid up in Facility Constructions Private Limited  | 100,000.00                | 100,000.00                |
| 10000 (10000) Equity Shares of Rs. 10/- each fully paid up in Fixity Constructions Private Limited    | 100,000.00                | 100,000.00                |
| 10000 (10000) Equity Shares of Rs 10/- each fully paid up in Garv Constructions Private Limited       | 100,000.00                | 100,000.00                |
| 10000 (10000) Equity Shares of Rs 10/- each fully paid up in Iris Realtors Private Limited            | 100,000.00                | 100,000.00                |
| 10000 (10000) Equity Shares of Rs. 10/- each fully paid up in Khwahish Constructions Private Limited  | 100,000.00                | 100,000.00                |
| NIL (10000) Equity Shares of Rs 10/- each fully paid up in Mahal Constructions Private Limited***     | -                         | 100,000.00                |
| 10000 (NIL) Equity Shares of Rs 10/- each fully paid up in Yojna Constructions Private Limited****    | 100,000.00                | -                         |



|   |            |            |
|---|------------|------------|
| 10000 (10000) Equity Shares of Rs 10/- each fully paid up in<br>Neo Realtors Private Limited                | 100,000.00 | 100,000.00 |
| 10000 (10000) Equity Shares of Rs 10/- each fully paid up in<br>Neptune Infracon Private Limited            | 100,000.00 | 100,000.00 |
| 10000 (10000) Equity Shares of Rs 10/- each fully paid up in<br>Numerous Constructions Private Limited      | 100,000.00 | 100,000.00 |
| 10000 (10000) Equity Shares of Rs. 10/- each fully paid up in<br>Prepetual Constructions Private Limited    | 100,000.00 | 100,000.00 |
| 10000 (10000) Equity Shares of Rs. 10/- each fully paid up in<br>Primacy Constructions Private Limited      | 100,000.00 | 100,000.00 |
| NIL (10000) Equity Shares of Rs. 10/- each fully paid up in<br>Prasiddhi Constructions Private Limited***** | -          | 100,000.00 |
| 10000 (10000) Equity Shares of Rs 10/- each fully paid up in<br>Samarpit Constructions Private Limited      | 100,000.00 | 100,000.00 |
| 10000 (10000) Equity Shares of Rs 10/- each fully paid up in<br>Suniyojit Constructions Private Limited     | 100,000.00 | 100,000.00 |
| 10000 (10000) Equity Shares of Rs. 10/- each fully paid up in<br>Sushobhit Constructions Private Limited    | 100,000.00 | 100,000.00 |
| 10000 (10000) Equity Shares of Rs 10/- each fully paid up in<br>Shivaye Constructions Private Limited       | 100,000.00 | 100,000.00 |
| 10000 (10000) Equity Shares of Rs 10/- each fully paid up in<br>Swarg Constructions Private Limited         | 100,000.00 | 100,000.00 |
| 10000 (10000) Equity Shares of Rs 10/- each fully paid up in<br>Swarnim Nirman Private Limited              | 100,000.00 | 100,000.00 |
| 10000 (10000) Equity Shares of Rs 10/- each fully paid up in<br>Villa Constructions Private Limited         | 100,000.00 | 100,000.00 |
| 10000 (NIL) Equity Shares of Rs 10/- each fully paid up in<br>Flourish Constructions Private Limited*****   | 100,000.00 | -          |

|  |                       |                       |
|--|-----------------------|-----------------------|
| 50000 (50000) Equity Shares of Rs. 10/- each fully paid up in<br>MAK Sales Private Limited                 | 46,800,000.00         | 46,800,000.00         |
| 9695972 (9695972) Equity Shares of Rs. 10/- each fully paid up in<br>Eldeco City Limited.                  | 562,195,424.75        | 562,195,424.75        |
| <b>In Associate Companies</b>  |                       |                       |
| 1600 (1600) Equity Shares of Rs. 100/- each fully paid up in<br>Omni Farms Private Limited#                | 1,759,360.00          | 1,759,360.00          |
| <b>Other Investments</b>   |                       |                       |
| <b>Investment in Equity Instruments- Quoted</b>  |                       |                       |
| <b>In Other Companies</b>  |                       |                       |
| 11500 (11500) Equity Shares of Rs. 10/-each fully paid up in<br>Union Bank of India Limited                | 184,000.00            | 184,000.00            |
| 2494 (2494) Equity Shares of Rs. 10/- each fully paid up in<br>Punjab National Bank Limited                | 111,060.00            | 111,060.00            |
| <b>Investment in Equity Instruments- Unquoted</b>  |                       |                       |
| 5000 (5000) Equity Shares of Rs. 10/- each fully paid up in<br>Indian Mercantile Co-operative Bank Limited | 125,000.00            | 125,000.00            |
| 420 (420) Equity Shares of Rs 100/- each fully paid up in<br>Lucknow Cement Crafts Private Limited         | 42,000.00             | 42,000.00             |
| 1 (1) Equity Shares of Rs 100/- each fully paid up in<br>Surya Season Foods Private Limited                | 1,002.00              | 1,002.00              |
| <b>Total</b>   | <b>620,942,848.75</b> | <b>620,942,848.75</b> |

Figures in bracket represent those of previous year

\* Ceased to be wholly owned subsidiary company w.e.f. 8th November, 2016

\*\* Become wholly owned subsidiary company w.e.f. 29th October, 2016

\*\*\* Ceased to be wholly owned subsidiary company w.e.f. 8th November, 2016

\*\*\*\* Become wholly owned subsidiary company w.e.f. 29th October, 2016

\*\*\*\*\* Ceased to be wholly owned subsidiary company w.e.f. 21st January, 2017

\*\*\*\*\* Become wholly owned subsidiary company w.e.f. 29th October, 2016

|  |                |                |
|--|----------------|----------------|
| Aggregate cost of unquoted investments | 620,647,788.75 | 620,647,788.75 |
| Aggregate cost of quoted investments   | 295,060.00     | 295,060.00     |
| Market value of quoted investments     | 2,121,989.30   | 1,569,260.10   |

(Amount in Rupees )

| 14-Long Term Loans & Advances                       | As At<br>31st March, 2017 | As At<br>31st March, 2016 |
|---|---------------------------|---------------------------|
| (Unsecured considered good unless otherwise stated) |                           |                           |
| Security Deposit Paid                               | 9,678,533.50              | 9,852,976.50              |
| Direct Taxes Refundable (Net of Provisions)         | 20,371,043.66             | 20,516,365.76             |
| <b>Total</b>  | <b>30,049,577.16</b>      | <b>30,369,342.26</b>      |

(Amount in Rupees )

| 15-Other Non Current Assets  | As At<br>31st March, 2017 | As At<br>31st March, 2016 |
|--|---------------------------|---------------------------|
| Deposit more than twelve months  | -                         | 886,839.00                |
| Interest accrued and due on Bank FDR's having original maturity of more than twelve months | -                         | 16,257.00                 |
| <b>Total</b>   | <b>-</b>                  | <b>903,096.00</b>         |

(Amount in Rupees )

| 16-Inventories                    | As At<br>31st March, 2017 | As At<br>31st March, 2016 |
|-----------------------------------|---------------------------|---------------------------|
| Land (including development cost) | 181,643,313.64            | 203,483,373.64            |
| Building Material & consumables   | 11,671,803.41             | 17,033,728.37             |
| Unsold Plots, Shops, Flats etc.,  | 156,818,145.39            | 141,090,728.17            |
| Project in Progress               | 296,103,515.86            | 459,244,713.92            |
| <b>Total</b>                      | <b>646,236,778.30</b>     | <b>820,852,544.10</b>     |

(Amount in Rupees )

| 17-Trade Receivables   | As At<br>31st March, 2017 | As At<br>31st March, 2016 |
|--|---------------------------|---------------------------|
| (Unsecured considered good unless otherwise stated)  |                           |                           |
| Trade receivables outstanding for a period exceeding six months from the date they are due for payment | 59,540,508.00             | 32,705,006.00             |
| Other Trade Receivables  | 260,446,477.10            | 123,638,478.49            |
| <b>Total</b>   | <b>319,986,985.10</b>     | <b>156,343,484.49</b>     |

(Amount in Rupees)

| 18-Cash And Bank Balances                                | As At<br>31st March, 2017 | As At<br>31st March, 2016 |
|--|---------------------------|---------------------------|
| <b>Cash &amp; Cash Equivalents</b>                       |                           |                           |
| Balances with Banks:                                     |                           |                           |
| -In Current Account                                      | 63,148,858.70             | 20,683,582.79             |
| Cash in Hand   | 141,655.00                | 6,436,424.30              |
| Cheques in hand  | 3,530,786.00              | 3,141,397.00              |
| Deposit with original maturity of less than three months | 57,234,204.92             | 54,324,342.57             |
| Stamps in Hand   | 105,194.00                | 24,720.00                 |
|  | <b>124,160,698.62</b>     | <b>84,610,466.66</b>      |
| <b>Other Bank Balances</b>                               |                           |                           |
| Unclaimed/Unpaid Dividend Account                        | 2,415,498.00              | 3,917,790.33              |
| Deposit held as margin money/earnest money*              | 11,497,877.00             | 11,099,666.00             |
| <b>Total</b>   | <b>138,074,073.62</b>     | <b>99,627,922.99</b>      |

\*Includes deposits of Rs 106.29 Lacs from City Cooperative Bank Limited, against overdraft facility of Rs 46.07 Lacs. The said Bank has discontinued its operations, however the company has applied for repayment of fixed deposit after adjustment of the balance outstanding in the overdraft account. A writ petition is also pending in respect of the same in Hon'ble Allahabad High Court.

(Amount in Rupees)

| 19-Short-term loans and advances                            | As At<br>31st March, 2017 | As At<br>31st March, 2016 |
|---|---------------------------|---------------------------|
| <b>(Unsecured, considered good unless otherwise stated)</b> |                           |                           |
| <b>Loans and advances to</b>                                |                           |                           |
| Subsidiary Companies  | 117,885,629.43            | 265,425,012.27            |
| Other related parties                                       | -                         | 35,740,810.04             |
|   | <b>117,885,629.43</b>     | <b>301,165,822.31</b>     |
| <b>Advance against goods, services &amp; others</b>         |                           |                           |
| Advances for projects                                       | 117,910,142.78            | 197,382,463.98            |
| Other Advances  | 86,213,445.19             | 20,848,605.30             |
| Other Deposits  | 208,992.00                | 208,992.00                |
|   | <b>204,332,579.97</b>     | <b>218,440,061.28</b>     |
| Balance with Government/statutory authorities               | 16,647,159.02             | 18,318,304.34             |
| Prepaid Expenses  | 216,657.00                | 305,538.40                |
| <b>Total</b>  | <b>339,082,025.42</b>     | <b>538,229,726.33</b>     |

**19.1** Loans and Advances includes payment to parties (including associates) for acquiring land for development of real estate projects, either on collaboration basis or self- development basis, for bulk booking, and for purchase of commercial space.

**19.2** Particulars in respect of loans and advances to subsidiary companies:

| S. No. | Name of Company                         | Balance as at 31st |               | Maximum outstanding during |               |
|--------|---|--------------------|---------------|----------------------------|---------------|
|        |   | March, 2017        | March, 2016   | March, 2017                | March, 2016   |
| 1      | Aadesh Constructions Private Limited    | -                  | 45,588,010.00 | -                          | 45,588,010.00 |
| 2      | Garv Constructions Private Limited      | 267,175.00         | 153,000.00    | 267,175.00                 | 153,000.00    |
| 3      | Mahal Constructions Private Limited     | -                  | 31,345,261.00 | -                          | 31,345,261.00 |
| 4      | Neo Realtors Private Limited            | 13,070,215.00      | 19,900,000.00 | 19,900,000.00              | 19,900,000.00 |
| 5      | Prasiddhi Constructions Private Limited | -                  | 27,495,000.00 | -                          | 27,495,000.00 |
| 6      | Samarpit Constructions Private Limited  | 28,696,641.08      | 73,208,220.00 | 73,208,220.00              | 73,208,220.00 |
| 7      | Suniyojit Constructions Private Limited | 14,342,908.35      | 43,630,773.00 | 43,630,773.00              | 43,630,773.00 |
| 8      | Swarg Constructions Private Limited     | 16,785,490.00      | 15,345,000.00 | 16,785,490.00              | 25,384,000.00 |
| 9      | Deepjyoti Constructions Private Limited | 75,845.00          | 55,000.00     | 75,845.00                  | 55,000.00     |
| 10     | Facility Constructions Private Limited  | 75,215.00          | 55,000.00     | 75,215.00                  | 55,000.00     |
| 11     | Fixity Constructions Private Limited    | 75,845.00          | 55,000.00     | 75,845.00                  | 55,000.00     |
| 12     | Prepetual Constructions Private Limited | 43,970,565.00      | 55,000.00     | 43,970,565.00              | 55,000.00     |
| 13     | Khwahish Constructions Private Limited  | 75,530.00          | 55,000.00     | 75,530.00                  | 55,000.00     |
| 14     | Primacy Construcions Private Limited    | 75,530.00          | 55,000.00     | 75,530.00                  | 55,000.00     |
| 15     | Sushobhit Constructions Private Limited | 75,215.00          | 55,000.00     | 75,215.00                  | 55,000.00     |
| 16     | Carnation Realtors Private Limited      | 45,215.00          | 25,000.00     | 45,215.00                  | 25,000.00     |
| 17     | Iris Realtors Private Limited           | 56,160.00          | 25,000.00     | 56,160.00                  | 25,000.00     |
| 18     | Neptune Infracon Private Limited        | 39,490.00          | 25,000.00     | 39,490.00                  | 25,000.00     |
| 19     | Numerous Constructions Private Limited  | 40,120.00          | 25,000.00     | 40,120.00                  | 25,000.00     |
| 20     | Shivaye Constructions Private Limited   | 39,490.00          | 25,000.00     | 39,490.00                  | 25,000.00     |
| 21     | Swarnim Nirman Private Limited          | 39,490.00          | 25,000.00     | 39,490.00                  | 25,000.00     |
| 22     | Villa Constructions Private Limited     | 39,490.00          | 25,000.00     | 39,490.00                  | 25,000.00     |
| 23     | MAK Sales Private Limited               | -                  | 8,199,748.27  | -                          | 8,673,268.27  |

(Amount in Rupees )

| 20-Other current assets   | As At<br>31st March, 2017 | As At<br>31st March, 2016 |
|---|---------------------------|---------------------------|
| Interest accrued and due on Bank FDR's having original maturity of less than equal to 12 months | 2,071,386.24              | 2,109,632.03              |
| Unbilled Receivables  | 353,628,376.23            | 322,974,557.95            |
| <b>Total</b>  | <b>355,699,762.47</b>     | <b>325,084,189.98</b>     |

(Amount in Rupees )

| <b>21-Revenue From Operations</b> | <b>Year Ended<br/>31st March, 2017</b> | <b>Year Ended<br/>31st March, 2016</b> |
|-----------------------------------|--|--|
| Income from Real Estate Projects  | 689,466,648.45                         | 643,590,707.96                         |
| Other Operating Income            | 37,561,604.00                          | 36,163,485.63                          |
| <b>Total</b>                      | <b>727,028,252.45</b>                  | <b>679,754,193.59</b>                  |

(Amount in Rupees )

| <b>22-Other Income</b>                      | <b>Year Ended<br/>31st March, 2017</b> | <b>Year Ended<br/>31st March, 2016</b> |
|---|--|--|
| Interest Income                             |  |  |
| -on bank FDR's                              | 4,820,145.08                           | 5,151,719.06                           |
| -Rent Received (Net)                        | 2,838,486.00                           | 4,375,554.00                           |
| Misc. Receipts                              | 1,305,608.80                           | 1,132,228.00                           |
| Profit on Sale of Fixed Asset               | -                                      | 11,625.00                              |
| Profit on Sale of Non Current Investment    | -                                      | 4,116,853.69                           |
| Dividend from other long term investments   | -                                      | 41,151.00                              |
| Excess Provision Written Back               | 5,000,000.00                           | -                                      |
| Liabilities no longer required written back | 867,879.20                             | 785,872.59                             |
| <b>Total</b>                                | <b>14,832,119.08</b>                   | <b>15,615,003.34</b>                   |

(Amount in Rupees )

| <b>23-Cost of Material Consumed and other related Project cost</b> | <b>Year Ended<br/>31st March, 2017</b> | <b>Year Ended<br/>31st March, 2016</b> |
|--|--|--|
| Inventories at the beginning of the year                           |  |  |
| Building Material and consumables                                  | 17,033,728.37                          | 16,180,739.22                          |
| Land   | 203,483,373.64                         | 248,806,880.65                         |
|  | <b>220,517,102.01</b>                  | <b>264,987,619.87</b>                  |
| Add: Cost incurred during the year                                 |  |  |
| Land Development and other rights                                  | 35,230,480.00                          | 46,079,935.00                          |
| Building Material Purchases  | 47,479,060.74                          | 72,861,739.25                          |
| Expenses through Contractors                                       | 120,527,461.35                         | 137,124,069.32                         |
| Architects' Fees   | 2,766,250.00                           | 5,583,064.00                           |
| Water & Electricity  | 3,644,363.00                           | 3,410,712.00                           |
| Plan Approval & External Development Fees                          | 32,326,443.36                          | 28,298,409.19                          |
| Other project expenses   | 22,100,510.62                          | 27,777,424.00                          |
| Depreciation   | 66,916.22                              | 66,916.22                              |
| Cost of Finished Goods   | 7,615,104.20                           | 4,692,400.35                           |
| Maintenance of completed projects                                  | 4,220,920.45                           | 4,905,442.04                           |
|  | <b>275,977,509.94</b>                  | <b>330,800,111.37</b>                  |

|  |                       |                       |
|--|-----------------------|-----------------------|
| Less: Inventories at the end of the year                             |                       |                       |
| Building Material and consumables                                    | 11,671,803.41         | 17,033,728.37         |
| Land   | 181,643,313.64        | 203,483,373.64        |
|  | <b>193,315,117.05</b> | <b>220,517,102.01</b> |
| Cost of Material Consumed, construction & other related project cost | <b>303,179,494.90</b> | <b>375,270,629.23</b> |

(Amount in Rupees )

| <b>24-Change in Inventories in Finished Goods and Project in Progress</b> | <b>Year Ended<br/>31st March, 2017</b> | <b>Year Ended<br/>31st March, 2016</b> |
|---|--|--|
| <b>Inventories at the beginning of the year</b>                           |  |  |
| Completed real estate projects  | 141,090,728.17                         | 198,818,375.16                         |
| Project in Progress   | 459,244,713.92                         | 470,924,472.13                         |
|   | <b>600,335,442.09</b>                  | <b>669,742,847.29</b>                  |
| <b>Inventories at the end of the year</b>                                 |  |  |
| Completed real estate projects  | 156,818,145.39                         | 141,090,728.17                         |
| Project in Progress   | 296,103,515.86                         | 459,244,713.92                         |
|   | <b>452,921,661.25</b>                  | <b>600,335,442.09</b>                  |
| <b>Change in Inventories of finished stock and project in progress</b>    | <b>147,413,780.84</b>                  | <b>69,407,405.20</b>                   |

(Amount in Rupees )

| <b>25-Employee Benefit Expenses</b>                  | <b>Year Ended<br/>31st March, 2017</b> | <b>Year Ended<br/>31st March, 2016</b> |
|--|--|--|
| Salaries, Wages, Allowances and Bonus                | 25,009,355.00                          | 28,392,534.00                          |
| Company's Contribution to Provident and Other funds. | 3,155,415.00                           | 3,785,113.00                           |
| Directors Remuneration (Refer Note No.40)            | 600,000.00                             | 8,600,000.00                           |
| Staff Welfare Expenses                               | 2,532,949.00                           | 1,160,383.00                           |
| <b>Total</b>   | <b>31,297,719.00</b>                   | <b>41,938,030.00</b>                   |

(Amount in Rupees )

| <b>26-Finance Cost</b>      | <b>Year Ended<br/>31st March, 2017</b> | <b>Year Ended<br/>31st March, 2016</b> |
|-----------------------------|--|--|
| Interest on Secured Loans   | 6,615,560.09                           | 21,790,930.69                          |
| Interest on Unsecured Loan  | 28,438,356.00                          | -                                      |
| Other Interest              | 19,923,487.00                          | 23,872,338.00                          |
| Bank Charges and Commission | 209,746.53                             | 3,355,091.61                           |
| <b>Total</b>                | <b>55,187,149.62</b>                   | <b>49,018,360.30</b>                   |

(Amount in Rupees )

| 27-Other Expenses             | Year Ended<br>31st March, 2017 | Year Ended<br>31st March, 2016 |
|-------------------------------|--------------------------------|--------------------------------|
| <b>Establishment Expenses</b> |                                |                                |
| Rent                          | 5,558,400.00                   | 5,670,900.00                   |
| Insurance                     | 91,605.40                      | 304,183.60                     |
| Auditors Remuneration         | 375,000.00                     | 375,000.00                     |
| Directors Sitting Fees        | 240,000.00                     | 117,000.00                     |
| Postage, Courier & Telephone  | 622,879.70                     | 888,918.15                     |
| Travelling & Conveyance       | 2,137,136.00                   | 1,665,633.43                   |
| Legal & Professional Charges  | 7,612,903.50                   | 7,983,720.00                   |
| Printing & Stationery         | 628,273.00                     | 433,243.00                     |
| Repair & Maintenance Building | 5,439,536.00                   | 4,883,617.00                   |
| Repair & Maintenance Others   | 2,978,600.34                   | 2,368,514.60                   |
| Water and Electricity         | 2,658,798.00                   | 2,483,681.00                   |
| Donations                     | 61,000.00                      | 2,855,100.00                   |
| Miscellaneous Expenses        | 2,477,062.88                   | 4,323,215.74                   |
| Branding Fee                  | 13,789,332.97                  | 10,162,935.96                  |
| <b>Sub-Total</b>              | <b>44,670,527.79</b>           | <b>44,515,662.48</b>           |
| <b>Selling Expenses</b>       |                                |                                |
| Advertisement & Publicity     | 10,110,054.20                  | 4,721,999.00                   |
| Business Promotion & Discount | 1,652,925.00                   | 376,725.00                     |
| Commission & Brokerage        | 4,052,313.00                   | 22,117,467.00                  |
| <b>Sub-Total</b>              | <b>15,815,292.20</b>           | <b>27,216,191.00</b>           |
| <b>Total</b>                  | <b>60,485,819.99</b>           | <b>71,731,853.48</b>           |

(Amount in Rupees )

| 28-Earnings Per Share                     | As At<br>31st March, 2017 | As At<br>31st March, 2016 |
|---|---------------------------|---------------------------|
| Profit/(Loss) after tax                   | 90,863,654.00             | 53,280,869.11             |
| Equity Shares outstanding at the year end | 1,966,600                 | 1,966,600                 |
| Nominal Value Per Share (Rs)              | 10.00                     | 10.00                     |
| Basic Earnings Per Share                  | 46.20                     | 27.09                     |
| Diluted Earnings Per Share                | 46.20                     | 27.09                     |



(Amount in Rupees)

| <b>29-Auditors Remuneration</b> | <b>Year Ended<br/>31st March, 2017</b> | <b>Year Ended<br/>31st March, 2016</b> |
|---------------------------------|--|--|
| Audit Fees                      | 300,000.00                             | 300,000.00                             |
| Tax Audit Fees                  | 25,000.00                              | 25,000.00                              |
| Certification Fees              | 50,000.00                              | 50,000.00                              |
| <b>Total</b>                    | <b>375,000.00</b>                      | <b>375,000.00</b>                      |

(Amount in Rupees)

| <b>30-Contingent Liability</b>                                | <b>As At<br/>31st March, 2017</b> | <b>As At<br/>31st March, 2016</b> |
|---|-----------------------------------|-----------------------------------|
| <b>(a) Claims against the company not acknowledge as debt</b> |                                   |                                   |
| 1 Sales Tax & VAT   | 5,185,335.00                      | 5,185,335.00                      |
| 2 Income Tax  | 3,179,248.00                      | 2,335,398.00                      |
| <b>(b) Guarantees</b>   |                                   |                                   |
| 1 Earnest Money   | 876,228.00                        | 820,271.00                        |
| 2 Bank Guarantee  | 700,000.00                        | 13,360,250.00                     |

31. Determination of revenues in respect of real estate projects under the 'Percentage of Completion method' necessarily involves making estimates by management for projected revenues, projected profits, and costs to completion and foreseeable loss. These estimates being of a technical nature have been relied upon by auditors.
32. Inventories, loans & advances, trade receivables and other current/non current assets are in the opinion of the management do not have a value on realization in the ordinary course of the business, less than the amount at which they are stated in the Balance Sheet.
33. Balance in trade receivables, trade payables, current / non current advances given / received are subject to reconciliation and confirmation from respective Parties. The balance of said trade receivables, trade payables, current / non current advances given / received are taken as shown by the books of accounts. The ultimate outcome of such reconciliation and confirmation can not presently be determined; therefore no provision for any liability that may result of such reconciliation and confirmation has been made in the financial statement.
34. The Company has an investment of Rs.42,000.00 (31.03.2016 Rs.42,000.00) in Lucknow Cement Crafts Private Limited (LCC). There are accumulated losses in LCC. The management of the Company is of the opinion that investment in LCC is long term strategic investment therefore; provision for diminution in value of investment is not made.

**35. Segment Reporting**

Based on similarity of activities/products, risk and reward structure, organization structure and internal reporting system, the company has structured its operation in to the following segments:

- (i) **Real Estate:** Promotion, construction, development and sale of townships, residential, commercial property, developed plots etc.
- (ii) **Construction:** Construction of property on behalf of others/clients.

During the year and immediately preceding year company has undertaken only one activity/segment of real estate and no construction contract is undertaken by the company. Further operations of the Company do not qualify, for reporting as geographic segments, under the criteria set out under Accounting Standard 17 on 'Segment reporting'.

36. Last year Company has filed a Scheme of Amalgamation between wholly owned subsidiary companies namely Halwasiya Agro Industries Limited and MAK Sales Private Limited (Transferor Company) with Eldeco Housing and Industries Limited (Transferee Company) under section 391 & 394 of the Companies Act, 1956. The appointed date of the amalgamation being 01.04.2015 and same is still pending for final approval from Hon'ble Lucknow High Court.

### 37. Employee Benefit

The details of the Company's post-retirement benefit plans for gratuity for its employees are given below which is certified by the actuary and relied upon by auditors:

#### A. Gratuity

i) Movement in the liability recognized in Balance Sheet is as under:

| (Amount in Rupees)                                       |                        |                        |
|--|------------------------|------------------------|
| Description  | As At 31st March, 2017 | As At 31st March, 2016 |
| Present value of obligation at the beginning of the year | 7,314,754.00           | 9,012,125.00           |
| Current service cost                                     | 522,989.00             | 497,657.00             |
| Interest cost  | 548,607.00             | 720,970.00             |
| Benefit paid   | (1,350,769.00)         | (3,089,175.00)         |
| Actuarial (gain)/loss on obligation                      | 143,512.00             | 173,177.00             |
| Present value of obligation at the end of the year       | 7,179,093.00           | 7,314,754.00           |

ii) Net assets / liability recognized in Balance Sheet as at 31st March, 2017

| (Amount in Rupees)                                   |                        |                        |
|--|------------------------|------------------------|
| Description  | As At 31st March, 2017 | As At 31st March, 2016 |
| Present value of obligation as at 31st March, 2017   | 7,179,093.00           | 7,314,754.00           |
| Fair value of plan assets as at 31st March, 2017     | 2,411,585.00           | 2,227,792.00           |
| (Assets)/Liabilities recognized in the Balance Sheet | 4,767,508.00           | 5,086,962.00           |

iii) Amount recognized in Statement of Profit & Loss is as under:

| (Amount in Rupees)  |                        |                        |
|---|------------------------|------------------------|
| Description   | As At 31st March, 2017 | As At 31st March, 2016 |
| Current service cost  | 522,989.00             | 497,657.00             |
| Interest cost   | 548,607.00             | 720,970.00             |
| Expected return on planned assets                           | (167,084.00)           | (171,356.00)           |
| Net actuarial (gain)/loss recognized during the year        | 126,803.00             | 172,848.00             |
| Additional Interest Provided by LIC                         | -                      | -                      |
| Expenses to be recognized in the statement of Profit & Loss | 1,031,315.00           | 1,220,119.00           |

iv) Changes in fair value of plan assets

| (Amount in Rupees)                                       |                        |                        |
|--|------------------------|------------------------|
| Description  | As At 31st March, 2017 | As At 31st March, 2016 |
| Fair value of plan assets at the beginning of the period | 2,227,792.00           | 2,056,107.00           |
| Additional Interest Provided by LIC                      | -                      | -                      |
| Expected return on plan assets                           | 167,084.00             | 171,356.00             |
| Contribution   | -                      | -                      |
| Benefit Paid   | -                      | -                      |
| Actuarial Gain/Loss                                      | 16,709.00              | 329.00                 |
| Fair value of plan assets at the end of the period       | 2,411,585.00           | 2,227,792.00           |

For determination of gratuity liability of the Company the following actuarial assumption were used.

|   |  |  |
|---|--|--|
| Discount rate                             | 7.50%                                  | 8.00%                                  |
| Future salary increase                    | 5.00%                                  | 5.00%                                  |
| Expected rate of return on planned assets | 7.50%                                  | 8.00%                                  |
| Method used                               | Projected unit credit actuarial method | Projected unit credit actuarial method |

#### B. Leave Encashment

Provision for leave encashment in respect of unavailed leaves standing to the credit of employees is made on accrual basis.

The Company does not maintain any fund to pay for leave encashment.

i) Movement in the liability recognized in Balance Sheet is as under:

| (Amount in Rupees)  |                        |                        |
|---|------------------------|------------------------|
| Description   | As At 31st March, 2017 | As At 31st March, 2016 |
| Present value of obligation at the beginning of the year  | 1,036,404.00           | 1,818,336.00           |
| Interest cost   | 77,730.00              | 145,467.00             |
| Current service cost                                      | 126,353.00             | 134,249.00             |
| Actuarial (gain)/loss on obligation                       | (94,167.00)            | 42,770.00              |
| Benefit Paid  | (200,492.00)           | (1,104,418.00)         |
| <b>Present value of obligation at the end of the year</b> | <b>945,828.00</b>      | <b>1,036,404.00</b>    |

ii) Amount recognized in Statement of Profit & Loss is as under:-

| (Amount in Rupees)                                   |                        |                        |
|--|------------------------|------------------------|
| Description  | As At 31st March, 2017 | As At 31st March, 2016 |
| Current service cost                                 | 126,353.00             | 134,249.00             |
| Interest cost  | 77,730.00              | 145,467.00             |
| Net actuarial (gain)/loss recognized during the year | (94,167.00)            | 42,770.00              |
| <b>Recognized in Profit &amp; Loss account</b>       | <b>109,916.00</b>      | <b>322,486.00</b>      |

iii) Amount recognized in the Balance Sheet as at 31st March, 2017

| (Amount in Rupees)    |                        |                        |
|-----------------------|------------------------|------------------------|
| Description           | As At 31st March, 2017 | As At 31st March, 2016 |
| Current Liability     | 29,523.00              | 119,564.00             |
| Non Current Liability | 916,305.00             | 916,840.00             |
| <b>Total</b>          | <b>945,828.00</b>      | <b>1,036,404.00</b>    |

For determination of liability in respect of leave encashment, the Company has used the following actuarial assumption.

|                        |                                      |                                      |
|------------------------|--------------------------------------|--------------------------------------|
| Discount rate          | 7.50%                                | 8.00%                                |
| Future salary increase | 5.00%                                | 5.00%                                |
| Actuarial method used  | Project unit credit actuarial method | Project unit credit actuarial method |

Provision of leave encashment as per actuarial is less than the liability provided in books of accounts, therefore provision for leave encashment has been made on accrual basis.

### **C. Provident Fund**

The Company makes contribution to statutory provident fund in accordance with Employees Provident Fund and Misc. Provisions Act, 1952. This is post employment benefit and is in the nature of defined contribution plan.

### **38. RELATED PARTY DISCLOSURES:**

Details of disclosure as required by "Accounting standard (AS) - 18 on Related Party Disclosures" are as under:-

#### **A. Names of related parties and description of relationship:**

##### **1. Entities over which key managerial personnel or their relatives exercises significant influence**

- 1 S.K Garg Constructions Private Limited
- 2 Lucknow Cement Crafts Private Limited
- 3 Eldeco Infrastructure and Properties Limited
- 4 Surya Season Foods Private Limited
- 5 Eldeco Townships and Housing Limited
- 6 K L Multimedia Private Limited
- 7 Eiffel Recreation Club Private Limited

##### **2. Wholly Owned Subsidiary Companies**

- 1 Aadesh Constructions Private Limited\*
- 2 Aaj Constructions Private Limited \*\*
- 3 Carnation Realtors Private Limited
- 4 Deepjyoti Constructions Private Limited
- 5 Eldeco City Limited
- 6 Facility Constructions Private Limited
- 7 Fixity Constructions Private Limited
- 8 Flourish Constructions Private Limited \*\*\*
- 9 Garv Constructions Private Limited
- 10 Halwasiya Agro Industries Limited
- 11 Iris Realtors Private Limited
- 12 Khwahish Constructions Private Limited
- 13 MAK Sales Private Limited
- 14 Mahal Constructions Private Limited\*\*\*\*
- 15 Neo Realtors Private Limited
- 16 Neptune Infracon Private Limited
- 17 Numerous Constructions Private Limited
- 18 Perpetual Constructions Private Limited
- 19 Prasiddhi Constructions Private Limited\*\*\*\*\*
- 20 Primacy Constructions Private Limited
- 21 Samarpit Constructions Private Limited
- 22 Shivaye Constructions Private Limited
- 23 Suniyojit Constructions Private Limited
- 24 Sushobhit Constructions Private Limited
- 25 Swarg Constructions Private Limited
- 26 Swarnim Nirman Private Limited

27 Villa Constructions Private Limited

28 Yojna Constructions Private Limited \*\*\*\*\*

- (\*) Ceased to be a Wholly owned subsidiary w.e.f 8th November, 2016
- (\*\*) Become Wholly owned subsidiary w.e.f 29th October, 2016
- (\*\*\*) Become Wholly owned subsidiary w.e.f 29th October, 2016
- (\*\*\*\*) Ceased to be a Wholly owned subsidiary w.e.f 8th November, 2016
- (\*\*\*\*\*) Ceased to be a Wholly owned subsidiary w.e.f 21st January, 2017
- (\*\*\*\*\*) Become Wholly owned subsidiary w.e.f 29th October, 2016

### 3. Step Subsidiaries (Subsidiary Companies of Eldeco City Limited)

- 1 Artistry Construction Private Limited
- 2 Erudite Constructions Private Limited
- 3 Frozen Constructions Private Limited
- 4 Heather Buildcon Private Limited
- 5 Placate Constructions Private Limited
- 6 Swarajya Builders Private Limited
- 7 Dua Constructions Private Limited
- 8 Utsav Constructions Private Limited
- 9 Conviction Constructions Private Limited
- 10 Turbo Realtors Private Limited

### 4. Step down Subsidiary Company

- 1 Omni Farms Private Limited#

#The Parent Company holds 32% equity shares of Omni Farms Private Limited and during the year Eldeco City Limited being wholly owned subsidiary of parent company has purchased 51% of equity shares of Omni Farms Private Limited. By virtue of which, Eldeco Housing and Industries Limited and Eldeco City Limited together holds 83% of equity shares of Omni Farms Private Limited, thereby making the parent company the Ultimate Holding Company.

### 5. Key Management Personnel

- |                        |                    |
|------------------------|--------------------|
| 1 Mr. Shiv Kumar Garg* | Executive Chairman |
| 2 Mr. Pankaj Bajaj     | Managing Director  |
| 3 Mr. Shrikant Jajodia | Director           |
| 4 Mr. Arvind Bajaj**   | Director           |

\*Ceased to be Chairman w.e.f. 28th February, 2017

\*\* Ceased to be Director w.e.f. 21st February, 2017

### 6. Relatives of Key Management Personnel

- |                     |                                 |
|---------------------|---------------------------------|
| 1 Mrs. Asha Bajaj   | Mother of Mr. Pankaj Bajaj      |
| 2 Mrs. Varija Bajaj | Sister of Mr. Pankaj Bajaj      |
| 3 Mrs. Rashi Bajaj  | Wife of Mr. Arvind Bajaj        |
| 4 Mrs. Pushpa Gupta | Sister of Mr. Shiv Kumar Garg   |
| 5 Ms. Shivani Garg  | Daughter of Mr. Shiv Kumar Garg |

B. The following transactions were carried out with the related parties in the ordinary course of business:

| (Amount In Rupees)                           |                                  |             |  |   |                                       |                                  |
|--|----------------------------------|-------------|--|---|---------------------------------------|----------------------------------|
| Transactions                                 | Key Management Personnel         | # Associate | Wholly Owned & #Step Down Subsidiary Companies | Entities over which key managerial personnel or their relatives exercises significant influence | Relatives of Key Management Personnel | Total                            |
| <b>Remuneration</b>                          |                                  |             |  |   |                                       |                                  |
| Mr. Shiv Kumar Garg                          | 600,000.00<br>(3,600,000.00)     |             |  |   |                                       | 600,000.00<br>(3,600,000.00)     |
| Mr. Pankaj Bajaj (Refer Note 40)             | -<br>(5,000,000.00)              |             |  |   |                                       | -<br>(5,000,000.00)              |
| <b>Rent Paid</b>                             |                                  |             |  |   |                                       |                                  |
| Mrs. Asha Bajaj                              |                                  |             |  |   | 8,113,392.00<br>(5,771,316.00)        | 8,113,392.00<br>(5,771,316.00)   |
| Mrs. Pushpa Gupta                            |                                  |             |  |   | 108,975.00<br>(420,463.00)            | 108,975.00<br>(420,463.00)       |
| <b>Dividend Paid</b>                         |                                  |             |  |   |                                       |                                  |
| Mr. Pankaj Bajaj                             | 13,353,338.00<br>(12,684,000.00) |             |  |   |                                       | 13,353,338.00<br>(12,684,000.00) |
| Eldeco Infrastructure and Properties Limited |                                  |             |  | 125,000.00<br>(120,000.00)  |                                       | 125,000.00<br>(120,000.00)       |
| Mrs. Rashi Bajaj                             |                                  |             |  |   | -<br>(25,200.00)                      | -<br>(25,200.00)                 |
| Ms. Shivani Garg                             |                                  |             |  |   | -<br>(332,700.00)                     | -<br>(332,700.00)                |
| <b>Sitting Fees</b>                          |                                  |             |  |   |                                       |                                  |
| Mr. Arvind Bajaj                             | 10,000.00<br>(3,000.00)          |             |  |   |                                       | 10,000.00<br>(3,000.00)          |
| Mr. Shrikant Jajodia                         | 70,000.00<br>(29,000.00)         |             |  |   |                                       | 70,000.00<br>(29,000.00)         |



| Advance Received Against Commercial Space/Project (Net) |  |  |                                |                              |                                |
|---|--|--|--------------------------------|------------------------------|--------------------------------|
| MAK Sales Private Limited                               |  |  | 8,910,269.73<br>(4,416,936.00) |                              | 8,910,269.73<br>(4,416,936.00) |
| Eldco City Limited                                      |  |  | 14,139,852.72                  |                              | 14,139,852.72                  |
| Halwasiya Agro Industries Limited                       |  |  | -                              |                              | -                              |
|   |  |  | -                              |                              | -                              |
|   |  |  | (5,098,578.00)                 |                              | (5,098,578.00)                 |
| Advance Repaid Against Bulk Booking/Project (Net)       |  |  |                                |                              |                                |
| Surya Season Foods Private Limited                      |  |  |                                | 2,106,301.00<br>(273,983.00) | 2,106,301.00<br>(273,983.00)   |
| Advance for Expenses                                    |  |  |                                |                              |                                |
| Carnation Realtors Private Limited                      |  |  | 20,215.00<br>(25,000.00)       |                              | 20,215.00<br>(25,000.00)       |
| Deepiyoti Constructions Pvt Ltd                         |  |  | 20,845.00<br>(25,000.00)       |                              | 20,845.00<br>(25,000.00)       |
| Facility Constructions Pvt Ltd                          |  |  | 20,215.00<br>(25,000.00)       |                              | 20,215.00<br>(25,000.00)       |
| Fixity Constructions Pvt Ltd                            |  |  | 20,845.00<br>(25,000.00)       |                              | 20,845.00<br>(25,000.00)       |
| Perpetual Constructions Pvt Ltd                         |  |  | 20,215.00<br>(25,000.00)       |                              | 20,215.00<br>(25,000.00)       |
| Primacy Constructions Pvt Ltd                           |  |  | 20,530.00<br>(25,000.00)       |                              | 20,530.00<br>(25,000.00)       |
| Sushobhit Constructions Pvt Ltd                         |  |  | 20,215.00<br>(25,000.00)       |                              | 20,215.00<br>(25,000.00)       |
| Khwahish Constructions Pvt Ltd                          |  |  | 20,530.00<br>(25,000.00)       |                              | 20,530.00<br>(25,000.00)       |
| Garv Constructions Pvt Ltd                              |  |  | 114,175.00<br>(25,000.00)      |                              | 114,175.00<br>(25,000.00)      |
| Samarpit Constructions Pvt Ltd                          |  |  | 14,175.00<br>(25,000.00)       |                              | 14,175.00<br>(25,000.00)       |

|   |                                 |                                 |                                 |                                 |
|---|---------------------------------|---------------------------------|---------------------------------|---------------------------------|
| Suniyojit Constructions Pvt Ltd                   | 14,175.00<br>(30,000.00)        | 14,175.00<br>(30,000.00)        | 14,175.00<br>(30,000.00)        | 14,175.00<br>(30,000.00)        |
| Swarg Constructions Pvt Ltd                       | 14,490.00                       | 14,490.00                       | 14,490.00                       | 14,490.00                       |
| Shivaye Constructions Pvt Ltd                     | -                               | -                               | -                               | -                               |
| Iris Realtors Private Limited                     | 14,490.00<br>(25,000.00)        | 14,490.00<br>(25,000.00)        | 14,490.00<br>(25,000.00)        | 14,490.00<br>(25,000.00)        |
| Neptune Infracon Private Limited                  | 31,160.00<br>(25,000.00)        | 31,160.00<br>(25,000.00)        | 31,160.00<br>(25,000.00)        | 31,160.00<br>(25,000.00)        |
| Numerous Constructions Pvt Ltd                    | 14,490.00<br>(25,000.00)        | 14,490.00<br>(25,000.00)        | 14,490.00<br>(25,000.00)        | 14,490.00<br>(25,000.00)        |
| Swarnim Nirman Private Limited                    | 15,120.00<br>(25,000.00)        | 15,120.00<br>(25,000.00)        | 15,120.00<br>(25,000.00)        | 15,120.00<br>(25,000.00)        |
| Villa Constructions Private Limited               | 14,490.00<br>(25,000.00)        | 14,490.00<br>(25,000.00)        | 14,490.00<br>(25,000.00)        | 14,490.00<br>(25,000.00)        |
| Neo Realtors Private Limited                      | 20,215.00                       | 20,215.00                       | 20,215.00                       | 20,215.00                       |
| Halwasiya Agro Industries Limited (Net)           | -                               | -                               | -                               | -                               |
|   | 3,036,923.46                    | 3,036,923.46                    | 3,036,923.46                    | 3,036,923.46                    |
|   | -                               | -                               | -                               | -                               |
| <b>Sale of Commercial Space</b>                   |                                 |                                 |                                 |                                 |
| Mrs. Asha Bajaj                                   | -                               | -                               | -                               | -                               |
|   | (12,802,000.00)                 | (12,802,000.00)                 | (12,802,000.00)                 | (12,802,000.00)                 |
| <b>Advance paid Against Land/Land Development</b> |                                 |                                 |                                 |                                 |
| Swarg Constructions Pvt Ltd                       | 2,276,000.00<br>(9,161,000.00)  | 2,276,000.00<br>(9,161,000.00)  | 2,276,000.00<br>(9,161,000.00)  | 2,276,000.00<br>(9,161,000.00)  |
| Prasiddhi Constructions Pvt Ltd                   | -                               | -                               | -                               | -                               |
| Perpetual Constructions Pvt Ltd                   | (7,400,000.00)<br>43,600,000.00 | (7,400,000.00)<br>43,600,000.00 | (7,400,000.00)<br>43,600,000.00 | (7,400,000.00)<br>43,600,000.00 |
|   | -                               | -                               | -                               | -                               |

| Advance Received Back Against Land |  |                |                 |                |                 |
|------------------------------------|--|----------------|-----------------|----------------|-----------------|
| Swarg Constructions Pvt Ltd        |  |                | 850,000.00      |                | 850,000.00      |
| Neo Realtors Private Limited       |  |                | (19,200,000.00) |                | (19,200,000.00) |
|                                    |  |                | 6,850,000.00    |                | 6,850,000.00    |
|                                    |  |                | -               |                | -               |
| Project Management Fees received   |  |                |                 |                |                 |
| Eldeco City Limited                |  |                | 14,878,006.00   |                | 14,878,006.00   |
|                                    |  |                | (13,351,648.00) |                | (13,351,648.00) |
| Omni Farms Private Limited         |  | -              | 10,217,091.00   |                | 10,217,091.00   |
|                                    |  | (9,853,049.56) | -               |                | (9,853,049.56)  |
| Collection Charges received        |  |                |                 |                |                 |
| MAK Sales Private Limited          |  |                | 733,250.00      |                | 733,250.00      |
|                                    |  |                | (627,020.00)    |                | (627,020.00)    |
|                                    |  |                | -               |                | -               |
| Maintenance Charges Received       |  |                |                 |                |                 |
| K. L. Multimedia Private Limited   |  |                |                 | (1,004,065.00) | (1,004,065.00)  |
| Mrs. Asha Bajaj                    |  |                |                 | (519,747.00)   | (519,747.00)    |
|                                    |  |                |                 |                |                 |
| Recovery of Taxes/Expenses(Net)    |  |                |                 |                |                 |
| Eldeco City Limited                |  |                | 65,992.00       |                | 65,992.00       |
|                                    |  |                | (4,327,057.94)  |                | (4,327,057.94)  |
| Omni Farms Private Limited         |  |                | 26,179,692.50   |                | 26,179,692.50   |
|                                    |  |                | -               |                | -               |
| MAK Sales Private Limited          |  |                | 2,898,339.00    |                | 2,898,339.00    |
|                                    |  |                | (3,316,396.00)  |                | (3,316,396.00)  |
| S.K.Garg Constructions Pvt Ltd     |  |                |                 | 1,100,000.00   | 1,100,000.00    |
|                                    |  |                |                 | (1,100,000.00) | (1,100,000.00)  |
| Halwasiya Agro Industries Limited  |  |                | 2,975,258.00    |                | 2,975,258.00    |
|                                    |  |                | (366,542.00)    |                | (366,542.00)    |
| Surya Season Foods Pvt Ltd         |  |                | 543,727.00      |                | 543,727.00      |
|                                    |  |                | (973,188.00)    |                | (973,188.00)    |

|  |  |            |  |                |                                  |                                  |                  |
|--|--|------------|--|----------------|----------------------------------|----------------------------------|------------------|
| Perpetual Constructions Pvt Ltd              |  |            |  | 295,350.00     |                                  | 295,350.00                       | -                |
| <b>Taxes Paid on Behalf of the Company</b>   |  |            |  |                |                                  |                                  |                  |
| Eldeco City Limited                          |  |            |  | 800,322.00     |                                  | 800,322.00                       | -                |
| <b>Club Services availed</b>                 |  |            |  |                |                                  |                                  |                  |
| Biffel Recreation Club Pvt Ltd               |  |            |  |                | 319,123.00<br>(314,815.00)       | 319,123.00<br>(314,815.00)       |                  |
| <b>Branding Fees Paid</b>                    |  |            |  |                |                                  |                                  |                  |
| Eldeco Infrastructure and Properties Limited |  |            |  |                | 13,789,332.97<br>(10,162,935.96) | 13,789,332.97<br>(10,162,935.96) |                  |
| <b>Purchase of Investment</b>                |  |            |  |                |                                  |                                  |                  |
| Mr. S.K.Garg                                 |  | (1,002.00) |  |                |                                  |                                  | (1,002.00)       |
| Eldeco City Limited                          |  |            |  | 300,000.00     |                                  |                                  | 300,000.00       |
| <b>Advances Repaid</b>                       |  |            |  |                |                                  |                                  |                  |
| Omni Farms Private Limited                   |  |            |  | 68,826,880.75  |                                  |                                  | (130,436,638.00) |
| <b>Unsecured Loan Received</b>               |  |            |  |                |                                  |                                  |                  |
| Eldeco City Limited                          |  |            |  | 500,000,000.00 |                                  |                                  | 500,000,000.00   |
| <b>Interest on Unsecured Loan</b>            |  |            |  |                |                                  |                                  |                  |
| Eldeco City Limited                          |  |            |  | 28,438,356.00  |                                  |                                  | 28,438,356.00    |
| <b>Balances Outstanding as at 31.03.2017</b> |  |            |  |                |                                  |                                  |                  |
| <b>Unsecured Loan</b>                        |  |            |  |                |                                  |                                  |                  |
| Eldeco City Limited                          |  |            |  | 525,594,520.00 |                                  |                                  | 525,594,520.00   |

| Trade Payables                    |              |   |  |  |  |                  |
|-----------------------------------|--------------|---|--|--|--|------------------|
| Mr. Pankaj Bajaj                  | (167,510.26) | - |  |  |  | (167,510.26)     |
| Mrs. Pushpa Gupta                 |              |   |  |  |  | -                |
| Surya Season Foods Pvt Ltd        |              |   |  |  |  | (61,115.20)      |
| Mrs. Asha Bajaj                   |              |   |  |  |  | 9,276,679.84     |
| Omni Farms Private Limited        |              |   |  |  |  | (11,926,707.84)  |
| Halwasiya Agro Industries Limited |              |   |  |  |  | 2,031,227.00     |
| Eiffel Recreation Club Pvt Ltd    |              |   |  |  |  | (1,023,200.00)   |
| MAK Sales Private Limited         |              |   |  |  |  | 26,713,833.47    |
|                                   |              |   |  |  |  | (100,436,841.72) |
|                                   |              |   |  |  |  | -                |
|                                   |              |   |  |  |  | (2,734,107.96)   |
|                                   |              |   |  |  |  | -                |
|                                   |              |   |  |  |  | (3,468.00)       |
|                                   |              |   |  |  |  | 5,278,680.73     |
|                                   |              |   |  |  |  | -                |
| Trade Receivables                 |              |   |  |  |  |                  |
| Garv Constructions Pvt Ltd        |              |   |  |  |  | 267,175.00       |
| Aadesh Constructions Pvt Ltd      |              |   |  |  |  | (153,000.00)     |
| Prasiddhi Constructions Pvt Ltd   |              |   |  |  |  | -                |
| Mahal Constructions Pvt Ltd       |              |   |  |  |  | (45,588,010.00)  |
| Neo Realtors Private Limited      |              |   |  |  |  | -                |
| Samarjit Constructions Pvt Ltd    |              |   |  |  |  | (27,495,000.00)  |
| Suniyojit Constructions Pvt Ltd   |              |   |  |  |  | -                |
|                                   |              |   |  |  |  | (31,345,261.00)  |
|                                   |              |   |  |  |  | 13,070,215.00    |
|                                   |              |   |  |  |  | (19,900,000.00)  |
|                                   |              |   |  |  |  | 28,696,641.08    |
|                                   |              |   |  |  |  | (73,208,220.00)  |
|                                   |              |   |  |  |  | 14,342,908.35    |
|                                   |              |   |  |  |  | (43,630,773.00)  |

|                                     |                                  |  |                          |                                  |
|-------------------------------------|----------------------------------|--|--------------------------|----------------------------------|
| Swarg Constructions Pvt Ltd         | 16,785,490.00<br>(15,345,000.00) |  |                          | 16,785,490.00<br>(15,345,000.00) |
| MAK Sales Private Limited           | -                                |  |                          | -                                |
| Deepiyoti Constructions Pvt Ltd     | (8,199,748.27)                   |  |                          | (8,199,748.27)                   |
|                                     | 75,845.00                        |  |                          | 75,845.00                        |
|                                     | (55,000.00)                      |  |                          | (55,000.00)                      |
| Facility Constructions Pvt Ltd      | 75,215.00                        |  |                          | 75,215.00                        |
|                                     | (55,000.00)                      |  |                          | (55,000.00)                      |
| Fixity Constructions Pvt Ltd        | 75,845.00                        |  |                          | 75,845.00                        |
|                                     | (55,000.00)                      |  |                          | (55,000.00)                      |
| Perpetual Constructions Pvt Ltd     | 43,970,565.00                    |  |                          | 43,970,565.00                    |
|                                     | (55,000.00)                      |  |                          | (55,000.00)                      |
| Primacy Constructions Pvt Ltd       | 75,530.00                        |  |                          | 75,530.00                        |
|                                     | (55,000.00)                      |  |                          | (55,000.00)                      |
| Sushobhit Constructions Pvt Ltd     | 75,215.00                        |  |                          | 75,215.00                        |
|                                     | (55,000.00)                      |  |                          | (55,000.00)                      |
| Khwahish Constructions Pvt Ltd      | 75,530.00                        |  |                          | 75,530.00                        |
|                                     | (55,000.00)                      |  |                          | (55,000.00)                      |
| Shivaye Constructions Pvt Ltd       | 39,490.00                        |  |                          | 39,490.00                        |
|                                     | (25,000.00)                      |  |                          | (25,000.00)                      |
| Iris Realtors Private Limited       | 56,160.00                        |  |                          | 56,160.00                        |
|                                     | (25,000.00)                      |  |                          | (25,000.00)                      |
| Neptune Infracon Private Limited    | 39,490.00                        |  |                          | 39,490.00                        |
|                                     | (25,000.00)                      |  |                          | (25,000.00)                      |
| Numerous Constructions Pvt Ltd      | 40,120.00                        |  |                          | 40,120.00                        |
|                                     | (25,000.00)                      |  |                          | (25,000.00)                      |
| Swamin Nirman Private Limited       | 39,490.00                        |  |                          | 39,490.00                        |
|                                     | (25,000.00)                      |  |                          | (25,000.00)                      |
| Villa Constructions Private Limited | 39,490.00                        |  |                          | 39,490.00                        |
|                                     | (25,000.00)                      |  |                          | (25,000.00)                      |
| K.L. Multimedia Private Limited     |                                  |  | 36,770.00<br>(36,770.00) | 36,770.00<br>(36,770.00)         |

|  |  |                |                                    |                                    |                                 |                                    |
|--|--|----------------|------------------------------------|------------------------------------|---------------------------------|------------------------------------|
| Carnation Realtors Private Limited           |  |                | 45,215.00<br>(25,000.00)           | 45,215.00<br>(25,000.00)           |                                 | 45,215.00<br>(25,000.00)           |
| Eldeco City Limited                          |  |                | 434,915.28                         | 434,915.28                         |                                 | 434,915.28                         |
| Halwasiya Agro Industries Limited            |  |                | -                                  | -                                  |                                 | -                                  |
| Eldeco Infrastructure and Properties Limited |  |                | 543,965.54                         | 543,965.54                         |                                 | 543,965.54                         |
|  |  |                | -                                  | -                                  |                                 | -                                  |
|  |  |                |                                    |                                    | 10,921,526.93<br>(3,924,346.04) | 10,921,526.93<br>(3,924,346.04)    |
| <b>Investments</b>                           |  |                |                                    |                                    |                                 |                                    |
| MAK Sales Private Limited                    |  |                | 46,800,000.00<br>(46,800,000.00)   | 46,800,000.00<br>(46,800,000.00)   |                                 | 46,800,000.00<br>(46,800,000.00)   |
| Omni Farms Private Limited                   |  |                | 1,759,630.00                       | 1,759,630.00                       |                                 | 1,759,630.00                       |
| Eldeco City Limited                          |  | (1,759,360.00) | -                                  | -                                  |                                 | (1,759,360.00)                     |
| Halwasiya Agro Industries Limited            |  |                | 562,195,424.75<br>(562,195,424.75) | 562,195,424.75<br>(562,195,424.75) |                                 | 562,195,424.75<br>(562,195,424.75) |
| Aadesh Constructions Pvt Ltd                 |  |                | 7,525,002.00<br>(7,525,002.00)     | 7,525,002.00<br>(7,525,002.00)     |                                 | 7,525,002.00<br>(7,525,002.00)     |
| Garv Constructions Pvt Ltd                   |  |                | (100,000.00)                       | (100,000.00)                       |                                 | (100,000.00)                       |
| Mahal Constructions Pvt Ltd                  |  |                | 100,000.00                         | 100,000.00                         |                                 | 100,000.00                         |
| Aaj Constructions Private Limited            |  |                | (100,000.00)                       | (100,000.00)                       |                                 | (100,000.00)                       |
| Samarpit Constructions Pvt Ltd               |  |                | 100,000.00                         | 100,000.00                         |                                 | 100,000.00                         |
| Suniyojit Constructions Pvt Ltd              |  |                | (100,000.00)                       | (100,000.00)                       |                                 | (100,000.00)                       |
| Primacy Constructions Pvt Ltd                |  |                | 100,000.00                         | 100,000.00                         |                                 | 100,000.00                         |
|  |  |                | (100,000.00)                       | (100,000.00)                       |                                 | (100,000.00)                       |

|                                  |  |  |  |              |              |              |
|----------------------------------|--|--|--|--------------|--------------|--------------|
| Prasiddhi Constructions Pvt Ltd  |  |  |  | -            | (100,000.00) | (100,000.00) |
| Perpetual Constructions Pvt Ltd  |  |  |  | 100,000.00   | 100,000.00   | 100,000.00   |
| Deepjyoti Constructions Pvt Ltd  |  |  |  | (100,000.00) | (100,000.00) | (100,000.00) |
| Sushobhit Constructions Pvt Ltd  |  |  |  | 100,000.00   | 100,000.00   | 100,000.00   |
| Fixity Constructions Pvt Ltd     |  |  |  | (100,000.00) | (100,000.00) | (100,000.00) |
| Facility Constructions Pvt Ltd   |  |  |  | 100,000.00   | 100,000.00   | 100,000.00   |
| Flourish Constructions Pvt Ltd   |  |  |  | (100,000.00) | (100,000.00) | (100,000.00) |
| Khwahish Constructions Pvt Ltd   |  |  |  | 100,000.00   | 100,000.00   | 100,000.00   |
| Carnation Realtors Pvt Ltd       |  |  |  | (100,000.00) | (100,000.00) | (100,000.00) |
| Iris Realtors Private Limited    |  |  |  | 100,000.00   | 100,000.00   | 100,000.00   |
| Neo Realtors Private Limited     |  |  |  | (100,000.00) | (100,000.00) | (100,000.00) |
| Neptune Infracon Private Limited |  |  |  | 100,000.00   | 100,000.00   | 100,000.00   |
| Numerous Constructions Pvt Ltd   |  |  |  | (100,000.00) | (100,000.00) | (100,000.00) |
| Shivaye-Constructions Pvt Ltd    |  |  |  | 100,000.00   | 100,000.00   | 100,000.00   |
| Swarg Constructions Pvt Ltd      |  |  |  | (100,000.00) | (100,000.00) | (100,000.00) |
| Swarnim Nirman Private Limited   |  |  |  | 100,000.00   | 100,000.00   | 100,000.00   |
|                                  |  |  |  | (100,000.00) | (100,000.00) | (100,000.00) |



|                               |  |  |              |             |  |              |
|-------------------------------|--|--|--------------|-------------|--|--------------|
| Villa Constructions Pvt Ltd   |  |  | 100,000.00   |             |  | 100,000.00   |
| Yojna Constructions Pvt Ltd   |  |  | (100,000.00) |             |  | (100,000.00) |
| Lucknow Cement Crafts Pvt Ltd |  |  | 100,000.00   |             |  | 100,000.00   |
| Surya Season Foods Pvt Ltd    |  |  | -            |             |  | -            |
|                               |  |  |              | 42,000.00   |  | 42,000.00    |
|                               |  |  |              | (42,000.00) |  | (42,000.00)  |
|                               |  |  |              | 1,002.00    |  | 1,002.00     |
|                               |  |  |              | (1,002.00)  |  | (1,002.00)   |
|                               |  |  |              |             |  | -            |

Note : Amount in brackets represents the previous year figures.

### 39. Disclosure on Specified Bank Notes (SBNs)

During the year, the company had specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308(E) dated 31st March, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December 30, 2016 the denomination wise SBNs and other notes as per the notification is given below:

| (In Rupees)                                  |       |                          |             |
|--|-------|--------------------------|-------------|
| Particulars                                  | SBNs* | Other Denomination notes | Total       |
| Closing cash in hand on November 8, 2016     | -     | 2,28,378.00              | 2,28,378.00 |
| (+) Permitted Receipts/Withdrawal From banks | -     | 5,11,018.00              | 5,11,018.00 |
| (-) Permitted Payments                       | -     | 4,99,773.00              | 4,99,773.00 |
| (-) Amount Deposited in Banks                | -     | -                        | -           |
| Closing cash in hand on December 30, 2016    | -     | 2,39,623.00              | 2,39,623.00 |

\* For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated 8th November, 2016

40. Last year, the Company had made a provision of Rs. 50 lacs for payment of Director's Remuneration to the Managing Director, Mr. Pankaj Bajaj w.e.f. 1st April, 2015. The same was approved by the Board of Directors vide Circular Resolution passed on 16th May, 2015 and recommended by the Nomination and Remuneration Committee vide circular resolution dated 8th May, 2015. The proposed remuneration in terms of Section 197 (1), read with first and second proviso of the Act, and further read with Schedule V, Part II, Section V of the Act, exceeds the maximum limit of remuneration for which approval of members as Special Resolution and Central Government was required. The same was approved by the Board of Directors on 11th August, 2015 and was approved by the shareholders in the Annual General Meeting held on 25th September, 2015. The application for approval from the Central Government had been filed by the Company on 18th January, 2016. During the year under consideration, Central Government had denied the approval, vide letter dated 24th August, 2016 and correspondingly, the provision of Rs. 50 lacs has been written back in the Financial Year 2016-17. The Board of Directors in their meeting held on 20th October, 2016 took note of the same and approved the reversal of such provision.

41. The Reserve Bank of India has issued Directions as per Section 35A of the Banking Regulation Act, 1949 to Indian Mercantile Co-operative Bank Ltd., Lucknow. According to the Directions, the Indian Mercantile Co-operative Bank Ltd., Lucknow, cannot without prior approval of the Reserve Bank, in writing, grant or renew any loans and advances, make any investment, incur any liability, including borrowal of funds and several other types of restrictions. The issue of the Directions by the Reserve Bank should per se not be construed as cancellation of banking license by the Reserve Bank. The Reserve Bank may consider modifications of these directions, depending upon circumstances.

In the Financial Year 2012-13, the Company had taken a term loan to the tune of Rs. 5 crore from Indian Mercantile Co-operative Bank Ltd. and was regular in paying installments to the Bank. All the installments have been paid, except two, for which the Company had given letter to the Bank on 26.08.2016, for adjusting the last two installments of loan amounting to Rs. 31,25,000/- against its current account with the Bank, having balance of Rs. 4,52,817/- and against FDR with the Bank, having maturity value of Rs. 10,33,167/- and also against Security of Rs. 12,50,000/- taken at the time of disbursement of loan and the balance amount will be paid at the time of adjustment. Till 31.03.2017, no adjustment or correspondence has been made by the Bank for adjusting the balance amount of term loan against current account, FDR and security amount, due to which the balance of Rs. 30,66,544/- plus interest of Rs. 4,03,073/- in term loan account as at 31.03.2017 is still outstanding (Refer Note 10 of the Current Liabilities of the Balance Sheet).

42. As per the requirements of sub section (5) of Section 135 of the Companies Act, 2013, the Company was required to spend at least two percent of its average net profits of the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility (CSR). Accordingly, the amount of expenditure for the year ended 31st March, 2017, which the Company was required to incur related to Corporate Social Responsibility worked out to be Rs. 17,19,148/- (P.Y.20,24,804/-). During the year ended 31st March, 2017, the Company has incurred a sum of Rs. 1,11,925/- (P.Y. Rs. 1,12,332/-) on this account.
43. The Company has regrouped/ reclassified previous year figures where necessary to conform to with current year's classification.
44. All notes number 1-43 forms an integral part of the financial statements.

**As per our Report of even date attached**

**For and on behalf of the Board**

**FOR DOOGAR & ASSOCIATES**  
Chartered Accountants  
(Firm Reg. No. 000561N)

**PANKAJ BAJAJ**  
(Chairman Cum  
Managing Director)  
DIN: 00024735

**SHRIKANT JAJODIA**  
(Director)  
DIN: 00602511

**(CA. UDIT BANSAL)**  
Partner  
M. No. 401642

**NAINA TANDON**  
(Company Secretary)  
M. No. A37976

**SUSHIL DUTT MISHRA**  
(Chief Financial Officer)

**Place: Lucknow**  
**Dated: 26th May, 2017**

## **INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS**

To,  
**The Members of  
Eldeco Housing and Industries Limited**

### **Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of **Eldeco Housing and Industries Limited** (hereinafter referred to as "the Holding Company") and its subsidiaries (collectively referred to as 'the Company' or 'the Group'), comprising the Consolidated Balance Sheet as at 31st March, 2017, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Cash Flows for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "**the consolidated financial statements**").

### **Management's Responsibility for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the Company is responsible for 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; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 the Holding Company, as aforesaid.

### **Auditor's Responsibility**

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. 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 audit opinion on the consolidated financial statements.

### Opinion

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

### Other Matters

We did not audit the financial statements of 35 subsidiaries, whose financial statements reflect total assets of Rs.28,402.89 lacs as at 31st March, 2017, total revenues of Rs. 9,889.76 lacs and net cash flows amounting to Rs. 750.26 lacs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our reports in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

### Report on Other Legal and Regulatory Requirements

#### 1. As required by Section 143(3) of the Act, 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.
- (c) The consolidated balance sheet, the consolidated statement of profit and loss, and the consolidated cash flow statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2017, taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group Companies incorporated in India is disqualified as on 31st March, 2017 from being appointed as a Director of that company 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 group and the operating effectiveness of such controls, refer to our separate report in 'Annexure A'; 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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group (Refer Note No.30 to the consolidated financial statements).

- ii) The Group did not have any long term contracts including derivative contracts for which there were any foreseeable losses.
- iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and subsidiary companies incorporated in India.
- iv) The Company has provided requisite disclosures in its consolidated financial statements as to holdings as well as dealings in Specified Bank Notes during the period 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer to Note 40 to the consolidated financial statements.

**FOR DOOGAR & ASSOCIATES**  
**Chartered Accountants**  
**(Firm Reg. No-000561N)**

**Place: Lucknow**  
**Dated: 26th May, 2017**

**(CA. UDIT BANSAL)**  
**Partner**  
**M. No. 401642**

## **ANNEXURE - A TO THE INDEPENDENT AUDITOR'S REPORT**

### **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 Company as of and for the year ended 31st March, 2017, we have audited the internal financial controls over financial reporting of Eldeco Housing and Industries Limited ("the Holding Company") and its subsidiary companies 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 and its subsidiary companies, 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 Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance

Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 unauthorised 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 and its subsidiary 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 31st March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**FOR DOOGAR & ASSOCIATES**  
Chartered Accountants  
(Firm Reg No-000561N)

Place: Lucknow  
Dated: 26th May, 2017

**(CA. UDIT BANSAL)**  
Partner  
M. No. 401642



## CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2017

(Amount in Rupees unless otherwise stated)

| PARTICULARS   | NOTE | As At<br>31st March, 2017 | As At<br>31st March, 2016 |
|---|------|---------------------------|---------------------------|
| <b>I. EQUITY AND LIABILITIES :</b>  |      |                           |                           |
| <b>1 SHAREHOLDERS' FUNDS</b>  |      |                           |                           |
| a. Share Capital  | 2    | 19,666,000.00             | 19,666,000.00             |
| b. Reserves and Surplus   | 3    | 1,216,207,476.09          | 1,039,294,473.26          |
| <b>2 MINORITY INTEREST</b>  |      | 9,746,985.31              | -                         |
| <b>3 NON CURRENT LIABILITIES</b>  |      |                           |                           |
| a. Long Term Borrowings   | 4    | -                         | -                         |
| b. Deferred Tax Liabilities(Net)  | 5    | 6,204,202.54              | 4,474,662.00              |
| c. Other Long Term Liabilities  | 6    | 33,299,056.55             | 21,494,733.21             |
| d. Long Term Provisions   | 7    | 6,885,192.00              | 6,104,005.00              |
| <b>4 CURRENT LIABILITIES</b>  |      |                           |                           |
| a. Short Term Borrowings  | 8    | 29,501,306.02             | 528,241,230.72            |
| b. Trade Payables   | 9    |                           |                           |
| i total outstanding dues of micro enterprises and small enterprises           |      | -                         | -                         |
| ii total outstanding dues of creditors other than micro and small enterprises |      | 214,896,856.01            | 100,396,659.54            |
| c. Other Current Liabilities  | 10   | 2,436,733,849.94          | 2,187,047,697.23          |
| d. Short term Provisions  | 11   | 3,313,705.08              | 9,436,165.00              |
| <b>TOTAL</b>  |      | <b>3,976,454,629.54</b>   | <b>3,916,155,625.96</b>   |
| <b>II. ASSETS:</b>  |      |                           |                           |
| <b>1 Non-Current Assets</b>   |      |                           |                           |
| a. Fixed Assets   | 12   |                           |                           |
| (i) Tangible Assets   |      | 34,877,878.18             | 37,318,383.22             |
| (ii) Intangible Assets  |      | 300,598.43                | 578,230.99                |
| b. Goodwill on Consolidation (Net of Capital Reserve)                         |      | 100,258,989.33            | 22,086,230.46             |
| c. Non Current Investments  | 13   | 463,062.00                | 17,462,116.89             |
| d. Long Term Loans & Advances   | 14   | 66,695,212.27             | 80,438,530.48             |
| e. Other Non-Current Assets   | 15   | -                         | 903,096.00                |

|  |    |                         |                         |
|--|----|-------------------------|-------------------------|
| <b>2 Current Assets</b>  |    |                         |                         |
| a. Inventories   | 16 | 1,750,223,192.22        | 1,608,720,488.39        |
| b. Trade Receivables   | 17 | 451,379,355.16          | 266,447,242.49          |
| c. Cash and Bank Balances  | 18 | 486,644,753.76          | 849,751,457.99          |
| d. Short term Loans & Advances                                     | 19 | 558,683,904.63          | 493,576,874.06          |
| e. Other Current Assets  | 20 | 526,927,683.58          | 538,872,974.98          |
| <b>TOTAL</b>   |    | <b>3,976,454,629.54</b> | <b>3,916,155,625.96</b> |
| Notes to Consolidated Balance Sheet and Statement of Profit & Loss |    | 1-45                    |                         |

**In terms of our report attached**

**For and on Behalf of the Board**

**For DOOGAR & ASSOCIATES**  
Chartered Accountants  
(Firm Reg. No. 000561N)

**PANKAJ BAJAJ**  
(Chairman Cum  
Managing Director)  
DIN: 00024735

**SHRIKANT JAJODIA**  
(Director)  
DIN: 00602511

**CA. UDIT BANSAL**  
(Partner)  
M. NO. - 401642

**NAINA TANDON**  
(Company Secretary)  
M. No. A37976

**SUSHIL DUTT MISHRA**  
(Chief Financial Officer)

**Place : Lucknow**  
**Dated : 26th May, 2017**

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR**  
**THE YEAR ENDED 31ST MARCH, 2017**

(Amount in Rupees unless otherwise stated)

| PARTICULARS   | NOTE | Year Ended<br>31st March 2017                                    | Year Ended<br>31st March 2016                   |
|---|------|--|---|
| <b>I REVENUE</b>  |      |  |   |
| 1 Revenue from Operations   | 21   | 1,690,894,530.16   | 1,409,610,101.59                                |
| 2 Other Income  | 22   | 51,564,400.08  | 80,809,615.34                                   |
| <b>Total Revenue</b>  |      | <b>1,742,458,930.24</b>  | <b>1,490,419,716.93</b>                         |
| <b>II EXPENSES</b>  |      |  |   |
| 1 Cost of Material Consumed, Construction & Other related Project cost            | 23   | 1,073,207,515.77   | 803,178,233.46                                  |
| 2 Changes in Inventories of Finished stock & Project in Progress                  | 24   | 124,805,180.29   | 186,718,857.89                                  |
| 3 Employee Benefit Expenses   | 25   | 41,331,116.00  | 47,760,650.00                                   |
| 4 Finance Cost  | 26   | 27,690,324.38  | 53,023,648.31                                   |
| 5 Depreciation  |      | 5,053,725.76   | 6,037,546.70                                    |
| 6 Other Expenses  | 27   | 100,949,509.64   | 91,416,472.48                                   |
| <b>Total Expenses</b>   |      | <b>1,373,037,371.84</b>  | <b>1,188,135,408.85</b>                         |
| <b>III PROFIT BEFORE TAX</b>  |      | <b>369,421,558.40</b>  | <b>302,284,308.08</b>                           |
| <b>IV Tax Expense</b>   |      |  |   |
| i. Current Tax  |      | 127,587,277.53   | 101,254,317.00                                  |
| ii. Tax related to previous years   |      | 2,914,728.00   | 125,885.00                                      |
| iii. Deferred Tax   |      | 1,759,668.00   | 1,628,969.16                                    |
| <b>V PROFIT AFTER TAX</b>   |      | <b>237,159,884.87</b>  | <b>199,275,136.92</b>                           |
| <b>VI MINORITY INTEREST</b>   |      | <b>(9,661,985.31)</b>  | <b>(605.66)</b>                                 |
| <b>VII SHARE OF PROFIT OF ASSOCIATES (NET)</b>                                    |      | <b>-</b>   | <b>5,714,539.69</b>                             |
| <b>VIII PROFIT AFTER TAX, MINORITY INTEREST AND SHARE OF PROFIT OF ASSOCIATES</b> |      | <b>227,497,899.56</b>  | <b>204,989,070.96</b>                           |
| <b>IX EARNINGS PER EQUITY SHARE</b><br>(Nominal value of share Rs. 10/- each)     |      |  |   |
| Basic & Diluted Earnings Per Share  | 28   | 115.68   | 104.24  |
| Notes to Consolidated Balance Sheet and Statement of Profit & Loss 1-45           |      |  |   |
| In terms of our report attached   |      | For and on Behalf of the Board                                   |   |
| For DOOGAR & ASSOCIATES<br>Chartered Accountants<br>(Firm Reg. No. 000561N)       |      | PANKAJ BAJAJ<br>(Chairman Cum Managing Director)<br>DIN:00024735 | SHRIKANT JAJODIA<br>(Director)<br>DIN:00602511  |
| CA. UDIT BANSAL<br>(Partner)<br>M. NO. - 401642                                   |      | NAINA TANDON<br>(Company Secretary)<br>M.No. A37976              | SUSHIL DUTT MISHRA<br>(Chief Financial Officer) |
| Place : Lucknow<br>Dated :26th May, 2017  |      |  |   |

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

(Amount in Rupees unless otherwise stated)

| <b>PARTICULARS</b>   | <b>Year Ended<br/>31st March, 2017</b> | <b>Year Ended<br/>31st March, 2016</b> |
|--|--|--|
| <b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>                 |  |  |
| Net Profit before tax, appropriations and extra ordinary items | 369,421,558.40                         | 302,284,308.08                         |
| Adjustment for :   |  |  |
| Profit on sale of Fixed Assets                                 | -                                      | (11,625.00)                            |
| Profit on sale of Non Current Investment                       | -                                      | (17,461,053.69)                        |
| Depreciation   | 5,120,641.98                           | 6,104,462.92                           |
| Dividend received  | -                                      | (41,151.00)                            |
| Interest received  | (33,921,208.08)                        | (52,394,319.06)                        |
| Minority Interest  | (9,661,985.31)                         | (605.66)                               |
| Interest paid  | 26,539,074.09                          | 53,023,648.31                          |
| Adjustment for Opening Balance in JV Company                   | -                                      | 18,205,852.94                          |
| Adjustment for Opening Balance in Subsidiary Company           | 25,012,458.66                          | -                                      |
| Share of Profit/(Loss) in Associates (Net)                     | -                                      | 5,714,539.69                           |
| <b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>         | <b>382,510,539.74</b>                  | <b>315,424,057.54</b>                  |
| <b>ADJUSTMENTS FOR WORKING CAPITAL CHANGES:</b>                |  |  |
| Inventories  | (141,502,703.82)                       | (168,458,193.76)                       |
| Trade and Other Receivables                                    | (184,932,112.67)                       | (30,868,911.11)                        |
| Other current & non current assets                             | 304,714,062.16                         | (986,778,705.69)                       |
| Trade Payables & Others  | 114,500,196.47                         | (35,019,842.42)                        |
| Other current & non current liabilities                        | (269,943,780.03)                       | 956,818,837.82                         |
| <b>CASH GENERATED FROM OPERATING ACTIVITIES:</b>               | <b>205,346,201.85</b>                  | <b>51,117,242.38</b>                   |
| Direct Taxes Paid  | (132,664,982.90)                       | (103,009,171.16)                       |
| <b>NET CASH FROM OPERATING ACTIVITIES</b>                      | <b>72,681,218.96</b>                   | <b>(51,891,928.78)</b>                 |
| <b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>                |  |  |
| Sale of Fixed Assets   | -                                      | 30,000.00                              |
| Purchase of Fixed Assets                                       | (2,142,890.51)                         | (515,002.00)                           |
| Sale of Investments  | 300,000.00                             | 68,022,051.69                          |
| Purchase of Investments  | -                                      | (1,002.00)                             |
| Interest received  | 33,921,208.08                          | 52,394,319.06                          |

|  |                        |                        |
|--|------------------------|------------------------|
| Dividend received  | -                      | 41,151.00              |
| Increase in minority Interest                                | 9,661,985.31           | (605.66)               |
| <b>NET CASH USED IN INVESTING ACTIVITIES</b>                 | <b>41,740,302.88</b>   | <b>119,970,912.09</b>  |
| <b>C. CASH FLOW FROM FINANCING ACTIVITIES:</b>               |                        |                        |
| Interest & Finance Charges paid                              | (26,539,074.09)        | (53,023,648.31)        |
| Dividend Paid  | -                      | (3,933,200.00)         |
| Tax on Dividend  | -                      | (800,721.00)           |
| Interim Dividend Paid  | (24,582,500.00)        | (19,666,000.00)        |
| Tax on Interim Dividend                                      | (5,004,506.00)         | (4,003,605.00)         |
| <b>NET CASH USED IN FINANCING ACTIVITIES</b>                 | <b>(56,126,080.09)</b> | <b>(81,427,174.31)</b> |
| <b>NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS</b> | <b>59,096,020.44</b>   | <b>(13,348,191.01)</b> |
| <b>CASH AND CASH EQUIVALENTS (OPENING BALANCE)</b>           | <b>113,242,067.66</b>  | <b>126,590,258.67</b>  |
| <b>CASH AND CASH EQUIVALENTS (CLOSING BALANCE)</b>           | <b>171,537,509.41</b>  | <b>113,242,067.66</b>  |

Note: The above Cash flow statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard 3 on 'Cash Flow Statements'.

Previous year's figures have been restated, wherever necessary, to conform to this year's classification.

**In terms of our report attached**

**For and on Behalf of the Board**

**For DOOGAR & ASSOCIATES**  
Chartered Accountants  
(Firm Reg. No. 000561N)

**PANKAJ BAJAJ**  
(Chairman Cum  
Managing Director)  
DIN:00024735

**SHRIKANT JAJODIA**  
(Director)  
DIN:00602511

**CA. UDIT BANSAL**  
(Partner)  
M. NO.-401642

**NAINA TANDON**  
(Company Secretary)  
M.No.A37976

**SUSHIL DUTT MISHRA**  
(Chief Financial Officer)

**Place : Lucknow**  
**Dated : 26th May, 2017**

## **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

### **FOR THE YEAR ENDED 31ST MARCH, 2017**

#### **1. SIGNIFICANT ACCOUNTING POLICIES:**

##### **i. Basis of Accounting**

Financial Statements have been prepared under the historical cost convention in accordance with the generally accepted accounting principles and to comply with Accounting Standards referred to in Section 133 of the Companies Act, 2013, read with Rule 7 of Companies (Accounts) Rules, 2014, to the extent applicable.

The Company follows the mercantile system of accounting and recognizes the income & expenditure on accrual basis.

All assets and liabilities have been classified as Current or Non-current as per Company's normal operating cycle. Based on the nature of products and time between acquisition of assets/materials for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle being a period of one year for the purpose of classification of assets and liabilities as current and non-current.

##### **ii. Use of Estimates**

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known / materialised.

##### **iii. Principles of Consolidation**

The consolidated financial statements relate to Eldeco Housing and Industries Limited ('the Parent') its subsidiaries, and associate (collectively referred to as 'the Group') as on 31st March, 2017 and for the period ended on that date. The consolidated financial statements have been prepared in accordance with the principles and procedures required for the preparation and presentation of financial statements as laid down under the Accounting Standard 21- "Consolidated Financial Statements" notified by Companies (Accounting Standards) Rules, 2006.

The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate financial statements.

The financial statements of the Company and its subsidiaries have been combined on line to line basis by adding together the book values of like items of assets, liabilities, income and expenses after fully eliminating intra-group balances and transactions and resulting unrealized gain/losses. Where the cost of the investment is higher/lower than the share of equity in the subsidiary at the time of acquisition the resulting difference is treated as goodwill/capital reserve.

The parent company's investments in associates are accounted under the equity method of accounting where it is able to exercise significant influence over the operating and financial policies of the investee. The Company's share of profit/loss in associates is included in the profit and loss account. Where the cost of the investment is higher/lower than the share of equity in the associates at the time of acquisition, the resulting difference is disclosed as goodwill/capital reserve in the investment schedule. The Equity method is accounted as per Accounting Standard 23-"Accounting for Investments in associates in Consolidated Financial Statements" notified by Companies (Accounting Standards) Rules, 2006.

The list of subsidiary companies and associates which are included in the consolidation and the Company's holding therein are as under:

| S. No.   | Name of Subsidiary                         | Year ended<br>31st March, 2017 | Year ended<br>31st March, 2016 |
|--|--|--------------------------------|--------------------------------|
|  |  | (% of share holding)           |                                |
| 1  | Aadesh Constructions Private Limited *     | -                              | 100.00                         |
| 2  | Garv Constructions Private Limited         | 100.00                         | 100.00                         |
| 3  | Mahal Constructions Private Limited*       | -                              | 100.00                         |
| 4  | Aaj Constructions Private Limited***       | 100.00                         | -                              |
| 5  | Samarpit Constructions Private Limited     | 100.00                         | 100.00                         |
| 6  | Suniyojit Constructions Private Limited    | 100.00                         | 100.00                         |
| 7  | Halwasiya Agro Industries Limited          | 100.00                         | 100.00                         |
| 8  | MAK Sales Private Limited                  | 100.00                         | 100.00                         |
| 9  | Sushobhit Constructions Private Limited    | 100.00                         | 100.00                         |
| 10   | Primacy Constructions Private Limited      | 100.00                         | 100.00                         |
| 11   | Prasiddhi Constructions Private Limited ** | -                              | 100.00                         |
| 12   | Perpetual Constructions Private Limited    | 100.00                         | 100.00                         |
| 13   | Khwahish Constructions Private Limited     | 100.00                         | 100.00                         |
| 14   | Fixity Constructions Private Limited       | 100.00                         | 100.00                         |
| 15   | Facility Constructions Private Limited     | 100.00                         | 100.00                         |
| 16   | Deepjyoti Constructions Private Limited    | 100.00                         | 100.00                         |
| 17   | Flourish Constructions Private Limited *** | 100.00                         | -                              |
| 18   | Carnation Realtors Private Limited         | 100.00                         | 100.00                         |
| 19   | Iris Realtors Private Limited              | 100.00                         | 100.00                         |
| 20   | Neo Realtors Private Limited               | 100.00                         | 100.00                         |
| 21   | Numerous Constructions Private Limited     | 100.00                         | 100.00                         |
| 22   | Neptune Infracon Private Limited           | 100.00                         | 100.00                         |
| 23   | Shivaye Constructions Private Limited      | 100.00                         | 100.00                         |
| 24   | Swarg Constructions Private Limited        | 100.00                         | 100.00                         |
| 25   | Swarnim Nirman Private Limited             | 100.00                         | 100.00                         |
| 26   | Villa Constructions Private Limited        | 100.00                         | 100.00                         |
| 27   | Eldeco City Limited                        | 100.00                         | 100.00                         |
| 28   | Yojna Constructions Private Limited***     | 100.00                         | -                              |
| <b>Step Subsidiaries (Subsidiary Companies of Eldeco City Limited)</b> |  |                                |                                |
| 1  | Aaj Constructions Private Limited***       | -                              | 100.00                         |
| 2  | Artistry Construction Private Limited      | 100.00                         | 100.00                         |
| 3  | Erudite Constructions Private Limited      | 100.00                         | 100.00                         |
| 4  | Flourish Constructions Private Limited***  | -                              | 100.00                         |
| 5  | Frozen Constructions Private Limited       | 100.00                         | 100.00                         |
| 6  | Heather Buildcon Private Limited           | 100.00                         | 100.00                         |

|    |  |        |        |
|----|--|--------|--------|
| 7  | Placate Constructions Private Limited              | 100.00 | 100.00 |
| 8  | Yojna Constructions Private Limited***             | -      | 100.00 |
| 9  | Swarajya Builders Private Limited                  | 100.00 | 100.00 |
| 10 | Dua Constructions Private Limited                  | 100.00 | 100.00 |
| 11 | Utsav Constructions Private Limited                | 100.00 | 100.00 |
| 12 | Conviction Constructions Private Limited           | 100.00 | 100.00 |
| 13 | Turbo Realtors Private Limited                     | 100.00 | 100.00 |
| 14 | Omni Farms Private Limited# (Step Down Subsidiary) | 51.00  | -      |

Note: All the above mentioned subsidiaries are incorporated in India only

\* Ceased to be subsidiary company w.e.f. 8th November, 2016

\*\* Ceased to be subsidiary company w.e.f. 21st January, 2017

\*\*\*Become subsidiary company w.e.f. 29th October, 2016

#### Associate

| S. No. | Name of Associate           | Year ended<br>31st March, 2017 | Year ended<br>31st March, 2016 |
|--------|-----------------------------|--------------------------------|--------------------------------|
|        |                             | (% of ownership interest)      |                                |
| 1      | Omni Farms Private Limited# | -                              | 32                             |

# The Parent Company i.e Eldeco Housing and Industries Limited (EHIL) holds 32% equity shares of Omni Farms Private Limited thereby making it as associate and consolidated in the balance sheet as associate. During the year Eldeco City Limited being wholly owned subsidiary of parent company has purchased 51% of equity shares of Omni Farms Private Limited, by virtue of which Eldeco Housing and Industries Limited and Eldeco City Limited together holds 83% of equity shares of Omni Farms Private Limited, thereby making the parent company as the Ultimate Holding Company and Eldeco City Limited as Holding Company. During the year ending 31st March, 2017, Omni Farms Private Limited has been consolidated as Step Down Subsidiary of parent company.

#### iv. Fixed Assets

Fixed Assets are stated at acquisition cost less accumulated depreciation. Cost includes inward freight, duties, taxes and incidental expenses related to acquisition and installation incurred up to the date of commissioning of assets.

#### v. Depreciation

Depreciation on fixed assets is provided on straight line method based on the useful life of the asset as specified in Schedule II to the Companies Act, 2013. The management estimates the useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

Intangible assets are amortised over their estimated useful life. In respect of computer Software as 5 years.

#### vi. Impairment of Assets

The Company assesses at each balance sheet date, whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash- generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss.

#### vii. Investments

Long-term investments are carried at cost less provision, if any, for diminution in value other than temporary. Current investments are carried individually, at lower of cost or fair value.



### **viii. Inventories**

Inventories are valued as under:

Building Materials, Stores and Consumables are valued at lower of cost, where cost is determined on first in- first out basis.

Land is valued at cost. Cost includes cost of acquisition and all related costs.

Project in Progress is valued at cost and consists of all direct expenditure incurred on projects under execution. Cost includes cost of land, materials, construction, services, borrowing costs and other directly attributable to the construction/development of the projects.

Completed real estate project for sale and trading stock are valued at lower of cost or net realizable value.

### **ix. Revenue Recognition**

#### **A. Real Estate Projects**

The Company follows the Percentage of Completion Method (POC) of Accounting. As per this method, the revenue in the Statement of Profit and Loss at the end of the accounting year is recognized in proportion to the actual cost incurred as against the total estimated cost of projects under execution with the Company subject to actual cost being 30% or more of the total estimated cost.

The stage of completion under the POC method is measured on the basis of percentage that actual costs incurred on real estate projects including land, construction and development cost bears to the total estimated cost of the project. The estimates of the projected revenues, projected profits, projected costs, cost to completion and the foreseeable loss are reviewed periodically by the management and any effect of changes in estimates is recognized in the period in which such changes are determined.

Effective from 1st April 2012, in accordance with the "Guidance Note on Accounting for Real Estate Transactions (Revised) 2012" (referred to as "Guidance Note"), all projects commencing on or after the said date or projects where revenue is recognized for the first time on or after the said date, Revenue from real estate projects has been recognized on Percentage of Completion method provided the following conditions are met:

- (i) All critical approvals necessary for commencement of the project have been obtained.
- (ii) The expenditure incurred on construction and development is not less than 25% of the total estimated construction and development cost.
- (iii) At least 25% of the saleable project area is secured by way of contracts or agreements with buyers.
- (iv) At least 10% of the total revenue as per the agreement of sale or any other legally enforceable document are realized at the reporting date in respect of each of the contracts and it is reasonable to expect that the parties to such contracts will comply with the payment terms as defined in the respective contracts.

Unbilled revenue disclosed under other assets represents revenue recognized based on percentage of completion method over and above amount due as per payment plan agreed with the customers. Amount received from customers which exceeds the cost and recognized profits to date on projects in progress, is disclosed as advance received from customers under other current liabilities. Any billed amount against which revenue is recognized but amount not collected is disclosed under trade receivable.

Surrender of flats by buyers are valued at cost and accounted for as 'Cost of Construction'. When sold, proceeds are treated as 'Sales'.

Repair, maintenance and other costs incurred after the completion of the project are charged to the cost of construction in the year in which cost is incurred.

Interest due on delayed payments by customers are recognized when the recovery is reasonable certain.

Revenue from sale of completed real estate projects, land, development rights and sale/transfer of rights in agreements are recognised in the financial year in which agreements of such sales are executed and there is no uncertainty about ultimate collections.

## **B. Income from Construction Contracts**

Revenue from construction contracts is recognized on the "Percentage of Completion Method" of accounting.

Income from Construction contracts is recognized by reference to the stage of completion of the contract activity as certified by the client.

Revenue on account of contract variations, claims and incentives are recognized upon determination or settlement of the contract.

## **C. Revenue from trading activities of completed projects is accounted for on accrual basis.**

### **x. Retirement and Other Benefits**

- i) Short-term employee benefits are recognized as an expense at the undiscounted amount in the Statement of Profit & Loss of the year in which the employee has rendered services.
- ii) Post employment benefits are recognized as an expense in the Statement of Profit & Loss for the year in which the employee has rendered services. The expense is recognized at the present value of the amount payable towards contributions. The present value is determined using market yields of government bonds, at the balance sheet date, as the discounting rate.
- iii) Other long term employee benefits are recognized as an expense in the Statement of Profit & Loss for the year in which the employee has rendered services. Estimated liability on account of long term benefits is discounted to the present value using the market yield on government bonds as on the date of balance sheet.
- iv) Actuarial gains and losses in respect of post employment and other long term benefits are charged to the Statement of Profit & Loss.

### **xi. Borrowing Costs**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets (including real estate projects) are capitalized as part of the cost of such asset/project. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

### **xii. Accounting for taxes on income**

The accounting treatment followed for taxes on income is to provide for current and deferred tax. Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961. Deferred Tax resulting from the difference between book and taxable profits is accounted for using the tax rates and laws that have been enacted or substantially enacted as on Balance Sheet date. The Deferred Tax is recognised and carried forward only to the extent that there is a reasonable certainty that the assets will be realised in future.

### **xiii. Operating lease**

Lease arrangements where the risk and rewards incident to ownership of an assets substantially vest with the lessor are recognized as operating lease. Lease rent under operating lease are charged to statement of profit and loss on a straight line basis over the lease term.

### **xiv. Earnings Per Share**

The earnings considered in ascertaining the company's EPS comprise the Net Profit or Loss for the period after tax and extra ordinary items. The basic EPS is computed on the basis of weighted average number of equity shares outstanding during the year. The number of shares for computation of diluted EPS comprises of weighted average number of equity shares considered for deriving basic EPS and also the weighted average number of equity shares which could be issued on the conversion of all dilutive potential equity shares.

### **xv. Provisions, Contingent Liabilities and Contingent Assets**

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but

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probably will not; require an out flow of resources. Where there is a possible obligation of a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made. Provision is made in account in respect of those contingencies which are likely to materialize in to liabilities after the year end till the adoption of accounts by Board of Directors and which have material effect on the position stated in the balance sheet.

**xvi. Cash & Cash Equivalents**

For the purpose of Cash Flow Statement cash and cash equivalents include cash in hand, demand deposits with bank, other short term highly liquid investments within original maturities of 3 months or less.

(Amount In Rupees)

| 2-Share Capital  | As At 31st March, 2017 |                      | As At 31st March, 2016 |                      |
|--|------------------------|----------------------|------------------------|----------------------|
|  | Number                 | Amount               | Number                 | Amount               |
| <b>Authorised</b>                                      |                        |                      |                        |                      |
| Equity Shares of Rs. 10/- (Previous Year Rs. 10/-)each | 10,000,000             | 100,000,000.00       | 10,000,000             | 100,000,000.00       |
| <b>Issued, Subscribed &amp; Fully Paid up</b>          |                        |                      |                        |                      |
| Equity Shares of Rs. 10/- (Previous Year Rs. 10/-)each | 1,966,600              | 19,666,000.00        | 1,966,600              | 19,666,000.00        |
| <b>Total Issued, Subscribed &amp; Fully Paid up</b>    | <b>1,966,600</b>       | <b>19,666,000.00</b> | <b>1,966,600</b>       | <b>19,666,000.00</b> |

**2.1 Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year**

(Amount In Rupees)

| Particulars                                     | As At 31st March, 2017 |               | As At 31st March, 2016 |               |
|---|------------------------|---------------|------------------------|---------------|
|   | Number                 | Amount        | Number                 | Amount        |
| <b>Equity Shares</b>                            |                        |               |                        |               |
| Shares outstanding at the beginning of the year | 1,966,600              | 19,666,000.00 | 1,966,600              | 19,666,000.00 |
| Shares issued during the year                   | -                      | -             | -                      | -             |
| Shares bought back during the year              | -                      | -             | -                      | -             |
| Shares outstanding at the end of the year       | 1,966,600              | 19,666,000.00 | 1,966,600              | 19,666,000.00 |

**2.2 Terms/ Rights Attached to Equity Shares**

The Company has only one class of Equity Shares having a par value of Rs.10 per share. Each holder of Equity Shares is entitled to one vote per share and ranks pari passu. The Dividend proposed by the Board of Directors is subject to approval of the shareholders at the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

**2.3 Details of Shareholders holding more than 5% shares in Equity Capital of the Company#**

| Name of Shareholder                                   | As At 31st March, 2017 |              | As At 31st March, 2016 |              |
|---|------------------------|--------------|------------------------|--------------|
|   | No. of Shares held     | % of Holding | No. of Shares held     | % of Holding |
| Equity Shares of Rs 10/- (Previous Year Rs. 10/-)each |                        |              |                        |              |
| Pankaj Bajaj  | 1,068,267              | 54.32        | 1,057,000              | 53.75        |

#The aforesaid disclosure is based upon percentages computed separately for class of shares outstanding as at the balance sheet date. As per records of the company, including its register of shareholders/members and other declaration received from shareholders regarding beneficial interest, the above shareholding represents both legal & beneficial ownership of shares.

(Amount In Rupees)

| 3-Reserves & Surplus  | As At<br>31st March, 2017 | As At<br>31st March, 2016 |
|---|---------------------------|---------------------------|
| <b>a. Capital Reserve</b>   |                           |                           |
| As Per Last Balance Sheet   | 133,600.00                | 133,600.00                |
| <b>b. General Reserve</b>   |                           |                           |
| As Per Last Balance Sheet   | 122,584,751.77            | 102,584,751.77            |
| Add: Transfer from surplus in the Statement of Profit & Loss                | 25,000,000.00             | 20,000,000.00             |
| <b>Closing Balance</b>  | <b>147,584,751.77</b>     | <b>122,584,751.77</b>     |
| <b>c. Surplus in the Statement of Profit &amp; Loss</b>                     |                           |                           |
| As Per Last Balance Sheet   | 916,576,121.50            | 736,907,406.60            |
| Add: Adjustments in opening balance pertaining to joint venture company     | -                         | 18,205,852.94             |
| Add: Profit for the Year  | 227,497,899.56            | 204,989,070.96            |
| Add: Adjustment related to sale of Shares of Subsidiaries                   | 748,730.52                | 143,396.00                |
| Add: Adjustment related to Pre Acquisition Profit of Subsidiaries           |                           | 2,517,106.88              |
| Less: Adjustment related to share of Associate                              | 21,746,621.26             | -                         |
| Less: Appropriations:   |                           |                           |
| Transfer to General Reserve   | 25,000,000.00             | 20,000,000.00             |
| Interim Dividend Paid [Rs. 12.50 per share(Previous Year Rs. 10 per share)] | 24,582,500.00             | 19,666,000.00             |
| Tax on Interim Dividend   | 5,004,506.00              | 4,003,605.00              |
| <b>Closing Balance</b>  | <b>1,068,489,124.32</b>   | <b>916,576,121.50</b>     |
| <b>Total</b>  | <b>1,216,207,476.09</b>   | <b>1,039,294,473.27</b>   |

(Amount In Rupees)

| 4-Long Term Borrowings  | As At 31st March, 2017 |                    | As At 31st March, 2016 |                    |
|---|------------------------|--------------------|------------------------|--------------------|
|   | Non Current            | Current Maturities | Non Current            | Current Maturities |
| <b>Secured Loans</b>  |                        |                    |                        |                    |
| <b>Term Loan From Bank</b>  | -                      | -                  | -                      | 5,972,013.00       |
| Less: Amount disclosed under the head 'Other Current Liabilities (Refer Note no.10) |                        | -                  |                        | 5,972,013.00       |
| <b>Total</b>  | -                      | -                  | -                      | -                  |

|  |                     |              |
|--|---------------------|--------------|
| <b>Term Loan From Bank</b>               |                     |              |
| <b>Particulars</b>                       | <b>Up To 1 Year</b> | <b>Total</b> |
| Term Loan (ROI 16%)/ Installment monthly | -                   | -            |

**Nature of Security of Term Loan :**

Term Loan from bank are secured by Equitable Mortgage of Commercial Property of Plot No TC/G-10/10 Group Housing Scheme, Vibhuti Khand, Gomti Nagar, Lucknow.

(Amount In Rupees)

| 5-Deferred Tax Liability (Net)                                   | As At<br>31st March, 2017 | As At<br>31st March, 2016 |
|--|---------------------------|---------------------------|
| Difference in depreciation for accounting and income tax purpose | 2,525,004.54              | 3,222,156.00              |
| Provision for Leave Encashment & Gratuity                        | 3,679,198.00              | 1,252,506.00              |
| <b>Total</b>   | <b>6,204,202.54</b>       | <b>4,474,662.00</b>       |

(Amount In Rupees)

| 6-Other Long Term Liabilities | As At<br>31st March, 2017 | As At<br>31st March, 2016 |
|-------------------------------|---------------------------|---------------------------|
| Security Deposit Received     | 33,299,056.55             | 21,494,733.21             |
| <b>Total</b>                  | <b>33,299,056.55</b>      | <b>21,494,733.21</b>      |

(Amount In Rupees)

| 7-Long Term Provisions         | As At<br>31st March, 2017 | As At<br>31st March, 2016 |
|--------------------------------|---------------------------|---------------------------|
| Provision for Employee Benefit |                           |                           |
| Provision for Gratuity         | 5,502,874.00              | 4,676,647.00              |
| Provision for Leave Encashment | 1,382,318.00              | 1,427,358.00              |
| <b>Total</b>                   | <b>6,885,192.00</b>       | <b>6,104,005.00</b>       |

(Amount In Rupees)

| 8-Short Term Borrowings  | As At<br>31st March, 2017 | As At<br>31st March, 2016 |
|--------------------------|---------------------------|---------------------------|
| <b>Secured</b>           |                           |                           |
| (a) Working Capital Loan |                           |                           |
| From Banks*              | 29,501,306.02             | 32,759,853.59             |
| (b) Short Term Loan      |                           |                           |
| From Bank                | -                         | 495,481,377.13            |
| <b>Total</b>             | <b>29,501,306.02</b>      | <b>528,241,230.72</b>     |

**Nature of Security of Working Capital & Short Term Loans :**

- Residential and Commercial Land with construction of site office and surrounded by boundary wall and gate at Faizullahganj, Mohibullapur, Sitapur Road, near Janakipuram flyover, Lucknow bearing khasra no. 58,59,60 & 85 measuring 15141.54 sq. mts. Land having khasra no. 703,704 & 851 ka Haiwat Mau Mawajya, Pargana Bijnor, Ward Ibrahimpur, Raibareilly Road, Lucknow.
- Further Secured by personal guarantee of Shri Shiv Kumar Garg & Shri Pankaj Bajaj (Managing Director).
- Further Secured by First Charge on Block Assets of the Company.
- In overdraft account secured against lien on bank Fixed Deposits and personal guarantee of Directors.
- Short Term Loan is availed for purchase of 67.58% of the shareholding of Eldeco City Private Limited (now known as Eldeco City Limited) from Xander Investment Holding Private Limited and Nalonrod Holdings Limited, thereby becomes wholly owned subsidiary of the company (Refer Note No. 13) and secured by:

- a. Pledge of 100% Equity Shares of Eldeco City Private Limited (now known as Eldeco City Limited)
- b. First Equitable Mortgage of "Eldeco Shaurya" project land, admeasuring 43.069 acres approximately, located at village Bijnor, Tehsil Mohan Lal Ganj, near Bhonwal Engineering College, Lucknow, with construction thereon, present and future.
- c. Charge on the entire sale proceeds/receivables accruing from sold and unsold area of the entire "Eldeco Shaurya" project at the above-mentioned land.
- d. Personal Guarantee of Mr. Pankaj Bajaj (Managing Director).
- e. And/or any other security of higher or equivalent amount as may be acceptable to bank so as to maintain the said Loan-Asset-Cover at a minimum of 2.00 times the principal outstanding at all times.

\*Includes overdraft facility of Rs 46.07 Lacs from City Cooperative Bank Limited, against fixed deposit of Rs 106.29 Lacs. The said Bank has discontinued its operations, however the company has applied for repayment of fixed deposit after adjustment of the balance outstanding in the overdraft account. A writ petition is also pending in respect of the same in Hon'ble Allahabad High Court.

(Amount In Rupees)

| 9-Trade Payables  | As At<br>31st March, 2017 | As At<br>31st March, 2016 |
|---|---------------------------|---------------------------|
| <b>Total outstanding dues of micro and small enterprises</b>                |                           |                           |
| -Due to Micro and Small Enterprises*  | -                         | -                         |
| <b>Outstanding dues of creditors other than micro and small enterprises</b> | 214,896,856.01            | 100,396,659.54            |
| <b>Total</b>  | <b>214,896,856.01</b>     | <b>100,396,659.54</b>     |

\* The information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 ("the Act") has been determined to the extent such parties have been identified by the company, on the basis of information and records available.

(Amount In Rupees)

| 10-Other Current Liabilities                            | As At<br>31st March, 2017 | As At<br>31st March, 2016 |
|---|---------------------------|---------------------------|
| Current maturities of long-term debt (Refer Note No.4)* | 3,066,544.00              | 5,972,013.00              |
| Interest accrued and due on borrowings                  | 403,073.00                | 5,414,814.09              |
| Advance from Customers                                  | 2,280,679,505.72          | 2,107,979,669.95          |
| Advance Received From others                            | -                         | 13,095,740.00             |
| Investor Education & Protection Fund**                  |                           |                           |
| (i) Unclaimed dividends                                 | 2,412,361.00              | 3,914,653.00              |
| Book Overdraft  | 53,460,543.19             | 7,676,488.29              |
| Security Deposits/Retention Money                       | 9,484,629.53              | 25,464,330.14             |
| Due to Directors  | -                         | 167,510.26                |

|                                  |                         |                         |
|----------------------------------|-------------------------|-------------------------|
| Other payables                   |                         |                         |
| (i) Employee Related Liabilities | 371,186.00              | 6,180,495.00            |
| (ii) Statutory Liabilities       | 86,856,007.50           | 11,181,983.50           |
| <b>Total</b>                     | <b>2,436,733,849.94</b> | <b>2,187,047,697.23</b> |

\* Refer Note No. 42

\*\* Appropriate amounts shall be transferred to Investor Education & Protection Fund, if and when due

(Amount In Rupees)

| <b>11-Short Term Provisions</b>             | <b>As At<br/>31st March, 2017</b> | <b>As At<br/>31st March, 2016</b> |
|---|-----------------------------------|-----------------------------------|
| <b>Others</b>                               |                                   |                                   |
| Provision for Gratuity                      | 237,231.00                        | 1,205,286.00                      |
| Provision for Leave Encashment              | 114,046.00                        | 184,516.00                        |
| Provision for taxation (Net of Advance Tax) | 2,962,428.08                      | 8,046,363.00                      |
| <b>Total</b>                                | <b>3,313,705.08</b>               | <b>9,436,165.00</b>               |



|                                  |                         |                         |
|----------------------------------|-------------------------|-------------------------|
| Other payables                   |                         |                         |
| (i) Employee Related Liabilities | 371,186.00              | 6,180,495.00            |
| (ii) Statutory Liabilities       | 86,856,007.50           | 11,181,983.50           |
| <b>Total</b>                     | <b>2,436,733,849.94</b> | <b>2,187,047,697.23</b> |

\* Refer Note No. 42

\*\* Appropriate amounts shall be transferred to Investor Education & Protection Fund, if and when due

(Amount In Rupees)

| <b>11-Short Term Provisions</b>             | <b>As At<br/>31st March, 2017</b> | <b>As At<br/>31st March, 2016</b> |
|---|-----------------------------------|-----------------------------------|
| <b>Others</b>                               |                                   |                                   |
| Provision for Gratuity                      | 237,231.00                        | 1,205,286.00                      |
| Provision for Leave Encashment              | 114,046.00                        | 184,516.00                        |
| Provision for taxation (Net of Advance Tax) | 2,962,428.08                      | 8,046,363.00                      |
| <b>Total</b>                                | <b>3,313,705.08</b>               | <b>9,436,165.00</b>               |

| 12-Fixed Assets        |                       | GROSS BLOCK  |                    |                        |                       |              |                         | DEPRECIATION           |                               |                               |  | NET BLOCK |  | Amount In Rupees) |
|------------------------|-----------------------|--------------|--------------------|------------------------|-----------------------|--------------|-------------------------|------------------------|-------------------------------|-------------------------------|--|-----------|--|-------------------|
| Particulars            | As At 1st April, 2016 | Additions    | Sales/ Adjustments | As At 31st March, 2017 | As At 1st April, 2016 | For the Year | Deductions/ Adjustments | As At 31st March, 2017 | W.D.V. As At 31st March, 2017 | W.D.V. As At 31st March, 2016 |  |           |  |                   |
| Tangible Assets        |                       |              |                    |                        |                       |              |                         |                        |                               |                               |  |           |  |                   |
| 1 Office Premises      | 24,902,451.72         | -            | -                  | 24,902,451.72          | 3,783,179.09          | 378,645.32   | -                       | 4,161,824.41           | 20,740,627.31                 | 21,119,272.63                 |  |           |  |                   |
| 2 Office Equipment     | 11,778,611.59         | 334,401.00   | -                  | 12,113,012.59          | 9,326,203.81          | 1,342,330.41 | 44,268.97               | 10,712,803.19          | 1,400,209.40                  | 2,452,407.78                  |  |           |  |                   |
| 3 Plant & Machinery    | 11,693,824.66         | 3,208,127.00 | -                  | 14,901,951.66          | 1,890,886.34          | 1,276,014.28 | 1,181,408.64            | 4,348,309.26           | 10,553,642.40                 | 9,802,938.32                  |  |           |  |                   |
| 4 Furniture & Fixtures | 9,976,355.23          | 119,992.00   | -                  | 10,096,347.23          | 7,681,128.31          | 958,952.89   | 78,382.34               | 8,718,463.54           | 1,377,883.68                  | 2,295,226.92                  |  |           |  |                   |
| 5 Vehicles             | 9,611,923.69          | -            | -                  | 9,611,923.69           | 8,314,001.23          | 723,744.48   | -                       | 9,037,745.72           | 574,177.97                    | 1,297,922.46                  |  |           |  |                   |
| 6 Computers            | 3,055,058.33          | 118,525.00   | 23,000.00          | 3,150,583.33           | 2,704,443.21          | 163,322.22   | 51,480.49               | 2,919,245.92           | 231,337.41                    | 350,615.12                    |  |           |  |                   |
| Sub-Total(A)           | 71,018,225.22         | 3,781,045.00 | 23,000.00          | 74,776,270.22          | 33,699,842.00         | 4,843,009.61 | 1,355,540.44            | 39,898,392.04          | 34,877,878.18                 | 37,318,383.22                 |  |           |  |                   |
| Previous Year Figures  | 69,361,251.22         | 2,024,474.00 | 367,500.00         | 71,018,225.22          | 28,222,702.16         | 5,826,264.84 | 349,125.00              | 33,699,842.00          | 37,318,383.22                 | 41,138,549.06                 |  |           |  |                   |
| Intangible Assets      |                       |              |                    |                        |                       |              |                         |                        |                               |                               |  |           |  |                   |
| 1 Computer Software    | 2,199,352.00          | -            | -                  | 2,199,352.00           | 1,621,121.01          | 277,632.56   | -                       | 1,898,753.57           | 300,598.43                    | 578,230.99                    |  |           |  |                   |
| Sub-Total(B)           | 2,199,352.00          | -            | -                  | 2,199,352.00           | 1,621,121.01          | 277,632.56   | -                       | 1,898,753.57           | 300,598.43                    | 578,230.99                    |  |           |  |                   |
| Previous Year Figures  | 2,199,352.00          | -            | -                  | 2,199,352.00           | 1,342,922.93          | 278,198.08   | -                       | 1,621,121.01           | 578,230.99                    | 856,429.07                    |  |           |  |                   |
| Total(A+B)             |                       |              |                    |                        |                       |              |                         |                        |                               |                               |  |           |  |                   |
| Previous Year Figures  | 71,560,603.22         | 2,024,474.00 | 367,500.00         | 73,217,577.22          | 35,320,963.01         | 5,120,642.17 | 349,125.00              | 35,320,963.01          | 37,896,614.21                 | 41,994,978.13                 |  |           |  |                   |

(Amount In Rupees)

| 13-Non Current Investments   | As At<br>31st March, 2017 | As At<br>31st March, 2016 |
|--|---------------------------|---------------------------|
| <b>Trade, Unquoted, at Cost</b>  |                           |                           |
| <b>In Associate Companies</b>  |                           |                           |
| 1600 (1650) Equity Shares of Rs.100/- each fully paid up in<br>Omni Farms Private Limited* (including accumulated share of Profit) | -                         | 16,999,054.89             |
| <b>Other Investment</b>  |                           |                           |
| <b>Investment in Equity Instruments- Quoted</b>  |                           |                           |
| <b>In Other Companies</b>  |                           |                           |
| 11500 (11500) Equity Shares of Rs. 10.00 each in<br>Union Bank of India Ltd. fully paid up   | 184,000.00                | 184,000.00                |
| 2494 (2494) Equity Shares of Rs. 10.00 each in<br>Punjab National Bank Ltd. fully paid up  | 111,060.00                | 111,060.00                |
| <b>Investment in Equity Instruments- Unquoted</b>  |                           |                           |
| 5000 (5000) Equity Shares of Rs.25/- fully<br>paid up in Indian Mercantile Co-operative Bank Limited                               | 125,000.00                | 125,000.00                |
| 420 (420) Equity Shares of Rs 100/- each fully paid up in<br>Lucknow Cement Crafts Pvt. Ltd.                                       | 42,000.00                 | 42,000.00                 |
| 1 (NIL) Equity Shares of Rs 100/- each fully paid up in<br>Surya Season Foods Private Limited                                      | 1,002.00                  | 1,002.00                  |
| <b>Total</b>   | <b>463,062.00</b>         | <b>17,462,116.89</b>      |

Note : Figures in bracket represent those of previous year. All the above shares are fully paid up

\*The Parent Company holds 32% equity shares of Omni Farms Private Limited and during the year Eldeco City Limited being wholly owned subsidiary of parent company has purchased 51% of equity shares of Omni Farms Private Limited. By virtue of which Eldeco Housing and Industries Limited and Eldeco City Limited together holds 83% of equity shares of Omni Farms Private Limited, thereby making the parent company the Ultimate Holding Company.

|  |              |               |
|--|--------------|---------------|
| Aggregate cost of unquoted investments | 168,002.00   | 17,167,056.89 |
| Aggregate cost of quoted investments   | 295,060.00   | 295,060.00    |
| Market value of quoted investments     | 2,121,989.30 | 1,569,260.10  |

(Amount In Rupees)

| 14-Long Term Loans & Advances               | As At<br>31st March, 2017 | As At<br>31st March, 2016 |
|---|---------------------------|---------------------------|
| Security Deposit Paid                       | 9,956,533.50              | 10,132,976.50             |
| Direct Taxes Refundable (Net of Provisions) | 56,738,678.77             | 70,305,553.98             |
| <b>Total</b>                                | <b>66,695,212.27</b>      | <b>80,438,530.48</b>      |

(Amount In Rupees)

| 15-Other Non Current Assets  | As At<br>31st March, 2017 | As At<br>31st March, 2016 |
|--|---------------------------|---------------------------|
| Deposit more than twelve months  | -                         | 886,839.00                |
| Interest accrued and due on Bank FDR's having original maturity of more than twelve months | -                         | 16,257.00                 |
| <b>Total</b>   | <b>-</b>                  | <b>903,096.00</b>         |

(Amount In Rupees)

| 16-Inventories                    | As At<br>31st March, 2017 | As At<br>31st March, 2016 |
|-----------------------------------|---------------------------|---------------------------|
| Land (including development cost) | 1,264,062,044.60          | 966,768,131.64            |
| Building Material & consumables   | 20,717,169.69             | 17,033,728.37             |
| Unsold Plots, Shops, Flats etc.,  | 169,340,462.07            | 165,673,914.48            |
| Project in Progress               | 296,103,515.86            | 459,244,713.90            |
| <b>Total</b>                      | <b>1,750,223,192.22</b>   | <b>1,608,720,488.39</b>   |

(Amount In Rupees)

| 17-Trade Receivables   | As At<br>31st March, 2017 | As At<br>31st March, 2016 |
|--|---------------------------|---------------------------|
| (Unsecured considered good unless otherwise stated)  |                           |                           |
| Trade receivables outstanding for a period exceeding six months from the date they are due for payment | 73,329,053.00             | 37,234,251.46             |
| Other Trade Receivables  | 378,050,302.16            | 229,212,991.03            |
| <b>Total</b>   | <b>451,379,355.16</b>     | <b>266,447,242.49</b>     |

(Amount In Rupees)

| 18-Cash And Bank Balances          | As At<br>31st March, 2017 | As At<br>31st March, 2016 |
|------------------------------------|---------------------------|---------------------------|
| <b>Cash &amp; Cash Equivalents</b> |                           |                           |
| Balances with Banks:               |                           |                           |
| -In Current Account                | 104,809,190.48            | 36,654,729.79             |
| Cash in Hand                       | 2,706,982.01              | 28,195,048.30             |
| Stamp in Hand                      | 1,168,254.00              | 1,109,380.00              |

|  |                       |                       |
|--|-----------------------|-----------------------|
| Deposit with original maturity of less than three months                             | 57,234,204.92         | 41,824,342.57         |
| Cheques in hand  | 5,618,878.00          | 5,458,567.00          |
|  | <b>171,537,509.41</b> | <b>113,242,067.66</b> |
| <b>Other Bank Balances</b>   |                       |                       |
| Unclaimed/Unpaid Dividend Account  | 2,415,498.00          | 3,917,790.33          |
| Deposit held as margin money/earnest money*  | 11,497,877.00         | 23,599,666.00         |
| Deposit with original maturity of more than three months but less than twelve months | 301,193,869.35        | 708,991,934.00        |
| <b>Total</b>   | <b>486,644,753.76</b> | <b>849,751,457.99</b> |

\*Includes deposits of Rs. 106.29 Lacs from City Cooperative Bank Limited, against overdraft facility of Rs 46.07 Lacs. The said Bank has discontinued its operations, however the company has applied for repayment of fixed deposit after adjustment of the balance outstanding in the overdraft account. A writ petition is also pending in respect of the same in Allahabad High Court.

(Amount In Rupees)

| 19-Short-term loans and advances                            | As At<br>31st March, 2017 | As At<br>31st March, 2016 |
|---|---------------------------|---------------------------|
| <b>(Unsecured, considered good unless otherwise stated)</b> |                           |                           |
| <b>Loans and advances to</b>                                |                           |                           |
| Other related parties                                       | -                         | 35,740,810.04             |
|   | <b>-</b>                  | <b>35,740,810.04</b>      |
| <b>Advance against goods, services &amp; others</b>         |                           |                           |
| Advances for projects                                       | 117,910,142.78            | 387,655,045.94            |
| Other Advances  | 389,588,182.64            | 28,814,497.34             |
| Other Deposits  | 208,992.00                | 208,992.00                |
|   | <b>507,707,317.42</b>     | <b>416,678,535.28</b>     |
| Balance with Government/statutory authorities               | 50,759,930.21             | 40,810,769.34             |
| Prepaid Expenses  | 216,657.00                | 346,759.40                |
| <b>Total</b>  | <b>558,683,904.63</b>     | <b>493,576,874.06</b>     |

19.1 Loans and Advances includes payment to parties (including associates) for acquiring land for development of real estate projects, either on collaboration basis or self- development basis, for bulk booking, and for purchase of commercial space.

(Amount In Rupees)

| <b>20-Other current assets</b>  | <b>As At<br/>31st March, 2017</b> | <b>As At<br/>31st March, 2016</b> |
|---|-----------------------------------|-----------------------------------|
| Interest accrued and due on Bank FDR's having original maturity of less than equal to 12 months | 13,806,156.52                     | 200,859,552.03                    |
| Unbilled Receivables  | 513,121,527.06                    | 338,013,422.95                    |
| <b>Total</b>  | <b>526,927,683.58</b>             | <b>538,872,974.98</b>             |

(Amount In Rupees)

| <b>21-Revenue From Operations</b> | <b>Year Ended<br/>31st March, 2017</b> | <b>Year Ended<br/>31st March, 2016</b> |
|-----------------------------------|--|--|
| Income from Real Estate Projects  | 1,662,866,835.72                       | 1,380,491,418.96                       |
| Other Operating Income            | 28,027,694.44                          | 29,118,682.63                          |
| <b>Total</b>                      | <b>1,690,894,530.16</b>                | <b>1,409,610,101.59</b>                |

(Amount In Rupees)

| <b>22-Other Income</b>                      | <b>Year Ended<br/>31st March, 2017</b> | <b>Year Ended<br/>31st March, 2016</b> |
|---|--|--|
| Interest Income                             |  |  |
| -on bank FDR's                              | 32,784,113.35                          | 52,394,319.06                          |
| -Others                                     | 1,137,094.73                           | -                                      |
| Rent Received                               | 2,838,486.00                           | 4,375,554.00                           |
| Misc. Receipts                              | 4,607,065.80                           | 4,689,984.00                           |
| Profit on Sale of Fixed Asset               | -                                      | 11,625.00                              |
| Dividend from other long term investments   | -                                      | 41,151.00                              |
| Liabilities no longer required written back | 4,936,642.20                           | 1,835,928.59                           |
| Excess Provision Written Back               | 5,260,998.00                           | -                                      |
| Profit on Sale of Non Current Investment    | -                                      | 17,461,053.69                          |
| <b>Total</b>                                | <b>51,564,400.08</b>                   | <b>80,809,615.34</b>                   |

(Amount In Rupees)

| <b>23-Cost of Material Consumed and other related Project cost</b> | <b>Year Ended<br/>31st March, 2017</b> | <b>Year Ended<br/>31st March, 2016</b> |
|--|--|--|
| <b>Inventories at the beginning of the year</b>                    |  |  |
| Building Material and consumables                                  | 17,033,728.37                          | 16,180,739.22                          |
| Land   | 400,755,709.64                         | 612,444,069.99                         |
| Building Material of Subsidiary acquired during the year           | 4,745,931.72                           | -                                      |
|  | <b>422,535,369.73</b>                  | <b>628,624,809.21</b>                  |
| <b>Add: Cost incurred during the year</b>                          |  |  |
| Land Development and other rights                                  | 150,584,590.00                         | 485,651,882.96                         |
| Building Material Purchases  | 267,166,039.36                         | 186,485,805.70                         |

|   |                         |                         |
|---|-------------------------|-------------------------|
| Expenses through Contractors  | 447,417,024.52          | 354,851,661.17          |
| Architects' Fees  | 5,502,850.00            | 9,050,564.00            |
| Depreciation  | 66,916.22               | 66,916.22               |
| Maintenance of completed projects   | 4,220,920.45            | 4,905,442.04            |
| Water & Electricity   | 8,325,288.00            | 7,221,825.00            |
| Plan Approval & External Development Expenses                                   | 32,326,443.36           | 33,900,000.13           |
| Cost of Finished Goods  | 7,615,104.20            | 16,011,961.35           |
| Other project expenses  | 58,488,081.06           | 60,209,225.69           |
|   | <b>981,713,257.17</b>   | <b>1,158,355,284.26</b> |
| Less: Inventories at the end of the year  |                         |                         |
| Building Material and consumables   | 20,717,169.69           | 17,033,728.37           |
| Land  | 310,323,941.44          | 966,768,131.64          |
|   | <b>331,041,111.13</b>   | <b>983,801,860.01</b>   |
| <b>Cost of Material Consumed, construction &amp; other related project cost</b> | <b>1,073,207,515.77</b> | <b>803,178,233.46</b>   |

(Amount In Rupees)

| <b>24-Change in Inventories in Finished Goods and Project in Progress</b>  | <b>Year Ended<br/>31st March, 2017</b> | <b>Year Ended<br/>31st March, 2016</b> |
|--|--|--|
| <b>Inventories at the beginning of the year</b>                            |  |  |
| Completed real estate projects   | 141,090,728.17                         | 234,386,970.60                         |
| Add/(Less): Adjustment in opening balance in respect of Subsidiary Company | 503,438,140.00                         | -                                      |
| Project in Progress  | 790,314,156.21                         | 577,250,515.68                         |
|  | <b>1,434,843,024.38</b>                | <b>811,637,486.28</b>                  |
| <b>Inventories at the end of the year</b>                                  |  |  |
| Completed real estate projects   | 156,818,145.39                         | 165,673,914.48                         |
| Project in Progress  | 1,153,219,698.70                       | 459,244,713.90                         |
|  | <b>1,310,037,844.09</b>                | <b>624,918,628.38</b>                  |
| <b>Change in Inventories of finished stock and project in progress</b>     | <b>124,805,180.29</b>                  | <b>186,718,857.89</b>                  |

(Amount In Rupees)

| <b>25-Employee Benefit Expenses</b>                 | <b>Year Ended<br/>31st March, 2017</b> | <b>Year Ended<br/>31st March, 2016</b> |
|---|--|--|
| Salaries, Wages, Allowances and Bonus               | 34,106,427.00                          | 33,779,675.00                          |
| Company's Contribution to Provident and Other funds | 3,940,340.00                           | 4,213,292.00                           |
| Directors Remuneration (Refer Note No. 41)          | 600,000.00                             | 8,600,000.00                           |

|                        |                      |                      |
|------------------------|----------------------|----------------------|
| Staff Welfare Expenses | 2,684,349.00         | 1,167,683.00         |
| <b>Total</b>           | <b>41,331,116.00</b> | <b>47,760,650.00</b> |

(Amount In Rupees)

| <b>26-Finance Cost</b>      | <b>Year Ended<br/>31st March, 2017</b> | <b>Year Ended<br/>31st March, 2016</b> |
|-----------------------------|--|--|
| Interest on Secured Loans   | 6,615,560.09                           | 21,790,930.69                          |
| Other Interest              | 19,923,514.00                          | 27,734,017.00                          |
| Bank Charges and Commission | 1,151,250.29                           | 3,498,700.62                           |
| <b>Total</b>                | <b>27,690,324.38</b>                   | <b>53,023,648.31</b>                   |

(Amount In Rupees)

| <b>27-Other Expenses</b>      | <b>Year Ended<br/>31st March, 2017</b> | <b>Year Ended<br/>31st March, 2016</b> |
|-------------------------------|--|--|
| <b>Establishment Expenses</b> |  |  |
| Rent                          | 5,558,400.00                           | 5,670,900.00                           |
| Rates and Taxes               | 722,396.00                             | 870,453.00                             |
| Insurance                     | 146,043.40                             | 346,588.60                             |
| Auditor's Remuneration        | 935,250.00                             | 945,225.00                             |
| Directors' Sitting Fees       | 240,000.00                             | 117,000.00                             |
| Postage, Courier & Telephone  | 622,879.70                             | 888,918.15                             |
| Travelling & Conveyance       | 2,539,122.00                           | 1,665,633.43                           |
| Legal & Professional Charges  | 10,382,082.50                          | 10,659,328.00                          |
| Printing & Stationery         | 897,870.00                             | 737,082.00                             |
| Repair & Maintenance Building | 5,439,536.00                           | 4,883,617.00                           |
| Repair & Maintenance Others   | 3,824,482.34                           | 2,727,126.60                           |
| Water and Electricity         | 2,658,798.00                           | 2,483,681.00                           |
| Donations                     | 61,000.00                              | 2,855,100.00                           |
| Miscellaneous Expenses        | 3,966,069.53                           | 6,549,932.74                           |
| Branding Fees                 | 22,622,991.97                          | 10,162,935.96                          |
| <b>Sub-Total</b>              | <b>60,616,921.44</b>                   | <b>51,563,521.48</b>                   |
| <b>Selling Expenses</b>       |  |  |
| Advertisement & Publicity     | 16,433,355.20                          | 9,633,645.00                           |
| Business Promotion & Discount | 12,931,980.00                          | 3,904,039.00                           |
| Commission & Brokerage        | 10,967,253.00                          | 26,315,267.00                          |
| <b>Sub-Total</b>              | <b>40,332,588.20</b>                   | <b>39,852,951.00</b>                   |
| <b>Total</b>                  | <b>100,949,509.64</b>                  | <b>91,416,472.48</b>                   |



(Amount In Rupees)

| <b>28-Earnings Per Share</b>              | <b>Year Ended<br/>31st March, 2017</b> | <b>Year Ended<br/>31st March, 2016</b> |
|---|--|--|
| Profit/(Loss) after tax                   | 227,497,899.56                         | 204,989,070.96                         |
| Equity Shares outstanding at the year end | 1,966,600                              | 1,966,600                              |
| Nominal Value Per Share (Rs.)             | 10.00                                  | 10.00                                  |
| Basic Earnings Per Share                  | 115.68                                 | 104.24                                 |
| Diluted Earnings Per Share                | 115.68                                 | 104.24                                 |

(Amount In Rupees)

| <b>29-Auditors Remuneration</b> | <b>Year Ended<br/>31st March, 2017</b> | <b>Year Ended<br/>31st March, 2016</b> |
|---------------------------------|--|--|
| Audit Fees                      | 860,250.00                             | 870,225.00                             |
| Tax Audit Fees                  | 25,000.00                              | 25,000.00                              |
| Certifications Fee              | 50,000.00                              | 50,000.00                              |
| <b>Total</b>                    | <b>935,250.00</b>                      | <b>888,379.00</b>                      |

(Amount In Rupees)

| <b>30-Contingent Liability</b>                                 | <b>Year Ended<br/>31st March, 2017</b> | <b>Year Ended<br/>31st March, 2016</b> |
|--|--|--|
| <b>(a) Claims against the company not acknowledged as debt</b> |  |  |
| Sales Tax & VAT  | 108,900,725.00                         | 69,913,183.00                          |
| Income Tax   | 3,863,272.00                           | 3,019,422.00                           |
| <b>(b) Guarantees</b>  |  |  |
| Earnest Money  | 876,228.00                             | 820,271.00                             |
| Bank Guarantee   | 700,000.00                             | 12,500,000.00                          |

**31. Additional information pursuant to Schedule III of the Companies Act 2013:**

| Name of the entity                         | Net Assets i.e total assets<br>minus total liabilities |                     | Share in profit or loss           |                     |
|--|--|---------------------|-----------------------------------|---------------------|
|  | As % of<br>consolidated<br>net assets                  | Amount<br>in Rupees | As % of<br>consolidated<br>profit | Amount in<br>Rupees |
| <b>Parent</b>                              |  |                     |                                   |                     |
| Eldeco Housing and Industries Limited      | 67.19  | 817,119,101.53      | 38.08                             | 140,691,716.00      |
| <b>Subsidiaries</b>                        |  |                     |                                   |                     |
| 1 Aaj Constructions Private Limited        | 0.02   | 254,016.60          | 0.19                              | 700,043.00          |
| 2 Carnation Realtors Private Limited       | (0.01)   | (122,059.61)        | (0.01)                            | (20,240.00)         |
| 3 Deepjyoti Constructions Private Limited  | (0.01)   | (160,378.96)        | (0.01)                            | (20,870.00)         |
| 4 Facility Constructions Private Limited   | (0.01)   | (155,668.96)        | (0.01)                            | (20,240.00)         |
| 5 Fixity Constructions Private Limited     | (0.01)   | (157,613.96)        | (0.01)                            | (20,870.00)         |
| 6 Garv Constructions Private Limited       | (0.01)   | (163,449.00)        | (0.01)                            | (20,040.00)         |
| 7 Iris Realtors Private Limited            | (0.01)   | (129,299.61)        | (0.01)                            | (31,185.00)         |
| 8 Khawhish Constructions Private Limited   | (0.01)   | (157,365.96)        | (0.01)                            | (20,555.00)         |
| 9 Flourish Constructions Private Limited   | (0.02)   | (291,019.70)        | (0.00)                            | (12,071.00)         |
| 10 Neo Realtors Private Limited            | (0.01)   | (139,808.00)        | (0.01)                            | (20,240.00)         |
| 11 Neptune Infracon Private Limited        | (0.01)   | (120,110.37)        | (0.01)                            | (19,490.00)         |
| 12 Numerous Constructions Private Limited  | (0.01)   | (122,198.86)        | (0.01)                            | (20,120.00)         |
| 13 Perpetual Constructions Private Limited | (0.01)   | (157,298.96)        | (0.01)                            | (20,240.00)         |
| 14 Yojna Constructions Private Limited     | (0.05)   | (570,030.65)        | (0.08)                            | (277,666.00)        |
| 15 Primacy Constructions Private Limited   | (0.01)   | (158,158.96)        | (0.01)                            | (20,555.00)         |
| 16 Samarpit Constructions Private Limited  | 0.04   | 475,415.31          | 0.23                              | 850,627.79          |
| 17 Shivaye Constructions Private Limited   | (0.01)   | (118,220.37)        | (0.01)                            | (19,490.00)         |
| 18 Suniyojit Constructions Private Limited | 0.02   | 279,710.64          | 0.15                              | 556,470.58          |
| 19 Sushobhit Constructions Private Limited | (0.01)   | (157,510.96)        | (0.01)                            | (20,555.00)         |
| 20 Swarg Constructions Private Limited     | (0.23)   | (2,800,839.11)      | (0.02)                            | (67,544.40)         |
| 21 Swarnim Nirman Private Limited          | (0.01)   | (141,098.97)        | (0.01)                            | (29,441.50)         |
| 22 Villa Constructions Private Limited     | (0.01)   | (119,555.37)        | (0.01)                            | (19,490.00)         |
| 23 Halwasiya Agro Industries Limited       | 2.13   | 25,844,759.84       | (0.67)                            | (2,464,806.41)      |
| 24 MAK Sales Private Limited               | 2.96   | 36,047,822.34       | 3.19                              | 11,794,650.24       |
| 25 Eldeco City Limited                     | 67.67  | 822,963,410.00      | 59.01                             | 217,993,760.00      |

32. Determination of revenues in respect of real estate projects under the 'Percentage of Completion method' necessarily involves making estimates by management for projected revenues, projected profits and costs to completion and foreseeable loss. These estimates being of a technical nature have been relied upon by auditors.
33. Inventories, loans & advances, trade receivables and other current/non-current assets in the opinion of the management, do not have a value on realization in the ordinary course of the business, less than the amount at which they are stated in the Balance Sheet.
34. Balance in trade receivables, trade payables, current / non current advances given / received are subject to reconciliation and confirmation from respective Parties. The balance of said trade receivables, trade payables, current / non current advances given / received are taken as shown by the books of accounts. The ultimate outcome of such reconciliation and confirmation cannot presently be determined; therefore no provision for any liability that may result from such reconciliation and confirmation has been made in the financial statement.
35. The Company has an investment of Rs.42,000.00 (31.03.2016 Rs.42,000.00) in Lucknow Cement Crafts Private Limited (LCC). There are accumulated losses in LCC. The management of the Company is of the opinion that investment in LCC is long term strategic investment, therefore, provision for diminution in value of investment is not made.

### 36. Segment Reporting

Based on similarity of activities/products, risk and reward structure, organizational structure and internal reporting system, the company has structured its operation in to the following segments:

- (i) **Real Estate:** Promotion, construction, development and sale of townships, residential, commercial property, developed plots etc.
- (ii) **Construction:** Construction of property on behalf of others/clients.

During the year and immediately preceding year company has undertaken only one activity/segment of real estate and no construction contract is undertaken by the company. Further operations of the Company do not qualify, for reporting as geographic segments, under the criteria set out under Accounting Standard 17 on 'Segment reporting'.

37. Last year Company has filed a Scheme of Amalgamation between wholly owned subsidiary companies namely Halwasiya Agro Industries Limited and MAK Sales Private Limited (Transferor Company) with Eldeco Housing and Industries Limited (Transferee Company) under section 391 & 394 of the Companies Act, 1956. The appointed date of the amalgamation being 01.04.2015 and same is still pending for final approval from Hon'ble Lucknow High Court.

### 38. Employee Benefit

The details of the Company's post-retirement benefit plans for gratuity for its employees are given below which is certified by the actuary and relied upon by auditors:

#### A. Gratuity

i) Movement in the liability recognized in Balance Sheet is as under:

(Amount in Rupees)

| Description   | As At 31st March, 2017 | As At 31st March, 2016 |
|---|------------------------|------------------------|
| Present value of obligation at the beginning of the year  | 8,109,725.00           | 9,713,569.00           |
| Current service cost                                      | 702,744.00             | 677,433.00             |
| Interest cost   | 608,230.00             | 777,086.00             |
| Benefit paid  | (1,431,538.00)         | (3,089,175.00)         |
| Actuarial (gain)/loss on obligation                       | 162,529.00             | 30,812.00              |
| <b>Present value of obligation at the end of the year</b> | <b>8,151,690.00</b>    | <b>8,109,725.00</b>    |

ii) Net assets / liability recognized in Balance Sheet as at 31st March, 2017

(Amount in Rupees)

| Description   | As At 31st March, 2017 | As At 31st March, 2016 |
|---|------------------------|------------------------|
| Present value of obligation as at 31st March, 2017          | 8,151,690.00           | 8,109,725.00           |
| Fair value of plan assets as at 31st March, 2017            | 2,411,585.00           | 2,227,792.00           |
| <b>(Assets)/Liabilities recognized in the Balance Sheet</b> | <b>5,740,105.00</b>    | <b>5,881,933.00</b>    |

iii) Amount recognized in Statement of Profit & Loss is as under:

(Amount in Rupees)

| Description  | As At 31st March, 2017 | As At 31st March, 2016 |
|--|------------------------|------------------------|
| Current service cost   | 702,744.00             | 677,433.00             |
| Interest cost  | 608,230.00             | 777,086.00             |
| Expected return on planned assets                                      | (167,084.00)           | (171,356.00)           |
| Net actuarial (gain)/loss recognized during the year                   | 145,820.00             | 30,483.00              |
| Additional Interest Provided by LIC                                    | -                      | -                      |
| <b>Expenses to be recognized in the statement of Profit &amp; Loss</b> | <b>1,289,710.00</b>    | <b>1,313,646.00</b>    |

iv) Changes in fair value of plan assets

(Amount in Rupees)

| Description  | As At 31st March, 2017 | As At 31st March, 2016 |
|--|------------------------|------------------------|
| Fair value of plan assets at the beginning of the period | 2,227,792.00           | 2,056,107.00           |
| Additional Interest Provided by LIC                      | -                      | -                      |
| Expected return on plan assets                           | 167,084.00             | 171,356.00             |
| Contribution   | -                      | -                      |
| Benefit Paid   | -                      | -                      |

|   |                     |                     |
|---|---------------------|---------------------|
| Actuarial (Gain) Loss                                     | 16,709.00           | 329.00              |
| <b>Fair value of plan assets at the end of the period</b> | <b>2,411,585.00</b> | <b>2,227,792.00</b> |

For determination of gratuity liability of the Company the following actuarial assumption were used.

|   |  |  |
|---|--|--|
| Discount rate                             | 7.50%                                  | 8.00%                                  |
| Future salary increase                    | 5.00%                                  | 5.00%                                  |
| Expected rate of return on planned assets | 7.50%                                  | 8.00%                                  |
| Method used                               | Projected unit credit actuarial method | Projected unit credit actuarial method |

#### B. Leave Encashment

Provision for leave encashment in respect of unavailed leaves standing to the credit of employees is made on accrual basis. The Company does not maintain any fund to pay for leave encashment.

i) Movement in the liability recognized in Balance Sheet is as under:

(Amount in Rupees)

| Description   | As At 31st March, 2017 | As At 31st March, 2016 |
|---|------------------------|------------------------|
| Present value of obligation at the beginning of the year  | 1,295,934.00           | 2,217,417.00           |
| Interest cost   | 97,195.00              | 177,393.00             |
| Current service cost                                      | 185,099.00             | 193,934.00             |
| Actuarial (gain)/loss on obligation                       | (74,432.00)            | (1,012,599.00)         |
| Benefit Paid  | (252,850.00)           | (280,211.00)           |
| <b>Present value of obligation at the end of the year</b> | <b>1,250,946.00</b>    | <b>1,295,934.00</b>    |

ii) Amount recognized in Statement of Profit & Loss is as under:-

(Amount in Rupees)

| Description  | As At 31st March, 2017 | As At 31st March, 2016 |
|--|------------------------|------------------------|
| Current service cost                                 | 185,099.00             | 193,934.00             |
| Interest cost  | 97,195.00              | 177,393.00             |
| Net actuarial (gain)/loss recognized during the year | (74,432.00)            | 134,589.00             |
| <b>Recognized in Profit &amp; Loss account</b>       | <b>207,862.00</b>      | <b>505,916.00</b>      |

iii) Amount recognized in the Balance Sheet as at 31st March, 2017

(Amount in Rupees)

| Description           | As At 31st March, 2017 | As At 31st March, 2016 |
|-----------------------|------------------------|------------------------|
| Current Liability     | 39,148.00              | 128,280.00             |
| Non Current Liability | 1,211,798.00           | 1,167,654.00           |
| <b>Total</b>          | <b>1,250,946.00</b>    | <b>1,295,934.00</b>    |

For determination of liability in respect of leave encashment, the Company has used the following actuarial assumption.

|                        |                                      |                                      |
|------------------------|--------------------------------------|--------------------------------------|
| Discount rate          | 7.50%                                | 8.00%                                |
| Future salary increase | 5.00%                                | 5.00%                                |
| Actuarial method used  | Project unit credit actuarial method | Project unit credit actuarial method |

\*Note: Provision of leave encashment as per actuarial is less than the liability provided in books of accounts of holding company, therefore provision for leave encashment has been made on accrual basis. However provisions for Leave Encashment in case of Eldeco City Limited is taken as per actuarial basis.

### C. Provident Fund

The Company makes contribution to statutory provident fund in accordance with Employees Provident Fund and Misc. Provisions Act, 1952. This is post employment benefit and is in the nature of defined contribution plan.

### 39. RELATED PARTY DISCLOSURES:

Details of disclosure as required by "Accounting Standard (AS) - 18 on Related Party Disclosures" are as under:-

#### A. Names of Related Parties and description of relationship:

##### 1. Associate Company\*

###### 1 Omni Farms Private Limited

\* The Parent Company holds 32% equity shares of Omni Farms Private Limited and during the year Eldeco City Limited being wholly owned subsidiary of parent company has purchased 51% of equity shares of Omni Farms Private Limited. By virtue of which, Eldeco Housing and Industries Limited and Eldeco City Limited together hold 83% of equity shares of Omni Farms Private Limited, thereby making the parent company the Ultimate Holding Company.

##### 2. Entities over which key managerial personnel or their relatives exercise significant influence

- 1 S.K Garg Constructions Private Limited
- 2 Lucknow Cement Crafts Private Limited
- 3 Eldeco Infrastructure and Properties Limited
- 4 Surya Season Foods Private Limited
- 5 Eldeco Townships and Housing Limited
- 6 K L Multimedia Private Limited
- 7 Eiffel Recreation Club Private Limited

##### 3. Key Management Personnel

- |                        |                    |
|------------------------|--------------------|
| 1 Mr. Shiv Kumar Garg* | Executive Chairman |
| 2 Mr. Pankaj Bajaj     | Managing Director  |
| 3 Mr. Shrikant Jajodia | Director           |
| 4 Mr. Arvind Bajaj**   | Director           |

\*Ceased to be Chairman w.e.f. 28th February, 2017

\*\* Ceased to be Director w.e.f. 21st February, 2017

##### 4. Relatives of Key Management Personnel

- |                     |                                 |
|---------------------|---------------------------------|
| 1 Mrs. Asha Bajaj   | Mother of Mr. Pankaj Bajaj      |
| 2 Mrs. Varija Bajaj | Sister of Mr. Pankaj Bajaj      |
| 3 Mrs. Rashi Bajaj  | Wife of Mr. Arvind Bajaj        |
| 4 Mrs. Pushpa Gupta | Sister of Mr. Shiv Kumar Garg   |
| 5 Ms. Shivani Garg  | Daughter of Mr. Shiv Kumar Garg |

**B. The following transactions were carried out with the related parties in the ordinary course of business:**

**(Amount In Rupees)**

| Transactions   | Key Management Personnel         | Associate      | Entities over which key managerial personnel or their relatives exercises significant influence | Relatives of Key Management Personnel | Total                            |
|--|----------------------------------|----------------|---|---------------------------------------|----------------------------------|
| <b>Remuneration</b>                                      |                                  |                |   |                                       |                                  |
| Mr. Shiv Kumar Garg                                      | 600,000.00<br>(3,600,000.00)     |                |   |                                       | 600,000.00<br>(3,600,000.00)     |
| Mr. Pankaj Bajaj (Refer Note 41)                         | -<br>(5,000,000.00)              |                |   |                                       | -<br>(5,000,000.00)              |
| <b>Rent Paid</b>   |                                  |                |   |                                       |                                  |
| Mrs. Asha Bajaj  |                                  |                | (5,771,316.00)  | 8,113,392.00<br>(5,771,316.00)        | 8,113,392.00                     |
| Mrs. Pushpa Gupta  |                                  |                | (420,463.00)  | 108,975.00<br>(420,463.00)            | 108,975.00                       |
| <b>Dividend Paid</b>                                     |                                  |                |   |                                       |                                  |
| Mr. Pankaj Bajaj   | 13,353,338.00<br>(12,684,000.00) |                |   |                                       | 13,353,338.00<br>(12,684,000.00) |
| Eldeco Infrastructure and Properties Limited             |                                  |                | 125,000.00<br>(120,000.00)  |                                       | 125,000.00<br>(120,000.00)       |
| Mrs. Rashi Bajaj   |                                  |                |   | (25,200.00)                           | -<br>(25,200.00)                 |
| Ms. Shivani Garg   |                                  |                |   | (332,700.00)                          | -<br>(332,700.00)                |
| <b>Sitting Fees</b>                                      |                                  |                |   |                                       |                                  |
| Mr. Arvind Bajaj   | 10,000.00<br>(3,000.00)          |                |   |                                       | 10,000.00<br>(3,000.00)          |
| Mr. Shrikant Jajodia                                     | 70,000.00<br>(29,000.00)         |                |   |                                       | 70,000.00<br>(29,000.00)         |
| <b>Advance Repaid Against Bulk Booking/Project (Net)</b> |                                  |                |   |                                       |                                  |
| Surya Season Foods Private Limited                       |                                  |                | 2,106,301.00<br>(273,983.00)  |                                       | 2,106,301.00<br>(273,983.00)     |
| <b>Sale of commercial Space</b>                          |                                  |                |   |                                       |                                  |
| Mrs. Asha Bajaj  |                                  |                |   | (12,802,000.00)                       | -<br>(12,802,000.00)             |
| <b>Project Management Fees received</b>                  |                                  |                |   |                                       |                                  |
| Omni Farms Private Limited                               |                                  | (9,853,049.56) |   |                                       | -<br>(9,853,049.56)              |



|  |              |                  |                 |                |                  |
|--|--------------|------------------|-----------------|----------------|------------------|
| <b>Maintainence Charges Received</b>         |              |                  |                 |                |                  |
| K. L. Multimedia Private Limited             |              |                  | -               |                | -                |
|  |              |                  | (1,004,065.00)  |                | (1,004,065.00)   |
| Mrs. Asha Bajaj                              |              |                  |                 | -              | -                |
|  |              |                  |                 | (519,747.00)   | (519,747.00)     |
| <b>Recovery of Taxes/Expenses(Net)</b>       |              |                  |                 |                |                  |
| S.K. Garg Constructions Pvt Ltd              |              |                  | 1,100,000.00    |                | 1,100,000.00     |
|  |              |                  | (1,100,000.00)  |                | (1,100,000.00)   |
| Surya Season Foods Pvt Ltd                   |              |                  | 543,727.00      |                | 543,727.00       |
|  |              |                  | (973,188.00)    |                | (973,188.00)     |
| <b>Club Services availed</b>                 |              |                  |                 |                |                  |
| Eiffel Recreation Club Pvt Ltd               |              |                  | 319,123.00      |                | 319,123.00       |
|  |              |                  | (314,815.00)    |                | (314,815.00)     |
| <b>Branding Fees Paid</b>                    |              |                  |                 |                |                  |
| Eldeco Infrastructure and Properties Limited |              |                  | 13,789,332.97   |                | 13,789,332.97    |
|  |              |                  | (10,162,935.96) |                | (10,162,935.96)  |
| <b>Purchase of Investment</b>                |              |                  |                 |                |                  |
| Mr. Shiv Kumar Garg                          | -            |                  |                 |                | -                |
|  | (1,002.00)   |                  |                 |                | (1,002.00)       |
| <b>Advances Repaid</b>                       |              |                  |                 |                |                  |
| Omni Farms Private Limited                   |              | -                |                 |                | -                |
|  |              | (130,436,638.00) |                 |                | (130,436,638.00) |
| <b>Balances Outstanding as at 31.03.2017</b> |              |                  |                 |                |                  |
| <b>Trade Payables</b>                        |              |                  |                 |                |                  |
| Mr. Pankaj Bajaj                             | -            |                  |                 |                | -                |
|  | (167,510.26) |                  |                 |                | (167,510.26)     |
| Mrs. Pushpa Gupta                            |              |                  |                 | -              | -                |
|  |              |                  |                 | (61,115.20)    | (61,115.20)      |
| Surya Season Foods Pvt Ltd                   |              |                  | 9,276,679.84    |                | 9,276,679.84     |
|  |              |                  | (11,926,707.84) |                | (11,926,707.84)  |
| Mrs. Asha Bajaj                              |              |                  |                 | 2,031,227.00   | 2,031,227.00     |
|  |              |                  |                 | (1,023,200.00) | (1,023,200.00)   |
| Omni Farms Private Limited                   |              | -                |                 |                | -                |
|  |              | (100,436,841.72) |                 |                | (100,436,841.72) |
| Eiffel Recreation Club Pvt Ltd               |              |                  | -               |                | -                |
|  |              |                  | (3,468.00)      |                | (3,468.00)       |

| <b>Trade Receivables</b>                     |  |                     |                                 |  |                                 |
|--|--|---------------------|---------------------------------|--|---------------------------------|
| K.L. Multimedia Private Limited              |  |                     | 36,770.00<br>(36,770.00)        |  | 36,770.00<br>(36,770.00)        |
| Eldeco Infrastructure and Properties Limited |  |                     | 10,921,526.93<br>(3,924,346.04) |  | 10,921,526.93<br>(3,924,346.04) |
| <b>Investments</b>                           |  |                     |                                 |  |                                 |
| Omni Farms Private Limited                   |  | -<br>(1,759,360.00) |                                 |  | -<br>(1,759,360.00)             |
| Lucknow Cement Crafts Pvt Ltd                |  |                     | 42,000.00<br>(42,000.00)        |  | 42,000.00<br>(42,000.00)        |
| Surya Season Foods Pvt Ltd                   |  |                     | 1,002.00<br>(1,002.00)          |  | 1,002.00<br>(1,002.00)          |

**Note : Amount in brackets represents the previous year figures.**

#### 40. Disclosure on Specified Bank Notes (SBNs)

During the year, the Company had specified bank notes or other denomination notes, as defined in the MCA notification G.S.R. 308(E) dated March 31, 2017, on the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December 30, 2016. The denomination wise SBNs and other notes as per the notification is given below:

| (In Rupees)                                  |                |                          |                |
|--|----------------|--------------------------|----------------|
| Particulars                                  | SBNs*          | Other Denomination Notes | Total          |
| Closing cash in hand on November 8, 2016     | 2,89,98,000.00 | 8,52,368.00              | 2,98,50,368.00 |
| (+) Permitted Receipts/Withdrawal From Banks | -              | 12,74,778.00             | 12,74,778.00   |
| (-) Permitted Payments                       | 2,93,500.00    | 9,11,386.00              | 12,04,886.00   |
| (-) Amount Deposited in Banks                | 2,87,04,500.00 | -                        | 2,87,04,500.00 |
| Closing cash in hand on December 30, 2016    | -              | 12,15,760.00             | 12,15,760.00   |

\* For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning as provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated 8th November, 2016

41. Last year, the Company had made a provision of Rs. 50 lacs for payment of Director's Remuneration to the Managing Director, Mr. Pankaj Bajaj w.e.f. 1st April, 2015. The same was approved by the Board of Directors vide Circular Resolution passed on 16th May, 2015 and recommended by the Nomination and Remuneration Committee vide circular resolution dated 8th May, 2015. The proposed remuneration in terms of Section 197 (1), read with first and second proviso of the Act and further read with Schedule V, Part II, Section V of the Act, exceeds the maximum limit of remuneration for which approval of members as Special Resolution and Central Government was required. The same was approved by the Board of Directors on 11th August, 2015 and was approved by the shareholders in the Annual General Meeting held on 25th September, 2015. The application for approval from the Central Government had been filed by the Company on 18th January, 2016. During the year under consideration, Central Government had denied the approval, vide letter dated 24th August, 2016 and correspondingly, the provision of Rs. 50 lacs has been written back in the Financial Year 2016-17. The Board of Directors in their meeting held on 20th October, 2016 took note of the same and approved the reversal of such provision.
42. The Reserve Bank of India has issued Directions as per Section 35A of the Banking Regulation Act, 1949 to Indian Mercantile Co-operative Bank Ltd., Lucknow. According to the Directions, the Indian Mercantile Co-operative Bank Ltd., Lucknow, cannot without prior approval of the Reserve Bank, in writing, grant or renew any loans and advances, make any investment, incur any liability, including borrowal of funds and several other types of restrictions. The issue of the Directions by the Reserve Bank should per se not be construed as cancellation of banking license by the Reserve Bank. The Reserve Bank may consider modifications of these directions, depending upon circumstances.
- In the Financial Year 2012-13, the Company has taken a term loan to the tune of Rs. 5 crore from Indian Mercantile Co-operative Bank Ltd. and was regular in paying installments to the Bank. All the installments have been paid, except two, for which the Company had given letter to the Bank on 26.08.2016, for adjusting the last two installments of loan amounting to Rs. 31,25,000/- against its current account with the Bank, having balance of Rs. 4,52,817/- and against FDR with the Bank, having maturity value of Rs. 10,33,167/- and also against Security of Rs. 12,50,000/- taken at the time of disbursement of loan and the balance amount will be paid at the time of adjustment. Till 31.03.2017, no adjustment or correspondence has been made by the Bank for adjusting the balance amount of term loan against current account, FDR and security amount, due to which the balance of Rs. 30,66,544/- plus interest of Rs. 4,03,073/- in term loan account as at 31.03.2017 is still outstanding (Refer Note 10 of the Current Liabilities of the Balance Sheet).
43. As per the requirements of sub section (5) of Section 135 of the Companies Act, 2013, the Company was required to spend at least two percent of its average net profits of the three immediately preceding financial years, in pursuance of its

Corporate Social Responsibility (CSR). Accordingly, the amount of expenditure for the year ended 31st March, 2017, which the Company was required to incur related to Corporate Social Responsibility worked out to be Rs. 17,19,148/- (P.Y.20,24,804/-). During the year ended 31st March, 2017, the Company has incurred a sum of Rs. 1,11,925/- (P.Y. Rs. 1,12,332/-) on this account.

44. The Company has regrouped/ reclassified previous year figures where necessary to conform to with current year's classification.
45. All notes number 1-44 forms an integral part of the financial statements.

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**As per our Report of even date attached**

**For & on behalf of the Board**

**FORDOOGAR & ASSOCIATES**  
Chartered Accountants  
(Firm Reg. No. 000561N)

**PANKAJ BAJAJ**  
(Chairman Cum  
Managing Director)  
DIN: 00024735

**SHRIKANT JAJODIA**  
(Director)  
DIN: 00602511

**(CA. UDIT BANSAL)**  
Partner  
M.No. 401642

**NAINA TANDON**  
(Company Secretary)  
M.No. A37976

**SUSHIL DUTT MISHRA**  
(Chief Financial Officer)

**Place : Lucknow**  
**Dated: 26th May, 2017**

(Figures in Rs)

| S. No. | Name of the Subsidiary Company   | Capital       | Reserves       | Total Assets     | Total Liabilities | Investment (Except in the subsidiaries) | Turnover/ Total Income | Profit/(Loss)  | Profit Before Tax | Provision For Tax (net of) | Profit/Loss After Tax (write back) | Proposed Dividend |
|--------|----------------------------------|---------------|----------------|------------------|-------------------|---|------------------------|----------------|-------------------|----------------------------|------------------------------------|-------------------|
| 1      | Cumalton Realtors (P) Ltd.       | 100,000.00    | -122,059.61    | 28,905.39        | 50,965.00         | -                                       | -                      | -20,240.00     | -20,240.00        | -                          | -20,240.00                         | -                 |
| 2      | Deepiyoti Constructions (P) Ltd. | 100,000.00    | -160,378.96    | 21,216.00        | 81,595.00         | -                                       | -                      | -20,870.00     | -20,870.00        | -                          | -20,870.00                         | -                 |
| 3      | Eldeco City Limited              | 96,959,720.00 | 498,057,818.00 | 1,866,831,809.00 | 951,001,258.00    | -                                       | 446,029,992.00         | 185,407,714.00 | 185,407,714.00    | 67,159,465.00              | 118,248,249.00                     | -                 |
| 4      | Facility Constructions (P) Ltd.  | 100,000.00    | -155,668.96    | 25,296.04        | 80,965.00         | -                                       | -                      | -20,240.00     | -20,240.00        | -                          | -20,240.00                         | -                 |
| 5      | Fixity Constructions (P) Ltd.    | 100,000.00    | -157,613.96    | 23,981.04        | 81,595.00         | -                                       | -                      | -20,870.00     | -20,870.00        | -                          | -20,870.00                         | -                 |
| 6      | Garv Constructions (P) Ltd.      | 100,000.00    | -163,449.00    | 209,476.00       | 272,925.00        | -                                       | -                      | -20,040.00     | -20,040.00        | -                          | -20,040.00                         | -                 |
| 7      | Halwasiya Agro Industries Ltd.   | 400,000.00    | 25,844,759.84  | 33,425,354.85    | 3,580,595.01      | -                                       | 684,369.00             | -2,464,806.41  | -2,464,806.41     | 82,618.00                  | -2,547,424.41                      | -                 |
| 8      | Iris Realtors (P) Ltd.           | 100,000.00    | -129,299.61    | 40,860.39        | 70,160.00         | -                                       | -                      | -31,185.00     | -31,185.00        | -                          | -31,185.00                         | -                 |
| 9      | Khwahish Constructions (P) Ltd.  | 100,000.00    | -157,365.96    | 23,914.04        | 81,280.00         | -                                       | -                      | -20,555.00     | -20,555.00        | -                          | -20,555.00                         | -                 |
| 10     | Neo Realtors (P) Ltd.            | 100,000.00    | -139,808.00    | 130,36,157.00    | 13,075,965.00     | -                                       | -                      | -20,240.00     | -20,240.00        | -                          | -20,240.00                         | -                 |
| 11     | Neptune Infracon (P) Ltd.        | 100,000.00    | -120,110.37    | 24,279.63        | 44,490.00         | -                                       | -                      | -19,490.00     | -19,490.00        | -                          | -19,490.00                         | -                 |
| 12     | Numerous Constructions (P) Ltd.  | 100,000.00    | -122,198.86    | 22,921.14        | 45,120.00         | -                                       | -                      | -20,120.00     | -20,120.00        | -                          | -20,120.00                         | -                 |
| 13     | Perpetual Constructions (P) Ltd. | 100,000.00    | -157,298.96    | 43,919,016.04    | 43,976,315.00     | -                                       | -                      | -20,240.00     | -20,240.00        | -                          | -20,240.00                         | -                 |
| 14     | Primacy Constructions (P) Ltd.   | 100,000.00    | -158,158.96    | 23,121.04        | 81,280.00         | -                                       | -                      | -20,555.00     | -20,555.00        | -                          | -20,555.00                         | -                 |
| 15     | Shivaye Constructions (P) Ltd.   | 100,000.00    | 4,75,415.31    | 29,501,276.39    | 28,925,861.08     | -                                       | 44,625,753.92          | 850,627.79     | 850,627.79        | 223,470.00                 | 627,157.79                         | -                 |
| 16     | Smarpit Constructions (P) Ltd.   | 100,000.00    | -118,220.37    | 26,269.63        | 44,490.00         | -                                       | -                      | -19,490.00     | -19,490.00        | -                          | -19,490.00                         | -                 |
| 17     | Sunijoyit Constructions (P) Ltd. | 100,000.00    | 279,710.64     | 14,859,838.99    | 14,480,128.35     | -                                       | 29,402,039.65          | 556,470.58     | 556,470.58        | 131,470.00                 | 425,000.58                         | -                 |
| 18     | Sushobhit Constructions (P) Ltd. | 100,000.00    | -157,510.96    | 23,454.04        | 80,965.00         | -                                       | -                      | -20,555.00     | -20,555.00        | -                          | -20,555.00                         | -                 |
| 19     | Swarg Constructions (P) Ltd.     | 100,000.00    | 2,800,839.11   | 14,089,650.89    | 16,790,490.00     | -                                       | -                      | -67,455.40     | -67,455.40        | -                          | -67,455.40                         | -                 |
| 20     | Swarnim Nirman (P) Ltd.          | 100,000.00    | -141,098.97    | 3,391.03         | 44,490.00         | -                                       | -                      | -29,441.50     | -29,441.50        | -                          | -29,441.50                         | -                 |
| 21     | Villa Constructions (P) Ltd.     | 100,000.00    | -119,555.37    | 24,934.63        | 44,490.00         | -                                       | -                      | -19,490.00     | -19,490.00        | -                          | -19,490.00                         | -                 |
| 22     | M A K Sales (P) Ltd.             | 500,000.00    | 36,047,822.34  | 39,083,909.48    | 2,536,087.13      | -                                       | 23,343,929.00          | 11,794,650.24  | 11,794,650.24     | 3,678,276.00               | 8,116,374.24                       | -                 |
| 23     | Auj Constructions (P) Ltd.       | 100,000.00    | 254,016.60     | 40,141,156.60    | 39,787,140.00     | -                                       | 724,033.00             | 700,043.00     | 700,043.00        | 169,440.00                 | 530,603.00                         | -                 |
| 24     | Yojna Constructions (P) Ltd.     | 100,000.00    | -570,030.65    | 29,083,219.35    | 29,553,250.00     | -                                       | -                      | -277,666.00    | -277,666.00       | -                          | -277,666.00                        | -                 |
| 25     | Flourish Constructions (P) Ltd.  | 100,000.00    | -291,019.70    | 41,134,845.30    | 41,325,865.00     | -                                       | 13,034.00              | -12,071.00     | -12,071.00        | -                          | -12,071.00                         | -                 |



## Form No. MGT-11

### Proxy form

*[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies  
(Management and Administration) Rules, 2014]*

CIN: L45202HR1985PLC044265

Name of the company: Eldeco Housing and Industries Limited

Registered office: S-16, 2nd Floor, Eldeco Station No.-1, Site No. 1,  
Sector-12, Faridabad, Haryana-121007

|                              |
|------------------------------|
| Name of the member(s): _____ |
| Registered address: _____    |
| E-mail Id: _____             |
| Folio No/ Client Id: _____   |
| DPID: _____                  |

I/We, being the member (s) of ..... shares of the above named company, hereby appoint:

1. Name: \_\_\_\_\_

Address: \_\_\_\_\_

E-mail Id: \_\_\_\_\_

Signature: \_\_\_\_\_, or failing him

2. Name: \_\_\_\_\_

Address: \_\_\_\_\_

E-mail Id: \_\_\_\_\_

Signature: \_\_\_\_\_, or failing him

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 32nd Annual General Meeting of the company, to be held on Friday the 29th day of September, 2017 at Park Plaza, Plot No. 1, Sector 21-C, Faridabad, Haryana-121003, at 02:00 PM and at any adjournment thereof in respect of such resolutions as are indicated below:

| Resolution Number        | Resolution  |
|--------------------------|---|
| <b>Ordinary Business</b> |   |
| 1.                       | Adoption of the Audited Balance Sheet as at 31st March, 2017 and the Statement of Profit and Loss Account and Cash Flow Statement for the year ended on that date and the Reports of the Board of Directors and Auditors thereon. |
| 2.                       | Confirmation of Interim Dividend for the financial year ended 31st March, 2017.   |
| 3.                       | Appoint a Director in place of Mr. Shrikant Jajodia (DIN 00602511) who retires by rotation and being eligible, seeks re-appointment.  |
| 4.                       | Appointment of M/s BSD & Co. as the Statutory Auditors of the Company.  |
| <b>Special Business</b>  |   |
| 5.                       | Approval for enhancement of Borrowing Limits.   |
| 6.                       | Appointment of Mr. Pankaj Bajaj, the Managing Director of the Company (DIN 00024735), as the Executive Chairman of the Company.   |

Affix  
Revenue  
Stamp

Signed this..... day of.....2017

Signature of shareholder

Signature of Proxy holder(s)

**Note:** 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.





# ELDECO HOUSING AND INDUSTRIES LIMITED

Regd. Office : S-16, 2nd Floor, Eldeco Station-1, Site No. 1, Sector -12, Faridabad, Haryana – 121007  
Corp. Office : 2nd Floor, Eldeco Corporate Chamber I, Vibhuti Khand, Gomti Nagar, Lucknow – 226 010

## 32<sup>nd</sup> ANNUAL GENERAL MEETING

### ATTENDANCE SLIP

(To be handed over at the entrance of the meeting hall)

DP ID .....

Client ID .....

No. of shares held .....

(To be filled in by the Shareholders)

Full Name and address of the member (IN BLOCK LETTERS) .....

.....full name of proxy

(IN BLOCK LETTERS) .....

I hereby record my presence at the 32nd Annual General Meeting of the Company to be held on Friday, the 29th day of September, 2017 at 2.00 p.m. at Park Plaza, Plot No.1, Sector 21-C, Faridabad, Haryana-121003.

This slip may please be handed over at the entrance of the meeting hall.

Signature of Member/Proxy

To,  
M/s Skyline Financial Services Pvt. Ltd.  
Registrar & Share Transfer Agent of  
Eldeco Housing and Industries Ltd.,  
D-153 A, 1st Floor, Okhla Industrial Area, Phase-I  
New Delhi – 110020. Ph.: 011-26812682/83

Place .....  
Date .....  
DP/client ID/Folio No. ....  
(To be filled in by the Shareholders)

Dear Sir,

*Re : CHANGE OF ADDRESS*

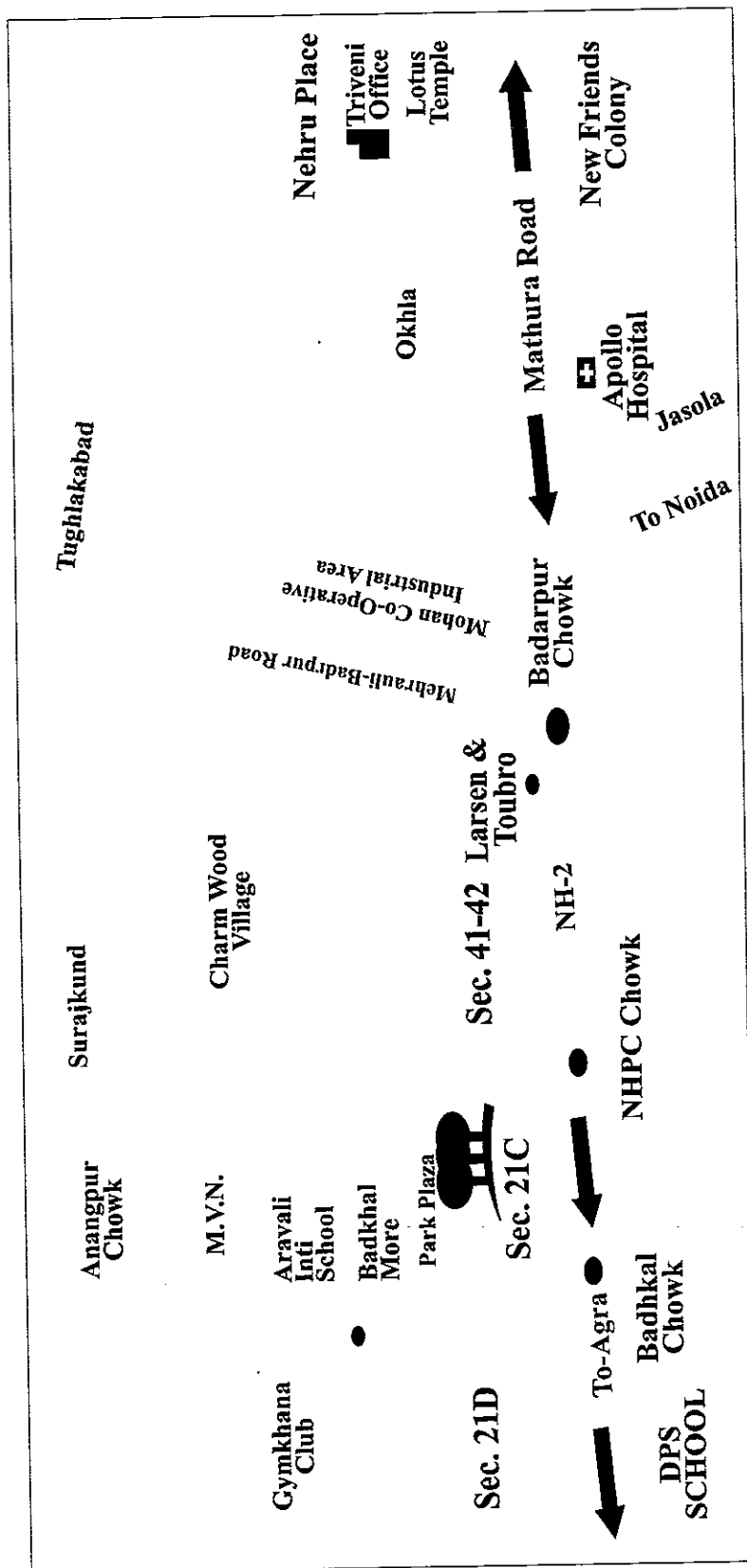
Kindly take on record, my new address as follows for further communication.

Name and address .....

Signature of Member(s)  
Name :

Thanking you

# ROUTE MAP



**Park Plaza, Plot No - 1, Sector - 21 C,  
Faridabad - 121003, Haryana**



**Registered Office:** S-16, 2<sup>nd</sup> Floor, Eldeco Station 1, Site No.1, Sector-12, Faridabad, Haryana-121007  
**Corporate Office:** 2<sup>nd</sup> Floor, Eldeco Corporate Chamber -1 (Opp. Mandi Parishad), Vibhuti Khand, Gomti Nagar, Lucknow-226010  
**Tel:** 0522-4039999 | **Fax:** 0522-4039900 | **Website:** [www.eldecogroup.com](http://www.eldecogroup.com)  
**Kanpur:** Virendra Smriti Complex, 1<sup>st</sup> Floor, 15/54-B, Civil Lines, Kanpur-208001 **Tel:** 0512-2304513, 2303063, 2305191  
**New Delhi:** 201-212, 2<sup>nd</sup> Floor, Splendor Forum, Jasola District Centre, New Delhi-110025 **Tel:** 011-40655000 | **Fax:** 011-40655111