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# ASHIANA HOUSING LIMITED

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**CIN:** L70109WB1986PLC040864
**E-mail :** investorrelations@ashianahousing.com, **Website :** www.ashianahousing.com

## NOTICE

**NOTICE** is hereby given that the 33rd Annual General Meeting of the members of **ASHIANA HOUSING LIMITED** will be held on Saturday, 31st August 2019 at 'Kalakunj' (Basement-Kalamandir), 48, Shakespeare Sarani, Kolkata-700 017, at 11.30 A.M. to consider and transact the following businesses:

**ORDINARY BUSINESSES:**

1. **To consider and adopt the audited standalone and consolidated financial statements as at 31st March 2019, and Report of the Board of Directors' and Auditors' thereon;**

   To consider and if thought fit, to pass with or without modification(s), the following resolution as Ordinary Resolution:

   **"RESOLVED THAT** the audited financial statements, both standalone and consolidated, notes appended thereto and cash flow statement, report of the Auditors' and Directors' thereon as circulated to the shareholders and laid before the meeting be and are hereby adopted."

2. **To declare dividend of 25 paise per equity share (i.e. @ 12.5%);**

   To consider and if thought fit, to pass with or without modification(s), the following resolution as Ordinary Resolution:

   **"RESOLVED THAT** subject to the provisions of Companies Act, 2013, rules made there under and all applicable laws and provisions, a final dividend for the year 2018-19 at the rate of 12.5% being Rs. 0.25 (Twenty-five paisa only) per equity share of the company aggregating Rs. 2,55,88,025/- (Rupees two crores fifty five lakhs eighty eight thousand and twenty five only) as recommended by the Board of Directors of the Company be and is hereby approved."

3. **To appoint a Director in place of Mr. Varun Gupta (DIN: 01666653), who retires by rotation and being eligible for re-appointment, offers himself for re-appointment;**

   To consider and if thought fit, to pass with or without modification(s), the following resolution as Ordinary Resolution:

   **"RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Varun Gupta (DIN: 01666653), who retires by rotation, and being eligible, offers himself for re-appointment be and is hereby re-appointed as Director of the company."

**SPECIAL BUSINESSES:**

4. **Appointment of Mr. Narayan Anand as Director (DIN: 02110727)**

   To consider and if thought fit, to pass with or without modification(s), the following resolution as Ordinary Resolution:

   **"RESOLVED THAT** Mr. Narayan Anand, who was appointed as an Additional Director under section 161 of the Companies Act, 2013 by the Board of Directors of the Company and holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice from a member proposing his candidature for the office of Director under section 160 of the Companies Act, 2013, be and is hereby appointed as Director of the Company."

   **"RESOLVED FURTHER THAT** the office of Mr. Narayan Anand, Director shall not be determined by liable to retire by rotation."

5. **Appointment of Mr. Narayan Anand (DIN: 02110727) as Independent Director of the Company in terms of the provisions of the Companies Act, 2013**

   To consider and if thought fit, to pass with or without modification(s), the following resolution as Ordinary Resolution:

   **"RESOLVED THAT** pursuant to the provisions of sections 149, 150, 152 and other applicable provisions of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, approval of shareholders of the Company, be and is hereby, accorded to the appointment of Mr. Narayan Anand, existing non-executive director of the Company, as an independent director of the Company for a term of three years from the date of this annual general meeting i.e. 33rd Annual General Meeting, or upto the date of third annual general meeting from the date of this meeting, whichever is earlier."

6. **Appointment of Ms. Piyul Mukherjee as Director (DIN: 00182034)**

To consider and if thought fit, to pass with or without modification(s), the following resolution as Ordinary Resolution:

**"RESOLVED THAT** Ms. Piyul Mukherjee, who was appointed as an Additional Director under section 161 of the Companies Act, 2013 by the Board of Directors of the Company and holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice from a member proposing his candidature for the office of Director under section 160 of the Companies Act, 2013, be and is hereby appointed as Director of the Company."

**"RESOLVED FURTHER THAT** the office of Ms. Piyul Mukherjee, Director shall not be determined by liable to retire by rotation."

7. **Appointment of Ms. Piyul Mukherjee (DIN: 00182034) as Independent Director of the Company in terms of the provisions of the Companies Act, 2013**

To consider and if thought fit, to pass with or without modification(s), the following resolution as Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of sections 149, 150, 152 and other applicable provisions of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, approval of shareholders of the Company, be and is hereby, accorded to the appointment of Ms. Piyul Mukherjee, existing non-executive director of the Company, as an independent director of the Company for a term of three years from the date of this annual general meeting i.e. 33rd Annual General Meeting, or upto the date of third annual general meeting from the date of this meeting, whichever is earlier."

8. **Re-appointment of Mr. Vishal Gupta (DIN: 00097939) as Managing Director of the Company**

To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

**"RESOLVED THAT** pursuant to Sections 196, 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder or any amendment or, modifications thereof and after notifying all the directors then present in India about the meeting and about the resolution, by specific notice approval of members of the company through Special Resolution, be and is hereby accorded to the appointment of Mr. Vishal Gupta as Managing Director of the company for a period of three years w.e.f. 1st April, 2019 on the following terms and conditions:

**BASIC SALARY**: Rs. 5,00,000/- per month.

**HOUSING:**

**a)** The expenditure incurred by the Company on hiring accommodation whether furnished/ unfurnished.

**b)** Free furnished accommodation in case the accommodation is owned by the Company.

**c)** In case no accommodation is provided by the Company, entitlement to house rent.

The expenditure incurred by the company on gas, electricity, water & furnishings will be valued as per Income Tax Rules, 1962.

**COMMISSION:** Payment of commission every year upto the rate of 1% of the net profits of the company calculated in accordance with the provisions of section 198 of the Companies Act, 2013 read with rules made there under.

**PROVIDENT FUND:** Contribution to the Provident Fund as per rules of the company, subject to a ceiling of 12% of Basic Salary.

**GRATUITY:** Payable as per rules of the company but not exceeding half month's salary for each completed year of service.

**MEDICAL REIMBURSEMENT:** Expenses actually incurred for self and family.

**LEAVE TRAVEL CONCESSION:** For self and family once in a year for any destination in India.

**CLUB FEES:** Fees of club subject to a maximum of two clubs may be allowed. Admission and Life membership fees are not permissible.

**PERSONAL ACCIDENT INSURANCE:** Premium not to exceed Rs. 25,000/- per annum.

**CAR:** Facility of Car with driver. (Use of car for private purpose shall be billed by the company to the Managing Director.)

**TELEPHONE:** Telephone at residence. (Personal long distance calls on telephone shall be billed by the company to the Managing Director.)

**LEAVE:** One month leave for Eleven Months of service.

**TERMINATION OF CONTRACT:** The Company and Mr. Vishal Gupta are entitled to terminate the contract by giving not less than 'Ninety days' notice to either party.

**"RESOLVED FURTHER THAT** Mr. Vishal Gupta, shall not be entitled to any sitting fees for attending the meeting of the Board of Directors and/ or committee of Directors."

**"RESOLVED FURTHER THAT** where in any financial year, the company has no profits or its profits are inadequate during the term of office of Mr. Vishal Gupta, the remuneration aforesaid, shall be paid subject to maximum remuneration in terms of Schedule V of the Companies Act, 2013."

**"RESOLVED FURTHER THAT** Mr. Vishal Gupta, Managing Director, Mr. Ankur Gupta, Joint Managing Director, Mr. Varun Gupta, Director, and Mr. Nitin Sharma, Company Secretary of the company be and are hereby severally authorized to sign, file all forms, documents, papers etc. with the Registrar of Companies, West Bengal, Ministry of Corporate Affairs and to do all such acts deeds, and things which may be necessary in this behalf."

**9. Re-appointment of Mr. Ankur Gupta (DIN: 00059884) as Joint Managing Director of the Company**

To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

**"RESOLVED THAT** pursuant to Sections 196, 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder or any amendment or, modifications thereof and after notifying all the directors then present in India about the meeting and about the resolution, by specific notice approval of members of the company through Special Resolution, be and is hereby accorded to the appointment of Mr. Ankur Gupta as Joint Managing Director of the company for a period of three years w.e.f. 1st April, 2019 on the following terms and conditions:

**BASIC SALARY**: Rs. 5,00,000/- per month.

**HOUSING:**

**a)** The expenditure incurred by the Company on hiring accommodation whether furnished/ unfurnished.

**b)** Free furnished accommodation in case the accommodation is owned by the Company.

**c)** In case no accommodation is provided by the Company, entitlement to house rent.

The expenditure incurred by the company on gas, electricity, water & furnishings will be valued as per Income Tax Rules, 1962.

**COMMISSION:** Payment of commission every year upto the rate of 1% of the net profits of the company calculated in accordance with the provisions of section 198 of the Companies Act, 2013 read with rules made thereunder.

**PROVIDENT FUND:** Contribution to the Provident Fund as per rules of the company, subject to a ceiling of 12% of Basic Salary.

**GRATUITY:** Payable as per rules of the company but not exceeding half month's salary for each completed year of service.

**MEDICAL REIMBURSEMENT:** Expenses actually incurred for self and family.

**LEAVE TRAVEL CONCESSION:** For self and family once in a year for any destination in India.

**CLUB FEES:** Fees of club subject to a maximum of two clubs may be allowed. Admission and Life membership fees are not permissible.

**PERSONAL ACCIDENT INSURANCE:** Premium not to exceed Rs. 25,000/- per annum.

**CAR:** Facility of Car with driver. (Use of car for private purpose shall be billed by the company to the Whole Time Director.)

**TELEPHONE:** Telephone at residence. (Personal long distance calls on telephone shall be billed by the company to the Whole Time Director.)

**LEAVE:** One month leave for Eleven Months of service.

**TERMINATION OF CONTRACT:** The Company and Mr. Ankur Gupta are entitled to terminate the contract by giving not less than 'Ninety days' notice to either party.

**"RESOLVED FURTHER THAT** Mr. Ankur Gupta, shall not be entitled to any sitting fees for attending the meeting of the Board of Directors and/ or committee of Directors."

**"RESOLVED FURTHER THAT** where in any financial year, the company has no profits or its profits are inadequate during the term of office of Mr. Ankur Gupta, the remuneration aforesaid, shall be paid subject to maximum remuneration in terms of Schedule V of the Companies Act, 2013."

**"RESOLVED FURTHER THAT** Mr. Vishal Gupta, Managing Director, Mr. Ankur Gupta, Joint Managing Director, Mr. Varun Gupta, Director, and Mr. Nitin Sharma, Company Secretary of the company be and are hereby severally authorized to sign, file all forms, documents, papers etc. with the Registrar of Companies, West Bengal, Ministry of Corporate Affairs and to do all such acts deeds, and things which may be necessary in this behalf."

**10. Re-appointment of Mr. Varun Gupta as Whole Time Director of the Company (DIN: 01666653)**

To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

**"RESOLVED THAT** pursuant to Sections 196, 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 or, any amendment or, modifications thereof and after notifying all the directors then present in India about the meeting and about the resolution, by specific notice, consent of the members of the Company, through Special Resolution, be and is hereby accorded to the appointment of Mr. Varun Gupta as Whole-time Director of the Company for a period of three years w.e.f. July 01, 2019 on the following terms and conditions:

**BASIC SALARY:** Rs. 5,00,000/- per month.

**HOUSING:**

a) The expenditure incurred by the company on hiring accommodation whether furnished/ unfurnished.

b) Free furnished accommodation in case the accommodation is owned by the company.

c) In case no accommodation is provided by the company, entitlement to house rent.

The expenditure incurred by the company on gas, electricity, water & furnishings will be valued as per Income Tax Rules, 1962.

**COMMISSION:** Payment of commission every year at the rate of 1% of the net profits of the company calculated in accordance with the provisions of section 198 of the Companies Act, 2013, read with rules made thereunder.

**PROVIDENT FUND:** Contribution to the Provident Fund as per rules of the company, subject to a ceiling of 12% of Basic Salary.

**GRATUITY:** Payable as per rules of the company but not exceeding half month's salary for each completed year of service.

**MEDICAL REIMBURSEMENT:** Expenses actually incurred for self and family.

**LEAVE TRAVEL CONCESSION:** For self and family once in a year for any destination in India.

**CLUB FEES:** Fees of club subject to a maximum of two clubs may be allowed. Admission and Life membership fees are not permissible.

**PERSONAL ACCIDENT INSURANCE:** Premium not to exceed Rs. 25,000/- per annum.

**CAR:** Facility of Car with driver. (Use of car for private purpose shall be billed by the Company to the Whole Time Director.)

**TELEPHONE:** Telephone at residence. (Personal long distance calls on telephone shall be billed by the company to the Whole Time Director.)

**LEAVE:** One month leave for Eleven Months of service. Leave accumulated but not availed will be allowed to be encashed at the end of tenure.

**TERMINATION OF CONTRACT:** The Company and Mr. Varun Gupta are entitled to terminate the contract by giving not less than 'Ninety days' notice to either party.

**"RESOLVED FURTHER THAT** Mr. Varun Gupta, shall not be entitled to any sitting fees for attending the meeting of the Board of Directors and/ or committee of Directors."

**"RESOLVED FURTHER THAT** where in any financial year, the company has no profits or its profits are inadequate during the term of office of Mr. Varun Gupta, the remuneration aforesaid, shall be paid subject to maximum remuneration in terms of Schedule V of the Companies Act, 2013."

**"RESOLVED FURTHER THAT** Mr. Vishal Gupta, Managing Director, Mr. Ankur Gupta, Joint Managing Director, Mr. Varun Gupta, Whole Time Director and Mr. Nitin Sharma, Company Secretary of the company be and are hereby severally authorized to sign, file all forms, documents, papers etc. with the Registrar of Companies, West Bengal, Ministry of Corporate Affairs and to do all such acts deeds, and things which may be necessary in this behalf."

**11. To re-appoint Mr. Abhishek Dalmia as Independent Director (DIN: 00011958)**

To consider and if thought fit, to pass with or without modification(s), the following resolution as Special Resolution:

**"RESOLVED THAT** pursuant to the provisions of sections 149, 150, 152 and other applicable provisions of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, approval of shareholders of the Company, be and is hereby, accorded to re- appoint Mr. Abhishek Dalmia, existing independent director of the Company, as independent director of the Company for another term of five years from the date of this annual general meeting i.e. 33rd annual general meeting, or upto the date of fifth annual general meeting from the date of this meeting, whichever is earlier."

**12. Approval of commission to Mr. Abhishek Dalmia, Independent Director (DIN: 00011958)**

To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

**"RESOLVED THAT** pursuant to section 149, 197(1)&(7) of the Companies Act, 2013 and Articles of Association of the Company consent of members of the Company be and is hereby accorded to pay to

Mr. Abhishek Dalmia, Independent Director of the Company, such commission as the Board of Directors may determine from time to time, but so that such commission shall not exceed Rs. 8 lakhs per annum commencing with effect from financial year 2019-20."

**13. To re-appoint Ms. Sonal Mattoo as Independent Director (DIN: 00106795)**

To consider and if thought fit, to pass with or without modification(s), the following resolution as Special Resolution:

**"RESOLVED THAT** pursuant to the provisions of sections 149, 150, 152 and other applicable provisions of the Companies Act, 2013 and rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, approval of shareholders of the Company, be and is hereby, accorded to re- appoint Ms. Sonal Mattoo, existing independent director of the Company, as independent director of the Company for another term of five years from the date of this annual general meeting i.e. 33rd annual general meeting, or upto the date of fifth annual general meeting from the date of this meeting, whichever is earlier."

**"RESOLVED FURTHER THAT** the remuneration and other related terms and conditions shall remain the same as approved by the shareholders in their annual general meeting held on 25th August, 2015."

**14. Approval for Payment of Commission to Ms. Sonal Mattoo (DIN: 00106795) for the Financial Year 2019-20**

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 regulation 17(6)(ca) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with section 149, 197(1)&(7) and other applicable provisions of the Companies Act, 2013 and rules made thereunder, and Articles of Association of the Company, consent of members of the Company be and is hereby accorded to pay to Ms. Sonal Mattoo, Independent Director of the Company, such commission, not exceeding Rs. 18 lakhs per annum, where the commission payable to her exceeds fifty per cent of the total annual remuneration payable to all non-executive directors of the Company, for the financial year 2019-20."

**15. Approval for Payment of Remuneration to Executive Directors exceeding 5% of the net profits of the Company**

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 regulation 17(6)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with section 197 of the Companies Act, 2013 and rules made thereunder, and Articles of Association of the Company, consent of members of the Company be and is hereby accorded to pay to Executive Directors of the Company, remuneration where such remuneration would exceed 5% of net profits the Company calculated in accordance with the provisions of section 198 of the Companies Act, 2013."

**"RESOLVED FURTHER THAT** the aforesaid approval for remuneration shall be valid only till the expiry of the term of such directors, taken individually."

**16. To provide security against loan including the issue of secured non-convertible debentures/ bonds on private placement Basis**

To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

**"RESOLVED THAT** in terms of the provisions of section 180(1)(a) of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013, and the rules made thereunder, including any statutory modification or re-enactment thereof, for the time being in force (the "Act"), approval of shareholders/members of the company be an is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any committee(s) constituted/ to be constituted by the Board, to exercise its powers including the powers conferred by this resolution and with the power to delegate authority to any person or persons) to mortgage, charge, hypothecate, pledge or otherwise, encumber from time to time, movable and/ or immovable, tangible and/or intangible properties/ assets, both present and future and/or whole or substantially the whole of the undertaking(s) of the Company, in such form, manner and time as the Board may deem fit, for securing the loan including issue of secured (as may be decided by the Board) non-convertible debentures and or bonds by the Company through private placement basis, to the tune of Rs. 150 Crores, together with interest, costs, charges, expenses and all other monies payable by the Company, to the lender and/ or subscribers of such debentures and/or any other debt instruments together with interest, remuneration of the trustees, premium, if any, on redemption, costs, charges and expenses payable by the Company in terms of the trust deed/other documents as may be finalized and executed between the Company and the trustees/lenders and containing such specific terms and conditions (which may include authorization to the lender to transfer/assignment of security in favour of third party) and covenants in

that behalf and agreed to between the Board and the trustees/lenders, up to a value of Rs. 150 Crores."

**"RESOLVED FURTHER THAT** the Board be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to sign and to execute deeds, applications, documents and writings that may be required on behalf of the Company, and generally to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution."

**17. To consider ratification of remuneration of the Cost Auditors**

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 Section 148 and all other provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, including any statutory modification(s) or re-enactment thereof for the time being in force, decision of the Board of directors of the company to pay remuneration of Rs. 1,25,000/- (Rupees One Lakh and Twenty Five Thousand only) to M/s. Pant S. & Associates to conduct cost audit of the Company for the financial year ending on 31st March, 2020 (12 Months) be and is hereby ratified."

**NOTES:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. Proxy form duly filled up and executed must be received at the Registered Office of the company not less than 48 hours before the time fixed for the meeting.
3. The relevant details of directors seeking appointment/re-appointment as required by regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are annexed.
4. The Register of Members and Share Transfer Books shall remain closed from 26th August 2019 to 31st August 2019 (both days inclusive).
5. Members desiring any further information on the business to be transacted at the meeting should write to the company at least 15 days before the date of the meeting to enable the management to keep the information, as far as possible, ready at the meeting.
6. Members are requested to notify the company their change of address, if any, to its Head Office at Unit No. 4&5, 3rd Floor, Plot No. D-2, Southern Park, Saket District Center, Saket, New Delhi – 110017, or to the Registrar & Share Transfer Agent of the company, M/s. Beetal Financial & Computer Services (Pvt.) Ltd., 99, Madangir, Behind Local Shopping Centre, Near Dada Harsukh Dass Mandir, New Delhi - 110 062.
7. Members are requested to bring their copy of the Annual Report with them at the Annual General Meeting.
8. The requirement to place the matter relating to appointment of auditors for ratification by members at every Annual General meeting is done away by the Ministry of Corporate Affairs (MCA) vide notification dated 07th May 2018. Accordingly, no resolution is proposed for ratification of appointment of auditors, who were appointed in the Annual General Meeting held on 28th August 2017.
9. All correspondence relating to shares may be addressed to the Head office of the company or to the Registrar & Share Transfer Agent of the company.
10. Members holding shares in more than one folio in identical order of names are requested to write to Registrar and Share Transfer Agent enclosing their share certificates to enable them to consolidate the holdings in one folio to facilitate better service.
11. Members desiring any information/clarification on the Accounts are requested to write to the Company in advance at least seven (7) days before the meeting to keep the information ready at the time of Annual General Meeting.
12. As per provisions of the Companies Act, 2013 facility for making nominations is available to the shareholders in respect of the shares held by them. Nomination forms can be obtained from the Registrar and Share Transfer Agent of the company.
13. Members who have not yet encashed their dividend warrant(s) for the financial year ended 31.03.2012, 31.03.2013, 31.03.2014, 31.03.2015, 31.03.2016, 31.03.2017 and 31.03.2018 are requested to make their claims to the company, without any delay.
14. **Voting through electronic means**

    In compliance with Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as substituted by the Companies (Management and Administration) Amendment Rules, 2015 and regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide to its members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting by electronic means and the business may be transacted through e-voting services arranged by National Securities Depository Limited (**"NSDL"**). The members may cast their votes using an electronic

voting system from a place other than the venue of the Annual General Meeting (**"remote e-voting"**). To enable the Members, who do not have the access to e-voting facility, to send their assent or dissent in writing in respect of the resolutions as set out in this Notice the Company is enclosing a Ballot Form with the Notice. Instructions for Ballot Form are given at the back of the said form and instructions for e-voting are given here in below:

**The instructions for e-voting are as under:**

**Step 1: Log-in to NSDL e-Voting system at https://www.evoting.nsdl.com**

**Step 2: Cast your vote electronically on NSDL e-Voting system**

**Details on Step 1 are mentioned below:**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.

3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

   *Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*

4. Your User ID details would appear as follows:

| **Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical** | **Your User ID is:** |
|---|---|
| a) For Members who hold shares in demat account with NSDL. | 8 Character DP ID followed by 8 Digit Client ID<br>For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******. |
| b) For Members who hold shares in demat account with CDSL. | 16 Digit Beneficiary ID<br>For example if your Beneficiary ID is 12********** then your user ID is 12********** |
| c) For Members holding shares in Physical Form. | EVEN Number followed by Folio Number registered with the company<br>For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001*** |

5. Your password details are given below:

   a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

   c) How to retrieve your 'initial password'?

      (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

      (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

   a) Click on **"Forgot User Details/Password?"** (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

   b) **Physical User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.

   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

   e) After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

   f) Now, you will have to click on "Login" button.

   g) After you click on the "Login" button, Home page of e-Voting will open.

**Details on Step 2 is given below:**

**How to cast your vote electronically on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to **richabhuwalka.co@gmail.com** with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in

**Other instructions:**

(a) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of www.evoting.nsdl.com.

(b) If you are already registered with NSDL for e-voting then you can use your existing user ID and password for casting your vote.

(c) You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

(d) 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.

(e) The remote e-voting period commences on 28th August 2019 (9:00 am) and ends on 30th August 2019 (5:00 pm). During this period shareholders of the company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 25th August 2019, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

(f) Ms. Richa Bhuwalka, Company Secretary in Practice (Membership No. 40398 and Certificate of Practice No. 19706) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

(g) The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the AGM by Ballot Papers and thereafter unblock the votes casted through e-voting in the presence of at least two witnesses not in the employment of the Company. The Scrutinizer shall, within a period not later than forty eight hours from the conclusion of the AGM, prepare and present a consolidated report of the total votes cast in favour or against, if any, to the Chairman of the Company or a person authorised by him in writing who shall countersign the same.

(h) The result of voting (Remote E-voting and the voting at the AGM) on the resolutions shall be declared forthwith i.e. within 48 hours from the conclusion of the AGM by the Chairman or any person authorized by him for this purpose. The results declared along with the report of the Scrutinizer shall be placed on the website of the company i.e. www.ashianahousing.com immediately after the result is declared and be communicated to the Bombay Stock Exchange and National Stock Exchange.

**By order of the Board**

**Place: New Delhi** **Nitin Sharma**
**Date: 18th May 2019** **(Company Secretary)**

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

**Item No. 4:**
**Appointment of Mr. Narayan Anand (DIN: 00011958) as Director; and**

**Item No. 5:**
**Appointment of Mr. Narayan Anand as Independent Director**

a) None of the Directors, Key Managerial Personnel of Company and their relatives are in any way, deemed to be concerned or interested, financially or otherwise, in the agenda item as set out at Item No. 4 and 5 of the Notice.

b) Other information read with regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Mr. Narayan Anand had been acting as Non-Executive Director of the Company. However, the Board had decided to appoint him as Independent Director. As part of compliance Mr. Narayan Anand had to vacate his existing position in the Company and was appointed as Additional Director by the Board of Directors of the Company in the same meeting held on 18th May 2019. In terms of section 161 of the Companies Act, 2013, Mr. Narayan Anand holds office upto the date of this Annual General Meeting. In terms of the provisions of section 160 of the Companies Act, 2013 the Company has received in notice from one of the members of the Company signifying the intention to propose the candidature of Mr. Narayan Anand, not retiring by rotation under section 152 of the Companies Act, 2013. The appointment of Mr. Narayan Anand has been recommended by the Nomination and Remuneration Committee of the Company. Mr. Narayan Anand is an alumnus of IIM, Bangalore, and graduated with honors in Mechanical Engineering from the National Institute of Technology, Jaipur. Mr. Narayan Anand is on the Boards of several public and private companies. He has over 30 years of experience in Private Equity, Investment Banking, Sales and Projects. He spent the last 8 years at Creador, advising it on investments in India and South East Asia. Prior to that he was a partner at Veda, a boutique investment bank where he was responsible for mergers and acquisitions, sponsor coverage of private equity firms and raising structured debt for a number of mid-market corporates. Mr. Narayan Anand has also spent several years doing Investment Banking at IL&FS where he mobilized funds for companies across India. In the earlier part of his career, he held various operational roles at Zuari Agrochemicals and at Eicher Motors."

Mr. Narayan Anand is also director on the Board of Directors of Somany Ceramics Ltd., RedRock (India) Offshore Consultants (P) Ltd., Creador Advisors India (P) Ltd., Vectus Industries Ltd. and Paras Healthcare (P) Ltd. Mr. Narayan Anand is not member of any committees of the Board of Directors of the Company. Further, Mr. Narayan Anand does not hold any shares of the Company and is not related with any other members of the Board of Directors.

Further, as required under Section 152 (5) of Companies Act, 2013 read with Schedule IV of the Act, the Board hereby states that in the opinion of the Board, Mr. Narayan Anand fulfills the conditions and criteria of independence as specified under Section 149(6) of the Companies Act, 2013 for appointment as Independent Director of the Company.

This explanatory statement may also be regarded as a brief profile of the director seeking appointment / reappointment, required in terms of regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The resolution at Item No. 4 and at Item No. 5 are, therefore, recommended for approval of the members by means of Ordinary Resolutions as required under the Companies Act, 2013.

**Item No. 6:**
**Appointment of Ms. Piyul Mukherjee (DIN: 00182034) as Director; and**

**Item No. 7:**
**Appointment of Ms. Piyul Mukherjee as Independent Director**

a) None of the Directors, Key Managerial Personnel of Company and their relatives are in any way, deemed to be concerned or interested, financially or otherwise, in the agenda item as set out at Item No. 6 and 7 of the Notice.

b) Other information read with regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Ms. Piyul Mukherjee had been appointed as Independent Director by the Board of Director in their meeting held on 11th February, 2019. The said appointment was made u/s 161 of the Companies Act, 2013 as an Additional Director. The tenure of Ms. Piyul Mukherjee is up to the date of this Annual General Meeting. In terms of section 161 of the Companies Act, 2013, the company has received a notice from one of the members of the Company signifying the intention to propose the candidature of Ms. Piyul Mukherjee as Director, not liable to retire by rotation. The appointment of Ms. Piyul Mukherjee is also recommended by the Nomination and Remuneration Committee of the Company.

Ms. Piyul Mukherjee is a consumer behavior specialist with more than 30 years of experience working in the corporate sector. She is the co-founder and CEO of Quipper Research Pvt. Ltd. a boutique market research firm that conducts qualitative research for a global roster of blue-chip clients, by offering a diverse range of qualitative methodologies and hybrid research design. Her company is the go-to destination for a wide set of vibrant brands - all those seeking to make a mark in the Indian, and increasingly,

international marketplace. She is also the founder and director of Taraltec Solutions Private Limited, an India Innovation 2.0 award winning startup that holds patents in the area of breakthrough technology that aids to eradicate and eliminate water-borne diseases, without consumables. The underlying technology has various potential applications with a significant impact on the future health of global citizens. Apart from above, she is a trustee of Vidyaranya Trust, a not-for-profit charitable set-up that runs programs for the education of under-privileged children, in the state of West Bengal. Ms. Piyul Mukherjee is a Ph.D. from the Indian Institute of Technology, Bombay, and holds an MBA from the Jamnalal Bajaj Institute of Management Studies, University of Mumbai.

Ms. Piyul Mukherjee is also director on the Board of Directors of Proact Research and Consultancy Private Limited, Quipper Research Private Limited, Fleet Maritime (India) Private Limited (under Liquidation), and Taraltec Solutions Private Limited. Ms. Piyul Mukherjee is not member of any committees of the Board of Directors of the Company. Further, Ms. Piyul Mukherjee does not hold any shares of the Company and is not related with any other members of the Board of Directors.

Further, as required under Section 152 (5) of Companies Act, 2013 read with Schedule IV of the Act, the Board hereby states that in the opinion of the Board, Ms. Piyul Mukherjee fulfills the conditions and criteria of independence as specified under Section 149(6) of the Companies Act, 2013 for appointment as Independent Director of the Company.

This explanatory statement may also be regarded as a brief profile of the director seeking appointment / reappointment, required in terms of regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The resolution at Item No. 6 and at Item No. 7 are, therefore, recommended for approval of the members by means of Ordinary Resolutions as required under the Companies Act, 2013.

**Item No. 8:**

**Re appointment of Mr. Vishal Gupta (DIN: 00097939) as Managing Director**

i) Nature of concern or interest, financial or otherwise, of every director of the Company:

| Sl. No. | Name of the Director | Nature of concern or interest | Nature of concern or interest (financial or otherwise) – Shareholding in Ashiana Housing Ltd. |
|---|---|---|---|
| 1 | Mr. Vishal Gupta | Interested to the extent of his re-appointment | 1,40,34,340 |
| 2 | Mr. Ankur Gupta | Relative | 2,02,44,825 |
| 3 | Mr. Varun Gupta | Relative | 2,02,44,825 |
| 4 | Mr. Abhishek Dalmia | No Interest | Nil |
| 5 | Mr. Hemant Kaul | No Interest | Nil |
| 6 | Ms. Sonal Mattoo | No Interest | Nil |
| 7 | Mr. Narayan Anand | No Interest | Nil |
| 8 | Ms. Piyul Mukherjee | No Interest | Nil |

ii) Nature of concern or interest, financial or otherwise, of every other Key Managerial Person of the Company: **No concern or interest.**

iii) Nature of concern or interest, financial or otherwise, of relatives of the persons mentioned in clause (i) and (ii) above:

| Sl. No. | Name | Nature of concern or interest | Nature of concern or interest (financial or otherwise) – Shareholding in Ashiana Housing Ltd. |
|---|---|---|---|
| 1. | Mrs. Rachna Gupta | Relative | 62,10,485 |

**General Information:**

**Nature of industry:** Real estate

**Date or expected date of commencement of commercial production:** N.A.

**Financial performance based on given indicators:** Details are given in the Management Discussion & Analysis section of the Annual Report.

**Foreign investments or collaboration:** International Finance Corporation has invested Rs. 18.74 crores by way of subscription to the Non-Convertible Debentures issued by the company.

**Information about the appointee:**

Mr. Vishal Gupta was appointed as Managing Director of the Company by the shareholders of the Company at their 29th Annual General Meeting held on Tuesday, 25th August 2015 for a period of three years with effect from 01st April 2016 to 31st March 2019. The term of his current appointment had expired on 31st March 2019. Mr. Vishal Gupta is a commerce graduate and has done MBA from Fore School of Management. He is associated with Ashiana for the last 22 years and is actively involved in finance, project execution and general administration. He has been instrumental in present growth of the Company.

Mr. Vishal Gupta was getting the same remuneration as proposed for his re-appointment in this notice. The proposed remuneration is comparable with respect to industry, size of the company, profile of the position and person.

Keeping in view the qualifications, knowledge, experience and contribution to the company the Board of Directors of the Company, on recommendation of the Nomination and Remuneration Committee, had re-appointed him as

Managing Director in their meeting held on 11th February 2019. The said re-appointment was made subject to approval of members of the Company in their meeting. Except Mr. Ankur Gupta, and Mr. Varun Gupta and Mr. Vishal Gupta himself, no other director of the Company is concerned or interested in the said resolution.

Mr. Vishal Gupta is also director on the Board of OPG Realtors Ltd., Latest Developers Advisory Ltd., Topwell Projects Consultants Ltd., GD Enterprises (P) Ltd., AHL Group Investments (P) Ltd., OPMG Investments (P) Ltd. and Construction Skill Development Council of India. The notice together with the explanatory statement may be taken as the memorandum setting out the terms of contract with the Managing Director of the Company under section 190 of the Companies Act, 2013 together with the memorandum of concern or interest of the director.

**Reasons for loss/ inadequate profits:** There are no losses during the financial year 2018-19. However, the profits, being a function of revenue booking based on deliveries of units in a year, may vary year after year.

**Steps taken or proposed to be taken for improvement:** Since profits being a function of revenue booking based on deliveries of units in a year, the management expects there will be a rise in number of units delivered due to improvement in sales in the years to come, which will get reflected in the income statement. Company is taking steps consistently to improve sales like new launches, training and development of sales team, etc.

**Expected increase on productivity and profits in measurable terms:** N.A.

This explanatory statement may also be regarded as a brief profile of the director seeking appointment / reappointment, required in terms of regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The resolution at Item No. 8 is, therefore, recommended for approval of the members by means of Special Resolution as required under the Companies Act, 2013.

**Item No. 9:**

**Re appointment of Mr. Ankur Gupta (DIN: 00059884) as Joint Managing Director**

i) Nature of concern or interest, financial or otherwise, of Every director of the Company:

| Sl. No. | Name of the Director | Nature of concern or interest | Nature of concern or interest (financial or otherwise) – Shareholding in Ashiana Housing Ltd. |
|---|---|---|---|
| 1 | Mr. Vishal Gupta | Relative | 1,40,34,340 |
| 2 | Mr. Ankur Gupta | Interested to the extent of his re-appointment | 2,02,44,825 |
| 3 | Mr. Varun Gupta | Relative | 2,02,44,825 |
| 4 | Mr. Abhishek Dalmia | No Interest | Nil |
| 5 | Mr. Hemant Kaul | No Interest | Nil |
| 6 | Ms. Sonal Mattoo | No Interest | Nil |
| 7 | Mr. Narayan Anand | No Interest | Nil |
| 8 | Ms. Piyul Mukherjee | No Interest | Nil |

ii) Nature of concern or interest, financial or otherwise, of every other Key Managerial Person of the Company: **No concern or interest.**

iii) Nature of concern or interest, financial or otherwise, of relatives of the persons mentioned in clause (i) and (ii) above:

| Sl. No. | Name | Nature of concern or interest | Nature of concern or interest (financial or otherwise) – Shareholding in Ashiana Housing Ltd. |
|---|---|---|---|
| 1. | Mrs. Rachna Gupta | Relative | 62,10,485 |

**General Information:**

**Nature of industry:** Real estate

**Date or expected date of commencement of commercial production:** N.A.

**Financial performance based on given indicators:** Details are given in the Management Discussion & Analysis section of the Annual Report.

**Foreign investments or collaboration:** International Finance Corporation has invested Rs. 18.74 crores by way of subscription to the Non-Convertible Debentures issued by the company.

**Information about the appointee:**

Mr. Ankur Gupta was appointed as Joint Managing Director of the Company by the shareholders of the Company at their 29th Annual General Meeting held on Tuesday 25th August 2015 for a period of three years with effect from 01st April 2016 to 31st March 2019. The term of his current appointment had expired on 31st March 2019.

Mr. Ankur Gupta has done Bachelor in Business Administration from Fairleigh Dickinson University (USA) and MS in Real Estate from New York University. He has done research for many residential projects specifically for seniors housing. He is actively associated with Ashiana for the last 16 years. Keeping in view the qualifications, knowledge, experience and contribution to the company the Board of Directors of the Company, on recommendation of the Nomination and Remuneration Committee, had re-appointed him as Joint Managing Director in their meeting held on 11th February 2019. The said re-appointment was made subject to approval of members of the Company in their meeting.

Mr. Ankur Gupta was getting the same remuneration as proposed for his re-appointment in this notice. The proposed remuneration is comparable with respect to industry, size of the company, profile of the position and person.

Except Mr. Vishal Gupta, Mr. Ankur Gupta himself and Mr. Varun Gupta, no other director of the Company is concerned or interested in the said resolution. Mr. Ankur Gupta is also director on the Board of OPG Realtors Ltd., Latest Developers Advisory Ltd., Topwell Projects Consultants Ltd., GD Enterprises (P) Ltd., AHL Group Investments (P) Ltd., OPMG Investments (P) Ltd. Paragon Properties (P) Ltd.

**Reasons for loss/ inadequate profits:** There are no losses during the financial year 2018-19. However, the profits, being a function of revenue booking based on deliveries of units in a year, may vary year after year.

**Steps taken or proposed to be taken for improvement:** Since profits being a function of revenue booking based on deliveries of units in a year, the management expects there will be a rise in number of units delivered due to improvement in sales in the years to come, which will get reflected in the income statement. Company is taking steps consistently to improve sales like new launches, training and development of sales team, etc.

**Expected increase on productivity and profits in measurable terms:** N.A.

The notice together with the explanatory statement may be taken as the memorandum setting out the terms of contract with the Joint Managing Director of the Company under section 190 of the Companies Act, 2013 together with the memorandum of concern or interest of the director.

This explanatory statement may also be regarded as a brief profile of the director seeking appointment / reappointment, required in terms of regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The resolution at Item No. 9 is, therefore, recommended for approval of the members by means of Special Resolution as required under the Companies Act, 2013.

**Item No. 10:**

**Re appointment of Mr. Varun Gupta (DIN: 01666653) as Whole Time Director**

i) Nature of concern or interest, financial or otherwise, of every director of the Company:

| Sl. No. | Name of the Director | Nature of concern or interest | Nature of concern or interest (financial or otherwise) – Shareholding in Ashiana Housing Ltd. |
|---|---|---|---|
| 1 | Mr. Vishal Gupta | Relative | 1,40,34,340 |
| 2 | Mr. Ankur Gupta | Relative | 2,02,44,825 |
| 3 | Mr. Varun Gupta | Interested to the extent of his re-appointment | 2,02,44,825 |
| 4 | Mr. Abhishek Dalmia | No Interest | Nil |
| 5 | Mr. Hemant Kaul | No Interest | Nil |
| 6 | Ms. Sonal Mattoo | No Interest | Nil |
| 7 | Mr. Narayan Anand | No Interest | Nil |
| 8 | Ms. Piyul Mukherjee | No Interest | Nil |

ii) Nature of concern or interest, financial or otherwise, of every other Key Managerial Person of the Company: **No concern or interest.**

iii) Nature of concern or interest, financial or otherwise, of relatives of the persons mentioned in clause (i) and (ii) above:

| Sl. No. | Name | Nature of concern or interest | Nature of concern or interest (financial or otherwise) – Shareholding in Ashiana Housing Ltd. |
|---|---|---|---|
| 1. | Mrs. Rachna Gupta | Relative | 62,10,485 |

**General Information:**

**Nature of industry:** Real estate

**Date or expected date of commencement of commercial production:** N.A.

**Financial performance based on given indicators:** Details are given in the Management Discussion & Analysis section of the Annual Report.

**Foreign investments or collaboration:** International Finance Corporation has invested Rs. 18.74 crores by way of subscription to the Non-Convertible Debentures issued by the company.

**Information about the appointee:**

Mr. Varun Gupta was re-appointed as Whole Time Director by the shareholders of the Company in their annual general meeting held on 31st Annual General Meeting held on Monday, 28th August 2017 for a term of two years starting from 01st July 2017. The present term of Mr. Varun Gupta had expired on 30th June 2019. Keeping in view his qualifications, knowledge, experience and contribution to the company the Board of Directors of the Company, on recommendation of the Nomination and Remuneration Committee, had re-appointed him as Whole Time Director in their meeting held on 18th May 2019. The said re-appointment was made subject to approval of members of the Company in their meeting.

Mr. Varun Gupta was getting the same remuneration as proposed for his re-appointment in this notice. The proposed remuneration is comparable with respect to industry, size of the company, profile of the position and person.

Except Mr. Vishal Gupta, Mr. Ankur Gupta and Mr. Varun Gupta himself, no other director of the Company is concerned or interested in the said resolution. Mr. Varun Gupta is also director on the Board of OPG Realtors Ltd., Latest Developers Advisory Ltd., Topwell Projects Consultants Ltd., GD Enterprises (P) Ltd., AHL Group Investments (P) Ltd., OPMG Investments (P) Ltd. Paragon Properties (P) Ltd., and BG Estates (P) Ltd.

**Reasons for loss/ inadequate profits:** There are no losses during the financial year 2018-19. However, the profits,

being a function of revenue booking based on deliveries of units in a year, may vary year after year.

**Steps taken or proposed to be taken for improvement:** Since profits being a function of revenue booking based on deliveries of units in a year, the management expects there will be a rise in number of units delivered due to improvement in sales in the years to come, which will get reflected in the income statement. Company is taking steps consistently to improve sales like new launches, training and development of sales team, etc.

**Expected increase on productivity and profits in measurable terms:** N.A.

The notice together with the explanatory statement may be taken as the memorandum setting out the terms of contract with the Joint Managing Director of the Company under section 190 of the Companies Act, 2013 together with the memorandum of concern or interest of the director.

This explanatory statement may also be regarded as a brief profile of the director seeking appointment / reappointment, required in terms of regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The resolution at Item No. 10 is, therefore, recommended for approval of the members by means of a Special Resolution as required under the Companies Act, 2013.

**Item no. 11:**
**Re-appointment of Mr. Abhishek Dalmia (DIN: 00011958) as Independent Director; and**

**Item no. 12:**
**Approval of commission to Mr. Abhishek Dalmia**

a) None of the Directors, Key Managerial Personnel of Company and their relatives are in any way, deemed to be concerned or interested financially or otherwise in the agenda item as set out at No. 11 and at agenda item no. 12 of the Notice.

b) Other Information:

Mr. Abhishek Dalmia was appointed as Independent Director of the Company by the shareholders in their annual general meeting held on Friday, 29th August 2014. In terms of the provisions of section 149 of the Companies Act, 2013 the term of appointment of an Independent Director is upto five years from the date of appointment. The term of Mr. Abhishek Dalmia was also for five years. Considering the contribution of Mr. Abhishek Dalmia to the Board and to the company, the Board, on the recommendation of the Nomination and Remuneration Committee, has recommended to re-appoint him as Independent Director for another term of five years starting from the date of approval from the shareholders of the company.

Mr. Abhishek Dalmia is one of the independent directors of our Company. Mr. Abhishek Dalmia is a Chartered Accountant and Cost Accountant. He started his career by setting up an advisory business under the name of Renaissance Group. He has been associated with our Company since 2006. Mr. Abhishek Dalmia is also director on the Board of Avalokiteshvar Valinv Ltd., Revathi Equipments Ltd., Renaissance Stock Ltd., Rajratan Global Wire Ltd., Aditya Infotech Ltd., Shogun Organics Ltd., Renaissance Advanced Consultancy Ltd., Aakash Educational Services Ltd., Renaissance Steel India (P) Ltd., Semac Consultants (P) Ltd., Pridarshany Agri Farms (P) Ltd., SWBI Design Informatics (P) Ltd., Renaissance Asset Management Company (P) Ltd., YPO South Asia Chapter.

Keeping in view the qualifications, knowledge, experience and contribution of Mr. Abhishek Dalmia towards the Company, the Board of Directors of the Company, on recommendation of the Nomination and Remuneration Committee, has approved to his remuneration by way of commission.

This explanatory statement may also be regarded as a brief profile of the director seeking appointment / reappointment, required in terms of regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The resolutions at Item No. 11 and 12 are, therefore, recommended for approval of the members by means of Special Resolutions as required under the Companies Act, 2013.

**Item no. 13:**
**Re-appointment of Ms. Sonal Mattoo (DIN: 00106795) Independent Director; and**

**Item no. 14:**
**Approval of commission to Ms. Sonal Mattoo**

a) None of the Directors, Key Managerial Personnel of Company and their relatives are in any way, deemed to be concerned or interested financially or otherwise in the agenda item as set out at No. 13 and agenda item no. 14 of the Notice.

b) Other Information:

Ms. Sonal Mattoo was appointed as Independent Director of the Company by the shareholders in their annual general meeting held on Friday, 29th August 2014. In terms of the provisions of section 149 of the Companies Act, 2013 the term of appointment of an Independent Director is upto five years from the date of appointment. The term of Ms. Sonal Mattoo was also for five years. Considering the contribution of Ms. Sonal Mattoo to the Board and to the company, the Board, on the recommendation of the Nomination and Remuneration Committee, has recommended to re-appoint her as Independent Director for another term of five years starting from the date of approval from the shareholders of the company.

Ms. Sonal Mattoo is one of the Independent Director of the Company. She is a lawyer with 23 years of work experience. She holds a bachelor of arts and a bachelor of laws degree from National Law School of India University, Bangalore.

She specialises in workplace harassment, diversity issues, mediation matters, matrimonial issues and negotiations. She is the founder director of "Helping Hands", a non-governmental organsiation which specialises in dealing with issues of women, children and senior citizens. She is associated with Ashiana Housing Ltd. for the last 16 years. She is member of the Shareholder's Relationship Committee, Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and of the Internal Complaints Committee formed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Keeping in view the qualifications, knowledge, experience and contribution of Ms. Sonal Mattoo, the members of the Company in their Annual General Meeting held on 25th August 2015 had approved to pay profit related commission not exceeding Rs. 18 lakhs per annum. In terms of the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended vide notification dated 09th May 2018, applicable with effect from 01st April 2019, approval of shareholders by special resolution shall be required every year, in which the annual remuneration payable to a single non-executive director exceeds fifty per cent of the total annual remuneration payable to all non-executive directors. Since the Company had been paying profit related commission to other Independent Directors also (including the commission of Mr. Abhishek Dalmia, if approved by the members in the upcoming Annual General Meeting) the total commission payable to Independent Directors during the financial year 2019-20 would be Rs. 34 lakhs per annum and the commission payable to Ms. Sonal Mattoo (Rs. 18 lakhs) during the financial year 2019-20 would exceed 50% of the total annual remuneration payable to all non-executive directors, accordingly it is proposed to approve the remuneration of Ms. Sonal Mattoo by way of special resolution.

This explanatory statement may also be regarded as a brief profile of the director seeking appointment / reappointment, required in terms of regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The resolution at Item No. 13 and 14 are, therefore, recommended for approval of the members by means of Special Resolutions as required under the Companies Act, 2013.

**15. Approval for Payment of Remuneration to Executive Directors exceeding 5% of the net profits of the Company**

a) Nature of concern or interest, financial or otherwise, of every director of the Company:

The Executive Directors are interested to the extent of their remuneration. Details of other concern or interest, financial or otherwise, of Executive Directors are the same as given in item no. 8, 9 & 10 in the explanatory statement section of this notice. Apart from the executive directors none of other Directors, Key Managerial Personnel of Company and their relatives are in any way, deemed to be concerned or interested financially or otherwise in the agenda item as set out at No. 15 of the Notice.

**b) Other Information:**

The members of the Company in their meeting held on 25th August 2015 had approved the remuneration payable to Mr. Vishal Gupta and Mr. Ankur Gupta, whereas the remuneration of Mr. Varun Gupta was approved by the shareholders in their meeting held on 28th August 2017. In terms of the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended vide notification dated 09th May 2018, applicable with effect from 01st April 2019, approval of shareholders by special resolution shall be required for payment of the fees or compensation to executive directors who are promoters or members of the promoter group where the aggregate annual remuneration to such directors exceeds 5 per cent of the net profits of the company (listed entity) calculated under section 198 of the Companies Act, 2013. It is in terms of the above that approval of members is sought. Approval of the shareholders under this provision shall be valid only till the expiry of the term of such director, taken individually.

The resolution at Item No. 15 is, therefore, recommended for approval of the members by means of Special Resolution as required under the Companies Act, 2013.

**16. To provide security against loan including the issue of secured non-convertible debentures/ bonds on private placement Basis**

**a) Nature of concern or interest, financial or otherwise, of every director and key managerial personnel of the company and their relatives**

The Directors and Key Managerial Personnel of the Company and their relatives thereof may be deemed to be concerned or interested in passing of this resolution to the extent of securities held by them or to the companies in which they are director or member. Save as aforesaid, none of the Directors, Key Managerial Personnel or relatives thereof are, in any way, concerned or interested in this resolution.

**b) Other information**

In terms of the Companies Act, 2013, the Board of Directors of a Company, shall exercise the power to borrow money, where money to be borrowed, together with the money already borrowed by the Company does not exceed the aggregate of its paid up share capital, free reserves and securities premium, apart from

temporary loans obtained from the Company's bankers in the ordinary course of business. The Companies Act, 2013 read with Articles of the Association of the Company authorises the Board of Directors of the Company to borrow monies for and on behalf of the Company from time to time as deemed requisite and proper for the business of the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business). General permission of shareholders by way of special resolution is sought under section 180(1)(a) of the Companies Act, 2013 to provide security in case the Board of Directors of the Company decides to borrow money, whether by way of term loan, issue of non-convertible debentures or borrowing through any other mode, and provide security against the amount so decided to borrow to the tune of Rs. 150 Crores.

The resolution at Item No. 16 is, therefore, recommended for approval of the members by means of Special Resolution as required under the Companies Act, 2013.

**Item No. 17:**

**Ratification of remuneration of the Cost Auditors**

**a) Nature of concern or interest, financial or otherwise, of every director and key managerial personnel of the company and their relatives**

The Directors and Key Managerial Personnel of the Company and their relatives thereof may be deemed to be concerned or interested in passing of this resolution to the extent of securities held by them. Save as aforesaid, none of the Directors, Key Managerial Personnel or relatives thereof are, in any way, concerned or interested in this resolution.

**b) Other information**

In terms of the provisions of the Companies Act, 2013 our company falls in the category of companies which needs to have cost audit and accordingly the Board of Directors of the company appointed M/s. Pant S. & Associates, Cost Accountants, as cost auditor for this purpose on a remuneration of Rs. 1,25,000/- (Rupees One Lakh Twenty Five Thousand Only). Mr. Santosh Pant c/o Pant S. & Associates, Cost Accountants, has assented to his appointment as cost auditor and provided a certificate to the effect he is qualified to be appointed as cost auditor. The Audit Committee and the Nomination & Remuneration Committee has also approved and recommended this appointment.

As per Rule 14 of the Companies (Audit and Auditors) Rules, 2014 the remuneration of the Cost Auditors, which is recommended by the Audit Committee, shall be considered and approved by the Board of Directors and subsequently ratified by the shareholders. Therefore, the resolution at Item No. 17 is recommended for approval of the members by means of Ordinary Resolution as required under the Companies Act, 2013.

**By order of the Board**

**Place: New Delhi** **Nitin Sharma**
**Date: 18th May 2019** **(Company Secretary)**

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# ASHIANA HOUSING LIMITED

**CIN :** L70109WB1986PLC040864
**Regd. Office :** 11G Everest, 46/C, Chowringhee Road, Kolkata - 700 071
**E-mail :** investorrelations@ashianahousing.com, **Website :** www.ashianahousing.com
**Tel :** (011) 4265 4265 / **Fax :** (011) 4265 4200

## ATTENDANCE SLIP

**33rd ANNUAL GENERAL MEETING - 31st August, 2019**

| | |
|---|---|
| Name of the Member (In Block Letters) | |
| Name of Proxy, If any (In Block Letters) (In case Proxy attends the meeting in place of member) | |
| DP ID/Client ID/Folio No.* | |
| No. of Shares held | |

I, hereby, record my presence at the 33rd Annual General Meeting of the Company being held on Saturday, 31st day of August, 2019 at 11.30 am at 'Kalakunj' (Basement-Kalamandir), 48, Shakespeare Sarani, Kolkata - 700 017.

* Applicable in case of shares held in physical form .

Signature of the Member ..... Signature of the Proxy Holder(s) .....

Note:

1. Members/Proxy holders are requested to bring this Attendance Slip duly filled in and signed with them when they come to the meeting and hand it over at the **ATTENDANCE VERIFICATION COUNTER** at the entrance of the Meeting Venue.
2. NO ATTENDANCE SLIP SHALL BE ISSUED AT THE MEETING.
3. Soft copy of the Annual Report for the Financial year 2018-19 & Notice of the AGM alongwith the attendance slip & Proxy form is being sent to all the members whose email address is registered with the Company/DP unless any member has requested for a hard copy of the same. Members receiving soft copy & attending the AGM can print copy of the Attendance slip .
4. Physical copy of the Annual Report for the Financial year 2018-19 & the Notice of the AGM alongwith Attendance Slip & Proxy form is being sent in the permitted mode(s) to all members whose e-mail is not registered or have requested for hard copy . Please bring your copy of the Annual Report to the Meeting.
5. The Meeting is of members only and you are requested not to bring with you any person who is not a member or a proxy.

Signature of the Member ..... Signature of the Proxy Holder(s) .....

## E-VOTING PARTICULARS

| EVEN (E-Voting Event Number) | USER ID | PASSWORD |
|---|---|---|
| | | |

Note : Please read the instructions given in the Notice of AGM before casting your vote through e-voting.

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# ASHIANA HOUSING LIMITED

**CIN:** L70109WB1986PLC040864
**Regd. Office**: 11G Everest, 46/C Chowringhee Road, Kolkata – 700 071
**Tel :** (011) 4265 4265 / **Fax :** (011) 4265 4200
**E-mail :** investorrelations@ashianahousing.com, **Website :** www.ashianahousing.com

## MGT - 12
## (Ballot Paper)

I, hereby, record my vote (on poll) at the 33rd Annual General Meeting of Ashiana Housing Limited being held on Saturday, 31st day of August, 2019 at 11.30 am at 'Kalakunj' (Basement-Kalamandir), 48, Shakespeare Sarani, Kolkata - 700 017, in respect of the resolutions given hereinbelow:

| Resolution No. | Description | Optional ( ✓ ) | |
|---|---|---|---|
| | | For | Against |
| | **Ordinary Business** | | |
| 1. | To consider and adopt the audited standalone and consolidated financial statements as at 31st March 2019, and Report of the Board of Directors' and Auditors' thereon. | | |
| 2. | To declare dividend of 25 paise per equity share (i.e. @ 12.5%). | | |
| 3. | To appoint a Director in place of Mr. Varun Gupta (DIN: 01666653), who retires by rotation and being eligible for re-appointment, offers himself to be re-appointed. | | |
| | **Special Business** | | |
| 4. | Appointment of Mr. Narayan Anand as Director (DIN: 02110727). | | |
| 5. | Appointment of Mr. Narayan Anand (DIN: 02110727) as Independent Director of the Company in terms of the provisions of the Companies Act, 2013. | | |
| 6. | Appointment of Ms. Piyul Mukherjee as Director (DIN: 00182034) | | |
| 7. | Appointment of Ms. Piyul Mukherjee (DIN: 00182034) as Independent Director of the Company in terms of the provisions of the Companies Act, 2013. | | |
| 8. | Re-appointment of Mr. Vishal Gupta (DIN: 00097939) as Managing Director of the Company. | | |
| 9. | Re-appointment of Mr. Ankur Gupta (DIN: 00059884) as Joint Managing Director of the Company. | | |
| 10. | Re-appointment of Mr. Varun Gupta as Whole Time Director of the Company (DIN: 01666653). | | |
| 11. | To re-appoint Mr. Abhishek Dalmia as Independent Director (DIN: 00011958). | | |
| 12. | Approval of commission to Mr. Abhishek Dalmia, Independent Director (DIN: 00011958). | | |
| 13. | To re-appoint Ms. Sonal Mattoo as Independent Director (DIN: 00106795). | | |
| 14. | Approval for Payment of Commission to Ms. Sonal Mattoo (DIN: 00106795) for the Financial Year 2019-20. | | |
| 15. | Approval for Payment of Remuneration to Executive Directors exceeding 5% of the net profits of the Company. | | |
| 16. | To provide security against loan including the issue of secured non-convertible debentures/ bonds on private placement Basis. | | |
| 17. | To consider ratification of remuneration of the Cost Auditors | | |

Signed this _____ day of _____ 2019.

Signature of Shareholder (s) _____

Signature of Proxy holder (s) _____

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# ASHIANA HOUSING LIMITED

**CIN:** L70109WB1986PLC040864
**Regd. Office**: 11G Everest, 46/C Chowringhee Road, Kolkata – 700 071
**Tel :** (011) 4265 4265 / **Fax :** (011) 4265 4200
**E-mail :** investorrelations@ashianahousing.com, **Website :** www.ashianahousing.com

## PROXY FORM

[Pursuant to Section 105 (6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014

Name of the members(s):

Registered Address:

E-mail id:

Folio No./Client ID:

*DP ID:

I/We, being the Shareholder(s) holding.....shares of Ashiana Housing Limited hereby appoint:-

1) Name:.....Address.....

.....

E-mail ID:.....Signature.....or falling him/her

2) Name:.....Address.....

.....

E-mail ID:.....Signature.....or falling him/her

3) Name:.....Address.....

.....

E-mail ID:.....Signature.....or falling him/her

as proxy for the purpose of attending the Annual General Meeting of Ashiana Housing Limited scheduled to be held on Saturday, 31st day of August, 2019 at 11.30 am at 'Kalakunj' (Basement-Kalamandir), 48, Shakespeare Sarani, Kolkata - 700 017.

**Note: This form of Proxy in order to be effective, should be duly completed and deposited at the Registered Office of the Company at 11G Everest, 46/C Chowringhee Road, Kolkata – 700 071, not less than 48 hours before the commencement of the AGM.**

Affix
Revenue
Stamp

## INSTRUCTIONS

1) This Ballot Form is provided for the benefit of Members who do not have access to e-voting facility.

2) A Member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a Member casts votes by both modes, then voting done through e-voting shall prevail and ballot shall be treated as invalid.

3) For detailed instructions on e-voting, please refer to the notes appended to the Notice of the AGM.

4) The scrutinizer will collate the votes downloaded from the e-voting system and votes casted through ballot to declare the result for each of the Resolutions forming part of the Notice of the AGM.

**Process and manner for Members opting to vote by using the Ballot Form**

1) Please complete and sign the Ballot.

2) The Form should be signed by the Member as per the specimen signature registered with the Company/ Depositories. In case of joint holding, the Form should be completed and signed by the first named Member and in his/her absence, by the next named joint holder. A Power of Attorney (POA) holder may vote on behalf of a Member, mentioning the registration number of the POA registered with the Company or enclosing an attested copy of the POA.

3) In case the shares are held by companies, trusts, societies, etc. the duly completed Ballot Form should be accompanied by a certified true copy of the relevant Board Resolution/Authorization.

4) Votes should be cast in case of each resolution, either in favour or against by putting the tick (✓) mark in the column provided in the Ballot.

5) The voting rights of shareholders shall be in proportion of the shares held by them in the paid-up equity share capital of the Company as on Monday, 26th August 2019 as per the Register of Members of the Company.

6) Unsigned, incomplete, improperly or incorrectly tick marked Ballot Forms will be rejected. A Form will also be rejected if it is received torn, defaced or mutilated to an extent which makes it difficult for the Scrutinizer to identify either the Member or as to whether the votes are in favour or against or if the signature cannot be verified.

7) The decision of the Scrutinizer on the validity of the Ballot Form and any other related matter shall be final.

8) The results of voting shall be declared and be placed on the Company's website www.ashianahousing.com within 48 hours of the conclusion of AGM and shall also be communicated to the BSE and NSE.

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# EVOLVE & EXCEL.

ASPIRING TO MAKE IT A DOUBLE

**Ashiana Housing Limited**

ANNUAL REPORT 2018-19

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## Corporate Overview


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# COMPANY INFORMATION

**Company Secretary & Compliance Officer**
Nitin Sharma

**CFO**
Vikash Dugar

**Auditors**
M/s. VMSS & Associates
DTJ 405, DLF Towers B, Jasola District Centre, Jasola, Delhi-110025
E-mail: vmss.delhi@gmail.com

**Registered Office**
11G Everest, 46/C,
Chowringhee Road,
Kolkata - 700 071
Ph: (033) 4037 8600
Fax No: 033- 4037 8600

**Head Office**
304, Southern Park, Saket District Centre, Saket,
New Delhi - 110 017
Ph: (011) 4265 4265, Fax: (011) 4265 4200

**Bankers**
HDFC Bank,
Punjab National Bank,
Bank of Maharastra, SBI,
Axis Bank, IDBI,
Bank of Baroda, AU Small Finance Bank,
IndusInd Bank, Syndicate Bank,
Union Bank of India

**Website**
www.ashianahousing.com
E-mail: investorrelations@ashianahousing.com

**Registrar & Share Transfer Agent**
M/s. Beetal Financial & Computer Services Pvt. Ltd.,
Beetal House, 99, Madangir,
Behind Local Shopping Centre,
Near Dada Harsukh Dass Mandir,
New Delhi - 110 062
Ph: (011) 2996 1281 - 83, Fax: (011) 2996 1284

**Listing**
Shares & NCDs listed at
BSE (Stock code - 523716)
NSE (Stock code - ASHIANA)

**Board of Directors**

**Vishal Gupta**
Managing Director

**Ankur Gupta**
Joint Managing Director

**Varun Gupta**
Whole Time Director

**Abhishek Dalmia**
Independent Director

**Sonal Mattoo**
Independent Director

**Hemant Kaul**
Independent Director

**Narayan Anand**
Independent Director

**Piyul Mukherjee**
Independent Director

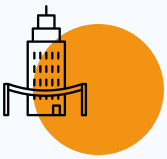
With the cycle turning around gradually in real estate, we have seen improvement in our sales in the year 2018-19. We expect further improvement in the scenario. Moreover, last 2 years have seen some path breaking changes like GST, Demonetisation and RERA which augurs well in the long run for the sector. Against this backdrop, we have an ambition to double our sales to more than 20 lac square feet in the forthcoming year.

Coupled with this kind of outcome orientation, we also need to double our capability, as an organization cannot augment a business outcome on a sustainable basis without augmenting its capabilities.

With the cycle turning around gradually in real estate, we have seen improvement in our sales in the year 2018-19. We expect further improvement in the scenario. Moreover, last 2 years have seen some path breaking changes like GST, Demonetisation and RERA which augurs well in the long run for the sector. Against this backdrop, we have an ambition to double our sales to more than 20 Lakhs sq. ft. in the forthcoming year i.e. 2019-20.

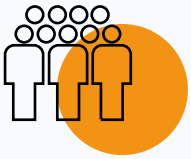
Coupled with this kind of outcome orientation, we also need to double our capability, as an organization cannot augment a business outcome on a sustainable basis without enhancing its capabilities.

**With long term serious impetus on capability building, we are focusing on the following key thrusts:**



## New launches

One of the key factors in our aspiration to double our sales is the launch of new projects. 2019-20 will be launch heavy year with several new projects lined up across most of our markets. This would include both future phases of existing projects as well as new greenfield projects. We have a dedicated team which continuously works on scouting for new land parcels, feasibility studies, negotiation of prospective deals (with stakeholders i.e. Land owner or a JV partner), approvals, etc.



## Best Sales Team

We aspire to create the 'Best Sales Team' in the industry and become employer of choice for all aspirants who would like to learn sales. Our initiatives in this regard include the following:

- Set targets in terms of a high percentage of the team members achieving their annual targets
- Special focus on training and development including 23 days orientation programme for new joinees
- Bringing about behaviour changes like Evidence Based Decision Making, Creation of More Internal Competition, Outcome Orientation and Target Action and Quick and Honest Feedback

## Kid Centric Homes

Our internal surveys and customer interaction specially in NCR Delhi region, over the years indicated that parents are concerned about the overall growth and upbringing of their children. Moreover, in a highly competitive, oversupplied market where products tend to get commoditized, we need to differentiate to create a niche for ourselves. Through this newly launched concept, we are leveraging our strengths in design and services.

'Kid Centric Homes' can provide solution where the infrastructure, facilities and management of the project create an environment that ensures holistic development of children of all ages inside the project itself.

## A Players

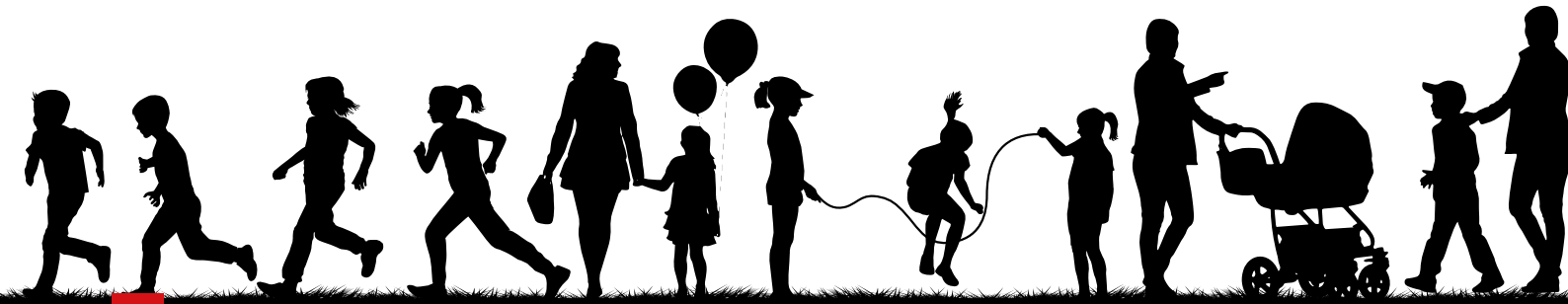
Our endeavor is to reach a level of high performance by creating a team of A players in key seats who are customer centric and outcome oriented. This thrust includes the following actionable:

- Key seats to be filled up preferably with internal hires. This would require a robust IJP (Internal Job Posting) mechanism
- Coach for performance/ development
- Hiring through Top Grading methodology
- Create a bench strength of A players
- Training hiring managers on Top Grading methodology
- Creation of Job Score Cards

## Continued focus on Training and Development

A variety of training and development opportunities are aimed at building employee capacity to deliver services, meet strategic needs and align with the organization's values, strategic plan and overall mission. Courses are designed, developed and facilitated by HR staff and through best in class external training companies.

The focus on creating the Best Direct sales team in India within the Real Estate industry, continued to see consistent efforts which includes 23 days dedicated orientation cum training program for all new hires under which each inductee will be imparted knowledge on all aspects of the job with detailed overview of all the functions like Architecture, Legal, Construction & Engineering, etc. Through this orientation programme we aim to create great sales executives. We also have undertaken the initiative of 'First Time Manager' training to AM- Sales to make them high quality managers. Overall in the organization at supervisory level, people are being sent, in batches, for refresher and new training. More than 16,000 hours of training (both internal and external) were conducted last year. The impetus is also on capability building through creation of Individual Development Plans for employees in key seats.



Rangoli Gardens, Jaipur

# ABOUT THE COMPANY

## Our Purpose

To bring a smile of satisfaction on people's faces.

## Our Vision

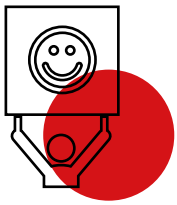
To nurture an environment which brings a smile of satisfaction to people who meet us, who live in homes built by us, work with us, supply to us and invest in us.

## Our Mission

To develop & maintain homes which are functional, aesthetically pleasing and environment friendly for the middle income group.

To create retirement communities where senior citizens can lead active, fun filled and a secured life with dignity.

## Our Values



Happiness All Around

Transparency

Going the Extra Mile

Never Give Up

## Our Brand Promises

### What You See What You Get

The customer gets what he sees, whether it is the specifications given in the sample flat or the price list displayed on the website or as enquired from the sales staff and price list. Transparency is of paramount importance in a high value transaction like Real Estate purchase.

### Forever Care

We care for our customers beyond the purchase transaction, by maintaining the project for lifetime. We have a long term view on maintenance of projects which helps to maintain the quality and livability of the project and create long term value for our customers. Besides, we also provide rental and resale services for which we have a dedicated team.

### Timely Delivery

Our third brand promise is timely delivery of units to our customers as per committed timelines. Timely delivery is imperative to win confidence and trust of the customer.

# WE ARE INDIA'S ONE OF THE MOST TRUSTED BRAND!

At Ashiana, our utmost priority is our customers and the entire team is driven by that goal to enhance & maximise the customer satisfaction. The trust which our customers have placed in us has also been recognised by the Track2Realty wherein Ashiana was recognised as the Number One caring brand in North India. The company was at top of the rankings in Consumer Connect, Care & Most Desirable Practices segments.

Ashiana Umang, Jaipur

# 10 YEARS AT A GLANCE

| S. No | Particulars | 2009-10 | 2010-11 | 2011-12 | 2012-13 |
|---|---|---|---|---|---|
| | **Balance Sheet** | | | | |
| 1 | Share Capital | 1,808 | 1,861 | 1,861 | 1,861 |
| 2 | Net Worth | 12,979 | 17,495 | 23,964 | 26,807 |
| 3 | Long Term Debts | 784 | 29 | 1,055 | 1,105 |
| 4 | Gross Fixed Assets | 3,434 | 4,809 | 5,294 | 5,741 |
| 5 | Capital Work in Progress | 1,305 | 47 | - | 13 |
| 6 | Investments | 4,985 | 7,482 | 9,116 | 5,468 |
| | **Income Statement** | | | | |
| 7 | Sales & Other Income | 12,103 | 15,429 | 24,898 | 16,142 |
| 8 | Operating Expenditure | 7,411 | 9,578 | 15,930 | 11,375 |
| 9 | EBITDA (Operating Profit) | 4,692 | 5,850 | 8,967 | 4,767 |
| 10 | Profit after tax** | 3,677 | 4,386 | 6,955 | 3,315 |
| 11 | EPS (₹ per share) | 4.07 | 4.71 | 7.47 | 3.56 |
| 12 | Dividend (₹ per share) | 0.30 | 0.35 | 0.45 | 0.45 |
| 13 | Return on avg. net worth % | 32.53 | 28.78 | 33.55 | 13.06 |
| | **Cash Flows** | | | | |
| 14 | Gross Advances from customers | 11,681 | 12,046 | 24,433 | 9,022 |
| 15 | Pre -tax Operating Cashflows*** | | 5,345 | 10,967 | 8,381 |
| | **Operations** | | | | |
| 16 | Area Constructed (Lakhs sq. ft.) | 10.22 | 10.74 | 14.62 | 12.27 |
| 17 | Area Booked (Lakhs sq. ft.) | 7.07 | 13.50 | 17.83 | 18.65 |
| 18 | Average Realization (₹ per sq. ft.) | 2,070 | 2,055 | 2,190 | 2,699 |
| 19 | Value of Area Booked | 14,633 | 27,736 | 39,038 | 50,335 |
| 20 | No. of Units Booked | 518 | 1,015 | 1,298 | 1,346 |
| 19 | Area for which revenue recognized (AHL) (Lakhs sq. ft.) | | | | |
| 20 | Area for which revenue recognized (Partnership) (Lakhs sq. ft.) | | | | |

*Weighted average net worth, considering raising of 200 Crores. QIP funds on 9th Feb,2015.

**For 2015-16 onwards figures are total comprehensive income.

***Pre-tax operating cash flow for 2015-16 is same as published in 2015-16 and has not been restated for IND-AS adjustment.

**Note:**

All numbers are consolidated numbers.

The figures from 2015-19 are IND-AS figures.

₹ in Lakhs

| 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 | 2018-19 |
|---|---|---|---|---|---|
| | | | | | |
| 1,861 | 2,047 | 2,047 | 2,047 | 2,047 | 2,047 |
| 28,446 | 52,283 | 65,059 | 72,270 | 76,583 | 78,183 |
| 913 | 3,296 | 5,737 | 7,811 | 6,338 | 14,274 |
| 7,094 | 9,645 | 8,932 | 10,137 | 14,238 | 14,972 |
| 128 | 364 | 54 | 12 | - | - |
| 3,317 | 25,457 | 16,099 | 17,412 | 15,850 | 12,799 |
| | | | | | |
| 12,280 | 16,444 | 54,267 | 39,702 | 33,492 | 35,063 |
| 9,091 | 10,542 | 38,855 | 29,100 | 26,692 | 30,337 |
| 3,188 | 5,902 | 15,412 | 10,602 | 6,800 | 4,726 |
| 2,186 | 4,649 | 11,078 | 7,277 | 4,621 | 1,910 |
| 2.35 | 4.93 | 10.82 | 7.11 | 4.51 | 1.87 |
| 0.50 | 0.50 | 0.50 | 0.25 | 0.25 | 0.25 |
| 7.91 | 14.03* | 18.88 | 10.60 | 6.21 | 2.47 |
| | | | | | |
| 26,693 | 57,122 | 37,938 | 32,042 | 23,962 | 16,355 |
| 12,590 | 7,258 | (1,089) | (3,291) | (2,021) | 1,641 |
| | | | | | |
| 17.87 | 22.80 | 23.44 | 17.39 | 8.16 | 7.68 |
| 22.13 | 18.12 | 8.63 | 6.96 | 6.93 | 10.79 |
| 2,926 | 3,022 | 3,293 | 3,234 | 3,135 | 3,082 |
| 64,756 | 54,772 | 28,421 | 22,508 | 21,736 | 33,262 |
| 1,673 | 1,477 | 668 | 533 | 526 | 810 |
| | 1.85 | 15.07 | 11.68 | 8.91 | 9.44 |
| | 9.39 | 8.53 | 5.97 | 3.78 | 2.34 |

# HIGHLIGHTS

## Key Highlights

Over
**40**
years of Legacy

Presence in
**5**
States at **10**
Locations

Ranked
**No.4**
for Market Depth in North India by Track2Realty

Ranked
**No.2**
for the Fiscal Management in North India by Track2Realty

Ranked
**No.2**
for Transparent deals in North India by Track2Realty

Ranked
**No.4**
for Customer Connect in Pan India by Track2Realty

More than
**13,500**
Happy Ashiana Families

**800+**
Employee Strength

**₹1,100+**
Crore Market Capitalization

**227**
Lakhs sq. ft. area constructed

Debt- Equity Ratio Of
**0.20x**
one of the lowest in Industry

**73**
Lakhs sq. ft. for future development

# HIGHLIGHTS

## Operational Highlights

### Launches / New Land

**Ashiana Shubham, Chennai (Tamil Nadu):** Launched Phase -III of project Ashiana Shubham Senior Living in Chennai (Tamil Nadu) comprising 1/2/3 BHK flats with total saleable area of approximately 1.78 Lakhs sq. ft.

**Ashiana Umang, Jaipur (Rajasthan):** Launched Phase -IV of project Ashiana Umang Kid Centric Homes in Jaipur (Rajasthan) comprising 2/3 BHK flats with total saleable area of approximately 2.56 Lakhs sq. ft.

**New Land :** The company has acquired a land parcel measuring 6.67 acres situated at Village Shri Kishanpura, Jagatpura, Tehsil Sanganer, Dist. Jaipur, Rajasthan. Ashiana is proposing to develop a Comfort Homes project which will have a saleable area of approximately 6.15 Lakhs sq. ft.

### Recognitions

**During the year under review your company was accorded the following awards:**

Received Bhamashah Award from the Govt. of Rajasthan for the 6th consecutive year; the Government has also conferred the title "Shiksha Bhushan" to Ashiana for its contribution to basic education in the state of Rajasthan.

Recognised for Real Estate Website of the year by Realty+ Excellence Awards (North) 2018

Recognised for digital Campaign of the year "Behatar Parvarish ka Pata" by ABP News

Recognised as Best Theme based Project "Ashiana Umang-Kid Centric" by Realty+ Excellence Awards (North) 2018

### Other developments

- CARE has maintained our credit rating as **"CARE A(Is) [Single A (Issuer Rating)]"**

**Hand over started:**

- Phase VII Gulmohar Gardens;
- Phase II Ashiana Dwarka;
- Phase IIIA of Vrinda Gardens;
- Phase V of Ashiana Surbhi;
- Phase I of Ashiana Tarang

# MILESTONES

**1986** — Incorporation of Ashiana Housing & Finance (India) Limited

**1992** — Shifted Head Office to Delhi of Ashiana Housing Ltd.

**1993** — Listed on BSE

**1997** — Ashiana Maintenance Services Limited became subsidiary of our Company

**1998** — Started operations in Neemrana

**2006** — Started operations in Jaipur

**2007** — Started operations in Jodhpur. Completed Senior Living homes in Ashiana Utsav, Bhiwadi

**2008** — Started operations in Lavasa (near Pune)

ashiana™
you are in safe hands

**2011**

Listed on NSE

**2013**

Completed strategic branding exercise

**2014**

Acquired land in South of Gurgaon (Sohna)

Started operations in Halol (Gujarat)

Acquired land in Chennai

**2015**

Successfully raised ₹ 200 Crores from investors through QIP

Started operations in South of Gurgaon (Sohna)

Started operations in Chennai

**2016**

Successfully obtained approval from Shareholders for raising debt through debentures for which issued ₹ 20 Crores in the first tranch till 31.03.2016

Started operations in Kolkata

**2017**

We have crossed 200 Lakhs sq. ft. development since inception

**2018**

We have entered into an agreement to co-invest in upcoming ₹150 Crores (60% of Ashiana & 40% of IFC) projects with International Finance Corporation (IFC) a part of World Bank

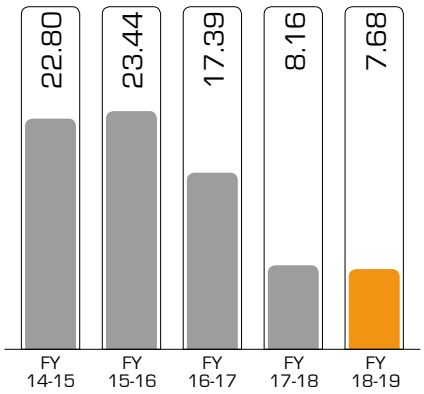
**2019**

Raised ₹100 Crores of debt through NCD, from ICICI Prudential Regular Savings Fund

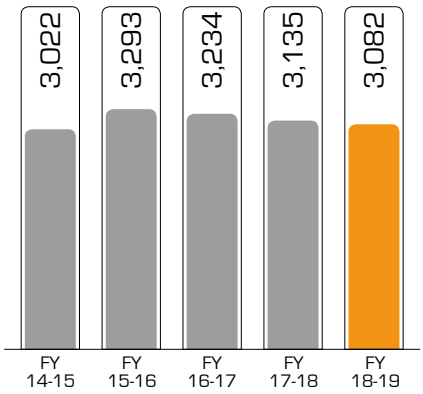
First tranche of IFC funding received, ₹18.74 Crores for Ashiana Daksh, Jaipur

# OPERATIONAL METRICS

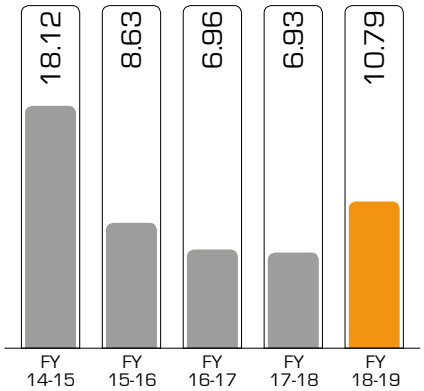
## Equivalent Area Constructed
Area In Lakhs sq. ft.



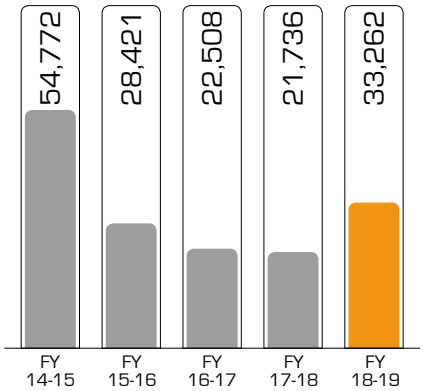

## Average Realization
₹ per sq. ft



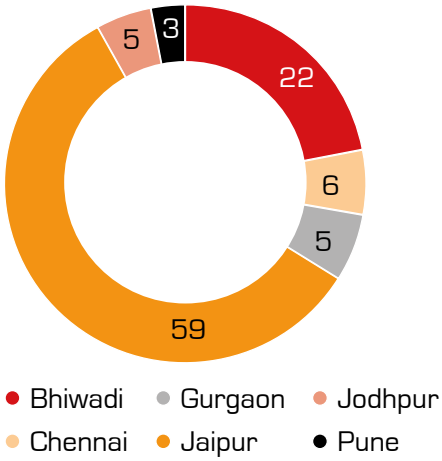

## Area Booked
Area In Lakhs sq. ft.



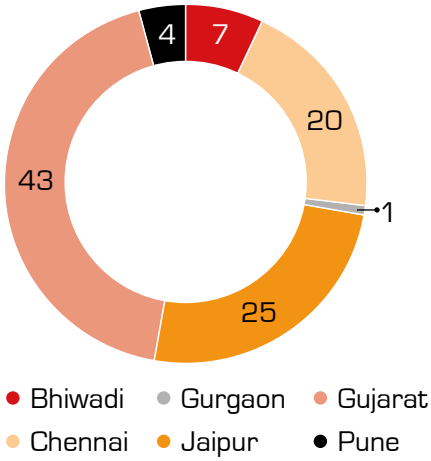

## Value of Area Booked
₹ In Lakhs




## Break-up of Area Booked (%)

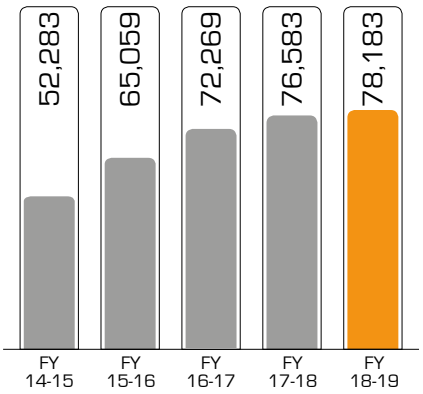



## Saleable Area (%)

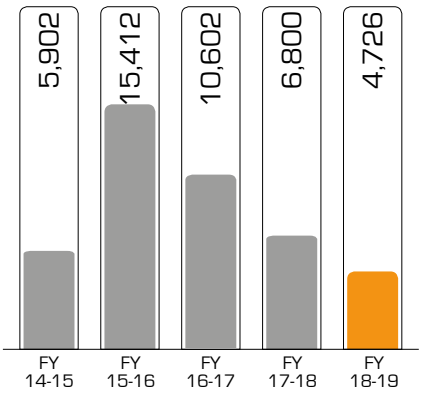


# FINANCIAL METRICS

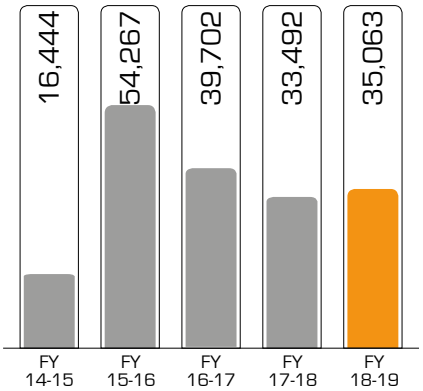
## Consolidated Net Worth
₹ In Lakhs



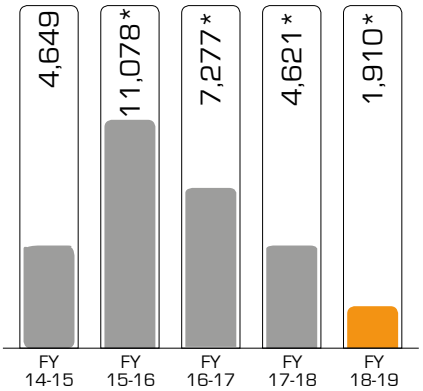

## Consolidated EBITDA
₹ In Lakhs




## Consolidated Total Income
₹ In Lakhs

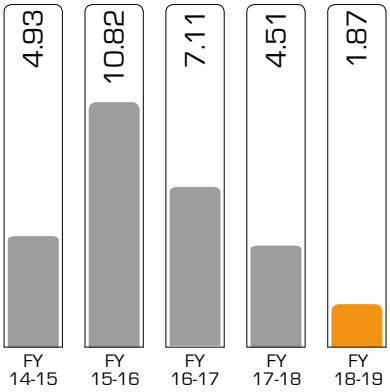



## Consolidated Net Profit
₹ In Lakhs

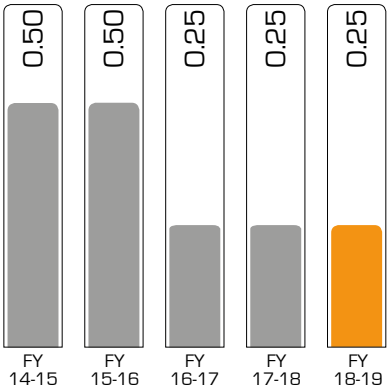



*Figures of 2015-16, 2016-17,2017-18, 2018-19 are total comprehensive income.

## Consolidated Earning Per Share (EPS)
In ₹




## Consolidated Dividend Per Share (DPS)
In ₹




**Note:** Figures of 2015-16 and onwards are after Ind AS adjustments.

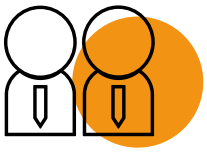
# ADDING VALUE TO THE STAKEHOLDERS

## Investors

- Credit rating of "A" by CARE
- Our NCDs rated A+ by Brickworks
- Received first tranche of IFC funding of ₹18.74 crore for Ashiana Daksh Project in Jaipur
- Ample pipeline of projects giving visibility of future growth
- Continuously rising Net worth
- Going deeper into existing markets

## Customers

- Kid Centric, Active Senior Living, Senior Care
- On time execution and delivery
- In-house Maintenance
- Passed benefit of GST input credit to customers
- Live and Learn program for kids launched at Ashiana Town and Ashiana Umang



## Employees

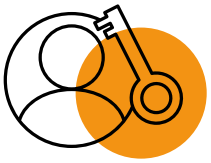
- Loyalty grant to employees worth ₹ 40.68 Lakhs in 2018-19
- Group Medical Insurance schemes and Group gratuity with LIC
- Manju Gupta Memorial Scholarship worth ₹ 43.77 Lakhs granted in 2018-19
- Strong system of feedback from employees

## Government

- GST and RERA compliant
- Improving infrastructure of Government Schools
- ₹1,898.09 Lakhs paid as Income tax in 2018-19
- Payment of GST to the tune of ₹3,806.43 Lakhs 9 (inclusive of Input Tax Credit) in 2018-19
- Labour cess paid to the tune of ₹164.07 Lakhs in 2018-19

## Community

- Total annual spending of ₹ 125 Lakhs on CSR initiatives
- Phoolwari School improving life of children of labour engaged on our sites
- Women labourer trained for Assistant Mason under CREDAI Programme
- Skill training batch for Mason Trade
- 5,000 trees are maintained over different locations



## Landowners

- Associated on Joint Development basis
- Mutually beneficial for land owners and Ashiana
- Unlocking the value of property without additional investment by Land Owner

# AWARDS

**2019**
Received Bhamashah Award from the Govt. of Rajasthan for the 6th consecutive year; the Government has also conferred the title "Shiksha Bhushan" to Ashiana for its contribution to basic education in the state of Rajasthan.

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**2019**
Recognised for digital Campaign of the year "Behatar Parvarish ka Pata" by ABP News

**2019**
Recognised as Best Theme based Project "Ashiana Umang-Kid Centric" by Realty+ Excellence Awards (North) 2018

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**2018**
Received Bhamashah Award for contribution made in the field of education by the Govt. of Rajasthan

**2017**
Received CIDC Vishwakarma Awards 2017 under the category "Achievement Award for Construction Skill Development"

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**2016**
Received Bhamashah Award from Govt. of Rajasthan for educational works separately for Jaipur & Bhiwadi.

**2016**
Received award from FICCI "Category II - CSR Award for Small and Medium Enterprises (SMEs) with turnover Upto 200 Crores per annum

**2015**
Received Bhamashah Award for contribution made in the field of education by the Govt. of Rajasthan, 2015

**2015**
Our Company was felicitated as "one of the most promising companies of the next decade" by CNBC Awaaz

**2014**
Best Investor Communication practice in the Emerging Corporate category

**2014**
Realty Excellence Award -2014 for contribution in field of management of senior living project

**2014**
Realty Giant of North India

**2014**
Received Award of Most Talented Marketing Professional (Real Estate) by Lokmat

**2013 & 14**
Received Bhamashah Award for contribution made in the field of education by the Govt. of Rajasthan, 2013 and 2014

**2013**
Think Media Award for outstanding Corporate Social Responsibility work in real estate sector, 2013

**2013**
Honored by Bharat Vikas Parishad Rajasthan for Corporate Social Responsibility activities 2013

**2012**
"Best Theme Based Township Non-Metros" for Utsav Bhiwadi, from CREDAI Real Estate Awards -2012

**We have also received the following Awards:**

- CREDAI CSR Award 16-17 under the category "Education (Establishing of schools, educational institutions and creating educational facilities)"
- NDTV Property Awards 2016 has felicitated "Ashiana Dwarka" as "Budget Apartment Project of the Year" in Tier 2 cities"

Best Affordable Housing in NCR and India for Aangan, Bhiwadi, by CNBC Awaaz

2012

Award for Best Affordable Housing in India for Ashiana Aangan, Bhiwadi, by CNBC Awaaz

2012

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2010, 2012

Received BMA - Siegwerk Award for Corporate Social Responsibility 2010, 2012

2011

Awarded as India's Best Residential Project in North - Ashiana Aangan by Zee-Business RICS Awards 2011

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2011

Awarded as India's Best Residential Project in East - Ashiana Woodlands by Zee-Business RICS Awards 2011

2010

2011

Forbes' rates Ashiana among Asia's 200 Best Under a Billion Dollar Companies twice in a row (2010 & 2011)

# ORGANISATIONAL STRUCTURE

**Mr. Vishal Gupta**
Managing Director

**Mr. PK Jaiswal**
VP- Bhiwadi & Neemrana

**Mr. Shantanu Haldule**
VP- South of Gurgaon (Sohna)

**Mr.Shantashil Ganguly**
VP- Kolkata & Jamshedpur

**Mr. SK Palit**
VP- Operations

**Ms. Surbhi Dewan**
GM-Human Resource

**Mr. Atul Kumar**
Architecture & Design



**Mr. A Gangopadhyay**
Special Projects

**Mr. Ankur Gupta**
Jt. Managing Director

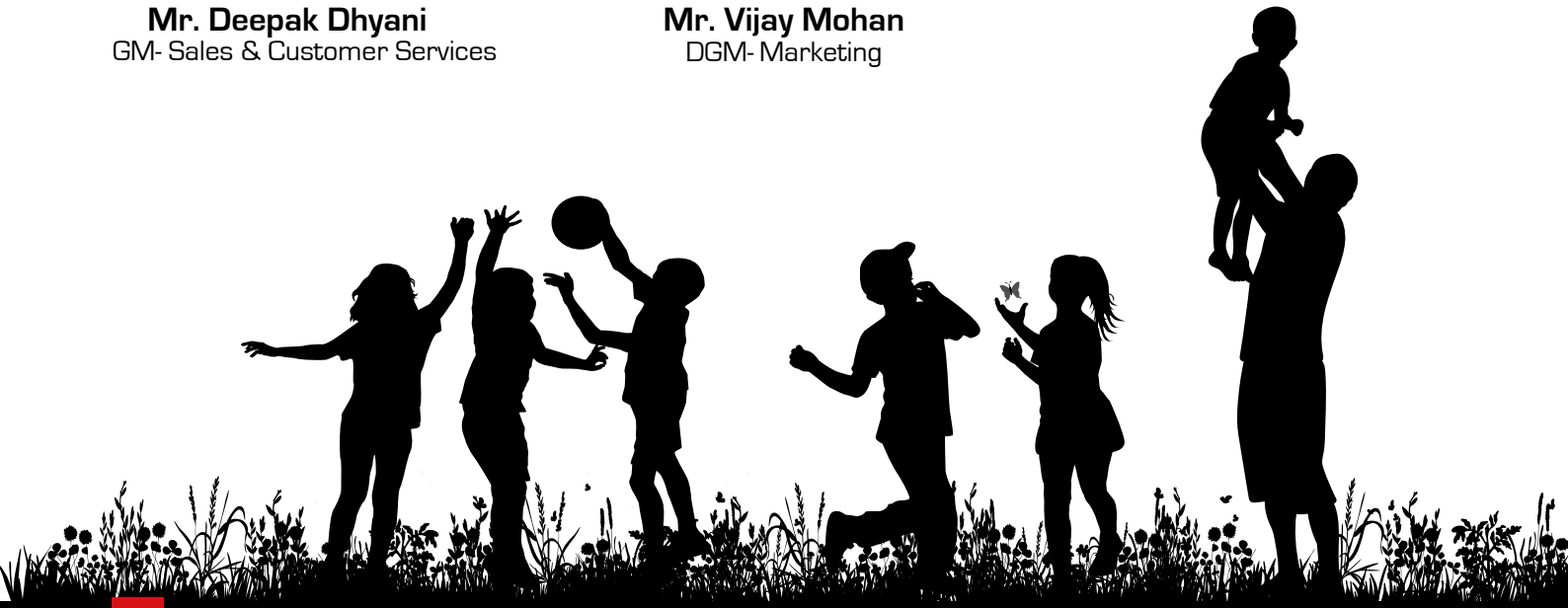
**Mr. Atma Sharan**
VP- Pune

**Peter Sahaya Raj**
VP- Chennai

**Mr. Sushil Joshi**
VP- Facility Management

**Mr. Deepak Dhyani**
GM- Sales & Customer Services

**Mr. Vijay Mohan**
DGM- Marketing



**Mr. Varun Gupta**
Whole Time Director

**Mr.Sanjeev Rawat**
VP- Jaipur

**Mr. D C Singh**
VP- Halol & Jodhpur

**Mr. Vikash Dugar**
Chief Financial Officer

**Mr. Bhagwan Kumar**
GM- Land & Legal

# PROFILE OF INDEPENDENT DIRECTORS

01

02

03

04

05

01

## Mr. Abhishek Dalmia

Mr. Abhishek Dalmia is the non – executive independent director of our Company. He is a Chartered Accountant and Cost Accountant. He started his career by setting up an advisory business under the name of Renaissance Group. He is associated with our Company since 2006.

02

## Ms. Sonal Mattoo

Ms. Sonal Mattoo is a lawyer with 21 years of work experience. She holds a Bachelor of Arts and a Bachelor of Laws degree from National Law School of India University, Bangalore. She specialises in workplace harassment, diversity issues, mediation matters, matrimonial issues and negotiations. She is associated with Ashiana since 2003.

03

## Mr. Hemant Kaul

Mr. Hemant Kaul was the Managing Director and Chief Executive Officer of Bajaj Allianz General Insurance Company Limited. He was also a part of the initial team that set up UTI Bank in 1994. He holds a degree in Bachelor in Science from the University of Rajasthan and holds a management degree from Poddar Institute of Management, Jaipur. He is associated with Ashiana since 2013.

04

## Mr. Narayan Anand

Mr. Narayan Anand has spent the last 18 years working in Investment Banking where he helped mid-market and large corporate raise equity and debt capital in India. He holds a graduated honor in Mechanical Engineering from the National Institute of Technology, Jaipur and is also an MBA from IIM, Bangalore. He is associated with the company since 2015.

05

## Ms. Piyul Mukherjee

Ms. Piyul Mukherjee is a consumer behavior specialist with more than 30 years of experience working in the corporate sector. She is the co-founder and CEO of Quipper Research Pvt. Ltd. a boutique market research firm that conducts qualitative research for a global roster of blue-chip clients, by offering a diverse range of qualitative methodologies and hybrid research design. She is a PhD from the Indian Institute of Technology, Bombay, and holds an MBA from the Jamnalal Bajaj Institute of Management Studies, University of Mumbai. She has been associated with the company since February 2019.

# KEY MANAGEMENT TEAM

The operations of the Company are overseen by a professional management team under the guidance of its Managing Director, Mr. Vishal Gupta. The top management team has the requisite experience and the qualification for their respective responsibilities. A brief profile of the top management team is as follows:

## Mr. Vishal Gupta

He is the Managing Director of the Company. He is a graduate from Sydenham College (Mumbai) and an MBA from FORE School of Management (Delhi). Mr. Vishal Gupta is acknowledged for his in depth understanding of the real estate business, customer psychology and market behavior. He has a great eye for detail and takes a keen interest in the conceptualization and planning of new housing projects for the Company. He is associated with Ashiana for the last twenty two years and actively involved in project execution, designing and general administration. He has been instrumental in growth of the company.

## Mr. Ankur Gupta

He is the Joint Managing Director of the Company. Mr. Ankur Gupta is a Bachelor in Business Administration from Fairleigh Dickinson University (USA) and an MS in Real Estate from New York University (USA). He focused on residential projects for senior citizens during his research work at University. His experience was put to good use at Utsav and currently he leads Marketing, and Sales of the Company. He also looks after Hotel and Facility Management segments. He is actively associated with Ashiana for the last 16 years.

Note: Mr. Vishal Gupta, Mr. Ankur Gupta and Mr. Varun Gupta are brothers in relation.

## Mr. Varun Gupta

He is the Whole Time Director of the Company. Mr. Varun Gupta is a Bachelor in Science from Stern School of Business, New York University (USA). He majored in Finance and Management and graduated with the high academic distinction, 'Magna Cum Laude'. He then joined Citigroup in Commercial Mortgage Backed Securities where he was underwriting commercial real estate. After a year and a half of this rich experience, he has joined Ashiana where he is looking after Land, Legal, Strategy and Finance for the last 10 years.

## Mr. Pramod Kumar Jaiswal

He is our Vice President. He holds a degree of Bachelor of Engineering (Civil) and has over 33 years of experience out of which 30 years are with Ashiana. He is responsible for implementation and execution of company's projects in Bhiwadi (Rajasthan). He has many successfully executed projects to his credit. He was also instrumental in completing the Tataward Hospital at Patna Medical College in the record time of ninety days. Prior to Ashiana, he was associated with Vishnu Sugar Mills at a senior position.

## Mr. Sanjeev Rawat

He is our Vice President. He is looking after the entire project implementation, execution and other senior managerial work in Jaipur. He had served in Indian Navy and retired from the post of Commander. Mr. Rawat is a Master of Science in Defence and Strategic Studies and has around 34 years of experience. He is associated with Ashiana for the last 11 years.

## Mr. Shantanu Haldule

He is a retired Army officer and a B.A. with Industrial Relations & Personnel Management and has a Post Graduate Diploma in Industrial Security & Corporate Intelligence. He is responsible for project implementation, revenue generation and leading the Gurgaon team towards achieving the assigned targets. He brings his rich experience of 24 years in uniform and has been with Ashiana for the last 9 years as Vice-President of our Gurgaon location.

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## Mr. Atma Sharan

He is the Vice President of Pune location. He is looking after the entire project implementation, execution and other senior managerial work in Pune. He is an alumnus of IIM, Ahmedabad and holds a diploma in Automotive Engineering. After his career in the defence forces, he joined Ashiana in Oct. 2007. For four years, he headed the Sales and Marketing operations of the Company, and after that he looked after facility management for six years.

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## Mr. Shyamal Kumar Palit

He is our Vice President (Operations). He is in charge of procurement, construction and planning activities of the company and has 30 years of rich experience in this field. He holds a degree in Civil Engineering. Mr. Palit was previously employed with Hyundai Corporation in Kuwait. He is associated with Ashiana for the last 27 years.

## Mr. Sushil Joshi

He is the Vice President of Ashiana Maintenance Services responsible for the facility management and active senior living business. After a career in defence forces, he worked with "Safexpress Pvt Ltd" as "GM operations" till Oct 2015. He has been associated with Ashiana for more than 3 years.

## Mr. Bhagwan Kumar

He is the GM – Land & Legal of the Company. Mr. Kumar is an associate member of the Institute of Company Secretary of India and a law graduate from Delhi University. He is responsible for entire land and legal affairs of the company and its associates. Mr. Kumar has rich experience of over 21 years. Earlier he had worked with Modi group at a senior level. He has been associated with Ashiana for the last 14 years.

## Mr. Deepak Dhyani

He has joined Ashiana as GM-Sales and Customer Services. He is a Lean and 'Six Sigma' trained professional who has been an integral part of the teams which created brands like Serco, Meru cabs and Delhivery over the last 19 years. He has helped his teams in transforming a key segment of public transportation and supply chain management in India, and took the level of customer orientation in both the business to a world class scale. He has been associated with Ashiana for more than 1 year.

## Mr. Vikash Dugar

Mr. Vikash Dugar is our Chief Financial Officer (CFO). He has been associated with Ashiana for more than 4 years. He looks after Corporate Finance, Taxation, Accounting, Internal Audit, Investor Relation, Corporate laws and IT. He is a member of the Institute of Chartered Accountants of India, Institute of Company Secretaries of India and Insurance Institute of India. He is also a professional member of All India Management Association. He has graduated from Shriram College of Commerce, Delhi and is also a Law Graduate. He has around 20 years of rich experience in various verticals of Finance, Business Partnering and Analytics, Strategy, Risk Management, Systems Implementation, Audits and Management Assurance Services, Corporate Governance and General Management across a wide spectrum of industry verticals like Telecom, Real Estate, Power, IT, Education and Consulting.

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## Ms. Surbhi Dewan

She has joined Ashiana as General Manager – Human Resources. She holds a Master degree in Commerce and a Post Graduate degree from New York University in Human Resources. She comes to Ashiana with 16 years of experience in various roles within HR including Recruitment, Employee Engagement, Organization Development,Benefits Administration, Performance Management & Strategic Planning in order to support and further corporate goals. She has led HR for organizations in a variety of sectors like E-Commerce ,Public Relations, IT and ITEs. She has been associated with Ashiana for the past one year.

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## Mr.Shantashil Ganguly

He is the Vice President and is looking after operations of Kolkata and Jamshedpur. He is a Graduate Civil Engineer from Government Engineering College, Jalpaiguri(WB), 1983 batch. He has rich experience of more than 30 years , working for Real Estate and Contracting Companies namely Ashiana , DLF, Shapoorji PCL, Simplex etc and has also worked in Oman (Muscat) as head of Constructions for a Special Grade Contracting LLC. He has constructed Thermal Power Plants, District Water Supply Networks, Mosques beside Large Buildings and medium size Townships of more than 6 Million sq.ft. Mr. Ganguly has worked with Ashiana from 1989 to 2000, and left as GM for Jamshedpur operations after successfully constructing Ashiana Gardens, Ashiana Enclave and Ashiana Sun City. He has been associated with Ashiana with total of 15 years.

## Mr. Dinesh Chandra Singh

He joined Ashiana Housing Limited in December 2013 as Vice President and has been associated with Ashiana for 11 years and is in charge of operations in Gujarat and Jodhpur. He is a Civil Engineer by education and has done his civil engineering with distinction from BIT, Mesra, Ranchi (Jamshedpur) in the year 1982.

He started his career as Graduate Engineer Trainee in L&T (ECC Group) at TISCO Modernisation Project at Jamshedpur and has 32 years of experience in construction of Industrial Project like Tata Steel, Fertilizer Project at IFFCO, Bareilly, Ashiana Proteins Ltd. at Bhiwadi.

He has very good experience in construction of high facilities like construction of Hotel Hyatt Regency, Delhi and CHOGM Project of Hotel Ashok at New Delhi.

He has expertise in construction and handling of large residential projects and in his earlier stint at Ashiana Housing Ltd. from 1988 to 1993 he was in- charge of construction of projects of Ashiana at Patna, Jamshedpur and Bhiwadi.

## Mr. Peter Sahaya Raj

He is Vice President, Chennai. He has 22 years of rich experience from Media to Education to Real Estate industry. He holds Masters degrees in MA (Economics), MBA (Mktg & HR), and PLAM (Strategic leadership & Management) from the premier IIM, Calcutta. A Real Estate & Education Industry veteran with unmatched expertise of setting up of 50 plus schools across India and acquiring several hundred acres of land. Evaluated more than 5000 plus lands/sites/projects/schools/commercial buildings across India for acquisitions / lease / joint venture. He is also a Member of Board of Studies and Advisory Council to few B Schools and is also an External Examiner for Ph.D Evaluation. He has addressed and presented papers in various national and international seminars & Conferences. He is a MBA Project external examiner in few management institutes, a Trainer and Guest Lecturer and visiting faculty to few B Schools. He is with the company since October, 2018

# KEY MANAGEMENT CONSULTANTS

## Mr. Sushil Kumar Trisal

He is the Technical Advisor of the company. Mr. Trisal holds a Bachelor Degree in Engineering (Civil) and has rich experience of 54 years.

He has worked with reputed groups like Ahluwalia Constructions (I) Ltd. on a senior level. Prior to that he was working with the Government of J&K and has been associated with many prestigious projects.He has been associated with Ashiana for the last eleven years.

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## Mr. B. Sengupta

He is a senior consultant on the panel of the company. Mr. Sengupta holds a bachelor degree in architecture from IIT and has rich experience of over 45 years. He has been associated with Ashiana since its inception.

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## Mr. Atul Kumar

He is the architect advisor of the company. Mr. Kumar holds a bachelor degree in architecture and has rich experience of 41 years. He has been associated with Ashiana for the last 13 years.

Ashiana Utsav, Lavasa

# LETTER FROM MANAGING DIRECTOR

> **We are adding value by creating infrastructure along with a strong activity orientation which is amenable for overall development of the child.**

## Dear Shareholders,

The year gone by was an eventful one with the industry witnessing the aftermath of far reaching reforms like RERA and GST over the last 2-3 years. We believe that these reforms will have a sustainable positive impact on the industry in the long run. While GST will enable making India as one of the fastest growing economies, RERA will make the sector more transparent and safeguard the interest of all the stakeholders. With changes like RERA customer expectations are also evolving. The industry is entering a new era of consolidation and we see a great opportunity for the organised developers leading the way.

Along with continuous focus by government on the real estate sector, trends like increasing urbanisation, budgetary push for affordable housing and an increasing middle-class population will continue to drive growth in the industry.

With the sector showing gradual cyclical upturn, we also witnessed improvement in our booking to 10.79 Lakhs sq. ft. in FY19 vs 6.93 Lakhs sq. ft in FY18. The growth was secular as we saw improvement across all our markets vis a vis previous year, barring Lavasa (Pune).

In terms of the execution, we recorded an EAC (Equivalent Area Constructed) of 7.68 Lakhs sq. ft. (AHL: 5.31 Lakhs sq. ft. and Partnerships: 2.37 Lakhs

square feet). Our construction has been generally in line with our commitment. We have been selective in launch of new phases and kept our phase size smaller to keep the construction in line with slowdown in our sales. This helps us to keep build unsold inventory in check and preserve precious cash.

Operational Cash Flows, turned positive and improved vis a vis last year due to better collections resulting from higher booking. (Positive at ₹16.41 Crores in FY19 versus Negative of ₹20.21 Crores in FY18).

Another significant development during the year was the initiatives we took for growth of our Human Capital, like 23 days orientation programme for new joinees in sales, creation of Job Score Cards, Performance Management (Talent Review and Management Conversations) etc.

In addition to further strengthening Senior Living, our key thrust has been to build on the Kid Centric Homes concept. Through our expertise in design and maintenance, we are adding value by creating infrastructure along with a strong activity orientation which is amenable for overall development of the child. 3 of our projects are Kids Centric, i.e. Ashiana Umang, Jaipur, Ashiana Town Bhiwadi and Ashiana Anmol, Gurgaon.

We commenced deliveries in Ashiana Tarang (Phase-1) and Ashiana Surbhi (Phase-5) in Bhiwadi, Ashiana Dwarka (Phase-2) in Jodhpur, Gulmohar Gardens (Phase-7), Vrinda Gardens (Phase-3A) in Jaipur. We launched Umang Phase-4, Jaipur and Shubham Phase-3, Chennai. Our focus markets will be Jaipur, Bhiwadi, Pune, Chennai and Gurgaon.

After a subdued year in terms of launches, we have several new project launches in the forthcoming year in Jaipur, Jamshedpur and Kolkata. Besides, we also have launches of new phases of existing projects.

As you are aware, our company and International Finance Corporation (IFC), a part of World Bank Group, have entered into an agreement to co-invest in upcoming affordable and middle income residential projects including senior living projects. The agreement envisages a total investment of ₹150 Crores on a project to project basis by IFC, representing 40% of the capital required by a project. The remaining 60% of the capital required, i.e. INR 225 Crores, will be contributed by us. IFC will primarily invest in non-convertible debentures for identified projects with returns linked to the specific project. The first tranche of funding i.e. ₹18.74 Crs has already been received for Ashiana Daksh, a Comfort Homes project in Jaipur which will be launched in FY20.

An important area of motivation and pride for us is our focus on Corporate Social Responsibility (CSR). We constituted the 'Ashiana Foundation', a trust, to undertake all our CSR activities which include infrastructure upgradation of schools, education, computer based learning, skill development training and environmental sustainability. I am pleased to share that we have been honoured with "Bhamashah Award" by the Govt. of Rajasthan for the 6th consecutive year. The Govt. has also conferred the title "Shiksha Bhushan" for Ashiana's contribution to basic education in the State of Rajasthan.

I am deeply grateful to the team at Ashiana, for their tremendous efforts and sharing the vision of the organisation.

Along with my entire Leadership Team, I would like to thank our Board Members, valued customers, shareholders, business associates, suppliers and all other stakeholders for the trust and confidence they have shown in us over the years. We continue to nurture these relationships and collaborate to add value to business and society.

With the passage of one more year, we continue to march ahead with same set of core values that have been our guiding force over past decades along with our continuous focus on execution, ethics and long term vision of creating more and more happy families.

With best wishes

**Vishal Gupta**
Managing Director

# Q&A WITH JMD

**During the year Housing Finance Companies have faced liquidity issues and reduced their disbursements. How has that impacted your sales? What are the steps you have taken to reduce the impact?**

NBFCs and Housing Finance Companies (HFC) are facing liquidity crunch since September 2018 largely due to series of defaults by IL&FS group. Since then, more NBFCs woes have come into limelight and it has become challenging for them to further raise debt. Due to the liquidity crunch, NBFCs are finding it difficult to raise capital for further disbursements which has impacted the growth of NBFCs and housing finance companies. This in turn is impacting the ability of real estate buyers to raise capital, which in turn is impacting sales.

For Ashiana the impact of this NBFCs crisis is negligible. Most of our customers have not relied on NBFCs for their home loans. Our customers take loans largely from Banks and larger HFCs like HDFC and LIC Housing Finance. These are large players and are not impacted by the liquidity crunch. Moreover, while in the short run this has restricted demand for real estate, in the long run, this will lead to market consolidation in favour of organized players specially the ones with stronger balance sheets which would augur well for the industry as a whole.

**You have done well in Chennai. Can you elaborate your thinking for Chennai as a market?**

We have already delivered Phase 1 of Ashiana Shubham, our senior living project in 2017-18, launched Phase 2 in 2017-18 and launched Phase 3 in 2018-19. The response is good. We continue to remain bullish on Chennai as a market specially in the senior living space.

Chennai is one of the more progressive cities with the right demographics. Demand for the senior living project is good, and we plan to launch more projects over time as our brand get established there. Chennai is a key focus market for us and we are scouting for new opportunities there, in terms of new land parcels. Given the response for our existing project and overall demographics, we are very confident that we will continue to do well in the Chennai market.

**The average realisation price per square feet has come down over the last 2 years. Can you please explain the reasons for the same?**

The average realisation price has remained under pressure for the last 2 years. The average realization has declined by 1.70%, ₹ 3,082 per sq.ft. in FY19 vs ₹ 3,135 per sq.ft. in FY18. We have not taken any headline drop in prices in any of our projects. The marginal decline in average realization price is attributable to the following reasons:

- Benefit of GST input credit passed onto customers was higher vis a vis benefit received by the company

- Customised payment solutions in select ready to move projects resulting in indirect discounting on prices
- Inability to significantly increase prices across projects due to ongoing sectoral slowdown
- Interest subvention being offered in Bhiwadi projects and
- Change in project mix

**Your Cash Flows turned positive this year, do you expect this trend to continue in the coming year?**

Our pre-operating cash flows have improved to ₹16.41 Crs in FY19 vis a vis negative ₹21.21Cr in FY18. Our cash flows turned positive largely due to improvement in collection (owing to improved sales) and lower construction (in line with our commitment).

We expect further improvement in cash flows as our sales are improving and we expect our finished inventory also to sell faster in the coming year.

**Can you please share the pipeline for new projects in the next financial year?**

2019-20 will be heavy in terms of new launches, both for future phases of existing projects and and for also new greenfield projects. In case of ongoing projects, we plan to launch new phases in Ashiana Shubham (Chennai), Ashiana Tarang and Ashiana Nirmay (Bhiwadi), Vrinda Gardens and Gulmohar Gardens (Jaipur) and Ashiana Dwarka(Jodhpur) and Utsav, Lavasa (post completion of Construction)

New projects lined up for fresh launches include Ashiana Sehar and Ashiana Aditya (Jamshedpur), Ashiana Daksh, Ashiana Amantaran and Gulmohar Gardens Extension (Jaipur) and Ashiana Maitri and Ashiana Nitya (Kolkata)

**You have launched new product category with Kid Centric theme. How has been the response and do you plan to expand it further?**

We have launched the Kid Centric Homes theme at three projects (Ashiana Town in Bhiwadi, Ashiana Anmol in Sohna, Gurgaon and Ashiana Umang in Jaipur).

The response to this branding has been quite heartening. For most parents, a big part of the decision, while buying homes, is the facilities that the kids will have there.

The basic idea behind 'Kid Centric Homes' is where the infrastructure, facilities and management of the project create an environment that ensures holistic development of children of all ages inside the project itself. Whether its sports, arts, nature, making things, reading, and any other activities, all these enable physical, emotional, and cognitive development of children outside of school hours.

There is mixed response in the projects. In Ashiana Town (Bhiwadi) sales have improved but not as per our expectations, though we have been able to attract customers from Gurgaon. In Ashiana Umang Jaipur, we got a healthy response from the customers. We currently have 3 phases which are ready to move in and 1 phase which is under construction under our Kid Centric Homes category. We have already sold 95% (as of Mar 19) of the inventory in Ashiana Umang in ready to move in phases, and in under construction phase we have sold 64% (as of Mar 19) of the project.

**The last few years have been quite challenging for the real estate market. What is the current situation in the residential real estate in the micro markets you operate in?**

Past few years have been quite challenging for the real estate industry due to developments like RERA, Benami Property Act, GST and Demonetisation, all of which had far reaching consequences. While, in the short run it has created lot of volatility, our belief is that in the long run all these changes will have a positive impact on the sector. In recent times, the sector has been witnessing liquidity concerns, with Banks/ NBFCs restricting lending to the sector. Developers with debt ridden balance sheet are unable to complete the projects and buyers deferring their decisions to purchase real estate. Overall from a supply perspective the competitive intensity has reduced due to leveraged balance sheets of many developers which in turn has resulted in subdued launches and stalling of existing projects, thus overall reducing inventory and consolidation in the sector.

Our major markets are Jaipur, Bhiwadi, Gurgaon and Chennai. In Jaipur market there is less oversupply. Unsold inventory has stabilised and is gradually being absorbed. Our outlook for Jaipur market is very positive and we expect to continue doing well in Jaipur market in future.

In Chennai, overall market remained tough. Markets are stable with high unsold inventory, though the supply seems to be cooling down and demand showing hint of recovery. Since for us, we launched a senior living project, which is a specialised niche, we have done much better than our expectations. We have already sold the first phase of the entire project there. We aim to build our brand, and with our track record of timely delivery we should continue to perform well in the Chennai market.

In Gurgaon, markets are oversupplied and relatively priced higher. Gurgaon creates many jobs and is heart of the economic ecosystem of NCR. We expect the job growth engine to continue in Gurgaon and as the supply is gradually absorbed, we expect to do well here. The improvement in infrastructure and laying of new roads will further drive demand for good quality projects in the coming years. We will shortly commence deliveries in Phase 1 of our project Ashiana Anmol on Sohna Road, South of Gurgaon.

**Recently GST rates were revised by the government at 5% and 1% (for affordable housing) to make purchase of residential real estate more affordable. What impact it has created in your case?**

The GST Council had decided that all new regular projects launched after April 1 would attract a charge of 5% of GST to buyers. For affordable housing units, rate was slashed to 1% from 8% earlier. However, the builders would not be eligible to avail input tax credit. This would result in blockage of credit and an increase in cost, adversely impacting the margin of builders. For ongoing projects, the government allowed developers an option to continue under the old GST regime. In our case, we have opted for the old GST scheme in all our projects which were ongoing as on 1st April'19 and continuing with the GST benefit/discount we were earlier passing onto our customers. We have not seen any adverse impact on our sales as a result of this.

**You have focused on increasing the productivity of the in-house sales team in the last couple of years. What initiatives have been taken and how will it help the company in the future?**

Increasing the productivity of in-house sales team has been our key thrust area in the last 2 years. We have undertaken the following steps in this direction.

**Manpower optimization, Training and Growth plan for our employees**

- Hiring of resources in advance basis predictive analysis of requirements and attritions
- Filling of vacant positions through Internal Job Postings
- Categorisation of executives into A, B and C and identification of individual development needs
- Weekly feedback to executives
- New training program for new inductees to make them productive within 100 days of Joining .
- We have started training our AMs to be better coaches and we have conducted 14 trainings for them previous year

**Call handling and Site Visit process**

- Standardized the call handling and Site Visit process to give same experience to each executive
- Started a call evaluation process

**Use of new technologies**

- Commenced implementation of new CRM Software, Sales Force, to optimize our leads

  We are confident that these initiatives will improve the productivity of our sales staff and help us achieving our goal of being the Best Sales Team in Real Estate sector.

# OUR PEOPLE

## Human Capital

The true focus of Human Resources Management is recruiting, motivating, and retaining the best; sustaining a high performing workforce; providing for business continuity through succession; and minimizing losses to the organization. People have always been key to our success We at Ashiana aim to bring a smile of satisfaction on people's faces- approach that and forms the cultural DNA of the organization

All Excellent organisations recognise and value the vital contribution that people make to their success. We engage the energies and enthusiasm of our people in the most effective way. As per the last annual Employee Net Promotor Score (ENPS) survey, we found that the number 1 reason because of which employees love to stay in Ashiana is 'Family Like Environment'.

## Employee Benefit & Strength

We pride ourselves with a family like environment at the work place. The retention & strengthening of this working atmosphere entails constant efforts towards understanding the needs of the employees and matching them where feasible.

- Group Medical Insurance at present covers 452 employees & 1045 dependents.
- 106 employees and dependent claimed from group medical insurance amounting ₹ 25.95 Lakhs.
- 15 employees availed Loyalty Grant amounting to INR 40.68 Lakhs.
- 272 employee's children received scholarships under Manju Gupta Memorial Scholarship programme amounting to INR 43.77 Lakhs.

**Employee Strength**

At the close of FY 18-19, we stand strong with a head count of 825 staff members (including Ashiana Maintenance Services LLP) spread across 10 locations, PAN India.

Key highlights about our employee base owing to our cohesive environment:

- 60% of our employees have spent more than 3 years with us,
- Over 31% having spent more than 5 years
- 13% over 10 years.

Another lens to view our employee's demographics is that 75% of the workforce is below 40 years of age, with 44% being below 30 years and 24% being over the age of 40. This is a healthy mix of young & experienced staff members which is helping Ashiana to constantly innovate and maintain a stable workforce.

**Internship Program**

In FY 2018-19, Ashiana had the pleasure of working with 8 student interns. These interns were recruited from coveted colleges like Doon Business School, IIM Ranchi, New Delhi Institute of Management & Shri Ram College of Commerce, Delhi. Each intern is matched to a department in a domain relevant to the student's area of study. This provides students with an experience in their area of expertise and aids them in assessing their career decisions. Everyone involved in each program strives to ensure that all students have an engaging and rewarding experience. The students worked on projects in our Sales, Finance and HR departments. We aim to institutionalize this program for executing continuous improvement projects as well as have more brand visibility amongst the Best B-Schools of the country.

## Learning & Development

Human Resources provides a variety of training and development opportunities aimed at building employee capacity to deliver services, meet strategic needs and align with the organization's values, strategic plan, and overall mission. Courses are designed, developed and facilitated by HR staff and through best in class external training companies like Dale Carnegie, TAC House & Princeton Academy to name a few.

The focus on creating the Best Direct Sales Team in India within the Real Estate industry, continued

to see consistent efforts. This year we launched a 23 days dedicated orientation cum training program for all new hires inducted during FY 18-19. Under this program each inductee will be trained on all facets of the job along with detailed overview of each function viz. Architecture, Legal, Construction & Engineering, along with a detailed training on essential skills like Customer Service, call handing & probing techniques, Concept Selling, Sales Software, Personality Development and Grooming, Email etiquettes, Sales Principles, Negotiation skills & Sales Closure techniques. This program has been curated keeping in mind to help new hires start performing their role independently within 100 days from their date of joining. This essentially augments work performance to an earlier time frame which was previously ranging between six to nine months. 40 employees have been trained under this program. Aside to this, efforts have been made on execution of Annual Training calendar. Other highlights for L&D in FY18-19:

Total 16,735 hours of training were organized in the entire year, out of which:

- 1,578 hours were external training,
- 12,004 hours of internal training
- 2,154 were the coaching hours which managers spent on their team members to coach them on the skills which were required for their individual development.

The modern workforce is looking towards the employer for guidance on how to develop their skills and plot their career path; these efforts will meet both, the needs of the employees and future needs of the organization. This year 71 Individual Development Plans were curated to help build capability for employees in Key seats and Internal Job Promotions cases.

## Performance Management

Management Conversations (MC) and Talent Reviews were institutionalized with a new rigor and format. We saw the success of the same when 95% of the MCs forms were received on time. The training needs were classified under two heads:

- Coaching for Performance – meant for improving performance in present role(s).
- Coaching for Development – meant for career progression

## Technical Training

This year the 'Skill Development Program for Supervisors' covered 52 supervisors at different projects. They were trained on various technical skills which are imperative for them to excel in their current role. Total training hours completed were 2,954.

## Celebrations

Family Fiesta, our largest annual flagship event was held on 19th January 2019, where employees come together with their families and have a full day packed with fun & frolic.

This year the family tours were facilitated at Goa, Manali, Nainital, Mc-Leodganj and Dharamshala (HP) and the Konkan Beach

## Hiring/ Recruitment

Last year we hired a total of 162 staff members. Majority of the hiring took place in the Sales vertical as a continuation to the theme of Building the Best Sales team, we have had 44 new hires in sales and 12 GTE in Engineering. Another important and notable facet of our hiring model is that of referral hiring. We closed 40 positions in the Maintenance team via employee referrals which clearly indicates employee satisfaction.

## Reward & Recognition

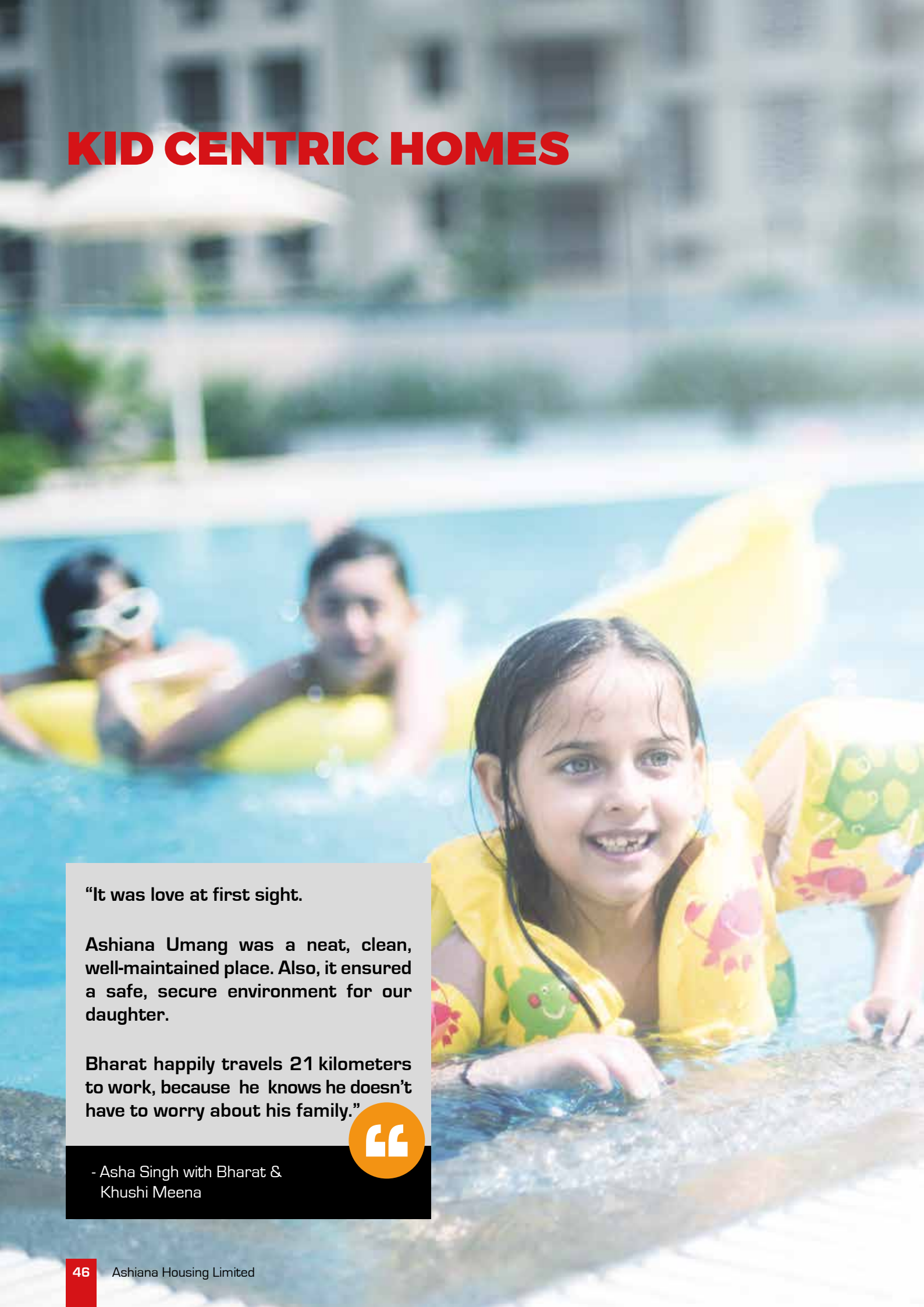
We believe in recognizing commitment and dedication to the organization via a process for nominating and selecting employees who exemplify our core values and have made significant contributions to the mission of the organization. Core Value badge pins which are handed out during the townhalls held on a quarterly basis. The Sales team members, achieving their targets are also felicitated during these meetings.

## Industrial Relation

This financial year the focus was to streamline documentation for all Statutory Compliance Regulations. 491 workers were registered under Pradhan Mantri Rojgar Protsan Yojna (PMRPY) where ₹ 23.79 Lakhs has been received from the Government of India. Benefits under social security were extended to 628 contractual and off roll staff in maintenance services under PMRPY. The efforts of getting the KYC had a direct impact on 178 off roll workers under AMSLLP who got their salary on 02nd of every month through centralization along with complete statutory compliance adherence. 26 workers received ₹ 5.28 Lakhs for scholarship, maternity benefit, accidental and medical treatment through Building and Other Construction workers (BOCW). This has been successfully implemented by maintaining regular interaction at site with the labourers, educating them about their rights and displaying of the benefits on large display boards at critical entry - exit points of workers and facilitating all aspects associated with documentation.

Gulmohar Gardens, Jaipur

# KID CENTRIC HOMES



"It was love at first sight.

Ashiana Umang was a neat, clean, well-maintained place. Also, it ensured a safe, secure environment for our daughter.

Bharat happily travels 21 kilometers to work, because he knows he doesn't have to worry about his family."

- Asha Singh with Bharat & Khushi Meena

ashiana™
you are in safe hands

**Keeping in view all these changing scenarios we thought 'Kid centric homes' can provide solution where the infrastructure, facilities and management of the project create an environment that ensures holistic development of children of all ages inside the project itself.**

**We started with three projects – Ashiana Town in Bhiwadi, Ashiana Umang in Jaipur and Ashiana Anmol in Gurgaon.**

## Purpose

The real estate market is currently facing the challenge of oversupply and the last 4 to 5 years have been difficult for the industry. The industry is busy offering schemes after schemes and discounts over discounts. The only way to compete is to differentiate by leveraging our strengths in design and maintenance.

We analysed another trend in the market which is the spend and focus of parents in upbringing kids today.

Parenting has undergone a dramatic change over the last few years. Parents are laying more emphasis on their child's overall personality development instead of just focusing on academics. For this they seek admissions in good private schools, coaching of extracurricular activities, memberships of sports clubs etc. They want to give them opportunities and experiences, which they did not have access to.

Although as parents try to provide access and exposure to various activities, it's difficult to find time to take children for these activities. The problem accentuates when these facilities are far off or expensive.

Also being in nuclear and double income families, kids are left alone in the spare time which generally is spent on gadgets. Screen time, which includes TV, mobiles, video games etc have proven ill effects on kids like slowed cognitive growth, increased agitation, delayed physical growth, restrain in social growth among others.

## Unique Design

The basic idea behind the structures of these projects is to provide spaces which can engage the youngsters in the most constructive manner possible. These spaces are neither formal like schools creating restriction nor like home. They are somewhere in between creating spaces for learning yet informal in nature that invites exploration. These spaces are independent yet safe and secure. The colours and structures are appealing but at the same time are not childish in essence.

The spaces in Kid Centric Projects are welcoming as well as functional to promote meaningful engagement of kids. These spaces are designed for all ages group from 0 to 18 years including toddlers, teenagers etc.

a. **Sporting Infrastructure:** World class sports facilities like synthetic tennis courts, indoor badminton courts, skating rinks etc. We make sure that not only the courts/ spaces are of apt sizes, but there are enough circulation spaces/waiting areas. The sport spaces are designed keeping in mind sun/air/ climate effects. For eg. all outdoor courts are aligned in north-south direction to avoid direct contact with sun, badminton courts are indoors so youngster can play irrespective of weather conditions.

   Sport isn't just good for children's bodies; it's good for their minds too. Studies have shown that sport has psychological benefits for children and adolescents and teaches them important life skills. Sport helps children develop better ways to cope with the highs and lows of life. Playing in a team helps children to develop many of the social skills they will need for life. It teaches them to cooperate, to be less selfish, and to listen to other children. It also gives children a sense of belonging.

b. **Learning Centre:** There are spaces created in the campus for both mind and body development of a child. These spaces are used for pursuing visual and performing arts like dance, music, theatre, art & craft etc. And also, facilities like reading hub cater to cognitive growth.

c. Other kids' friendly amenities in landscape and common areas are provided with the aim to provoke and incite their curiosity and creativity. Open & green spaces for children to connect with nature.

## Services

We not only provided a unique design and facilities but made sure that they are used well.

a. **Live and Learn Program:** It's a program where we have specialised coaches & multiple activities which are the mix of a left brain & right brain, activity such as dance music, theatre, art & crafts, spoken English etc. It's a proven fact that children who learn music early in life are more successful & also do well in academics. Music and math are highly intertwined. By understanding beat, rhythm, and scales, children are learning how to divide, create fractions, and recognize the pattern. As kids get older, they'll start reciting songs, calling on their short-term memory and eventually their long-term memory.

"We got to know about Ashiana through a friend who has a unit at Gulmohar Gardens.

Had absolutely no plan to settle in Jaipur or buy a house. Everything changed the moment when we visited this project. It was so peaceful that we decided to buy.

My brother also got impressed with the photographs and has already made up his mind to purchase in this project. Not only is it low rise, it is lush green all over, has a wonderful club and many facilities including theater."

- Mrs and Dr. Pradeep Kr Sharma

b. **Culture of Reading:** When children learn to read at an early age, they have greater general knowledge, expand their vocabulary and become more fluent readers. They also have improved attention spans and better concentration. Therefore, we have gone ahead & created a reading hub. All children love to read, what is missing the access to books that they like to read.

The reading hubs at our projects are stocked with books appropriate for different ages of children, encourages children to develop a reading habit early on so that they become more successful in their carriers. And then to create enthusiasm and competitiveness among kids, we introduced the "Display Book" which recognizes top 3 readers of the quarter. This has led to a good increase in number of young readers in our projects. For eg: Total Readers when we started reading hub in Umang was 16 which increased to 65 in a span of 6 months.

c. **Special Events and Workshops:** Special Events like photography session, dance workshops, outdoor excursions like visit to historical sites & museums, other smaller events like puppetry show etc. We had total of 157 events in various categories throughout the year in two of three launched projects

d. **Ownership and Clubs:** The introduction of Eco-club and Traffic-Club has led to development of responsibility and ownership. Plantation, cleanliness drives, waste management campaign, traffic management, Behtar Ashiana has led to the feeling of motivation and a sense of moral conduct among kids. Team building and associated traits have also been observed. Children have taken ownership of improving their project.

e. **Driving values:** A parent loves to hear appreciation regarding the child's grades, co-curricular activities, but a few words added for good values boosts up the moment of happiness. Keeping this in mind, every quarter we take one value as a theme & make it a part of all the activities. Like one quarter, Happiness all around was the theme, where kids shared their instances & stories of how they made others happy. An NRI child learned to sing bhajans to make her Daadi (grandmother) happy. All these simple little things can go a long way to make us a better human being.

## Status of Projects

- **Town:** Town was the first project where Kid Centric was launched in Jan 18. We currently have 14 activities running here with 70-80 kids enrolling in classes every month. We had 88 events/ competitions held last year with an average of 95 people participating in each event.
- **Umang:** We launched delivery of Kid Centric Homes in May 18. We also launched reading hub in June with 2,910 books. The enthusiasm of kids with respect to reading hub is overwhelming and we see a difference in kids. We started with 6 activities in Live and Learn and have now moved to 8. The engagement of kids is very healthy. We had also set up various clubs – Eco Police, Reading Club, Makers Club, Traffic Club etc.
- **Anmol:** Preparation for Anmol delivery has started & it will be delivered in second quarter of 2019.

## Team

We have a dedicated team led by Learning Coordinator at every Kid Centric project which ensures constructive engagement of kids through smooth functioning of all above mentioned systems.

Trainings are periodically conducted for the maintenance team for alignment towards the purpose of Kid Centric Homes. Teams in both the projects underwent various sessions on behaviour, communications, safety and security, grooming and other soft skills which are must when dealing with kids. They were also given understanding on existing rules and policies on child abuse.

## Impact on Sales

- There is a mixed feeling of success in different projects. In Ashiana Umang at Jaipur, we see this as a success with overachievement of sales targets and improvement in monthly sales figures. The presence of learning hub along with its organic design and unique services creates visible differentiation on ground.
- Sales in Town have improved. We have also been able to attract customers from Gurgaon, albeit in low numbers. Anmol has seen better sales as compared to last year, but absolute numbers remain low and conversion ratios are very low. We expect sales to improve this year the project will be delivered and on ground differentiation will be visible.

**The journey of Kid Centric Homes is still in early phase. We believe that as we deliver value to the customers, we will be able to break away from the price war that the industry is currently engaged in.**

# CORPORATE SOCIAL RESPONSIBILITY

All CSR Activities of the Company are initiated under the "Ashiana Foundation" a Trust founded with effect from April 2018.

## Education: Phoolwari School:

Ashiana set up its own "Phoolwari" for the children of labourers working on their construction sites, to impart basic education to them. It equips the underprivileged with strength and a feeling of belonging to the Ashiana family, helping in smooth transition into the main stream of the society.

For the FY 18-19, there were 10 Phoolwari Schools located at Jaipur, Jodhpur, Bhiwadi, Sohna, Chennai & Lavasa consisting of an average of 200 children. These also serve the purpose of a crèche for the babies of our workers. This year was packed with lots of learning activities for children, thanks to the unrelenting efforts of all teachers and executives at different locations.

**Celebrations at Phoolwari:** Children celebrated all the special occasions such as Mother's Day, Father's Day, World Environment Day, International Literacy Day, Science Day and many more were also given due importance so that they could understand the significance and importance of the events worldwide.

## Act more responsible:

The children of Phoolwari learnt sharing and caring by getting involved in activities with other children of Govt. Schools, Institutions, etc.

They distributed saplings to the nearby shop keepers promoting awareness of their role in the upkeep of the environment. Feeding water to birds and preparing Diwali crafts for the people living in construction site hutments in turn helped them spread happiness all around.

- Outdoor Visits of Phoolwari kids were given importance and children were taken to the places that also helped them gain knowledge.
- Phoolwari Children prepared handmade kites, planting vegetables and also learnt to prepare tasty snacks. Supermoms from Ashiana projects introduced them to a range of new activities from paper bag making to colourful diyas, crafts, greeting cards besides engaging them with sessions on cooking, cleanliness, etc.
- Health hygiene sessions were given importance and is kept as part of the curriculum
- Children were provided with summer and winter uniforms

**Youthcon** is the annual Youth Conclave of CREDAI, held to highlight the **skill training activities** in the real estate sector in India. One of the trainees from Ashiana, Mr. Vijay Kumar was fortunate to speak with our Hon'ble PM in the event of CREDAI which was addressed by Mr. Narendra Modi.

## Achievements:

Phoolwari children are mainly from remote villages and rarely have the privilege of attending regular School. We at Ashiana prepare them with basic education and facilitate their admission to Govt. Schools . This year we were able to send 72 Phoolwari children to Govt. Schools at Bhiwadi, Jaipur, Sohna & Lavasa.

We understand health of a child is equally vital therefore one-time snack meal is voluntarily provided to all children at the Phoolwari, which at times is prepared by the children themselves during the cooking sessions.

A wholesome freshly cooked afternoon meal to our Phoolwari Children through Akshay Patra Foundation is currently being given at our Jaipur project sites, at a nominal cost.

Akshaya Patra is a non-profit organization in India that runs school lunch programme across country.

**Govt. School undertaken for Infrastructural Development, Upkeeping & Maintenance**

To improve infrastructure and other facilities at Govt. Schools, Ashiana has undertaken their upgradation & development in the areas of its operation. Some of the Schools, already developed and upgraded by Ashiana, are now undertaken for upkeep and maintenance.

| Sl. No | School Name | Approx Strength |
|---|---|---|
| 1 | Govt. School at Ghatal Village, Bhiwadi | 600 |
| 2 | Govt. School at Thada Village, Bhiwadi | 160 |
| 3 | Govt. School at Kho Nangorian Village, Jaipur | 485 |
| 4 | Govt. School at Panchayawala Village, Jaipur | 455 |

**Computer Based Learning**

In partnership with Literacy India, Ashiana has set up Computer Labs in different Govt Schools of Bhiwadi. Computer based learning is implemented through Literacy India's ground breaking early grade learning tool Gyantantra Digital Dost (GDD), an innovative PC based, interactive learning tool which is addressing the learning gap (primarily reading proficiency gap) widely prevalent in the early grade schools across India. The goal of the project has been to build a scalable learning solution using technology which will complement classroom based learning for the Children. We are providing financial support to run this Programme smoothly in 2 Govt. Schools - Govt. Upper Primary School, Ghatal Village, Bhiwadi & Govt. Upper Primary School, Thada Village, Bhiwadi.

Proper Computer labs have been established and Children are provided with accessories and library kits to make learning easy.

## Awards & Recognition for FY 18-19

Ashiana Housing Limited has been honored with "Bhamashah Award" by the Govt. of Rajasthan for the 6th consecutive year. The Govt. has also conferred the title "Shiksha Bhushan" for Ashiana's contribution to basic education in the state of Rajasthan.

**Employment Enhancing Skill Development Programme –**

Ashiana has set up the Ashiana Training Institute to give Skill training to unskilled and semi-skilled workers in construction sector. Ashiana's own dedicated professionals teach at the institute. They attend programmes through CREDAI and are certified by CSDCI "Construction Skill Development Council of India" under TOT Programme (training of teachers). A govt. approved syllabus is followed for all the courses.

- The Trainees are provided with stipend as per minimum wage rate – (Location specific), set of uniform and footwear and a set of trade related tools with a Tool kit bag. Passed trainees would also get benefit of ₹ 1,000 from CREDAI as reward money with Govt Approved certificate.

- From this Financial Year onwards, we have started a new phase of Skill Development Programme with support from CREDAI known as Outreach Skill Development programme with other developers in addition to our in house skill development programme.

## Running CREDAI Centers through our Outreach Skill Development Programme:

| Project Sites | Location |
|---|---|
| ATS Le-Grandiose - ATS | Noida |
| Oxirich Sanskriti – Oxirich Developers | Bhiwadi |

In House Skill Development Programme was organised at Bhiwadi, Jaipur, Sohna & Chennai. Certification from NSDC (National Skill Development Corporation) in collaboration with the Ministry of Skill Development & Entrepreneurship through CREDAI under Non PMKVY Programme were given to deserving candidates

| | |
|---|---|
| No. of Men Certified | 377 |
| No. of Women Certified | 35 |
| **Total No. Workers certified for the FY 18-19** | **412** |

Women have been especially encouraged to join Skill Development Programmes and many are now earning higher wages. Working confidently as masons and tile grouters at our sites, these women, with their newly acquired skills, are confident to give a better life to their children.

**Environment Sustainability:**

On the environmental front, Ashiana believes strongly that the company must contribute to compensate nature. From its very inception, Ashiana has followed ecologically sound practices like extensive planting of trees, planning optimal greenery in every project andthe best use of natural resources. In our efforts to maintain environment sustainability, we have yet again been able to maintain and upkeep the plantation done by us in different locations at: Bhiwadi, Jaipur, Jodhpur, Halol& Chennai, creating a healthy atmosphere for all.

## Saving of Potable water:

In order to save portable water, we are re-using the STP water for watering plants.

**Area Development:**

We believe in contributing in various ways to improve the lives of the people living in areas where we operate. Our ongoing projects which are being undertaken for Maintenance and upkeep for the FY 18-19 are:

- Two JDA Triangles at Jagatpura and Taaron ki koot, Tonk Road, Jaipur
- Lake view beautification at Pavagadh Road, Halol

New additional development work undertaken for the FY 18-19:

- Repairing work was done to Approach road, Rampura Village, Bhiwadi for local people to use it and to escape the water logging in rainy season that otherwise witnessed heavy traffic etc.
- With the thought to beautify and make the Bhiwadi City greener, Central Verge of road from Bhiwadi Mod to Mansha Chowk was undertaken for development and plantation work.

# Management Discussion & Analysis

## Economy

India's economy has been one of the largest contributors to global growth over the last decade. The Indian economy has deaccelerated to a five-year low growth rate of 6.8% in 2018-19 as compared to 7.2% in the previous fiscal, mainly due to poor performance of agriculture, manufacturing sectors and jobless growth according to the Central Statistics Office. After peaking a growth rate of 8% in the first quarter of the current year, growth in the Indian economy moderated during the remaining period owing to softer consumption demand, stagnant exports and investments amid tighter financial conditions. Slowdown in global economy amid declining international trade volumes and escalating trade tension poses threat to the growth outlook of the Indian economy. However, range bound crude prices, appreciating rupee and easing liquidity conditions bode well for the economy.

Slowing growth in advanced economies and emerging economies along with softening inflation in our economy has set the stage for reduction in policy rates to strengthen the growth of the Indian economy. Furthermore, rationalisation of GST rates and facilitating ease of tax compliance have led to improvement in the tax coverage and has augmented the flow of tax receipts. Structured reforms, implementation of RERA, a push to affordable housing and the law related to Benami Transactions have made India an investment-friendly destination and laid the foundation for a healthy end users' market. India's competitiveness improved notably this year as it jumped 23 spots from a year ago to 77 out of 190 countries in the World Bank's latest report on the ease of doing business ranking. The ease of doing business in India improved substantially after a series of reforms made it easier for companies to get construction permits, pay taxes and trade across borders.

To provide the much-needed boost to the rural sector and spur consumer spending, the central government proposed an array of incentives for both middle-class and farmers in its Interim Budget 2019-20, such as income tax exemption, income support to marginal and small farmers, pension scheme for unorganized workers, extension of tax benefits under affordable housing, etc. Towards the end of the fiscal year, the government provided further capital infusions to public sector banks. These measures, combined with the application of the Prompt Corrective Action framework, which requires timely recognition of bad loans, and resolution of bad loans through the Insolvency and Bankruptcy Code, are helping to address solvency and asset quality challenges.

The recent Non-Banking Financial Companies (NBFC) and Housing Finance Companies (HFC) crisis caused by the IL&FS default led to drying up of funds which had a substantial impact on the real estate and infrastructure sector. Sensing the trouble, RBI came forward to aid NBFCs by relaxing liquidity and asset securitisation norms and allowing banks to lend more. The financial sector troubles do not bode well for the economy as the ongoing liquidity crunch led by non-bank financial institutions could result in further slowdown in India's discretionary consumption, thus derailing overall growth momentum over the next few quarters.

Overall, the Indian economy is well poised for the next leg of growth riding on the back of structural reforms, increasing consumption and investment and government spending on infrastructure and rural economy.

## Industry

The fiscal year 2018-19 was a year of consolidation for Real Estate sector. The Indian Real Estate segment moved on a recovery path as the residential realty sales grew by 6% in 2018 compared to the previous year, according to a report by Knight Frank. Developers have now started realising the importance of execution and completing existing projects rather than launching new ones owing to increasing level of unsold inventory and lack of growth in demand. As such, completion of existing projects is being prioritized over launching new ones and the focus has shifted to streamlining processes and delivery. Steady income growth, stable home prices, declining interest rates and improvement in the liquidity conditions bodes well for the industry.

India's residential housing market remains highly fragmented owing to imposition of RERA, the fragmented residential market is undergoing transformation and consolidation is inevitable leading to increase in the market share of organized players. As per a CLSA report, market share of organised real estate players is expected to reach 20% by FY24. Furthermore, as the affordability continues to improve owing to favourable market conditions and increasing policy stimulus from the government, the real estate market is expected to further improve. RERA has increased compliance costs and complexity and has caused serious working- capital issues for unorganised players. The lower end of the developer segment will find it tough to meet the customer demands which would further squeeze their margins and greater levels of monitoring will drive non-serious players out of the market.

During the fiscal year 2018-19, majority of the launches as well as demand have been witnessed in the affordable housing segment. This

## An overview of operations

| Particulars | | INR Crores Value of Area Booked | Lakhs Sq. ft. Area Booked | Lakhs Sq. ft. Equivalent Area Constructed* | Lakhs Sq. ft. Area Delivered & Recognized for Revenue |
|---|---|---|---|---|---|
| FY 19 | AHL | 231.21 | 7.19 | 5.31 | 9.44 |
| | Partnership | 101.41 | 3.60 | 2.37 | 2.34 |
| | Total | 332.62 | 10.79 | 7.68 | 11.78 |
| FY19 Quarter 4 | AHL | 64.05 | 1.94 | 1.60 | 1.99 |
| | Partnership | 25.12 | 0.89 | 0.86 | 0.32 |
| | Total | 89.17 | 2.83 | 2.46 | 2.31 |
| FY19 Quarter 3 | AHL | 57.53 | 1.84 | 1.08 | 1.66 |
| | Partnership | 19.39 | 0.71 | 0.55 | 1.65 |
| | Total | 76.92 | 2.55 | 1.62 | 3.31 |
| FY19 Quarter 2 | AHL | 60.53 | 1.97 | 1.51 | 1.95 |
| | Partnership | 18.88 | 0.65 | 0.46 | 0.16 |
| | Total | 79.42 | 2.62 | 1.97 | 2.11 |
| FY19 Quarter 1 | AHL | 49.09 | 1.45 | 1.12 | 3.83 |
| | Partnership | 38.02 | 1.35 | 0.51 | 0.21 |
| | Total | 87.11 | 2.80 | 1.63 | 4.04 |
| FY 18 | AHL | 154.21 | 4.77 | 6.39 | 8.91 |
| | Partnership | 63.15 | 2.17 | 1.77 | 3.78 |
| | Total | 217.36 | 6.93 | 8.16 | 12.69 |

was driven by incentives announced by the government under Pradhan Mantri Awas Yojana (PMAY) which pushed developers towards the affordable segment. Policy initiatives undertaken by the government in the past two years have contributed to increased home buyer interest in this segment. The sector faced temporary hiccups due to NBFC and Housing Finance Companies (HFC) crisis which led to increased rates thereby impacting margins of some developers. However, the industry will not grow much but the organised player will get mores share because of the market consolidation. The immediate liquidity crisis has also forced some of the NBFCs to slow down lending to ongoing projects as well.

Developers with a scalable business model are well placed to augment market share in a well regulated environment that calls for greater transparency and accountability from real estate developers.

## An overview of operations

During the year sales improved to 10.79 Lakhs sq. ft. vs 6.93 Lakhs sq. ft. in FY18, an improvement of 55.7%. Improvement was seen across all our markets (except Lavasa, Pune). The average realisation price was ₹ 3,082 in FY 19 vs ₹ 3,135 in FY18, decline due to change in mix of projects. Pricing has been under pressure for the last 2-3 years due to slow market conditions.

The Equivalent Area Constructed (EAC) in FY19 was at 7.68 Lakhs sq. ft. (AHL: 5.31 Lakhs sq. ft. and Partnerships: 2.37 Lakhs sq. ft.). The area constructed was excluding the area built for EWS/LIG units, which is a statutory requirement and not a business activity of the company. The EAC is exclusive of 5,813 Sq. Ft. built for The Ashiana School at Ashiana Town, Bhiwadi.

## Completed Projects

During FY19, the company delivered and recognised revenue of Ashiana Dwarka (Ph-II) in Jodhpur, Gulmohar Gardens (Ph-VII) and Vrinda Gardens (Ph-IIIA) in Jaipur, Ashiana Surbhi (Ph-V), Ashiana Tarang (Ph-I) in Bhiwadi. Area delivered for revenue recognition was 9.44 Lakhs sq. ft. in AHL and 2.34 Lakhs sq. ft. in Partnerships.

## Land acquisitions and Expansion Plans

We continued scouting for new land deals in line with our growth aspirations. We have identified Jaipur, Gurgaon, Pune and Chennai as our key focus markets

During the year, we have acquired a land parcel measuring 6.67 acres situated at Village Shri Kishanpura, Jagatpura, Tehsil Sanganer, Dist. Jaipur, Rajasthan. We propose to develop a Comfort Homes project which will have a saleable area of approximately 6.15 Lakhs sq. ft.

## Project Launches for sale

The launches of some of our new projects got delayed due to delay in approvals. However, we continued launches of new phases in our existing projects:

a) **Ashiana Umang, Jaipur (Rajasthan):** The company launched Phase -IV of Ashiana Umang in Jaipur (Rajasthan), a Kid Centric Homes project, comprising 2 & 3 BHK flats with total saleable area of 2.56 Lakhs sq. ft.

b) **Ashiana Shubham, Chennai (Tamil Nadu):** We also launched Phase –III of Ashiana Shubham, a Senior Living project, comprising 1/2/3 BHK flats with total saleable area of 1.78 Lakhs sq. ft.

## Project Pipeline

**Ongoing Projects Overview**

Ongoing projects are the projects in respect of which (i) all title, development rights or other interest in the land is held either directly by our company and/or our Subsidiaries and/or other entities in which our company and/or our Subsidiaries have a stake; (ii) wherever required, all land for the project has been converted for intended land use; and (iii) construction development activity has commenced.

As on 31st March, 2019, we had 16.45 Lakhs sq. ft (out of this 8.95 Lakhs sq. ft was booked) under ongoing projects:

**The details of ongoing projects are tabulated hereunder:**

| Location | Project | Phase | Economic Interest | Saleable Area (Lakhs sq. ft.) | Area Booked (Lakhs sq. ft.) | Expected Completion Date |
|---|---|---|---|---|---|---|
| Bhiwadi | Nirmay | 2 | 100% | 1.18 | 0.58 | Q1FY22 |
| Chennai | Shubham | 2 | 73.75% of Revenue Share | 1.47 | 1.03 | Q4FY21 |
| Chennai | Shubham | 3 | 73.75% of Revenue Share | 1.78 | 0.12 | Q3FY23 |
| Gujarat | Navrang | 3 | 81% of Revenue Share | 0.19 | 0.02 | Q4FY20 |
| Gurgaon | Anmol | 1 | 65% of Revenue Share | 4.16 | 2.42 | Q3FY20 |
| Jaipur | Gulmohar Gardens | 8 | 50% of Profit Share | 1.43 | 1.39 | Q3FY21 |
| Jaipur | Vrinda Gardens | 3B | 50% of Profit Share | 3.06 | 1.74 | Q1FY22 |
| Jaipur | Umang | 4 | 100% | 2.56 | 1.65 | Q3FY21 |
| Pune | Utsav - Lavasa* | 4 | 100% | 0.63 | 0.00 | Q1FY20 |
| Total | | | | 16.45 | 8.95 | |

*Phase 4 Ashiana Utsav-Lavasa is not launched for sales

**Future projects**

These are projects wherein construction is yet to commence due to approvals under process or projects (or phases as a part of project) are yet to be launched. 73.43 Lakhs sq. ft was the pipeline under future projects as on 31st March, 2019.

**A summary of future project is tabulated below:**

| Location | Project | Phase | Economic Interest | Saleable Area (Lakhs Sq. ft.) |
|---|---|---|---|---|
| Bhiwadi | Tarang | 2,3 & 4 | 100% | 9.32 |
| Bhiwadi | Gamma | 1 | 100% | 18.45 |
| Bhiwadi | Nirmay | 3,4 & 5 | 100% | 4.77 |
| Jaipur | Gulmohar Gardens | 4 | 50% of Profit Share | 0.74 |
| Jaipur | Gulmohar Gardens Villas | 1 | 50% of Profit Share | 1.48 |
| Jaipur | Vrinda Gardens | 4 & 5 | 50% of Profit Share | 4.81 |
| Gurgaon | Anmol | 2 & 3 | 65% of Revenue Share | 7.33 |
| Chennai | Shubham | 4 & 5 | 73.75% of Revenue Share | 4.79 |
| Jamshedpur | Aditya | 1 & 2 | 74% of Revenue Share | 6.23 |
| Jamshedpur | Ashiana Sehar | 1 & 2 | 76.75% of Revenue | 3.25 |
| Gujarat | Navrang | 4,5,6,7&8 | 81% of Revenue Share | 3.44 |
| Jodhpur | Dwarka * | 3,4, & 5 | Area Share | 3.61 |
| Neemrana | Angan | 2 | 100% | 4.37 |
| Lavasa | Utsav | 5 | 100% | 0.84 |
| Total | | | | 73.43 |

*Only AHL's share of saleable and sold area shown in above table.

A total area of 80.93 Lakhs sq. ft (net of booking) under ongoing/future projects across various locations highlighting a healthy pipeline for future development.

**Land Bank:**

**A summary of the land available for development is as under:**

| Location | Land | Estimated Land | Estimated Saleable Area |
|---|---|---|---|
| Bhiwadi | Milakpur Land | 40.63 | 31.00 |
| Jaipur | Ashiana Amantran | 8.84 | 9.00 |
| Jaipur | Ashiana Daksh | 6.67 | 6.15 |
| Jaipur | Umang Extension | 7.20 | 6.50 |
| Pune | Marunji | 19.27 | 15.5 |
| Kolkata | Ashiana Maitri/Nitya | 19.72 | 14.88 |
| Total | | 102.33 | 83.03 |

## RERA Compliance

Real Estate (Regulation & Development) Act 2016 (RERA) along with its rules was fully implemented in May 2017 and a period of 3 months was given to the developers for getting their projects registered under RERA. In between May 2017 till March 2019 we registered 17 of our projects under RERA in the states we are operating in. A detailed status of the projects registered is given as under:

| Status of RERA Registration | | |
|---|---|---|
| Location | RERA Registration Applied & Received for projects | Total Saleable Area (Lakhs Sq. ft.) |
| Bhiwadi | 5 | 6.83 |
| Jaipur | 6 | 17.47 |
| Gurgaon | 1 | 4.16 |
| Chennai | 2 | 3.25 |
| Jodhpur | 3 | 3.02 |
| **Total** | **17** | **34.73** |

**The RERA registration for EWS/LIG units were also applied in this period but the same are not included in the table above.

## Facility Management

Since inception, it has been our endeavour to live up to our motto of 'Forever Care'. We ensure every milestone to maintain the projects under our management in a holistic manner to make the lives of our residents convenient, vibrant and safe with a value for money proposition in terms of the services rendered and the facilities provided towards enhancing the quality of lifestyle. In doing so each and every member of the team works enthusiastically to deliver:

- Vibrant communities with enhanced quality of life to provide a safe and secure living environment.
- Fully functional facilities in the project
- Newness of project all year round.
- Return on investment(s) to existing customers through timely rental and resale services.

We closed the year gone by with a total area of 175 Lakhs sq. ft. under maintenance and a happy customer base of 13,571 in 39 delivered projects at 8 cities across 5 states (as on 31st March 2019).

Maintenance and Property services team continued building vibrant communities with meaningful and engaging events. We successfully conducted 92 events last year and achieved 75% occupancy against handed over units with 1210 hand overs throughout the year.

The year gone by was also a year of varied accomplishments and learning and also bringing in new leadership hailing from different backgrounds taking charge of maintenance operations in Jaipur, Bhiwadi and Jamshedpur. Plethora of improvements were brought, particularly in the customer handling process at the project level and undue escalations were considerably reduced leading to timely resolution of observations. This had a direct and positive impact on the ground staff's confidence and motivation levels.

Understanding the importance of employee's alignment towards service culture, an onboarding program for new and incumbent Estate Officers and Learning Hub Managers was introduced which paid rich dividends w.r.t service delivery of the individuals.

We also tested online process for Main Gate management and observation handling in 6 projects. This had an impact on improvement in real time data capturing, efficiencies as well as increased safety and security quotient.

Concerted efforts were made for the roll out of the key drivers namely learning and development processes, talent showcasing, training of maintenance team both on technical and soft skills for further instilling of our core values for Kid Centric Homes at Umang (Jaipur). Through 160 meaningful events, kids across age groups were successfully engaged.

The go-live of new projects particularly Nirmay and Shubham was ensured by proactively driving occupancy @ 10/month. This was achieved via delivery of promises and continuous improvement through regular feedback.

Going forward and taking into account the momentum which maintenance services provide through effective service delivery, delight with response, retain with efficiency and engage through meaningful events and alignment towards the theme of Year19-20 of "Making It A Double" the teams' would focus on the following:

- Increase in number of happy customers through excellence in service delivery Pre and Post Move-In of customers.
- Response improvement by way of building up a fast track automated helpdesk with an outcome orientation of capture all, assign all and close all observations
- Cost containment with focus on reduced wastages, Internal revenue generation, Centralised process on procurement to pay and stringent reviewing of AMC and repair cost

- Capability building of employees by developing core competency and commitment levels
- Maintenance engineering excellence practice coupled with structured skill-training
- Continuous improvement in the quality of lifestyle at Ashiana, through value deliveries in the form of Supermoms, Learning Hub and Kid Centric Homes will also continue with renewed zeal.

## Financial Review

**Income**

### Revenue from Operations

Our revenue from operations include: a) Revenue from completed projects (residential/commercial); b) Revenue from other real estate operations include maintenance and hospitality services

Revenue from Operations increased by ₹2,341 Lakhs or 7.64% from ₹30,637 Lakhs in FY18 to ₹32,978 Lakhs in FY 19. Out of this, revenue from completed projects increased from ₹26,225 Lakhs (FY18) to ₹28,138 Lakhs (FY19), an increase of 7%. Increase in revenue was attributable to higher deliveries (9.44 Lakhs sq.ft in FY19 vs 8.91 Lakhs sq.ft in FY18)

Revenue from other real estate operations increased from ₹4,412 Lakhs in FY18 to ₹4,841 Lakhs in FY19, an increase of 9.72%. This represents income from maintenance and hospitality. Increase in maintenance income in line with increase in projects under maintenance.

### Income from Partnership

Income from Partnership includes income earned from projects which are executed in a separate Special Purpose Vehicle (only Partnership firms in our case)

There was a decrease of ₹719.34 Lakhs or 48.13% from ₹1,494.58 Lakhs in FY18 to ₹775.24 Lakhs in FY19. Decline in partnership income mainly attributable to lower deliveries. (2.34 Lakhs sq.ft in FY19 vs 3.78 Lakhs sq.ft in FY18)

### Other Income

Other Income decreased by ₹52 Lakhs or 3.78% from ₹1,361 Lakhs in FY 18 to 1,309 Lakhs in FY 19. Other income included Interest Income, income from investments, profit from sale of investments, Other charges collected from customers like documentation and cancellation charges, etc.

**Expenses**

Total expenses increased from ₹28,618 Lakhs to ₹32,668 Lakhs, an increase of ₹4,050 Lakhs (14.15%).

### Purchases

Purchases increased by 54.15% from ₹ 2,275 Lakhs to ₹ 5,781 Lakhs. The key reason for increase was purchase of new land parcel (Total cost at ₹ 37.76 Crs) in Jaipur for our project 'Ashiana Daksh'. Purchases also include amount attributable to development rights from JDA partners, payable as revenue share on collection from customers. Purchase also include cost of land booked corresponding to deliveries for which all revenues and costs are booked in line with our revenue recognition policy.

### Project Expenses

A decrease of ₹ 2,345 Lakhs (17% decline), ₹ 11,242 Lakhs in FY 19 vs ₹ 13,588 Lakhs in FY18, in line with lower construction under AHL projects (5.31 Lakhs sq ft vs 6.39 Lakhs sq ft). Our construction has been generally in line with our commitment.

### Real Estate Support Operations Expenses

Real Estate Support Operations Expenses increased from ₹ 2,347 Lakhs in FY18 to ₹ 2,711 Lakhs in FY 19, in line with increase in area handed over for maintenance with the addition of new project deliveries.

### Employee benefit expenses

The Employee benefit expenses at ₹ 3,707 Lakhs in FY 19 was in line with previous year expense of ₹ 3,587 Lakhs.

### Advertising and Business Promotion

Advertising and Business Promotion expenses were higher at ₹ 2,559 Lakhs vs. ₹ 2,072 Lakhs in FY 18, an increase of 23.5%. Higher expenses incurred at a corporate level and also higher cost booking commensurate with higher deliveries.

### Financial costs

Interest cost increased by ₹ 322 Lakhs from ₹ 1,194 Lakhs in FY 18 to ₹ 1,517 Lakhs in FY 19, in line with increase in our borrowings

### Depreciation and Amortisation

Depreciation increased from ₹ 732 Lakhs in FY18 to ₹ 815 Lakhs in FY 19.

### Other expenses

Increase in other expenses by ₹ 380 Lakhs from ₹ 1,967 in FY18 Lakhs to ₹ 2,346 Lakhs in FY19. Increase in expenses attributable to higher inadmissible GST credit, bad debts written off and due to high repair and maintenance expenses incurred this year vis a vis last year.

**Gross Profit**

At a total delivered area of 9.44 Lakhs sq.ft. [completed projects in Ashiana Housing Limited (AHL)], the GP per sq.ft. was ₹1,049, 35.19% [FY 18: ₹. 1,143, 38.84%].

| Particulars | Area recognized as Sales (in Lakhs Sq. Ft) | Sales (In ₹ Lakhs) | Cost of Goods Sold (In ₹ Lakhs) | Gross Profit (GP) (In ₹ Lakhs) | Amount (In ₹ Lakhs) |
|---|---|---|---|---|---|
| **Revenue from Real Estate and Support Operations** | | | | | |
| Completed Projects | 9.44 | 28,138 | 18,237 | 9,901 | |
| Other Real Estate operations | | 4,840 | 3,487 | 1,353 | |
| **Gross Profit** | 9.44 | 32,978 | 21,724 | 11,254 | 11,254 |
| Add : Partnership firms ( Area recognized as sales and Profit Share) | 2.34 | | | | 775 |
| Add : Other Income | | | | | 1,309 |
| Less : Indirect Expenses | | | | | 10,944 |
| **Profit Before Tax** | | | | | 2,395 |
| Less : Tax Expenses | | | | | 1,017 |
| **Profit After Tax** | | | | | 1,378 |
| Other comprehensive income | | | | | 533 |
| **Total Comprehensive Income** | | | | | **1,911** |
| Less : Minority Interest | | | | | 1 |
| **Profit after Minority Interest** | | | | | 1,910 |

Decline in GP per sq. ft. was attributable to change in mix of projects

Partnership Profit was at ₹ 331 per sq. ft. [FY18: ₹ 395] for total area of 2.34 Lakhs sq. ft. delivered in partnership firms.

**Profit Before Tax (PBT)**

Our PBT decreased from ₹ 4,874 Lakhs to ₹ 2,395 Lakhs due to lower gross margin (resulting from mix of projects in AHL), lower Income from Partnership (due to lower deliveries) and increase in costs like Selling and Finance costs

**Tax Expense**

Our tax expense for the year was lower at ₹ 1,017 Lakhs in FY19 vs. ₹ 1,051 Lakhs in FY18.

**Profit After Tax and Total Comprehensive Income (TCI)**

As a result of the foregoing, our PAT decreased from ₹ 3,823 Lakhs in FY18 to ₹ 1,378 Lakhs in FY 19. And TCI stood at ₹ 1,910 Lakhs in FY19 ₹ 4,621 Lakhs in FY 18.

**Transfer to General Reserves**

₹ 25 Crs were transferred to General Reserves in FY19. Overall General Reserves totals ₹ 515 Crs at the end of FY19.

**Cash Flow (From Modified Cash Flow Statement)**

The Pre-tax operating Cash flow (before new land acquisition) for AHL improved during the year vis a vis previous year, on a consolidated basis, and was positive at ₹ 1,641 Lakhs against negative at ₹ 2,021 Lakhs in FY18. Positive cash flow from operations was due to better collections resulting from improvement in booking.

Collection

Collection for the year improved to ₹ 29,236 Lakhs [AHL: ₹ 21,493 Lakhs and Partnerships: ₹ 7,743 Lakhs] from ₹ 26,895 Lakhs [AHL: ₹ 18,753 Lakhs and Partnerships: ₹ 8,142 Lakhs] for FY18, a rise of 8.70% primarily due to higher booking.

Project Expenses

Project Expenses for AHL projects decreased from ₹ 13,588 Lakhs in FY18 to ₹ 11,242 Lakhs in FY19 [decrease of 17%] due to lower construction. Out of this, construction cost decreased from ₹ 10,153 to ₹ 8,542 Lakhs in FY 19 due to decrease in area constructed in AHL projects from 6.39 Lakhs sq.ft. to 5.31 Lakhs sq.ft., Our construction has been generally in line with our commitment.

**Note:** Construction cost means Project expenses excluding project overheads like approvals, architecture fees, statutory levies like Construction cess, insurance, etc.

# Modified Cash Flow Statement

for the year ended 31st March, 2019

₹ in Lakhs

| Particulars | 2018-19 | 2017-18 |
|---|---|---|
| Net Profit before tax and extraordinary items | 2,395 | 4,874 |
| Adjusted for : | | |
| Depreciation | 815 | 732 |
| Interest Income (other than from customers) | (522) | (395) |
| Income from Long Terms Investment | (346) | (391) |
| Irrecoverable Balances Written Off | 95 | 12 |
| Liabilities Written Back | (68) | (19) |
| Interest Paid | 1,695 | 1,389 |
| Fixed Assets Written Off | 12 | 53 |
| Minority Interest | 1 | 1 |
| (Profit) / Loss on sale of Fixed Assets | (10) | (177) |
| Provision for Employee Benefits (incl. remeasurement through OCI) | (53) | (2) |
| **OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES** | **4,013** | **6,076** |
| Adjusted for : | | |
| Trade and other receivables | 80 | (1,603) |
| EWS/LIG Units | (121) | 1,064 |
| Inventories | 5,413 | 828 |
| Trade Payables and advances from customers | (8,015) | (7,967) |
| Withdrawal/(Deployment) in Operating Partnership firms (Project launched) | 270 | (420) |
| **CASH GENERATED FROM OPERATIONS BEFORE NEW LAND ACQUISITION** | **1,641** | **(2,022)** |
| Adjusted for : | | |
| Advance Against Land | 2,257 | (3,275) |
| Purchase of Land | (4,606) | - |
| **CASH GENERATED FROM OPERATIONS** | (708) | (5,297) |
| Direct Taxes paid / adjusted | (619) | (904) |
| **Cash flow before extra ordinary items** | **(1,327)** | **(6,201)** |
| Extra Ordinary items | | |
| **Net cash from Operating activities (A)** | **(1,327)** | **(6,201)** |
| **CASH FLOW FROM INVESTING ACTIVITIES :** | | |
| Purchase of Fixed Assets | (893) | (308) |
| Sale of Fixed Assets | 26 | 230 |
| Net Purchase/ sale of Investments | 440 | (796) |
| Interest Income | 522 | 395 |
| Other Income from Long Term Investments | 346 | 162 |
| **Net Cash from investing activities (B)** | **440** | **(316)** |
| **CASH FLOW FROM FINANCING ACTIVITIES :** | | |
| Proceeds from long term and other borrowings | 2,759 | 5,213 |
| Interest and Financial Charges paid | (1,695) | (1,389) |
| Dividend paid | (308) | (308) |
| Change in Minority Interest | (4) | 1 |
| **Net Cash used in Financing activities (C)** | **752** | **3,516** |
| **NET INCREASE IN CASH AND CASH EQUIVALENTS (A+ B+ C)** | **(135)** | **(3,001)** |
| **CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR** | **17,963** | **20,964** |
| **CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR** | **17,828** | **17,963** |

### Cash flow position in ongoing projects (status as on 31st March 2019)

| Entity | Saleable Area (In Lakhs sq.ft) | Area Booked (In Lakhs sq.ft) | Sale Value of Area Booked ₹ in Crores | Amount Received ₹ in Crores | Equivalent Area Constructed (In Lakhs sq.ft) |
|---|---|---|---|---|---|
| Ashiana Housing Limited | 11.97 | 5.82 | 221.75 | 138.38 | 7.53 |
| Partnership | 4.48 | 3.13 | 82.76 | 43.31 | 2.58 |
| **Grand Total** | **16.45** | **8.95** | **304.51** | **181.68** | **10.12** |

**Note:**

1. Projects in AHL include Ashiana Nirmay, Ashiana Umang, Ashiana Utsav (Lavasa), Ashiana Navrang, Ashiana Anmol and Ashiana Shubham.
2. Projects in Partnership include Vrinda Gardens & Gulmohar Gardens.

Out of a total saleable area of 16.45 Lakhs sq.ft, 10.12 Lakhs sq.ft (61.5%) has already been constructed. Out of the total area booked so far, ₹ 122.83 Crs are future receivables.

## Net worth/Borrowings/Dividend/ Financial Ratios

Net worth increased by 2.09% from ₹ 76,579 Lakhs (as on 31st March 2018) to ₹ 78,181 Lakhs (as on 31st March, 2019).

We continued to be net cash/cash equivalent positive (net cash/cash equivalent less debts) at ₹1,541 Lakhs. The total borrowings at the end of FY19 were ₹ 16,287 Lakhs (including overdraft of ₹ 298 Lakhs).

The Board of Directors approved a dividend of Re. 0.25 (12.5%) in their meeting held on 18th May, 2019.

| S. No. | Ratio | 2018-19 | 2017-18 | Variance | Comments |
|---|---|---|---|---|---|
| 1 | Debtor Turnover Ratio | - | - | | This ratio is not relevant for us as we handover the possession of the unit only after realisation of all dues. |
| 2 | Inventory Turnover Ratio | 0.29 | 0.25 | 18% | As the area booked has increased over the last year, there is favourable movement in this ratio. |
| 3 | Interest Coverage Ratio | 2.59 | 4.61 | -44% | There has been a fall in the EBIT over last year whereas the interest cost has increased in this year. |
| 4 | Current Ratio | 4.93 | 3.07 | 61% | Decline in Current Liabilities vis a vis last year |
| 5 | Debt-Equity Ratio | 0.20 | 0.16 | 31% | Increase in debt versus previous year |
| 6 | Operating Profit Margin Ratio | 0.14 | 0.21 | -33% | Decline in profitability (reasons already explained in preceding sections) |
| 7 | Net Profit Margin Ratio | 0.06 | 0.13 | -56% | |
| 8 | Return on Avg. Networth | 2.47% | 6.21% | -60% | |

## Credit Rating

CARE Ratings re- affirmed our issuer rating of "CARE A(Is); Stable" for FY20. ICRA has assigned the long-term rating of A on the ₹ 100 Crs NCDs issued to ICICI Prudential Mutual Fund as well as to the ₹ 18.74 Crs NCDs issued to IFC, the same will due for renewal in July 2019. For the NCDs issued in FY17, Brickwork Ratings has reaffirmed a rating of "BWR A+ (SO); Stable" for the outstanding debentures of ₹ 22 Crs.

## Strengths and Opportunities

**Opportunities**

The demand for real estate in a country like India should remain strong in the medium to long run. Our strengths in terms of high brand recall, design and maintenance, quality execution and a strong Balance Sheet makes us a preferred choice for our customers and shareholders.

Our newly launched segment of Kid Centric Homes (KCH) along with our segment of Senior Living Homes gives us an opportunity to differentiate in the market and work according to our strengths.

The larger formalisation of the sector due to the introduction of RERA and GST has led to consolidation in the market and the share of organised market players is expected to go up in the medium to long term which is huge opportunity for long term serious players in the sector

**Strengths**

- Strong brand built over 40 years having an impeccable track record. We enjoy higher brand recall resulting in strong customer connect which leads to majority of our sales from word of mouth
- Robust financial position with conservative debt practice, low debt equity ratio of 0.20 coupled with healthy cash balance which provides a significant leveraging opportunity for further expansion

- Healthy pipeline with 73.43 Lakhs sq.ft land available for future projects and 83.03 Lakhs sq.ft of land available for future development
- High quality maintenance at affordable rates, has helped us in keeping our customers happy and high resale rates compared to similar projects. This is in line with our brand promise of 'Forever Care' which also acts as a catalyst for generating referral bookings
- Strong teams deployed across locations helping in effective execution and implementation with contemporary architecture
- Upholding high Corporate Governance standards and ensuring transparency and high levels of business ethics

## Risks, Threats and Concerns

Risk is inherent to almost every form of business. We have appropriate risk management systems in place for identification and evaluation of risks, measures to mitigate them and processes in place to ensure their timely and proper reporting.

Following are the risks as perceived by the company accompanied with its mitigation measures:

**Economic Risk**

The real estate sector is cyclical in nature and is impacted by macro-economic factors such as GDP growth, change in government schemes, inflation levels, availability of consumer financing and interest rates causing fluctuations in market. These factors are beyond the control of any one entity, but it affects the ability to sell our projects at the anticipated price which adversely affects our revenues and earnings, consequent realisations and increase project cost thereby impacting our margins.

Mitigating Measure

Ashiana has a prudent capital allocation policy which ensures that it has a strong Balance Sheet. It preserves cash during up cycles which helps it ride down cycles. Due to strength in Balance Sheet owing to adequate cash and low gearing, company is able to hold inventory of projects through cyclical down turns. The company is also geographically diversified which leads to avoidance of concentration risk. The company prudently selects projects after diligent understanding of demand, location and market conditions. Further, the company has three categories of products Kid Centric Homes, Comfort Homes and Senior Living offered according to the location's demands, to counter regional economic risk.

**Capital intensive business**

The capital intensive nature of our business needs huge investments in land and working capital which might otherwise hamper smooth continuity of business

Mitigating Measure

Asset light model with land being considered as the key raw material and hence warranting relatively lesser investment.

Models like Joint Development with partners to curtail capital requirements gives us the freedom to lower the level of capital requirement.

Low debt to equity ratio (0.20:1) due to lower debt implies lower borrowing cost. Favourable debt equity ratio with a credit rating of "A" with stable outlook leaves enough headroom to borrow critical capital as and when required. Company has long term healthy relationship with major suppliers for timely supply of quality raw material and competitive prices.

**Statutory Approvals**

The real estate sector in India is heavily regulated. Large number of statutory and regulatory approvals and permits are required to execute projects, and applications are required to be made at appropriate stages for such approvals. We also require sanction from local municipalities, local bodies, pollution control boards as well as clearance from airport authorities. These laws vary from state to state. Timely launch of projects is always subject to getting these approvals in time. The introduction of GST and RERA have also increased regulatory costs and challenges for the sector.

Mitigating Measure

These risks are mitigated by taking a thorough and diligent approach towards land acquisition and also by following transparent processes in developing the projects.

Further, the company tries to minimize such delays by investing in land parcels or Joint Developments which already have approvals in place or the investments in such projects & JDAs are linked to the approval milestones. This reduces our upfront capital commitment. The company has strong legal and tax teams to ensure timely and effective compliances.

**Execution Risk**

Project execution depends on several factors like regulatory clearances, raw material prices, labour availability and access to utilities like water and electricity and absence of litigations. Delays experienced in terms of regulatory clearances lead to cost overruns, which further lead to delays / stalling of project launches.

Mitigating Measure

Company manages the adversities with cautious approach and meticulous planning at the time of conceiving the project. We enjoy a positive record of completing our projects on time. We have a strong in house team commensurate with robust systems ensuring timely completion of projects. Frequent and regular review of the projects internally by the project teams take stock of the project progress, followed by remedial measures required, if any, from time to time ensure projects are completed well within the time limits.

**Liquidity Risk**

Slow sales and delayed payments from customers might lead to liquidity crunch. Moreover, the time required to liquidate a real estate property can vary depending on the quality and location of the property. Inability to promptly liquidate its build unsold inventory, without any loss of capital in the process, might be a concern at times. The recent NBFC crisis has also created a liquidity crunch in the market.

Mitigating Measure

Company ensures that all projects are completed on time. Being a well-known brand, our new launches generally witness a good response. Special sales and marketing efforts are made to ensure movement of unsold build stock. For e.g. launch of 'Kids Centric Homes' concept in Ashiana Town, Bhiwadi, Ashiana Anmol, Gurugram and Ashiana Umang in Jaipur.

The company has strong system to ensure timely identification of liquidity risk. We monitor and control liquidity through tools such as business-specific liquidity indicators, cash flow forecasting and monitoring of key financial ratios. With a strong Balance Sheet and adequate cash reserves, we are suitably placed to handle any liquidity related challenges.

## Information Technology

This year we have focused more on information security, integrity and improving software services.

The initiatives taken during the year are enumerated hereunder:

1. Data privacy policy drafted and published.
2. All old firewall upgraded to latest version and fine tuned for outside cyber security threats.
3. Data backups policy redefined and off-site backup storage initiated.
4. Centralized accounting software installed for better efficiency and controls for the Ashiana Housing accounting.
5. Training sessions organised for all Ashiana Maintenance accounting staff for the maintenance software. This will result in improving efficiency of accounting of billing processes.
6. Annual IT meet conducted, with training session on Information and Data Security and Corporate Network Infrastructure Security.
7. Study of alternative ERP and maintenance software done for benchmarking of process and customizations in current in use ERP/maintenance billing Software.
8. Project initiated for the migration of old CRM software to new CRM software "SALESFORCE".

## Internal Control

The internal control system of the company is wider in scope which includes internal controls on financial reporting, operational controls and anti fraud controls. The company has an adequate system of internal controls, commensurate with the size and nature of its business. As part of the Internal Financial Control, the company is maintaining function wise policies and procedures called Standard Operating Procedures (SOP). The SOP ensure that business of the company is conducted orderly and efficiently, policies and procedures are adhered to, assets are safeguarded, frauds and errors are detected, if there are any, accounting records are accurate and complete and financial information is prepared timely.

Internal controls cover all fields across all financial and operating functions ranging from procurement of land to smooth execution of projects in time. Intent of the internal controls is to have control framework beyond financial reporting. Accordingly, independent audit firms appointed by the company conduct periodical audits encompassing various functions, at various projects, branches and Head Office to ensure adequacy of internal control systems, adherence to management policies and compliance with the applicable laws and regulations. Their scope of work also includes internal controls on accounting, efficiency and economy of operations. The key findings of their audit along with implementation plan of their recommendations are discussed with the senior management and also the Audit Committee. The Audit Committee of the Board reviews the adequacy and effectiveness of the internal control systems and suggests improvements for strengthening them. Board also gives a statement in the Board's Report about the adequacy and effectiveness of internal control systems.

Under the internal control system, the company also has Vigil Mechanism as part of the Whistle Blower Policy. The directors and employees of the company, across all the branches and head office, have the right to report whether in writing or by email any unethical behaviour, actual or suspected fraud or violation of the company's Code of Conduct or ethics policy, directly to the Managing Director of the company. However, in exceptional circumstances they may directly report to the Chairman of the Audit Committee and in the absence of such Chairman then directly to any member of the Audit Committee. Details of vigil mechanism are also given in the annual report under the section Corporate Governance Report.

## Health and Safety

At Ashiana, we focus on our health and safety of employees and environment and our past record shows the progressive improvement. Over the years in the past, we have taken several conscious efforts to inculcate a safer environment within place of work. As a result, number of injuries at workplace has reduced substantially.

Health care & safety is our priority at every stage of work. Therefore, our focus is to concentrate on action which will deliver meaningful health and safety outcomes.

During the year we have focused on addressing the most important factor of health and safety, priorities directing our activities to reduce ill health and workplace injuries. We have concentrated on adopting procedures in our construction which is safer for the workers and also have conducted timely inspections and audits for the alignment at every site with the safe procedures. Our performance measures demonstrate the excellent progress made so far.

We will continue to take a sensible and appropriate approach to health and safety management and keep developing and training our human-assets related to safer environment.

### Plan

Our aim is to set and maintain sensible and proportionate standards of health and safety management to ensure the welfare of our human resources and others who may be affected by our activities, and to minimise the losses (financial and reputational) to our business from ill health and injury.

## Framework

1. **Safety team** – Three teams are formed at every construction site. Teams are formed keeping in mind the prevalent structures of the team and the relationship of the mentor, of the team is made as he possesses the best inter personal relation in the entire team starting from the labourers to the highest level of the Project Manager. Team is alerted to any disaster, grievance or accident and can handle all such situations.

2. **Safety Audit** – A quarterly safety audit is conducted with stress over the points of concerns which are discussed annually and is shared by the whole team, the focus is on the communication of the seriousness regarding the compliances of the audit is spread throughout the organization to the last man working. It has been reflected by reduction in incidents/accidents over the period.

3. **Safety related changes in design/drawings** – In a typical residential building, there are several hazardous places with high risk. We have identified them and properly designed the necessary precautions to make them safer for the users. Areas such as maintenance duct, shafts, lift openings, cut outs, etc have been reduced in risk aversion positions and with appropriate designs and is followed throughout Ashiana.

4. **Awareness/Training** – Every worker who enters the Ashiana site is made aware of the risks and hazards of working, and the precautions they must follow to avoid the risks. We have implemented daily talk and trainings on various activities to avoid any hazards. They are made aware about the assembly points in case of emergency.

5. **Mock drills** – Fire safety mock drills are conducted at site, and workers are made aware of the protocols to follow in case of a fire occurred on site.

6. **Health** – Routine site visits are conducted by a certified and licensed doctor to monitor the health of our human resources. Further, regular visits to the houses of the labourers are conducted to ensure the proper living conditions of our workers.

## Sales and Marketing

**Sales (Learning and Development)**

Learning & Development (L&D) is an integral part of working at Ashiana. Constant up skilling enables our employees to grow and add value. In the modern competitive environment, employees need to replenish their knowledge and acquire new skills to do their jobs better. This benefits both the employee and the company. From an employee engagement standpoint also, L&D plays a critical role.

With the vision of continuous learning & improvement, in 2018-19, we initiated & implemented the following initiatives for our sales team;

- **Implementation of new Induction plan:** It helps the new joinees to get aligned with the customer's journey starting from enquiry generation to possession of the house. With proper on job & off job training provided to new joiners, it helps them to build their efficiency at their workplace. The outcome for this induction plan is that executive should make their first booking within 100 days of joining. We have already achieved the same with our first batch who had undergone this training. All the trainees made their 1st booking approximately between 49th day and 103rd day thereby clocking an average of 44 days.

- **Implementation of one month's Off Job and On Job intensive training programme:** It helps to reduce the time of learning curve of the new joinees by giving them the specific direction during the nesting period and we have developed detailed training on Product, Construction, Design, Maintenance & Concepts training via presentations and also by showing them the same on sites as well. We have divided the module by doing and promoting concept Selling – Senior Living, Kid Centric and Comfort Home and have detailed Pre sales & Post sales training along with CRM training provided to new joinees.

- **Implementation of the certification ceremony:** After the training of one month detailed written and implementation exams are conducted in order to check the learning they have got during their training phase and then only certificates are provided. After the certification, executives join their respective projects and as per requirement they get refresher training after the interval of 6 months. 15 candidates had successfully cleared the certification till March 19.

- **Implementation of Site visit processes at all sites:** We have concept-based projects. So, we defined those concepts to be explained easily to customers in a specific way. We make the executives understand all the USPs as per project. Site Visit process flow was derived along with Site Visit registration form to be filled in by customer. It helps to identify what tasks are important to your larger business goals and streamline them to improve efficiency and focus on making things better & how they are done determines how successful the outcomes can be, and various mock site visits are also being conducted to give them the better understanding of how it is being done with actual customers.

- **Training sessions on Call Handling and Call Evaluation processes:** It helps us to understand the customer's requirement in a better way through right type of probing questions. Call is being audited on set parameters. Call quality report enables the project manager to understand where their team members need to work which results to keep everyone on the same page and this helps us in understanding the importance of each parameter on which the call would be rated/gauged. Also, regular feedback given to executive helps them to work on the area of improvement.

**Our endeavour is to make the Best Direct Sales team by 2021. Mentioned below are the few L&D initiatives that need to be completed in 2019 - 20**

- Categorization of team members into A, B and C players so that we can concentrate on the refreshers training and learning needs of each member of the sales team
- Defining the sales process with specific High-Performance Achiever's & monitoring system in place
- Designing a sales playbook for the sales team along with the structures for different scenarios
    - Effective follow-up techniques
    - Maximisation of referrals enquiry generation and increase the referral enquiry to sales conversion ratios

**Senior Living**

Our journey in the senior living space from 2003 till 2019 has been a journey of bringing smiles to our customer faces. This is a journey filled with lot of learnings, continuous evolution and continuous improvement. We presently have 05 Senior Living communities (Two Sr Living in Bhiwadi, one each in Jaipur, Lavasa and Chennai). Year 2018 -19 has been a great year for us as we have been able to make some good progress in terms of sales, marketing and maintenance services

- **Sales**
    - **Nirmay :-** We have been able to increase sales from 34 units to 67 Units . Phase 2 was launched in March and we have seen a good traction. This year target is 90 to 100 bookings.
    - **Shubham: -** We have launched Phase 3 and seen some good number of sales. We have sold 98 units in Shubham in FY 2018-19. This year target is 120 to 150 bookings
    - **Utsav:-** Due to the situation in Lavasa market, this year, our concentration was on resale and rental and we got the upscale in resale and rental . Next year, we are targeting 40 to 50 bookings.
- **Marketing**
    - We identified a need to tap new market specifically in metropolitan city for the senior living project and Chennai and Delhi has proved to be a right target market providing us around 4 bookings through our online, video and Tamil Sangam activation campaigns. Also, we opened the Shubham campaign for Bangalore market. The campaign fetched good number of leads for us, but we have to wait and see how many of them results in conversion of sale of units.
    - For 6 months we tried in Ustav, Lavasa for rentals and it was successful with 1,014 total leads at a cost of around ₹ 413 per lead and also 24 rentals were done.
    - Project video of Ashiana Shubham, Chennai depicting all the facilities along with customer sharing their experience at our Senior Living Project garnered a good response. The overall view was 11.83 Lakhs
    - A trial home campaign was started for Shubham to tweak our distant target customers, but it gave us an unsatisfying result. We thrive to give it some more time and will try this year as well by putting some different thoughts around the concept by also catering to the larger customers in the vicinity area of Chennai.
- **Maintenance services**

a. **Usage of dining facilities in new projects:** We were able to meet our own targets in terms of revenue and foot fall. Both Nirmay and Shubham Cafes have more than 80% of foot fall from existing residents and we have crossed the revenue barrier of ₹ 3 Lakhs each per month. Feedback received from the customers about dining services has been very encouraging.

b. **Activities and Wellness programs:** We did more than 12 planned activities per week and more than 80% of residents are participating in these activities regularly. We also conducted two wellness activities per month in each of project.

c. **Establish concierge and internal house keeping service-** We had to take it as a rock to understand what customer expectations are and how to deliver it. It took us almost 8 months time to reach bench marking standards. We have now fairly established these services.

d. **Wellness club and Wellness activities:** With a target of making every resident a member of the club and to conduct weekly wellness activities we are initiating volunteer group in all projects.

e. **Single resident welfare system:** There is a developed system where we keep a check on the seniors who live alone in our projects with either visiting them or making a call to them everyday; which is well established in older projects is rolled out in new projects also and its fully functional now.

f. We are developing a senior living training contents with SOPs, checklists, study materials, induction materials etc for the staff to develop special skill set for senior Living people.

g. We also faced few challenges where in we had to fine tune services at new projects with majority of staff being new to senior living environment.

**Jashn**

It is an annual event organized at any given Project location and it is a combined effort of Sales, Marketing and help from Maintenance team. We organized fifth Inter Senior Living competition "Jashn" at Bhiwadi. Our residents from all 5 senior living communities participated in large number in various sports competitions such as Table tennis, Chess, Carom, Walking Competitions along with various cultural competitions such as dance, song, standup comedy, drama, etc. Another milestone in terms of marketing is that we achieved on social media – Facebook has garnered a very good response. More than 1500 posts were uploaded and shared by our Senior Living residents.

## Marketing

**Customer engagement**

2018-19 has been a holistic deployment of an improved customer engagement journey by marketing at Ashiana. The focus did not entirely lie on just enquiry generation for sales but also on dissecting the customer journey at each and every level from enquiry to visit and then from booking to forever care. The idea was to engage our customer with a 360-degree proposition. The tools which helped us achieve our desired objectives were : Videos, Mass SMS and Email Campaign, Whatsapp nudges, timely complaint handling and much more.

1. **Video:** We understand that buying your own house is never a smooth sailing journey. We focused not only in selling/promoting our product but also on factual and informative content necessary to educate every home buyer to end up taking a right decision. Some of those videos include Information on RERA, CLSS Scheme, What mistakes customers make while choosing senior living; Checklist before you buy a home and many more.

   Total videos: 49 Total Views: 11,861,659 Cost per view: ₹ 0.27

2. **Nudges:** While taking the critical decisions of buying a home for a family, every customer explore multiple properties to suit his requirements and affordability. Connecting with customers through whatsapp nudges helped us to cater their needs in a better and convenient way without poking them with continuous calls. Nudges primarily included the intimations regarding Trial Homes, Site Visits, Running offers, project and location updates.

3. **Social media campaigns:** It is the biggest promotional and customer interaction tool nowadays, therefore we carried out some engaging campaigns on Social media to maintain that synergy with all our existing and new prospects. Much comprehensive participation was observed this year with campaigns like: Women's Day, Behtar Ashiana; Photography Contest, Behtar Parvarish ka Pata and much more. Through this campaigns we were able to reach 1,729,188 people and 95,051 people engaged with us.

4. **E-apna Ashiana:** We converted apna ashiana magazine into e-magazine, which helped us in reaching larger audience and more customer engagements. This resulted in generation of 68 enquiries.

5. **Smiles programme:** Ashiana Smiles is our Referral & Loyalty programme run by Flying Fish Ventures on behalf of Ashiana. The purpose of this program is to maximise our registrations through references by our existing customers to their acquaintances and hence encouraging them to experience Ashiana lifestyle. We also provide talking points to our customers to facilitate their conversations with their friends and family. Total registrations through this program have been 2,794 last year out of which 232 were silver members, 14 gold and 7 platinum members.

6. **Complaint handling on social media:** Customers' query should always be the first priority for every business down the line. To cater to our brand promise, we developed a dedicated complaint handling team for our social media platform as well. Our turnaround time is 24 hours and no query is left unresolved. Last year we have handled around 630 social media queries.

7. **Social media comments:** With increase in social media traction these days, comment section has become a major platform for customers to maintain continuous engagements. Last year, we have been able to engage with a lot of customers through the same. We received more than 1,570 enquiries on our pages especially on Facebook.

8. **Educational contents:** Our core purpose is to bring smile of satisfaction in the mind of our consumer and for that we want them to take careful home buying decisions with complete knowledge and prudence over the product. Therefore, we came up with some educational videos around Tips on Bricks (Comfort Homes), Ageing Gracefully (Senior Living) and Behtar Parvarish Ke Kisse (Kid Centric Homes) and respective educational blogs as well.

9. **Kid Centric Homes:** Last year a lot of activities were attained for our new launches – Ashiana Anmol (South Gurgaon) and Ashiana Umang (Jaipur). The promotions were kick-started through the Kid Centric Concept videos both in Delhi NCR & Jaipur market. We'd received ample and encouraging response with around 18 Lakhs views on these videos. This was further followed by a video on "Learning Hub" to educate and make aware our customers regarding the facilities we have in our Learning Hubs & how they can create difference in the lives of their kids.

   There was a dilemma for the people as they liked the Kid Centric Concept but had second thoughts to buy the home in Bhiwadi for some reason. In order to overcome the problem faced by our customers, we have created another trail video "Kashmakash – Buying a home is a dilemma" for Ashiana Town, Bhiwadi with a full view of 2.63 Lakhs & overall view 5.16 Lakhs.

The first ever Kid Centric Homes' conclave was conducted for Ashiana Anmol in Hotel Taj, Gurgaon. The purpose was to enlighten the customers about the significance & importance of Kid Centric Homes. Approx. 163 people attended the conclave.

Alongside, many blogs on parenting which were in line with Behtar Parvarish' concept were created and also promoted through social media and platforms like Taboola.

**Next year plan**

Next year our substantial focus will be on consumer engagement in Ashiana Smiles – Reference & Loyalty programme.

Aim is to increase our referral sale numbers in alignment with our annual sales theme – **Make It Double.** To achieve that goal our efforts will be on increasing the engagement level of our smiles members through nudges, relevant videos and blogs.

Survey will be conducted to comprehend the problems of our inactive customers. Also, we want to understand the reason why silver members couldn't succeed in getting gold memberships. Hence, we would target towards moving the silver level members to gold level.

## Outlook

The sector is witnessing a major change with the introduction of far reaching reforms like RERA and GST which is driving consolidation and will augur well for the industry in the long run. High quality players with a long term view will hugely benefit from this cyclical upturn. The signs of revival are clearly visible in the sector with improved transparency and policy making and the forthcoming year should witness further consolidation and recovery in the sector. We believe that all these developments have created a strong business development opportunity for us. We are driving key thrusts like creating Best Sales Team, Kid Centric Homes as a separate category and impetus on Training and Development which will bring about fundamental changes and enable sustainable long-term growth for us.

# Directors' Report

To,
The Shareholder(s),

Your Directors have pleasure in presenting the 33rd Annual Report together with the audited financial statement of the company for the year ended on 31st March 2019.

## Financial Summary and State of Affairs

**Standalone** ₹ in Lakhs

| Sl. No. | Particulars | Current Year 2018-19 | Previous Year 2017-18 |
|---|---|---|---|
| 1. | Sales and other income | 31,230 | 30,083 |
| 2. | Profit before Depreciation | 3,454 | 5,563 |
| 3. | Depreciation | 804 | 725 |
| 4. | Profit after Depreciation but before Taxation | 2,650 | 4,838 |
| 5. | Provision for Taxation | 882 | 963 |
| 6. | Profit after Depreciation and Taxation | 1,768 | 3,875 |
| 7. | Surplus brought forward from previous year | 3,416 | 3,369 |
| 8. | Profit available for Appropriation | 5,184 | 7,244 |
| 9. | Proposed Dividend/ Interim Dividend | (256) | (256) |
| 10. | Tax on Proposed Dividend/Interim Dividend | (53) | (52) |
| 11. | Transfer to Other Comprehensive income | 19 | (9) |
| 12. | Transfer from FVTOCI Reserve | 1,387 | 239 |
| 13. | Transfer to General Reserve | (2,500) | (4,000) |
| 14. | Transfer to Debenture Redemption Reserve | (562) | - |
| 15. | Transfer from Debenture Redemption Reserve | 200 | 250 |
| 16. | Balance Surplus carried to Balance Sheet | 3,420 | 3,416 |

**Consolidated** ₹ in Lakhs

| Sl. No. | Particulars | Current Year 2018-19 | Previous Year 2017-18 |
|---|---|---|---|
| 1. | Sales and other income | 35,063 | 33,492 |
| 2. | Profit before Depreciation | 3,210 | 5,606 |
| 3. | Depreciation | 815 | 732 |
| 4. | Profit after Depreciation but before Taxation | 2,395 | 4,874 |
| 5. | Provision for Taxation | 1,017 | 1,051 |
| 6. | Profit after Depreciation and Taxation | 1,378 | 3,823 |
| 7. | Surplus brought forward from previous year | 3,292 | 3,298 |
| 8. | Profit available for Appropriation | 4,670 | 7,121 |
| 9. | Proposed Dividend/ Interim Dividend | (256) | (256) |
| 10. | Tax on Proposed Dividend/Interim Dividend | (53) | (52) |
| 11. | Transfer to Other Comprehensive income | 37 | (9) |
| 12. | Transfer from FVTOCI Reserve | 1,387 | 239 |
| 13. | Transfer to General Reserve | (2,500) | (4,000) |
| 14. | Transfer to Debenture Redemption Reserve | (562) | - |
| 15. | Transfer from Debenture Redemption Reserve | 200 | 250 |
| 16. | Balance Surplus carried to Balance Sheet | 2,922 | 3,292 |

## Key Highlights of the Business and Operations:

- The company registered an improved sales volume of 10.79 lakhs sq. ft. Vs. 6.93 lakhs sq. ft. in FY18. The average realisation price decreased from ₹3,135 in FY18 to ₹3,082 in FY19.
- On execution front, we clocked an Equivalent Area Constructed (EAC) of 7.68 lakhs sq. ft. (AHL: 5.31 lakhs sq. ft. and partners: 2.37 lakhs sq. ft.).

  A brief summary of the on-going projects as on 31st March 2019 are as follows:

| Project Name & Location | Type | Saleable Area (lakhs sq. ft.) | Area Booked as on 31-03-2019 (lakhs sq. ft.) |
|---|---|---|---|
| Ashiana Nirmay (Phase-2) (Bhiwadi) | Senior Living | 1.18 | 0.58 |
| Ashiana Umang (Phase -4) (Jaipur) | Kid Centric | 2.56 | 1.65 |
| Vrinda Gardens* (Phase-3B) (Jaipur) | Comfort Homes | 3.06 | 1.74 |
| Gulmohar Gardens* (Phase 8) (Jaipur) | Comfort Homes | 1.43 | 1.39 |
| Ashiana Navrang (Phase-3) (Halol) | Comfort Homes | 0.19 | 0.02 |
| Ashiana Shubham (Phase-2 & Phase-3) (Chennai) | Senior Living | 3.25 | 1.15 |
| Ashiana Utsav (Phase-4) (Lavasa) | Senior Living | 0.63 | 0 |
| Ashiana Anmol (Sohna) | Kid Centric | 4.16 | 2.42 |
| **Total** | | **16.45** | **8.95** |

* In partnership

**Note:** Ashiana Utsav Lavasa Phase IV construction has commenced, yet to launch for sales

During the financial year under review there is no change in the nature of business of your company.

**Launches & New Land Parcel acquired:**

Launches pertaining to the business of your company, including its subsidiaries and partnerships, for the year 2018-19 and period subsequent thereto are given hereunder:

a) **Ashiana Shubham, Chennai (Tamil Nadu):** Launched Phase-III of project Ashiana Shubham Senior Living in Chennai (Tamil Nadu) comprising 1/2/3 BHK flats with total saleable area of approximately 1.78 lakhs sq. ft.

b) **Ashiana Umang, Jaipur (Rajasthan):** Launched Phase -IV of project Ashiana Umang Kid Centric Homes in Jaipur (Rajasthan) comprising 2/3 BHK flats with total saleable area of approximately 2.56 lakhs sq. ft.

c) **Ashiana Daksh Land:** The company has acquired a land parcel

measuring 6.67 acres situated at Village Shri Kishanpura, Jagatpura, Tehsil Sanganer, Dist. Jaipur, Rajasthan. Ashiana is proposing to develop a Comfort Homes project which will have a saleable area of approximately 6.15 lakhs sq. ft.

**Recognitions:**

During the year under review your company was accorded the following awards:

a) Received Bhamashah Award from the Govt. of Rajasthan for the 6th consecutive year. The Government has also conferred the title "Shiksha Bhushan" for Ashiana's contribution to basic education in the state of Rajasthan.

b) Recognised for Real Estate Website of the year by 'Realty+ Excellence Awards (North) 2018';

c) Recognised for digital Campaign of the year "Behatar Parvarish ka Pata" by ABP News;

d) Recognised as Best Theme based Project "Ashiana Umang-Kid Centric" by Realty+ Excellence Awards (North) 2018;

**Other developments**

- CARE has maintained our credit rating as "CARE A(Is) [Single A (Issuer Rating)]";
- Hand over started of Phase VII Gulmohar Gardens;
- Hand over started of Phase II Ashiana Dwarka;
- Hand over started of Phase IIIA of Vrinda Gardens;
- Hand over started of Phase V of Ashiana Surbhi;
- Hand over started of Phase I of Ashiana Tarang

## Management Discussion Analysis

Management Discussion Analysis which forms part of Directors' Report as per clause 34(2)(e) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given in the annual report.

## Capital and Debt Structure

Share capital of the company consist of equity capital only.

There has been no change in authorised, issued and subscribed capital of the company during the period under review. There are no shares with differential rights as to dividend, voting or otherwise. Further, there are no debentures with convertible rights. During the financial year under review the company had issued and allotted NCDs of ₹118.74 crores through private placement. Out of these NCDs of ₹100 crores were issued to ICICI Prudential Regular Savings Plan and of ₹18.74 crores to International Finance Corporation. Also, the company issued and allotted NCDs of ₹50 Crores during the financial years 2015-16 and 2016 -17. Details of all the outstanding NCDs are given below:

| Sl. No. | Name of the Allottees | ISIN of Active NCDs | Coupon Rate | Outstanding as on 31.03.2019 | Brief Terms |
|---|---|---|---|---|---|
| 1. | ICICI Prudential Regular Savings Plan* issued ₹100 Crores | INE365D07077 | 10.15% Payable quarterly* | 93.60 crores | Non-convertible, Redeemable, Listed, Rated, Secured against Unsold Inventory and Receivables thereon, Tenure: 5 years from the date of allotment i.e. 26th April 2018 |
| 2. | International Finance Corporation** | INE365D08018 | Eight percent 8% per annum provided that the interest rate may be varied in accordance with the reset process set out in the Debenture Trust Deed. | 18.74 crores | Non-convertible, Redeemable, Rated,Unsecured, Listed, Tenure: 20 years from the date of allotment i.e. 28th September 2018. |
| 3. | Syndicate Bank | INE365D07036 | 11.45% | 10 crores | Non-convertible, Redeemable,Rated Secured against Land of Ashiana Aangan, Neemrana Phase-2 and Unsold Inventory of Ashiana Umang, Tenure: 4years |
| 4. | Bank of Maharastra | INE365D07069 | 11.45% | 7 crores | Non-convertible, Redeemable, Rated Secured against Land of Ashiana Aangan, Neemrana Phase-2 and Unsold Inventory of Ashiana Umang, Tenure: 4years |

| Sl. No. | Name of the Allottees | ISIN of Active NCDs | Coupon Rate | Outstanding as on 31.03.2019 | Brief Terms |
|---|---|---|---|---|---|
| 5. | AK Capital Services Ltd.; | INE365D07051 | 11% | 5 crores | Non-convertible, Redeemable, Rated, Secured against Land of Ashiana Aangan, Neemrana Phase-2 and Unsold Inventory of Ashiana Umang, Tenure: 3 years |

In all the above issues of NCDs VISTRA ITCL (India) Limited has been appointed as Debenture Trustee. All the above NCDs are listed on BSE.

*However, the above arrangement was modified in March 2019, wherein the redemption was made monthly, contingent upon collections in the Escrow Account. Redemption to be made in multiples of ₹10 lakhs.

**The investment is for the identified project of the company "Ashiana Daksh" with returns linked to project specific returns,

Note: Details of the Credit Ratings are provided in the Management Discussion & Analysis section forming part of the Directors' Report.

## Extract of Annual Return

An extract of the Annual Return of your company, pursuant to Section 92(3) of the Companies Act, 2013, is given herewith as Annexure I. The annual return of the company for the financial year 2018-19, after filing with the Ministry of Corporate Affairs, can also be obtained from https://www.ashianahousing.com/real-estate-investors/investors-information

## Number of Meetings of the Board of Directors

The Board of Directors duly met four times during the year, in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the minutes book maintained for the purpose.

## Directors' Responsibility Statement

As required under Section 134(5) of the Companies Act, 2013, the Directors of your company hereby states that:

1. In the preparation of the annual accounts, the applicable Accounting Standards had been followed along with proper explanation relating to material departures;
2. The Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the Profit and Loss of the company for that period;
3. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
4. The Directors had prepared the annual accounts on a going concern basis;
5. The Directors had laid down Internal Financial Controls to be followed by the company and that such Internal Financial Controls were adequate and were operating effectively;
6. The Directors had devised proper system to ensure compliance with the provisions of all applicable laws and such system were adequate and operating effectively.

## Disclosures from Independent Directors

Mr. Abhishek Dalmia, Mr. Hemant Kaul, Mr. Narayan Anand, Ms. Piyul Mukherjee and Ms. Sonal Mattoo, all independent directors of the company have given the requisite declaration in the first Board meeting for the FY'19 stating that they meet the criteria of independence as provided in Section 149(6) of Companies Act, 2013 and that they have adhered and have complied with the Code of Conduct for Independent Directors as prescribed in Schedule IV of the Act and Code of Conduct of the company.

## Audit Committee and Vigil Mechanism

Details of the Audit committee, terms of reference of the audit committee and vigil mechanism of the company are given in the Corporate Governance section of the annual report which forms part of the Director's Report.

## Policy of Nomination and Remuneration Committee

Details of the Nomination & Remuneration Committee, terms of reference of this Committee are given in the Corporate Governance section of the annual report which forms part of the Director's Report.

## Reservation and qualification in Auditor's Report

There are no adverse remarks or any reservation or qualifications either by the Statuary Auditors of the company or by the Secretarial Auditor in their report for the year under review.

## Remuneration of Directors

The disclosure pursuant to Section 197(12) of the Companies Act, 2013 relating to the remuneration of each director is given in Annexure II.

## Loans, Guarantee and Investments

The particulars of Loans, Guarantee and Investments made by company under Section 186 of Companies Act, 2013 are given in Annexure III.

## Particulars of Related Party Transaction

The particulars of related party transactions entered into by the company during the year pursuant to Section 188 of Companies Act, 2013, are given in Annexure IV.

## General Reserve

An Amount of ₹ 250,000,000 has been transferred to General Reserve in respect of Financial Year under review.

## Dividend

The Board of Directors of your company has recommended the final dividend @ 12.50 % i.e. ₹0.25 per equity share of ₹2/- for the Financial Year 2018-19, approval for which is being placed before the members in the upcoming Annual General Meeting.

## Material Changes and Commitments

There have been no material changes and commitments which have affected the financial position of the company between the end of financial year and the date of this report.

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

Particulars with respect to Conservation of Energy and Technology Absorption as per section 134(3)(m) read with Rule 8(3) of Chapter IX of the Companies Act, 2013 are given in Annexure V.

During the year under review there has been no foreign exchange earnings but there has been foreign exchange outgo of ₹140 Lakhs.

## Risk Management

Your company has a Risk Management Committee. Details of the Risk Management Committee and Risk Management Policy are given in the Corporate Governance section of the Annual Report. Major risk perception of the management which may threaten existence of the company are discussed in the Management Discussion and Analysis section of the Annual Report.

## Corporate Social Responsibility Initiatives

Details of the Corporate Social Responsibility Committee and its policy are given in the Corporate Governance section and in Management Discussion and Analysis section of the annual report which forms part of the Directors' Report.

A report on Corporate Social Responsibility initiatives undertaken by the company during the year are given in Annexure VI.

## Formal Annual Evaluation of the Board

A statement indicating the performance of the Board and its committee and its individual directors is given in Annexure VII.

## Directors

Your company has eight directors namely Mr. Vishal Gupta, Mr. Ankur Gupta, Mr. Varun Gupta, Executive Directors and Mr. Abhishek Dalmia, Mr. Hemant Kaul, Mr. Narayan Anand, Ms. Piyul Mukherjee and Ms. Sonal Mattoo as Independent Directors.

During the year under review the Board had appointed Mr. Narayan Anand and Ms. Piyul Mukherjee as Independent Directors in their meeting held on 11th February, 2019. Ms. Piyul Mukherjee is a new director on the Board.

## Subsidiary Companies

During the under review, no new company became subsidiary of your company. However, two subsidiaries namely MG Homecraft LLP and Neemrana Builders LLP have been struck off during the year under review.

A statement pursuant to Rule 5 & 8 of Chapter IX of the Companies Act, 2013 containing salient features of the financial statements of the subsidiaries/associate companies/joint ventures of the company and their contribution to the overall performance of the company during the period under review is given in Annexure VIII.

## Fixed Deposits

During the year under review your company had neither invited nor accepted any deposits from the public in terms of the provisions of the Companies Act, 2013 read with Rules.

## Orders of Court/Tribunal/Regulator

During the year under review there no order passed by the regulators or courts or tribunals which was material enough to impact the going concern status and operations of your company.

## Internal Financial Controls

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation were observed. Please also refer to Internal Controls section in the Management Discussion and Analysis which forms part of the Director's Report.

## Auditors

**a) Statutory Auditors**

The shareholders of the company had appointed M/S. VMSS & Associates, Chartered Accountants, as Statutory Auditors of the company for a period of five years from the conclusion of their Annual General Meeting held on 28th August, 2017.

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

**b) Secretarial Audit Report**

The Board had appointed M/s. A.K. Verma & Co., Practising Company Secretary, to conduct Secretarial Audit for the financial year 2018-19. The Secretarial Audit Report for the financial year ended 31st March, 2019 is given in Annexure IX. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark. The company has compiled with the applicable Secretarial Standard Issued by the ICSI.

**c) Cost Auditor**

Maintenance of Cost Records and Cost Audit as prescribed under section 148 of the Companies Act, 2013 are applicable on your company and accordingly such records and accounts are maintained by the company. Your company also gets annual audit of cost records under this section.

Based on the recommendation of audit committee, Mr. Santosh Pant of M/s. Pant S. & Associates, Cost Accountants having Membership No. 32283, had been appointed by the Board as the Cost Auditors of the company for the Financial Year 2018-19. Remuneration approved by the shareholders in their last AGM. Further the Board has appointed him as Cost Auditor for the FY 2019-20 subject to ratification of remuneration by the Shareholders in their upcoming AGM. The company has received a letter from him to the effect that this appointment would be within the limits prescribed under section 141(3)(g) of the Companies Act, 2013 and that he is not disqualified for such appointment in terms of the provisions of the Companies Act, 2013.

## Compliance with the provisions under The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Your company has complied with the provisions of the above Act in letter and spirit. Your company has an Internal Complaints Committee to look after any complaints of this sort.

## Transfer of dividend and shares to Investor Education and Protection Fund

The company transferred on 13th November 2018, ₹18,80,504/- to the Investor Education and Protection Fund established by the Central Government in compliance with section 125 of the Companies Act, 2013. This amount represented the unclaimed dividend in respect of the financial year 2010-11, which was lying with the company for a period of seven years from the date of transfer to unpaid-unclaimed dividend account. Prior to transferring the aforesaid sum, the company had sent reminders to the shareholders, and also been reminding to the shareholders about unpaid unclaimed dividend in every AGM notice. The company had transferred 407,787 number of shares to the Investor Education and Protection Fund established by the Central Government in compliance with section 125 of the Companies Act, 2013. These shares are in respect of which dividend has not been paid or claimed for seven consecutive years. Prior to transferring the aforesaid shares, the company had sent reminders to the shareholders. The Company Secretary, Mr. Nitin Sharma, is the Nodal Officer for the transfer of shares to Investor Education Protection Fund and the shareholder can check details of their shares on website https://www.ashianahousing.com/real-estate-investors/financial-reports#3 or can mail at nitin.sharma@ashianahousing.com.

## Particulars of Employees and Related Disclosures

During the year under review none of the employees of the company was in receipt of the remuneration of ₹ 1.02 Crore p.a. or ₹ 8.50 Lakhs as the case may be as specified in rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, read with the provisions of section 197(12) of the Companies Act, 2013, or was in receipt of the remuneration in excess of that drawn by Managing Director or Whole Time Director, and is/was holding, alongwith his/her spouse and dependent children not less than two percent of the equity shares of the company. List of top ten employees in terms of remuneration drawn is given in Annexure II.

## Other Committees of Board

The details of the other committees of Board has been stated under Corporate Governance Section of the Annual Report.

## Acknowledgements

The Board of Directors takes this opportunity to express its grateful thanks and wish to place on record its appreciation to the Government of India, the Govt. of Rajasthan, the Government of Maharashtra, the Govt. of Jharkhand, the Govt. of Gujarat, the Govt. of Haryana, the Govt. of West Bengal and Govt. of Tamil Nadu and their agencies for providing us excellent business opportunities, to our bankers for their continued support and guidance from time to time and to the employees of the company at all levels for the continued co-operation and unstinted support extended to the company. The Directors also express their sincere thanks to all the shareholders, suppliers/vendors, investors and customers for their continued support and trust they have reposed in the Management.

For and on behalf of the Board

**Vishal Gupta** (Managing Director)

**Ankur Gupta** (Jt. Managing Director)

# ANNEXURE I

**Extract of the Annual Return as on the financial year ended on 31st March 2019**

## I. Registration and other details:

| Particulars | Details |
|---|---|
| Corporate Identification No. (CIN) | L70109WB1986PLC040864 |
| Registration Date | 25th June, 1986 |
| Name of the Company | Ashiana Housing Ltd. |
| Category / Sub-Category of the Company | Non- Government Company |
| Address of the Registered office and contact details | 11G Everest, 46/C, Chowringhee Road, Kolkata-700071 |
| Whether listed company | Yes |
| Name, Address and Contact details of Registrar and Transfer Agent, | Beetal Financial & Computer Service Pvt. Ltd., Beetal House, 3rd Floor, 99, Madangir, Near Dada Harsukhdas Mandir, Behind Local Shopping Centre, New Delhi – 110 062. |

## 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:

| Sl. No. | Name and description of main products / services\ | INIC Code of the Product/ service | % to total turnover of the company |
|---|---|---|---|
| 1. | Real estate activities with own or leased property | 4100 | 96.81% |

## III. Particulars of Holding, Subsidiary and Associate Companies

| Sl. No. | Name & Address of the company | CIN/GLN | Holding/ Subsidiary/ Associate | % of shares held | Applicable section |
|---|---|---|---|---|---|
| 1. | **Latest Developers Advisory Ltd.** (11G Everest, 46/C, Chowringhee Road, Kolkata – 700071) | U74140WB2010PLC151246 | Subsidiary company | 100% | 2(87) |
| 2. | **Topwell Projects Consultants Ltd.** (11G Everest, 46/C, Chowringhee Road, Kolkata – 700071) | U74140WB2010PLC151254 | Subsidiary company | 100% | 2(87) |

Note: There is no holding or associate company of Ashiana Housing Ltd.

## IV. Shareholding Pattern

### (i) Category-wise Shareholding

| Category of Shareholders | No. of Shares held at the beginning of the year | | | | No. of Shares held at the end of the year | | | | % Change during the year |
|---|---|---|---|---|---|---|---|---|---|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| **A. Promoters** | | | | | | | | | |
| **(1) Indian** | | | | | | | | | |
| a) Individual /HUF | 60,734,475 | - | 60,734,475 | 59.34 | 60,734,475 | - | 60,734,475 | 59.34 | - |
| b) Central Govt | - | - | - | | - | - | - | - | - |
| c) State Govt (s) | - | - | - | | - | - | - | - | - |
| d) Bodies Corp. | 1,738,285 | - | 1.70 | 1,738,285 | - | - | 1,738,285 | 1.70 | - |
| e) Banks / FI | - | - | - | - | - | - | - | - | - |
| f) Any Other | - | - | - | - | - | - | - | - | - |
| **Sub-total (A) (1):-** | **62,472,760** | **-** | **62,472,760** | **61.04** | **62,472,760** | **-** | **62,472,760** | **61.04** | **-** |
| **(2) Foreign** | - | - | - | - | - | - | - | - | - |
| a) NRIs - Individuals | - | - | - | - | - | - | - | - | - |
| b) Other – Individuals | - | - | - | - | - | - | - | - | - |

| Category of Shareholders | No. of Shares held at the beginning of the year | | | | No. of Shares held at the end of the year | | | | % Change during the year |
|---|---|---|---|---|---|---|---|---|---|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| c) Bodies Corp. | - | - | - | - | - | - | - | - | - |
| d) Banks / FI | - | - | - | - | - | - | - | - | - |
| e) Any Other.... | - | - | - | - | - | - | - | - | - |
| **Sub-total (A) (2):-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **-** |
| **Total shareholding of Promoter (A)= (A)(1)+(A)(2)** | **62,472,760** | **-** | **62,472,760** | **61.04** | **62,472,760** | **-** | **62,472,760** | **61.04** | **-** |
| **B. Public Shareholding** | | | | | | | | | |
| **1. Institutions** | | | | | | | | | |
| a) Mutual Funds | 5,648,290 | - | 5,648,290 | 5.51 | 71,718,121 | - | 7,171,812 | 7.00 | 1.49 |
| b) Banks / FI | 58,042 | 3,500 | 61,542 | 0.06 | 53,934 | 3,500 | 56,894 | 0.05 | 0.01 |
| c) Central Govt | - | - | - | - | - | - | - | - | - |
| d) State Govt(s) | - | - | - | - | - | - | - | - | - |
| e) Venture Capital Funds | - | - | - | - | - | - | - | - | - |
| f) Insurance Companies | - | - | - | - | - | - | - | - | - |
| g) FIIs | 3,985,549 | 169,750 | 4,155,299 | 4.05 | 1,481,871 | 169,750 | 1,651,621 | 1.61 | 2.44 |
| h) Foreign Venture Capital Funds | - | - | - | - | - | - | - | - | - |
| i) Others specify) | - | - | - | - | - | - | - | - | - |
| **Sub-total (B)(1):-** | **9,691,881** | **173,250** | **9,865,131** | **9.63** | **8,707,077** | **169,750** | **8,823,433** | **8.61** | **3.94** |
| **2. Non Institutions** | | | | | | | | | |
| a)Bodies Corp. | | | | | | | | | |
| i) Indian | 5,198,602 | 7,000 | 5,205,602 | 5.08 | 4,641,398 | 7,000 | 4,648,398 | 4.54 | 0.54 |
| ii) Overseas | 175 | - | 175 | - | 175 | - | 175 | - | - |
| b) Individuals | | | | | | | | | |
| i) Individual Shareholders holding nominal share capital upto ₹1 lakh | 13,295,380 | 3,772,506 | 17,067,886 | 16.67 | 15,526,749 | 3,225,791 | 18,752,540 | 18.32 | 1.65 |
| ii) Individual Shareholders holding nominal share capital in excess of ₹1 lakh | 5,658,829 | 87,500 | 5,746,329 | 5.61 | 2,851,011 | - | 2,851,011 | 2.78 | 2.83 |
| c) Others | | | | | | | | | |
| i) NRI | 1,323,488 | 13,500 | 1,336,988 | 1.30 | 1,669,353 | 12,625 | 1,681,978 | 1.64 | 0.34 |
| ii) Clearing members | 50,069 | - | 50,069 | 0.04 | 35,924 | - | 35,924 | 0.03 | 0.01 |
| iii) HUF | 593,693 | - | 593,693 | 0.58 | 570,545 | - | 570,545 | 0.55 | 0.03 |
| iv) Trusts | 14,175 | - | 14,175 | 0.01 | 21,216 | - | 21,216 | 0.02 | 0.01 |
| v) IEPF Authority | 2,437,225 | - | 2,437,225 | 2.37 | 2,437,225 | - | 2,437,225 | 2.37 | 2.37 |
| **Sub-total (B)(2):-** | **26,133,702** | **3,880,506** | **30014208** | **29.32** | **27,753,596** | **3,245,416** | **30,999,012** | **30.02** | **0.7** |
| **Total Public shareholding (B) = (B)(1)+(B)(2)** | **35,825,583** | **4,053,756** | **39,879,339** | **38.96** | **36,460,673** | **3,418,666** | **39,879,339** | **38.96** | |
| C. Shares held by Custodian for GDRs & ADRs | - | - | - | - | - | - | - | - | - |
| **Grand Total (A+B+C)** | **94,668,069** | **4,227,006** | **102,352,099** | **100** | **95,482,448** | **3,418,666** | **102,352,099** | **100** | **-** |

**(ii) Shareholding of Promoters**

| Sl. No. | Promoter's Name | Shareholding at the beginning of the year | | | Shareholding at the end of the year | | | %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 vshares | |
| 1. | Mr. Vishal Gupta | 1,40,34,340 | 13.71 | Nil | 1,40,34,340 | 13.71 | Nil | Nil |
| 2. | Mr. Ankur Gupta | 2,02,44,825 | 19.78 | Nil | 2,02,44,825 | 19.78 | Nil | Nil |
| 3. | Mr. Varun Gupta | 2,02,44,825 | 19.78 | Nil | 2,02,44,825 | 19.78 | Nil | Nil |
| 4. | Ms. Rachna Gupta | 62,10,485 | 6.07 | Nil | 62,10,485 | 6.07 | Nil | Nil |
| 5. | OPG Realtors Ltd. | 17,38,285 | 1.70 | Nil | 17,38,285 | 1.70 | Nil | Nil |
| | **Total** | **6,24,72,760** | **61.04** | **Nil** | **6,24,72,760** | **61.04** | **Nil** | **Nil** |

**(iii) Change in Promoters' Shareholding**

There are no changes in Promoters' Shareholding

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

| Sl. No. | Name of the Shareholders | At the beginning of the year (i.e. 01.04.2018) | | At the end of the year (i.e 31.03.2019) | | Cumulative Shareholding during the year | | Increase / Decrease in Share holding during the year | Reasons (for increase / decrease (e.g. allotment / transfer /bonus / sweat equity etc) |
|---|---|---|---|---|---|---|---|---|---|
| | | No. of Shares | % of total Shares of the company | No. of Shares | % of total Shares of the company | No. of shares | % of total Shares of the company | | |
| 1. | ICICI Prudential Balance Fund | 22,59,790 | 2.2079 | 51,09,790 | 4.99 | 5,059,790 (on 15th June) | 4.943 (on 15th June) | Purchased 2,800,000 (on 15th June) | Transfers |
| | | | | | | 5,069,502 (on 7th Dec) | 4.953 (on 7th Dec) | Purchased 9,712 (on 7th Dec) | |
| | | | | | | 5,091,668 (on 14th Dec) | 4.974 (on 14th Dec) | Purchased 22,166 (on 14th Dec) | |
| | | | | | | 5,109,790 (on 21st Dec) | 4.992 (on 21st Dec) | Purchased 18,122 (on 21st Dec) | |
| 2. | Investor Education & Protection Fund Authority | 24,37,225 | 2.381 | 24,37,225 | 2.381 | NIL | NIL | NIL | |
| 3. | SBI Small and Midcap Fund | 19,90,000 | 1.944 | 20,62,022 | 2.014 | 1,976,722 (on 20th April) | 1.9313 (on 20th April) | Sold 13,278 (on 20th April) | Transfers |
| | | | | | | 1,908,063 (on 27th April) | 1.864 (on 27th April) | Sold 68,659 (on 27th April) | |
| | | | | | | 1,870,000 (on 4th May) | 1.827 (on 4th May) | Sold 38,063 (on 4th May) | |
| | | | | | | 1,972,400 (on 3rd Aug) | 1.927 (on 3rd Aug) | Purchased 1,02,400 (on 3rd Aug) | |
| | | | | | | 1,977,048 (on 10th Aug) | 1.9316 (on 10th Aug) | Purchased 4,648 (on 10th Aug) | |
| | | | | | | 2,023,022 (on 17th Aug) | 1.976 (on 17th Aug) | Purchased 45,974 (on 17th Aug) | |
| | | | | | | 2,028,022 (on 24th Aug) | 1.9814 (on 24th Aug) | Purchased 5,000 (on 24th Aug) | |

| Sl. No. | Name of the Shareholders | At the beginning of the year (i.e. 01.04.2018) | | At the end of the year (i.e 31.03.2019) | | Cumulative Shareholding during the year | | Increase / Decrease in Share holding during the year | Reasons (for increase / decrease (e.g. allotment / transfer /bonus / sweat equity etc) |
|---|---|---|---|---|---|---|---|---|---|
| | | No. of Shares | % of total Shares of the company | No. of Shares | % of total Shares of the company | No. of shares | % of total Shares of the company | | |
| | | | | | | 2,038,622 (on 23rd Nov) | 1.9918 (on 23rd Nov) | Purchased 10,600 (on 23rd Nov) | |
| | | | | | | 2,062,022 (on 30th Nov) | 2.014 (on 30th Nov) | Purchased 23,400 (on 30th Nov) | |
| 4. | M3 Investments (P) Ltd. | 15,00,000 | 1.465 | 15,00,000 | 1.465 | NIL | NIL | NIL | |
| 5. | Cellour Commercial (P) Ltd. | 10,26,452 | 1.002 | 10,26,452 | 1.002 | NIL | NIL | NIL | |
| 6. | Satish Chandra Katyal | 5,58,504 | 0.545 | 5,58,504 | 0.545 | NIL | NIL | NIL | |
| 7. | Alok Lodha | 4,33,443 | 0.423 | 4,84,017 | 0.472 | 443,443 (on 15th Jun) | 0.433 (on 15th Jun) | Purchased 10,000 (on 15th Jun) | Transfers |
| | | | | | | 467,118 (on 03rd Aug) | 0.456 (on 3rd Aug) | Purchased 23,675 (on 3rd Aug) | |
| | | | | | | 468,802 (on17th Aug) | 0.458 (on17th Aug) | Purchased 1,684 (on 17th Aug) | |
| | | | | | | 473,802 (on 07th Sep) | 0.462 (on 07th Sep) | Purchased 5,000 (on 07th Sep) | |
| | | | | | | 474,017 (on 5th Oct) | 0.463 (on 5th Oct) | Purchased 215 (on 5th Oct) | |
| | | | | | | 484,017 (on 09th Nov) | 0.472 (on 09th Nov) | Purchased 10,000 (on 09th Nov) | |
| 8. | AMUNDI Funds SBI FM Equity India Select | 2,20,000 | 0.214 | 3,50,000 | 0.342 | 350,000 (on 29th Jun) | 0.342 (on 29th Jun) | Purchased 130,000 (on 29th Jun) | Transfers |
| 9. | Shobha Katyal | 2,66,680 | 0.26 | 2,66,680 | 0.26 | Nil | Nil | Nil | |
| 10. | Banaras House Engineering (P) Ltd. | 2,50,000 | 0.244 | 2,59,000 | 0.253 | 260,000 (on 27th Jul) 259,000 (on 29th Mar) | 0.254 (on 27th Jul) 0.253 (on 29th Mar) | Purchased 10,000 (on 27th Jul) Sold 1,000 (on 29th Mar) | Transfers |
| 11. | Pace Stock Broking Services Private Limited | 17,260 | 0.0169 | 2,45,417 | 0.2398 | 2,360 (on 6th Apr) | 0.002 (on 6th Apr) | Sold 14,900 (on 6th Apr) | Transfers |
| | | | | | | 1,560 (on 13th Apr) | 0.001 (on 13th Apr) | Sold 800 (on 13th Apr) | |
| | | | | | | 1,360 (on 20th Apr) | 0.001 (on 20th Apr) | Sold 200 (on 20th Apr) | |
| | | | | | | 1,560 (on 27th Apr) | 0.001 (on 27th Apr) | Purchased 200 (on 27th Apr) | |
| | | | | | | 1,360 (on 11th May) | 0.0013 (on 11th May) | Sold 200 (on 11th May) | |

| Sl. No. | Name of the Shareholders | At the beginning of the year (i.e. 01.04.2018) | | At the end of the year (i.e 31.03.2019) | | Cumulative Shareholding during the year | | Increase / Decrease in Share holding during the year | Reasons (for increase / decrease (e.g. allotment / transfer /bonus / sweat equity etc) |
|---|---|---|---|---|---|---|---|---|---|
| | | No. of Shares | % of total Shares of the company | No. of Shares | % of total Shares of the company | No. of shares | % of total Shares of the company | | |
| | | | | | | 260 (on 18th May) | 0.0003 (on 18th May) | Sold 1,100 (on 18th May) | |
| | | | | | | 160 (on 15th Jun) | 0.0002 (on 15th Jun) | Sold 100 (on 15th Jun) | |
| | | | | | | 7,660 (on 29th Jun) | 0.007 (on 29th Jun) | Purchased 7,500 (on 29th Jun) | |
| | | | | | | 160 (on 13th Jul) | 0.0002 (on 13th Jul) | Sold 7,500 (on 13th Jul) | |
| | | | | | | 20160 (on 20th Jul) | 0.019 (on 20th Jul) | Purchased 20000 (on 20th Jul) | |
| | | | | | | 160 (on 3rd Aug) | 0.0002 (on 3rd Aug) | Sold 20,000 (on 3rd Aug) | |
| | | | | | | 20,160 (on 24th Aug) | 0.019 (on 24th Aug) | Purchased 20,000 (on 24th Aug) | |
| | | | | | | 160 (on 7th Sep) | 0.0007 (on 7th Sep) | Sold 20,000 (on 7th Sep) | |
| | | | | | | 20,160 (on 21st Sep) | 0.019 (on 21st Sep) | Purchased 20,000 (on 21st Sep) | |
| | | | | | | 395,175 (on 9th Nov) | 0.386 (on 9th Nov) | Purchased 375,015 (on 9th Nov) | |
| | | | | | | 330,236 (on 16th Nov) | 0.322 (on 16th Nov) | Sold 64,939 (on 16th Nov) | |
| | | | | | | 327,453 (on 23rd Nov) | 0.319 (on 23rd Nov) | Sold 2,783 (on 23rd Nov) | |
| | | | | | | 275,243 (on 30th Nov) | 0.268 (on 30th Nov) | Sold 52,210 (on 30th Nov) | |
| | | | | | | 275155 (on 7th Dec) | 0.268 (on 7th Dec) | Sold 88 (on 7th Dec) | |
| | | | | | | 465,477 (on 21st Dec) | 0.454 (on 21st Dec) | Purchased 190,322 (on 21st Dec) | |
| | | | | | | 275,155 (on 28th Dec) | 0.268 (on 28th Dec) | Sold 190,322 (on 28th Dec) | |
| | | | | | | 278,155 (on 1st Feb) | 0.271 (on 1st Feb) | Purchased 3,000 (on 1st Feb) | |
| | | | | | | 275,155 (on 8th Feb) | 0.268 (on 8th Feb) | Sold 3,000 (on 8th Feb) | |
| | | | | | | 280,155 (on 22nd Feb) | 0.273 (on 22nd Feb) | Purchased 5,000 (on 22nd Feb) | |
| | | | | | | 245,417 (on 29th Mar) | 0.239 (on 29th Mar) | Sold 34,738 (on 29th Mar) | |
| 12. | The Emerging Markets Small Cap Series of The Dfa Investment | 2,04,965 | 0.200 | 2,40,932 | 0.235 | 215,601 (on 27th Apr) | 0.210 (on 27th Apr) | Purchased 10,636 (on 27th Apr) | Transfers |

| Sl. No. | Name of the Shareholders | At the beginning of the year (i.e. 01.04.2018) | | At the end of the year (i.e 31.03.2019) | | Cumulative Shareholding during the year | | Increase / Decrease in Share holding during the year | Reasons (for increase / decrease (e.g. allotment / transfer /bonus / sweat equity etc) |
|---|---|---|---|---|---|---|---|---|---|
| | | No. of Shares | % of total Shares of the company | No. of Shares | % of total Shares of the company | No. of shares | % of total Shares of the company | | |
| | | | | | | 235,767 (on 4th May) | 0.230 (on 4th May) | Purchased 20,166 (on 4th May) | |
| | | | | | | 240,932 (on 25th May) | 0.235 (on 25th May) | Purchased 5,165 (on 25th May) | |
| 13. | Devyani Gulabsi Khimji | 1,02,536 | 0.1002 | 2,02,064 | 0.1974 | 14,2191 (on 29th Jun) | 0.138 (on 29th Jun) | Purchased 39,655 (on 29th Jun) | Transfers |
| | | | | | | 153,962 (on 10th Aug) | 0.150 (on 10th Aug) | Purchased 11,771 (on 10th Aug) | |
| | | | | | | 173,277 (on 17th Aug) | 0.169 (on 17th Aug) | Purchased 19,315 (on 17th Aug) | |
| | | | | | | 186,316 (on 05th Oct) | 0.182 (on 05th Oct) | Purchased 13,039 (on 05th Oct) | |
| | | | | | | 202,064 (on 12th Oct) | 0.197 (on 12th Oct) | Purchased 15,748 (on 12th Oct) | |
| 14. | Japan Trustee Services Bank, Ltd. State Bank Of India | 2,00,000 | 0.195 | 2,00,000 | 0.195 | NIL | NIL | NIL | |
| 15. | Amundi Funds Equity India Infrastructure | 2,00,000 | 0.194 | 2,00,000 | 0.194 | 200,000 (on 1st June) | 0.194 (on 1st June) | Purchased 200,000 (on 1st June) | Transfers |
| 16. | Dwarkadhish Trading Private Limited | 1,90,331 | 0.186 | 1,90,331 | 0.186 | 190,331 (on 28th Dec) | 0.186 (on 28th Dec) | Purchased 190,331 (on 28th Dec) | Transfers |
| 17. | Sukaran Investments Ltd. | 1,69,750 | 0.165 | 1,69,750 | 0.165 | NIL | NIL | NIL | |
| 18. | Nirav M Sheth | 1,50,000 | 0.146 | 1,50,000 | 0.146 | NIL | NIL | NIL | |
| 19. | Gallon Holdings (P) Ltd | 1,38,553 | 0.135 | 1,38,553 | 0.135 | NIL | NIL | NIL | |
| 20. | Avinash P Wadhwa | 1,32,025 | 0.129 | 1,32,025 | 0.129 | NIL | NIL | NIL | |
| 21. | Goldman Sachs India Limited | 28,94,502 | 2.828 | - | 0 | 0 (on 8th June) | 0 (on 8th June) | Sold 2,894,502 (on 8th June) | Transfer |
| 22. | DSP Blackrock Micro Cap Fund | 12,67,744 | 1.238 | Nil | Nil | 1,236,191 (on 13th Apr) | 1.207 (on 13th Apr) | Sold 31,553 (on 13th Apr) | Transfer |
| | | | | | | 867,454 (on 20th Apr) | 0.847 (on 20th Apr) | Sold 368,737 (on 20th Apr) | |
| | | | | | | 817,365 (on 1st Jun) | 0.798 (on 1st Jun) | Sold 50,089 (on 1st Jun) | |
| | | | | | | Nil | Nil | Sold 817,365 (on 8th Jun) | |
| 23. | Karvansarai Travel and Lifestyle (P) Ltd. | 6,29,098 | 0.614 | Nil | Nil | Nil | Nil | Sold 629,098 (on 2nd Nov) | Transfers |

| Sl. No. | Name of the Shareholders | At the beginning of the year (i.e. 01.04.2018) | | At the end of the year (i.e 31.03.2019) | | Cumulative Shareholding during the year | | Increase / Decrease in Share holding during the year | Reasons (for increase / decrease (e.g. allotment / transfer /bonus / sweat equity etc) |
|---|---|---|---|---|---|---|---|---|---|
| | | No. of Shares | % of total Shares of the company | No. of Shares | % of total Shares of the company | No. of shares | % of total Shares of the company | | |
| 24. | Arjun Khanna | 2,10,300 | 0.205 | Nil | Nil | 190,000 (on 20th Apr) | 0.185 (on 20th Apr) | Sold 20,300 (on 20th Apr) | Transfers |
| | | | | | | 180,000 (on 11th May) | 0.175 (on 11th May) | Sold 10,000 (on 11th May) | |
| | | | | | | 167,500 (on 1st Jun) | 0.163 (on 1st Jun) | Sold 12,500 (on 1st Jun) | |
| | | | | | | 147,500 (on 29th Jun) | 0.144 (on 29th Jun) | Sold 20,000 (on 29th Jun) | |
| | | | | | | 142,500 (on 30th Aug) | 0.139 (on 30th Aug) | Sold 5,000 (on 31st Aug) | |
| | | | | | | 94,015 (on 21st Dec) | 0.091 (on 21st Dec) | Sold 48,485 (on 21st Dec) | |
| | | | | | | 71,000 (on 28th Dec) | 0.069 (on 28th Dec) | Sold 23,015 (on 28th Dec) | |
| | | | | | | 66,803 (on 4th Jan) | 0.0653 (on 4th Jan) | Sold 4,197 (on 4th Jan) | |
| | | | | | | 66,000 (on 11th Jan) | 0.064 (on 11th Jan) | Sold 803 (on 11th Jan) | |
| | | | | | | 20,516 (on 18th Jan) | 0.02 (on 18th Jan) | Sold 45,484 (on 18th Jan) | |
| | | | | | | Nil | Nil | Sold 20,516 (on 25th Jan) | |
| 25. | Westend Propmart Private Limited | 1,90,322 | 0.185 | Nil | Nil | Nil | Nil | Sold 190,322 (on 21st Dec) | Transfers |
| 26. | India Insight Value Fund | 1,61,958 | 0.158 | Nil | Nil | 144,895 (on 21st Dec) | 0.1416 (on 21st Dec) | Sold 17,063 (on 21st Dec) | Transfers |
| | | | | | | 108,999 (on 11th Jan) | 0.106 (on 11th Jan) | Sold 35,896 (on 11th Jan) | |
| | | | | | | 104,398 (on 18th Jan) | 0.102 (on 18th Jan) | Sold 4,601 (on 18th Jan) | |
| | | | | | | 84,708 (on 8th Feb) | 0.0828 (on 8th Feb) | Sold19,690 (on 8th Feb) | |
| | | | | | | 73,544 (on 01st Mar) | 0.0719 (on 01st Mar) | Sold 11,164 (on 01st Mar) | |
| | | | | | | 67,658 (on 8th Mar) | 0.066 (on 8th Mar) | Sold 5,886 (on 8th Mar) | |
| | | | | | | 52,658 (on 22nd Mar) | 0.0514 (on 22nd Mar) | Sold 15,000 (on 22nd Mar) | |
| | | | | | | NIL | NIL | Sold 52,658 (on 29th Mar) | |

**(v) Shareholding of Directors and Key Managerial Personnel:**

| Sl. No. | Name of the Directors / KMP (Designation) | At the beginning of the year (i.e. 01.04.2018) | | At the end of the year (i.e. 31.03.2019) | | Cumulative Shareholding during the year | | Increase / Decrease in Share holding during the year | Reasons (for increase/ decrease e.g. allotment/ transfer/ bonus/ sweat equity etc) |
|---|---|---|---|---|---|---|---|---|---|
| | | No. of Shares | % of total Shares of the company | No. of Shares | % of total Shares of the company | No. of shares | % of total Shares of the company | | |
| 1. | Vishal Gupta (Managing Director) | 1,40,34,340 | 13.71 | 1,40,34,340 | 13.71 | NIL | NIL | N.A | N.A |
| 2. | Ankur Gupta (Jt. Managing Director) | 2,02,44,825 | 19.78 | 2,02,44,825 | 19.78 | NIL | NIL | N.A | N.A |
| 3. | Varun Gupta (Whole Time Director) | 2,02,44,825 | 19.78 | 2,02,44,825 | 19.78 | NIL | NIL | N.A | N.A |
| 4. | Abhishek Dalmia (Independent Director) | NIL | N.A. | NIL | N.A. | NIL | N.A. | N.A. | N.A. |
| 5. | Hemant Kaul (Independent Director) | NIL | N.A. | NIL | N.A. | NIL | N.A. | N.A. | N.A. |
| 6. | Sonal Mattoo (Independent Director) | NIL | N.A. | NIL | N.A. | NIL | N.A. | N.A. | N.A. |
| 7. | Narayan Anand (Independent Director) | NIL | N.A. | NIL | N.A. | NIL | N.A. | N.A. | N.A. |
| 8. | Piyul Mukherjee (Independent Director) | NIL | N.A. | NIL | N.A. | NIL | N.A. | N.A. | N.A. |
| 9. | Vikash Dugar (Chief Financial Officer) | NIL | N.A. | NIL | N.A. | NIL | N.A. | N.A. | N.A. |
| 10. | Nitin Sharma (Company Secretary) | NIL | N.A. | NIL | N.A. | NIL | N.A. | N.A. | N.A. |
| | **Total** | **5,45,23,990** | **53.27** | **5,45,23,990** | **53.27** | **NIL** | **NIL** | **NIL** | **N.A.** |

## V. Indebtedness

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

| Particulars | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|---|---|---|---|---|
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | 1,337,198,882 | - | - | 1,337,198,882 |
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest accrued but not due | 14,660,658 | - | - | 14,660,658 |
| **Total (i+ii+iii)** | **1,351,859,540** | **-** | **-** | **1,351,859,540** |
| Change in Indebtedness during the financial year | | | | |
| • Addition | 963,188,066 | 184,105,687 | - | 1,147,293,753 |
| • Reduction | 868,805,874 | - | - | 868,805,874 |
| **Net Change** | **94,382,192** | **184,105,687** | **-** | **278,487,879** |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | 1,417,168,060 | 184,105,687 | - | 1,601,273,747 |
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest accrued but not due | 21,474,987 | 75,98,685 | - | 29,073,672 |
| **Total (i+ii+iii)** | **1,438,643,047** | **191,704,372** | **-** | **1,630,347,419** |

## VI. Remuneration of Directors and Key Managerial Personnel

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

(₹in lakhs)

| Sl. No. | Particulars of Remuneration | Name of MD/WTD/ Manager | | | Total Amount |
|---|---|---|---|---|---|
| | | Vishal Gupta (Managing Director) | Ankur Gupta (Jt. Managing Director) | Varun Gupta (Whole Time Director) | |
| 1. | **Gross salary** | | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 60.00 | 60.00 | 60.00 | 180.00 |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | 28.89 | 29.69 | 25.35 | 83.93 |
| | (c) Profits in lieu of salary under section 17(3) Income tax Act, 1961 | - | - | - | - |
| 2. | Stock Option | - | - | - | - |
| 3. | Sweat Equity | - | - | - | - |
| 4. | Commission – as 1 % of profit | 28.42 | 28.42 | 28.42 | 85.26 |
| 5. | Others, please specify | - | - | - | - |
| | **Total (A)** | **117.31** | **118.11** | **113.77** | **349.19** |

The MD, WTD did not receive any remuneration from any subsidiary company of the Company.

### B. Remuneration to other directors:

(₹in lakhs)

| Sl. No. | Particulars of Remuneration | Name of the Director | | | | | Total Amount |
|---|---|---|---|---|---|---|---|
| | | Abhishek Dalmia | Hemant Kaul | Piyul Mukherjee | Sonal Mattoo | Narayan Anand* | |
| 1. | **Independent Directors** | | | | | | |
| | • Fee for attending board /committee meetings | 0.01 | 0.04 | 0.01 | 0.04 | 0.01 | 0.11 |
| | • Commission | - | 8.0 | - | 18.0 | - | 26.0 |
| | • Others, please specify | - | - | - | - | - | |
| | **Total (1)** | **0.01** | **8.04** | **0.01** | **18.04** | **0.01** | **26.11** |
| 2. | **Other Non Executive Directors** | | | | | | |
| | Fee for attending Board / committee meetings | - | - | - | - | 0.02 | 0.02 |
| | • Commission | - | - | - | - | - | - |
| | • Others, | - | - | - | - | - | - |
| | **Total (2)** | **-** | **-** | **-** | **-** | **0.02** | **0.02** |
| | **Total (B)=(1+2)** | **0.01** | **8.04** | **0.01** | **18.04** | **0.03** | **26.13** |
| | **Total Managerial Remuneration** | **0.01** | **8.04** | **0.01** | **18.04** | **0.03** | **26.13** |

*Mr. Narayan Anand was a Non-Executive Director. With effect from 11th February, 2019 he was appointed as Independent Director.

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

(₹in lakhs)

| Sl. No. | Particulars of Remuneration | Key Managerial Personnel | | |
|---|---|---|---|---|
| | | Company Secretary | CFO | Total |
| 1. | **Gross salary** | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 12.63 | 59.45 | 72.08 |
| | (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 | - | - | - |
| 5. | Others, please specify | - | - | - |
| | **Total (A)** | **12.63** | **59.45** | **72.08** |

Note: The incomes include leave encashment also.

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

There were no penalties / punishments/ compounding of offences for the year under review.

**Verification**

I am authorized by the Board of Directors of the Company vide resolution no. 20 dated 18th May, 2019 to sign this form and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of the subject matter of this form and matters incidental thereto have been complied with. I also declare that all the information given herein above are true, correct and complete including the attachments to this form and nothing material has been suppressed. It is hereby further certified that the Company Secretary Mr. Nitin Sharma certifying this form has been duly engaged for this purpose.

**Certificate by Secretary**

I declare that I have been duly engaged for the purpose of certification of this form. It is hereby certified that I have gone through the provisions of the Companies Act, 2013 and Rules thereunder for the subject matter of this form and matters incidental thereto and I have verified the above particulars (including attachment(s)) from the original records maintained by the Company which is subject matter of this form and found them to be true, correct and complete and no information material to this form has been suppressed. I further certify that;

a. The said records have been properly prepared, signed by the required officers of the Company and maintained as per the relevant provisions of the Companies Act, 2013 and were found to be in order;

b. All the required attachments have been completely and legibly attached to this form;

# ANNEXURE II

**Read with section 197(12) and Rule 5 of Chapter XIII of the Companies ( Appoinment and Remuneration of Managerial Personal) Rules 2014**

| Sl. No. | Particulars | Details |
|---|---|---|
| 1. | Ratio of the remuneration of each director to the median remuneration of the employees for the financial year | Vishal Gupta : 36.21:1<br>Ankur Gupta : 36.45:1<br>Varun Gupta : 35.11:1<br>Hemant Kaul : 2.47:1<br>Sonal Mattoo: 5.55:1<br>The Company did not pay any remuneration to Mr. Abhishek Dalmia, Ms. Piyul Mukherjee and Mr. Narayan Anand during the year under review.<br>The median remuneration of employees of the Company during the financial year was ₹3.24 Lakhs. |
| 2. | Percentage increase in remuneration of each director, CFO, CEO, CS in the financial year | 7.75% for the CFO, 12% for the Company Secretary |
| 3. | Percentage increase in the median remuneration of employees in the financial year | 5% |
| 4. | Number of permanent employees on the rolls of company | 517 |
| 5. | Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration. | 7.32% was the average percentile increase made in the salaries of employees. There was no increase in the remuneration of managerial personnel (i.e. MD and WTD) in the last financial year. There are not any exceptional circumstances for increase in the managerial remuneration. |
| 6. | Affirmation that the remuneration is as per the remuneration policy of the company | Yes, the remuneration is according to the remuneration policy of the company to every employee on rolls. |

### List of top 10 employees in terms of remuneration of the company

| Sl. No. | Name | Designation | Qualification | Exp | CTC Annual | Last Employment |
|---|---|---|---|---|---|---|
| 1. | Mr. Vikash Dugar | Chief Financial Officer | CA+CS | 20 | 58,38,000 | Vodafone Spacetel Ltd. |
| 2. | Mr. Pramod Kumar Jaiswal | Vice President | B.Tech | 35 | 51,10,560 | First company |
| 3. | Mr. Shyamal Kumar Palit | Vice President (Operation) | B.Tech | 33 | 46,20,000 | First company |
| 4. | Mr. Deepak Dhyani | General Manager (Sales) | MBA | 16 | 40,00,000 | Delhivery Pvt. Ltd. |
| 5. | Mr. Dinesh Chandra Singh | Vice President | B.Sc Civil (Engg) | 38 | 39,57,408 | Vasundhara Group |
| 6. | Mr. Sanjeev Rawat | Vice President | M.Sc | 38 | 36,12,000 | Defence Retired |
| 7. | Mr. Shantashil Ganguly | Vice President | B.E (Civil) | 36 | 39,31,200 | Bengal Pearless Housing Development Co. Ltd. |
| 8. | Mr. Atma Sharan | Vice President | B.com+Diploma in automotive | 38 | 28,46,868 | Defence Retired |
| 9. | Mr. Bhagwan Kumar | General Manager (Land & Legal) | LLB, CS | 22 | 28,46,868 | Rungta Irrigation Ltd. |
| 10. | Mr. Shantanu Haldule | Vice President | BA | 28 | 28,20,000 | Defence Retired |

# ANNEXURE III

### Loans, Guarantee, Investment

| Nature of transaction | Date of making loan/ giving guarantee | Name and address of the person or body corporate to whom it is made or given | Amount of loan/ security /acquisition / guarantee | Time period for which it is made/ given | Purpose of loan/ acquisition/ guarantee | Rate of Interest | Tenure |
|---|---|---|---|---|---|---|---|
| Guarantee | 14.07.2016 | HDFC Ltd. Ramon House,169 Back Bay Reclamation, HT Parekh Marg, Mumbai-400 020 | 30,00,00,000 | 60 months from the day of first disbursement | Corporate Guarantee | As per Facility Agreement executed with HDFC Ltd. | 60 months |
| Total | | | 30,00,00,000 | | | | |

# ANNEXURE IV

**Particulars of related party transaction**

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

Out of the total Related Party Transactions done during the financial year 2018-19, there are no contracts or arrangements or transactions with such parties which were not at arm's length basis.

### 2. Details of contracts or arrangement or transactions at arm's length basis in excess of the limits prescribed under first proviso to section 188 (1) read with item (a) and (c) of rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014:-

With the amendment in the Companies Act, w.e.f. 14th August, 2014 there are no transactions which falls in the categories of transactions which exceed the limit prescribed above or which falls in the category of transactions under Rule 8(2) of the Companies (Accounts) Rules, 2014.

# ANNEXURE V

**Particulars of Conservation of Energy, Technology Absorption**

As per Rule 8 (3) of the Companies (Accounts) Rules, 2014

## 1. Conservation of Energy:

The company's energy consumption is minimal. We continually strive to reduce energy consumption in our developments by following the enhanced energy conservation measures. Company's projects are created with following energy conserving feature:

a. **Gearless lifts:** It saves power consumption because it runs on Permanent Magnet Synchronous Technology. Due to removal of gear box, it reduces pollution. Hence it is called as Green Elevator. Also it reduces power loss in speed reduction.

b. **Solar geysers:** We are installing/fitting solar energy heated water into the geysers of individual apartments. This activity reduces consumption of power required for heating water during winter.

c. **Use of LED lights –** We have replaced all sodium vapour or metal halide lights fixtures by CFL and LED lights which consumes much lower energy.

d. We leave very minimum open paved hard space. We cover area by grass/ shrubs/ ground which consumes solar energy and supply oxygen. This affects ambient temperature within the premise.

e. We plan, design and plant trees along the roads, so that cars can be parked under their shade and remain cool. Due to this, the energy consumed by the air-condition to cool the car is also reduced.

f. We prefer to use multiple number of Diesel Generators sets instead of very large capacity Diesel Generator sets and synchronise them to optimize power generation, power usage and oil consumption.

g. **Solar Generator:** In the recent past we have inducted a solar generating set so that we can store electricity generated from solar system and to be utilized for lighting facilities in the labour hutment area. A pilot project is going on, on achievement of reasonable success, we shall implement the same to most of projects.

h. **Rainwater Harvesting Pit:** We construct rainwater harvesting pit in the projects to augment the ground water recharge through surplus water available. The advantage is that the quality of ground water in the area is improved by recharging the fresh ground water.

i. We are providing baffle wall in storm water drain, to allow storm water to percolate and recharge the ground water, the purpose is to conserve maximum possible storm water.

j. We use recycled water from STP in flush and horticulture thus reducing the demand of fresh water.

k. We use low flow nozzle fittings in our projects, this reduces overall water consumption rate in the project even after the occupancy.

l. A lot of water is consumed during the course of construction, keeping this in mind we are inducting sprinklers for conserving water consumption during construction

## 2. Technology Absorption:

a. We have adopted "Wall Form" shuttering system in one of our new projects. By adopting this modern technology, we would be able to construct building faster, since all external and internal walls are reinforced concrete and to be cast alongwith the slabs. Therefore, it is a monolithic and efficient structure. This save time and enhances quality.

b. We have taken different efforts to lower the generation of construction debris. Due to efforts in last few years the construction debris generated in our projects has become half of its previous quantities. Therefore, the construction site is now more environment friendly as the overall energy consumption to manage this construction debris is now coming low.

c. We have installed FAB reactor based STP where power consumption is less in comparison to conventional extended aerated system.

d. We have adopted semi-automatic irrigation system in our projects which reduces water wastage and manpower.

e. **Small Mixer Machine:** This is a handy mortar mixer machine, this easily carried from slab to slab and used in mixing mortar for brickwork and plastering.

f. **Walk behind Roller (Double Drum Roller):** Walk behind roller is smaller in size and easy to handle, it is very effective in soil compaction in smaller areas which increases the quality of job and reduces the labour cost.

g. **Concrete cutter machine:** We have inducted concrete cutter machine for faster, accurate cutting of concrete. Job is completed by machine in lesser time so labour cost is also reduced.

h. **Bricky tools:** Bricky tools are inducted to improve the quality of brickwork, it also reduces the wastage of materials.

i. We have also introduced some new tools for the construction during the last year. These tools are inducted to enhance the labour efficiency and productivity of our work. The list of the tools are as follows:-

i) Drill Dust Catcher

ii) Electrical Wet Screed Vibrator

iii) Water Leak Detector

iv) Laser Guideline for levelling

v) Wall chase cutter

vi) POP Stirrer

vii) Scrubbing Machine for Floor

viii) Bar Stirrup Machine

# ANNEXURE VI

**Annual Report on CSR Initiatives**

## Brief:

The term Corporate Social Responsibility (CSR) can simply be explained as contributions made by any business organisation towards nation building in terms of children education, skill development, women empowerment etc. Organisations working in private sector can do better quality work in fulfilling such responsibility and thereby support the government's mammoth task of bringing improvement in the society. The objective of this policy is to increasingly contribute to activities that are beneficial to the society and community at large, chart out a mechanism for undertaking CSR activities, engage with company's key stakeholders in matters related to CSR activities and align/sync the activities undertaken by the company with the applicable laws.

## Overview of the projects and programmes:

Our activities relating to CSR has been done by "The Ashiana Foundation" include activities covering training and education, environment upkeep, medical, specific projects based on local requirements and sensibilities, and donations to NGO's and hospitals from Directors' fund. At the same time doing /undertaking activities for the welfare of labourers though not forming part of CSR activities.

The main activities include training of unskilled labour to make them skilled labour, educating the children of labour or other unprivileged children, women empowerment, environment sustainability, donation to the needy etc. A detail of all CSR activities undertaken is given in the Management Discussion and Analysis section of this report. The activities company propose to undertake are governed by its CSR policy.

The CSR policy and projects and programmes on CSR of the company are available on the following weblink: https://www.ashianahousing.com/corporate/about-csr-activities.php

The composition of the CSR Committee is as follows:

| Sl. No. | Name and Designation in CSR Committee | |
|---|---|---|
| 1. | Mr. Vishal Gupta – | Chairman |
| 2. | Mr. Abhishek Dalmia – | Member |
| 3. | Ms. Sonal Mattoo – | Member |
| 4. | Mr. A. Gangopadhyay - | Member |

Average Net Profit of the company for last three financial years: ₹ 948,184,734/-.

As per Companies Act, 2013 threshold Limit- ₹18,963,695/-

Amount allocated to "The Ashiana Foundation" from Ashiana Housing Limited: ₹12,555,205 /-

Amount Spent by "The Ashiana Foundation": ₹10,286,325/-

Amount Unspent by the "The Ashiana Foundation": ₹2,268,880/- (this amount will be carried forward to next year and would be utilised next year).

## Details of CSR activities/projects undertaken during the year:

| Sl. No. | CSR project/ activity identified | Sector in which the Project is covered | Projects/Programmes: 1.Local area/others- 2.Specify the state / district | Amount outlay (budget) project/ programme wise (₹) | Amount spent on the project/ programme Subheads: 1.Direct expenditure on project, 2.Overheads (₹) | Cumulative spend upto to the reporting period | Amount spent: Direct/through implementing agency |
|---|---|---|---|---|---|---|---|
| 1. | Greenery and Environment | Schedule VII (iv) | Rajasthan & Gujarat | 4,467,000 | 3,521,146/- (Direct Expenditure) | - | Ashiana Foundation |
| 2. | Education | Schedule VII (ii) | Maharashtra, Rajasthan, Tamil Nadu, Haryana & Gujarat | 4,002,000 | 3,906,149/- (Direct Expenditure) | - | Ashiana Foundation |
| 3. | Training and Activity Expenses | Schedule VII (ii) | Rajasthan, Harayana & Tamil Nadu | 2,213,000 | 1,806,814/- (Direct Expenditure) | - | Ashiana Foundation |
| | | | Total – Direct Expenses | 10,682,000 | 9,234,109/- | | |
| | | | Total – Indirect Expenses | 1,332,000 | 1,052,216/- | | Ashiana Foundation |
| | | | **Total** | **12,014,000** | **10,286,325/-** | | |

Ashiana has always been deeply committed towards its CSR activities. Obligation imposed by Companies Act, 2013 has no impact on us as we have always been spending considerably on CSR activities for several years now. In FY19 the company's spending on the CSR activities has been less than the limits prescribed under Companies Act, 2013. However, the expenditure is in line with our yearly budget. Moreover, the limit has been varying year after year due to variation in our yearly profit which is a function of revenue booking basis deliveries of units in a year. The company will continue its focus on CSR activities in future also and always endeavour to spend in accordance with the prescribed limits.

Responsibility statement of the CSR Committee that the CSR policy implementation and monitoring thereof is, in letter and spirit, in compliance with CSR objectives given in the Corporate Governance Report section of this Annual Report.

Signed

**Vishal Gupta**

(Managing Director & Chairman CSR Committee)

# ANNEXURE VII

**Annual Evaluation**

The performance of the Board as a whole, of its committee, and of its members, is evaluated at the end of the year on the lines of the Remuneration Policy of the company keeping in view its objectives. The results of the annual evaluation remain confidential with the Nomination & Remuneration Committee. The objective of this evaluation process is constructive improvement in the effectiveness of Board, maximise its strengths and tackle weaknesses, if there are any.

# ANNEXURE VIII

**Statement containing salient features of the financial statement of subsidiaries/associate companies/Joint ventures**

| Particulars | Subsidiaries | | | Joint Ventures | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | Ashiana Maintenance Services LLP. | Topwell Projects Consultants Ltd. | Latest Developers Advisory Ltd. | Ashiana Amar* Developers | Vista Housing* | Ashiana Manglam Developers | Ashiana Greenwood Developers | Megha Colonizers | Ashiana Manglam Builders + Extension |
| Reporting period if different from holding company's reporting period | N.A | N.A | N.A | N.A | N.A | N.A | N.A | N.A | N.A |
| Capital | 2,77,58,093 | 5,00,000 | 5,00,000 | 10,12,484 | 34,51,83,282 | 1,65,87,424 | 1,60,31,950 | 8,85,30,479 | 18,47,80,555 |
| Reserves | N.A. | 7,84,924 | (1,75,680) | N.A | N.A | N.A | N.A | N.A | N.A |
| Total Assets | 65,04,32,932 | 13,23,546 | 3,45,420 | 10,77,888 | 67,01,24,033 | 1,67,54,824 | 1,60,64,350 | 9,60,95,133 | 38,38,88,969 |
| Total Liabilities | 62,26,74,839 | 38,622 | 21,100 | 65,404 | 32,49,40,751 | 1,67,400 | 32,400 | 75,64,654 | 19,91,08,414 |
| Investments | 22,29,51,633 | - | - | - | 11,93,583 | 88,49,952 | - | - | - |
| Turnover (Includes other Income) | 46,41,78,338 | 83,437 | 22,102 | 4,57,830 | 42,33,83,706 | 3,67,000 | 8,018 | 37,95,635 | 25,39,35,303 |
| Profit/ Loss before taxation | 3,21,28,701 | (72,250) | (1,13,253) | (38,403) | 16,29,46,309 | (1,73,162) | (3,36,243) | 15,03,911 | 10,33,17,834 |
| Total Tax expenses | 1,35,40,707 | - | - | (7,227) | 5,78,70,043 | - | - | 19,36,000 | 3,61,90,000 |
| Profit after taxation | 1,85,87,994 | (72,250) | (1,13,253) | (31,176) | 10,50,76,266 | (1,73,162) | (3,36,243) | (4,32,089) | 6,71,27,834 |
| Proposed dividend | 0 | - | - | - | - | - | - | - | - |
| %age of Shareholding | 99.70% | 100.00% | 100.00% | - | - | - | - | - | - |

# ANNEXURE IX

**Form No. MR-3**

**Secretarial Audit Report**

**For the Period 01st April 2018 to 31st March 2019**

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

To
The Members
**Ashiana Housing Limited**
11G, Everest,46/C, Chowringhee Road,
Kolkata, West Bengal -700071

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Ashiana Housing 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 the information provided by the Company, its officers, agents and Departmental Head during the conduct of Secretarial Audit, We hereby report that in our opinion, the company has, during the audit covering the period from **01st April, 2018 to 31st March, 2019** complied with the statutory provisions listed hereunder and 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 Ashiana Housing Limited ("the Company") for the period from 01st April 2018 to 31st March 2019according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under as duly amended till date;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and By-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended from time to time;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 as amended from time to time;

(c) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time;

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (Not applicable to the Company during the audit period);

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 as amended from time to time;

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the audit period); and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 as amended from time to time (Not applicable to the Company during the audit period);

We have also examined compliance with the various clauses of the Secretarial Standards issued and notified by The Institute of Company Secretaries of India (ICSI). During the period under review, the company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

(vi) We further report that, having regard to the compliance system and mechanism formed and prevailed in the Company and representations made by its officers for the same and our examination of relevant documents/records in pursuant thereof on our test check basis on undergoing few projects, the Company has adequate system for the following applicable laws:

a) Building and other Construction Workers' (Regulation of Employment and Conditions of Services) Act, 1996 and rules made thereunder;

b) The Building and other Construction Workers' Welfare Cess Act, 1996 and rules made there under.

c) Haryana Building and Other Construction Workers (Regulation of Employment and Conditions of Services) Rules, 2008;

d) The Environment (Protection) Act, 1986, Environmental Impact Assessment Notification 2006 and other environmental laws;

e) The Air (Prevention and Control of Pollution) Act, 1981;

f) The Water (Prevention and Control of Pollution) Act, 1974;

g) Hazardous Waste (Management, Handling and Trans Boundary Movement) Rules, 2008;

h) The Building Bye- Laws;

i) Indian Stamp Act, 1899;

j) Indian Registration Act, 1908;

k) Building Bylaws;

l) Child Labour (Prohibition and Regulation) Act, 1986;

m) Employees Provident Fund and Miscellaneous Provision Act, 1952;

n) Employee's Compensation (Amendment) Act, 2010;

o) Maternity Benefit Act, 2016;

p) Payment of Wages Act, 1936;

q) Payment of Bonus (Amendment) Act, 2015;

r) Minimum Wages Act, 1948 and rules made thereunder;

s) Equal Remuneration Act, 1976 as amended from time to time;

t) Payment of Gratuity, 1972;

u) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;

v) Information Technology Act, 2000;

w) The Contract Labour (Regulation and Abolition) Act, 1970;

x) Employees State Insurance Act, 1948;

y) Real Estate (Regulation and Development) Act, 2016;

z) Goods and Services Act 2017 and Rules thereunder.

aa) Urban Land (Ceiling and Regulation) Act, 1996;

## We further report that:

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

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decisions are carried through while the dissenting members' views, if any are captured and recorded as part of the minutes.

We further report that the compliance by the company of applicable financial laws like Direct and Indirect Tax Laws and maintenance of financial records, books of accounts and internal financial control has not been reviewed in this audit since the same have been subject to review by statutory financial audit and other designated professionals. However, the management has provided an assurance that adequate system exists to ensure compliances with those laws.

We further report that during the period under review there were specific events/actions occurred those have a major impact on the Company's affairs. These are follows:

1. Pursuant to the approval obtained by the Company through a Special Resolution passed by the Shareholders in their Annual General Meeting held on 28th August, 2017 to issue on private placement basis under section 42 of the Companies Act, 2013 read with relevant rules and regulations and other applicable laws, Secured Redeemable Non-Convertible/Listed Debentures for an amount not exceeding ₹ 100,00,00,000/- (Indian Rupees One Hundred Crores), the Executive Committee of the Board of Directors of the Company in its meeting held on 26th April 2018 had allotted 1,000 10.15 % Secured Redeemable Non-Convertible Debentures (NCDs) at a price of ₹ 10,00,000/- (Indian Rupees Ten Lakhs) per debenture aggregating to ₹ 100,00,00,000/-(Indian Rupees One Hundred Crores) having a maturity period of 5 years to ICICI Prudential Regular Savings Plan.

2. The Company has duly obtained In-principal and final listing approval of Bombay Stock Exchange (BSE Limited) for listing of above mentioned 1,000 10.15% Secured Redeemable Non-Convertible Debentures (NCDs) on 20th April 2018 and 03rd May 2018 respectively and has been allotted Scrip Code: 957901. Such Debentures were allotted ISIN INE365D07077 on 24th April 2018 by Central Depository Services (India) Limited (CDSL) and on 27th April 2018 by National Securities Depository Limited (NSDL) and these securities were credited on 30th April 2018 by National Securities Depository Limited (NSDL).

In continuation of the agreement dated 29th March 2018 entered by the Company with International Finance Corporation (IFC), a part of World Bank Group, for co-investing in upcoming affordable and middle income residential projects including senior living projects which envisages a total investment of ₹ 150 Crores on a project to project basis by IFC, representing 40% of the capital required by a project and pursuant to the approval of members obtained through Postal Ballot by the Company on 17th February, 2018 issued, on private placement basis under section 42 of the Companies Act, 2013, read with relevant rules and regulations and other applicable laws, Unsecured Redeemable Non-Convertible Listed Debentures for an amount of ₹ 18,74,00,000/- (Rs Eighteen Crores Seventy Four Lakhs). The Executive Committee of the Board of Directors of the Company in its meeting held on 28th September 2018 allotted 1,874 8% Un-secured Redeemable Non- Convertible Debentures (NCDs) at a price of ₹1,00,000/- (Rs One Lakh) per Debenture aggregating ₹ 18,74,00,000/- (Rs Eighteen Crores Seventy Four Lakhs) having a maturity period of 20 years.

1. The Company has duly obtained In-principal and Final listing approval of Bombay Stock Exchange (BSE Limited) for listing of above mentioned 1,874 8% Un-secured Redeemable Non-Convertible Debentures (NCDs) on 9th October 2018 and was allotted Scrip Code: 958291. Such Debentures were also allotted with ISIN INE365D08018 by Central Depository Services (India) Limited (CDSL) and National Securities Depository Limited (NSDL) on 28th September 2018 and 08th October 2018 respectively.

2. The Company has partly redeemed Non-Convertible Debentures of ₹ 6,40,00,000 (Indian Rupees Six Crores Forty Lakhs Only) on 7th March 2019 as per the terms of redemption, detail is:

| Sl. No. | ISIN | Series |
|---|---|---|
| 1. | INE365D07077 | 10.15%AHL2023 |

## We further report that

There are adequate systems and processes in the company commensurate with the size and operations, to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For **A. K. VERMA & CO**
(Practicing Company Secretaries)

**Ashok Kumar Verma**
(SENIOR PARTNER)
FCS: 3945
CP NO: 2568

Date: 14-05-2019
Place: New Delhi

**This Report is to be read with our letter of even date which is Annexed as (Annexure –A) and forms an integral part of this Report**

# ANNEXURE A

To
**The Members**,
**Ashiana Housing Limited**
11G, Everest, 46/C, Chowringhee Road Kolkata,
West Bengal 700071

**Subject: Our report of even date is to be read along with this letter**

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

For **A. K. VERMA & CO**
(Practicing Company Secretaries)

**Ashok Kumar Verma**
(SENIOR PARTNER)
FCS: 3945
CP NO: 2568

Date: 14th May, 2019
Place: New Delhi

# REPORT ON CORPORATE GOVERNANCE

**(FORMING PART OF THE DIRECTORS' REPORT)**

## 1. Company's Philosophy on Code of Governance

The company firmly believes in good Corporate Governance and has made Corporate Governance a practice and continuous process of development right across the company. The company's philosophy on corporate governance envisages the attainment of the high levels of transparency and accountability in the functioning and conduct of business.

The company's corporate philosophy is focused on its people who are the most important assets. The company values its employee's integrity, creativity and ability who in turn demonstrate the high ethical standard and responsibility towards the shareholders. The company believes that over a period all its operations and actions must serve the underlying goal of enhancing overall shareholder value.

Our company is in compliance with the guidelines on Corporate Governance stipulated under various clauses of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in this regard we submit a report on the matters mentioned in the said clauses and practices followed by the company.

## 2. Board of Directors

The company has optimum combination of Executive and Non-Executive Directors. The Board consists of eight Directors out of which three are Executive Directors and others are Non-Executive Directors. None of the Directors on the Board is a member of more than 10 Committees and Chairperson of more than five Committees as specified in the Clause 26 (1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, across all the companies in which they are directors. The necessary disclosures regarding Committee positions have been made by the directors.

As per the declaration received by the company, none of the directors is disqualified under section 164(2) of the Companies Act, 2013.

**(a) The composition of Board and Committee as on 31st March 2019 is as under:**

| Name | Board | Audit Committee | Nomination & Remuneration Committee | Stakeholders' Relationship Committee | CSR |
|---|---|---|---|---|---|
| Mr. Vishal Gupta | * | | | * | ** |
| Mr. Ankur Gupta | * | | | | |
| Mr. Varun Gupta | * | * | | * | |
| Mr. Abhishek Dalmia | * | | * | | * |
| Ms. Sonal Mattoo | * | * | * | ** | * |
| Mr. Hemant Kaul | * | ** | ** | | |
| Mr. Narayan Anand | * | | | | |
| Ms. Piyul Mukherjee | * | | | | |

** Means chairperson

* Means member

Note: -

i) As per clause 26(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, membership of Audit Committee, Stakeholders'/ Investors Grievance Committee are required to be disclosed.

ii) Mr. Vishal Gupta, Mr. Ankur Gupta and Mr. Varun Gupta are brothers. None of the other directors are related to any other director on the Board.

**(b) Category of Directors and Number of other Board and Committee membership as on 31st March, 2019 is as under:**

| Sl. No. | Name of Director | Executive/ Independent | No. of other Directorship | No. of other Committee Membership | Name of other listed entity in which these persons are directors and category of directorship | |
|---|---|---|---|---|---|---|
| | | | | | Name of the listed entity | Category of directorship |
| 1. | Mr. Vishal Gupta | Promoter & Executive | 8 | - | - | - |
| 2. | Mr. Ankur Gupta | Promoter & Executive | 9 | - | - | - |
| 3. | Mr. Varun Gupta | Promoter & Executive | 9 | - | - | - |
| 4. | Mr. Abhishek Dalmia | Independent | 14 | - | Rajratan Global Wire Ltd. (L27106MP1988PLC004778)<br>Revathi Equipment Ltd. (L29120TZ1977PLC000780) | Non Executive Director<br>Executive Director |
| 5. | Mr. Hemant Kaul | Independent | 6 | 3 | Transcorp International Ltd. (L51909DL1994PLC235697)<br>Indostar Capital Finance Ltd. (L65100MH2009PLC268160) | Independent Director<br>Independent Director |
| 6. | Ms. Sonal Mattoo | Independent | 2 | 2 | V-Mart Retail Ltd. (L51909DL2002PLC163727) | Independent Director |
| 7. | Mr. Narayan Anand | Independent | 3 | 1 | - | - |
| 8. | Ms. Piyul Mukherjee | Independent | 4 | - | - | - |

**(c) Familiarisation program for the Board of Directors:**

The Board members are provided with necessary documents, reports and company policies to enable them to familiarize with the company's procedures and practices and the policy is available on our website, at the following link: https://www.ashianahousing.com/real-estate-investors/corporate-governance#2.

**(d) Matrix setting out the skills/ expertise/ competence of the Board of Directors**

| Core skills/ competence identified, in the context of our business, by the Board as required for the Board Members | Core skills/ competence possessed by the Board Members |
|---|---|
| To be a member of the Board one should be a person of ability, integrity and standing, and have adequate knowledge and experience in running a corporate, and possess qualities of dealing with challenges related with running business in a robust environment including but not limited to the following qualities:<br><br>Leadership: Extended leadership experience for a significant enterprise, resulting in a practical understanding of organisations, processes, stragtegic planning and risk management. Develops talent and long term growth.<br><br>Finance: Management of finance function of enterprise , resulting in proficiency in complex financial management, capital allocation, treasury and financial reporting process. | Mr. Vishal Gupta:<br>Skill set of Leadership, Finance, Board Service and Governance and Knowledge of Construction, Design and Operations of the Business and CSR<br><br>Mr. Ankur Gupta:<br>Skill Set of Leadership, Board Service and Governance and Knowledge of Construction, Design and Operations of the Business and Sales and Marketing, Technology and Maintenance Services<br><br>Mr. Varun Gupta:<br>Skill Set of Leadership, Board Service and Governance and Finance, Sales and Marketing and Strategy<br><br>Mr. Abhishek Dalmia:<br>Skill Set of Leadership, Board Service and Governance, Finance and Sales and Marketing<br><br>Mr. Hemant Kaul:<br>Skill Set of Leadership, Board Service and Governance, Finance Sales and Marketing |

| Core skills/ competence identified, in the context of our business, by the Board as required for the Board Members | Core skills/ competence possessed by the Board Members |
|---|---|
| Board Service & Governance: Service on public company board to develop insights about board and management accountability, protecting shareholder interests and observing appropriate government practices.<br><br>Knowledge of Construction, Design and Operations of the Business: To be a member of the Board one should be a person who have a knowledge of the construction, designing and approach to construct the residential building.<br><br>Sales and Marketing: Experience to grow sales and develop strategies for marketing, brand building & awareness of the brand and help enhancing the equity and maximum customer satisfaction. | Ms. Sonal Mattoo:<br>Skill Set of Leadership, Board Service and Governance, Finance, Legal and Statutory Compliances<br><br>Mr. Narayan Anand:<br>Skill Set of Leadership, Board Service and Governance, Finance and Sales and Marketing<br><br>Ms. Piyul Mukherjee:<br>Skill Set of Leadership, Board Service and Governance and Sales and Marketing |

Board confirms that in its opinion independent directors fulfill the conditions specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and are independent of the management.

**(e) Board Member Evaluation**

One of the key functions of the Board is to monitor and review the Board evaluation framework. The Board works with the nomination and remuneration committee to lay down the evaluation criteria for the performance of executive/non-executive/independent directors through peer evaluation, excluding the director being evaluated and through a Board effectiveness survey. The questionnaire of the survey is a key part of the process of reviewing the functioning and effectiveness of the Board and for identifying possible paths for improvement. Each Board member is requested to evaluate the effectiveness of the Board dynamics and relationships and information flow, decision-making of the directors, relationship with stakeholders, company performance and the effectiveness of the whole Board and its various committees. Feedback on each director is encouraged to be provided as part of the survey. The evaluation for fiscal 2018 has been completed.

**(f) Availability of Information to Board Members**

The Board has unrestricted access to all company related information, including that of our employees. At Board Meetings, managers and representatives who can provide additional insights into the items being discussed are invited. Regular updates provided to the Board include:

- Quarterly results of our operating divisions;
- Minutes of the meetings of audit, nomination and remuneration, risk and strategy, stakeholders' relationship committees and executive committees;
- The Board minutes of subsidiary companies & LLP;
- Information on recruitment and remuneration of senior officers below the Board level, including appointment or removal of the Key Managerial Person;
- Materially important litigations, show cause notice, demand, prosecution and penalty notices;
- Updating on any new acquisition of land, development agreement for the development of land;
- Updating regarding any change in scenario with respect to operations of the company;
- Dividend data;
- Quarterly Compliance reports and investor grievance reports;

**(g) Board Meetings held in Financial Year 2018 - 19 and attendance of Directors:**

The Board of Directors is the apex body constituted for overseeing the company's overall functioning. The Board provides and evaluates the company's strategic direction, management policies and their effectiveness, and ensures that shareholders' long term interests are being served. Meetings of the Board and its Committee(s) are held in New Delhi and scheduled well in advance. The Company Secretary in consultation with CFO and Whole Time Director drafts agenda for each Board Meeting along with explanatory notes and distributes it in advance to the directors.

Normally the Board meets at least once in a quarter to consider, amongst other businesses, the quarterly performance of the company and financial results. The maximum time gap between any two meetings is not more than 120 days. Detailed agenda notes with MIS reports, charts etc. are circulated well in advance. All material information is incorporated in the agenda for facilitating meaningful and focused discussions at the meeting. Whenever it is not practicable to attach any document to the agenda, it is tabled before the meeting with specific reference to this effect in the agenda. The Company Secretary records minutes of proceedings of each Board and Committee meeting. Draft minutes are circulated to Board/ Board Committee members for their comments. The Directors actively participate in the deliberation at these meetings.

During the year, four Board Meetings were held on 29th May, 2018, 13th August, 2018, 14th November, 2018, and on 11th February, 2019.

The attendance of each Director in the Board Meetings is detailed herein below:

| Name of Director | Executive/ Non Executive | Designation | No. of Board Meetings held during 2018-19 | No. of Board Meetings attended during 2018-19 | Attendance at the last AGM held on 23rd August, 2018 |
|---|---|---|---|---|---|
| Vishal Gupta | Executive | Managing director | 4 | 4 | Present |
| Ankur Gupta | Executive | Jt. Managing director | 4 | 4 | Not Present |
| Varun Gupta | Executive | Whole time director | 4 | 4 | Not Present |
| Abhishek Dalmia | Non-Executive | Independent director | 4 | 1 | Not Present |
| Hemant Kaul | Non-Executive | Independent director | 4 | 4 | Present |
| Sonal Mattoo | Non-Executive | Independent director | 4 | 4 | Not Present |
| Narayan Anand | Non-Executive | Independent Director | 4 | 3 | Not Present |
| Piyul Mukherjee | Non- Executive | Independent Director | 4 | 1* | Not Present |

*Ms. Piyul Mukherjee attended the Board meeting as an Invitee held on 11th February, 2019 in which she was appointed as director.

**(h) Resolution passed by circulation**

During the FY 2018 - 19, no resolution by circulation was passed by the Board of directors.

**(i) Committees of Board**

The Board of Directors of the company has constituted the following Committees namely:

(i) Executive Committee;

(ii) Audit Committee;

(iii) Stakeholders' Relationship Committee;

(iv) Nomination & Remuneration Committee;

(v) Corporate Social Responsibility Committee;

(vi) Risk Management Committee;

(vii) Internal Complaints Committee

## 3. Audit Committee

The Company has an Audit Committee of the Board in accordance with provision of clause 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This committee consists of Mr. Hemant Kaul (Independent Director) as its Chairperson and Ms. Sonal Mattoo (Independent Director) and Mr. Varun Gupta (Whole Time Director) as Members.

**Brief Description of Terms of Reference of Audit Committee:**

The primary function of the Audit Committee is to assist the Board of Directors in fulfilling its oversight responsibilities by reviewing the financial reports and other financial information provided by the company to any statutory authority or to the investors or the public, the company's system of internal controls regarding finance, accounting and legal compliances that Management and the Board have established.

The terms of reference of Audit Committee shall include the role specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including but not limited to the following:

a) the recommendation for appointment, remuneration and terms of appointment of auditors of the company;

b) review and monitor the auditor's independence and performance, and effectiveness of audit process;

c) examination of the quarterly and annual financial statement and the auditors' report thereon;

d) approval or any subsequent modification of transactions of the company with related parties;

e) scrutiny of inter-corporate loans and investments;

f) valuation of undertakings or assets of the company, wherever it is necessary;

g) evaluation of internal financial controls and risk management systems;

h) monitoring the end use of funds raised through public offer/ private placement and related matters;

i) any other specific matter.

The quorum of the Audit Committee is two independent members. The Company Secretary acts as the secretary of the Audit Committee, CFO & Partner of the Audit firm are also present in the meeting. The composition, powers, role and term of reference of the committee are in consonance with the requirements mandated under section 177 of the Companies Act, 2013 and clause 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Four Audit Committee meetings were held during the financial year 2018-19, the date of which are as follows:

1. 29th May, 2018
2. 13th August, 2018
3. 14th November, 2018
4. 11th February, 2019

The attendance of members of the Audit Committee in its meeting is as follows:

| Sl. No. | Name | Number of Meetings held (During the tenure of director) | Number of Meetings Attended |
|---|---|---|---|
| 1. | Mr. Hemant Kaul | 4 | 4 |
| 2. | Ms. Sonal Mattoo | 4 | 4 |
| 3. | Mr. Varun Gupta | 4 | 4 |

**Vigil Mechanism as part of the Whistle Blower Policy of the Company:**

1. The directors and employees of the company, across all the branches, have the right to report whether in writing or by email their genuine concerns and grievances, including unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy, directly to Mr. Vishal Gupta, Managing Director of the company.

2. However, in exceptional cases, the directors and employees of the company may directly report to the Chairman of the Audit Committee and in the absence of such Chairman then directly to Mr. Varun Gupta, Whole Time Director of the company and also Member of the Audit Committee.

3. The onus of proving that the matter proposed to be reported falls in the category of exceptional cases, in clause (2), will be on such Director or employee.

4. The directors or employees who report or avail the vigil mechanism, as above, shall not become subject of victimisation.

5. The Audit Committee of the company shall oversee the vigil mechanism and in case any members of the committee have a conflict of interest in any given/ reported case then the remaining members who do not have any such conflict interest shall oversee the vigil mechanism.

6. In case of repeated frivolous complaints filed by a director or an employee, the Audit Committee may take suitable action against the concerned director or employee.

## 4. Nomination & Remuneration Committee

The company has a duly constituted "Nomination & Remuneration Committee". This committee consists of Mr. Hemant Kaul (Independent Director) as its Chairperson and Ms. Sonal Mattoo (Independent Director) as Members, and Mr. Abhishek Dalmia (Independent Director) as Member. All matters relating to finalization of remuneration of directors are given to the Nomination & Remuneration Committee for their consideration and approval.

The committee under the guidance of the Board has formulated the criteria and framework for the performance evaluation of every director on the Board, including the executive and independent directors and identified ongoing training and education programs to ensure that the non-executive directors are provided with adequate information regarding the business, the industry and their legal responsibilities and duties.

**Brief Description of Terms of Reference of the Nomination & Remuneration Committee:**

The terms of reference of Nomination & Remuneration Committee shall include the role specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including but not limited to the following:

(i) Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, Key Managerial Personnel and other employees.

(ii) Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance and overseeing succession planning if any;

(iii) Aligning key executive and board remuneration with the longer term interests of the company and its shareholders;

(iv) Ensuring a transparent board nomination process with the diversity of thought, experience, knowledge, perspective and gender in the Board;

(v) Monitoring and reviewing Board Evaluation framework;

(vi) Direct access to the officers and advisers, both external and internal, and to have authority to seek external independent professional advice, as it may need from time to time, for the effective implementation of its responsibilities.

(vii) In addition to the above, the committee will carry out all such other functions as provided under applicable laws and specified by the Board of Directors from time to time.

During the financial year 2018-19 three meetings of Nomination & Remuneration Committee were held i.e. on 29th May, 2018, 14th November, 2018 and 11th February, 2019.

**The attendance of members of the Nomination & Remuneration Committee in the meeting is as follows:**

| Sl. No. | Name | Number of Meetings Held (During the tenure of director) | Number of Meetings Attended |
|---|---|---|---|
| 1. | Mr. Hemant Kaul | 3 | 3 |
| 2. | Ms. Sonal Mattoo | 3 | 3 |
| 3. | Mr. Abhishek Dalmia | 3 | Nil |

**Remuneration Policy:**

The Board of Directors of the company, on recommendation of this committee, had adopted a Nomination and Remuneration Policy. Remuneration policy forms part of this Report. The key objectives of this policy are:

1. To formulate a criteria for determining the qualifications and other attributes required for appointment as Director, Key Managerial Personnel;
2. To formulate a criteria for determining the remuneration of Directors of the company;
3. To formulate a criteria for determining the remuneration of Key Managerial Personnel, Senior Management and Other Employees of the company;
4. To formulate a criteria for evaluation of performance of the members of the Board, Key Managerial Personnel and to provide report to the Board of Directors, if required;
5. To ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
6. To ensure relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
7. To ensure remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

**Details of remuneration to Executive Directors read with disclosure required in terms of Section II of Part II of Schedule V to the Companies Act, 2013:**

Remuneration to Managing Director, Joint Managing Director and Whole Time Directors is being paid as per the terms of their appointment. The remuneration committee of the Directors reviews and recommends to the Board of Directors the remuneration payable to the directors. The Executive Directors of the company are not entitled to sitting fee for attending the Board meeting or Committee meeting. The details of remuneration paid to the Managing Director, Joint Managing Director and Whole Time Director during the year are as follows:

| Sl. No. | Name & Designation | Salaries (₹in lakhs) | Commission (₹in lakhs) | Bonus | Stock Option | Pension |
|---|---|---|---|---|---|---|
| 1. | Mr. Vishal Gupta (Managing Director) | 60.00 | 28.42 | Nil | Nil | Nil |
| 2. | Mr. Ankur Gupta (Jt. Managing Director) | 60.00 | 28.42 | Nil | Nil | Nil |
| 3. | Mr. Varun Gupta (Whole Time Director) | 60.00 | 28.42 | Nil | Nil | Nil |
| | **Total** | **180.00** | **85.26** | **Nil** | **Nil** | **Nil** |

**Terms of appointment of Managing Director, Joint Managing Director and Whole Time Director**

The Board of Directors of the company in its meeting held on 11th February 2019, has reappointed Mr. Vishal Gupta and Mr. Ankur Gupta as Managing Director and Joint Managing Director respectively for a period of three years each w.e.f. 01st April 2019. The above reappointments are subject to approval of shareholders of the Company in their upcoming annual general meeting. Accordingly, the current term of appointment of Mr. Vishal Gupta (Managing Director) and Mr. Ankur Gupta (Joint Managing Director) is upto 31st March, 2022. However the current term of Mr. Varun Gupta, Whole Time Director is upto 30th June, 2019.

**Independent Directors' Remuneration**

Apart from sitting fee for attending Board Meetings, remuneration by way of commission of ₹8.00 lakhs was paid to Mr. Hemant Kaul and ₹18.00 lakhs was paid to Ms. Sonal Mattoo, both independent directors of the company. However, Mr. Abhishek Dalmia, Mr. Narayan Anand and Ms. Piyul Mukherjee are not paid any remuneration other than sitting fee.

Apart from above there is no other pecuniary relationship or transaction between the Non Executive Directors and the company.

**Details of fixed component and performance linked incentives alongwith performance criteria:**

Fixed remuneration @ ₹5 lakhs per month was paid to Mr. Vishal Gupta, Mr. Ankur Gupta and Mr. Varun Gupta, each, during the F.Y. 2018-19. There is a system of performance evaluation of the Board of Directors (including Committees thereof) as a whole and also of individual Directors, including independent directors. As an evaluation methodology, the Board may use any method(s) as it may deem appropriate in order to assess the Board's/committees effectiveness and Directors performance. Some of the indicators/ criteria based on which the independent directors are evaluated are personal qualities, characteristics, business/ professional experience, stature, ability and willingness to devote time, etc.

Further, there is no performance linked incentive payable to any director. Details of Service Contract, notice period & Severence fee.

| Sl. No. | Name & Designation | Service Contract | Notice Period | Severance fee |
|---|---|---|---|---|
| 1. | Mr. Vishal Gupta (Managing Director) | 3 Years w.e.f. 01st April, 2019 | 3 Months | Nil |
| 2. | Mr. Ankur Gupta (Jt. Managing Director) | 3 Years w.e.f. 01st April, 2019 | 3 Months | Nil |
| 3. | Mr. Varun Gupta (Whole Time Director) | 2 Years w.e.f. 01st July, 2017 | 3 Months | Nil |

**Stock option details of every director**: No stock option was given to any director.

**Shareholding of Directors in the Company as on 31st March, 2019**

| Sl. No. | Name of Director | No. of Shares | % of Total Shareholding |
|---|---|---|---|
| 1. | Mr. Vishal Gupta | 1,40,34,340 | 13.71 |
| 2. | Mr. Ankur Gupta | 2,02,44,825 | 19.78 |
| 3. | Mr. Varun Gupta | 2,02,44,825 | 19.78 |
| 4. | Mr. Abhishek Dalmia | Nil | 0.00 |
| 5. | Mr. Hemant Kaul | Nil | 0.00 |
| 6. | Mr. Narayan Anand | Nil | 0.00 |
| 7. | Ms. Sonal Mattoo | Nil | 0.00 |
| 8. | Ms. Piyul Mukherjee | Nil | 0.00 |

## 5. Stakeholders' Relationship Committee

Ms. Sonal Mattoo - Independent Director of the Company, is the Chairperson of this Committee whereas Mr. Vishal Gupta and Mr. Varun Gupta, both Executive Director are members of this Committee. Mr. Nitin Sharma, Company Secretary of the company, is the 'Compliance Officer' and entrusted the task of monitoring the share transfer process and liaise with the regulatory authorities.

The scope of the "Stakeholders' Relationship Committee shall include the role specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including but not limited to the monitor of investors' grievances/complaints along with the share transfers. The Committee approves the share transfers at its meetings. The Stakeholders' Relationship Committee also took note of the findings of audit carried out by practicing Company Secretary and implemented the suggestions. The quorum of the meeting shall be any two members present at the meeting.

During the financial year 2018-19 total 6 no. of complaints were received by the company and all were resolved. There has been no complaint pending at the closure of financial year.

## 6. General Body Meetings

The details of last three Annual General Meetings are as mentioned below:

| For the year | Venue | Date | Day and Time | Whether Special Resolution was passed |
|---|---|---|---|---|
| 2015-16 | Kalakunj – Kalamandir, 48, Shakespeare Sarani, Kolkata-700017 | 17th August, 2016 | Wednesday, 11.30 A.M | Yes |
| 2016-17 | Kalakunj – Kalamandir, 48, Shakespeare Sarani, Kolkata-700017 | 28th August, 2017 | Monday, 11:00 A.M | Yes |
| 2017-18 | Kalakunj – Kalamandir, 48, Shakespeare Sarani, Kolkata-700017 | 23rd August, 2018 | Thursday, 11:00 A.M | No |

## 7. Disclosures

**a. Materially Significant Related Party Transactions**

During the year 2018-19, there were no materially significant related party transactions with its promoters, directors or the management that might have potential conflict with the interest of the company at large. However, the transactions made with related parties were done on the basis of shareholders' approval obtained in their Annual General Meeting held on 29th August, 2014, other related party transactions were at arm's length price and also had previous approval of Audit Committee as the same were taken on record by the Audit Committee.

The company has also formulated a Policy on Related Party Transactions and Material Subsidiary, details of which is available on website of the company at www.ashianahousing.com.

**b. Non-Compliance/Strictures/Penalties**

During the year the National Stock Exchange (NSE) and the Bombay Stock Exchange (BSE) had imposed the fine of ₹5,42,800/- each under regulation 17(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The company had contested the same. Further, the company paid late filing fine of ₹2,360/- and ₹37,760/- to NSE and BSE respectively under the regulation 13(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. There has been no instance of non compliance by the company on any matters related to capital markets.

**c. Insider Trading Code**

The company has adopted the Employee Share Dealing Code in terms of the SEBI (Prohibition of Insider Trading), Regulations 2018. This code is applicable to all Directors and Designated employees of the company. The code seeks to prevent dealing in company's share by persons having access to unpublished, price sensitive information. The company regularly monitors the transactions in terms of this code.

**d. Whistle Blower Policy**

The company has a whistle blower policy as part of the Code of Conduct for the Board of Directors and employees of the Company. The company has also established a vigil mechanism for directors and employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct. This mechanism provides for adequate safeguards against victimization of director(s)/employee(s) who avail of the mechanism and provide for direct access to the Chairman of the Audit Committee in exceptional cases. No personnel has been denied access to the Audit Committee. Details of this mechanism are disclosed on website of the company.

**e. Compliance with Non Mandatory Requirements**

As per clause 27(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is the discretion of the company to implement non-mandatory requirements subject to the disclosure of the same, alongwith the compliance of mandatory requirements, in the annual report of the company. The status of compliance of non-mandatory requirements is as follows:

i) **The Board:** The Board of directors elect one of the Directors, as its Chairman for every Board meeting.

ii) **Shareholder Rights:** Shareholders of the Company are provided with an Investor Update on quarterly basis, containing operational and financial highlights of the company, instead of sending to house of every shareholder. These Investor Updates are also updated in the Investor Relations section on the website of the Company at www.ashianahousing.com and are also sent to the Bombay Stock Exchange and National Stock Exchange immediately after the announcement of quarterly financial results.

iii) **Audit Qualifications:** The audited financial statements of the Company for the financial year 2018-19, do not contain any qualifications and the audit report does not contain any adverse remarks.

iv) **Separate posts of Chairman and CEO:** There is no designated Chairman or CEO of the company. However, Mr. Vishal Gupta is the Managing Director of the company.

v) **Reporting of Internal Auditor:** Internal auditors are appointed by the management of the company. They share their audit report with the Board of Directors, functional heads, respective branch heads and other connected persons. The reports also gets discussed at lenght in Audit Committee meetings.

## 8. Means of Communication

The quarterly unaudited financial results and annual financial results are published in leading national newspapers, i.e., Financial Express (English) and Arthik Lipi (Bengali). It is also displayed on company's website at www.ashianahousing.com. Investor updates are given to NSE and BSE as and when required. The company has been conducting analysts/investor calls after every quarterly Board meeting on financial results except the annual results after which an Analyst Meet is organised on financial results and corporate presentation on annual financial and operational numbers informing thereby the investors at large, the detailed information about the company, its business, current scenario, achievements and future outlook etc. During the financial year 2018-19 the company conducted three conference calls for the analyst and investors on i.e. 14th August, 2018, 15th November, 2018 and on 12th February, 2019, and an analyst meet on 06th July, 2018 at Mumbai. In all conference calls and in analyst meet a good number of analysts and investors participated.

The Management Discussion and Analysis report prepared by the Management, forms part of the Annual Report.

## 9. General Shareholder's Information

**(a) Annual General Meeting information**

Day, Date : Saturday, 31st August, 2019

Time : 11.30 A.M.

Venue : 'Kalakunj– Kalamandir, 48, Shakespeare Sarani, Kolkata.

**(b) Financial Calendar**

Ashiana Housing Ltd. follows the financial year from 01st April to 31st March. The Unaudited Financial Results for the first three quarters and the Audited Financial Results for the year ended 31st March, 2019 were taken on record and approved by the Board of Directors in its meeting(s) held on the following dates:

| Quarter Ended | Date of Board Meeting |
|---|---|
| April – June, 2018 | 13th August, 2018 |
| July – September, 2018 | 14th November, 2018 |
| October – December, 2018 | 11th February, 2019 |
| Year Ended 31st March, 2019 | 18th May, 2019 |

**(c) Book Closure**

The company's Register of Members and Share Transfer books will remain closed from 26th August, 2019 to 31st August, 2019 (both days inclusive) for the purpose of Annual General Meeting of the company.

**(d) Dividend Payment:**

Dividend paid during the last three years:

| Sl. No. | Date of Declaration | Dividend in % | Total Amount of Dividend (₹) |
|---|---|---|---|
| 1. | 16th March, 2016* | 25.0 | 5,11,76,050 |
| 2. | 28th August, 2017 | 12.5 | 2,55,88,025 |
| 3. | 23rd August 2018 | 12.5 | 2,55,88,025 |

*Interim Dividend

**(e) Listing on Stock Exchanges**

The company's equity shares are listed on the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). The NCDs issued by the company are listed on Bombay Stock Exchange (BSE) the details of which are as follows:

| Sl. No. | Name and address of the Stock Exchange | | Security Code No. |
|---|---|---|---|
| 1. | **National Stock Exchange of India Ltd.**<br>Exchange Plaza, Plot no. C/1, G Block,<br>Bandra-Kurla Complex, Bandra (E)<br>Mumbai - 400 051 | | ASHIANA |
| 2. | **BSE Ltd**<br>P.J. Towers, Dalal Street<br>Mumbai - 400 001 | Equity | 523716 |
| | | NCDs | 954426, 954535, 954536 & 957901, 958291 |

There is no outstanding listing fees payable to Bombay Stock Exchange (BSE) and National Stock Exchange (NSE).

**(f) Market Price Data**

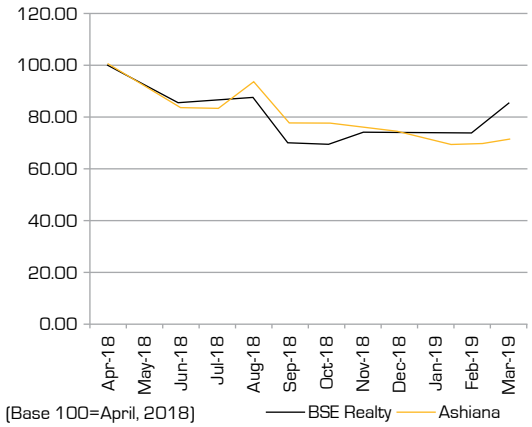
Monthly High and Low quotation of shares traded in BSE Ltd. and NSE Ltd. for the financial year 2018-19 is given below:

| Month | Bombay Stock Exchange (BSE) | | | National Stock Exchange (NSE) | | |
|---|---|---|---|---|---|---|
| | High Price | Low Price | Volume (No. of Shares) | High Price | Low Price | Volume (No. of Shares) |
| Apr-2018 | 171.65 | 156 | 87977 | 172.5 | 152.85 | 1419985 |
| May-2018 | 171 | 147 | 61825 | 165.2 | 146.9 | 977636 |
| Jun-2018 | 154.7 | 130.55 | 2062911 | 155 | 130 | 3459495 |
| Jul-2018 | 137.95 | 117.5 | 124650 | 138 | 118 | 964008 |
| Aug-2018 | 153.6 | 131 | 112951 | 152.5 | 133.3 | 789849 |
| Sep-2018 | 153.7 | 123 | 48177 | 154.45 | 125 | 914333 |
| Oct- 2018 | 134 | 115.4 | 60856 | 134.5 | 115.5 | 961193 |
| Nov- 2018 | 130.15 | 118 | 29323 | 137.2 | 120 | 1019671 |
| Dec-2018 | 129 | 112.3 | 224063 | 125 | 113.25 | 726913 |
| Jan-2019 | 124.4 | 108.1 | 45195 | 124 | 109.35 | 692067 |
| Feb-2019 | 125 | 104 | 67362 | 117.95 | 100.8 | 631776 |
| Mar-2019 | 124 | 108 | 54539 | 125 | 108.8 | 900865 |

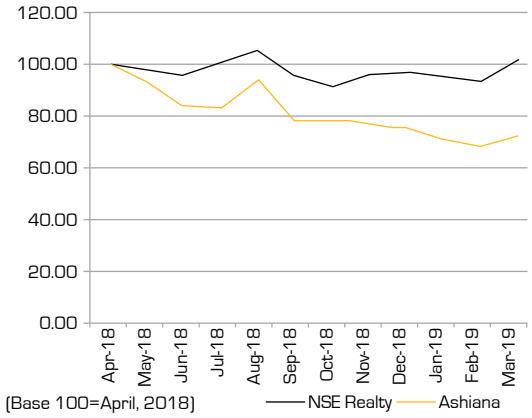
The Company has its ISIN No. INE 365D 01021 for dematerialisation of equity shares.

**(g) Share Performance in comparison to broad based indices**

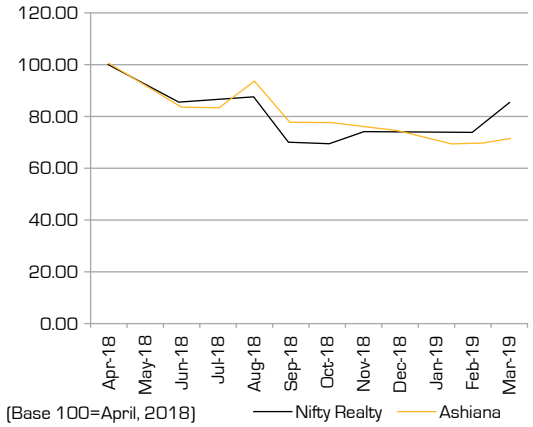
***BSE REALTY Graph***




***NSE 500***




***Nifty Realty Graph***




**(h) Registrar & Transfer Agent**

M/s. Beetal Financial & Computer services Pvt. Ltd. has been appointed by the company as its Registrar & Transfer Agent for registration of share transfer and other related work. Beetal House, 99, Madangir, Near Dada Harsukh Dass Mandir, Behind Local Shopping Centre, New Delhi – 110 062.

**(i) Share Transfer Process**

The company's shares being in compulsory demat list are transferable through the depository system. Shares in Demat Form are processed by the Registrar & Transfer Agent - M/s Beetal Financial & Computer Service Pvt. Ltd., Transfer of shares both by Demat and Physical mode are approved by the Stakeholder's Relationship Committee.

**(j) Distribution of Shareholding as on 31st March 2019**

| Range No. of Shares | Shareholders | | Shares | |
|---|---|---|---|---|
| | Numbers | % to total | Numbers | % to total |
| UP To 5,000 | 24,249 | 93.38 | 12,168,518 | 11.89 |
| 5,001 TO 10,000 | 1,115 | 4.29 | 3,901,282 | 3.81 |
| 10,001 TO 20,000 | 360 | 1.39 | 2,503,284 | 2.44 |
| 20,001 TO 30,000 | 100 | 0.39 | 1,222,261 | 1.19 |
| 30,001 TO 40,000 | 47 | 0.18 | 826,748 | 0.81 |
| 40,001 TO 50,000 | 13 | 0.05 | 298,449 | 0.29 |
| 50,001 TO 100,000 | 38 | 0.15 | 1,314,724 | 1.28 |
| 100,001 And Above | 47 | 0.18 | 80,116,833 | 78.27 |
| **Total** | **25,969** | **100.00** | **102,352,099** | **100.00** |

**(k) Shareholding Pattern as on 31st March, 2019**

| Sl. No. | Particulars | No. of Shares | % age of Shareholding |
|---|---|---|---|
| **A.** | **Promoter's Holding** | | |
| 1. | Indian Promoters | 6,24,72,760 | 61.04 |
| **B.** | **Non-Promoter's Holding** | | |
| 1. | Banks, FIs, Insurance Cos., Central/State Govt. Institutions/ Non-Govt. Institutions | 56,894 | 0.05 |
| 2. | Foreign Institutional Investors | 1,651,621 | 1.61 |
| 3. | Mutual Funds | 7,171,812 | 7.00 |
| **C.** | **Others** | | |
| 1. | Private Corporate Bodies (including foreign bodies corporate) | 4,648,573 | 4.57 |
| 2. | Indian Public (including HUF) | 22,174,096 | 21.66 |
| 3. | NRIs (Repatriable and Non Repatriable) | 1,681,978 | 1.64 |
| 4. | Trusts | 21,216 | 0.02 |
| 5. | Others (shares in transit) | 35,924 | 0.03 |
| 6. | IEPF Authority | 2,437,225 | 2.38 |
| | **Grand Total** | **10,23,52,099** | **100.00%** |

**(l) Dematerialisation of Shares and Liquidity**

The Shares of the company are compulsorily traded in dematerialised form. In order to enable the shareholders to hold their shares in electronic form and to facilitate scripless trading, the company has enlisted its shares with National Securities Depository Ltd. and Central Depository Services (India) Ltd. Out of 10,23,52,099 Equity Shares of the company 98,933,433 (96.66%) shares have been dematerialised as on 31st March, 2019.

**(m) Office Locations**

| **Registered Office:** | **Head Office & Share Dept.:** |
|---|---|
| 11G, Everest<br>46/C, Chowringhee Road<br>Kolkata-700 071 | Unit No. 4&5, 3rd Floor, Plot No. D-2<br>Saket District Center, Saket<br>New Delhi - 110 017 |

Branch Offices:

(a) 4th Floor, Ashiana Village Centre, Vasundhara Nagar, Bhiwadi, Rajasthan - 301019

(b) Ashiana Trade Centre, Adityapur, Jamshedpur, Jharkhand – 831 013

(c) 401, 3rd Floor, Apex Mall, Lal Kothi, Tonk Road, Jaipur, Rajasthan- 302015

(d) 8th Floor, Vatika Business Park, Sohna Road, Sector-49, Gurgaon, Haryana -122018

(e) Dhinanon Ki Dhani, Pal Sangaria Link Road, Jodhpur, Rajasthan - 342014

(f) The Business Centre, Office No. 2, 2nd Floor, Purushottam Plaza, Baner Road,

Pune, Maharashtra - 411 045

(g) Balaji Krupa Estate, Old Jyoti Ltd., Halol – Godhra Road, Halol, Gujarat – 389350

(h) Door No. - 10, 1st Floor, GJ Complex, 1st Main Road, CIT Nagar, Chennai – 600035

**(n) Outstanding GDRs/ADRs/Warrants or any Convertible instruments**

There are no outstanding GDRs/ADRs/Warrants or any Convertible instruments as company never issued any such instruments.

**(o) Address for correspondence**

Shareholders are advised to correspond with the Registrar & Share Transfer Agent – M/s. Beetal Financial & Computer Services Private Ltd. , Beetal House, 99, Madangir, Near Dada Harsukh Dass Mandir, Behind Local Shopping Centre, New Delhi – 110 062, for any query regarding Share Transfer / Transmission etc. and other related matter or may contact Mr. Nitin Sharma, Company Secretary and Compliance Officer on Phone No. 011-42654265; fax No. 011-42654200; and e-mail:nitin.sharma@ashianahousing.com

**(p) List of credit ratings**

| Particulars | ICRA | CARE | Brickwork Rating |
|---|---|---|---|
| NCD issued in FY 2015-16, 2016-17 (current outstanding ₹22 crores)* | - | - | BWR A+ (SO) Outlook Stable |
| NCD issued in FY 2018-19 (current outstanding ₹88.3 crores)* | ICRA (A) SO (Structure Obligation) | - | - |
| NCD issued in FY 2018-19 to International Finance Corporation* | ICRA (A) | - | - |
| Issuer Rating | - | CARE A (Is) Stable | - |

*as on the date of this report

**(q) Details of utilization of funds raised through preferential allotment/ qualified institutions placement**

The company had issued 93,02,324 no. of equity shares through Qualified Institutional Placement and raised ₹200 crores (approx.) in February, 2015. The entire amount of the money raised through Qualified Institutional Placement have been utilised for the stated purpose. There is no balance against this account.

**(r)** There has been not any incidence where the Board had not accepted any recommendation of any committee of the Board.

**(s)** The company paid ₹ 38.20 Lakhs and ₹ 43.15 Lakhs to Statutory auditor on Standalone and Consolidated basis respectively for their services.

**(t)** The Company has obtained a Certificate from Practicing Company Secretary certifying that none of the directors on the Board of the Company have been debarred or disqualified from being appointed directors of the Companies by the SEBI or Ministry of Corporate Affairs or any other Statutory authority.

Others:

**a) Corporate Social Responsibility (CSR) Committee**

In compliance of Section 135 of the Companies Act, 2013 and rules made thereunder, a Corporate Social Responsibility ("CSR") Committee was constituted by the Board of Directors of the company in its meeting held on 30th May, 2014 to formulate and monitor the CSR policy of the company.

The CSR Committee has adopted a policy the objective of which is to increasingly contribute to activities that are beneficial to the society and community at large, chart out a mechanism for undertaking CSR Activities, engage with company's key stakeholders in matters related to CSR Activities and align the activities undertaken by the company with the applicable laws. The CSR policy of the company is available on our website, at the following link: https://www.ashianahousing.com/investors/policies-of-the-company.php.

Towards achievement of its objectives, the Corporate Social Responsibility Committee (CSR Committee), inter alia, shall have the following roles to play and in consonance with the policy of the company:

1. Identify areas and opportunities for CSR activities within the broad framework outlined in this policy under the "Scope of Activities";
2. Decide the manner of execution of CSR activities;
3. Design and draft a Policy Statement for CSR activities;
4. Design and draft the organisation structure of CSR;
5. Suggest roles and responsibilities of various functional heads as per the policy statement so designed and drafted;
6. Selection of appropriate agencies/ NGOs for implementation of CSR activities on the lines of Companies Act, 2013 and Rules & Regulations there under;
7. Provide necessary inputs for preparation of the Annual CSR plans;
8. Supervision and monitoring of execution of CSR activities and quality of work and reporting on the same to the Board of Directors;

9. Review, co-ordinate and assist in operationalization of Annual CSR plans.

As required under section 135 of the Companies Act, 2013, read with CSR Rules, the CSR Committee of your company hereby states that the CSR policy implementation and monitoring thereof is, in letter and spirit, in line with CSR objectives.

Composition, name of members and Chairperson of the CSR Committee:

| Sl. No. | Name of Directors | Designation |
|---|---|---|
| 1. | Mr. Vishal Gupta | Chairman |
| 2. | Mr. Abhishek Dalmia | Member |
| 3. | Ms. Sonal Mattoo | Member |
| 4. | Mr. A. Gongopadhyay | Member |

During the financial year 2018-19 one meeting of CSR Committee was held i.e. on 18th May 2019.

The attendance of members of the CSR Committee in the meeting is as follows:

| Sl. No. | Name | Number of Meetings Held | Number of Meetings Attended |
|---|---|---|---|
| 1. | Mr. Vishal Gupta | 1 | 1 |
| 2. | Mr. Abhishek Dalmia | 1 | 1 |
| 3. | Ms. Sonal Mattoo | 1 | 1 |
| 4. | Mr. A. Gongopadhyay | 1 | 1 |

**b) Status report under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

An Internal Complaints Committee was formed under this Act in compliance of the provisions of this Act. During the financial year 2018-19, there was no complaint under the abovesaid Act and an annual compliance report was filed with the concerned authority..

**c) Risk Management Policy**

The Board of Directors had constituted a Risk Management Committee in their meeting held on 11th November, 2014 consisting of Mr. Varun Gupta, Whole Time Director, Mr. Ankur Gupta, Joint Managing Director and Mr. Vikash Dugar, CFO of the company. The objective of this committee is to monitor and review the functions relating to the risk management of the company. The Risk Management Committee had drafted a Risk Management Policy to carry out the risk management of the company. The Risk Management policy of the Company is available on our website, at the following link: https://www.ashianahousing.com/real-estate-investors/corporate-governance#2

**d) CEO/CFO Certification**

In terms of clause 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the certification by Managing Director and Chief Financial Officer has been obtained and is attached as part of this annual report. Further the Managing Director of the company has given a declaration that all the Board members and senior management have affirmed compliance with the code of conduct for the current year.

**e) Demat Suspense A/c / Unclaimed Suspense A/c**

The company does not have any demat suspense account or unclaimed suspense account in respect of shares of the company.

On behalf of the Board of Directors

Place: New Delhi
Dated: 18th May, 2019

Vishal Gupta
(**Managing Director**)

# CEO/CFO Certificate

**The Board of Directors**
**Ashiana Housing Ltd.**
Unit No. 304, 305, Southern Park,
Saket, New Delhi – 110 017

We, Vishal Gupta, Managing Director and Vikash Dugar, CFO, hereby certify to the Board that:

a. We have reviewed financial statements and the cash flow statement for the year 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. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or any violation of the company's code of conduct.

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

d. We have indicated to the auditors and the Audit committee:

   i. significant changes in internal control over financial reporting during the year;

   ii. significant changes in accounting policies during the year, if there is any, and that the same have been disclosed in the notes to the financial statements; and

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

**Vishal Gupta**
(Managing Director)

**Vikash Dugar**
(CFO)

Place: New Delhi
Date: 18th May, 2019

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**The Board of Directors**
**Ashiana Housing Ltd.**
Unit no. 304, 305, Southern Park,
Saket District Centre, Saket,
New Delhi – 110 017

**Dated: 18th May, 2019**

**Sub: Declaration of compliance of Code of Conduct**

Respected Sir(s)

This is to declare that during the year 2018-19, we have obtained, from all the members of the Board and senior management, declarations on compliance, in letter and spirit, with the code of conduct enunciated by the company and also posted it on the website of the company, and acted within the bounds of the authority conferred upon me and with a duty to make and enact informed decisions and policies in the best interests of the company and its shareholders/stakeholders.

Thanks
**Vishal Gupta (MD)**

# Remuneration Policy of Ashiana Housing Ltd.

**Forming part of the Corporate Governance Report**

The Board of Directors of Ashiana Housing Ltd. in their meeting held on 30th May, 2014 had reconstituted and renamed the Nomination and Remuneration Committee. This policy shall be in terms of section 178 of the Companies Act, 2013 alongwith regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## The key objectives of this policy are:

1. To formulate a criteria for determining the qualifications and other attributes required for appointment as Director, Key Managerial Personnel and independence of Director;
2. To formulate a criteria for determining the remuneration of Directors of the company;
3. To formulate a criteria for determining the remuneration of Key Managerial Personnel, Senior Management and Other employees of the company;
4. To formulate a criteria for evaluation of performance of the members of the Board, Key Managerial Personnel and to provide necessary report to the Board of Directors, if required;
5. To ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
6. To ensure relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
7. To ensure remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

**Definitions:**

**Act:** Act means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time;

**Board:** Board means the Board of Directors of the company;

**Director:** Director means Directors of the company;

**Key Managerial Personnel:** Key Managerial Personnel means:

a) Chief Executive Officer or the Managing Director, Joint Managing Director or the Manager;

b) Whole Time Director;

c) Chief Financial Officer; and

d) Company Secretary

**Senior Management:** Senior Management means personnel of the company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads i.e. location Vice Presidents and Functional Heads.

1. Criteria for nomination as Director, Key Managerial Personnel and Independence of a Director:

The committee shall identify and ascertain the qualification, expertise and experience, integrity of the person who would be recommended to the Board to be appointed as Director, Key Managerial Personnel and Senior Management. However, if any specific qualification is specified by or under any statute to appoint or hold any of these positions then the candidate shall meet that criteria. Further, whether the candidate possesses the requisite experience and expertise and has the ability, integrity and standing, which is required for the position open, is left to the wisdom of the Board.

The criteria for determining independence of a director shall be the same as is specified in the Companies Act, 2013 and Rules made thereunder, as amended from time to time, as well as in the corporate governance norms specified in the listing agreement executed with stock exchanges.

2 Criteria for determining Remuneration of Directors, Key Managerial Personnel and Senior Management Other Employees of the Company

For the purpose of determining the criteria of remuneration payable to directors, Key Managerial Personnel, Senior Management and Other Employees of the company, policy on this has been classified into four categories:

a) Remuneration of Managing Director and Executive Director;

b) Remuneration of Non-Executive Director; and

c) Remuneration of Key Managerial Personnel, Senior Management and Other Employees

The remuneration of Managing Director, Executive and Non Executive Directors of the company shall be reviewed by the Nomination and Remuneration Committee and then recommended to the Board of Directors of the company for their approval.

While reviewing and recommending the said remuneration the Committee shall ensure that the objectives stated in this policy are served and shall take into consideration the industry benchmarks, the company's performance vis- à- vis the industry, responsibilities shouldered, performance/track record, macro-economic review and remuneration packages of heads of similar other organisations and thereafter the remuneration will be decided by the Board of Directors.

**Details:**

a) Remuneration of Managing Director, Executive Directors

The company may pay remuneration by way of salary, perquisites and allowances (fixed component), incentive remuneration and/or commission (variable components)

to its directors within the limits prescribed under the provisions of the Companies Act, 2013 and Rules made thereunder as amended from time to time and as approved by shareholders of the Company. However, in case of loss or inadequate profits the remuneration shall be paid as prescribed under the Companies Act, 2013 and Rules made thereunder. Further, the Managing Director, Joint Managing Director and Whole Time Director may receive remuneration, in any form, from any holding or subsidiary company of Ashiana Housing Ltd. subject to the provisions of the Companies Act, 2013 and Rules made thereunder. The remuneration payable to directors shall involve a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals.

b) Remuneration of Non Executive Directors

The company may pay remuneration to Non Executive Directors by way of Commission within the limits prescribed under the Companies Act, 2013 and Rules made thereunder as amended from time to time and as approved by shareholders of the company. However, the Independent Directors shall not be entitled to any Stock Option. The remuneration payable to the Non Executive directors shall be based on their participation and contribution at the Board and Committee meetings, in which they would be member or chairman, as well as time spent on matters other than at such meetings.

Further, the company may pay to non-executive directors sitting fee in terms of the provisions of the Companies Act, 2013 and Rules made thereunder, for attendance at each meeting of the Board, Audit Committee, Executive Committee, Nomination and Remuneration Committee or any other Committee whether constituted under the Companies Act, 2013 or any other law for the time in force. Further, the Company may also pay sitting fees to directors attending as Special Invitees to the committees in which they are not members. The company may also reimburse to directors the expenses incurred for attending meetings held at a city other than the one in which the Directors reside.

c) Remuneration of Key Managerial Personnel, Senior Management Personnel and Other Employees.

The company may pay remuneration to Key Managerial Personnel, Senior management personnel and other employees by way of basic pay, perquisites, allowances and performance incentives. The components of the total remuneration may vary for different employee grades and may be governed by industry patterns, qualifications and experience of the employee, responsibilities handled by them, their individual performances, etc. The annual variable pay of senior management personnel may be linked to the company's performance in general and their individual performance for the relevant year and may be measured against specific major performance areas which are closely aligned to the company's objectives.

3. Evaluation of performance of the members of the Board, Key Managerial Personnel

The committee shall carry out evaluation of performance of every Director, Key Managerial Personnel, and Senior Management Personnel at regular interval (Yearly).

# AUDITORS' CERTIFICATE

To
**The Members of**
**Ashiana Housing Limited**
Delhi

We have examined the compliance of conditions of corporate governance by Ashiana Housing Limited for the year ended 31st March 2019 as stipulated in 17 to 27, clause (b) to (i) sub- regulation (2) of regulation and paras C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter called as "Listing Regulations).

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the company for ensuring 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, and the representations made by the directors and the management, we certify that the company has complied with the conditions of corporate governance as stipulated under the Listing Regulations.

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

For **VMSS & ASSOCIATES**
Chartered Accountants
Firm Registration No: 328952E

**Mahendra Jain**
Partner
Membership No: 413904

Place: New Delhi
Date: 18th May, 2019

# Financial Statements

# Independent Auditor's Report

To the Members of **Ashiana Housing Limited**

## Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Ashiana Housing Limited ('the company'), which comprise the Balance Sheet as at 31st March 2019, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flow for the year then ended, and Notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs (financial position) of the company as at March 31, 2019, and profit (financial performance including Other Comprehensive Income), its Cash Flows and the Changes In Equity for the year ended on that date.

## Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing(SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Information other than the Financial Statements and Auditor's Report thereon**

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

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

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

## Responsibilities of Management and Those charged with Governance for the Standalone Financial Statements

The company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including Other Comprehensive Income), Changes In Equity and Cash Flows of the company in accordance with the accounting principles generally accepted in India including the Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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.

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

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

# Independent Auditor's Report

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has internal financial controls with reference to Financial Statements in place and the operating effectiveness of such controls

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

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

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

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

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("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 the paragraph 3 and 4 of the order.

# Independent Auditor's Report

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 purposes of our audit.

   (b) in our opinion proper books of account as required by law have been kept by the company so far as it appears from our examination of those books;

   (c) the Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of change in Equity 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 Indian Accounting Standards specified under Section 133 of the Act;

   (e) on the basis of the written representations received from the directors as on 31st March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2019 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";

   (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

   In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the company to its directors during the year is in accordance with the provisions of section 197 of the Act

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

      i. the company has, to the extent ascertainable, disclosed the impact of pending litigations on its financial position in its financial statements – Refer clause (e) of Note 12 to the financial statements;

      ii. the company does not have any material foreseeable losses on long term contracts including derivative contracts which would impact its financial position;

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

For **VMSS & ASSOCIATES**
Chartered Accountants
Firm Registration No. 328952E

**Mahendra Jain**
Partner
Membership No. 413904

Place: New Delhi
Date: 18th May, 2019

# Annexure - A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the company on the standalone financial statements for the year ended 31st March 2019, we report that:

(i) (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) According to the information and explanations given to us, all the assets have not been physically verified by the management during the year but there is a regular program of physical verification of its property, plant and equipment to cover all the items of property, plant and equipment in a phased manner, in our opinion, is reasonable having regard to the size of the company and the nature of its property, plant and equipment. Pursuant to the program, certain plant and Machinery is physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties are held in the name of the company.

(ii) According to the information and explanations given to us, the management has conducted physical verification of inventory at reasonable intervals during the year which, in our opinion, is reasonable having regard to the size of the company and nature of its business. No material discrepancies were noticed on such verification.

(iii) The company has not granted secured/unsecured loans to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').

(iv) 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 Companies Act, 2013 in respect of loans, investments, guarantees and securities made by the company.

(v) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits within the meaning of Sections 73 to 76 of the Companies Act, 2013 Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended).

(vi) As certified by a Cost Accountant, the company has maintained cost records for the year under review, as prescribed under sub-section (1) of Section 148 to the extent applicable to the company. We have, however, not made a detailed examination of such records.

(vii) (a) According to the records of the company, the company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, Goods and Service Tax, duty of customs, Cess and other material statutory dues, as applicable, and no such statutory dues were outstanding as at the last day of the financial year under review for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of income-tax, Goods and Service Tax, duty of customs and cess, as applicable, which have not been deposited on account of any dispute, except the following:

| Name of the Statute | Amount (₹ in lakhs) | Relating to the year | Forum where dispute pending |
|---|---|---|---|
| Income Tax Act, 1961 | 64.83 | 2015-16 | Deputy Commissioner of Income Tax (petition to be filed) |
| Finance Act, 1994 | 77.2 | 2010-11 to 2012-13 | Central Excise and Service Tax Appellate Tribunal |
| Finance Act, 1994 | 0.82 | 2012-13 to 2014-15 | Central Excise and Service Tax Appellate Tribunal |
| Finance Act, 1994 | 0.79 | 2015-16 | Central Excise and Service Tax Appellate Tribunal |
| Finance Act, 1994 | 1.41 | 2014-15 | Commissioner (Appeals) Central Excise |
| Finance Act, 1994 | 1.37 | 2016-17 | Commissioner (Appeals) Central Excise |
| Finance Act, 1994 | 0.65 | 2012-13 to 2015-16 | Commissioner (Appeals) Central Excise |
| TNVAT Act, 2006 | 12.42 | 2015-16 | Deputy Commissioner (Appeals) Commercial Tax |
| Finance Act, 1994 | 1.02 | 2012-13 to 2014-15 | Commissioner (Appeals) Central Excise |
| RVAT Act, 2003 | 31.56 | 2013-14 to 2016-2017 | Assistant Commissioner, Commercial Tax |
| GVAT Act, 2003 | 0.87 | 2014-15 | Deputy Commissioner (Appeals) Commercial Tax |
| TNVAT Act, 2006 | 4.68 | 2016-17 | Assistant Commissioner (Appeals), Commercial Tax |

# Annexure - A to the Auditors' Report

(viii) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders.

(ix) In our opinion and according to the information and explanation given to us, the company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year under review. Further term loans have been applied for the purposes for which those were raised.

(x) According to the information and explanations given to us, no fraud by the company or on the company by its officers or employees have been noticed or reported during the year.

(xi) According to the information and explanations give 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.

(xii) In our opinion and according to the information and explanations given to us, the company is not a nidhi company.

(xiii) 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 and the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations give to us and based on our examination of the records of the company, the company has made preferential allotment or private placement of non convertible debentures during the year under review and section 42 of the Companies Act, 2013 have been complied with and the amount raised have been used for the purposes for which the funds were raised.

(xv) 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.

(xvi) In our opinion, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For **VMSS & ASSOCIATES**
Chartered Accountants
Firm Registration No. 328952E

**Mahendra Jain**
Partner
Membership No. 413904

Place: New Delhi
Date: 18th May, 2019

# Annexure - B to the Auditors' 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 Ashiana Housing Limited ("the company") as of 31st March 2019 in conjunction with our audit of the standalone financial statements of the company for the year ended on that date.

## Management's Responsibility for Internal Financial Controls

The company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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.

## Auditors' Responsibility

Our responsibility is to express an opinion on the company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") 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 controls system over financial reporting.

# Annexure - B to the Auditors' Report

## 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 authorisations 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 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 2019, 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 **VMSS & ASSOCIATES**
Chartered Accountants
Firm Registration No. 328952E

**Mahendra Jain**
Partner
Membership No. 413904

Place: New Delhi
Date: 18th May, 2019

# Notes to the Financial Statements

## 1. CORPORATE INFORMATION

Ashiana Housing Limited ("the company") is a public limited company domiciled and incorporated in India and its shares are publicly traded on the National Stock Exchange ("NSE") and the Bombay Stock Exchange ("BSE"), India. The registered office of the company is situated at 11G Everest, 46/C, Chowringhee Road, Kolkata – 700071 and the head office is situated at 304, Southern Park, Saket District Centre, Saket, New Delhi - 110017.

The principal business activity of the company is Real Estate Development. The company has its presence in the states of Rajasthan, Jharkhand, Maharashtra, Haryana, West Bengal, Gujarat and Tamil Nadu.

The financial statements were authorised for issue in accordance with a resolution passed by the Board of Directors on 18th May, 2019.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### 2.1 Basis of preparation

The financial statements (Separate financial statements) have been prepared on accrual basis in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and the provisions of the Companies Act, 2013.

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities which have been measured at fair value (refer accounting policy regarding financial instruments).

The financial statements are presented in Indian Rupees ("INR" or "₹") and all amounts are rounded to the nearest lacs, except as stated otherwise. "₹" 0 represents amount below 50,000/-

### 2.2 Estimates and Judgements

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions effect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in note **2.24**. Accounting estimates could change from period to period. Actual results may differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

### 2.3 Current versus non-current classification

The company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The normal operating cycle, in the context of the company, is the time between the acquisition of land for a real estate project and its realisation in cash and cash equivalents by way of sale of developed units.

### 2.4 Property, Plant and Equipment

Freehold/Leasehold land and capital work-in-progress is carried at cost including transaction costs and borrowing cost. All other items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Lease arrangements in respect of land for lease period above threshold limit are classified as a finance lease.

The cost of an item of property, plant and equipment comprises of its purchase price, any costs directly attributable to its

# Notes to the Financial Statements

acquisition and an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which the company incurs when the item is acquired. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

On transition to Ind AS, the company has elected to continue with the carrying value of all its property, plant and equipment recognised as at 1st April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives. The useful lives estimated for the major classes of property, plant and equipment are as follows:

| Class of property, plant and equipment | Useful life (in years) |
|---|---|
| Buildings | 60 |
| Rented Premises | Lease period |
| Plant & Machinery | 5–15 |
| Furniture & Fixtures | 8-10 |
| Vehicles | 5-10 |
| Electrical Installations | 10 |
| Equipments and facilities | 5 |
| Computer Hardware | 3 |

The useful lives have been determined based on technical evaluation done by the management's, which in few cases are different than the lives as specified by Schedule II to the Companies Act, 2013. The residual values are not more than 5% of the original cost of the asset. The asset' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset is included in the statement of profit and loss when the asset is derecognised.

Physical verification of Property, Plant and Equipment is carried out in a phased manner. Certain Plant and Machinery including Shuttering and Scaffoldings is verified on completion of a Project due to nature of such assets.

**2.5 Investment properties**

Investment properties are measured initially at cost, including transaction costs and borrowing costs, wherever applicable. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred.

On transition to Ind AS, the company has elected to continue with the carrying value of all its investment properties recognised as at 1st April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the investment properties.

The building component of the investment properties are depreciated using the straight-line method over 60 years from the date of original purchase, being their useful life as estimated by the management. The estimated useful life of the building is same as that prescribed in Schedule II to the Companies Act, 2013.

The company discloses the fair value of investment properties as at the end of the year, which is determined by registered accredited independent valuers.

Investment properties are derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of investment properties are included in profit and loss in the period of de-recognition.

**2.6 Intangible assets**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment loss.

On transition to Ind AS, the company has elected to continue with the carrying value of all its intangible assets recognised as at 1st April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised on a straight-line method over the useful economic life and assessed for

impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset are reviewed at least at the end of each reporting period and adjusted, if appropriate. The useful economic lives estimated for various classes of intangible assets are as follows:

| Class of intangible assets | Useful life (in years) |
|---|---|
| Goodwill | 5 |
| Trademark and Logo | 10 |
| Software | 3 |

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually.

**2.7 Non-current assets held for sale**

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell.

Non-current assets classified as held for sale and their related liabilities are presented separately in the balance sheet. Non-current assets are not depreciated or amortised while they are classified as held for sale.

**2.8 Inventories**

Construction material and hotel and club consumables are valued at lower of cost and net realisable value. However, materials and other items are not written down below cost if the constructed units/food and beverages in which they are used are expected to be sold at or above cost. Cost is determined on first in, first out (FIFO) basis.

Land/Development Rights are valued at lower of cost and net realisable value.

Completed units and project development forming part of work in progress are valued at lower of cost and net realisable value. Cost includes direct materials, labour, project specific direct and indirect expenses, borrowing costs and pro-rata unrealised cost from EWS/LIG units.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

**2.9 Cash and Cash Equivalents**

Cash and cash equivalent in the Balance Sheet comprise cash at banks and on hand and short-term deposits maturing within twelve months from the date of Balance Sheet, which are subject to an insignificant risk of changes in value. Bank overdrafts are shown under borrowings in the Balance Sheet.

Other Bank Balances Includes Balances with Bank to the extent secured against the borrowings, Bank Balances for unclaimed dividend, and Balances in Bank Accounts designated as RERA Account wherein 70% of amount collected from allottees is deposited.

**2.10 Financial Instruments**

A. Financial Instruments - Initial recognition and measurement

Financial assets and financial liabilities are recognised in the company's statement of financial position when the company becomes a party to the contractual provisions of the instrument. The company determines the classification of its financial assets and liabilities at initial recognition. All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

B.1. Financial assets –Subsequent measurement

The Subsequent measurement of financial assets depends on their classification which is as follows:

a. Financial assets at fair value through profit or loss

Financial assets at fair value through profit and loss include financial assets held for sale in the near term and those designated upon initial recognition at fair value through profit or loss.

b. Financial assets measured at amortised cost

Loans and receivables are non derivative financial assets with fixed or determinable payments that are not quoted in an active market. Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowance for estimated irrecoverable amounts based on the ageing of the receivables balance and historical experience. Additionally, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. Individual trade receivables are written off when management deems them not to be collectible.

c. Financial assets at fair value through OCI

All equity investments, except investments in subsidiaries, joint ventures and associates, falling within the scope of Ind AS 109, are measured at fair value through Other Comprehensive Income (OCI). The company makes an irrevocable election on an instrument by instrument basis to present in Other Comprehensive Income subsequent changes in the fair value. The classification is made on initial recognition and is irrevocable.

# Notes to the Financial Statements

If the company decides to designate an equity instrument at fair value through OCI , then all fair value changes on the instrument, excluding dividends, are recognized in the OCI.

B.2. Financial assets –Derecognition

The company derecognises a financial asset when the contractual rights to the cash flows from the assets expire or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset.

Upon derecognition of equity instruments designated at fair value through OCI, the associated fair value changes of that equity instrument is transferred from OCI to Retained Earnings.

C. Investment in subsidiaries, joint ventures and associates

Investments made by the company in subsidiaries, joint ventures and associates are measured at cost in the separate financial statements of the company.

D.1. Financial liabilities –Subsequent measurement

The Subsequent measurement of financial liabilities depends on their classification which is as follows:

a. Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading, if any.

b. Financial liabilities measured at amortised cost

Interest bearing loans and borrowings including debentures issued by the company are subsequently measured at amortised cost using the effective interest rate method (EIR). Amortised cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are integral part of the EIR. The EIR amortised is included in finance costs in the statement of profit and loss.

D.2. Financial liabilities –Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or expires.

E. Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position, if and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

F. Fair value measurement

The company measures certain financial instruments at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the assets or liability or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the company.

The company uses valuation technique that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

**2.11 EWS/LIG units**

In terms of the building bye laws of various states in which the company operates, it is required to develop certain units for Economically Weaker Section (EWS) and Lower Income Group (LIG) people along with the development of the main group housing project.

EWS/LIG units in the balance sheet comprise of amounts deployed by the company towards land, development and/or purchase of EWS/LIG units, as reduced by amounts received from the allottees and unrealised cost from such units.

**2.12 Revenue Recognition**

Effective 1st April, 2018 the company adopted IND As 115, "Revenue from contracts with customers". The effect of adoption of Ind As 115 was insignificant. The following is a summary of new and /or revised significant accounting policies related to revenue recognition.

Revenue is recognised upon transfer of control of promised product or services to customer in an amount that reflects the consideration we expect to receive in exchange for those product or service, regardless of when the payment is received. Revenue is measured at the transaction price, excluding amounts collected on behalf of the third parties.

The specific recognition criteria for the various types of the company's activities are described below:

Real estate projects

In accordance with the principles of Ind AS 115 revenue in respect of real estate project is recognised on satisfaction

of Performance obligation at a point in time by transferring a promised good or services (i.e. an asset) to a customer and the customer obtains control of that asset.

To determine the point in time at which a customer obtains control of a promised asset and the entity satisfies a performance obligation, the company considers following indicators of the transfer of control to customers:

(a) the company has a present right to payment for the asset.

(b) the company has transferred to the buyer the significant risks and rewards of ownership of the real estate;

(c) the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the real estate sold;

(d) the amount of revenue can be measured reliably;

(e) the costs incurred or to be incurred in respect of the transaction can be measured reliably

(f) the customer has accepted the asset.

The satisfaction of performance obligation and the control thereof is transferred from the company to the buyer upon possession or upon issuance of letter for offer of possession ("deemed date of possession"), whichever is earlier, subject to realisation/ certainty of realisation.

Obligations: The company is under an obligation to comply with the following In terms of the Real Estate (Regulation and Development) Act 2016 (RERA)

(a) Obligation to keep 70% of the amounts realized from real estate project from allottees from time to time, in a separate account in a scheduled bank

(b) To enable formation of the association or society of allottees

(c) Liability to rectify structural defect or defect in workmanship within 30 days if brought to notice of the company by allottee within 5 years from the date of handing over possession.

Hotel and club services

Revenue from rooms, food and beverages, club and other allied services, is recognised upon rendering of the services.

Interest income

Interest income from debt instruments (including Fixed Deposits) is recognised using the effective interest rate method. The effective interest rate is that rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. While calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividends

Revenue is recognised when the company's right to receive the payment is established.

Rental Income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease term.

Delayed payment charges

Delayed payment charges claimed to expedite recoveries are accounted for on realisation.

Other Income

Other Income is accounted for on accrual basis except, where the receipt of income is uncertain.

**2.13 Foreign currency transactions**

Foreign currency transactions are translated into Indian rupee using the exchange rates prevailing on the date of the transaction. Foreign exchange gains and losses resulting from the settlement of these transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in profit or loss.

**2.14 Employee benefits**

Short Term employee benefits

Liabilities for wages, salaries and other employee benefits that are expected to be settled within twelve months of rendering the service by the employees are classified as short term employee benefits. Such short term employee benefits are measured at the amounts expected to be paid when the liabilities are settled.

Post employment benefits

(a) Defined contribution plans

The company pays provident fund contribution to publicly administered provident funds as per the local regulations. The contributions are accounted for as defined contribution plans and are recognised as employee benefit expense when they are due.

(b) Defined benefit plans

The liabilities recognised in the Balance Sheet in respect of defined benefit plan, namely gratuity and leave pay, are the present value of the defined benefit obligation at the

# Notes to the Financial Statements

end of the year less the fair value of plan assets, if any. The defined benefit obligation is calculated by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in the retained earnings in the statement of changes in equity and in the Balance Sheet.

**2.15 Leases**

Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease.

A lease that transfers substantially all the risks and rewards incidental to ownership to the company is classified as a finance lease. Finance leases are capitalised at the commencement of the lease at the inception date at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the company are classified as operating lease. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term, unless the payments are structured to increase in line with expected general inflation.

Company as a lessor

Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease, unless the receipts are structured to increase in line with expected general inflation.

**2.16 Finance Costs**

Borrowing costs that are attributable to ongoing projects of the company are charged to work in progress as a part of the cost of such project.

Other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

**2.17 Selling Costs**

Selling expenses related to specific projects/units are being charged to statement of profit and loss in the year in which the revenue thereof is accounted. Such costs are carried forward till such charge off as unaccrued selling expenses under the head Other Current Assets.

**2.18 Taxes**

Current Tax

The current tax expense for the period is determined as the amount of tax payable in respect of taxable income for the period, based on the applicable income tax rates.

Current tax relating to items recognised in Other Comprehensive Income or equity is recognised in Other Comprehensive Income or equity, respectively.

Deferred Tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences and, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carry forward of unused tax credits and unused tax losses can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted at the reporting date.

Deferred tax relating to items recognised in other comprehensive income or equity is recognised in Other Comprehensive Income or equity, respectively.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities.

# Notes to the Financial Statements

**2.19 Provisions, Contingent Liabilities and Contingent Assets**

A provision is recognised when the company has present determined obligations as a result of past events and an outflow of resources embodying economic benefits will be required to settle the obligations. Provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A Contingent liability is not recognised but disclosed in the notes to the accounts, unless the probability of an outflow of resources is remote.

A contingent asset is generally neither recognised nor disclosed.

**2.20 Earnings per share**

The Basic earnings per share (EPS) is calculated by dividing the net profit or loss for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

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

**2.21 Dividends**

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the company, on or before the end of the reporting period but not distributed at the end of the reporting period.

**2.22 Exceptional items**

Exceptional items refer to items of income or expense within statement of profit and loss from ordinary activities which are non-recurring and are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the company.

**2.23 Impairment of assets**

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

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss.

**2.24 Critical accounting estimates**

Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the company. The charge in respect of periodic depreciation is derived after determining an estimate

# Notes to the Financial Statements

of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

### Intangible assets

The company tests whether intangible assets have suffered any impairment on an annual basis. The recoverable amount of a cash generating unit is determined based on value in use calculations which require the use of assumptions.

### Investment property

The charge in respect of periodic depreciation on investment properties is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of company's investment properties are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

### Trade Receivable

As per Ind AS 109, the company is required to apply expected credit losses model for recognizing the provision for doubtful debts. The expected credit losses are determined based on the past trends & assumption.

### Recognition and measurement of defined benefit obligations

The obligations arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation and attrition rate. The discount rate is determined by reference to market yields at the end of the reporting period on government securities, the period to maturity of the underlying securities correspond to the probable maturity of the post-employment benefit obligation.

### Provisions and contingencies

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the Balance Sheet date. The actual outflow of resources at a future date may therefore vary from the amount included in other provisions.

# Balance Sheet

as at 31st March, 2019

(₹ in Lakhs)

| Particulars | Notes | As at 31st March, 2019 | As at 31st March, 2018 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Property, plant and equipment | 3.1 | 6,078 | 5,282 |
| Investment property | 3.2 | 5,912 | 6,626 |
| Intangible assets | 3.3 | | |
| - Goodwill | 3.3.1 | - | 3 |
| - Other intangible assets | 3.3.2 | 82 | 108 |
| Financial assets | 3.4 | | |
| - Investment in subsidiaries | 3.4.1 | 286 | (414) |
| - Investments others | 3.4.2 | 4 | 3 |
| - Deposits with banks | 3.4.3 | 2,718 | 2,301 |
| | | **15,080** | **13,909** |
| **Current assets** | | | |
| Inventories | 4.1 | 62,472 | 63,742 |
| Financial assets | 4.2 | | |
| - Investment in subsidiaries / joint ventures | 4.2.1 | 4,071 | 4,423 |
| - Investments others | 4.2.2 | 6,505 | 9,969 |
| - Trade receivables | 4.2.3 | 1,073 | 1,417 |
| - Cash and cash equivalents | 4.2.4 | 2,439 | 873 |
| - Other Bank Balances | 4.2.5 | 1,088 | 914 |
| - Other financial assets | 4.2.6 | 5,877 | 5,469 |
| Current tax assets (Net) | 4.3 | 616 | 805 |
| Other current assets | 4.4 | | |
| - Trade advance and deposits | 4.4.1 | 7,333 | 9,587 |
| - EWS/LIG units | 4.4.2 | 2,204 | 1,620 |
| - Others | 4.4.3 | 4,768 | 4,845 |
| | | **98,445** | **1,03,664** |
| **Total Assets** | | **1,13,524** | **1,17,573** |
| **EQUITY AND LIABILITIES** | | | |
| **Equity** | | | |
| Equity Share capital | 5.1 | 2,047 | 2,047 |
| Other Equity | 5.2 | 76,469 | 74,599 |
| | | **78,516** | **76,646** |
| **LIABILITIES** | | | |
| **Non-current liabilities** | | | |
| Financial liabilities | 6.1 | | |
| - Borrowings | 6.1.1 | 14,274 | 6,339 |
| - Other financial liabilities | 6.1.2 | 201 | 204 |
| Non - Current Provisions | 6.2 | 301 | 395 |
| Deferred tax liabilities (Net) | 6.3 | 244 | 204 |
| | | **15,020** | **7,142** |
| **Current liabilities** | | | |
| Financial liabilities | 7.1 | | |
| - Borrowings | 7.1.1 | 24 | 5,619 |
| - Trade payables | | | |
| a) Dues of micro and small enterprises | | 164 | 21 |
| b) Dues of creditors other than micro and small enterprises | | 973 | 1,558 |
| - Other financial liabilities | 7.2 | 3,344 | 3,293 |
| Other current liabilities | 7.3 | | |
| - Advance from customers | 7.3.1 | 15,201 | 22,879 |
| - Others | 7.3.2 | 189 | 336 |
| Current Provisions | 7.4 | 93 | 80 |
| | | **19,988** | **33,784** |
| **Total Equity and Liabilities** | | **1,13,524** | **1,17,573** |
| Corporate Information & Significant Accounting Policies | 1 & 2 | | |
| Accompanying notes to the financial statements | 1 to 21 | | |

In terms of our report of even date attached herewith

For **VMSS & ASSOCIATES**
Chartered Accountants
Firm Registration No: 328952E

**Vishal Gupta**
(Managing Director)
DIN No.00097939

**Varun Gupta**
(Whole-time Director)
DIN No.01666653

**Hemant Kaul**
(Independent Director)
DIN No.00551588

**Mahendra Jain**
Partner
Membership No: 413904

**Nitin Sharma**
(Company Secretary)

**Vikash Dugar**
(CFO)

Place: New Delhi
Date: 18th May, 2019

# Statement of Profit and Loss

for the year ended 31st March, 2019

(₹ in Lakhs)

| Particulars | Note | 2018-19 | 2017-18 |
|---|---|---|---|
| **Income** | | | |
| Revenue from Operations | 8.1 | 29,100 | 27,194 |
| Income from Partnership | 8.2 | 1,082 | 1,704 |
| Other Income | 8.3 | 1,048 | 1,185 |
| **Total Revenue** | | **31,230** | **30,083** |
| **Expenses** | | | |
| Direct Costs: | | | |
| Purchases | 9.1 | 5,781 | 2,275 |
| Project Expenses | 9.2 | 11,242 | 13,588 |
| Changes in Inventories | 9.3 | 1,214 | 161 |
| Hotel & Club Expenses | 9.4 | 776 | 681 |
| | | **19,014** | **16,704** |
| Employee Benefits Expense | 9.5 | 2,686 | 2,691 |
| Selling Expenses | | 2,586 | 2,072 |
| Finance Costs | 9.6 | 1,490 | 1,145 |
| Depreciation & Amortization Expenses | 9.7 | 804 | 725 |
| Other Expenses | 9.8 | 2,000 | 1,907 |
| **Total Expenses** | | **28,580** | **25,245** |
| **Profit before tax** | | **2,650** | **4,839** |
| **Tax Expense:** | 10 | | |
| Current Tax | | 785 | 1,114 |
| Deferred Tax | | 97 | (150) |
| | | **882** | **963** |
| **Profit for the year** | | **1,768** | **3,876** |
| Other comprehensive income | | | |
| A) Items that will not be reclassified to profit or loss | | | |
| - Changes in fair value of Equity Instruments | | 324 | 487 |
| - Tax Expense relating to above | | 67 | 264 |
| - Remeasurement of net defined benefit liabilities | | 30 | (15) |
| - Tax Expense relating to above items | | (11) | 5 |
| B) Items that will be reclassified to profit or loss | | - | - |
| **Other comprehensive income for the year** | | **410** | **742** |
| **Total comprehensive income for the year** | | **2,178** | **4,617** |
| **Earnings per equity share** | | | |
| Basic & Diluted | 11 | 2.13 | 4.51 |
| Corporate Information & Significant Accounting Policies | 1 & 2 | | |
| Accompanying notes to the financial statements | 1 to 21 | | |

In terms of our report of even date attached herewith

For **VMSS & ASSOCIATES**
Chartered Accountants
Firm Registration No: 328952E

**Mahendra Jain**
Partner
Membership No: 413904

Place: New Delhi
Date: 18th May, 2019

**Vishal Gupta**
(Managing Director)
DIN No.00097939

**Varun Gupta**
(Whole-time Director)
DIN No.01666653

**Hemant Kaul**
(Independent Director)
DIN No.00551588

**Nitin Sharma**
(Company Secretary)

**Vikash Dugar**
(CFO)

# Cash Flow Statement

for the year ended 31st March, 2019

(₹ in Lakhs)

| Particulars | 2018-19 | 2017-18 |
|---|---|---|
| **Cash Flow from Operating Activities :** | | |
| **Net Profit before tax and extraordinary items** | 2,650 | 4,838 |
| Adjusted for : | | |
| Depreciation | 804 | 725 |
| Interest Income | (299) | (337) |
| Dividend Income | (1) | (0) |
| Income from Investments | (297) | (364) |
| Provision for Doubtful Debts | (31) | 37 |
| Interest Paid | 1,668 | 1,340 |
| Irrecoverable Balances Written off | 81 | 3 |
| Liabilities Written Back | (59) | (19) |
| Provision for Employee Benefits | (51) | (6) |
| Fixed Assets written off | 14 | 53 |
| (Profit) / Loss on sale of Fixed Assets | (10) | (177) |
| **Operating Profit before Working Capital Changes** | **4,469** | **6,093** |
| Adjusted for : | | |
| Trade and other receivables | 1,635 | (3,580) |
| Inventories | 1,270 | 800 |
| Trade Payables and advances from customers | (8,159) | (8,257) |
| **Cash Generated from Operations** | **(786)** | **(4,945)** |
| Direct Taxes paid / adjusted | (596) | (866) |
| Cash flow before extra ordinary items | **(1,382)** | **(5,811)** |
| Extra Ordinary items | - | - |
| **Net cash from Operating activities (A)** | **(1,382)** | **(5,811)** |
| **Cash Flow from Investing Activities :** | | |
| Purchase of Fixed Assets | (887) | (1,900) |
| Sale of Fixed Assets | 26 | 228 |
| Net change in Investments | 3,023 | 2,838 |
| Interest Income | 299 | 337 |
| Other Income from Investments | 298 | 359 |
| **Net Cash from investing activities (B)** | **2,758** | **1,862** |
| **Cash Flow from Financing Activities :** | | |
| Net Proceeds from borrowings | 2,341 | 4,087 |
| Interest Paid | (1,668) | (1,340) |
| Dividend paid | (308) | (308) |
| **Net Cash from Financing activities (C)** | **364** | **2,439** |
| **Net Increase in Cash and Cash Equivalents (A+ B+ C)** | **1,740** | **(1,509)** |
| **Cash and Cash Equivalents at the Beginning of the Year** | **1,787** | **3,296** |
| **Cash and Cash Equivalents at the end of the Year** | **3,527** | **1,787** |

01. Proceeds from long term and other borrowings are shown net of repayment.
02. Cash and Cash equivalents represent cash and bank balances only.

Signed for Identification

For **VMSS & ASSOCIATES**
Chartered Accountants
Firm Registration No: 328952E

**Vishal Gupta**
(Managing Director)
DIN No.00097939

**Varun Gupta**
(Whole-time Director)
DIN No.01666653

**Hemant Kaul**
(Independent Director)
DIN No.00551588

**Mahendra Jain**
Partner
Membership No: 413904

**Nitin Sharma**
(Company Secretary)

**Vikash Dugar**
(CFO)

Place: New Delhi
Date: 18th May, 2019

# Statement of Changes in Equity

for the year ended 31st March, 2019

## Equity share capital

(₹ in Lakhs)

| Particulars | Notes | As at 31st March 2018 | Changes during 2018-2019 | As at 31st March 2019 |
|---|---|---|---|---|
| 102,352,099 Equity shares of ₹ 2/- each fully paid up | 5.1 | 2,047 | - | 2,047 |
| | | **2,047** | **-** | **2,047** |

## Other Equity

₹ in Lakhs

| Particulars | Notes 5.2 | Reserves and Surplus | | | | Equity Investment Reserve (upon fair value through other comprehensive income) | Total |
|---|---|---|---|---|---|---|---|
| | | Securities Premium | Debenture Redemption Reserve | Retained Earnings | | | |
| | | | | General Reserve | Surplus in the statement of Profit and Loss | | |
| **Balance as at 31.03.2017** | | **19,958** | **1,000** | **45,000** | **3,369** | **963** | **70,291** |
| Profit for the year | | | | | 3,875 | | 3,875 |
| Other comprehensive income for the year | | - | - | - | (9) | 751 | 742 |
| **Total comprehensive income for the year** | | **-** | **-** | **-** | **3,866** | **751** | **4,617** |
| Dividends | | - | - | - | (256) | - | (256) |
| Tax on Dividend | | - | - | - | (52) | - | (52) |
| Transfer to General Reserve | | - | | 4,000 | (4,000) | - | - |
| Transfer from Debenture Redemption Reserve | | - | (250) | - | 250 | - | - |
| Transfer to Debenture Redemption Reserve | | - | - | - | - | - | - |
| Realised gains transferred to Retained Earnings | | - | - | - | 239 | (239) | - |
| **Balance as at 31.03.2018** | | **19,958** | **750** | **49,000** | **3,416** | **1,476** | **74,600** |
| Profit for the year | | | | | 1,768 | | 1,768 |
| Other comprehensive income for the year | | | | | 19 | 391 | 410 |
| **Total comprehensive income for the year** | | | | | **1,787** | **391** | **2,178** |
| Dividends | | | | | (256) | | (256) |
| Tax on Dividend | | | | | (53) | | (53) |
| Transfer to General Reserve | | | | 2,500 | (2,500) | | - |
| Transfer to Debenture Redemption Reserve | | | 562 | | (562) | | - |
| Transfer from Debenture Redemption Reserve | | | (200) | | 200 | | - |
| Realised gains transferred to Retained Earnings | | | | | 1,387 | (1,387) | - |
| **Balance as at 31.03.2019** | | **19,958** | **1,112** | **51,500** | **3,420** | **480** | **76,469** |

In terms of our report of even date attached herewith

For **VMSS & ASSOCIATES**
Chartered Accountants
Firm Registration No: 328952E

**Vishal Gupta**
(Managing Director)
DIN No.00097939

**Varun Gupta**
(Whole-time Director)
DIN No.01666653

**Hemant Kaul**
(Independent Director)
DIN No.00551588

**Mahendra Jain**
Partner
Membership No: 413904

**Nitin Sharma**
(Company Secretary)

**Vikash Dugar**
(CFO)

Place: New Delhi
Date: 18th May, 2019

# Notes to the Accounts

## 3.1 PROPERTY, PLANT & EQUIPMENT

(₹ in Lakhs)

| Particulars | GROSS BLOCK | | | DEPRECIATION | | | NETBLOCK | |
|---|---|---|---|---|---|---|---|---|
| | As at 01.04.2018 | Additions*/ (Deductions) | As at 31.03.2019 | Up to 31.03.2018 | For the year/ (Adjustments) | Up to 31.03.2019 | As at 31.03.2019 | As at 31.03.2018 |
| Land | | | | | | | | |
| - Freehold | 4 | 202 | 206 | - | - | - | 206 | 4 |
| - Leasehold | 102 | - | 102 | - | - | - | 102 | 102 |
| Building | 1,814 | 600 | 2,414 | 94 | 35 | 129 | 2,286 | 1,721 |
| Rented Premises | 196 | - | 196 | 62 | 38 | 100 | 96 | 134 |
| Plant & Machinery | 3,863 | 18 | 3,778 | 1,176 | 475 | 1,573 | 2,204 | 2,687 |
| | | (103) | | | (78) | | | |
| Furniture & Fixtures | 503 | 287 | 789 | 173 | 70 | 243 | 546 | 330 |
| | | (1) | | | (0) | | | |
| Vehicles | 195 | 184 | 324 | 120 | 28 | 97 | 226 | 74 |
| | | (55) | | | (51) | | | |
| Electrical Installations | 143 | 73 | 215 | 65 | 14 | 79 | 136 | 77 |
| Equipments and Facilities | 224 | 172 | 396 | 132 | 39 | 170 | 226 | 92 |
| Computers- Hardware | 217 | 20 | 237 | 157 | 30 | 187 | 50 | 60 |
| **Total** | **7,260** | **1,555** | **8,656** | **1,978** | **729** | **2,578** | **6,078** | **-** |
| | | (159) | | | (129) | | | |
| **Previous Year Figures** | **7,170** | **277** | **7,260** | **1,398** | **663** | **1,978** | **-** | **5,282** |
| | | (186) | | | (82) | | | |

* Addition to Gross Block includes ₹ 1,238 Lakhs transfer from Investment Property.

# Notes to the Accounts

## 3.2 INVESTMENT PROPERTY

(₹ in Lakhs)

| Particulars | GROSS BLOCK | | | | DEPRECIATION | | | NETBLOCK | |
|---|---|---|---|---|---|---|---|---|---|
| | As at 01.04.2018 | Adjustment for the year | Transfer to Property Plant and Equipment | As at 31.03.2019 | Up to 31.03.2018 | For the year/ (Adjustments) | Up to 31.03.2019 | As at 31.03.2019 | As at 31.03.2018 |
| Commercial / Retail | | | | | | | | | |
| - Land | 12 | - | - | 12 | - | - | - | 12 | 12 |
| - Building | 1,212 | - | - | 1,212 | 53 | 20 | 74 | 1,138 | 1,159 |
| - Building In Progress | 2,288 | - | - | 2,288 | - | - | - | 2,288 | 2,288 |
| Educational | | | | | | | | | |
| - Land | 668 | - | - | 668 | - | - | - | 668 | 668 |
| - Building | 963 | 158 | - | 1,121 | 0 | 17 | 17 | 1,104 | 963 |
| Residential | | | | | | | | | |
| - Land | 267 | - | 202 | 65 | - | - | - | 65 | 267 |
| - Building | 117 | - | - | 117 | 5 | 2 | 7 | 110 | 112 |
| - Building In Progress | 1,161 | 405 | 1,039 | 528 | 2 | - | - | 528 | 1,159 |
| | | | | | | (2) | | | |
| **TOTAL** | **6,687** | **564** | **1,240** | **6,011** | **61** | **39** | **98** | **5,912** | **-** |
| | | | | | | (2) | | | |
| **Previous Year Figures** | **2,708** | **1,598** | **2,381** | **6,687** | **39** | **22** | **61** | **-** | **6,626** |

# Notes to the Accounts

**(i) Information regarding income and expenditure of Investment properties**

(₹ in Lakhs)

| Particulars | 31.03.2019 | 31.03.2018 |
|---|---|---|
| Rental income derived from investment properties | 213 | 122 |
| **Less -** Direct operating expenses (including repairs and maintenance) that generated rental income | (11) | (11) |
| **Less -** Direct operating expenses (including repairs and maintenance) that did not generate rental income | (43) | (37) |
| Profit arising from investment properties before depreciation | **159** | **74** |
| **Less -** Depreciation | 39 | 22 |
| Profit arising from investment properties | **120** | **52** |

**(ii) The management has determined that the investment properties consist of three classes of assets - commercial, educational and residential - based on the nature, characteristics and risks of each property.**

**(iii) Fair Values of investment properties**

(₹ in Lakhs)

| Particulars | 31.03.2019 | 31.03.2018 |
|---|---|---|
| Commercial/Retail | 4,342 | 4,342 |
| Educational | 2,129 | 2,025 |
| Residential | 332 | 2,075 |
| **Total** | **6,803** | **8,441** |

# Notes to the Accounts

## 3.2 INVESTMENT PROPERTY (Contd..)

**(iv) Estimation of Fair Value**

The company obtains independent valuations for its properties annually. These valuations are based on valuations performed by a registered accredited independent valuer. The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available, the company considers information from a variety of sources including:

- current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences
- discounted cash flow projections based on reliable estimates of future cash flows
- capitalised income projections based upon a property's estimated net market income, and a capitalisation rate derived from an evidence of market evidence

The main inputs used are the rental growth rates, expected vacancy rates, terminal yields and discount rates based on comparable transactions and industry data.

The Management is of the view that the fair value of investment properties under construction cannot be reliably measured and hence fair value disclosures pertaining to investment properties under construction have not been provided.

**(v) The company has no restrictions on the realisability of its investment properties.**

**(vi) Reconciliation of fair value:**

(₹ in Lakhs)

| Particulars | Commercial/Retail | Educational | Residential | Total |
|---|---|---|---|---|
| **Opening value as at 1 April 2018** | **4,342** | **2,025** | **2,075** | **8,441** |
| Fair value difference | - | (54) | - | (54) |
| Adjustment for the year | - | 158 | (1,743) | (1,584) |
| **Closing value as at 31 March 2019** | **4,342** | **2,129** | **332** | **6,803** |

**(vii) The company has no contractual obligation to purchase, construct or develop investment properties or for repairs, maintenance and enhancements except to construct the educational building.**

# Notes to the Accounts

## 3.3 INTANGIBLE ASSETS

### 3.3.1 GOODWILL

(₹ in Lakhs)

| Particulars | GROSS BLOCK | | | AMORTIZATION | | | NETBLOCK | |
|---|---|---|---|---|---|---|---|---|
| | As at 01.04.2018 | Net Additions/ (Deductions) | As at 31.03.2019 | Up to 31.03.2018 | For the year/ (Adjustments) | Up to 31.03.2019 | As at 31.03.2019 | As at 31.03.2018 |
| Goodwill | 17 | - | - | 14 | 0 | - | - | 3 |
| | | (17) | | | (15) | | | |
| **TOTAL** | **17** | **-** | **-** | **14** | **0** | **-** | **-** | **-** |
| | | (17) | | | (15) | | | |
| **Previous Year Figures** | **17** | **-** | **17** | **10** | **4** | **14** | **-** | **3** |

### 3.3.2 OTHER INTANGIBLE ASSETS

(₹ in Lakhs)

| Particulars | GROSS BLOCK | | | AMORTIZATION | | | NETBLOCK | |
|---|---|---|---|---|---|---|---|---|
| | As at 01.04.2018 | Net Additions/ (Deductions) | As at 31.03.2019 | Up to 31.03.2018 | For the year/ (Adjustments) | Up to 31.03.2019 | As at 31.03.2019 | As at 31.03.2018 |
| Trademark and Logo | 87 | - | 87 | 31 | 10 | 41 | 46 | 56 |
| Software | 112 | 9 | 121 | 60 | 26 | 85 | 36 | 52 |
| **TOTAL** | **199** | **9** | **209** | **91** | **36** | **127** | **82** | **-** |
| **Previous Year Figures** | **163** | **37** | **199** | **55** | **37** | **91** | **-** | **108** |

# Notes to the Accounts

## 3.4 FINANCIAL ASSETS - NON CURRENT

### 3.4.1 INVESTMENT IN SUBSIDIARIES

(₹ in Lakhs)

| Particulars | As At 31.03.2019 | As At 31.03.2018 |
|---|---|---|
| **Investment in Equity Instruments (fully paid-up) (unquoted):** | | |
| 50,000 equity shares of Latest Developers Advisory Ltd. (F.V. ₹ 10) | 5 | 5 |
| 50,000 equity shares of Topwell Projects Consultants Ltd. (F.V. ₹ 10) | 5 | 5 |
| **Investment in Limited Liability Partnerships (unquoted):** | | |
| Ashiana Maintenance Services LLP | 276 | (432) |
| Neemrana Builders LLP | - | 4 |
| MG Homecraft LLP | - | 4 |
| | **286** | **(414)** |

### 3.4.2 INVESTMENTS - OTHERS

(₹ in Lakhs)

| Particulars | As At 31.03.2019 | As At 31.03.2018 |
|---|---|---|
| **Investment in Equity Instruments (fully paid-up):** | | |
| **i. Quoted** | | |
| 3,750 equity shares of Elite Leasings Ltd. (F.V. ₹ 10) | 1 | 0 |
| **ii. Unquoted** | | |
| 20,000 equity shares of Adityapur Toll Bridge company Ltd. (F.V. ₹ 10) | 2 | 2 |
| | **3** | **2** |
| **Investment in Government Securities** | | |
| In National Savings Certificate | 1 | 1 |
| | **1** | **1** |
| | **4** | **3** |
| Aggregate amount of quoted investments and market value thereof | 1 | 0 |
| Aggregate amount of unquoted investments | 2 | 2 |

### 3.4.3 DEPOSITS WITH BANKS

(₹ in Lakhs)

| Particulars | As At 31.03.2019 | As At 31.03.2018 |
|---|---|---|
| In Fixed Deposits* | 2,718 | 2,301 |
| | **2,718** | **2,301** |
| * Includes Lien- Marked Deposits | 2,351 | 2,049 |

# Notes to the Accounts

## 4.1 INVENTORIES

(₹ in Lakhs)

| Particulars | As At 31.03.2019 | As At 31.03.2018 |
|---|---|---|
| (As taken, valued and certified by the management) | | |
| Work-in-progress : | | |
| - Land/Development Rights | 5,910 | 4,826 |
| - Project development | 12,720 | 11,508 |
| - Construction material | 769 | 814 |
| Completed units | 14,175 | 25,324 |
| Future projects : | | |
| - Land/Development Rights | 18,409 | 15,286 |
| - Project development | 10,483 | 5,967 |
| Hotel & club consumables | 6 | 18 |
| | 62,472 | 63,742 |

## 4.2 FINANCIAL ASSETS - CURRENT

### 4.2.1 INVESTMENT IN SUBSIDIARIES / JOINT VENTURES

(₹ in Lakhs)

| Particulars | As At 31.03.2019 | As At 31.03.2018 |
|---|---|---|
| **Investment in Capital of Partnership Firms (Unquoted)** | | |
| **i. Subsidiaries** | | |
| Ashiana Amar Developers | 5 | 86 |
| **ii. Joint Ventures** | | |
| Ashiana Manglam Developers | 166 | 167 |
| Ashiana Greenwood Developers | 88 | 86 |
| Megha Colonizers | 443 | 445 |
| Ashiana Manglam Builders | 677 | 941 |
| Ashiana Manglam Builders - Extension Land Division | 404 | 60 |
| Vista Housing | 2,289 | 2,638 |
| | 4,071 | 4,423 |

+ The particulars of partnership firms on the basis of audited Balance Sheet as at 31.03.2019, are given below :-

**a) Ashiana Amar Developers**

(₹ in Lakhs)

| Name of Partners | Share | Capital |
|---|---|---|
| Ashiana Housing Ltd. | 95.00% | 5 |
| Ashiana Maintenance Services LLP | 5.00% | 5 |

**b) Ashiana Manglam Developers**

(₹ in Lakhs)

| Name of the Partners | Share | Capital |
|---|---|---|
| Ashiana Housing Ltd. | 65.00% | 166 |
| Rajkumari Garg | 11.55% | (11) |
| Sangeeta Agarwal | 5.95% | 11 |
| Sanjay Gupta | 11.55% | (11) |
| Vinod Goyal | 5.95% | 11 |

# Notes to the Accounts

## 4.2 FINANCIAL ASSETS - CURRENT (Contd..)

### 4.2.1 INVESTMENT IN SUBSIDIARIES / JOINT VENTURES (Contd..)

#### c) Ashiana Greenwood Developers

(₹ in Lakhs)

| Name of Partners | Share | Capital |
|---|---|---|
| Shubhlabh Buildhome Private Ltd | 50.00% | 72 |
| Ashiana Housing Ltd. | 50.00% | 88 |

#### d) Megha Colonizers

(₹ in Lakhs)

| Name of Partners | Share | Capital |
|---|---|---|
| N.K. Gupta | 7.50% | 66 |
| Vinod Goyal | 7.75% | 69 |
| Ram Babu Agarwal | 3.75% | 33 |
| Ajay Gupta | 7.50% | 66 |
| Ritesh Agarwal | 16.50% | 146 |
| Manglam Build Developers Ltd. | 3.00% | 27 |
| Rajendra Agarwal | 4.00% | 35 |
| Ashiana Housing Ltd. | 50.00% | 443 |

#### e) Ashiana Manglam Builders

(₹ in Lakhs)

| Name of Partners | Share | | | Capital |
|---|---|---|---|---|
| | 25% of pre tax yearly profit upto cumulative aggregate of ₹ 1325 Lakhs (Since fully accrued) | 40% of pre tax yearly profit upto cumulative aggregate of ₹ 2005.40 Lakhs (Since fully accrued and withdrawn) | Balance | |
| Ashiana Housing Ltd. | 100.00% | - | 50.00% | 677 |
| Ram Babu Agarwal | - | 50.00% | 25.00% | 292 |
| Manglam Build Developers Ltd. | - | 50.00% | 25.00% | 292 |

#### f) Ashiana Manglam Builders - Extention Land Division

(₹ in Lakhs)

| Name of Partners | Share | Capital |
|---|---|---|
| Ashiana Housing Ltd. | 50.00% | 404 |
| Ram Babu Agarwal | 25.00% | 292 |
| Manglam Build Developers Ltd. | 25.00% | (108) |

#### g) Vista Housing

(₹ in Lakhs)

| Name of Partners | Share | | | | Capital |
|---|---|---|---|---|---|
| | 15% of pre tax yearly profit upto cumulative aggregate of ₹1500 Lakhs | 30% of pre tax yearly profit upto cumulative aggregate of ₹4100 Lakhs | | Balance | |
| | | First ₹ 866 Lakhs | Balance | | |
| Ashiana Housing Ltd. | 100.00% | - | - | 50.00% | 2,289 |
| Manglam Build Developers Ltd. | - | 100.00% | 75.05% | 37.50% | 798 |
| Ram Babu Agarwal | - | - | 24.95% | 12.50% | 364 |

# Notes to the Accounts

## 4.2 FINANCIAL ASSETS - CURRENT (Contd..)

### 4.2.2 INVESTMENTS - OTHERS

(₹ in Lakhs)

| Particulars | Face Value per unit | No. of Units | As At 31.03.2019 | No. of Units | As At 31.03.2018 |
|---|---|---|---|---|---|
| **a) In Bonds/Debentures (Quoted)** | | | | | |
| 11.50% ITNL NCD 21/06/2024 | 1000000 | - | - | 15 | 154 |
| 11.50% ITNL NCD 21/06/2024 | 1000000 | - | - | 9 | 92 |
| 11.50% ITNL NCD 21/06/2024 | 1000000 | - | - | 10 | 103 |
| 8.97% UPPCL (Series III-C) NCD 15/02/2023 | 1000000 | - | - | 21 | 215 |
| 7.44% PFC BONDS (SERIES 168 B) - 11/06/2017 | 1000000 | - | - | 2 | 19 |
| 8.14 % NPCIL BONDS (SERIES- XXX-E) 25/03/2030 | 1000000 | - | - | 1 | 10 |
| 8.97% UPPCL (SERIES III - C) NCD 13.02.2026 | 1000000 | - | - | 6 | 62 |
| 8.97% UPPCL (SERIES III - C) NCD 13.02.2026 | 1000000 | - | - | 5 | 52 |
| 8.97% UPPCL (SERIES III - C) NCD 13.02.2026 | 1000000 | - | - | 4 | 41 |
| 8.15 % BAJAJ FINANCE LIMITED NCD (SERIES) 22/06/2027 | 1000000 | - | - | 11 | 110 |
| 8.65 % RENEW AKSHAY URJA PVT. LTD. NCD (SERIES 2) 30/09/2027 | 990000 | - | - | 3 | 30 |
| | | | - | | 888 |
| **b) In Mutual Funds (Unquoted)** | | | | | |
| Axis Strategic Bond Fund - Growth | 10 | 20,69,206.075 | 376 | - | - |
| Axis Strategic Bond Fund - Direct Growth | 10 | 36,68,544.209 | 702 | - | - |
| ICICI Prudential Corporate Bond Fund - Growth | 10 | 19,16,065.387 | 366 | - | - |
| ICICI Prudential Corporate Bond Fund - Direct plan - Growth | 10 | 34,60,410.245 | 681 | - | - |
| ICICI Prudential Liquid Fund - Direct plan - Growth | 100 | 10,47,217.263 | 2,895 | - | - |
| Aditya Birla Sun Life Liquid Fund - Growth Direct | 100 | 33,465.623 | 101 | - | - |
| Franklin India Income Opportunities Fund- Growth | 10 | 62,02,211.246 | 1,384 | 62,02,211.246 | 1,281 |
| BNP Paribas Flexi Debt Fund - Growth | 10 | - | - | 46,47,059.964 | 1,378 |
| Kotak Income Opportunities Fund - Growth Regular Plan | 10 | - | - | 1,34,25,868.990 | 2,568 |
| TATA Dynamic Bond Fund Plan A - Growth | 10 | - | - | 92,57,026.086 | 2,442 |
| UTI Income Opportunities Fund - Growth | 10 | - | - | 80,06,788.370 | 1,269 |
| Baroda Pioneer Liquid Fund Plan A Daily Dividend | 1000 | - | - | 14,284.010 | 143 |
| **(B)** | | | **6,505** | | **9,081** |
| **TOTAL [A + B]** | | | **6,505** | | **9,969** |
| Aggregate amount of quoted investments and market value thereof | | | - | | 888 |
| Aggregate amount of unquoted investments and repurchase value thereof | | | 6,505 | | 9,081 |

# Notes to the Accounts

### 4.2.3 TRADE RECEIVABLES

(₹ in Lakhs)

| Particulars | As At 31.03.2019 | As At 31.03.2018 |
|---|---|---|
| Considered Good - Unsecured | | |
| Due for more than six months | 675 | 838 |
| Other Debts | 395 | 572 |
| | 1,070 | 1,411 |
| Credit Impaired | | |
| Due for more than six months | 14 | 49 |
| Less: Provision for doubtful debts | 11 | 42 |
| | 3 | 7 |
| | 1,073 | 1,417 |

(₹ in Lakhs)

| Particulars | As At 31.03.2019 | As At 31.03.2018 |
|---|---|---|
| Balances with Banks : | | |
| In Current Account* | 1,904 | 852 |
| In Fixed Deposit Account | 529 | 9 |
| Cash-in-hand | 6 | 12 |
| | 2,439 | 873 |
| * includes against secured borrowings | 14 | 89 |

### 4.2.5 OTHER BANK BALANCES

(₹ in Lakhs)

| Particulars | As At 31.03.2019 | As At 31.03.2018 |
|---|---|---|
| Balances with Banks: | | |
| - In RERA Account | 295 | 239 |
| - In Unclaimed Dividend Account | 146 | 154 |
| - In Fixed Deposit Account - Lien Marked | 647 | 521 |
| | 1,088 | 914 |

### 4.2.6 OTHER FINANCIAL ASSETS

(₹ in Lakhs)

| Particulars | As At 31.03.2019 | As At 31.03.2018 |
|---|---|---|
| Considered Good - Unsecured | | |
| Refundable Advance/Deposit against development rights | 300 | 425 |
| Advances recoverable in cash | 233 | 394 |
| Deposits | 606 | 288 |
| Statutory Charges Recoverable | 4,738 | 4,362 |
| | 5,877 | 5,469 |

## 4.3 CURRENT TAX ASSETS (NET)

(₹ in Lakhs)

| Particulars | As At 31.03.2019 | As At 31.03.2018 |
|---|---|---|
| Taxation Advances and Refundable (Net of Provisions) | (2,027) | (2,858) |
| Add: Set off of MAT Credit Entitlement | 2,210 | 3,022 |
| | 183 | 164 |
| MAT Credit Entitlement | 433 | 641 |
| | 616 | 805 |

# Notes to the Accounts

## 4.4 OTHER CURRENT ASSETS

### 4.4.1 TRADE ADVANCE AND DEPOSITS

(₹ in Lakhs)

| Particulars | As At 31.03.2019 | As At 31.03.2018 |
|---|---|---|
| (Unsecured, considered good) | | |
| Advance/Deposit against land/development rights: | | |
| Projects Launched | 2,237 | 2,335 |
| Future Projects | 3,580 | 5,838 |
| Advances recoverable in cash or in kind or for value to be received | 1,515 | 1,414 |
| | **7,333** | **9,587** |

### 4.4.2 EWS/LIG UNITS

(₹ in Lakhs)

| Particulars | As At 31.03.2019 | As At 31.03.2018 |
|---|---|---|
| Land | 463 | 74 |
| Work in Progress | 322 | 388 |
| Completed units | 1,885 | 1,542 |
| Advance to parties | 248 | 237 |
| | **2,919** | **2,241** |
| Less: Advance from allottees | 454 | 600 |
| Provision for unrealized cost | 260 | 21 |
| | **2,204** | **1,620** |

### 4.4.3 OTHERS

(₹ in Lakhs)

| Particulars | As At 31.03.2019 | As At 31.03.2018 |
|---|---|---|
| Unaccrued Selling Expenses | 4,768 | 4,845 |
| | **4,768** | **4,845** |

## 5.1 EQUITY SHARE CAPITAL

(₹ in Lakhs)

| Particulars | As At 31.03.2019 | As At 31.03.2018 |
|---|---|---|
| **Authorised :** | | |
| 175,000,000 Equity shares of ₹ 2/- each | **3,500** | **3,500** |
| **Issued, Subscribed and Paid up :** | | |
| 102,352,099 Equity shares of ₹ 2/- each fully paid up | 2,047 | 2,047 |
| | **2,047** | **2,047** |

# Notes to the Accounts

## 5.1 EQUITY SHARE CAPITAL (Contd..)

**(i) Details of shareholders holding more than 5% of the Equity Shares in the company:**

(₹ in Lakhs)

| Name of Shareholder | As at 31.03.2019 | | As at 31.03.2018 | |
|---|---|---|---|---|
| | Nos. | % holding | Nos. | % holding |
| Vishal Gupta | 1,40,34,340 | 13.71 | 1,40,34,340 | 13.71 |
| Ankur Gupta | 2,02,44,825 | 19.78 | 2,02,44,825 | 19.78 |
| Varun Gupta | 2,02,44,825 | 19.78 | 2,02,44,825 | 19.78 |
| Rachna Gupta | 62,10,485 | 6.07 | 62,10,485 | 6.07 |

**(ii) Term /Rights attached to Equity Shares**

The company has only one class of Equity Share having a par value of ₹ 2 per share. Each holder of Equity Shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended 31 March 2019, the amount of per share dividend recognized as distributions to equity shareholders was ₹ 0.25 (31st March 2018: ₹ 0.25)

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**(iii)** The Board of Directors, in its meeting on 18th May, 2019, have proposed a dividend of ₹ 0.25/- per equity share for the financial year ended 31st March, 2019.The proposal is subject to the approval of shareholders at the Annual General Meeting to be held and if approved would result in a cash outflow of approximately ₹ 308.48 Lakhs including corporate dividend tax.

## 5.2 OTHER EQUITY

(₹ in Lakhs)

| Particulars | As At 31.03.2019 | As At 31.03.2018 |
|---|---|---|
| **a) Securities Premium** | | |
| As per last Account | 19,958 | 19,958 |
| **b) Debenture Redemption Reserve** | | |
| As per last Account | 750 | 1,000 |
| Add: Amount transferred from surplus in Statement of Profit & Loss | 562 | - |
| Less: Amount transferred to surplus in Statement of Profit & Loss | (200) | (250) |
| | 1,112 | 750 |
| **c) Retained Earnings** | | |
| **General Reserve** | | |
| As per last Account | 49,000 | 45,000 |
| Add: Amount transferred from surplus in Statement of Profit & Loss | 2,500 | 4,000 |
| | 51,500 | 49,000 |
| **Surplus in the Statement of Profit & Loss** | | |
| As per last Account | 3,416 | 3,369 |
| Profit for the year | 1,768 | 3,875 |
| Remeasurement of net defined benefit liabilities | 19 | (9) |
| Dividends | (256) | (256) |
| Tax on Dividend | (53) | (52) |
| Transfer to General Reserve | (2,500) | (4,000) |
| Transfer from Debenture Redemption Reserve | 200 | 250 |
| Transfer to Debenture Redemption Reserve | (562) | - |
| Transfer from Equity Investment Reserve | 1,387 | 239 |
| | 3,420 | 3,416 |
| **Total Retained Earnings** | 54,920 | 52,416 |

# Notes to the Accounts

## 5.2 OTHER EQUITY (Contd..)

(₹ in Lakhs)

| Particulars | As At 31.03.2019 | As At 31.03.2018 |
|---|---|---|
| **d) Equity Investment Reserve** | | |
| As per last Account | 1,476 | 963 |
| Changes in fair value of equity instruments | 391 | 751 |
| Less: Transfer to Retained Earnings upon realisation | (1,387) | (239) |
| | 480 | 1,476 |
| **TOTAL** | 76,469 | 74,600 |

**Nature of Reserves**

**a) Securities Premium**

Securities Premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

**b) Debenture Redemption Reserve**

The company is required to create a Debenture Redemption Reserve out of profits which is available for payment of dividend for the purpose of redemption of debentures, in terms of the requirements of Companies Act, 2013.

**c) General Reserve**

The General reserve is used from time to time for transfer of profits form surplus in statement of Profit and Loss for appropriation purposes.

**d) Equity Investment Reserve**

This reserve represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income, net off amounts reclassified to retained earnings when those assets have been disposed off.

## 6.1 FINANCIAL LIABILITIES - NON CURRENT

### 6.1.1 BORROWINGS

(₹ in Lakhs)

| Particulars | As At 31.03.2019 | As At 31.03.2018 |
|---|---|---|
| **Secured** | | |
| **a Debentures** | | |
| (i) 1,000 10.15 % Secured Redeemable Non-Convertible Debentures of ₹ 9,36,000 each fully paid-up; Terms of Redemption : Redeemable at par in annual tranches within 26.04.2023 | 9,323 | - |
| (ii) 700 11.45% Secured Redeemable Non-Convertible Debentures 2020 of ₹ 1,00,000 each fully paid up Terms of Redemption : Redeemable at par on 30.07.2020 | 687 | 679 |
| (iii) 1,000 11.45% Secured Redeemable Non-Convertible Debentures 2020 of ₹ 1,00,000 each fully paid up Terms of Redemption : Redeemable at par on 13.07.2020 | 981 | 970 |
| (iv) 500 11% Secured Redeemable Non-Convertible Debentures 2019 of ₹ 1,00,000 each fully paid up Terms of Redemption : Redeemable at par on 30.07.2019 | 498 | 492 |

# Notes to the Accounts

## 6.1 FINANCIAL LIABILITIES - NON CURRENT (Contd..)

### 6.1.1 BORROWINGS (Contd..)

(₹ in Lakhs)

| Particulars | As At 31.03.2019 | As At 31.03.2018 |
|---|---|---|
| (v) 800 11% Secured Redeemable Non-Convertible Debentures 2018 of ₹ 1,00,000 each fully paid up<br>Terms of Redemption : Redeemable at par on 30.07.2018 | - | 797 |
| The above debentures of s.no (i) is secured by way of (a) charge on the completed unsold units of company's projects - Ashiana Town, Bhiwadi and its cashflows and (b) charge on company's cashflows of its project Ashiana Anmol, Gurgaon.<br>The above debentures of s.no (ii) to (v) are secured by first pari passu charge by way of mortgage on the company's Project - Ashiana Umang at Jaipur and Ashiana Aangan at Neemrana including Land and Unsold Inventory and charge on all receivable of such projects. | | |
| **b Term Loan** | | |
| (i) From Bank | | |
| Project Loan - From AXIS Bank Limited | 1,000 | 1,500 |
| Secured by way of exclusive mortgage on project land at Lavasa, Pune (Maharashtra) alongwith construction thereon and exclusive charge by way of hypothecation over all the tangible moveable assets of the project - Ashiana Utsav, Lavasa and exclusive charge on the receivables, escrow accounts, DSRA account of the project Ashiana Utsav at Lavasa.<br>Terms of Repayment : In quarterly installments of ₹2 crores each commencing from 28-02-2019 | | |
| (ii) From Others | | |
| Project Loan - From HDFC Limited | - | 606 |
| Secured by way of mortgage of company's project "Ashiana Town Beta", Bhiwadi including land and construction thereon, present and future, and exclusive charge on all receivables arising out of or in connection with the said project | | |
| **c Overdraft Facilities** | | |
| From State Bank of India: | 1,502 | 2,682 |
| Secured by way of equitable mortgage on "TreeHouse" Hotel and retail mall at Village Centre, Bhiwadi.<br>Terms of Repayment : Limit of ₹ 50 crores (includes limit of ₹ 10 crores subject to creation of additional security), which limit shall exhaust in 7 annual stipulated installments over a period of 96 months, including initial moratorium of 18 months from December 2015. | | |
| **d Vehicle Loan** | | |
| i) From Banks: | 144 | 4 |
| ii) From Others: | 13 | 24 |
| Secured against hypothecation of vehicles financed by them.<br>Terms of Repayment:<br>₹ 1,86,140/- Under 60 EMI Scheme<br>₹ 1,42,16,781/- Under 37 EMI Scheme<br>₹ 13,35,200/- Under 36 EMI Scheme | | |
| **Unsecured** | | |
| **a Debentures** | | |
| 1,874 Unsecured Non-Convertible Debentures of ₹ 100,000/- each fully paid-up | 1,841 | - |
| Terms of Repayment:<br>The debentures carry a coupon rate of 8% per annum with a reset option and are redeemable at par and/or premium within 20 years from the date of allotment (i.e. 28-09-2018) out of the distributable surplus of the company's project "Ashiana Daksh" at Jaipur | | |
| | **15,989** | **7,754** |
| Less : Current Maturity (Refer Note No. 7.1.2) | 1,715 | 1,415 |
| | **14,274** | **6,338** |

# Notes to the Accounts

## 6.1 FINANCIAL LIABILITIES - NON CURRENT (Contd..)

### 6.1.2 OTHER FINANCIAL LIABILITIES

(₹ in Lakhs)

| Particulars | As At 31.03.2019 | As At 31.03.2018 |
|---|---|---|
| Security Deposit | 201 | 204 |
| | **201** | **204** |

## 6.2 NON-CURRENT PROVISIONS

(₹ in Lakhs)

| Particulars | As At 31.03.2019 | As At 31.03.2018 |
|---|---|---|
| Provision for Employee Benefits: | | |
| - Gratuity | 296 | 389 |
| - Leave Pay | 5 | 6 |
| | **301** | **395** |

## 6.3 DEFERRED TAX LIABILITIES (NET)

(₹ in Lakhs)

| Particulars | As At 31.03.2019 | As At 31.03.2018 |
|---|---|---|
| Deferred Tax Liability / (Asset) relating to: | | |
| - Property, plant and equipment and investment property | 188 | 176 |
| - Intangible assets | 21 | 28 |
| - Financial assets measured at fair value | 172 | 239 |
| - Employee Benefits | (138) | (166) |
| - Others | 1 | (73) |
| | **244** | **204** |

## 7.1 FINANCIAL LIABILITIES - CURRENT

### 7.1.1 BORROWINGS - SECURED

(₹ in Lakhs)

| Particulars | As At 31.03.2019 | As At 31.03.2018 |
|---|---|---|
| **Overdraft Facilities** | | |
| i. *From HDFC Bank:* | - | 4,579 |
| Secured by way of lien on certain Mutual Funds | | |
| Terms of Repayment : Repayable on demand | | |
| ii. *From HDFC Bank:* | - | 1,014 |
| Secured by way of lien on certain fixed deposits | | |
| Terms of Repayment : Repayable on demand | | |
| iii. *From State Bank of India:* | 24 | 25 |
| Secured by way of lien on certain fixed deposits | | |
| Terms of Repayment : Repayable on demand | | |
| | **24** | **5,618** |

# Notes to the Accounts

## 7.2 OTHER FINANCIAL LIABILITIES

(₹ in Lakhs)

| Particulars | As At 31.03.2019 | As At 31.03.2018 |
|---|---|---|
| Current maturities of long-term borrowings | 1,715 | 1,415 |
| Interest accrued but not due on borrowings | 291 | 147 |
| Unclaimed Dividends | 146 | 154 |
| Security deposits | 372 | 449 |
| Other liabilities | 820 | 1,127 |
| | **3,344** | **3,293** |

## 7.3 OTHER CURRENT LIABILITIES

### 7.3.1 ADVANCE FROM CUSTOMERS

(₹ in Lakhs)

| Particulars | As At 31.03.2019 | As At 31.03.2018 |
|---|---|---|
| Customer Advance | 15,201 | 22,879 |
| | **15,201** | **22,879** |

### 7.3.2 OTHER CURRENT LIABILITIES

(₹ in Lakhs)

| Particulars | As At 31.03.2019 | As At 31.03.2018 |
|---|---|---|
| Statutory Dues | 189 | 336 |
| | **189** | **336** |

## 7.4 CURRENT PROVISIONS

(₹ in Lakhs)

| Particulars | As At 31.03.2019 | As At 31.03.2018 |
|---|---|---|
| Provision for Employee Benefits: | | |
| - Gratuity | 93 | 75 |
| - Leave Pay | 0 | 4 |
| | **93** | **80** |

## 8.1 REVENUE FROM OPERATIONS

(₹ in Lakhs)

| Particulars | 2018 - 2019 | 2017 - 2018 |
|---|---|---|
| **Real Estate:** | | |
| Completed Units | 28,138 | 26,225 |
| **Hotel & club:** | | |
| Rooms, Restaurant, Banquets and other services | 962 | 969 |
| | **29,100** | **27,194** |

# Notes to the Accounts

## 8.2 INCOME FROM PARTNERSHIP

(₹ in Lakhs)

| Particulars | 2018 - 2019 | 2017 - 2018 |
|---|---|---|
| Share of Profit from: | | |
| Partnership Firms | 775 | 1,492 |
| Limited Liability Partnerships | 307 | 213 |
| | 1,082 | 1,704 |

## 8.3 OTHER INCOME

(₹ in Lakhs)

| Particulars | 2018 - 2019 | 2017 - 2018 |
|---|---|---|
| Interest | 255 | 243 |
| Income from Investments: | | |
| Rent | 226 | 140 |
| Interest on Bonds/Debentures | 44 | 94 |
| Dividend from others | 1 | 0 |
| Change in Fair Value of Bonds/Debentures | - | 5 |
| Profit on sale of investments | 71 | 218 |
| Profit on sale of Fixed Assets (Net) | 10 | 177 |
| Miscellaneous Income | 382 | 287 |
| Liabilities Written Back | 59 | 19 |
| | 1,048 | 1,185 |

## 9.1 PURCHASES

(₹ in Lakhs)

| Particulars | 2018 - 2019 | 2017 - 2018 |
|---|---|---|
| Land / Development Rights | 5,781 | 2,275 |
| | 5,781 | 2,275 |

## 9.2 PROJECT EXPENSES

(₹ in Lakhs)

| Particulars | 2018 - 2019 | 2017 - 2018 |
|---|---|---|
| Consumption of construction materials (Indigenous) | 5,003 | 5,618 |
| Wages | 321 | 576 |
| PRW Charges | 1,371 | 1,961 |
| Other Direct Construction Expenses | 1,847 | 1,997 |
| Power & Fuel | 189 | 294 |
| Architects' Fee & Consultancy Charges | 205 | 200 |
| Employee Benefit Expenses | 768 | 899 |
| Rent and Hire Charges | 17 | 16 |
| Insurance | 11 | 13 |
| Repair & Maintenance | | |
| To Machineries | 1 | 32 |
| To Others | 27 | 14 |
| Legal and Professional expenses | 43 | 59 |
| Financial Cost | 178 | 195 |
| Statutory Levies and Taxes | 293 | 175 |
| Approvals | 337 | 54 |
| Unrealized cost from EWS/LIG | 32 | 803 |
| Miscellaneous project expenses | 598 | 681 |
| | 11,242* | 13,588 |
| *Includes project - post completion expenses | 116 | 220 |

# Notes to the Accounts

## 9.3 CHANGES IN INVENTORIES

(₹ in Lakhs)

| Particulars | 2018 - 2019 | 2017 - 2018 |
|---|---|---|
| **Opening Stock :** | | |
| Work-in-progress : | | |
| - Land/Development Rights | 4,826 | 6,238 |
| - Project development | 11,508 | 20,985 |
| Completed units | 25,324 | 18,454 |
| Future projects : | | |
| - Land/Development Rights | 14,880 | 14,985 |
| - Project development | 6,373 | 4,865 |
| | **62,911** | **65,527** |
| **Less: Closing Stock:** | | |
| Work-in-progress : | | |
| - Land/Development Rights | 5,910 | 4,826 |
| - Project development | 12,720 | 11,508 |
| Completed units | 14,175 | 25,324 |
| Future projects : | | |
| - Land/Development Rights | 18,409 | 15,286 |
| - Project development | 10,483 | 5,967 |
| | **61,697** | **62,911** |
| | 1,214 | 2,616 |
| Less; Transfer to Investment Property on 01.01.2018 | - | 2,381 |
| Less: Transfer to EWS/LIG Units | - | 74 |
| | **1,214** | **161** |

## 9.4 HOTEL & CLUB EXPENSES

(₹ in Lakhs)

| Particulars | 2018 - 2019 | 2017 - 2018 |
|---|---|---|
| Consumables (indigenous) | 257 | 252 |
| Personnel | 121 | 94 |
| Management Fee | 35 | 44 |
| Power & fuel | 153 | 145 |
| Other running expenses | 210 | 146 |
| | **776** | **681** |

## 9.5 EMPLOYEE BENEFIT EXPENSES

(₹ in Lakhs)

| Particulars | 2018 - 2019 | 2017 - 2018 |
|---|---|---|
| Salary and allowances | 1,956 | 1,921 |
| Directors' Remuneration | 452 | 512 |
| Contribution to Provident & Other Funds | 63 | 63 |
| Staff welfare expenses | 215 | 196 |
| | **2,686** | **2,691** |

The disclosures required under Ind-AS -19, Employee Benefits, notified in the Companies (Accounting Standard) Rules, 2015 are given below, based on the Actuarial Report certified by a Practicing Actuary.

(₹ in Lakhs)

| Particulars | 2018 - 2019 | 2017 - 2018 |
|---|---|---|
| **Defined Contribution Plan** | | |
| Contribution to Defined Contribution Plan, charged off for the year are as under: | | |
| Employer's Contribution to Provident & Pension Fund | 91 | 106 |

# Notes to the Accounts

**Defined Benefit Plan**

The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

(₹ in Lakhs)

| Particulars | Leave Pay (Unfunded) | | Gratuity (Funded) | |
|---|---|---|---|---|
| | 2018-19 | 2017-18 | 2018-19 | 2017-18 |
| a. Movement in present value of defined benefit obligations | | | | |
| Present value of obligation at the beginning of the year | 11 | 4 | 532 | 463 |
| Service Cost | 1 | 4 | 67 | 51 |
| Interest Cost | 1 | 0 | 41 | 34 |
| Remeasurements - Actuarial (gains)/losses | (5) | 6 | (31) | 15 |
| Benefits paid | (2) | (3) | (39) | (31) |
| Present value of obligation at the end of the year | 6 | 11 | 570 | 532 |
| b. Reconciliation of fair value of assets and obligations | | | | |
| Present value of obligation at the end of the year | 6 | 11 | 570 | 532 |
| Fair Value of Plan assets as at the end of the year | - | - | 182 | 67 |
| Net liability recognised in Balance Sheet | 6 | 11 | 388 | 465 |
| c. Amount recognised in the Statement of Profit and Loss under Employee Benefit Expenses | | | | |
| Service Cost | 1 | 4 | 67 | 51 |
| Interest Cost | 1 | 0 | 41 | 34 |
| Expected return on plan assets | - | - | (5) | - |
| Net expenses recognised in the statement of Profit and Loss | 2 | 4 | 102 | 85 |
| d. Amount recognised in the other comprehensive income | | | | |
| Return on plan assets | - | - | 0 | - |
| Actuarial (gains)/losses arising form change in demographic assumptions | (0) | - | (1) | - |
| Actuarial (gains)/losses arising form change in financial assumptions | (0) | - | (4) | (14) |
| Actuarial (gains)/losses arising form experience adjustments | (5) | 6 | (26) | 29 |
| Net expenses recognised in the other comprehensive income | (5) | 6 | (30) | 15 |
| e. The weighted-average assumptions used to determine net periodic benefit cost are set out below: | | | | |
| Mortality Table (L.I.C.) | 2012-14 | 2006-08 | 2012-14 | 2006-08 |
| Interest rate for discounting | 7.78% | 7.40% | 7.78% | 7.70% |
| Rate of escalation in salary (per annum) | 5.00% | 5.00% | 5.00% | 5.00% |
| Weighted average duration of defined benefit obligation | 3 Years | 3 Years | 15 Years | 15 Years |

As of March 31, 2019, every percentage point increase / decrease in discount rate will affect the company's gratuity and leave pay benefit obligation by approximately ₹ 47.62 Lakhs and ₹ 0.49 Lakhs respectively .

As of March 31, 2019, every percentage point increase / decrease in weighted average rate of increase in compensation levels will affect the company's gratuity and leave pay benefit obligation by approximately ₹ 39.30 Lakhs and ₹ 0.55 Lakhs respectively .

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation by one percentage, keeping all other actuarial assumptions constant.

# Notes to the Accounts

## 9.5 EMPLOYEE BENEFIT EXPENSES (Contd..)

**Maturity profile of defined benefit obligation:**

(₹ in Lakhs)

| | Gratuity |
|---|---|
| With in 1 year | 96 |
| 1-2 Year | 51 |
| 2-3 Year | 28 |
| 3-4 Year | 19 |
| 4-5 Year | 54 |
| above 5 years | 1,092 |
| | 1,340 |

## 9.6 FINANCE COSTS

(₹ in Lakhs)

| Particulars | 2018 - 2019 | 2017 - 2018 |
|---|---|---|
| Interest : | | |
| - On Debentures | 1,269 | 490 |
| - Others | 358 | 762 |
| Loan Processing & Other Financial Charges | 41 | 88 |
| | 1,668 | 1,340 |
| Less: Ongoing projects related finance cost | 178 | 195 |
| | 1,490 | 1,145 |

## 9.7 DEPRECIATION & AMORTIZATION EXPENSES

(₹ in Lakhs)

| Particulars | 2018 - 2019 | 2017 - 2018 |
|---|---|---|
| Relating to : | | |
| - Property, plant & equipment | 729 | 663 |
| - Investment property | 39 | 22 |
| - Goodwill | 0 | 4 |
| - Other intangible assets | 36 | 37 |
| | 804 | 725 |

## 9.8 OTHER EXPENSES

(₹ in Lakhs)

| Particulars | 2018 - 2019 | 2017 - 2018 |
|---|---|---|
| Rent | 155 | 183 |
| Rates and Taxes | 22 | 15 |
| Insurance | 11 | 11 |
| Travelling and Conveyance | 257 | 198 |
| Legal and Professional Expenses | 140 | 185 |
| Telephone, Telex & Fax | 57 | 70 |
| Printing & Stationery | 54 | 70 |
| Repairs and Maintenance : | | |
| To Machineries | 12 | 1 |
| To Building | 160 | 341 |
| To Others | 173 | 140 |
| Auditors' Remuneration : | | |
| For Statutory Audit | 31 | 31 |
| For Internal Audit | 13 | 9 |
| For Tax Audit | 5 | 5 |
| For Other Services | 5 | 3 |

# Notes to the Accounts

## 9.8 OTHER EXPENSES (Contd..)

(₹ in Lakhs)

| Particulars | 2018 - 2019 | 2017 - 2018 |
|---|---|---|
| Corporate Social Responsibility Expenses | 126 | 121 |
| Miscellaneous Expenses | 475 | 430 |
| Unsold Inventory Upkeep Charges | 87 | - |
| Inadmissible GST input | 140 | - |
| Items relating to previous year | 13 | 2 |
| Provision for Doubtful Debts (Net) | (31) | 37 |
| Irrecoverable Balances Written off | 81 | 3 |
| Fixed Assets written off | 14 | 53 |
| | 2,000 | 1,907 |

**(i) Corporate Social Responsibility Expenditure**

(₹ in Lakhs)

| Particulars | 2018 - 2019 | 2017 - 2018 |
|---|---|---|
| Amount required to be spent as per Section 135 of the Companies Act | 190 | 185 |
| Amount spent during the year | | |
| - Actual Expenditure (Including Administrative Overheads) | 126 | 121 |
| - Qualifying Expenditure | 126 | 113 |

## 10 TAX EXPENSES

(₹ in Lakhs)

| Particulars | 2018 - 2019 | 2017 - 2018 |
|---|---|---|
| **Current tax** | | |
| Income Tax | 781 | 1,113 |
| Tax Adjustments | 4 | 1 |
| | 785 | 1,114 |
| **Deferred Tax** | | |
| Deferred Tax | 97 | (150) |
| | 882 | 963 |

**(i) The major components of tax expense for the years ended 31st March, 2019 and 31st March, 2018 are:**

(₹ in Lakhs)

| Particulars | 2018 - 2019 | 2017 - 2018 |
|---|---|---|
| **Current Tax:** | | |
| Current tax expenses for current year | 781 | 1,113 |
| Current tax expenses pertaining to prior periods | 4 | 1 |
| | 785 | 1,114 |
| Deferred tax obligations | 97 | (150) |
| **Total tax expense reported in the statement of profit or loss** | 882 | 963 |

# Notes to the Accounts

**(ii) The reconciliation of estimated income tax expense at statutory income tax rate to income tax expenses reported in statement of profit and loss is as follows:**

(₹ in Lakhs)

| Particulars | 2018 - 2019 | 2017 - 2018 |
|---|---|---|
| **Profit before income taxes** | 2,650 | 4,838 |
| At statutory income tax rate | 34.94% | 34.61% |
| Expected Income Tax expenses | 926 | 1,674 |
| Tax effects of adjustments to reconcile expected income tax expense to reported income tax expense | | |
| Income exempt from tax | (379) | (590) |
| Non deductible expenses for tax purposes | 61 | 82 |
| Income under other heads | 235 | 43 |
| Deduction for preliminary expenses u/s 35D of Income Tax Act | 30 | (29) |
| Tax pertaining to prior periods | 4 | 1 |
| Others (Net) | 65 | (217) |
| **Total Income Tax expenses** | **882** | **963** |

**(iii) Significant components of net deferred tax assets and liabilities for the year ended on 31st March, 2019 is as follows:**

(₹ in Lakhs)

| Particulars | Opening Balance | Recognised/ reversed through Profit and Loss | Recognised/ reversed in other comprehensive income | Closing Balance |
|---|---|---|---|---|
| **Deferred Tax Assets/Liabilities in relation to:** | | | | |
| Property, plant and equipment and investment property | 176 | 12 | - | 188 |
| Intangible assets | 28 | (8) | - | 21 |
| Financial assets measured at fair value | 239 | - | (67) | 172 |
| Employee Benefits | (166) | 17 | 11 | (138) |
| Others | (73) | 75 | - | 1 |
| **Net Deferred Tax Assets/(Liabilities)** | **204** | **96** | **(56)** | **244** |

**Significant components of net deferred tax assets and liabilities for the year ended on 31st March, 2018 is as follows:**

(₹ in Lakhs)

| Particulars | Opening Balance | Recognised/ reversed through Profit and Loss | Recognised/ reversed in other comprehensive income | Closing Balance |
|---|---|---|---|---|
| **Deferred Tax Assets/Liabilities in relation to:** | | | | |
| Property, plant and equipment and investment property | 345 | (169) | - | 176 |
| Intangible assets | 26 | 2 | - | 28 |
| Financial assets measured at fair value | 504 | - | (264) | 239 |
| Employee Benefits | (161) | 0 | (5) | (166) |
| Others | (89) | 16 | - | (73) |
| **Net Deferred Tax Assets/(Liabilities)** | **624** | **(150)** | **( 270)** | **204** |

# Notes to the Accounts

## 11 EARNINGS PER SHARE

The earnings per share has been calculated as specified in Ind-AS 33 on "Earnings Per Share" prescribed by Companies (Accounting Standards) Rules, 2015 and related disclosures are as below :

(₹ in Lakhs)

| Particulars | 2018 - 2019 | 2017 - 2018 |
|---|---|---|
| **For Calculating Basic and Diluted earnings per share** | | |
| a) Profits attributable to equity holders of the company (₹ in Lakhs) | 2,178 | 4,617 |
| b) Weighted average number of equity shares used as the denominator in calculating EPS (Nos.) | 10,23,52,099 | 10,23,52,099 |
| c) Basic and Diluted EPS (a/b) (₹) | 2.13 | 4.51 |

## 12 COMMITMENTS AND CONTINGENCIES

**a. Real Estate commitments**

(i) Company's following projects are being developed under Development Agreement with respective land owners on revenue sharing/ area sharing basis :

a) Ashiana Sehar , Jamshedpur

b) Ashiana Aditya, Jamshedpur

c) Ashiana Navrang, Halol

d) Ashiana Dwarka, Jodhpur

e) Ashiana Shubham, Chennai

f) Ashiana Anmol, Sohna

g) Ashiana Maitri and Nitya, Uttarpara (Kolkata)

h) Upcoming Project, Ajmer Road, Jaipur - ASHIANA DAKSH /AMANTARAN

(ii) In terms of Real Estate (Regulation and Development) Act 2016 (RERA) the company is under an obligation to rectify structural defect or defect in workmanship within 30 days, if brought to notice of the promoter by auditor within 5 years from the date of handing over possession.

**b. Lease commitments**

(i) Operating lease commitments — Company as lessee

The company has taken primarily under operating lease, immovable properties for use as its office premises, with lease terms between three to nine years. The company has the option, under some of its leases, to lease the assets for additional terms of three to nine years.

# Notes to the Accounts

## 12 COMMITMENTS AND CONTINGENCIES (Contd..)

The company has paid ₹ 40 Lakhs (P.Y. ₹ 8 Lakhs) during the year towards minimum lease payment. Future minimum rentals payable under non-cancellable operating leases are, as follows:

(₹ in Lakhs)

| Particulars | 31.03.2019 | 31.03.2018 |
|---|---|---|
| Within one year | 6 | 40 |
| After one year but not more than five years | 2 | 73 |
| More than five years | - | - |
| | **9** | **114** |

(ii) Operating lease commitments — Company as lessor

The company has entered into operating leases on its certain investment property portfolio. These leases have terms of eleven months to twenty years. All leases include a clause to enable upward revision of the rental charge on an annual basis according to prevailing market conditions. The total contingent rents recognised as income during the year is ₹ 3 Lakhs (P.Y. ₹ 6 Lakhs).

Future minimum rentals receivable under non-cancellable operating leases are, as follows:

(₹ in Lakhs)

| Particulars | 31.03.2019 | 31.03.2018 |
|---|---|---|
| Within one year | 115 | 3 |
| After one year but not more than five years | 519 | |
| More than five years | 2,867 | - |
| | **3,500** | **3** |

**c. Other Commitments**

Estimated amount of contracts remaining to be executed on capital account and not provided for amounts to ₹ Nil (P.Y. ₹99.70 lakhs); against which the company has given advance of ₹ Nil (P.Y. ₹ 43.78 Lakhs).

**d. Guarantees**

The contingencies in respect of various guarantees at the end of the reporting period are as follows:

(₹ in Lakhs)

| Particulars | 31.03.2019 | 31.03.2018 |
|---|---|---|
| Bank Guarantees | 512 | 1,481 |
| Corporate Guarantee given | 248 | 975 |

**e. Contingent Liabilities**

Contingent Liability (not provided for) in respect of the following claims/demands:

(₹ in Lakhs)

| Particulars | 31.03.2019 | 31.03.2018 |
|---|---|---|
| Cess - Sonari land | 8 | 63 |
| Service Tax | 83 | 101 |
| Income Tax | 54 | 213 |
| Provident Fund | 185 | - |
| Commercial Tax | 50 | 12 |
| Employee State Insurance Corporation | 4 | 4 |
| Completion Certificate Charges | 13 | 13 |

# Notes to the Accounts

## 12 COMMITMENTS AND CONTINGENCIES (Contd..)

f. The company filed a writ petition against Jamshedpur Notified Area Committee's (JNAC) order stopping construction work in company's commercial project Marine Plaza in Sonari, Jamshedpur, which was allowed by the Hon'ble High Court of Jharkhand, by its Order dated 17.12.2014. Consequently, the company was allowed to carry out construction and marketing of the project and the State Government was directed by the Court to complete their enquiry, if any, in the matter on or before 30.06.2015. The company has received a communication from Additional Deputy Commissioner, East Singhbhum, Jamshedpur through Tata Steel Ltd. that a Committee of the State Government has completed its enquiry and submitted its report to the State Government. However, any report or order in respect of the outcome of the enquiry has not been received by the company till date. Due to uncertainty and absence of any directions from the Government, the company has stopped construction work at Marine Plaza Site. A sum of ₹ 2,288.22 Lakhs has been incurred by the company on this project till the close of this year.

The company has again filed a writ petition against State of Jharkhand and Tata Steel Ltd. in January 2019 for final Decision in the enquiry and execution of sub lease deed of the land in favour of the company.

g. Company's land at Milakpur Gujar, Bhiwadi, District Alwar (Rajasthan) admeasuring 15.02 hectares, appearing in these accounts at book value of ₹ 338.97 Lakhs, is under acquisition, 12.834 hectares for residential purposes and 2.186 hectares for development of road, by the Government of Rajasthan. The company has filed a Writ Petition before the Hon'ble High Court of Rajasthan against acquisition of land admeasuring 12.834 hectares challenging the entire acquisition proceeding against which the Hon'ble High Court has given stay. A compensation of ₹ 3,712.75 Lakhs has been declared by the Government which and interest thereon ₹ 2,306.59 Lakhs approx as at the close of the year shall be considered in the accounts on finality and receipt.

## 13 FINANCIAL INSTRUMENTS

### 13.1 Financial Instruments by category

The carrying value of financial instruments by categories as on 31st March, 2019 were as follows:

(₹ in Lakhs)

| Particulars | Note Reference | Fair Value through Profit & Loss | Fair Value through OCI | Amortised Cost | Total carrying value | Total Fair Value |
|---|---|---|---|---|---|---|
| **Financial Assets** | | | | | | |
| Investments | | | | | | |
| - Equity Instruments (other than subsidiary, Joint ventures) | 3.4.2 | - | 3 | - | 3 | 3 |
| - Mutual Funds | 4.2.2 | - | 6,505 | - | 6,505 | 6,505 |
| - Government Securities | 3.4.2 | - | - | 1 | 1 | 1 |
| Non Current Deposits with Banks | 3.4.3 | - | - | 2,718 | 2,718 | 2,718 |
| Trade Receivables | 4.2.3 | - | - | 1,073 | 1,073 | 1,073 |
| Cash & Cash Equivalents | 4.2.4 | - | - | 2,439 | 2,439 | 2,439 |
| Other Bank Balances | 4.2.5 | | | 1,088 | 1,088 | 1,088 |
| Other Deposits | 4.2.6 | - | - | 906 | 906 | 906 |
| Other financial assets | 4.2.6 | - | - | 4,971 | 4,971 | 4,971 |
| **Total Financial Assets** | | **-** | **6,508** | **13,195** | **19,703** | |
| **Financial Liabilities** | | | | | | |
| Borrowings | 6.1.1 & 7.1.1 | - | - | 14,298 | 14,298 | 14,298 |
| Trade Payables | | - | - | 1,137 | 1,137 | 1,137 |
| Other financial liabilities | 6.1.2 & 7.1.2 | - | - | 3,545 | 3,545 | 3,545 |
| **Total Financial Liabilities** | | **-** | **-** | **18,980** | **18,980** | |

# Notes to the Accounts

## 13 FINANCIAL INSTRUMENTS (Contd..)

### 13.1 Financial Instruments by category (Contd..)

The carrying value of financial instruments by categories as on 31st March, 2018 were as follows:

(₹ in Lakhs)

| Particulars | Note Reference | Fair Value through Profit & Loss | Fair Value through OCI | Amortised Cost | Total carrying value | Total Fair Value |
|---|---|---|---|---|---|---|
| **Financial Assets** | | | | | | |
| Investments | | | | | | |
| Investments | | | | | | |
| - Equity Instruments (other than subsidiary, Joint ventures) | 3.4.2 | - | 2 | - | 2 | 2 |
| - Bonds & Debentures | 4.2.2 | 888 | - | - | 888 | 888 |
| - Mutual Funds | 4.2.2 | - | 9,081 | - | 9,081 | 9,081 |
| - Government Securities | 3.4.2 | - | - | 1 | 1 | 1 |
| Non Current Deposits with Banks | 3.4.3 | - | - | 2,301 | 2,301 | 2,301 |
| Trade Receivables | 4.2.3 | - | - | 1,417 | 1,417 | 1,417 |
| Cash & Cash Equivalents | 4.2.4 | - | - | 873 | 873 | 873 |
| Loans | 4.2.5 | - | - | 914 | 914 | 914 |
| Other Deposits | 4.2.6 | - | - | 713 | 713 | 713 |
| Other financial assets | 4.2.6 | - | - | 4,757 | 4,757 | 4,757 |
| **Total Financial Assets** | | **888** | **9,083** | **10,975** | **20,946** | |
| **Financial Liabilities** | | | | | | |
| Borrowings | 6.1.1 & 7.1.1 | - | - | 11,957 | 11,957 | 11,957 |
| Trade Payables | | - | - | 1,579 | 1,579 | 1,579 |
| Other financial liabilities | 6.1.2 & 7.1.3 | - | - | 3,496 | 3,496 | 3,496 |
| **Total Financial Liabilities** | | **-** | **-** | **17,032** | **17,032** | |

**Management estimations and assumptions**

a) The management assessed that cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

b) The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

(i) The fair values of the quoted bonds and debentures and unquoted mutual funds are based on price quotations/NAVs at the reporting date.

(ii) The fair values of the unquoted equity shares have been determined based on certifications from valuers who have used Net Asset Value approach for determining the fair values.

# Notes to the Accounts

## 13 FINANCIAL INSTRUMENTS (Contd..)

**13.2 Fair value hierarchy**

(₹ in Lakhs)

| Particulars | Note Reference | Fair value measurement at end of the reporting period/year using | | | |
|---|---|---|---|---|---|
| | | Level 1 | Level 2 | Level 3 | Total |
| **As on 31st March, 2019** | | | | | |
| **Financial Assets** | | | | | |
| Bonds and Debentures | | - | - | - | - |
| Mutual funds | 4.2.2 | 6,505 | - | - | 6,505 |
| Equity Instruments (other than subsidiary, Joint ventures) | 3.4.2 | - | - | 3 | 3 |
| **As on 31st March, 2018** | | | | | |
| **Financial Assets** | | | | | |
| Bonds and Debentures | 4.2.2 | 888 | - | - | 888 |
| Mutual funds | 4.2.2 | 9,081 | - | - | 9,081 |
| Equity Instruments (other than subsidiary, Joint ventures) | 3.4.2 | - | - | 2 | 2 |

Level 1: Quoted Prices in active markets for identical assets or liabilities

Level 2 : Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The company's policy is to recognize transfers into and the transfers out of fair value hierarchy levels as at the end of the reporting period. There are no transfers between level 1 and level 2 during the end of the reported periods.

**13.3 Financial Risk Management**

The company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the company's operations. The company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The company's activities expose it to various financial risks: market risk, credit risk and liquidity risk. The company tries to foresee the unpredictable nature of financial markets and seek to minimise potential adverse impact on its financial performance. The senior management of the company oversees the management of these risks. It is supported by a risk management committee that advises on financial risks and the appropriate financial risk governance framework for the company. The risk management committee provides assurance to the company's senior management that the company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the company's policies and risk objectives. The Audit Committee has additional oversight in the area of financial risks and controls. It is the company's policy that no trading in derivatives for speculative purposes may be undertaken.

## 14 CAPITAL MANAGEMENT

The following are the objectives of Capital management policy of the company:

(i) Safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and

(ii) Maintain an optimal capital structure to reduce the cost of capital

As a part of capital management strategy, the company may adjust the amount of dividends paid to shareholders, issue new shares, raise debt capital or sell assets to reduce debt. The company monitors capital basis a gearing ratio which is calculated by dividing the total borrowings by total equity. The company's strategy is to maintain a gearing ratio lower than 30%. In order to achieve this overall objective, the company ensures to meet its financial covenants attached to the interest bearing loans and borrowings. There have never been any breaches in financial covenants of any interest bearing loans and borrowings in the past and also in the current period.

# Notes to the Accounts

## 15 SEGMENT INFORMATION

In accordance with Indian Accounting Standard 108 "Operating Segments" prescribed by Companies (Accounting Standards) Rules, 2015, the company has determined its primary business segment as a single segment of Real Estate Business. Since there are no other business segments in which the company operates, there are no other primary reportable segments. Therefore, the segment revenue, segment results, segment assets, segment liabilities, total cost incurred to acquire segment assets, depreciation charge are all as is reflected in the financial statements

## 16 RELATED PARTY TRANSACTIONS

Related parties and transactions with them as specified in the Ind-AS 24 on "Related Parties Disclosures" prescribed under Companies (Accounting Standards) Rules, 2015 has been identified and given below on the basis of information available with the company and the same has been relied upon by the auditors.

**a) Significant influenced entities**

| Name of Subsidiary | Country | Holding as at (in %) | |
|---|---|---|---|
| | | 31.03.2019 | 31.03.2018 |
| Ashiana Maintenance Services LLP* | India | 99.70 | 99.70 |
| Latest Developers Advisory Ltd | India | 100 | 100 |
| Topwell Projects Consultants Ltd. | India | 100 | 100 |
| Ashiana Amar Developers | India | 100 | 100 |

* converted from Ashiana Maintenance Services Limited on 22.12.2016

**b) List of Joint Ventures**

| Name of Subsidiary | Country |
|---|---|
| Vista Housing | India |
| Ashiana Greenwood Developers | India |
| Megha Colonizers | India |
| Ashiana Manglam Developers | India |
| Ashiana Manglam Builders | India |
| Ashiana Manglam Builders- Extension Land Division | India |

**c) Other related parties**

(i) Key management personnel and their relatives

| Name of Subsidiary | Relationship |
|---|---|
| Mr. Vishal Gupta | Managing Director |
| Mr. Ankur Gupta | Jt. Managing Director |
| Mr. Varun Gupta | Whole-time Director |
| Mr. Hemant Kaul | Independent Director |
| Mr. Abhishek Dalmia | Independent Director |
| Ms. Piyul Mukherjee | Independent Director |
| Mr. Narayan Anand | Independent Director |
| Ms. Sonal Mattoo | Independent Director |
| Mr. Vikash Dugar | Chief Financial Officer |
| Mr. Nitin Sharma | Company Secretary |
| Ms. Beila Gupta | Relative of Key Management Personnel |

# Notes to the Accounts

## 16 RELATED PARTY TRANSACTIONS (Contd..)

(ii) Others

| Name of Subsidiary | Country |
|---|---|
| OPG Realtors Limited | India |
| RG Woods Limited | India |
| BG Estates Private Limited | India |
| AHL Group Investments Private Limited | India |
| OPMG Investments Private Limited | India |
| Karma Hospitality LLP | India |
| Woodstory LLP | India |

(₹ in Lakhs)

| Nature of Transactions | For the year ended March 31, 2019 | | | For the year ended March 31, 2018 | | |
|---|---|---|---|---|---|---|
| | Significant influenced entities | Joint Venture | Other related parties | Significant influence entities | Joint Venture | Other related parties |
| **Income** | | | | | | |
| Sale of Flat | - | - | - | - | - | - |
| Establishment Charges | 112 | - | - | 36 | - | 1 |
| Recovery of Branch office Expenses | 1 | 509 | - | 2 | 431 | - |
| Sale of Assets | - | 4 | - | - | 1 | - |
| Sale of Materials | | 1 | | | | |
| Interest Received | - | - | - | - | - | - |
| Hotel and club income | 11 | - | - | 3 | - | - |
| **Expenses** | | | | | | |
| Purchase of Assets | - | - | 64 | - | - | 12 |
| Purchase of Material | - | 0.09 | 112 | - | - | 82 |
| Maintenance charges | 165 | - | - | 285 | - | - |
| Unsold Inventory Upkeep charges | 192 | - | - | - | - | - |
| Remuneration | - | - | 362 | - | - | 422 |
| Rent | - | 3.60 | 147 | - | 4 | 145 |
| Referral Charges | 15 | - | - | 40 | - | - |
| Management Fee | - | - | 25 | - | - | 32 |
| Staff Welfare | 16 | - | - | 10 | - | - |
| Finance Cost | - | - | - | 43 | - | - |
| Other Expenses | 1 | - | 4 | 3 | - | 2 |
| **Year End Receivable** | | | | | | |
| Advances recoverable in cash or in kind | - | - | - | - | - | 28 |
| Deposits | - | - | - | - | - | - |
| Trade Receivable | - | - | 7 | - | - | 9 |
| **Year End Payable** | | | | | | |
| Advance from Customers | - | - | 120 | - | - | 160 |
| Other Liabilities | - | - | 84 | - | - | 87 |
| Trade Payable | 8 | - | - | 6 | - | - |

# Notes to the Accounts

## 16 RELATED PARTY TRANSACTIONS (Contd..)

The table below describes the compensation to key managerial personnel:

(₹ in Lakhs)

| Particulars | Year Ended 31 March, 2019 | Year Ended 31 March, 2018 |
|---|---|---|
| Short term employee benefits | 362 | 422 |
| Post employment benefits | | |
| Defined contribution plan | 106 | 100 |
| Defined benefit plan | - | - |
| Other long term benefit | - | - |
| | 468 | 522 |

## 17 ASSETS SECURED FOR BORROWINGS

The carrying amounts of assets secured for current and non current borrowings is given in the following table:

(₹ in Lakhs)

| Particulars | Note | Year ended 31st March, 2019 | Year ended 31st March, 2018 |
|---|---|---|---|
| **Non Current Assets** | | | |
| Property, Plant and Equipments | 3.1 | 1,754 | 1,664 |
| Investment Properties | 3.3 | 832 | 885 |
| Deposits with Banks | 3.5.3 | 2,351 | 2,049 |
| Total | | 4,937 | 4,598 |
| Current Assets | | | |
| Mutual Funds | 4.2.2 | - | 6,388 |
| Trade Receivables | 4.2.3 | 376 | 553 |
| Cash and Cash Equivalents | 4.2.4 | 14 | 89 |
| Other bank balances | 4.2.5 | 647 | 521 |
| Inventories | 4.1 | 18,216 | 20,143 |
| Total | | 19,253 | 27,694 |

**18** Disclosures pursuant to Schedule III of Companies Act, 2013 in relation to trade payables falling under the category of Micro and Small enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 are as follows:

(₹ in Lakhs)

| Particulars | Year Ended 31 March, 2019 | Year Ended 31 March, 2018 |
|---|---|---|
| (a) Principal amount due to such suppliers | 164 | 21 |
| (b) Interest accrued and due to such suppliers on above (a) amount | - | - |
| (c) Amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day | - | - |
| (d) Amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006 | - | - |
| (e) Interest accrued and remaining unpaid at the end of the accounting year | - | - |
| (f) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006. | | |

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the company.

# Notes to the Accounts

**19** On the basis of physical verification of assets, as specified in IND AS - 36 and cash generation capacity of those assets, in the management perception there is no impairment of such assets as appearing in the Balance Sheet as on 31.03.2019.

## 20 EXPENDITURE IN FOREIGN CURRENCY:

(₹ in Lakhs)

| Particulars | 2018 - 2019 | 2017 - 2018 |
|---|---|---|
| Travelling Expenses | 89 | 60 |
| Consultant/Professional Fee (including reimbursement) | 27 | 2 |
| Conference and Meeting expenses | 24 | 16 |

**21** Previous years figure have been regrouped/rearranged, wherever found necessary.

In terms of our report of even date attached herewith

For **VMSS & ASSOCIATES**
Chartered Accountants
Firm Registration No: 328952E

**Vishal Gupta**
(Managing Director)
DIN 00097939

**Varun Gupta**
(Whole-time Director)
DIN 01666653

**Hemant Kaul**
(Independent Director)
DIN No.00551588

**Mahendra Jain**
Partner
Membership No: 413904

**Nitin Sharma**
(Company Secretary)

**Vikash Dugar**
(CFO)

Place: New Delhi
Date: 18th May, 2019

# Independent Auditor's Report

To the Members of **Ashiana Housing Limited**

## Report on the Consolidated Financial Statements

**Opinion**

We have audited the accompanying Consolidated financial statements of Ashiana Housing Limited (hereinafter referred to as "the Holding company") and its subsidiaries and joint ventures (the Holding company and its subsidiaries and joint ventures together referred to as "the Group"), which comprises the consolidated Balance Sheet as at 31st March, 2018, the consolidated Statement of Profit and Loss(including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flow for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements".

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 Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs (financial position) of the Group and its joint ventures as at March 31, 2019, and consolidated profit (financial performance including other comprehensive income), its consolidated cash flows and the consolidated changes in equity for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing(SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its Joint ventures in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Information other than the Financial Statements and Auditor's Report thereon**

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

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

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

**Responsibilities of Management and Those charged with Governance for the Consolidated Financial Statements**

The Holding company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs (consolidated financial position), Consolidated Profit or Loss (financial performance including Other Comprehensive Income), consolidated Changes In Equity and Consolidated Cash Flows of the Group including its Joint ventures in accordance with the accounting principles generally accepted in India including the Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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 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 consolidated financial statements by the management of the holding company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the group and its joint venture entities are responsible for assessing the ability of the group and its joint ventures to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

# Independent Auditor's Report

The Respective Board of Directors of the companies included in the group and of its joint ventures are also responsible for overseeing financial reporting process of the group and its joint ventures.

**Auditor's Responsibilities for the Audit of Consolidated Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has internal financial controls with reference to Financial Statements in place and the operating effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of Group and its Joint venture to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group and its joint venture to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group and its joint venture to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audit carried out by them. We solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance of the holding company and such other entities included in consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's

# Independent Auditor's Report

report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Other Matters**

We did not audit the financial statements of a subsidiary firm and joint venture firms. The financial statements of these subsidiary and joint venture firms 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 the subsidiary and joint ventures and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary and joint ventures 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 and the financial statements.

**Report on Other Legal and Regulatory Requirements**

1. As required by Section 143 (3) of the Act, we report that:
   - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
   - (b) in our opinion proper books of account as required by law have been kept by the Group so far as it appears from our examination of those books and the reports of other auditors;
   - (c) the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
   - (d) in our opinion, the aforesaid Consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act;
   - (e) on the basis of written representations received from the directors of the Holding company as on 31st March, 2019, and taken on record by the Board of Directors of the Holding company and the reports of the statutory auditors of its subsidiary companies, none of the directors of the Group Companies is disqualified as on 31st March, 2019, from being appointed as a director in terms of sub-section (2) of section 164 of the Companies Act, 2013;
   - (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 the requirements of section 197(16) of the Act, as amended:

     In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the company to its directors during the year is in accordance with the provisions of section 197 of the Act;
   - (h) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
     - i. The consolidated financial statements, to the extent ascertainable, disclose the impact of pending litigations on the consolidated financial position of the Group – Refer clause (e) of Note 12 to the consolidated financial statements;
     - ii. The Group did not have any material foreseeable losses on long term contracts including derivative contracts which would impact its financial position;
     - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group.

For **VMSS & ASSOCIATES**
Chartered Accountants
Firm Registration No. 328952E

**Mahendra Jain**
Partner
Membership No. 413904

Place: New Delhi
Date: 18th May, 2019

# Annexure - A to the Auditors' 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 **Ashiana Housing Limited** ("the Holding company") and its subsidiaries and joint ventures as of 31 March 2019 in conjunction with our audit of the consolidated financial statements of the company for the year ended on that date.

## Management's Responsibility for Internal Financial Controls

The Holding company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Group 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 group'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.

## Auditors' Responsibility

Our responsibility is to express an opinion on the Group'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 Group'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 authorisations 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.

# Annexure - A to the Auditors' Report

## Opinion

In our opinion, the Grop 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 2019, 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 **VMSS & ASSOCIATES**
Chartered Accountants
Firm Registration No. 328952E

**Mahendra Jain**
Partner
Membership No. 413904

Place: New Delhi
Date: 18th May, 2019

# Notes to the Financial Statements

## 1. CORPORATE INFORMATION

Ashiana Housing Limited ("the company") is a public limited company domiciled and incorporated in India and its shares are publicly traded on the National Stock Exchange ("NSE") and the Bombay Stock Exchange ("BSE"), India. The registered office of the company is situated at 11G Everest, 46/C, Chowringhee Road, Kolkata – 700071 and the head office is situated at 304, Southern Park, Saket District Centre, Saket, New Delhi - 110017.

The principal business activity of the company is Real Estate Development. The group has its presence in the states of Rajasthan, Jharkhand, Maharashtra, Haryana, West Bengal, Gujarat and Tamil Nadu.

The Consolidated financial statements were authorised for issue in accordance with a resolution passed by the Board of Directors on 18th May, 2019.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### 2.1 Basis of preparation

The financial statements (Consolidated financial statements) have been prepared on accrual basis in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and the provisions of the Companies Act, 2013.

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities which have been measured at fair value (refer accounting policy regarding financial instruments).

The financial statements are presented in Indian Rupees ("INR" or "₹") and all amounts are rounded to the nearest lacs, except as stated otherwise. ₹ 0 represents amount below ₹ 50,000/-.

### 2.2 Basis of Consolidation

i. ASHIANA HOUSING LIMITED consolidates entities which it owns or controls. The consolidated Financial Statements comprises of Financial Statements of the company, its subsidiaries and jointly controlled partnerships as disclosed in Note 20. Control exists when the parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. Subsidiaries are consolidated from the date control commences until the date control ceases.

ii. The Consolidated Financial Statements are presented, to the extent possible, in the same format as that adopted by the parent for standalone Financial Statements.

iii. The Financial Statements of the Group are consolidated on a line-by-line basis and Intra Group balances and transactions, including unrealized gain/(loss) from such transactions, are eliminated upon consolidation.

iv. These Consolidated Financial Statements are prepared by applying uniform Accounting Policies in use at the group. Non-controlling Interest which represent part of the net Profit or loss and Net Assets of subsidiaries that are not , directly or indirectly, owned or controlled by the company , are excluded.

v. The amounts shown in respect of reserve comprise the amount of the relevant reserves as per the Balance sheet of the Parent company and its share in the post-acquisition increase in the relevant reserve of the entity to be consolidated.

vi. Notes to the Consolidated Financial Statements represents notes involving items which are considered material & are accordingly duly disclosed. Materiality for the purpose is assessed in relation to the information contained in the Consolidated Financial Statements. Further, additional statutory information disclosed in separate Financial Statements of the subsidiary and / or Parent having no bearing on the true & fair view of the Consolidated Financial Statements have not been disclosed in the Consolidated Financial Statements.

### 2.3 Use of Estimates and Judgements

The preparation of the Consolidated financial statements in conformity with "**IND AS**" requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions effect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in Note No. 2.25. Accounting estimates could change from period to period. Actual results may differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

# Notes to the Financial Statements

**2.4 Current versus non-current classification**

The Group presents assets and liabilities in the Balance Sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The normal operating cycle, in the context of the company, is the time between the acquisition of land for a real estate project and its realisation in cash and cash equivalents by way of sale of developed units.

**2.5 Property, Plant and Equipment**

Freehold/Leasehold land and capital work-in-progress is carried at cost. All other items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Lease arrangements in respect of land for lease period above threshold limit are classified as a finance lease.

The cost of an item of property, plant and equipment comprises of its purchase price, any costs directly attributable to its acquisition and an initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which the company incurs when the item is acquired. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

On transition to Ind AS, the group has elected to continue with the carrying value of all its property, plant and equipment recognised as at 1st April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives. The useful lives estimated for the major classes of property, plant and equipment are as follows:

| Class of property, plant and equipment | Useful life (in years) |
|---|---|
| Buildings | 60 |
| Rented Premises | Lease period |
| Plant & Machinery | 5–15 |
| Furniture & Fixtures | 8-10 |
| Vehicles | 5-10 |
| Electrical Installations | 10 |
| Equipments and facilities | 5 |
| Computer Hardware | 3 |

The useful lives have been determined based on technical evaluation done by the management, which in few cases are different than the lives as specified by Schedule II to the Companies Act, 2013. The residual values are not more than 5% of the original cost of the asset. The asset' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset is included in the statement of profit and loss when the asset is derecognised.

Physical verification of Property, Plant and Equipment is carried out in a phased manner. Certain Plant and Machinery including Shuttering and Scaffoldings is verified on completion of a Project due to nature of such assets.

**2.6 Investment properties**

Investment properties are measured initially at cost, including transaction costs and borrowing costs, wherever applicable. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. Subsequent expenditure is capitalised to the asset's

carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred.

On transition to Ind AS, the group has elected to continue with the carrying value of all its investment properties recognised as at 1st April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the investment properties.

The building component of the investment properties are depreciated using the straight-line method over 60 years from the date of original purchase, being their useful life as estimated by the management. The estimated useful life of the building is same as that prescribed in Schedule II to the Companies Act, 2013.

The group discloses the fair value of investment properties as at the end of the year, which is determined by registered accredited independent valuers.

Investment properties are derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of investment properties are included in profit and loss in the period of de-recognition.

**2.7 Intangible assets**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment loss.

On transition to Ind AS, the group has elected to continue with the carrying value of all its intangible assets recognised as at 1st April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of intangible assets.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised on a straight-line method over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset are reviewed at least at the end of each reporting period and adjusted, if appropriate. The useful economic lives estimated for various classes of intangible assets are as follows:

| Class of intangible assets | Useful life (in years) |
|---|---|
| Goodwill | 5 |
| Trademark and Logo | 10 |
| Software | 3 |

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually.

**2.8 Non-current assets held for sale**

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell.

Non-current assets classified as held for sale and their related liabilities are presented separately in the Balance Sheet. Non-current assets are not depreciated or amortised while they are classified as held for sale.

**2.9 Inventories**

Construction material and hotel and club consumables are valued at lower of cost and net realisable value. However, materials and other items are not written down below cost if the constructed units/food and beverages in which they are used are expected to be sold at or above cost. Cost is determined on first in, first out (FIFO) basis.

Land/Development Rights are valued at lower of cost and net realisable value.

Completed units and project development forming part of work in progress are valued at lower of cost and net realisable value. Cost includes direct materials, labour, project specific direct and indirect expenses, borrowing costs and pro-rata unrealised cost from EWS/LIG units.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

**2.10 Cash and Cash Equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits maturing within twelve months from the date of balance Sheet, which are subject to an insignificant risk of changes in value. Bank overdrafts are shown under borrowings in the Balance Sheet.

Other Bank balances includes balances with Bank to the extent secured against the borrowings, Bank Balances for unclaimed dividend, and Balances in Bank Accounts designated as RERA Account wherein 70% of amount collected from allottees is deposited.

**2.11 Financial Instruments**

A. Financial Instruments - Initial recognition and measurement

Financial assets and financial liabilities are recognised in the company's statement of financial position when the company becomes a party to the contractual provisions

# Notes to the Financial Statements

of the instrument. The group determines the classification of its financial assets and liabilities at initial recognition. All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

### B.1. Financial assets –Subsequent measurement

The Subsequent measurement of financial assets depends on their classification which is as follows:

a. Financial assets at fair value through profit or loss

Financial assets at fair value through profit and loss include financial assets held for sale in the near term and those designated upon initial recognition at fair value through profit or loss.

b. Financial assets measured at amortised cost

Loans and receivables are non derivative financial assets with fixed or determinable payments that are not quoted in an active market. Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowance for estimated irrecoverable amounts based on the ageing of the receivables balance and historical experience. Additionally, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. Individual trade receivables are written off when management deems them not to be collectible.

c. Financial assets at fair value through OCI

All equity investments, except investments in subsidiaries, joint ventures and associates, falling within the scope of Ind AS 109, are measured at fair value through Other Comprehensive Income (OCI). The group makes an irrevocable election on an instrument by instrument basis to present in Other Comprehensive Income subsequent changes in the fair value. The classification is made on initial recognition and is irrevocable.

If the group decides to designate an equity instrument at fair value through OCI , then all fair value changes on the instrument, excluding dividends, are recognized in the OCI.

### B.2. Financial assets –Derecognition

The group derecognises a financial asset when the contractual rights to the Cash Flows from the assets expire or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset.

Upon derecognition of equity instruments designated at fair value through OCI, the associated fair value changes of that equity instrument is transferred from OCI to Retained Earnings.

### C. Investment in subsidiaries, joint ventures and associates

Investments made by the group in subsidiaries, joint ventures and associates are measured at cost in the separate financial statements of the company.

### D.1. Financial liabilities –Subsequent measurement

The Subsequent measurement of financial liabilities depends on their classification which is as follows:

a. Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading, if any.

b. Financial liabilities measured at amortised cost

Interest bearing loans and borrowings including debentures issued by the company are subsequently measured at amortised cost using the effective interest rate method (EIR). Amortised cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are integral part of the EIR. The EIR amortised is included in finance costs in the statement of profit and loss.

### D.2. Financial liabilities –Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or expires.

### E. Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position, if and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

### F. Fair value measurement

The group measures certain financial instruments at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the assets or liability or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the group.

The group uses valuation technique that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

**2.12 EWS/LIG units**

In terms of the building bye laws of various states in which the group operates, it is required to develop certain units for Economically Weaker Section (EWS) and Lower Income Group (LIG) people along with the development of the main group housing project.

EWS/LIG units in the balance sheet comprise of amounts deployed by the group towards land, development and/or purchase of EWS/LIG units, as reduced by amounts received from the allottees and unrealised cost from such units.

**2.13 Revenue Recognition**

Effective 1st April, 2018 the group adopted Ind As 115, "Revenue from contracts with customers". The effect of adoption of Ind As 115 was insignificant. The following is a summary of new and /or revised significant accounting policies related to revenue recognition.

Revenue is recognised upon transfer of control of promised product or services to customer in an amount that reflects the consideration we expect to receive in exchange for those product or service, regardless of when the payment is received. Revenue is measured at the Transaction price, excluding amounts collected on behalf of the third parties.

The specific recognition criteria for the various types of the group's activities are described below:

Real estate projects

In accordance with the principles of Ind AS 115 revenue in respect of real estate project is recognised on satisfaction of Performance obligation at a point in time by transferring a promised good or services (ie an asset) to a customer and the customer obtains control of that asset.

To determine the point in time at which a customer obtains control of a promised asset and the entity satisfies a performance obligation, the group considers following indicators of the transfer of control to customers:

(a) The group has a present right to payment for the asset.

(b) the group has transferred to the buyer the significant risks and rewards of ownership of the real estate;

(c) the group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the real estate sold;

(d) the amount of revenue can be measured reliably;

(e) the costs incurred or to be incurred in respect of the transaction can be measured reliably

(f) the customer has accepted the asset.

The satisfaction of performance obligation and the control thereof is transferred from the group to the buyer upon possession or upon issuance of letter for offer of possession ("deemed date of possession"), whichever is earlier, subject to realisation/ certainty of realisation.

**Obligations:** The group is under an obligation to comply with the following In terms of the Real Estate (Regulation and Development) Act 2016 (RERA)

(a) Obligation to keep 70% of the amounts realized from real estate project from allottees from time to time, in a separate account in a scheduled bank

(b) To enable formation of the association or society of allottees

(c) Liability to rectify structural defect or defect in workmanship within 30 days if brought to notice of the group by allottee within 5 years from the date of handing over possession.

Project Maintenance Services

Project maintenance charges and other income is accounted for an accrual basis except where the receipt of income is uncertain.

Hotel and club services

Revenue from rooms, food and beverages, club and other allied services, is recognised upon rendering of the services.

Interest income

Interest income from debt instruments (including Fixed Deposits) is recognised using the effective interest rate method. The effective interest rate is that rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. While calculating the effective interest rate, the group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

# Notes to the Financial Statements

Dividends

Revenue is recognised when the Group's right to receive the payment is established.

Rental Income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease term.

Delayed payment charges

Delayed payment charges claimed to expedite recoveries are accounted for on realisation.

Other Income

Other Income is accounted for on accrual basis except, where the receipt of income is uncertain.

**2.14 Foreign currency transactions**

Foreign currency transactions are translated into Indian rupee using the exchange rates prevailing on the date of the transaction. Foreign exchange gains and losses resulting from the settlement of these transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in profit or loss.

**2.15 Employee benefits**

Short Term employee benefits

Liabilities for wages, salaries and other employee benefits that are expected to be settled within twelve months of rendering the service by the employees are classified as short term employee benefits. Such short term employee benefits are measured at the amounts expected to be paid when the liabilities are settled.

Post employment benefits

(a) Defined contribution plans

The group pays provident fund contribution to publicly administered provident funds as per the local regulations. The contributions are accounted for as defined contribution plans and are recognised as employee benefit expense when they are due.

(b) Defined benefit plans

The liabilities recognised in the balance sheet in respect of defined benefit plan, namely gratuity and leave pay, are the present value of the defined benefit obligation at the end of the year less the fair value of plan assets, if any. The defined benefit obligation is calculated by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in Other Comprehensive Income. They are included in the retained earnings in the statement of changes in equity and in the Balance Sheet.

**2.16 Leases**

Group as a lessee

A lease is classified at the inception date as a finance lease or an operating lease.

A lease that transfers substantially all the risks and rewards incidental to ownership to the group is classified as a finance lease. Finance leases are capitalised at the commencement of the lease at the inception date at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the group are classified as operating lease. Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term, unless the payments are structured to increase in line with expected general inflation.

Group as a lessor

Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease, unless the receipts are structured to increase in line with expected general inflation.

# Notes to the Financial Statements

**2.17 Finance Costs**

Borrowing costs that are attributable to ongoing projects of the group are charged to work in progress as a part of the cost of such project.

Other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred.

**2.18 Selling Costs**

Selling expenses related to specific projects/units are being charged to Statement of Profit and Loss in the year in which the revenue thereof is accounted. Such costs are carried forward till such charge off as unaccrued selling expenses under the head Other Current Assets.

**2.19 Taxes**

Current Tax

The current tax expense for the period is determined as the amount of tax payable in respect of taxable income for the period, based on the applicable income tax rates.

Current tax relating to items recognised in Other Comprehensive Income or Equity is recognised in Other Comprehensive Income or Equity, respectively.

Deferred Tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences and, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, the carry forward of unused tax credits and unused tax losses can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted at the reporting date.

Deferred tax relating to items recognised in Other Comprehensive Income or equity is recognised in Other Comprehensive Income or equity, respectively.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities.

**2.20 Provisions, Contingent Liabilities and Contingent Assets**

A provision is recognised when the group has present determined obligations as a result of past events and an outflow of resources embodying economic benefits will be required to settle the obligations. Provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

If the effect of the time value of money is material, provisions are discounted using a current pre tax rate that reflects, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A Contingent liability is not recognised but disclosed in the notes to the accounts, unless the probability of an outflow of resources is remote.

A contingent asset is generally neither recognised nor disclosed.

**2.21 Earnings per share**

The Basic earnings per share (EPS) is calculated by dividing the net profit or loss for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

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

**2.22 Dividends**

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the group, on or before the end of the reporting period but not distributed at the end of the reporting period.

**2.23 Exceptional items**

Exceptional items refer to items of income or expense within statement of profit and loss from ordinary activities which are non-recurring and are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the group.

**2.24 Impairment of assets**

The group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-

# Notes to the Financial Statements

generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Impairment losses of continuing operations, including impairment on inventories, are recognised in the statement of profit and loss.

**2.25 Critical accounting estimates**

Property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Group. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of group's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

Intangible assets

The group tests whether intangible assets have suffered any impairment on an annual basis. The recoverable amount of a cash generating unit is determined based on value in use calculations which require the use of assumptions.

Investment property

The charge in respect of periodic depreciation on investment properties is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of group's investment properties are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

Trade Receivables

As per Ind AS 109, the group is required to apply expected credit losses model for recognizing the provision for doubtful debts. The expected credit losses are determined based on the past trends and assumptions.

Recognition and measurement of defined benefit obligations

The obligations arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation and attrition rate. The discount rate is determined by reference to market yields at the end of the reporting period on government securities, the period to maturity of the underlying securities correspond to the probable maturity of the post-employment benefit obligation.

Provisions and contingencies

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the Balance sheet date. The actual outflow of resources at a future date may therefore vary from the amount included in other provisions.

# Balance Sheet

as at 31st March, 2019

(₹ in Lakhs)

| Particulars | Notes | As at 31st March, 2019 | As at 31st March, 2018 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Property, plant and equipment | 3.1 | 6,128 | 5,337 |
| Investment property | 3.2 | 5,912 | 6,626 |
| Intangible assets | 3.3 | | |
| - Goodwill | 3.3.1 | 0 | 0 |
| - Other intangible assets | 3.3.2 | 83 | 108 |
| Financial assets | 3.4 | | |
| - Investments | 3.4.1 | 4 | 5 |
| - Deposits with banks | 3.4.2 | 2,718 | 2,301 |
| | | **14,844** | **14,377** |
| **Current assets** | | | |
| Inventories | 4.1 | 62,490 | 63,760 |
| Financial assets | 4.2 | | |
| - Investment in Joint ventures | 4.2.1 | 4,067 | 4,337 |
| - Investments others | 4.2.2 | 8,729 | 11,508 |
| - Trade receivables | 4.2.3 | 2,278 | 2,545 |
| - Cash and cash equivalents | 4.2.4 | 5,294 | 3,241 |
| - Other Bank Balances | 4.2.5 | 1,088 | 914 |
| - Other financial assets | 4.2.6 | 5,960 | 5,541 |
| Current tax assets (Net) | 4.3 | 552 | 870 |
| Other current assets | 4.4 | | |
| - Trade advance and deposits | 4.4.1 | 7,125 | 9,631 |
| - EWS/LIG units | 4.4.2 | 2,204 | 1,620 |
| - Others | 4.4.3 | 4,768 | 4,845 |
| | | **1,04,553** | **1,08,812** |
| **Total Assets** | | **1,19,397** | **1,23,189** |
| **EQUITY AND LIABILITIES** | | | |
| **Equity** | 5 | | |
| Equity Share capital | 5.1 | 2,047 | 2,047 |
| Other Equity | 5.2 | 76,134 | 74,532 |
| Equity attributable to owners of parent | | 78,181 | 76,579 |
| Non-Controlling Interests | | 2 | 4 |
| **Total Equity** | | **78,183** | **76,583** |
| **Liabilities** | | | |
| Non-current liabilities | | | |
| Financial liabilities | 6.1 | | |
| - Borrowings | 6.1.1 | 14,274 | 6,338 |
| - Other financial liabilities | 6.1.2 | 2,522 | 2,259 |
| Non - Current Provisions | 6.2 | 379 | 503 |
| Deferred tax liabilities (Net) | 6.3 | 231 | 190 |
| | | **17,406** | **9,290** |
| **Current liabilities** | | | |
| Financial liabilities | 7.1 | | |
| - Borrowings | 7.1.1 | 298 | 6,037 |
| - Trade payables | | | |
| - Dues of micro enterprises and small enterprises | | 169 | 21 |
| - Dues of creditors other than micro enterprises and small enterprises | | 1,226 | 1,742 |
| - Other financial liabilities | 7.1.2 | 3,699 | 3,647 |
| Other current liabilities | 7.2 | | |
| - Advance from customers | 7.2.1 | 16,355 | 23,962 |
| - Others | 7.2.2 | 1,963 | 1,823 |
| Current Provisions | 7.3 | 97 | 84 |
| | | **23,808** | **37,316** |
| **Total Equity and Liabilities** | | **1,19,397** | **1,23,189** |
| Corporate Information & Significant Accounting Policies | 1 & 2 | | |
| Accompanying notes to the financial statements | 1 to 24 | | |

Signed for Identification

For **VMSS & ASSOCIATES**
Chartered Accountants
Firm Registration No: 328952E

**Vishal Gupta**
(Managing Director)
DIN No.00097939

**Varun Gupta**
(Whole-time Director)
DIN No.01666653

**Hemant Kaul**
(Independent Director)
DIN No.00551588

**Mahendra Jain**
Partner
Membership No: 413904

**Nitin Sharma**
(Company Secretary)

**Vikash Dugar**
(CFO)

Place: New Delhi
Date: 18th May, 2019

# Statement of Profit and Loss

for the year ended 31st March, 2019

(₹ in Lakhs)

| Particulars | Note | Year ended 31st March, 2019 | Year ended 31st March, 2018 |
|---|---|---|---|
| **Income** | | | |
| Revenue from Operations | 8.1 | 32,978 | 30,637 |
| Income from Partnership | 8.2 | 775 | 1,495 |
| Other Income | 8.3 | 1,309 | 1,361 |
| **Total Revenue** | | **35,063** | **33,492** |
| **Expenses** | | | |
| Direct Costs: | | | |
| Purchases | 9.1 | 5,781 | 2,275 |
| Project Expenses | 9.2 | 11,242 | 13,588 |
| Changes in Inventories | 9.3 | 1,214 | 176 |
| Hotel & Club Expenses | 9.4 | 776 | 681 |
| Real Estate Support Operations Expenses | 9.5 | 2,711 | 2,347 |
| | | **21,724** | **19,067** |
| Employee Benefits Expense | 9.6 | 3,707 | 3,587 |
| Selling Expenses | | 2,559 | 2,072 |
| Finance Costs | 9.7 | 1,517 | 1,194 |
| Depreciation & Amortization Expenses | 9.8 | 815 | 732 |
| Other Expenses | 9.9 | 2,346 | 1,967 |
| **Total Expenses** | | **32,668** | **28,618** |
| **Profit before tax** | | **2,395** | **4,874** |
| **Tax Expense:** | 10 | | |
| Current Tax | | 938 | 1,212 |
| Deferred Tax | | 79 | (161) |
| | | **1,017** | **1,051** |
| **Profit for the year** | | **1,378** | **3,823** |
| **Other comprehensive income** | | | |
| A) Items that will not be reclassified to profit or loss | | | |
| - Change in fair value of equity instruments | | 438 | 573 |
| - Remeasurement of net defined benefit liability | | 57 | (17) |
| - tax expense relating to above | | 38 | 242 |
| B) Items that will be reclassified to profit or loss | | - | |
| **Other comprehensive income for the year** | | **533** | **798** |
| Less : Non-Controlling interests | | 1 | 1 |
| **Total comprehensive income for the year** | | **1,910** | **4,621** |
| Earnings per equity share | | | |
| Basic & Diluted | 11 | 1.87 | 4.51 |
| Corporate Information & Significant Accounting Policies | 1 & 2 | | |
| Accompanying notes to the financial statements | 1 to 24 | | |

Signed for Identification

For **VMSS & ASSOCIATES**
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Partner
Membership No: 413904

**Nitin Sharma**
(Company Secretary)

**Vikash Dugar**
(CFO)

Place: New Delhi
Date: 18th May, 2019

# Cash Flow Statement

for the year ended 31st March, 2019

(₹ in Lakhs)

| Particulars | Year ended 31st March, 2019 | Year ended 31st March, 2018 |
|---|---|---|
| **Cash Flow from Operating Activities :** | | |
| Net Profit Before Tax And Extraordinary Items | 2,395 | 4,874 |
| Adjusted For : | | |
| Depreciation | 815 | 732 |
| Interest Income (Other Than From Customers) | (522) | (395) |
| Income From Long Terms Investment | (346) | (391) |
| Irrecoverable Balances Written Off | 95 | 12 |
| Liabilities Written Back | (68) | (19) |
| Interest Paid | 1,695 | 1,389 |
| Fixed Assets Written Off | 12 | 53 |
| Non Controlling Interest | 1 | - |
| (Profit) / Loss On Sale Of Fixed Assets | (10) | (177) |
| Provision For Employee Benefits | (53) | (3) |
| **Operating Profit before Working Capital Changes** | **4,013** | **6,075** |
| Adjusted For : | | |
| Trade And Other Receivables | 2,338 | (4,818) |
| EWS/LIG Units | (585) | 1,064 |
| Inventories | 1,271 | 828 |
| Trade Payables And Advances From Customers | (7,452) | (7,674) |
| **Cash Generated from Operations** | **(415)** | **(4,524)** |
| Direct Taxes Paid / Adjusted | (619) | (904) |
| **Cash Flow Before Extra Ordinary Items** | **(1,034)** | **(5,428)** |
| Extra Ordinary Items | | |
| **Net Cash from Operating Activities (A)** | **(1,034)** | **(5,428)** |
| **Cash Flow from Investing Activities :** | | |
| Purchase Of Fixed Assets | (893) | (1,906) |
| Sale Of Fixed Assets | 26 | 227 |
| Net Purchase/ Sale Of Investments | 3,072 | 1,997 |
| Interest Income | 522 | 395 |
| Other Income From Long Term Investments | 346 | 391 |
| **Net Cash From Investing Activities (B)** | **3,072** | **1,104** |
| **Cash Flow from Financing Activities :** | | |
| Proceeds From Long Term And Other Borrowings | 2,196 | 4,918 |
| Interest And Financial Charges Paid | (1,695) | (1,389) |
| Dividend Paid | (308) | (308) |
| Change In Non Controlling Interest | (4) | - |
| **Net Cash used in Financing Activities (C)** | **189** | **3,221** |
| **Net Increase in Cash and Cash Equivalents (A+ B+ C)** | **2,227** | **(1,103)** |
| **Cash and Cash Equivalents at the Beginning of the Year** | **4,155** | **5,258** |
| **Cash and Cash Equivalents at the End of the Year** | **6,382** | **4,155** |

Proceeds from long term and other borrowings are shown net of repayment.
Cash and Cash Equivalents include other Bank Balances.

Signed for Identification

For **VMSS & ASSOCIATES**
Chartered Accountants
Firm Registration No: 328952E

**Mahendra Jain**
Partner
Membership No: 413904

Place: New Delhi
Date: 18th May, 2019

**Vishal Gupta**
(Managing Director)
DIN No.00097939

**Varun Gupta**
(Whole-time Director)
DIN No.01666653

**Hemant Kaul**
(Independent Director)
DIN No.00551588

**Nitin Sharma**
(Company Secretary)

**Vikash Dugar**
(CFO)

# Statement of Changes in Equity

for the year ended 31st March, 2019

## EQUITY SHARE CAPITAL

(₹ in Lakhs)

| Particulars | Note | As at 31st March 2018 | Changes during 2018-2019 | As at 31st March 2019 |
|---|---|---|---|---|
| 102,352,099 Equity shares of ₹ 2/- each fully paid up | 5.1 | 2,047 | - | 2,047 |
| | | **2,047** | **-** | **2,047** |

## OTHER EQUITY

(₹ in Lakhs)

| Particulars | Note 5.2 | Reserves and Surplus | | | | Equity Investment Reserve (upon fair value through other comprehensive income) | Total |
|---|---|---|---|---|---|---|---|
| | | Securities Premium | Debenture Redemption Reserve | Retained earnings (Surplus in P&L) | | | |
| | | | | General Reserve | Retained Earnings | | |
| **Balance as at 31.03.2017** | | **19,958** | **1,000** | **45,000** | **3,298** | **963** | **70,219** |
| **Profit for the year** | | - | - | - | 3,823 | - | 3,823 |
| Other comprehensive income for the year | | - | - | - | (9) | 808 | 798 |
| **Total comprehensive income for the year** | | **-** | **-** | **-** | **3,813** | **808** | **4,621** |
| Dividends | | - | - | - | (256) | - | (256) |
| Tax on Dividend | | - | - | - | (52) | - | (52) |
| Transfer to General Reserve | | - | - | 4,000 | (4,000) | - | - |
| Transfer to Debenture Redemption Reserve | | - | - | - | - | - | - |
| Transfer from Debenture Redemption Reserve | | - | (250) | - | 250 | - | - |
| Realised gains transferred to Retained Earnings | | - | - | - | 239 | (239) | - |
| **Balance as at 31.03.2018** | | **19,958** | **750** | **49,000** | **3,292** | **1,532** | **74,532** |
| Profit for the year | | - | - | - | 1,378 | - | 1,378 |
| Other comprehensive income for the year | | - | - | - | 37 | 496 | 533 |
| **Total comprehensive income for the year** | | | | | **1,414** | **496** | **1,910** |
| Dividends | | - | - | - | (256) | - | (256) |
| Tax on Dividend | | - | - | - | (53) | - | (53) |
| Transfer to General Reserve | | - | - | 2,500 | (2,500) | - | - |
| Transfer to Debenture Redemption Reserve | | - | 562 | - | (562) | - | - |
| Transfer from Debenture Redemption Reserve | | - | (200) | - | 200 | - | - |
| Realised gains transferred to Retained Earnings | | - | - | - | 1,387 | (1,387) | - |
| **Balance as at 31.03.2019** | | **19,958** | **1,112** | **51,500** | **2,922** | **642** | **76,134** |

In terms of our report of even date attached herewith

For **VMSS & ASSOCIATES**
Chartered Accountants
Firm Registration No: 328952E

**Vishal Gupta**
(Managing Director)
DIN No.00097939

**Varun Gupta**
(Whole-time Director)
DIN No.01666653

**Hemant Kaul**
(Independent Director)
DIN No.00551588

**Mahendra Jain**
Partner
Membership No: 413904

**Nitin Sharma**
(Company Secretary)

**Vikash Dugar**
(CFO)

Place: New Delhi
Date: 18th May, 2019

# Notes to the Accounts

## 3.1 PROPERTY, PLANT & EQUIPMENT

(₹ in Lakhs)

| Particulars | GROSS BLOCK | | | DEPRECIATION | | | NET BLOCK | |
|---|---|---|---|---|---|---|---|---|
| | As At 01.04.2018 | Additions*/ (Deductions) | As At 31.03.2019 | Up to 31.03.2018 | For the year/ (Adjustments) | As At 31.03.2019 | As At 31.03.2019 | As at 31.03.2018 |
| LAND | | | | | | | | |
| - Freehold | 4 | 202 | 206 | - | - | - | 206 | 4 |
| - Leasehold | 102 | | 102 | - | - | - | 102 | 102 |
| Building | 1,846 | 600 | 2,446 | 96 | 38 | 133 | 2,313 | 1,751 |
| Rented Premises | 196 | - | 196 | 62 | 38 | 100 | 96 | 134 |
| Plant & Machinery | 3,864 | 18 | 3,754 | 1,176 | 476 | 1,573 | 2,180 | 2,663 |
| | | (103) | | - | (78) | | | |
| Furniture & Fixtures | 511 | 287 | 797 | 176 | 71 | 247 | 550 | 335 |
| | | (1) | | - | (0) | | | |
| Vehicles | 199 | 184 | 328 | 121 | 29 | 99 | 229 | 78 |
| | | (55) | | - | (51) | | | |
| Electrical Installations | 144 | 73 | 217 | 67 | 14 | 81 | 136 | 77 |
| Equipments And Facilities | 248 | 175 | 447 | 145 | 42 | 188 | 259 | 127 |
| Computers- Hardware | 237 | 22 | 259 | 171 | 33 | 204 | 55 | 66 |
| **Total** | **7,351** | **1,560** | **8,751** | **2,014** | **739** | **2,624** | **6,128** | |
| | | **(159)** | | | **(129)** | | | |
| **Previous Year Figures** | **7,254** | **283** | **7,351** | **1,423** | **674** | **2,014** | **-** | **5,337** |
| | | **(186)** | | | **(82)** | | | |

* Addition to Gross Block includes Rs. 1,238 Lakhs transfer from Investment Property.

# Notes to the Accounts

## 3.2 INVESTMENT PROPERTY

(₹ in Lakhs)

| Particulars | GROSS BLOCK | | | | | | | NET BLOCK | |
|---|---|---|---|---|---|---|---|---|---|
| | As at 01.04.2018 | Additions/ (Deductions) | Transfer to Property Plant and Equipment | As at 31.03.2019 | Up to 31.03.2018 | For the year/ (Adjustments) | Up to 31.03.2019 | As at 31.03.2019 | As at 31.03.2018 |
| Commercial / Retail | | | | | | | | | |
| - Land | 12 | - | - | 12 | - | | - | 12 | 12 |
| - Building | 1,212 | - | - | 1,212 | 53 | 20 | 74 | 1,138 | 1,159 |
| - Building In Progress | 2,288 | - | - | 2,288 | - | - | - | 2,288 | 2,288 |
| Educational | | | | | | | | | |
| - Land | 668 | - | - | 668 | - | - | - | 668 | 668 |
| - Building | 963 | 158 | - | 1,121 | 0 | 17 | 17 | 1,104 | 963 |
| Residential | | | | | | | | | |
| - Land | 267 | - | 202 | 65 | - | - | - | 65 | 267 |
| - Building | 117 | - | - | 117 | 5 | 2 | 7 | 110 | 112 |
| - Building in progress | 1,161 | 405 | 1,039 | 528 | 2 | - | - | 528 | 1,159 |
| | | | | | | (2) | | | |
| TOTAL | 6,687 | 564 | 1,240 | 6,011 | 61 | 39 | 98 | 5,912 | - |
| | | - | | | | (2) | | | |
| Previous Year Figures | 2,708 | 1,598 | 2,381 | 6,687 | 39 | 22 | 61 | - | 6,626 |

**(i) Information regarding income and expenditure of Investment properties**

(₹ in Lakhs)

| Particulars | 31.03.2019 | 31.03.2018 |
|---|---|---|
| Rental income derived from investment properties | 213 | 122 |
| **Less:-** Direct operating expenses (including repairs and maintenance) that generated rental income | (11) | (11) |
| **Less:-** Direct operating expenses (including repairs and maintenance) that did not generate rental income | (43) | (37) |
| Profit arising from investment properties before depreciation | 159 | 74 |
| **Less :-** Depreciation | 39 | 22 |
| Profit arising from investment properties | 120 | 52 |

**(ii)** The management has determined that the investment properties consist of three classes of assets commercial, educational and residential based on the nature, characteristics and risks of each property.

# Notes to the Accounts

## 3.2 INVESTMENT PROPERTY (CONTD..)

**(iii) Fair Values of investment properties**

(₹ in Lakhs)

| Particulars | 31.03.2019 | 31.03.2018 |
|---|---|---|
| Commercial/Retail | 4,342 | 4,342 |
| Educational | 2,129 | 2,025 |
| Residential | 332 | 2,075 |
| **Total** | **6,803** | **8,441** |

**(iv) Estimation of Fair Value**

The company obtains independent valuations for its properties annually. These valuations are based on valuations performed by a registered accredited independent valuer. The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available, the company considers information from a variety of sources including:

- current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences
- discounted cash flow projections based on reliable estimates of future cash flows
- capitalised income projections based upon a property's estimated net market income, and a capitalisation rate derived from an evidence of market evidence

The main inputs used are the rental growth rates, expected vacancy rates, terminal yields and discount rates based on comparable transactions and industry data.

The Management is of the view that the fair value of investment properties under construction cannot be reliably measured and hence fair value disclosures pertaining to investment properties under construction have not been provided.

**(v)** The company has no restrictions on the realisability of its investment properties.

**(vi) Reconciliation of fair value:**

(₹ in Lakhs)

| | Commercial/Retail | Educational | Residential | Total |
|---|---|---|---|---|
| **Opening value as at 1 April 2018** | 4,342 | 2,025 | 2,075 | 8,441 |
| Fair value difference | - | (54) | - | (54) |
| Purchases | - | 158 | (1,743) | (1,584) |
| **Closing value as at 31 March 2019** | **4,342** | **2,129** | **332** | **6,803** |

**(vii)** The company has no contractual obligation to purhase, construct or develop investment properties or for repairs, maintenance and enhancements except to construct the educational building.

# Notes to the Accounts

## 3.3 INTANGIBLE ASSETS

### 3.3.1 GOODWILL

(₹ in Lakhs)

| Particulars | GROSS BLOCK | | | DEPRECIATION | | | NET BLOCK | |
|---|---|---|---|---|---|---|---|---|
| | As At 01.04.2018 | Additions * (Deductions) | As At 31.03.2019 | Up to 31.03.2018 | For the year (Adjustments) | Up to 31.03.2019 | As At 31.03.2019 | As at 31.03.2018 |
| Goodwill | 0 | - | 0 | - | - | - | 0 | 0 |
| **Total** | **0** | **-** | **0** | **-** | **-** | **-** | **0** | **-** |
| **Previous Year Figures** | **0** | **-** | **0** | **-** | **-** | **-** | **-** | **0** |

### 3.3.2 OTHER INTANGIBLE ASSETS

(₹ in Lakhs)

| Particulars | GROSS BLOCK | | | | | | NET BLOCK | |
|---|---|---|---|---|---|---|---|---|
| | As at 01.04.2018 | Additions (Deductions) | As at 31.03.2019 | Up to 31.03.2018 | For the year (Adjustments) | Up to 31.03.2019 | As at 31.03.2019 | As at 31.03.2018 |
| Trademark And Logo | 87 | - | 87 | 31 | 10 | 41 | 46 | 56 |
| Software | 112 | 10 | 123 | 60 | 26 | 86 | 37 | 52 |
| **Total** | **200** | **10** | **210** | **91** | **36** | **127** | **83** | **-** |
| **Previous Year Figures** | **163** | **37** | **200** | **55** | **37** | **91** | **-** | **108** |

# Notes to the Accounts

## 3.4 FINANCIAL ASSETS - NON CURRENT

### 3.4.1 INVESTMENTS

(₹ in Lakhs)

| Particulars | As At 31.03.2019 | As At 31.03.2018 |
|---|---|---|
| **Investment in Equity Instruments (fully paid-up):** | | |
| **i. Quoted** | | |
| 3750 equity shares of Elite Leasings Ltd. (F.V. ₹10) | 1 | 0 |
| **ii. Unquoted** | | |
| 20,000 equity shares of Adityapur Toll Bridge Company Ltd. (F.V. ₹ 10) | 2 | 2 |
| Nil (P.Y 8,750); equity shares of Universe Heights (I) Pvt. Ltd. (F.V. ₹ 10) | - | 2 |
| | **3** | **4** |
| **Investment in Government Securities** | | |
| In National Saving Certificate | 1 | 1 |
| | **1** | **1** |
| | **4** | **5** |
| Aggregate amount of quoted investments and market value thereof | 1 | 0 |
| Aggregate amount of unquoted investments | 3 | 5 |

### 3.4.2 DEPOSITS WITH BANKS

(₹ in Lakhs)

| Particulars | As At 31.03.2019 | As At 31.03.2018 |
|---|---|---|
| In Fixed Deposits* | 2,718 | 2,301 |
| | **2,718** | **2,301** |
| *Includes Lien Marked Deposits | 2,351 | 2,049 |

## 4.1 INVENTORIES

(As taken, valued and certified by the management)

(₹ in Lakhs)

| Particulars | As At 31.03.2019 | As At 31.03.2018 |
|---|---|---|
| Work-in-progress : | | |
| - Land/ Development Rights | 5,910 | 4,826 |
| - Project development | 12,720 | 11,508 |
| - Construction material | 769 | 813 |
| Completed units | 14,175 | 25,324 |
| Future projects : | | |
| - Land/ Development Rights | 18,409 | 15,286 |
| - Project development | 10,483 | 5,967 |
| Hotel & Other consumables | 25 | 37 |
| | **62,490** | **63,760** |

# Notes to the Accounts

## 4.2 FINANCIAL ASSETS - CURRENT

### 4.2.1 INVESTMENT IN JOINT VENTURES

(₹ in Lakhs)

| Particulars | As At 31.03.2019 | As At 31.03.2018 |
|---|---|---|
| **Joint Ventures** | | |
| Ashiana Manglam Developers | 166 | 167 |
| Ashiana Greenwood Developers | 89 | 86 |
| Megha Colonizers | 443 | 445 |
| Ashiana Manglam Builders | 677 | 941 |
| Ashiana Manglam Builders - Extension Land Division | 404 | 60 |
| Vista Housing | 2,289 | 2,638 |
| | **4,067** | 4,337 |

### 4.2.2 INVESTMENTS - OTHERS

(₹ in Lakhs)

| | Particulars | Face Value per unit | No. of Units | As At 31.03.2019 | No. of Units | As At 31.03.2018 |
|---|---|---|---|---|---|---|
| a | **In Bonds/Debentures (Quoted)** | | | | | |
| | 11.50% ITNL NCD 21/06/2024 | 1000000 | - | - | 15 | 154 |
| | 11.50% ITNL NCD 21/06/2024 | 1000000 | - | - | 9 | 92 |
| | 11.50% ITNL NCD 21/06/2024 | 1000000 | - | - | 10 | 103 |
| | 8.97% UPPCL (Series III-C) NCD 15/02/2023 | 1000000 | - | - | 21 | 215 |
| | 7.44% PFC BONDS (SERIES 168 B) - 11/06/2017 | 1000000 | - | - | 2 | 19 |
| | 8.14 % NPCIL BONDS (SERIES- XXX-E) 25/03/2030 | 1000000 | - | - | 1 | 10 |
| | 8.97% UPPCL (SERIES III - C) NCD 13.02.2026 | 1000000 | - | - | 6 | 62 |
| | 8.97% UPPCL (SERIES III - C) NCD 13.02.2026 | 1000000 | - | - | 5 | 52 |
| | 8.97% UPPCL (SERIES III - C) NCD 13.02.2026 | 1000000 | - | - | 4 | 41 |
| | 8.15 % BAJAJ FINANCE LIMITED NCD(SERIES) 22/06/2027 | 1000000 | - | - | 11 | 110 |
| | 8.65 % RENEW AKSHAY URJA PVT. LTD. NCD (SERIES 2) 30/09/2027 | 990000 | - | - | 3 | 30 |
| | **(A)** | | | **-** | | **888** |
| b | **In Mutual Funds (Unquoted)** | | | | | |
| | Axis Strategic Bond Fund - Growth | 10 | 20,69,206.075 | 376 | - | - |
| | Axis Strategic Bond Fund - Direct Growth | 10 | 36,68,544.209 | 702 | - | - |
| | ICICI Prudential Corporate Bond Fund - Growth | 10 | 19,16,065.387 | 366 | - | - |
| | ICICI Prudential Corporate Bond Fund - Direct plan - Growth | 10 | 3460410.245 | 681 | - | - |
| | ICICI Prudential Liquid Fund - Direct plan - Growth | 100 | 10,47,217.263 | 2,895 | - | - |
| | Aditya Birla Sun Life Liquid Fund - Growth Direct | 100 | 1,68,906.881 | 507 | - | - |
| | Aditya Birla Sun Life Liquid Fund - Growth | 100 | 38,472.381 | 115 | - | - |
| | Reliance Fixed Horizon Fund - Growth | 10 | 35,00,000.000 | 375 | - | - |
| | Reliance Fixed Horizon Fund - Direct Growth | 10 | 65,00,000.000 | 698 | | |
| | Kotak - Low Duration Fund - Direct Growth | 1000 | 14,383.453 | 342 | | |
| | Kotak Low Duration Fund Standard (G) Regular | 1000 | 8,017.847 | 183 | | |
| | Kotak Liquid Direct Plan Growth | 1000 | 2,727.369 | 103 | - | - |
| | Franklin India Income Opportunities Fund-Growth | 10 | 62,02,211.246 | 1,384 | 62,02,211.246 | 1,281 |
| | Aditya Birla Sun Life Corporate Bond Fund - Regular Growth | 100 | - | - | 36,45,170.959 | 472 |
| | BNP Paribas Flexi Debt Fund - Growth | 10 | - | - | 46,47,059.964 | 1,378 |

# Notes to the Accounts

## 4.2 FINANCIAL ASSETS - CURRENT (CONTD..)

### 4.2.2 INVESTMENTS - OTHERS (CONTD..)

(₹ in Lakhs)

| Particulars | Face Value per unit | No. of Units | As At 31.03.2019 | No. of Units | As At 31.03.2018 |
|---|---|---|---|---|---|
| Kotak Income Opportunities Fund - Growth Regular Plan | 10 | - | - | 1,34,25,868.990 | 2,568 |
| TATA Dynamic Bond Fund Plan A - Growth | 10 | - | - | 92,57,026.086 | 2,442 |
| UTI Income Opportunities Fund - Growth | 10 | - | - | 80,06,788.370 | 1,269 |
| Baroda Pioneer Liquid Fund Plan A Daily Dividend | 1000 | - | - | 14,284.010 | 143 |
| DSP Black Rock - Credit Risk Fund | 10 | - | - | 37,31,075.036 | 1,068 |
| | | | 8,729 | | 10,620 |
| TOTAL [A + B] | | | 8,729 | | 11,508 |
| Aggregate amount of quoted investments and market value thereof | | | - | | 888 |
| Aggregate amount of unquoted investments and repurchase value thereof | | | 8,729 | | 10,620 |

### 4.2.3 TRADE RECEIVABLES

(₹ in Lakhs)

| Particulars | As At 31.03.2019 | As At 31.03.2018 |
|---|---|---|
| ***Considered Good - Unsecured*** | | |
| Due for more than six months | 958 | 1,313 |
| Other Debts | 1,317 | 1,210 |
| | 2,275 | 2,522 |
| ***Credit Impaired*** | | |
| Due for more than six months | 104 | 122 |
| Less: Provision for doubtful debts | 101 | 100 |
| | 3 | 22 |
| | 2,278 | 2,545 |

### 4.2.4 CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

| Particulars | As At 31.03.2019 | As At 31.03.2018 |
|---|---|---|
| **Balances with Banks :** | | |
| In Current Account* | 2,474 | 1,352 |
| In Fixed Deposit Account | 2,808 | 1,867 |
| Cash-in-hand | 12 | 22 |
| | 5,294 | 3,241 |
| * includes against secured borrowings | 14 | 89 |

# Notes to the Accounts

## 4.2 FINANCIAL ASSETS - CURRENT (CONTD..)

### 4.2.5 OTHER BANK BALANCES

(₹ in Lakhs)

| Particulars | As At 31.03.2019 | As At 31.03.2018 |
|---|---|---|
| **Balances with Bank in** | | |
| - RERA Account | 295 | 239 |
| - Unclaimed Dividend Account | 146 | 154 |
| - In Fixed Deposit Account - Lien Marked | 647 | 520 |
| | **1,088** | **914** |

### 4.2.6 OTHER FINANCIAL ASSETS

(₹ in Lakhs)

| Particulars | As At 31.03.2019 | As At 31.03.2018 |
|---|---|---|
| **Considered Good - Unsecured** | | |
| Refundable Deposit against development rights | 300 | 425 |
| Advances recoverable in cash | 271 | 432 |
| Deposits | 650 | 322 |
| Statutory Charges Recoverable | 4,738 | 4,362 |
| | **5,960** | **5,541** |

## 4.3 CURRENT TAX ASSETS (NET)

(₹ in Lakhs)

| Particulars | As At 31.03.2019 | As At 31.03.2018 |
|---|---|---|
| Taxation Advances and Refundable (Net of Provisions) | (2,091) | (2,793) |
| Less: Set off of MAT Credit Entitlement | 2,210 | 3,022 |
| | **119** | **229** |
| MAT Credit Entitlement | 433 | 641 |
| | **552** | **870** |

## 4.4 OTHER CURRENT ASSETS

### 4.4.1 TRADE ADVANCE AND DEPOSITS

(₹ in Lakhs)

| Particulars | As At 31.03.2019 | As At 31.03.2018 |
|---|---|---|
| (Unsecured, considered good) | | |
| Advance/Deposit against land/development rights: | | |
| Projects Launched | 2,237 | 2,335 |
| Future Projects | 3,580 | 5,838 |
| Advances recoverable in cash or in kind or for value to be received | 1,308 | 1,458 |
| | **7,125** | **9,631** |

# Notes to the Accounts

### 4.4.2 EWS/LIG UNITS

(₹ in Lakhs)

| Particulars | As At 31.03.2019 | As At 31.03.2018 |
|---|---|---|
| Land | 463 | 74 |
| Work in Progress | 322 | 388 |
| Completed units | 1,885 | 1,542 |
| Advance to parties | 248 | 237 |
| | 2,919 | 2,241 |
| Less: Advance from allottees | 454 | 600 |
| Provision for unrealized cost | 260 | 21 |
| | 2,204 | 1,620 |

### 4.4.3 OTHERS

(₹ in Lakhs)

| Particulars | As At 31.03.2019 | As At 31.03.2018 |
|---|---|---|
| Unaccrued Selling Expenses | 4,768 | 4,845 |
| | 4,768 | 4,845 |

## 5 EQUITY

### 5.1 EQUITY SHARE CAPITAL

(₹ in Lakhs)

| Particulars | As At 31.03.2019 | As At 31.03.2018 |
|---|---|---|
| **Authorised :** | | |
| 175000000 Equity shares of ₹ 2/- each | 3,500 | 3,500 |
| **Issued, Subscribed and Paid up :** | | |
| 102352099 Equity shares of ₹ 2/- each fully paid up | 2,047 | 2,047 |
| | 2,047 | 2,047 |

(i) Details of shareholders holding more than 5% of the Equity Shares in the company:

(₹ in Lakhs)

| Name of Shareholder | As At 31.03.2019 | | As At 31.03.2018 | |
|---|---|---|---|---|
| | Nos. | % Holding | Nos. | % holding |
| Vishal Gupta | 14,034,340 | 13.71% | 14,034,340 | 13.71% |
| Ankur Gupta | 20,244,825 | 19.78% | 20,244,825 | 19.78% |
| Varun Gupta | 20,244,825 | 19.78% | 20,244,825 | 19.78% |
| Rachna Gupta | 6,210,485 | 6.07% | 6,210,485 | 6.07% |

(ii) Term /Rights attached to Equity Shares

The company has only one class of Equity Share having a par value of ₹ 2 per share. Each holder of Equity Shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended 31 March 2019, the amount of per share dividend recognized as distributions to equity shareholders was ₹ 0.25 (31st March 2018: ₹ 0.25)

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

# Notes to the Accounts

## 5 EQUITY (CONTD..)

### 5.1 EQUITY SHARE CAPITAL (CONTD..)

(iii) The Board of Directors, in its meeting on 18th May, 2019, have proposed a final dividend of ₹ 0.25/- per equity share for the financial year ended 31st March, 2019.The proposal is subject to the approval of shareholders at the Annual General Meeting to be held and if approved would result in a cash outflow of approximately ₹ 308 lakhs including corporate dividend tax.

### 5.2 OTHER EQUITY

(₹ in Lakhs)

| Particulars | As At 31.03.2019 | As At 31.03.2018 |
|---|---|---|
| **a) Securities Premium** | | |
| As per last Account | 19,958 | 19,958 |
| **b) Debenture Redemption Reserve** | | |
| As per last Account | 750 | 1,000 |
| Add: Amount transferred from surplus in Statement of Profit & Loss | 562 | - |
| Less: Amount transferred to surplus in Statement of Profit & Loss | (200) | (250) |
| | 1,112 | 750 |
| **c) Retained Earnings:** | | |
| **General Reserve** | | |
| As per last Account | 49,000 | 45,000 |
| Add: Amount transferred from surplus in Statement of Profit & Loss | 2,500 | 4,000 |
| | 51,500 | 49,000 |
| **Surplus in the Statement of Profit & Loss** | | |
| As per last Account | 3,292 | 3,298 |
| Profit for the year | 1,378 | 3,823 |
| Other comprehensive income | 37 | (9) |
| Dividend | (256) | (256) |
| Tax on Dividend | (53) | (52) |
| Transfer to General Reserve | (2,500) | (4,000) |
| Transfer to Debenture Redemption Reserve | (562) | - |
| Transfer from Debenture Redemption Reserve | 200 | 250 |
| Transfer from Equity Investment Reserve | 1,387 | 239 |
| | 2,922 | 3,292 |
| **Total Retained Earnings** | 54,422 | 52,292 |
| **d) Equity Investment Reserve** | | |
| As per last Account | 1,532 | 963 |
| Changes in fair value equity instruments | 496 | 808 |
| Less: Transfer to Retained Earnings upon realisation | (1,387) | (239) |
| | 642 | 1,532 |
| | 76,134 | 74,532 |

### Nature of Reserves

**a) Securities Premium**

Security Premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

**b) Debenture Redemption Reserve**

The company is required to create a debenture redemption reserve out of profits which is available for payment of dividend for the purpose of redemption of debentures.

**c) General Reserve**

The General reserve is used from time to time transfer of profits form surplus in statement of Profit and Loss for appropriation purposes.

# Notes to the Accounts

## 5 EQUITY (CONTD..)

### 5.2 OTHER EQUITY (CONTD..)

**d) Equity Investment Reserve**

This reserve represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income, net off amounts reclassified to retained earnings when those assets have been disposed off.

## 6.1 FINANCIAL LIABILITIES - NON CURRENT

### 6.1.1 BORROWINGS

(₹ in Lakhs)

| Particulars | As At 31.03.2019 | As At 31.03.2018 |
|---|---|---|
| **Secured** | | |
| **a Debentures** | | |
| (i) 1000 10.15 % Secured Redeemable Non-Convertible Debentures of ₹ 936000 each fully paid-up; Terms of Redemption : at par in annual tranches within 26.04.2023 | 9,323 | - |
| (ii) 700 11.45% Secured Redeemable Non-Convertible Debentures 2020 of ₹ 1,00,000 each fully paid up Terms of Redemption : at par on 30.07.2020 | 687 | 679 |
| (iii) 1000 11.45% Secured Redeemable Non-Convertible Debentures 2020 of ₹ 1,00,000 each fully paid up Terms of Redemption : at par on 13.07.2020 | 981 | 970 |
| (iv) 500 11% Secured Redeemable Non-Convertible Debentures 2019 of ₹ 1,00,000 each fully paid up Terms of Redemption : at par on 30.07.2019 | 498 | 492 |
| (v) 800 11% Secured Redeemable Non-Convertible Debentures 2018 of ₹ 1,00,000 each fully paid up " Terms of Redemption : at par on 30.07.2018 | - | 797 |
| The above debentures of s.no (i) is secured by way of (a) charge on the completed unsold units of company's projects - Ashiana Town, Bhiwadi and its cashflows and (b) charge on company's cashflows of its project Ashiana Anmol, Gurgaon The above debentures of s.no (ii) to (v) are secured by first pari passu charge by way of mortgage on the company's projects - Ashiana Umang at Jaipur and Ashiana Aangan at Neemrana including Land and Unsold Inventory and charge on all receivable of such projects. | | |
| **b Term Loan** | | |
| **(i) From Bank** | | |
| Project Loan - From AXIS Bank Limited Secured by way of exclusive mortgage on project land at Lavasa, Pune (Maharashtra) along with construction thereon and exclusive charge by way of hypothecation over all the tangible moveable assets of the project - Ashiana Utsav, Lavasa and exclusive charge on the receivables, escrow accounts, DSRA account of the project Ashiana Utsav at Lavasa. Terms of Repayment : In quarterly installments of Rs 2 crores each commencing from 28-02-2019 | 1,000 | 1,500 |
| **(ii) From Others** | | |
| Project Loan - From HDFC Limited Secured by way of mortgage of company's project "Ashiana Town Beta", Bhiwadi including land and construction thereon, present and future, and exclusive charge on all receivables arising out of or in connection with the said project. | - | 606 |
| **c Overdraft Facilities** | | |
| From State Bank of India: | 1,502 | 2,682 |

# Notes to the Accounts

## 6.1 FINANCIAL LIABILITIES - NON CURRENT (CONTD..)

### 6.1.1 BORROWINGS (CONTD..)

(₹ in Lakhs)

| Particulars | As At 31.03.2019 | As At 31.03.2018 |
|---|---|---|
| Secured by way of equitable mortgage on "TreeHouse" Hotel and retail mall at Village Centre, Bhiwadi. | | |
| Terms of Repayment : Limit of Rs. 50 crores (includes limit of Rs. 10 crores subject to creation of additional security), which limit shall exhaust in 7 annual stipulated installments over a period of 96 months, including initial moratorium of 18 months from December 2015. | | |
| **d Vehicle Loan** | | |
| i) From Banks: | 144 | 4 |
| ii) From Others: | 13 | 24 |
| Secured against hypothecation of vehicles financed by them. | | |
| Terms of Repayment: | | |
| ₹ 1,86,140/- Under 60 EMI Scheme | | |
| ₹ 1,42,16,781/- Under 37 EMI Scheme | | |
| ₹ 13,35,200/- Under 36 EMI Scheme | | |
| **Un-Secured** | | |
| **a Debentures** | | |
| 1874 Un-Secured Non-Convertible Debentures of ₹ 100,000/- each fully paid-up | 1,841 | |
| Terms of Repayment: | | |
| The debentures carry a coupon rate of 8% per annum with a reset option and are redeemable at par and/or premium within 20 years from the date of allotment (i.e. 28-09-2018) out of the distributable surplus of the company's project "Ashiana Daksh" at Jaipur | | |
| | **15,989** | **7,754** |
| Less : Current Maturity (Refer Note No. 7.1.2) | 1,715 | 1,415 |
| | **14,274** | **6,338** |

### 6.1.2 OTHER FINANCIAL LIABILITIES

(₹ in Lakhs)

| Particulars | As At 31.03.2019 | As At 31.03.2018 |
|---|---|---|
| Security Deposit | 201 | 204 |
| Deposit from customers | 2,321 | 2,056 |
| | **2,522** | **2,259** |

## 6.2 NON-CURRENT PROVISIONS

(₹ in Lakhs)

| Particulars | As At 31.03.2019 | As At 31.03.2018 |
|---|---|---|
| Provision for Employee Benefits: | | |
| - Gratuity | 374 | 496 |
| - Leave Pay | 5 | 6 |
| | **379** | **503** |

# Notes to the Accounts

## 6.3 DEFERRED TAX LIABILITIES (NET)

(₹ in Lakhs)

| Particulars | As At 31.03.2019 | As At 31.03.2018 |
|---|---|---|
| Deferred Tax Liability / (Asset) relating to: | | |
| - Property, plant and equipment and investment property | 193 | 176 |
| - Intangible assets | 21 | 28 |
| - Financial assets at fair value through profit or loss | 212 | 239 |
| - Employee Benefits | (167) | (166) |
| - Others | (29) | (88) |
| | 231 | 190 |

## 7.1 FINANCIAL LIABILITIES - CURRENT

### 7.1.1 BORROWINGS

(₹ in Lakhs)

| Particulars | As At 31.03.2019 | As At 31.03.2018 |
|---|---|---|
| **a Overdraft Facilities** | | |
| i. *From HDFC Bank:* | - | 4,998 |
| Secured by way of lien on certain Mutual Funds | | |
| Terms of Repayment : Repayable on demand | | |
| ii *From HDFC Bank:* | 274 | 1,014 |
| Secured by way of lien on fixed deposits | | |
| Terms of Repayment : Repayable on demand | | |
| iii *From State Bank of India:* | 24 | 25 |
| Secured by way of lien on certain fixed deposits | | |
| Terms of Repayment : Repayable on demand | | |
| | 298 | 6,037 |

### 7.1.2 OTHER FINANCIAL LIABILITIES

(₹ in Lakhs)

| Particulars | As At 31.03.2019 | As At 31.03.2018 |
|---|---|---|
| Current maturities of long-term borrowings | 1,715 | 1,415 |
| Interest accrued but not due on borrowings | 291 | 147 |
| Unclaimed Dividends | 146 | 154 |
| Security deposits | 372 | 449 |
| Other liabilities | 948 | 1,271 |
| Maintenance Fund | 228 | 211 |
| | 3,699 | 3,647 |

## 7.2 OTHER CURRENT LIABILITIES

### 7.2.1 ADVANCE FROM CUSTOMERS

(₹ in Lakhs)

| Particulars | As At 31.03.2019 | As At 31.03.2018 |
|---|---|---|
| Customer Advance | 16,355 | 23,962 |
| | 16,355 | 23,962 |

# Notes to the Accounts

## 7.2 OTHER CURRENT LIABILITIES (CONTD..)

### 7.2.2 OTHER CURRENT LIABILITIES

(₹ in Lakhs)

| Particulars | As At 31.03.2019 | As At 31.03.2018 |
|---|---|---|
| Statutory Dues | 263 | 424 |
| Water Supply Infrastructure Fund | 1,700 | 1,399 |
| | **1,963** | **1,823** |

## 7.3 CURRENT PROVISIONS

(₹ in Lakhs)

| Particulars | As At 31.03.2019 | As At 31.03.2018 |
|---|---|---|
| Provision for Employee Benefits: | | |
| - Gratuity | 97 | 79 |
| - Leave Pay | 0 | 4 |
| | **97** | **84** |

## 8.1 REVENUE FROM OPERATIONS

(₹ in Lakhs)

| Particulars | 2018-19 | 2017-18 |
|---|---|---|
| **Real Estate:** | | |
| Completed Units | 28,138 | 26,225 |
| Real Estate Support Operations | 3,890 | 3,446 |
| **Hotel & club:** | | |
| Rooms, Restaurant, Banquets and other services | 951 | 966 |
| | **32,978** | **30,637** |

## 8.2 INCOME FROM PARTNERSHIP

(₹ in Lakhs)

| Particulars | 2018-19 | 2017-18 |
|---|---|---|
| Share of Profit from: | | |
| Partnership Firms | 775 | 1,495 |
| | **775** | **1,495** |

## 8.3 OTHER INCOME

(₹ in Lakhs)

| Particulars | 2018-19 | 2017-18 |
|---|---|---|
| Interest | 478 | 396 |
| Income from Investments: | | |
| - Rent | 246 | 161 |
| - Interest on Bonds/Debentures | 44 | 94 |
| Dividend : | | |
| - From others | 1 | 0 |
| Change in Fair Value of Bonds / Debentures | - | 5 |
| Profit on sale of investments | 99 | 225 |
| Profit on sale of Fixed Assets | 10 | 177 |
| Miscellaneous Income | 363 | 283 |
| Liabilities Written Back | 68 | 19 |
| | **1,309** | **1,361** |

# Notes to the Accounts

## 9.1 PURCHASES

(₹ in Lakhs)

| Particulars | 2018-19 | 2017-18 |
|---|---|---|
| Land / Development Rights | 5,781 | 2,275 |
| | **5,781** | **2,275** |

## 9.2 PROJECT EXPENSES

(₹ in Lakhs)

| Particulars | 2018-19 | 2017-18 |
|---|---|---|
| Consumption of construction materials (Indigenous) | 5,003 | 5,618 |
| Wages | 321 | 576 |
| PRW Charges | 1,371 | 1,961 |
| Other Direct Construction Expenses | 1,847 | 1,997 |
| Power & Fuel | 189 | 294 |
| Architects' Fee & Consultancy Charges | 205 | 200 |
| Employee Benefit Expenses | 768 | 899 |
| Rent and Hire Charges | 17 | 16 |
| Insurance | 11 | 13 |
| **Repair & Maintenance** | | |
| To Machineries | 1 | 32 |
| To Others | 27 | 14 |
| Legal and Professional expenses | 43 | 59 |
| Financial Cost | 178 | 195 |
| Statutory Levies and Taxes | 293 | 175 |
| Approvals | 337 | 54 |
| Unrealized cost from EWS/LIG | 32 | 803 |
| Miscellaneous project expenses | 598 | 681 |
| | **11,242*** | **13,588** |
| *Includes project - post completion expenses | 116 | 220 |

## 9.3 CHANGES IN INVENTORIES

(₹ in Lakhs)

| Particulars | 2018-19 | 2017-18 |
|---|---|---|
| **Opening Stock :** | | |
| **Work-in-progress :** | | |
| - Land/Development Rights | 4,826 | 6,238 |
| - Project development | 11,508 | 21,000 |
| Completed units | 25,324 | 18,454 |
| **Future projects :** | | |
| - Land/ Development rights | 14,880 | 14,985 |
| - Project development | 6,373 | 4,865 |
| | **62,911** | **65,542** |
| Less: Closing Stock: | | |
| **Work-in-progress :** | | |
| - Land/ Development rights | 5,910 | 4,826 |
| - Project development | 12,720 | 11,508 |
| Completed units | 14,175 | 25,324 |
| **Future projects :** | | |
| - Land/ Development rights | 18,409 | 15,286 |
| - Project development | 10,483 | 5,967 |
| | **61,697** | **62,911** |
| | **1,214** | **2,631** |
| Less; Transfer to Investments on 01.01.2018 | - | 2,381 |
| Less: Transfer to EWS/LIG Units | - | 74 |
| | **1,214** | **176** |

# Notes to the Accounts

## 9.4 HOTEL & CLUB EXPENSES

(₹ in Lakhs)

| Particulars | 2018-19 | 2017-18 |
|---|---|---|
| Consumables (indigenous) | 257 | 252 |
| Personnel | 121 | 94 |
| Management Fee | 35 | 44 |
| Power & fuel | 153 | 145 |
| Other running expenses | 210 | 146 |
| | **776** | **681** |

## 9.5 REAL ESTATE SUPPORT OPERATIONS EXPENSES

(₹ in Lakhs)

| Particulars | 2018-19 | 2017-18 |
|---|---|---|
| Consumption of Maintenance Materials (Indigenous) | 215 | 192 |
| Work Charges | 1,087 | 915 |
| Power & Fuel (net) | 204 | 186 |
| Repairs and Maintenance | 487 | 361 |
| Security charges | 530 | 481 |
| Other Maintenance Expenses | 187 | 212 |
| | **2,711** | **2,347** |

## 9.6 EMPLOYEE BENEFIT EXPENSES

(₹ in Lakhs)

| Particulars | 2018-19 | 2017-18 |
|---|---|---|
| Salary and allowances | 2,848 | 2,712 |
| Directors' Remuneration | 452 | 512 |
| Contribution to Provident & Other Funds | 115 | 112 |
| Staff welfare expenses | 292 | 251 |
| | **3,707** | **3,587** |

The disclosures required under Ind-AS -19, Employee Benefits, notified in the Companies (Accounting Standard) Rules, 2015 are given below, based on the Actuarial Report certified by a Practicing Actuary.

(₹ in Lakhs)

| Particulars | 2018-19 | 2017-18 |
|---|---|---|
| **Defined Contribution Plan** | | |
| Contribution to Defined Contribution Plan, charged off for the year are as under: | | |
| Employer's Contribution to Provident & Pension Fund | 143 | 155 |

# Notes to the Accounts

## 9.6 EMPLOYEE BENEFIT EXPENSES (Contd..)

**Defined Benefit Plan**

The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

(₹ in Lakhs)

| Particulars | Leave Pay (Unfunded) | | Gratuity (Unfunded) | |
|---|---|---|---|---|
| | 2018-19 | 2017-18 | 2018-19 | 2017-18 |
| a. Movement in present value of defined benefit obligations | | | | |
| Present value of obligation at the beginning of the year | 11 | 4 | 660 | 567 |
| Service Cost | 1 | 4 | 83 | 74 |
| Interest Cost | 1 | - | 51 | 42 |
| Remeasurements - Actuarial (gains)/losses | (5) | 6 | (55) | 12 |
| Benefits paid | (2) | (3) | (50) | (34) |
| Present value of obligation at the end of the year | 6 | 11 | 689 | 660 |
| b. Reconciliation of fair value of assets and obligations | | | | |
| Present value of obligation at the end of the year | 6 | 11 | 689 | 660 |
| Fair Value of Plan assets as at the end of the year | - | - | 218 | 85 |
| Net liability recognised in Balance Sheet | 6 | 11 | 471 | 576 |
| c. Amount recognised in the Statement of Profit and Loss under Employee Benefit Expenses | | | | |
| Service Cost | 1 | 4 | 83 | 74 |
| Interest Cost | 1 | - | 51 | 42 |
| Expected return on plan assets | - | - | (6) | - |
| Net expenses recognised in the statement of Profit and Loss | 2 | 4 | 127 | 116 |
| d. Amount recognised in the other comprehensive income | | | | |
| Return on plan assets | - | - | (2) | - |
| Actuarial (gains)/losses arising form change in demographic assumptions | - | - | (1) | - |
| Actuarial (gains)/losses arising form change in financial assumptions | - | - | (5) | (18) |
| Actuarial (gains)/losses arising form experience adjustments | (5) | 6 | (49) | 30 |
| Net expenses recognised in the other comprehensive income | (5) | 6 | (57) | 12 |
| e. The weighted-average assumptions used to determine net periodic benefit cost are set out below: | | | | |
| Mortality Table (L.I.C.) | **2012-14** | **2006-08** | **2012-14** | **2006-08** |
| Interest rate for discounting | 7.78% | 7.40% | 7.78% | 7.40% |
| Rate of escalation in salary (per annum) | 5.00% | 5.00% | 5.00% | 5.00% |
| Weighted average duration of defined benefit obligation | 3 Years | 13 Years | 15 Years | 15 Years |

As of March 31, 2019, every percentage point increase / decrease in discount rate will affect the company's gratuity and leave pay benefit obligation by approximately ₹47.62 Lakhs and ₹ 0.49 Lakhs respectively .

As of March 31, 2019, every percentage point increase / decrease in weighted average rate of increase in compensation levels will affect the company's gratuity and leave pay benefit obligation by approximately ₹ 39.30 Lakhs and ₹ 0.55 Lakhs respectively .

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation by one percentage, keeping all other actuarial assumptions constant.

# Notes to the Accounts

## 9.6 EMPLOYEE BENEFIT EXPENSES (Contd..)

**Maturity profile of defined benefit obligation:**

(₹ in Lakhs)

| | Gratuity |
|---|---|
| With in 1 year | 101 |
| 1-2 Year | 54 |
| 2-3 Year | 30 |
| 3-4 Year | 27 |
| 4-5 Year | 57 |
| above 5 years | 1406 |
| | **1674** |

## 9.7 FINANCE COSTS

(₹ in Lakhs)

| Particulars | 2018-19 | 2017-18 |
|---|---|---|
| Interest : | | |
| - On Debentures | 1,269 | 490 |
| - Others | 384 | 811 |
| Loan Processing & Other Financial Charges | 41 | 88 |
| | 1,695 | 1,389 |
| Less: Ongoing projects related finance cost | 178 | 195 |
| | 1,517 | 1,194 |

## 9.8 DEPRECIATION & AMORTIZATION EXPENSES

(₹ in Lakhs)

| Particulars | 2018-19 | 2017-18 |
|---|---|---|
| Relating to : | | |
| - Property, plant & equipment | 739 | 674 |
| - Investment property | 39 | 22 |
| - Other intangible assets | 36 | 37 |
| | 815 | 732 |

## 9.9 OTHER EXPENSES

(₹ in Lakhs)

| Particulars | 2018-19 | 2017-18 |
|---|---|---|
| Rent | 171 | 186 |
| Rates and Taxes | 33 | 27 |
| Insurance | 15 | 14 |
| Travelling and Conveyance | 325 | 249 |
| Legal and Professional Expenses | 196 | 217 |
| Repairs and Maintenance : | | |
| To Machineries | 12 | 1 |
| To Building | 160 | 71 |
| To Others | 206 | 163 |
| Corporate Social Responsibility Expenses | 126 | 125 |
| Miscellaneous Expenses | 840 | 772 |
| Inadmissible GST input | 140 | - |
| Items relating to previous year | 15 | 5 |
| Provision for Doubtful Debts | 1 | 72 |
| Irrecoverable Balances Written off | 95 | 12 |
| Fixed Assets written off | 12 | 53 |
| | 2,346 | 1,967 |

# Notes to the Accounts

**(i) Corporate Social Responsibility Expenditure**

(₹ in Lakhs)

| Particulars | 2018-19 | 2017-18 |
|---|---|---|
| Amount required to be spent as per Section 135 of the Companies Act | 185 | 185 |
| Amount spent during the year | | |
| - Actual Expenditure (Including Administrative Overheads) | 126 | 121 |
| - Qualifying Expenditure | 126 | 113 |

## 10 TAX EXPENSES

(₹ in Lakhs)

| Particulars | 2018-19 | 2017-18 |
|---|---|---|
| **Current tax** | | |
| Income Tax | 935 | 1,212 |
| Tax Adjustments | 3 | 1 |
| | 938 | 1,212 |
| **Deferred Tax** | | |
| Deferred Tax | 79 | (161) |
| | 1,017 | 1,051 |

**(i) The major components of tax expense for the years ended 31 March 2019 and 31 March 2018 are:**

(₹ in Lakhs)

| Particulars | 2018-19 | 2017-18 |
|---|---|---|
| **Current Tax:** | | |
| Current tax expenses for current year | 935 | 1,212 |
| Current tax expenses pertaining to prior periods | 3 | 1 |
| | 938 | 1,212 |
| Deferred tax obligations | 79 | (161) |
| Total tax expense reported in the statement of profit or loss | 1,017 | 1,051 |

**(ii) The reconciliation of estimated income tax expense at statutory income tax rate to income tax expenses reported in statement of profit and loss is as follows:**

(₹ in Lakhs)

| Particulars | 2018-19 | 2017-18 |
|---|---|---|
| Profit before income taxes | 2,395 | 4,874 |
| At statutory income tax rate | 34.94% | 34.61% |
| Expected Income Tax expenses | 837 | 1687 |
| Tax effects of adjustments to reconcile expected income tax expense to reported income tax expense | | |
| Income exempt from tax | (379) | (590) |
| Non deductible expenses for tax purposes | 61 | 96 |
| Income under other heads | 235 | 43 |
| Deduction for preliminary expenses u/s 35D of Income Tax Act | (30) | (29) |
| Tax pertaining to prior periods | 3 | 1 |
| Others (Net) | 290 | (157) |
| Total Income Tax expenses | 1,017 | 1,051 |

# Notes to the Accounts

**(iii) Significant components of net deferred tax assets and liabilities for the year ended on 31st March, 2019 is as follows:**

(₹ in Lakhs)

| Particulars | Opening Balance | Recognised/ reversed through Profit and Loss | Recognised/ reversed in other comprehensive income | Closing Balance |
|---|---|---|---|---|
| **Deferred Tax Assets/Liabilities in relation to:** | | | | |
| Property, plant and equipment and investment property | 176 | 17 | - | 193 |
| Intangible assets | 28 | (7) | - | 21 |
| Financial assets measured at fair value | 239 | 31 | (58) | 212 |
| Employee Benefits | (166) | (20) | 20 | (167) |
| Others | (88) | 59 | - | (29) |
| **Net Deferred Tax Assets/(Liabilities)** | **190** | **79** | **(38)** | **231** |

**Significant components of net deferred tax assets and liabilities for the year ended on 31st March, 2018 is as follows:**

(₹ in Lakhs)

| Particulars | Opening Balance | Recognised/ reversed through Profit and Loss | Recognised/ reversed in other comprehensive income | Closing Balance |
|---|---|---|---|---|
| **Deferred Tax Assets/Liabilities in relation to:** | | | | |
| Property, plant and equipment and investment property | 355 | (179) | - | 176 |
| Intangible assets | 26 | 2 | - | 28 |
| Financial assets measured at fair value | 505 | (31) | (234) | 239 |
| Employee Benefits | (198) | 39 | (8) | (166) |
| Others | (95) | 7 | - | (88) |
| **Net Deferred Tax Assets/(Liabilities)** | **593** | **(161)** | **(242)** | **190** |

## 11 EARNINGS PER SHARE

The earnings per share has been calculated as specified in Ind-AS 33 on "Earnings Per Share" prescribed by Companies (Accounting Standards) Rules, 2015 and related disclosures are as below :

(₹ in Lakhs)

| Particulars | 2018-19 | 2017-18 |
|---|---|---|
| **For Calculating Basic and Diluted earnings per share** | | |
| a) Profits attributable to equity holders of the company (₹ in Lakhs) | 1,910 | 4,621 |
| b) Weighted average number of equity shares used as the denominator in calculating EPS (Nos.) | 10,23,52,099 | 10,23,52,099 |
| c) Basic and Diluted EPS (a/b) (₹) | 1.87 | 4.51 |

# Notes to the Accounts

## 12 COMMITMENTS AND CONTINGENCIES

**a. Real Estate commitments**

(i) Company's following projects are being developed under Development Agreement with respective land owners on revenue sharing/ area sharing basis:

a) Ashiana Sehar , Jamshedpur

b) Ashiana Anand, Jamshedpur

c) Ashiana Navrang, Halol

d) Ashiana Dwarka, Jodhpur

e) Ashiana Shubham, Chennai

f) Ashiana Anmol, Sohna

g) Ashiana Maitri & Nitya Uttarpara (Kolkata)

h) Upcoming Project, Ajmer Road, Jaipur - ASHIANA DAKSH /AMANTARAN

(ii) In terms of Real Estate (Regulation and Development) Act 2016 (RERA) the company is under an obligation to rectify structural defect or defect in workmanship within 30 days, if brought to notice of the promoter by auditor within 5 years from the date of handing over possession.

**b. Lease commitments**

(i) Operating lease commitments — Company as lessee

The company has taken primarily under operating lease, immovable properties for use as its office premises, with lease terms between three to nine years. The company has the option, under some of its leases, to lease the assets for additional terms of three to nine years.

The company has paid ₹40 Lacs (P.Y. ₹8 Lacs) during the year towards minimum lease payment. Future minimum rentals payable under non-cancellable operating leases are, as follows:

(₹ in Lakhs)

| Particulars | 31.03.2019 | 31.03.2018 |
|---|---|---|
| Within one year | 6 | 40 |
| After one year but not more than five years | 2 | 73 |
| More than five years | - | - |
| | 9 | 114 |

(ii) Operating lease commitments — Company as lessor

The company has entered into operating leases on its certain investment property portfolio. These leases have terms of eleven months to twenty years. All leases include a clause to enable upward revision of the rental charge on an annual basis according to prevailing market conditions. The total contingent rents recognised as income during the year is ₹17 Lacs (P.Y. ₹ 6 Lacs).

Future minimum rentals receivable under non-cancellable operating leases are, as follows:

(₹ in Lakhs)

| Particulars | 31.03.2019 | 31.03.2018 |
|---|---|---|
| Within one year | 115 | 3 |
| After one year but not more than five years | 519 | - |
| More than five years | 2,867 | - |
| | 3,500 | 3 |

# Notes to the Accounts

**c. Other Commitments**

Estimated amount of contracts remaining to be executed on capital account and not provided for amounts to ₹ Nil (P.Y. ₹ 99.70 lacs); against which the company has given advance of ₹ NIL (P.Y. ₹ 43.78 Lacs).

**d. Guarantees**

The contingencies in respect of various guarantees at the end of the reporting period are as follows:

(₹ in Lakhs)

| Particulars | 31.03.2019 | 31.03.2018 |
|---|---|---|
| Bank Guarantees | 512 | 1,481 |
| Corporate Guarantee given | 248 | 975 |

**e. Contingent liabilities**

Contingent Liability (not provided for) in respect of the following claims/demands:

(₹ in Lakhs)

| Particulars | 31.03.2019 | 31.03.2018 |
|---|---|---|
| Cess - Sonari land | 8 | 63 |
| Service Tax | 101 | 132 |
| Income Tax | 63 | 216 |
| Provident Fund | 185 | - |
| Commercial Tax | 86 | 12 |
| Employee State Insurance Corporation | 4 | 4 |
| Completion Certificate Charges | 13 | 13 |

**f.** The company filed a writ petition against Jamshedpur Notified Area Committee's (JNAC) order stopping construction work in company's commercial project Marine Plaza in Sonari, Jamshedpur, which was allowed by the Hon'ble High Court of Jharkhand, by its Order dated 17.12.2014. Consequently, the company was allowed to carry out construction and marketing of the project and the State Government was directed by the Court to complete their enquiry, if any, in the matter on or before 30.06.2015. The company has received a communication from Additional Deputy Commissioner, East Singhbhum, Jamshedpur through Tata Steel Ltd. that a Committee of the State Government has completed its enquiry and submitted its report to the State Government. However, any report or order in respect of the outcome of the enquiry has not been received by the company till date. Due to uncertainty and absence of any directions from the Government, the company has stopped construction work at Marine Plaza Site. A sum of ₹ 2288.22 lacs has been incurred by the company on this project till the close of this year. The company has again filed a writ petition against State of Jharkhand and Tata Steel Ltd in January 2019 for final Decision in the enquiry and execution of sub lease deed of the land in favour of the company.

**g.** Company's land at Milakpur Gujar, Bhiwadi, District Alwar (Rajasthan) admeasuring 15.02 hectares, appearing in these accounts at book value of ₹ 338.97 lacs, is under acquisition, 12.834 hectares for residential purposes and 2.186 hectares for development of road, by the Government of Rajasthan. The company has filed a Writ Petition before the Hon'ble High Court of Rajasthan against acquisition of land admeasuring 12.834 hectares challenging the entire acquisition proceeding against which the Hon'ble High Court has given stay. A compensation of ₹ 3712.75 lacs has been declared by the Government which and interest thereon ₹ 2,306.59 lacs approx, as at the close of the year shall be considered in the accounts on finality and receipt.

# Notes to the Accounts

## 13 FINANCIAL INSTRUMENTS

### 13.1 FINANCIAL INSTRUMENTS BY CATEGORY

The carrying value of financial instruments by categories as on 31st March, 2019 were as follows:

(₹ in Lakhs)

| Particulars | Note Reference | Fair Value through Profit & Loss | Fair Value through OCI | Amortised Cost | Total carrying value | Total Fair Value |
|---|---|---|---|---|---|---|
| Financial Assets | | | | | | |
| Investments | | | | | | |
| - Equity Instruments (other than subsidiary, Joint ventures) | 3.4.1 | - | 3 | - | 3 | 3 |
| - Mutual Funds | 4.2.2 | - | 8,729 | - | 8,729 | 8,729 |
| - Government Securities | 3.4.1 | - | - | 1 | 1 | 1 |
| Non Current Deposits with Banks | 3.4.2 | - | - | 2,718 | 2,718 | 2,718 |
| Trade Receivables | 4.2.3 | - | - | 2,278 | 2,278 | 2,278 |
| Cash & Cash Equivalents | 4.2.4 | - | - | 5,294 | 5,294 | 5,294 |
| Other Bank Balances | 4.2.5 | - | - | 1,088 | 1,088 | 1,088 |
| Other Deposits | 4.2.6 | - | - | 650 | 650 | 650 |
| Other financial assets | 4.2.6 | - | - | 5,309 | 5,309 | 5,309 |
| **Total Financial Assets** | | **-** | **8,731** | **17,338** | **26,069** | |
| Financial Liabilities | | | | | | |
| Borrowings | 6.1.1 & 7.1.1 | - | - | 14,572 | 14,572 | 14,572 |
| Trade Payables | | - | - | 1,395 | 1,395 | 1,395 |
| Other financial liabilities | 6.1.2 & 7.1.2 | - | - | 6,621 | 6,222 | 6,222 |
| **Total Financial Liabilities** | | **-** | **-** | **22,188** | **22,188** | |

The carrying value of financial instruments by categories as on 31st March, 2018 were as follows:

(₹ in Lakhs)

| Particulars | Note Reference | Fair Value through Profit & Loss | Fair Value through OCI | Amortised Cost | Total carrying value | Total Fair Value |
|---|---|---|---|---|---|---|
| Financial Assets | | | | | | |
| Investments | | | | | | |
| - Equity Instruments (other than subsidiary, Joint ventures) | 3.4.1 | - | 4 | - | 4 | 4 |
| - Bonds & Debentures | 4.2.2 | 888 | - | - | 888 | 888 |
| - Mutual Funds | 4.2.2 | - | 10,620 | - | 10,620 | 10,620 |
| - Government Securities | 3.4.1 | - | - | 1 | 1 | 1 |
| Non Current Deposits with Banks | 3.4.2 | - | - | 2,301 | 2,301 | 2,301 |
| Trade Receivables | 4.2.3 | - | - | 2,545 | 2,545 | 2,545 |
| Cash & Cash Equivalents | 4.2.4 | - | - | 3,241 | 3,241 | 3,241 |
| Other Bank Balances | 4.2.5 | | | 914 | 914 | 914 |
| Other Deposits | 4.2.6 | - | - | 322 | 322 | 322 |
| Other financial assets | 4.2.6 | - | - | 5,219 | 5,219 | 5,219 |
| **Total Financial Assets** | | **888** | **10,624** | **14,543** | **26,055** | |
| Financial Liabilities | | | | | | |
| Borrowings | 6.1.1&7.1.1 | - | - | 12,376 | 12,376 | 12,376 |
| Trade Payables | | - | - | 1,763 | 1,763 | 1,763 |
| Other financial liabilities | 6.1.2 & 7.1.2 | - | - | 5,907 | 5,907 | 5,907 |
| **Total Financial Liabilities** | | **-** | **-** | **20,045** | **20,045** | |

# Notes to the Accounts

### Management estimations and assumptions

a) The management assessed that cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

b) The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

(i) The fair values of the quoted bonds and debentures and unquoted mutual funds are based on price quotations/NAVs at the reporting date.

(ii) The fair values of the unquoted equity shares have been determined based on certifications from valuers who have used Net Asset Value approach for determining the fair values.

## 13.2 FAIR VALUE HIERARCHY

**The following table presents the fair value hierarchy of assets and liabilities measured at fair value on a recurring basis :**

(₹ in Lakhs)

| Particulars | Note Reference | Fair value measurement at end of the reporting period/year using | | | |
|---|---|---|---|---|---|
| | | Level 1 | Level 2 | Level 3 | Total |
| **As on 31st March, 2019** | | | | | |
| **Financial Assets** | | | | | |
| Bonds and Debentures | 4.2.2 | - | - | - | - |
| Mutual funds | 4.2.2 | 8,729 | - | - | 8,729 |
| Equity Instruments (other than subsidiary, Joint ventures) | 3.4.1 | - | - | 3 | 3 |
| **As on 31st March, 2018** | | | | | |
| **Financial Assets** | | | | | |
| Bonds and Debentures | 4.2.2 | 888 | - | - | 888 |
| Mutual funds | 4.2.2 | 10,620 | - | - | 10,620 |
| Equity Instruments (other than subsidiary, Joint ventures) | 3.4.1 | - | - | 4 | 4 |

Level 1: Quoted Prices in active markets for identical assets or liabilities.

Level 2 : Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The company's policy is to recognize transfers in and the transfers out of fair value hierarchy levels as at the end of the reporting period. There are no transfers between level 1 and level 2 during the end of the reported periods.

## 13.3 FINANCIAL RISK MANAGEMENT

The company's principal financial liabilities comprise loans and borrowings, trade payables and other payables. The main purpose of these financial liabilities is to finance the company's operations. The company's principal financial assets include loans, trade receivables and other receivables, and cash and cash equivalents that derive directly from its operations.

The company's activities expose it to various financial risks: market risk, credit risk and liquidity risk. The company tries to foresee the unpredictable nature of financial markets and seek to minimise potential adverse impact on its financial performance. The senior management of the company oversees the management of these risks. It is supported by a risk management committee that advises on financial risks and the appropriate financial risk governance framework for the company. The risk management committee provides assurance to the company's senior management that the company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the company's policies and risk objectives. The Audit Committee has additional oversight in the area of financial risks and controls. It is the company's policy that no trading in derivatives for speculative purposes may be undertaken.

# Notes to the Accounts

## 14 CAPITAL MANAGEMENT

The following are the objectives of Capital management policy of the company:

(i) Safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and

(ii) Maintain an optimal capital structure to reduce the cost of capital

As a part of capital management strategy, the company may adjust the amount of dividends paid to shareholders, issue new shares, raise debt capital or sell assets to reduce debt. The company monitors capital basis a gearing ratio which is calculated by dividing the total borrowings by total equity. The company's strategy is to maintain a gearing ratio lower than 30%. In order to achieve this overall objective, the company ensures to meet its financial covenants attached to the interest bearing loans and borrowings. There have never been any breaches in financial covenants of any interest bearing loans and borrowings in the past and also in the current period.

## 15 SEGMENT INFORMATION

In accordance with Indian Accounting Standard 108 "Operating Segments" prescribed by Companies (Accounting Standards) Rules, 2015, the company has determined its primary business segment as a single segment of Real Estate Business. Since there are no other business segments in which the company operates, there are no other primary reportable segments. Therefore, the segment revenue, segment results, segment assets, segment liabilities, total cost incurred to acquire segment assets, depreciation charge are all as is reflected in the financial statements.

## 16 RELATED PARTY TRANSACTIONS

Related parties and transactions with them as specified in the Ind-AS 24 on "Related Parties Disclosures" prescribed under Companies (Accounting Standards) Rules, 2015 has been identified and given below on the basis of information available with the company and the same has been relied upon by the auditors.

| a) | **List of Joint Ventures** | **Country** |
|---|---|---|
| | Vista Housing | India |
| | Ashiana Greenwood Developers | India |
| | Megha Colonizers | India |
| | Ashiana Manglam Developers | India |
| | Ashiana Manglam Builders | India |
| | Ashiana Manglam Builders- Extension Land Division | India |

**b) Other related parties**

| (i) | **Key management personnel and their relatives** | **Relationship** |
|---|---|---|
| | Mr. Vishal Gupta | Managing Director |
| | Mr. Ankur Gupta | Jt. Managing Director |
| | Mr. Varun Gupta | Whole-time Director |
| | Mr. Hemant Kaul | Independent Director |
| | Mr. Abhishek Dalmia | Independent Director |
| | Mr. Narayan Anand | Independent Director |
| | Ms. Sonal Mattoo | Independent Director |
| | Ms. Piyul Mukherjee | Independent Director |
| | Mr. Vikash Dugar | Chief Financial Officer |
| | Mr. Nitin Sharma | Company Secretary |
| | Ms. Beila Gupta | Relative of Key management personnel |
| | Ms. Hem Gupta | Relative of Key management personnel |

| (ii) | **Others** | |
|---|---|---|
| | OPG Realtors Limited | India |
| | RG Woods Limited | India |
| | BG Estates Private Limited | India |
| | AHL Group Investments Private Limited | India |
| | OPMG Investments Private Limited | India |
| | Karma Hospitality LLP | India |
| | Wood Story LLP | India |

# Notes to the Accounts

## 16 RELATED PARTY TRANSACTIONS (Contd..)

(₹ in Lakhs)

| Nature of Transactions | For the year ended March 31, 2019 | | For the year ended March 31, 2018 | |
|---|---|---|---|---|
| | Joint Venture | Other related parties | Joint Venture | Other related parties |
| **Income** | | | | |
| Maintenance Charges Received | 40 | - | 61 | - |
| Commission | - | - | 3 | - |
| Sale of Flat | - | - | - | - |
| Establishment Charges | 1 | 1 | - | 1 |
| Recovery of Branch office Expenses | 504 | - | 431 | - |
| Referral Income | 24 | - | | - |
| Sale of Assets | - | - | 1 | - |
| **Expenses** | | | | |
| Purchase of Assets | 3 | 64 | - | 12 |
| Purchase of Material | 7 | 112 | - | 82 |
| Remuneration | - | 368 | - | 428 |
| Rent | 4 | 147 | 4 | 145 |
| Management Fee | - | 25 | - | 32 |
| Other Expenses | - | 4 | - | 2 |
| **Year End Receivable** | | | | |
| Advances recoverable in cash or in kind | - | - | - | 28 |
| Trade Receivable | - | 7 | - | 9 |
| **Year End Payable** | | | | |
| Advance from Customers | - | 120 | - | 160 |
| Other Liabilities | - | 84 | - | 87 |

**The table below describes the compensation to key managerial personnel:**

(₹ in Lakhs)

| Particulars | Year Ended 31 March, 2019 | Year Ended 31 March, 2018 |
|---|---|---|
| Short term employee benefits | 368 | 428 |
| Post employment benefits | | |
| Defined contribution plan | 106 | 100 |
| Defined benefit plan | - | - |
| Other long term benefit | - | - |
| | **474** | **528** |

# Notes to the Accounts

## 17 ASSETS SECURED FOR BORROWINGS

**The carrying amounts of assets secured for current and non current borrowings is given in the following table:**

(₹ in Lakhs)

| Particulars | Note | Year ended 31st March, 2019 | Year ended 31st March, 2018 |
|---|---|---|---|
| **Non Current Assets** | | | |
| Property, Plant and Equipments | 3.1 | 1,754 | 1,664 |
| Investment Properties | 3.2 | 832 | 885 |
| Deposits with banks | 3.4.2 | 2,351 | 2,049 |
| **Total** | | **4,937** | **4,598** |
| Current Assets | | | |
| Mutual Funds | 4.2.2 | 2,224 | 7,927 |
| Trade Receivables | 4.2.3 | 376 | 553 |
| Cash and Cash Equivalents | 4.2.4 | 343 | 424 |
| Other bank Balances | 4.2.5 | 647 | 520 |
| Inventories | 4.1 | 18,216 | 20,143 |
| | | **21,806** | **29,568** |
| **Total** | | **26,743** | **34,166** |

**18** On the basis of physical verification of assets, as specified in IND AS - 36 and cash generation capacity of those assets, in the management perception there is no impairment of such assets as appearing in the balance sheet as on 31.03.2019.

**19** Additional information as required by Paragraph 2 of the General Instructions to the Schedule III of Companies Act, 2013 for Preparation of Consolidated Financial Statements are as follows:

(₹ in Lakhs)

| Name of the entity | Net Assets, i.e. Total assets minus Total liabilities | | Share in Profit or Loss | |
|---|---|---|---|---|
| | As % of consolidated Net assets | Amount | As % of consolidated profit or loss | Amount |
| Parent - Indian | | | | |
| Ashiana Housing Limited | 94.42% | 73,819 | 42.44% | 811 |
| Subsidiaries - Indian | | | | |
| Ashiana Maintenance Services Limited | 0.36% | 278 | 16.09% | 307 |
| Latest Developers Advisory Ltd | 0.00% | 4 | -0.06% | (1) |
| Topwell Projects Consultants Ltd. | 0.00% | 4 | -0.04% | (1) |
| Ashiana Amar Developers | 0.01% | 10 | -0.02% | (0) |
| Associates and Joint Ventures | | | | |
| Ashiana Greenwood Developers | 0.11% | 89 | -0.09% | (2) |
| Vista Housing | 2.93% | 2,289 | 23.29% | 445 |
| Megha Colonizers | 0.57% | 443 | -0.11% | (2) |
| Ashiana Manglam Developers | 0.21% | 166 | -0.06% | (1) |
| Ashiana Manglam Builders | 0.87% | 677 | 18.50% | 354 |
| Ashiana Manglam Builders Extension | 0.52% | 404 | | |
| Non-Controlling Interest | 0.00% | 2 | 0.05% | 1 |
| **Total** | **100.00%** | **78,183** | **100.00%** | **1,910** |

# Notes to the Accounts

**20** The Disclosures related to Subsidiary and Joint Ventures as required by Ind AS 112 disclosures of Interests in other entities are as under:

**a) Subsidiaries**

(₹ in Lakhs)

| Name of the Subsidiaries | Country of Incorporation/ Formation | Business Activity | Percentage of voting power/ Profit sharing as at 31st March, 2019 | Percentage of voting power/ Profit sharing as at 31st March, 2018 |
|---|---|---|---|---|
| Ashiana Maintenance Services LLP | India | Real Estate Support Operations | 99.70% | 99.70% |
| Latest Developers Advisory Ltd | India | Real Estate Developers | 100% | 100% |
| Topwell Projects Consultants Ltd. | India | Real Estate Developers | 100% | 100% |
| Ashiana Amar Developers | India | Real Estate Developers | 100%* | 100%* |

* 5% Held by Ashiana Maintenance Services LLP.

**b) Joint Ventures**

(₹ in Lakhs)

| Name of the Joint Ventures | Country of Incorporation/ Formation | Business Activity | Percentage of voting power/ Profit sharing as at 31st March, 2019 | Percentage of voting power/ Profit sharing as at 31st March, 2018 |
|---|---|---|---|---|
| Ashiana Manglam Developers | India | Real Estate Developers | 65% | 65% |
| Ashiana Greenwood Developers | India | Real Estate Developers | 50% | 50% |
| Megha Colonizers | India | Real Estate Developers | 50% | 50% |
| Ashiana Manglam Builders | India | Real Estate Developers | 50% | 50% |
| Ashiana Manglam Builders-Extension Land | India | Real Estate Developers | 50% | 0% |
| Vista Housing | India | Real Estate Developers | 50% | 50% |

**c)** The non controlling interest in subsidiaries is not material and hence not disclosed.

**d) Summarised Financial information for Joint ventures**

The table below provides summarised financial information for those Joint ventures that are material to the group. The information disclosed reflects the amounts presented in the financial statements of the relevant joint ventures and not Ashiana Housing's share of those amounts.

(₹ in Lakhs)

| Summarised Balance Sheet | Ashiana Manglam Developers | | Megha Colonizers | |
|---|---|---|---|---|
| | As At 31.03.2019 | As At 31.03.2018 | As At 31.03.2019 | As At 31.03.2018 |
| **Non Current Assets** | 88 | 90 | - | - |
| **Current Assets** | | | | |
| Cash & Cash Equivalents | 1 | 2 | 18 | 11 |
| Others assets | 78 | 78 | 943 | 967 |
| **Total Assets** | **168** | **170** | **961** | **978** |
| **Non Current Liabilities** | | | | |
| **Current Liabilities** | | | | |
| Advance from customers | - | - | - | - |
| Trade Payables | 1 | 1 | 4 | 6 |
| Others | 0 | 1 | 71 | 82 |
| **Total Liabilities** | **2** | **2** | **76** | **88** |
| **Net Assets** | **166** | **168** | **885** | **890** |

# Notes to the Accounts

**20** The Disclosures related to Subsidiary and Joint Ventures as required by Ind AS 112 disclosures of Interests in other entities are as under: (Contd..)

(₹ in Lakhs)

| Summarised Balance Sheet | Ashiana Manglam Builders | | Vista Housing | |
|---|---|---|---|---|
| | As At 31.03.2019 | As At 31.03.2018 | As At 31.03.2019 | As At 31.03.2018 |
| **Non Current Assets** | 104 | 121 | 216 | 248 |
| **Current Assets** | | | | |
| Cash & Cash Equivalents | 376 | 281 | 651 | 338 |
| Others assets | 2,723 | 3,244 | 5,835 | 6,052 |
| **Total Assets** | **3,202** | **3,645** | **6,701** | **6,637** |
| **Non Current Liabilities** | - | - | 248 | 975 |
| **Current Liabilities** | | | | |
| Advance from customers | 1,756 | 1,720 | 2,713 | 2,075 |
| Trade Payables | 77 | 102 | 187 | 81 |
| Others | 109 | 265 | 101 | 95 |
| **Total Liabilities** | **1,942** | **2,087** | **3,249** | **3,225** |
| **Net Assets** | **1,261** | **1,558** | **3,452** | **3,412** |

**d) Summarised Financial information for Joint ventures**

(₹ in Lakhs)

| Summarised Statement of Profit & Loss | Ashiana Manglam Developers | | Megha Colonizers | | Ashiana Manglam Builders | | Vista Housing | |
|---|---|---|---|---|---|---|---|---|
| | 2018-2019 | 2017-2018 | 2018-2019 | 2017-2018 | 2018-2019 | 2017-2018 | 2018-2019 | 2017-2018 |
| Revenue from operations | - | - | 1 | 31 | 2,507 | 5,148 | 4,216 | 6,278 |
| Other Income | 4 | 4 | 37 | 87 | 33 | 45 | 18 | 213 |
| Project Expenses | - | - | 23 | 77 | 1,382 | 2,826 | 2,400 | 3,257 |
| Depreciation | 2 | 2 | - | - | - | - | - | - |
| Other Expenses | 4 | 8 | - | 2 | 124 | 188 | 205 | 380 |
| Tax Expenses | - | (0) | 19 | 31 | 362 | 768 | 579 | 997 |
| **Profit for the year** | **(2)** | **(5)** | **(4)** | **9** | **671** | **1,411** | **1,051** | **1,857** |
| Other Comprehensive Income | - | - | - | - | - | - | - | - |
| **Total Comprehensive income** | **(2)** | **(5)** | **(4)** | **9** | **671** | **1,411** | **1,051** | **1,857** |

**21 Disclosures pursuant to Schedule III of Companies Act, 2013 in relation to trade payables falling under the category of Micro and Small enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 are as follows:**

(₹ in Lakhs)

| Particulars | Year Ended 31 March, 2019 | Year Ended 31 March, 2018 |
|---|---|---|
| (a) Principal amount due to such suppliers | 164 | 21 |
| (b) Interest accrued and due to such suppliers on above (a) amount | - | - |
| (c) Amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day | - | - |
| (d) Amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006 | - | - |
| (e) Interest accrued and remaining unpaid at the end of the accounting year | - | - |
| (f) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006. | - | - |

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the company.

# Notes to the Accounts

## 22 PAYMENT TO AUDITORS

(₹ in Lakhs)

| Particulars | 2018-19 | 2017-18 |
|---|---|---|
| For Statutory Audit | 37 | 36 |
| For Internal Audit | 19 | 21 |
| For Tax Audit | 6 | 6 |
| For Other Services | 5 | 9 |

## 23 EXPENDITURE IN FOREIGN CURRENCY:

(₹ in Lakhs)

| Particulars | 2018-19 | 2017-18 |
|---|---|---|
| Travelling Expenses | 89 | 60 |
| Consultant/Professional Fee (including reimbursement) | 27 | 2 |
| Conference and Meeting expenses | 24 | 16 |

**24** Previous years figure have been regrouped/rearranged, wherever found necessary.

Signed for Identification

For **VMSS & ASSOCIATES**
Chartered Accountants
Firm Registration No: 328952E

**Vishal Gupta**
(Managing Director)
DIN No.00097939

**Varun Gupta**
(Whole-time Director)
DIN No.01666653

**Hemant Kaul**
(Independent Director)
DIN No.00551588

**Mahendra Jain**
Partner
Membership No: 413904

**Nitin Sharma**
(Company Secretary)

**Vikash Dugar**
(CFO)

Place: New Delhi
Date: 18th May, 2019

# Notes

# Notes

# Om Prakash Gupta

## 1947-2013

### Founder-Ashiana Housing Limited

As a visionary, you enhanced the quality of life for everyone. You gave middle income housing a unique stature in India; Pioneered retirement housing that went beyond security and comfort; created free training centres for unskilled and semi-skilled workers. Your concern and affection for customers, residents, vendors and staff members was always evident in your perspective, queries and insightful actions.

You will continue to inspire us with your vision, mission & principles. We pledge to build upon what you started.

## Cautionary Statement

This Report may contain certain forward-looking statements relating to the future business, development and economic performance. Such Statements may be subject to a number of risks, uncertainties and other important factors, such as but not limited to (1) competitive pressure; (2) legislative and regulatory developments; (3) global, macro economic and political trends; (4) fluctuations in currency exchange rates and general market conditions; (5) delay or inability in obtaining approvals from authorities; (6) technical developments; (7) litigations; (8) adverse publicity and news coverage, which could cause actual developments and results to differ materially from the statements made in this presentation. Ashiana Housing Limited assumes no obligation to update or alter forward-looking statements whether as a result of new information, future events or otherwise.

ashiana™
you are in safe hands


**Ashiana Housing Limited**

**Head Office:** 304, Southern Park, Saket District Centre,
Saket, New Delhi-100 017
Ph: 011 4265 4265 | Fax: 011 4265 4200

**Regd. Office:** 11G, Everest, 46/C, Chowringhee Road, Kolkata-700 071

**CIN:** L70109WB1986PLC040864

**Email:** investorrelations@ashianahousing.com

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Since 1983

02.08.2019

**Mr. Nitin Sharma**
Company Secretary
Ashiana Housing Limited
Unit No. 4&5, 3rd Floor,
Southern Park, Saket,
New Delhi-110 017

Dear Sir

This is to confirm that dispatch of Notice of 33rd AGM and Annual Report 2018-19 of your company i.e. Ashiana Housing Limited have been commenced on 2nd August, 2019 by the permitted mode to all the shareholders.

Thanking you,

Yours Sincerely,
**For TIRUPATI SERVICES**

**Ajay Bindlish**
**Authorised Signatory**

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Since 1983

03.08.2019

**Mr. Nitin Sharma**
Company Secretary
Ashiana Housing Limited
Unit No. 4&5, 3rd Floor,
Southern Park, Saket,
New Delhi-110 017

Dear Sir

We hereby confirm that we have completed the job for mailing of 3915 envelopes containing Annual Reports along with the notice, proxy form and ballot paper through registered post to the R.I. & N.R.I. Shareholders of your Company by today itself i.e. 03.08.2019.

Thanking you,

Yours Sincerely,
**For TIRUPATI SERVICES**

**Ajay Bindlish**
**Authorised Signatory**