

Regd. Office: Hubtown Seasons, CTS NO. 469-A, Opp. Jain Temple, R. K. Chemburkar Marg, Chembur (East), Mumbai-400071
Tel.: +91-22-2526 5000 • Fax: +91-22-2526 5099 • www.hubtown.co.in. • CIN:L45200MH1989PLC050688

December 1, 2020

To,

BSE Limited

The Corporate Relationship Department
1st Floor, P.J. Towers, Dalal Street
Fort, Mumbai – 400 001

Scrip Code: 532799

National Stock Exchange of India Limited

The Listing Department
Exchange Plaza, Bandra Kurla Complex
Bandra (East),
Mumbai – 400 051

Symbol: HUBTOWN

Dear Sir / Madam,

Sub: Annual Report for the Financial Year 2019-20 and Notice of 32nd Annual General Meeting of the Company

We wish to inform you that the 32nd Annual General Meeting ("the AGM") of the Company is scheduled to be held on **Thursday, December 24, 2020 at 10:00 a.m.** through Video Conferencing (VC) / Other Audio Visual Means (OAVM).

Pursuant to Regulation 30 and Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Annual Report of the Company for the financial year 2019-20 along with the Notice convening the 32nd AGM is enclosed herewith. The Notice of the AGM and Annual Report for the financial year 2019-20 is also available on the website of the Company at www.Hubtown.co.in.

The Company is providing to its Members facility to exercise their right to vote on resolutions proposed to be passed at the AGM by electronic means. A person, whose name is recorded in the register of member or in the register of beneficial owners maintained by the depositories as on the cut-off date i.e. Thursday, December 17, 2020 shall be entitled to avail electronic voting facility. The remote e-voting period commences on Monday, December 21, 2020 from 9:00 a.m. and ends on Wednesday, December 23, 2020 at 5:00 p.m.

Further, the Registrar of Members and the Share Transfer Books of the Company will remain close from Friday, December 18, 2020 to Thursday, December 24, 2020 (both days inclusive) for the purpose of the Annual General Meeting of the Company.

We request you to kindly take the above on record.

Thanking you,

Yours faithfully,

For Hubtown Limited


Sadanand Lad
Company Secretary



Encl: as above



HUETOWN ANNUAL REPORT 2019-2020

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CORPORATE INFORMATION

BOARD OF DIRECTORS

HEMANT M. SHAH, Executive Chairman
 ABHIJIT DATTA
 SUNIL C. SHAH
 PRITI K. SHAH
 MAHESH A. KUVADIA (upto March 04, 2020)
 KARTIK RUPAREL (from September 15, 2020)
 KETAKI R. SHAH (from September 15, 2020)
 VYOMESH M. SHAH (VIMAL M. SHAH), Managing Director

COMMITTEES OF THE BOARD

AUDIT AND COMPLIANCE COMMITTEE

ABHIJIT DATTA, Chairman
 SUNIL C. SHAH
 MAHESH A. KUVADIA (upto March 04, 2020)
 KARTIK RUPAREL (from September 15, 2020)
 VYOMESH M. SHAH

NOMINATION AND REMUNERATION COMMITTEE

ABHIJIT DATTA, Chairman
 SUNIL C. SHAH
 PRITI SHAH
 HEMANT M. SHAH

STAKEHOLDERS' RELATIONSHIP COMMITTEE

SUNIL C. SHAH, Chairman
 HEMANT M. SHAH
 PRITI K. SHAH

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

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

RISK MANAGEMENT COMMITTEE

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

CHIEF FINANCIAL OFFICER

SUNIL MAGO (from July 5, 2019)
 NANCY PEREIRA (upto July 5, 2019)

COMPANY SECRETARY

NIMESH SHAH (from April 15, 2019 upto June 6, 2019)
 AMIT VYAAS (from September 24, 2019 upto April 30, 2020)
 SADANAND LAD (from July 30, 2020)

STATUTORY AUDITORS

M. H. DALAL & ASSOCIATES, Chartered Accountants
 (upto July 30, 2020)

JBTM & Associates LLP, Chartered Accountants
 (from July 30, 2020)

COST AUDITOR

D. C. DAVE & CO., Cost Accountants

INTERNAL AUDITOR

PROTUNE KS AIYAR CONSULTANTS
 PRIVATE LIMITED, Chartered Accountants

SECRETARIAL AUDITOR

ASHISH BHATT & ASSOCIATES, Company Secretaries

REGISTERED OFFICE

'HUBTOWN SEASONS'
 CTS NO. 469-A,
 OPP. JAIN TEMPLE,
 R. K. CHEMBURKAR MARG,
 CHEMBUR (EAST), MUMBAI 400071
 CIN : L45200MH1989PLC050688
 Phone : 022 25265000
 Fax : 022 25265099
 Investor E-mail : investorcell@hubtown.co.in
 Website : www.hubtown.co.in

REGISTRAR & TRANSFER AGENT

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

BANKERS

CANARA BANK
 UCO BANK
 UNION BANK OF INDIA
 UNITED BANK OF INDIA

32nd ANNUAL GENERAL MEETING

THURSDAY, DECEMBER 24, 2020 AT 10.00 A.M.

THROUGH VIDEO CONFERENCING OR OTHER AUDIO VISUAL MEANS



[CIN : L45200MH1989PLC050688]

Registered Office : 'HUBTOWN SEASONS', CTS NO. 469-A, OPP. JAIN TEMPLE, R. K. CHEMBURKAR MARG , CHEMBUR (EAST), MUMBAI 400071
Phone: + 91 22 25265000; Fax: + 91 22 25265099; E-mail : investorcell@hubtown.co.in; Website : www.hubtown.co.in

HUBTOWN LIMITED

NOTICE OF 32ND ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE THIRTY SECOND ANNUAL GENERAL MEETING OF THE MEMBERS OF HUBTOWN LIMITED WILL BE HELD ON THURSDAY, DECEMBER 24, 2020 AT 10.00 A.M. THROUGH VIDEO CONFERENCING ('VC') OR OTHER AUDIO VISUAL MEANS ('OAVM') TO TRANSACT THE FOLLOWING BUSINESS :

ORDINARY BUSINESS :

1. To receive, consider and adopt :
 - (a) the Audited Financial Statements of the Company for the financial year ended March 31, 2020 and the Reports of the Board of Directors and the Auditors thereon; and
 - (b) the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2020 and the Reports of the Auditors thereon.
2. To appoint a Director in place of Mr. Vyomesh M. Shah (DIN : 00009596), who retires by rotation and being eligible, offers himself for reappointment.
3. Appointment of Statutory Auditors :

A. To fill in Casual Vacancy

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 139 (8) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, (including any statutory modification(s), clarifications, exemptions or re-enactments thereof for the time being in force) and upon recommendation of the Audit and Compliance Committee and the Board of Directors, M/s. JBTM & Associates LLP, Chartered Accountants, (Firm Registration No. 100365W), be and are hereby appointed as Statutory Auditors of the Company, to fill in the casual vacancy caused by the resignation of M/s. M. H. Dalal & Associates, Chartered Accountants (Firm Registration No. 112449W), to hold office from July 30, 2020 until the conclusion of the ensuing 32nd Annual General Meeting of the Company, at such remuneration as may be determined and recommended by the Audit and Compliance Committee in consultation with the Statutory Auditors plus applicable taxes and out-of-pocket, travelling and other expenses and duly approved by the Board of Directors."

B. Appointment for a term of 5 (five) years

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

As an Ordinary Resolution :

"RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, as may be applicable (including any statutory modification(s) or re-enactment thereof for the time being in force) and upon recommendation of the Audit and Compliance Committee and the Board of Directors, M/s. JBTM & Associates LLP, Chartered Accountants (Firm Registration No. 100365W), be and are hereby appointed as Statutory Auditors of the Company for a term of 5 (five) consecutive years, to hold office from the conclusion of this 32nd Annual General Meeting until the conclusion of the 37th Annual General Meeting to be held for the year 2025, at such remuneration as may be determined and recommended by the Audit and Compliance Committee in consultation with the Statutory Auditors plus applicable taxes and out-of-pocket, travelling and other expenses as may be fixed by the Board of Directors of the Company."

SPECIAL BUSINESS :

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

As an Ordinary Resolution :

4. APPOINTMENT OF MR. KARTIK RUPAREL (DIN : 08865104) AS AN INDEPENDENT DIRECTOR

"RESOLVED THAT Mr. Kartik Ruparel (DIN: 08865104), who was appointed as an Additional Director, designated as Non-Executive Independent Director of the Company by the Board of Directors with effect from September 15, 2020 and who holds office upto the date of this Annual General Meeting in terms of Section 161 of the Companies Act, 2013 ("Act") and Article 112 of the Articles of Association of the Company, but who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member under Section 160 (1) of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as Director of the Company;

NOTICE (CONTD.)

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any of the Act (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule IV to the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014, appointment of Mr. Kartik Ruparel (DIN: 08865104) who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and who is eligible for appointment, as an Independent Director of the Company, not liable to retire by rotation, for a term of five years commencing from September 15, 2020 upto September 14, 2025, be and is hereby approved."

As an Ordinary Resolution :

5. **APPOINTMENT OF MRS. KETAKI R. SHAH (DIN : 08865092) AS AN INDEPENDENT DIRECTOR**

"RESOLVED THAT Mrs. Ketaki R. Shah (DIN: 08865092), who was appointed as an Additional Director, designated as Non-Executive Independent Director of the Company by the Board of Directors with effect from September 15, 2020 and who holds office upto the date of this Annual General Meeting in terms of Section 161 of the Companies Act, 2013 ("Act") and Article 112 of the Articles of Association of the Company, but who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member under Section 160 (1) of the Act proposing her candidature for the office of Director of the Company, be and is hereby appointed as Director of the Company;

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any of the Act (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule IV to the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014, appointment of Mrs Ketaki R. Shah (DIN: 08865092) who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and who is eligible for appointment, as an Independent Director of the Company, not liable to retire by rotation, for a term of five years commencing from September 15, 2020 upto September 14, 2025, be and is hereby approved."

As an Ordinary Resolution :

6. **RATIFICATION OF REMUNERATION PAYABLE TO THE COST AUDITOR OF THE COMPANY FOR THE FINANCIAL YEAR 2020-2021**

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 and Companies (Cost Records and Audit) Rules, 2014 (including any statutory amendment or modification or re-enactment thereof, for the time being in force), the remuneration of the Cost Auditor, M/s. D. C. Dave & Co., Cost Accountants (Firm Registration No. 000611) of ₹ 5,00,000/- (Rupees Five Lakh only) plus applicable tax and reimbursement of out-of-pocket expenses to conduct the audit of the cost records of the Company for the financial year ending March 31, 2021, as recommended by the Audit and Compliance Committee and approved by the Board of Directors, be and is hereby ratified;

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

As a Special Resolution :

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

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

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

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

Sadanand Lad

Company Secretary

Membership No. : A19899

September 15, 2020
Mumbai

NOTICE (CONTD.)

Notes :

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular no. 20/2020 dated May 5, 2020 read with circular no. 14/2020 dated April 8, 2020 and circular no. 17/2020 dated April 13, 2020 (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the members at a common venue.
2. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and the aforesaid MCA Circulars, this 32nd AGM of the Company is being held through VC / OAVM and the members can attend and participate in the said AGM through VC / OAVM only. The procedure for participating in the meeting through VC / OAVM is explained at Note Nos. 22 to 24 below and is also available on the website of the Company at www.hubtown.co.in.
3. Explanatory Statement pursuant to Section 102 of the Act relating to item nos. 3 to 7 of the Notice of this 32nd AGM, which are considered to be unavoidable by the Board of Directors of the Company, is annexed hereto. Also, relevant details in respect of the Directors seeking re-appointment/appointment at the AGM, in terms of Regulations 26(4) and 36(3) of the SEBI Listing Regulations and Clause 1.2.5 of Secretarial Standard – 2 on General Meetings are also annexed to this Notice.
4. Since this AGM is being held pursuant to the aforesaid MCA Circulars through VC / OAVM, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for this 32nd AGM and hence the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.
5. Institutional / Corporate members (i.e. other than individuals/ HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization, etc., authorizing its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting. The said resolution/authorization shall be sent to the Scrutinizer by e-mail through their registered e-mail address to the Company at investorcell@hubtown.co.in and to its Registrar and Transfer Agent (RTA) at instameet@linkintime.co.in.
6. The members can join the AGM in the VC/ OAVM mode 15 minutes before and after the scheduled time of the commencement of the meeting by following the procedure mentioned hereinbelow in the Notice. The facility of participation at the AGM through VC/ OAVM will be made available for 1,000 members on 'first come first serve' basis. This will not include large members (i.e. members holding 2% or more), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit and Compliance Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc. who are allowed to attend the AGM without restriction on account of 'first come first serve' basis.
7. The attendance of the members attending the AGM through VC/ OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
8. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's RTA, Link Intime India Private Limited for assistance.
9. The Register of Members and Share Transfer books of the Company will remain closed from Friday, December 18, 2020 to Thursday, December 24, 2020 (both days inclusive), for the purpose of AGM.
10. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the Directors are interested maintained under Section 189 of the Act and all other documents referred to in the Notice will be available electronically for inspection by the members without any fee from the date of circulation of this Notice upto the date of AGM i.e. December 24, 2020. Members seeking to inspect such documents can send an e-mail to investorcell@hubtown.co.in.
11. Members holding shares in physical mode and who have not updated their email addresses with the Company are requested to update their email addresses by writing to the RTA of the Company or to the Company at investorcell@hubtown.co.in along with the copy of the signed request letter mentioning the name and address of the member, self-attested copy of the PAN card, and self-attested copy of any document (e.g.: Aadhaar Card, Driving License, Election Identity Card, Passport) in support of the address of the member. Members holding shares in dematerialised mode are requested to register / update their email addresses with the relevant Depository Participants. In case of any queries / difficulties in registering the e-mail address, members may write to the Company's RTA or to the Company at investorcell@hubtown.co.in.
12. Pursuant to the provisions of Sections 101 and 136 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and in terms of Regulation 36 of the SEBI Listing Regulations, 2015, as amended, electronic copy of the Notice and Annual Report 2019-20 is being sent to the members whose e-mail IDs are registered with the Company/ Depository Participant(s) (in case of shares held in demat form) or with Link Intime India Private Limited (in case of shares held in physical form).

As per the MCA General Circular 20/2020 dated May 5, 2020, the Annual Report 2019-20 will be sent through electronic mode to only those members whose e-mail IDs are registered with the Registrar and Transfer Agent of the Company/ Depository Participants.

NOTICE (CONTD.)

Members may also note that the Notice of the 32nd Annual General Meeting and the Annual Report 2019-20 will be available on the Company's website www.hubtown.co.in, websites of the Stock Exchanges i.e. National Stock Exchange of India Limited and BSE Limited at www.nseindia.com and www.bseindia.com respectively.

13. The balance lying in the unpaid dividend account of the Company in respect of dividend declared for the financial year 2012-13 will be transferred to the Investor Education and Protection Fund of the Central Government by October 31, 2020. Members are requested to note that no claim shall lie against the Company in respect of any dividend so transferred to the IEPF Authority.
14. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The said form can be downloaded from the Company's website : www.hubtown.co.in. Members are requested to submit the said details to their Depository Participants in case the shares are held by them in electronic form and to the Company's RTA in case the shares are held in physical form.
15. Members who would like to ask any question on the financial statements are requested to send their questions through e-mail at investorcell@hubtown.co.in atleast 10 (ten) days before the date of the AGM to enable the Company to answer their queries satisfactorily.
16. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate for smooth conduct of the AGM and also depending upon the time available for the AGM.
17. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in dematerialized form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Company at investorcell@hubtown.co.in or the Company's RTA.
18. In case of joint holders, those members whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
19. In compliance with the provisions of Section 108 of the Act and the Rules framed thereunder, the members are provided with the facility to cast their vote electronically, through the e-voting services provided by Link Intime India Private Limited (LIPL), on all resolutions set forth in this Notice.
20. **Process and manner for members opting for voting through Electronic means:**
 - i. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Regulation 44 of SEBI Listing Regulations (as amended), and the Circulars issued by the MCA dated April 8, 2020, April 13, 2020 and May 5, 2020, the Company is pleased to provide the members, the facility to exercise their right to vote at the 32nd AGM by electronic means and the business may be transacted through e-voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Link Intime India Private Limited (LIPL).

The facility for e-voting shall also be made available at the AGM and the members attending the AGM who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through e-voting.
 - ii. Members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date i.e. Thursday, December 17, 2020, shall be entitled to avail the facility of remote e-voting as well as e-voting system on the date of the AGM. Any recipient of the Notice, who has no voting rights as on the cut-off date, shall treat this Notice as intimation only.
 - iii. A person who has acquired shares and has become a member of the Company after the dispatch of the Notice of the AGM but prior to the cut-off date i.e. Thursday, December 17, 2020, shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or e-voting system on the date of the AGM by following the procedure mentioned in this part.
 - iv. The remote e-voting will commence on Monday, December 21, 2020 at 9.00 a.m. and will end on Wednesday, December 23, 2020 at 5.00 p.m. During this period, the members of the Company holding shares either in physical mode or in demat mode as on the cut-off date i.e. Thursday, December 17, 2020 may cast their vote electronically. The members will not be able to cast their vote electronically beyond the date and time mentioned above and the remote e-voting module shall be disabled for voting by LIPL thereafter.
 - v. Once the vote on a resolution is cast by the member, he/she shall not be allowed to change it subsequently or cast the vote again.
 - vi. The Member(s) who have cast their vote by remote e-voting prior to the AGM, may also attend/participate in the AGM through VC/OAVM but shall not be entitled to cast their vote again.
 - vii. The voting rights of the members shall be in proportion to their share in the paid up equity share capital of the Company as on the cut-off date i.e. Thursday, December 17, 2020.
 - viii. The Company has appointed Mr. Ashish Bhatt, Practising Company Secretary of M/s. Ashish Bhatt & Associates (Membership No. FCS: 4650; CP No: 2956), to act as the Scrutinizer for conducting the remote e-voting process as well as the e-voting system on the date of the AGM, in a fair and transparent manner.

NOTICE (CONTD.)

21. The process and manner for remote e-voting is as under:

Remote e-Voting Instructions for members:

1. Open the internet browser and launch the URL: <https://instavote.linkintime.co.in>

Those who are first time users of LIPL e-voting platform or holding shares in physical mode have to mandatorily generate their own Password, as under:

- ◆ Click on “**Sign Up**” under ‘**SHARE HOLDER**’ tab and register with your following details: -
 - A. **User ID:** Enter your User ID
 - Members/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID;**
 - Members/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID;**
 - Members/ members holding shares in **physical form shall provide** Event No + Folio Number registered with the Company;
 - B. **PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP) / Company shall use the sequence number provided to you, if applicable.
 - C. **DOB/DOI:** Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company – in DD/MM/YYYY format)
 - D. **Bank Account Number:** Enter your Bank Account Number (last four digits), as recorded with your DP/Company.
 - Members/ members holding shares in **CDSL demat account shall provide either ‘C’ or ‘D’ above**
 - Members/ members holding shares in **NSDL demat account shall provide ‘D’ above**
 - Members/ members holding shares in physical form but have not recorded ‘C’ and ‘D’ shall provide their Folio number in ‘D’ above
- ◆ Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter).
- ◆ Click “confirm” (Your password is now generated).

NOTE: If members are holding shares in demat form and have registered on to e-Voting system of LIPL: <https://instavote.linkintime.co.in>, and/or voted on an earlier event of any company then they can use their existing password to login.

2. Click on ‘Login’ under ‘**SHARE HOLDER**’ tab.
3. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on ‘**Submit**’.
4. After successful login, you will be able to see the notification for e-voting. Select ‘**View**’ icon.
5. E-voting page will appear.
6. Refer the Resolution description and cast your vote by selecting your desired option ‘**Favour / Against**’ (If you wish to view the entire Resolution details, click on the ‘**View Resolution**’ file link).
7. After selecting the desired option i.e. Favour / Against, click on ‘**Submit**’. A confirmation box will be displayed. If you wish to confirm your vote, click on ‘**Yes**’, else to change your vote, click on ‘No’ and accordingly modify your vote.
8. Institutional members (i.e. other than Individuals, HUF, NRI, etc.) and Custodians are required to log on the e-voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as ‘**Custodian / Mutual Fund / Corporate Body**’. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney, etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the ‘**Custodian / Mutual Fund / Corporate Body**’ login for the Scrutinizer to verify the same.

If you have forgotten the password:

- ◆ Click on ‘**Login**’ under ‘**SHARE HOLDER**’ tab and further Click ‘**forgot password?**’
- ◆ Enter **User ID**, select **Mode** and Enter Image Verification (CAPTCHA) Code and Click on ‘**Submit**’.
 - In case members/ members is having valid email address, Password will be sent to his / her registered e-mail address.
 - Members/ members can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above.
 - The password should contain minimum 8 characters, at least one special character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter.
 - It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

NOTICE (CONTD.)

For members/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in the Notice. During the voting period, members/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

Members/ members holding multiple folios/demat account shall choose the voting process separately for each of the folios/demat account.

In case members/ members have any queries regarding e-voting, they may refer the **Frequently Asked Questions ('FAQs')** and **InstaVote e-Voting manual** available at <https://instavote.linkintime.co.in>, under **Help** section or send an email to enotices@linkintime.co.in or contact on: - Tel: 022-49186175.

General Guidelines for members:

- Institutional members (i.e. other than Individuals, HUF, NRI, etc.) and Custodians are required to log on to e-Voting system of LIPL: <https://instavote.linkintime.co.in> and register themselves as 'Custodian/ Mutual Fund/ Corporate Body'.
They are also required to upload a scanned certified true copy of the Board Resolution/ authority letter/ power of attorney, etc. together with attested specimen signature of the duly authorized representative(s) in PDF format in the 'Custodian/ Mutual Fund/ Corporate Body' login for the Scrutinizer to verify the same.
- During the voting period, members can login any number of time till they have voted on the resolution(s) for a particular "Event".
- Members holding multiple folios/ demat account shall choose the voting process separately for each of the folios/ demat account.
- In case the members have any queries or issues regarding e-voting, please refer the **Frequently Asked Questions ("FAQs")** and **Instavote e-Voting manual** available at <https://instavote.linkintime.co.in>, under Help section or write an e-mail to enotices@linkintime.co.in or call on 022-022-49186175..
A copy of this Notice has been placed on the website of the Company and the website of Link Intime India Private Limited.
- The voting period begins on Monday, December 21, 2020 and ends on Wednesday, December 23, 2020. During this period, members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Thursday, December 17, 2020 may cast their vote electronically. The e-voting module shall be disabled by Link Intime India Private Limited for voting thereafter.

22. Process and manner for attending the Annual General Meeting through InstaMeet :

The process and manner in which members may attend the Annual General Meeting through InstaMeet (VC/OAVM) are as under:

1. Members are entitled to attend the Annual General Meeting through VC/OAVM provided by Link Intime by following the below mentioned process. Facility for joining the Annual General Meeting through VC/ OAVM shall open 15 minutes before the time scheduled for the Annual General Meeting and will be available to the members on first come first serve basis;
2. Members are requested to participate on first come first serve basis as participation through VC/OAVM is limited to 1,000 member and will be closed on expiry of 15 (fifteen) minutes from the scheduled time of the Annual General Meeting. Members with > 2% shareholding, Promoters, Institutional Investors, Directors, KMPs, Chairpersons of Audit and Compliance Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Auditors, etc. may be allowed to the AGM without restrictions of first come first serve basis. Members can log in and join 15 (fifteen) minutes prior to the schedule time of the Meeting and window for joining shall be kept open till the expiry of 15 (fifteen) minutes after the schedule time.
3. Members will be provided with InstaMeet facility wherein they shall register their details and attend the Annual General Meeting as under:
 1. Open the internet browser and launch the URL: <https://instameet.linkintime.co.in> :
 - ◆ Select the "**Company**" and '**Event Date**' and register with your following details:
 - A. **Demat Account No. or Folio No:** Enter your 16 digit Demat Account No. or Folio No
 - Members/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID;**
 - Members/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID;**
 - Members/ members holding shares in **physical form shall provide** Folio No. registered with the Company.
 - B. **PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP) / Company shall use the sequence number provided to you, if applicable.
 - C. **Mobile No.:** Enter your mobile number.
 - D. **Email ID:** Enter your email id, as recorded with your DP/Company.
 - ◆ Click "Go to Meeting" (You are now registered for InstaMeet and your attendance is marked for the meeting.

Notes:

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

NOTICE (CONTD.)

3. Please note that Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
4. In case the Members have any queries or issues regarding e-voting, they can write an e-mail to instameet@linkintime.co.in or Call on 022-49186175.

23. Instructions for members to speak during the Annual General Meeting through InstaMeet:

1. Members who would like to express their views or ask questions speak during the meeting may register themselves as a speaker by sending their request mentioning their name, demat account number/ folio number, e-mail id, mobile number at investorcell@hubtown.co.in by Thursday, December 17, 2020 (5:00 p.m. IST).
2. Members will get confirmation on first cum first basis depending upon the provision made by the client.
3. Members will receive “speaking serial number” once they mark attendance for the meeting.
4. Please remember speaking serial number and start your conversation by switching on video mode and audio of your device.
5. Members are requested to speak only when the Scrutinizer of the meeting / Chairman will announce the name and serial number for speaking.
6. Those members who have registered themselves as a speaker will only be allowed to express their views/ ask questions during the Meeting.
7. The Company reserves the right to restrict the number of speakers depending on the availability of time for the Annual General Meeting.

24. Instructions for members to vote during the Annual General Meeting through InstaMeet:

1. Once the electronic voting is activated by the Scrutiniser during the Meeting, the members who have not exercised their vote through the remote e-voting can cast their vote as under:
 - i. On the members VC page, click on the link for e-Voting “Cast your vote”.
 - ii. Enter Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered e-mail Id) received during registration for InstaMeet and click on ‘Submit’.
 - iii. After successful login, you will see “Resolution Description” and against the same the option “Favour/ Against” for voting.
 - iv. Cast your vote by selecting appropriate option i.e. “Favour/Against” as desired. Enter the number of shares (which represents No. of votes) as on the cut-off date under ‘Favour/Against’. You may also choose the option ‘Abstain’ and the shares held will not be counted under ‘Favour/Against’.
 - v. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on “Save”. A confirmation box will be displayed. If you wish to confirm your vote, click on “Confirm”, else to change your vote, click on “Back” and accordingly modify your vote.
 - vi. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Members who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the Meeting. In case the Members have any queries or issues regarding e-voting, you can write an e-mail to instameet@linkintime.co.in or Call on 022-49186175.

25. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer’s Report of the total votes cast in favour or against, if any, for the resolutions to the Chairman or a person authorised by him in writing, who shall countersign the same.
26. The results declared along with the Scrutinizer’s Report shall be placed on the Company’s website www.hubtown.co.in and on the website of Link Intime India Private Limited immediately after declaration of results by the Chairman or person authorized by him in writing. The results would be communicated to BSE Limited/ National Stock Exchange of India Limited and will be placed on their website thereafter. The result will also be displayed on the Notice Board of the Company at its Registered Office.

ANNEXURE TO THE NOTICE

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

As required by Section 102 of the Companies Act, 2013 (the Act), the following explanatory statement sets out all material facts relating to the business mentioned under Item Nos. 3 to 7 of the accompanying Notice.

Item No. 3

The members of the Company had, at the 29th Annual General Meeting held on October 30, 2017, approved the appointment of M/s. M. H. Dalal & Associates, Chartered Accountants, (FRN.: 112449W) as the Statutory Auditors of the Company for a term of five consecutive years till the conclusion of 34th Annual General Meeting. M/s. M. H. Dalal & Associates, Chartered Accountants, have, vide their letter dated July 27, 2020, informed the Board that considering the present COVID – 19 situation, the delay in receipt of their fees from the Company had resulted in undue pressure on deployment of resources for completing the audit assignment, and had, therefore, expressed their inability to continue as Auditors of the Company for the Financial Year 2020-2021 and onwards, resulting in a casual vacancy in the office of the Auditors of the Company.

As per Section 139(8) of the Companies, Act, 2013, a casual vacancy caused by the resignation of the Statutory Auditors shall be filled by the Board within a period of thirty days and such appointment shall also be approved by the members of the Company within three months of the recommendation of the Board.

Accordingly, based on the recommendation of the Audit and Compliance Committee and conformation received from M/s. JBTM & Associates LLP, Chartered Accountants, (FRN : 100369W) on their eligibility, the Board recommends to the members for the appointment of M/s. JBTM & Associates LLP, Chartered Accountants, as the Statutory Auditors of the Company:

- to fill the casual vacancy caused by the resignation of M/s. M. H. Dalal & Associates, Chartered Accountants, and to hold the office of the Statutory Auditors from July 30, 2020 upto the conclusion of this 32nd Annual General Meeting: and
- for a period of five consecutive years, from the conclusion of this 32nd Annual General Meeting till the conclusion of 37th Annual General Meeting of the Company to be held for the year 2025 at such remuneration plus out of pocket expenses and applicable taxes, as may be fixed by the Board.

Disclosure under Regulation 36 (5) of the SEBI Listing Regulations :

M/s. M. H. Dalal & Associates, Chartered Accountants, the erstwhile Auditors of the Company has been paid an audit fee of ₹33 lakh (Rupees Thirty Three lakh) plus taxes and reimbursement of out-of-pocket expenses for conducting the statutory audit of the Company, for the financial year ended March 31, 2020. The audit fee payable to M/s. JBTM & Associates LLP, Chartered Accountants, shall be fixed by the Board of Directors of the Company based on the recommendation of the Audit and Compliance Committee. No material change is expected in the fees payable to M/s. JBTM & Associates LLP, Chartered Accountants, Auditors than that paid to the outgoing Auditor.

The brief profile of the appointee Statutory Auditors is as under:

JBTM & Associates LLP, Chartered Accountants (JBTM) is serving as partners to some of the leading companies for helping them with accounting needs and freeing the management to focus on core business activities. JBTM has partnered with some of the leading software companies for providing accounting needs of its clients.

JBTM provides services in the areas of Audit & Assurance, Taxation, Accounting & Back Office, Corporate Strategy & Advisory and Market & Business Research.

The Company has received the consent letter and eligibility certificate from M/s. JBTM & Associates LLP, Chartered Accountants, to act as Auditors of the Company along with a confirmation that, their appointment, if made, would be within the limits prescribed under the Companies Act, 2013. The said eligibility certificate and consent letter will be available for inspection of the members through electronic mode.

The recommendation of the Audit and Compliance Committee for the appointment of M/s. JBTM & Associates LLP, Chartered Accountants as Statutory Auditors was based on the audit experience of the partners of the audit firm.

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

None of the Directors / Key Managerial Personnel of the Company / their relatives are in any way concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the Notice.

Item Nos. 4 & 5

The Board of Directors in its meeting held on September 15, 2020, on the recommendations of the Nomination and Remuneration Committee, approved the appointment of Mr. Kartik Ruparel (DIN: 08865104) and Mrs. Ketaki R. Shah (DIN: 08865092) as Additional Directors of the Company and also as Independent Directors, for a term of 5 (five) consecutive years from September 15, 2020 to September 14, 2025 not being liable to retire by rotation, subject to the approval of the members in the ensuing Annual General Meeting.

Pursuant to Section 161(1) of the Act and Article 112 of the Company's Articles of Association, each of these Directors shall hold office only up to the date of this Annual General Meeting ('AGM') and are eligible to be appointed as Directors. The Company has, in terms of Section 160(1) of the Act, received in writing notices from member(s), proposing their candidature for the office of Director.

ANNEXURE TO THE NOTICE (CONTD.)

Pursuant to Sections 149 and 152 of the Act read with the Companies (Appointment and Qualification of Directors) Rules, 2014, it is proposed that Mr. Kartik Ruparel and Mrs. Ketaki R. Shah, who meet the criteria of independence as provided in Section 149 (6) of the Act and Regulation 16 (1) (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the SEBI Listing Regulations), be appointed as Independent Directors of the Company, not liable to retire by rotation, to hold office for a term of 5 (five) consecutive years from the date of his / her appointment i.e. commencing from September 15, 2020 to September 14, 2025.

Mr. Kartik Ruparel and Mrs. Ketaki R. Shah are not disqualified from being appointed as Director by virtue of the provisions of Section 164 of the Act.

Each of these Directors have further provided a declaration pursuant to Rule 6 (1) and 6 (2) of the Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2019, affirming that they have successfully registered themselves with the Indian Institute of Corporate Affairs (IICA), Manesar, for inclusion of their name in the Independent Directors' data bank and that they shall renew their application for the same, from time to time, till they continue to hold office as Independent Director of the Company.

The Company has received from Mr. Kartik Ruparel and Mrs. Ketaki R. Shah :

- i. consent to as act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment and Qualification of Directors) Rules, 2014;
- ii. intimation in Form DIR-8 in terms of the Companies (Appointment and Qualification of Directors) Rules, 2014, to the effect that he / she is not disqualified under sub-section (2) of Section 164 of the Act, confirming his / her eligibility for such appointment; and
- iii. a declaration to the effect that he / she meets the criteria of independence as provided in sub-section (6) of Section 149 of the Act and the Rules framed thereunder and Regulation 16 (1) (b) of the SEBI Listing Regulations.

In terms of Regulation 25 (8) of the SEBI Listing Regulations, Mr. Kartik Ruparel and Mrs. Ketaki R. Shah each have confirmed that he / she is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his / her ability to discharge his / her duties.

In the opinion of the Board, Mr. Kartik Ruparel and Mrs. Ketaki R. Shah fulfill the conditions specified in the Act and the Rules made thereunder and the SEBI Listing Regulations for his / her appointment as Independent Directors of the Company and are independent of the management of the Company.

Having regard to the qualification, knowledge and experience, the appointment of Mr. Kartik Ruparel and Mrs. Ketaki R. Shah for the first term of five consecutive years as Independent Directors will be beneficial and in the interest of the Company.

A copy each of the draft letter of appointment for Independent Directors setting out the terms and conditions would be available for electronic inspection by the members during normal business hours on any working day (except Saturdays) and during the AGM.

Brief resume of Mr. Kartik Ruparel and Mrs. Ketaki R. Shah, nature of his / her expertise in specific functional areas, names of companies in which he she holds directorships and memberships/ chairmanships of Committee of the Board, etc. as stipulated under Regulation 36 (3) of the SEBI Listing Regulations and Secretarial Standards – SS 2 on General Meetings is provided in **Annexure – I** to this Notice.

Mr. Kartik Ruparel and Mrs. Ketaki R. Shah are neither related to each other nor related to any Director or Key Managerial Personnel of the Company.

The Board considers that the continued association of Mr. Kartik Ruparel and Mrs. Ketaki R. Shah would be of immense benefit to the Company and it is desirable to continue to avail the services of Mr. Ruparel and Mrs. Shah as Independent Directors.

Accordingly, the Board after satisfying itself about the independence of Mr. Kartik Ruparel and Mrs. Ketaki R. Shah in accordance with Section 149 (6) of the Act and the SEBI Listing Regulations, recommends the resolutions set forth at Item Nos. 4 & 5 in relation to the appointment of Mr. Kartik Ruparel and Mrs. Ketaki R. Shah respectively as Independent Directors, for approval by the members.

Mr. Kartik Ruparel, and Mrs. Ketaki R. Shah and their respective relatives, are concerned or interested, in the resolutions relating to their own appointment. None of the other Directors or Key Managerial Personnel and their respective relatives are, in any way, concerned or interested, in the resolutions set out at Item Nos. 4 and 5 of the accompanying Notice.

This Explanatory Statement together with the accompanying Notice of the AGM may also be regarded as a disclosure under Regulation 36 (3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings (SS-2) of ICSI.

Item No. 6

The Board of Directors of the Company, based on the recommendation of the Audit and Compliance Committee, has approved the appointment of M/s. D. C. Dave & Co., Cost Accountants (FRN: 000611) as Cost Auditor for auditing the cost records of the Company for the financial year 2020-2021 on a remuneration of ₹ 5,00,000/- (Rupees Five Lakh only) plus applicable tax and reimbursement of out-of-pocket expenses.

The Company has received the consent letter and eligibility certificate from M/s. D. C. Dave & Co., Cost Accountants, to act as Cost Auditors of the Company for the year ending March 31, 2021 along with a confirmation that, their appointment, if made, would be within the limits prescribed under the Companies Act, 2013. The said eligibility certificate and consent letter will be available for inspection of the members through electronic mode.

ANNEXURE TO THE NOTICE (CONTD.)

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration recommended by the Audit and Compliance Committee for the Cost Auditor and approved by the Board of Directors is required to be ratified by the members of the Company. Accordingly, ratification by the members is sought, as referred to in the resolution at Item No. 6 of the accompanying Notice, for the payment of the remuneration amounting to ₹ 5,00,000/- (Rupees Five Lakh only) for cost audit plus applicable taxes and out-of-pocket expenses to the Cost Auditor for the Financial Year ending March 31, 2021.

The Board recommends the resolution at Item No. 6 of the accompanying Notice for the approval of the members.

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

Item No. 7

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

Keeping in view the aforesaid legal provisions, the members of the Company had at the 31st Annual General Meeting of the Company held on September 25, 2019, authorised the Board of Directors of the Company to offer or invite subscription for non-convertible debentures, in one or more series / tranches, aggregating upto ₹ 5,000/- crore (Rupees Five Thousand Crore only) on private placement basis. The members may note that the Company has not made any private placement of non-convertible debentures pursuant to the said authorization during the Financial Year ended March 31, 2020.

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

Accordingly, the consent of the members is sought for passing the special resolution as set out at Item No. 7 of the accompanying Notice. This resolution is an enabling resolution authorizing the Board of Directors of the Company to offer or invite for subscription to non-convertible debentures on a private placement basis, as may be required by the Company, from time to time upto an aggregate amount not exceeding ₹ 5,000/- crore for a period of one year from the date of passing of this resolution.

The Directors recommend the special resolution at Item No. 7 of the accompanying Notice for your approval.

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

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

Sadanand Lad
Company Secretary
Membership No. : A19899

September 15, 2020
Mumbai

ANNEXURE TO THE NOTICE (CONTD.)

ANNEXURE - I

DETAILS OF DIRECTORS SEEKING REAPPOINTMENT IN THE ENSUING ANNUAL GENERAL MEETING PURSUANT TO REGULATION 36 (3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 READ WITH CLAUSE 1.2.5 OF SECRETARIAL STANDARD SS- 2 ON GENERAL MEETINGS

	Name of the Directors		
	Mr. Vyomesh M. Shah	Mr. Kartik Ruparel	Mrs. Ketaki R. Shah
DIN	00009596	08865104	08865092
Date of Birth	November 15, 1959	October 3, 1988	August 18, 1960
Age	61 years	32 years	60 years
Qualification	Commerce Graduate and Chartered Accountant	Commerce Graduate	Commerce Graduate
Date of first appointment	February 16, 1989	September 15, 2020	September 15, 2020
No. of shares held	75,40,000 equity shares	Nil	Nil
Expertise in specific functional areas.	Over 30 years of experience and expertise in the field of real estate development, project planning, finance, business strategy and management.	Over 7 years of experience of business development, management & administration, and strategic planning in family business.	Over 10 years of experience of business development, management & administration, in family business.
Terms and conditions of appointment / reappointment	Appointed for a term of 5 (five) years from January 1, 2017 to December 31, 2021. Liable to retire by rotation.	Appointed as Independent Director for a term of 5 (five) consecutive years from September 15, 2020 to September 14, 2025. Not liable to retire by rotation. Entitled to payment of sitting fees for attending meetings of the Board / Committees of which he is a member and commission as may be decided by the Board.	Appointed as Independent Director for a term of 5 (five) consecutive years from September 15, 2020 to September 14, 2025. Not liable to retire by rotation. Entitled to payment of sitting fees for attending meetings of the Board / Committees of which she is a member and commission as may be decided by the Board.
Remuneration last drawn	Please refer MGT-9, forming part of the Annual Report 2019-2020.	Nil	Nil
No. of Board meetings attended during the year	8 (eight)	N.A.	N.A.
Relationship with other Directors, Manager and Key Managerial Personnel	Related to Mr. Hemant M. Shah, Executive Chairman of the Company	None	None
Directorships held in other companies	Joyous Housing Limited	N.A.	N.A.
Membership/Chairmanship of committees of the Company	Member of Audit and Compliance Committee, Corporate Social Responsibility Committee, Risk Management Committee and Committee of Directors	Member of Audit and Compliance Committee	N.A.
Membership/Chairmanship of committees of other companies	None	None	None

DIRECTORS' REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS

To
The Members,

Your Directors have pleasure in presenting their Thirty-second Annual Report and the Audited Financial Statements (Standalone and Consolidated) for the Financial Year ended March 31, 2020 together with the Independent Auditors' Reports thereon.

1. FINANCIAL RESULTS :

The standalone and consolidated financial highlights of your Company for the financial year ended March 31, 2020 are summarized below:

(₹ in lakh)

	STANDALONE		CONSOLIDATED	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Income from Operations	25221	41716	27273	47078
Total Income	28836	49029	31118	54888
Total Expenses	32691	48733	34024	54919
Profit / (Loss) before Tax	(3855)	296	(2906)	(31)
Profit / (Loss) for the year	(5947)	(709)	(6062)	(1551)
Add : Other Comprehensive Income	60	31	70	37
Total Comprehensive Income (Loss) for the year	(5887)	(678)	(5992)	(1514)
Net Profit / (Loss) attributable to :				
— Owners of the Parent	—	—	(6074)	(1504)
— Non-controlling Interest	—	—	12	(47)
Other Comprehensive Income attributable to :				
— Owners of the Parent	—	—	70	37
— Non-controlling Interest	—	—	—	—
Total Comprehensive Income attributable to :				
— Owners of the Parent	—	—	(6004)	(1467)
— Non-controlling Interest	—	—	12	(47)
Networth	167544	173431	155425	162416
Earnings per Share before Extraordinary Item (₹) (EPS)	(8.18)	(0.98)	(8.35)	(2.07)
Earnings per Share after Extraordinary Item (₹) (EPS)	(8.18)	(0.98)	(8.35)	(2.07)

2. FINANCIAL PERFORMANCE :

Standalone and Consolidated Financials

Standalone Financials

- Income from operations stood at ₹ 25221 lakh as against ₹ 41716 lakh in the previous year lower by 39.54% ;
- Total Income stood at ₹28836 lakh, lower by 41.19% as against ₹ 49029 lakh in the previous year;
- Total Expenses stood at ₹ 32691 lakh as against ₹ 48733 lakh in the previous year ;
- Profit/(Loss) before Tax was ₹ (3855) lakh as against profit of ₹ 296 lakh in the previous year;
- (Loss) for the year was ₹ (5947) lakh as against loss of ₹ (709) lakh in the previous year;
- Earning per Share before and after Extraordinary Item was ₹(8.18) as against ₹(0.98) in the previous year; and
- Networth of the Company stood at ₹167544 lakh as against ₹173431 lakh in the previous year.

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

Consolidated Financials:

- Income from operations stood at ₹ 27273 lakh as against ₹ 47078 lakh in the previous year lower by 42.07%;
- Total income stood at ₹ 31118 lakh as against ₹ 54888 lakh in the previous year lower by 43.31% ;
- Total Expenses stood at ₹ 34024 lakh as against ₹ 54919 lakh in the previous year;
- Loss before Tax was ₹ (2906) lakh as against loss of ₹ (31) lakh in the previous year;
- Loss after Tax and Other Items was ₹ (6062) lakh as against loss of ₹ (1551) lakh in the previous year;
- Earning per Share before and after Extraordinary Item was ₹ (8.35) as against ₹ (2.07) Lakh in the previous year ; and
- Networth of the Company stood at ₹ 155425 lakh as against ₹ 162416 lakh in the previous year.

3. IMPACT OF COVID – 19 :

COVID-19 had a significant impact on the real estate sector during the last quarter of F. Y. 2019-2020 and the first three months of the current fiscal when a nation wide lockdown was announced on March 24, 2020 which was subsequently extended three times. Due to several restrictions put in place by the Central and State Governments during lockdown, all construction activity including office routine came to a standstill. Currently, with entire labour force having migrated to their villages due to COVID – 19, there is likely to be severe shortage of unskilled and skilled labour once the pace of construction activity picks up, which will have a spiraling effect on the real estate projects which are at various stages of construction.

Due to outbreak of COVID-19 globally and in India, the Company's management has made initial assessment of likely adverse impact on business and financial risks, and believes that the impact is presently not completely ascertainable and the same will depend on how quickly the global economy recovers. The outbreak of Covid-19 pandemic is expected to adversely impact the performance of the real estate sector performance in the first half of F.Y. 2020-2021. However, the management does not see any medium to long term risks in the Company's ability to continue as a going concern.

4. DIVIDEND:

In view of the loss incurred, the Directors have not recommended any dividend on the equity shares for the Financial Year ended March 31, 2020.

5. DIVIDEND DISTRIBUTION POLICY :

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

6. TRANSFER TO RESERVES:

No amount is proposed to be transferred to Reserves during the Financial Year 2019-2020.

7. TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND:

Pursuant to the provisions of Section 124 of the Companies Act, 2013, the unclaimed dividend amount of ₹ 56,059/- for the Financial Year 2011-2012 was transferred to the Investor Education and Protection Fund (IEPF) after giving due notices to the members.

During the Financial Year 2020-2021, the dividend declared by the Company for the Financial Year 2012-2013 remaining unclaimed in terms of Section 124 of the Companies Act, 2013 will be transferred to IEPF.

8. SHARE CAPITAL:

The paid-up equity share capital of the Company as on March 31, 2020 was ₹ 7273.59 lakh. During the year under review, the Company had not issued any shares with differential rights or sweat equity shares. Presently, the Company does not have any stock option scheme for its employees.

9. DEBENTURES:

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

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

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

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

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

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

12. DETAILS OF DEMAT SUSPENSE ACCOUNT :

Pursuant to Regulation 34 (9) read with Schedule VI to SEBI Listing Regulations, the Company has opened a separate demat suspense account in the name and style of "Hubtown Limited – Unclaimed Shares Suspense Account" and credited the shares of the Company which are remaining unclaimed by the shareholders under the Initial Public Offering (IPO). The details of such unclaimed shares as on March 31, 2020 are set out hereunder :

Sr. No.	Particulars	No. of shareholders	No. of shares
1.	Aggregate no. of shareholders and the outstanding shares in the aforesaid suspense account lying at the beginning of the year i.e. April 1, 2019	20	270
2.	No. of shareholders who approached for transfer of shares from the said account during the year 2019-2020	Nil	Nil
3.	No. of shareholders to whom the shares were transferred from the said account during the year 2019-2020	Nil	Nil
4.	Aggregate no. of shareholders and the outstanding shares in the aforesaid suspense account lying at the end of the year i.e. March 31, 2020	20	270

The voting rights on the outstanding unclaimed shares as on March 31, 2020 shall remain frozen as long as the shares remain in the Suspense Account till the rightful owner of such shares claims the shares by submission of the requisite documentary proof of their identity to the Company's Registrar and Transfer Agent, M/s. Link Intime India Private Limited.

13. CHANGE IN THE NATURE OF BUSINESS:

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

14. BUSINESS OVERVIEW:

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

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

OVERVIEW OF THE COMPANY'S PROJECTS

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

Residential:

Projects Completed:

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

Ongoing Projects:

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

Future Projects

Hubtown Divinity – Thane ; Hubtown Square – Thane;

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

Commercial:

Ongoing Projects

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

IT SEZ and Township:

Ongoing

Sunstream City Phase – I - Mulund-Thane

15. MANAGEMENT DISCUSSION AND ANALYSIS :

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

GLOBAL ECONOMY OVERVIEW :

The Coronavirus (COVID-19) pandemic, is now a truly global phenomenon with more than a third of the world's population living under some sort of lockdown/quarantine. Globally, the outbreak of COVID19 has disrupted people's lives, interrupted businesses and jeopardized decades of development progress.

The level of uncertainty in the economy is currently at an all-time high and the trajectory of the recovery is difficult to forecast. Although there has been no cohesive global policy response, individual countries have taken major steps to try to cushion their people and economies through this difficult period.

Amid countries applying extreme measures to contain the Coronavirus outbreak, businesses have come to a grinding halt across the world, forcing monetary agencies to slash growth forecasts for the global economy. This would be the deepest global recession since World War II, and almost three times as steep as the 2009 global recession. The World Economic Outlook has estimated global growth to decline by 5.2% in 2020 before recovering by 4.2% in 2021.

INDIAN ECONOMY OVERVIEW :

On March 25, 2020, India initiated the largest lockdown in the world, restricting 1.3 billion people. This was further extended three times in order to break the chain of transmission of corona virus and contain the COVID-19 pandemic. The COVID-19 has been at the centre of the loss of lives and livelihood on a massive scale in India. Economic activities across India have taken a hit due to the ongoing COVID-19 pandemic. Businesses and industries have remained shuttered for over three months now amid the ongoing nationwide lockdown. Even as restrictions have been eased across some parts of the country, especially with respect to domestic travel and business operations, states with a higher case burden are struggling to deal with the crisis.

The Indian economy registered a sharp fall with GDP growth for FY2020 at an 11 year low of 4.2% lower than the government projection of 5% in both, first and second advance estimates. According to Asian Development Bank, India's GDP growth is projected to contract by 4.0% in FY 2021 before recovering sharply to 6.2% in FY 2022, on the assumption of recovery from the pandemic in the second half of 2020. However, a prolonged COVID-19 pandemic that would push the global economy into a deep recession, would further slow the growth of the Indian economy.

With the present lockdown scenario in India, consumption and investments are expected to be severely impacted in the first quarter of FY2021.

REAL ESTATE SECTOR OVERVIEW:

Indian real estate sector, which was already struggling to re-emerge from the past turbulence of structural changes brought in by demonetization, RERA, GST, IBC, and subvention scheme ban, policy reforms, and the liquidity crisis, is now set to witness another major fallout arising out of the COVID-19 pandemic.

The real sector has come to a standstill from the start of the lockdown, and is not expected to fully operationalize for another 3 quarters. As evident, project sites are shut or working at minimal capacity and construction activity has virtually stopped; Site visits from customers have also virtually stopped - immediately impacting sales and cash inflows. Also, new project launches have been deferred for an unknown period.

According to JLL India report, total institutional investments in financial year 2019-2020 witnessed a decrease of 13% at \$4.26 billion - the lowest in four years. The decline was influenced by several events, including the COVID-19 outbreak and several high-profile issues in the domestic banking and finance sectors in late 2019 and early 2020.

According to KMPG report titled "COVID-19: React, adapt and recover - The new reality", India's real estate sector is estimated to face losses of as much as ₹1 Lakh Crore by the end of the current financial year (2020-21) due to the the COVID-19 pandemic. The pandemic will dampen real estate activity in the next 6-12 months and things are likely to change only after 18-24 months.

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

NBFC AND BANKING CRISIS :

Banks in India has reduced lending since the Global Financial Crisis started in the year 2008. The developers in India then started to depend more on NBFCs for their fund requirements. But in September 2018, IL&FS, a core investment company with institutional shareholders across the world, defaulted on its debt, of which major portion of amount was owed to public sector banks. The knock-on effect triggered a series of defaults, exposing hundreds of investors, banks and mutual funds associated with IL&FS.

Other firms, including Dewan Housing Finance Corporation Ltd. (DHFL), Indiabulls Housing Finance Ltd defaulted on their loans like IL&FS to various banks and institutions, further added to the pain of developers.

A government crackdown on banking-sector malpractice, combined with growing credit risk among developers, has seen banks pull the plug on real estate lending. With the nonbank financial sector in similarly dire straits, developers now have nowhere to turn for finance.

SEGMENT WISE PERFORMANCE :

Residential :

The unprecedented crisis put across by the current COVID-19 pandemic has certainly impacted the Indian residential real estate significantly. The sector had already been grappling with subdued demand for a long time and the liquidity crisis in 2019 and COVID-19 has made things more difficult for the sector. According to Knight Frank report, the total sale volume in top eight cities of India increased by 1 percent in 2019 to around 2,45,800 units as the sector was impacted by prolonged crisis in the NBFC sector. Housing demand has moved to user segment, and there are virtually no investors in the residential space. Investor participation in the overall demand has fallen to as low as 5-10 per cent.

The residential market's revival hinges on the intensity, duration of a pandemic, government support and concessions. To boost home-buyer sentiment, RBI announced consecutive rate cuts, and the government announced reduction of GST rates to 1% for affordable housing and 5% for others and the setting up of an Alternative Investment Fund (AIF), but these measures had little impact on the sales for the sector.

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

Commercial :

Commercial real estate, like residential real estate, is also not immune to the Covid-19 fallout. Corporate occupiers are seen delaying their purchase or leasing decisions. Various MNC and businesses are testing the waters of the work-from-home option. If proved successful/permanent, it could impact leasing activities in the future. The impact of COVID-19 in the form of shutdown of retail outlets and malls as also entertainment and fitness centers has put commercial real estate deals on a wait-and-watch mode.

According to ANAROCK Research, the magnitude of the current slowdown on office segment is tough to predict, as the world, particularly the First World, is still reeling under the impact of the virus. Considering the present scenario and assessment of past global crises in the last decade, it is estimated that supply and net absorption will be significantly lower in 2020.

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

Retail :

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

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

OPPORTUNITIES AND THREATS :

Opportunities :

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

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

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

1) Increase in demand from NRIs :

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

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

Also demand of NRI as investors has increased as the investment opportunities in USA and Europe have fallen due to the severity of the pandemic. Moreover, with the rupee plummeting against dollar, recent stock market volatility and reports of recession hitting market has brought a renewed interest among NRIs to invest in the Indian real estate assets for long-term, especially in the prime locations. All this has led to NRIs having more disposable money to realize investments in Indian markets.

2) Increase in demand for Affordable Housing :

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

The Government of India has been pushing for the affordable housing segment. Great emphasis has been laid on the affordable housing segment as around 1.5 Crore affordable homes have been built in the last five years under the Pradhan Mantri Awas Yojna (PMAY) and 1.95 crore are being further built as part of Phase-II.

The demand for affordable housing is expected to increase further in the near future owing to subsidies provided by government to promote affordable housing. In Budget 2020, the government announced several measures to boost affordable housing. Additional deduction of up to ₹ 1.5 Lakh for interest paid on housing loans borrowed for purchase of affordable homes, extended upto March 31, 2021.

The Government of India has announced an Alternative Investment Fund (AIF) of ₹ 25,000 for the stalled Affordable and Middle Income houses which will benefit the affordable housing sector. Further, the Public Private Partnership (PPP) model introduced by the government for affordable homes has also provided a boost to the affordable housing market.

Expecting delays in project completion and extending support to the builder community, the government has announced that developers could get project deadlines extended by six months through the RERA citing the force majeure clause.

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

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

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

4) Value for open spaces and gated communities :

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

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

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

5) Digitalization:

Most real estate businesses are currently highly dependent on physical visits, face-to-face discussions and transactions. COVID-19 lockdown has accelerated technology-led home buying in India. In order to avoid physical contact and reduce the risks of contagion, a lot of focus will be placed on technology including product display, discussions, comparison and transactions. This will allow the real estate professionals to develop a fast and transparent process by helping the clients with maximum information and visualization and establishing a greater connect with the client.

Virtual site visits, property selection, negotiation and purchase process can now be done digitally. Real estate will see new trends in the real estate market due to COVID-19 such as enhanced adoption of online portals, shift from brick and mortar to click and tap, adoption of remote-working technology with more emphasis on robotics and unmanned vehicles, etc.

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

THREATS AND CHALLENGES :

Threats :

- 1) **Delay in Finishing the Projects:** The Company is majorly dealing with SRA including 3 projects in Andheri, 3 in Bandra, 1 in Sion and 1 in Worli (all in Mumbai). Vacating the land for construction and getting the required approvals are cumbersome and time consuming procedures and require heavy investment in working capital. Due to the ongoing COVID-19 pandemic, The demolition of the slum tenements is long legal road, which has delayed vacating of the plots for construction. Furthermore, due to the ongoing issues in the real estate industry, financing is not available easily for SRA projects, which has resulted in further delays in construction and finishing of the projects.
- 2) **Shortage of Labour:** Due to Pandemic and continuous lockdown, migrant labour staying in the city of Mumbai have moved back to their native place. There is an acute labour shortage being faced by the entire industry right now, which is expected to remain throughout the duration of the pandemic. This will result into further delay in finishing the project.
- 3) **Delay in Revenue Generation and Cash Inflows:** The working or self-employed customers are facing pay-cuts and falling disposable incomes due to the COVID-19 pandemic.. There has been a marked rise in the number of customers delaying due payment / installments has affected the budgeted cash inflows of the company and may ultimately result in delayed completion of the projects. Furthermore, your Company expects a small number of cancellations of bookings made especially in under construction projects due to the delays and customers' inability to make the scheduled payments. Your Company also expects that new bookings and new revenue generation will be slow this year as potential customers will not be as willing to visit sites, customers' loan eligibility may be impacted and customers will also be expecting substantial discounts on current prices.
- 4) **Increased Costs:** Due to shortage of labour in Mumbai, your Company expects that labour prices will continue to remain high for the next 6 months, which will impact profitability of the Company. Your Company also expects that the Company shall be able to get financing facilities at higher rates, given the crisis in the NBFC and Banking sector and the overall reduction in real estate by the major lenders in this space.

RISKS AND CONCERNS :

Real Estate Specific Risks :

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

Concerns :

- Stalled Projects : Stalled housing projects continue to be stumbling blocks in the growth of the residential real estate sector, especially with buyer staying away from risky under-construction projects, thus depriving them of realizing the full benefits of the government's interest subsidy scheme under Pradhan Mantri Awas Yojna.
- Liquidity Crunch : The ongoing NBFC crisis post IL&FS default has made things even more difficult for the developer community.
- High Cost of Capital : In the absence of bank finance the developers had been resorting to PE funding to finance land purchases. This financing route increases the cost of capital drastically.

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

- Scarcity of Land : The non-availability of land within city limits along with rising land and construction cost is leading to an increase in the overall cost of the project, thus making the projects unviable.
- Complex Approval Process : The lengthy and complex approval process leads to a long gestation period which eventually results on project cost escalation by 20 to 30 percent.
- Restrictive development norms : Low floor area ratio, density norms, ground coverage, parking provision also pose a challenge for the real estate.
- High Cost of emerging technology absorption

OUTLOOK :

The COVID-19 pandemic has undoubtedly changed the way people live and work for the foreseeable future, and new trends will emerge that will become part of our 'new normal'. While the traditional segments of residential and commercial real estate are sure to be struggling for the next 6-9 months, new trends and opportunities are already starting to take shape as governments, businesses and communities begin to adjust to the post pandemic environment. But equally, there will be other consequences to the pandemic that will surprise us and that are not yet possible to predict.

Social distancing, health and hygiene shall become an important part of people's life. There will be noticeable and a positive shift in trends from renting to buying. People living in a rented accommodation in a non-gated community have realized the importance of open space, health, hygiene and well-ventilated homes during lockdown.

Real estate developers will have to evolve newer products including opportunity to make smart homes with office / study rooms with provisions to install all essential gadgets, good lighting, sound proof the room which shall be isolated from other rooms by providing separate entry and exit. Furthermore, there shall also be certain newer trends which Developers shall have to adopt including innovative and newer land uses like data centres, warehousing, etc, which will be geared towards the future and faster growth industries.

There will also be consolidation in the real estate industry as smaller players grapple to deal with the liquidity crisis and increasing competition from larger organized players.

The demand shall further rise for ready to move in units and the units nearing possession (1 yr.) as new launches likely to be deferred by another six months, and due to high level of uncertainty around under construction units.

HUMAN RESOURCES:

The Company recognizes that its people are the key to the success of the organization and in meeting its business objectives. The Human Resources function endeavors to create a congenial work environment and synchronizes the working of all the departments of the organization to accomplish their respective objectives, which in turn helps the Company to build and achieve its goals and strategies. Employee relations during the year remained cordial. The Company had 296 employees on its payroll as on March 31, 2020.

INTERNAL CONTROL SYSTEMS

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

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

DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS :

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

Sr. No.	Particulars of Ratio	Ratio 2019-20	Ratio 2018-19	Percentage Change
i	Debtor Turnover Ratio	0.28	1.17	76.07 %
ii	Inventory Turnover Ratio	0.02	0.38	94.74 %
iii	Interest Coverage Ratio	0.72	1.03	(30.10) %
iv	Current Ratio	0.97	1.03	(5.83) %
v	Debt Equity Ratio	0.39	0.43	(9.30) %
vi	Operating Profit Margin	1.75 %	0.30 %	483.33 %
vii	Net Profit Margin	(23.28) %	(1.71) %	(1261.40) %
viii	Return on Networth	(3.69) %	(0.41) %	(800) %

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

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

1. Debtor Turnover Ratio : During the year, one of the joint venture entity in which the Company was a Co-venturer was dissolved resulting in substantial decline in receivables thereby resulting in improved Debtors Turnover Ratio.
2. Inventory Turnover Ratio: Sale of Finished properties recognized as per IND AS 115 "Revenue from Contracts with Customers". decreased as compared to previous year whereas inventory increased.
3. Interest Coverage Ratio : The interest coverage ratio has decreased due to lower EBITDA on account of lower sales realization during the year under review.
4. Operating Profit Margin : The increase in operating profit margin is due to higher operating profit during the year under review.
5. Net Profit Margin : Net Profit Margin has further declined due to lower Profit After Tax (PAT) on account of decrease in Revenue recognized as per the IND AS 115 "Revenue from Contracts with Customers" as compared to previous year.
6. Return on Networth : Return on Networth has further declined due to lower Profit After Tax on account of lower sales realization.

16. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Directors:

Mr. Mahesh A Kuvadia, Independent Director stepped down from the Board of Directors of the Company owing to his other commitments, with effect from March 04, 2020. The Board places on record its sincere appreciation for the invaluable contribution by Mr. Mahesh A. Kuvadia to the deliberations of the meetings of the Board and of the Committee of the Board of which he was a member during his tenure as Director of the Company.

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

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

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

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

Key Managerial Personnel :

Mr. Chetan S. Mody demitted office as Company Secretary of the Company at the close of business hours on April 5, 2019, after serving his notice period.

Mr. Nimesh Shah who was appointed as Company Secretary and Compliance Officer of the Company with effect from April 15, 2019 resigned with effect from close of office hours on June 6, 2019.

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

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

Mrs. Nancy Pereira resigned as Chief Financial Officer of the Company with effect from close of office hours on July 5, 2019 for taking up another assignment within the organization.

The Board of Directors on recommendation of Nomination and Remuneration Committee appointed Mr. Sunil Mago as Chief Financial Officer (KMP) of the Company under Section 203 of the Companies Act, 2013 with effect from July 5, 2019.

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

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

17. DECLARATION BY INDEPENDENT DIRECTORS:

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

18. FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS :

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

The details of familiarization programme for Independent Directors held during and upto the year 2019-2020 have been disclosed on the website of the Company and is available at the link <http://hubtown.co.in/investors>.

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

During the year under review, neither the Executive Chairman nor the Managing Director was in receipt of any remuneration/commission from any of the subsidiary companies of the Company. The Company has no holding company.

20. MEETINGS OF THE BOARD OF DIRECTORS :

The Board of Directors met 8 (eight) times during the year ended March 31, 2020 in accordance with the provisions of the Companies Act, 2013 and the Rules made thereunder and Regulation 17 (2) of the SEBI Listing Regulations. Additionally, during the year ended March 31, 2020, the Independent Directors held a separate meeting in compliance with the requirements of Schedule IV to the Companies Act, 2013. For further details, kindly refer to the section on 'Corporate Governance Report' forming part of this Annual Report.

21. COMMITTEES OF THE BOARD:

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

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

During the year under review, the Audit and Compliance Committee was reconstituted by appointment of Mr. Mahesh A. Kuvadia, Independent Director, as a member of the Committee.

Details of the aforesaid Committees including their composition, terms of reference and meetings held during the year under review, are provided in the section on 'Corporate Governance Report', which forms part of this Annual Report.

22. AUDIT AND COMPLIANCE COMMITTEE :

Presently, the Audit and Compliance Committee comprises of Mr. Abhijit Datta, Mr. Sunil Shah and Mr. Vyomesh M. Shah. Mr. Mahesh A. Kuvadia who was appointed as a member of the Committee during the year under review, ceased to be a member of the Audit and Compliance Committee consequent his resignation from the Board of Directors of the Company with effect from March 4, 2020. The Committee comprises of majority of Independent Directors with Mr. Datta being the Chairman. Kindly refer to the section on 'Corporate Governance Report' under the heading 'Audit and Compliance Committee' for details relating to terms of reference, meetings and functions of the said Committee.

23. AUDIT AND COMPLIANCE COMMITTEE RECOMMENDATIONS :

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

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

24. INTERNAL FINANCIAL CONTROLS:

The Company has in place an adequate system of internal controls commensurate with the size and nature of its business, which ensures that transactions are recorded, authorized and reported correctly apart from safeguarding its assets against loss from wastage, unauthorized use and removal. Significant audit observations and follow-up action thereon are reported to the Audit and Compliance Committee.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the Internal, Statutory and Secretarial Auditors and the reviews performed by the Management, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the Financial Year 2019-2020.

25. ANNUAL PERFORMANCE EVALUATION:

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

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

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

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

26. NOMINATION AND REMUNERATION POLICY:

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

27. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to sub-section (3) (c) of Sections 134 (3) (c) and 134 (5) of the Companies Act, 2013, in relation to the annual financial statements of the Company for the year ended March 31, 2020, the Directors of your Company, to the best of their knowledge and belief and on the basis of the information and explanations received by them, hereby state and confirm that:

- (i) in the preparation of the Annual Accounts for the year ended March 31, 2020, the applicable accounting standards read with the requirements under Schedule III to the said Act had been followed along with proper explanation relating to material departures, if any;
- (ii) they had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year on 31st March, 2020, and of the Loss of the Company for the year ended on that date;
- (iii) they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) the annual accounts for the financial year ended March 31, 2020 had been prepared on a 'going concern' basis;
- (v) they had laid down internal financial controls to be followed by the Company and that such internal financial controls were adequate and were operating effectively; and
- (vi) they had devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

28. CONSOLIDATED FINANCIAL STATEMENTS

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

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

29. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES:

As on March 31, 2020, the Company had 13 subsidiaries, 4 associates and 8 joint venture companies. Applications have been made during the Financial Year 2018-2019 to the Registrar of Companies, Maharashtra (ROC) for striking off the names of two wholly owned subsidiaries namely ABP Realty Advisors Private Limited and India Development and Venture Capital Private Limited from the Register of Companies maintained by the Registrar of Companies, pursuant to Section 248 (2) of the Companies Act, 2013. The applications have not been disposed off as yet by the ROC.

Further, during the year under review, the following subsidiaries namely:

(i) Citygold Farming Private Limited; (ii) Devkrupa Build Tech Limited; (iii) Halitious Developer Limited; (iv) Headland Farming Private Limited; (v) Heddle Knowledge Private Limited; (vi) Upvan Lake Resorts Private Limited; and (vii) Urvi Build Tech Limited have been amalgamated with another subsidiary namely Citygold Education Research Limited.

The Company did not have any material subsidiary company as on March 31, 2020. There has been no change in the nature of business of any of the said subsidiaries, associates and joint venture companies.

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

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

The Company will make available the financial statements of its subsidiaries, joint venture companies and associates (collectively referred to as 'Subsidiaries') and the related information to any member of the Company who may be interested in obtaining the same. The financial statements of the Subsidiaries will also be available for inspection through electronic mode between 11.00 a.m. and 1.00 p.m. on all working days upto the date of the Annual General Meeting.

During the financial year ended March 31, 2020, the Company did not have any material subsidiary, and, therefore, the provisions of Regulation 24 (1) of the SEBI Listing Regulations were not applicable to the Company.

Additional information as required under Schedule III to the Companies Act, 2013 in respect of entities consolidated as subsidiaries/associates/ jointly controlled entities is furnished in Note 3.1 to the consolidated financial statements.

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

The statement pursuant to Section 129 (3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, containing the salient features of the performance and the financial statements of the subsidiaries, associates and joint venture companies for the financial year ended March 31, 2020 in the prescribed **Form AOC 1** forms part of the notes to the financial statements.

31. AUDITORS :

STATUTORY AUDITORS :

In accordance with the provisions of Section 139 of the Companies, Act, 2013 and the Rules made thereunder, M/s. M. H. Dalal & Associates, Chartered Accountants (Firm registration No.: 112449W) were appointed as the Statutory Auditors of the Company at the Twenty-Ninth Annual General Meeting held on October 30, 2017 for a term of five consecutive years till the conclusion of the Thirty-Fourth Annual General Meeting. However, M/s. M. H. Dalal & Associates, Chartered Accountants, have, vide their letter dated July 27, 2020, informed the Board that considering the present COVID - 19 situation, the delay in receipt of their fees from the Company had resulted in undue pressure on deployment of resources for completing the audit assignment, and had, therefore, expressed their inability to continue as Auditors of the Company for the Financial Year 2020-2021 and onwards, resulting in a casual vacancy in the office of the Auditors of the Company.

In accordance with aforesaid provisions of the said Act, the Board has recommended to the members for the appointment of M/s. JBTM & Associates LLP, Chartered Accountants (Firm Registration No. : 100369W) as the Statutory Auditors of the Company.

- to fill the casual vacancy caused by the resignation of M/s. M. H. Dalal & Associates, Chartered Accountants, and to hold the office of Statutory Auditors upto the conclusion of the 32nd Annual General Meeting; and
- for a period of five consecutive years from the conclusion of the 32nd Annual General Meeting till the conclusion of 37th Annual General Meeting of the Company to be held for the year 2025.

The Company has received the consent letter and eligibility certificate from M/s. JBTM & Associates LLP, Chartered Accountants, to act as Auditors of the Company along with a confirmation that, their appointment, if made, would be within the limits prescribed under the Companies Act, 2013.

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

M/s. JBTM & Associates, Chartered Accountants have also confirmed that they meet the criteria for independence, eligibility and qualification as prescribed in Section 141 of the said Act and do not have any pecuniary interest in the Company or its subsidiaries, associates and joint venture companies.

QUALIFICATIONS BY AUDITORS

The Notes to the Financial Statements forming part of the Balance Sheet as at March 31, 2020 and the Statement of Profit and Loss for the year ended on that date, referred to in the Auditor's Report, are self explanatory and do not call for any further clarification /elaboration.

FRAUD REPORTING :

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

COST RECORDS :

As required under Rule 8(5)(ix) of the Companies (Accounts) Rules, 2014, the Company confirms that it has prepared and maintained cost records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 for the year ended March 31, 2020.

COST AUDITORS:

Based on the recommendation of the Audit and Compliance Committee, the Board has appointed M/s. D. C. Dave & Co., Cost Accountants (Firm Registration No. : 000611) as Cost Auditors to conduct the audit of the cost records of the Company for the year ending March 31, 2021 at a fee of ₹ 5,00,000/- (Rupees Five Lakh) plus applicable taxes and reimbursement of out-of-pocket expenses, subject to ratification of the said fees by the members in the ensuing Annual General Meeting pursuant to Section 148 of the Companies Act, 2013. The resolution pertaining to ratification of the remuneration payable to the Cost Auditor forms part of the Notice of the ensuing AGM.

COST AUDIT REPORT:

The Cost Audit Report for the year ended March 31, 2020 pursuant to the Companies (Cost Accounting Records) Rules, 2011 will be filed within the period stipulated under the Companies Act, 2013 or such other period as may be prescribed.

SECRETARIAL AUDIT REPORT:

The Secretarial Audit Report from M/s. Ashish Bhatt & Associates, practicing company secretary, for the financial year ended March 31, 2020 pursuant to Regulation 24A of the SEBI Listing Regulations is appended as **Annexure – 'B'** to this Report.

REPLIES TO SECRETARIAL AUDITOR'S QUALIFICATIONS:

- (1) As regards Secretarial Auditor's qualification with respect to signing of financial statements for the year ended March 31, 2019 under Section 134(1) of the Companies Act, 2013, the Directors state that since the Company Secretary was out of India on the date of the Board Meeting i.e. May 28, 2019 in which the said financial statements were approved, he has not signed the said financial statements.
- (2) As regards Secretarial Auditor's qualification regarding non-compliance with Regulation 25 (6) of the SEBI Listing Regulations and provision of the para 2 of Clause VI of Schedule IV to the Companies Act, 2013, relating to the appointment of an Independent Director within the prescribed timeline, the Directors state that the delay in the appointment of an Independent Director within the prescribed timeline was entirely due to circumstances beyond the control of the Board and the Management and without malafide intention.
- (3) The observation of the Secretarial Auditor with respect to the spending of the amount earmarked towards CSR activities during the Financial Year 2019-2020 in the current Financial Year 2020-2021 is self explanatory. For further clarification in the matter, please refer serial no. 40. of this Report.

32. EXTRACT OF ANNUAL RETURN:

An extract of Annual Return for the financial year ended March 31, 2020 in Form MGT – 9 as required under Section 92 (3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is appended as **Annexure 'C'** to this Report. The said return is also available on the website of the Company at the link <http://hubtown.co.in/investors>.

33. MATERIAL CHANGES AND COMMITMENTS:

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

34. DEPOSITS:

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

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

35. VIGIL MECHANISM:

Pursuant to Section 177 (9) and (10) of the Companies Act, 2013 and Regulation 22 read with Regulation 4 (2) (d) (iv) of the SEBI Listing Regulations, the Company has framed a Whistle Blower Policy as the vigil mechanism for Directors and employees of the Company to report their genuine concerns in the prescribed manner, to freely communicate their concerns / grievances about illegal or unethical practices in the Company, actual or suspected, fraud or violation of the Company's Codes or Policies. The vigil mechanism is overseen by the Audit and Compliance Committee. During the year under review, no such incidence was reported and no personnel were denied access to the Chairman of the Audit and Compliance Committee.

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

36. RISK MANAGEMENT:

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

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

As the Company is engaged in the business of 'real estate development' included in the term 'Infrastructure Facilities' as defined in Clause (8) (a) of Schedule VI to the Companies Act, 2013, the provisions of Section 186 of the said Act related to loans made, guarantees given or securities provided are not applicable to the Company. Kindly refer the financial statements for the loans, guarantees and investments given/made by the Company as on March 31, 2020.

38. CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES:

All contracts / arrangements / transactions with related parties as defined under the Companies Act, 2013 and SEBI Listing Regulations that were entered into by the Company during the year under review were in the ordinary course of business and on an arm's length basis. There were no contracts / arrangements / transactions with related parties, as defined under Section 188 of the Companies Act, 2013, which could be considered material under the SEBI Listing Regulations. Accordingly, the disclosure of related party transactions as required under Section 134 (3) of the Companies Act, 2013 in Form AOC -2 is not applicable. There were no materially significant related party transactions with the Company's Promoters, Directors, Key Managerial Personnel or their relatives which could have had a potential conflict with the interest of the Company at large.

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

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

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

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

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

40. CORPORATE SOCIAL RESPONSIBILITY (CSR) :

The Corporate Social Responsibility Committee has formulated the policy on Corporate Social Responsibility (CSR) indicating the activities to be undertaken by the Company, which has been uploaded on the Company's website at the link: <http://hubtown.co.in/investors>.

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

The amount of ₹ 25 lakh spent in the current financial year for the CSR activities of the previous financial year shall be over and above the current financial year's CSR allocation equivalent to atleast 2% of the average net profit of the Company for the immediately preceding three financial years.

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

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

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

The Company has put in place a 'Policy on Prevention of Sexual Harassment at Workplace' in line with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. The Company affirms that during the year under review, no such complaints were received by the Committee for redressal and that adequate access was provided to any complainant who wished to register a complaint under the Policy. The said Policy is available on the website of the Company at <http://hubtown.co.in/investors>.

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

42. CORPORATE GOVERNANCE:

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

43. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The nature of operations of the Company does not require disclosure of particulars relating to conservation of energy and technology absorption, as prescribed under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014. During the year under review, the Company had 'Nil' foreign exchange earnings and had incurred an expenditure of ₹ 26,375/- in foreign exchange.

44. PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES :

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

The statement containing names of top ten employees in terms of the remuneration drawn and the particulars of employees as required pursuant to Section 197 (12) of the Companies Act, 2013 read with Rules 5 (2) and 5 (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to and forms part of this Report. However, having regard to the provisions to the first proviso of Section 136 (1) of the Companies Act, 2013, the Annual Report is being sent to all the members of the Company excluding this information. The aforesaid statement is available for inspection by the members through Electronic Mode 21 days before the AGM, during business hours on working days of the Company upto the date of the ensuing AGM.

Any member who is interested in obtaining a copy thereof, may write to the Company Secretary at the Registered Office of the Company. The said information is also available on the website of the Company. None of the employees listed in the aforesaid statement is a relative of any Director of the Company. None of the employees of the Company is covered under Rule 5 (3) (viii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

45. CODE OF CONDUCT :

The Board of Directors has adopted Code of Conduct and Ethics for the Board of Directors and Senior Management Personnel of the Company in terms of Regulation 17 (5) of the SEBI Listing Regulations. All Board members and Senior Management Personnel have affirmed their compliance with the said Code for the financial year ended March 31, 2020. A declaration to this effect signed by the Managing Director is appended as **Annexure II** to the Corporate Governance Report.

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

46. INTERNAL FINANCIAL CONTROL SYSTEM AND THEIR ADEQUACY

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

47. AFFIRMATION REGARDING COMPLIANCE WITH APPLICABLE SECRETARIAL STANDARD:

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

48. CEO AND CFO CERTIFICATION:

A certificate from the Managing Director and the Chief Financial Officer, pursuant to Regulation 17 (8) of SEBI Listing Regulations for the year under review was placed before the Board of Directors of the Company at its meeting held on July 30, 2020 which is appended to and forms part of the Corporate Governance Report.

49. CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS :

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

50. APPRECIATION AND ACKNOWLEDGEMENTS:

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

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

DISCLAIMER :

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

For and on behalf of the Board

Hemant M. Shah
Executive Chairman
DIN: 00009659

Date : July 30, 2020
Place: Mumbai

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

ANNEXURE - A

NOMINATION AND REMUNERATION POLICY

1. PREAMBLE :

- i. Section 178 (2) and (3) of the Companies Act, 2013 (the Act) and Para 'A' of Part 'D' of Schedule II to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations), provides inter-alia that :
 - (a) 'The Nomination and Remuneration Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors, a policy relating to, the remuneration of the directors, key managerial personnel and other employees.'
 - (b) 'The Nomination and Remuneration Committee shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal and shall carry out evaluation of every director's performance.'
- ii. This Policy has been prepared and adopted in accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 and the applicable provisions of the Companies Act, 2013 ('the Act') read with the Companies (Amendment) Act, 2017 alongwith circulars issued thereunder including any statutory modifications or re-enactment thereof for the time being in force.

2. GUIDING PRINCIPLES :

The objectives of this Policy is to ensure that :

- i. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
- ii. Relationship of remuneration to performance is clear and meets appropriate performance benchmark; and
- iii. Remuneration to Directors, Key Managerial Personnel and Senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goal.

3. OBJECTIVES OF THIS POLICY :

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

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

4. DEFINITIONS :

- i. **'Board'** means the Board of Directors of the Company;
- ii. **'Company'** means 'Hubtown Limited';
- iii. **'Executive Directors'** shall mean the Wholetime Director and the Managing Director of the Company;
- iv. **'Independent Director'** means a director referred to in Section 149 (6) of the Companies Act, 2013;
- v. **'Key Managerial Personnel'** means
 - Chief Executive Officer or the Managing Director or the Manager;
 - Company Secretary;
 - Wholetime Director;
 - Chief Financial Officer ; and
 - Such other officer as may be prescribed
- vi. **'Nomination and Remuneration Committee'** shall mean a Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 (1) of SEBI Listing Regulations;
- vii. **'Policy or This Policy'** means the 'Nomination and Remuneration Policy';
- viii. **'SEBI Listing Regulations'** shall mean Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time;
- ix. **'Senior Management'** shall mean officers/personnel of the Company who are members of its core management team excluding the board of directors and normally this shall comprise all members of management one level below the chief executive officer/managing director/wholetime director/manager (including chief executive officer/manager, in case they are not part of the board) and shall specifically include company secretary and chief financial officer.

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

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

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

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

- i. to identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down in this Policy, recommend to the Board their appointment and removal;
- ii. to carry out evaluation of every director's performance;
- iii. to formulate the criteria for determining the qualifications, positive attributes and independence of a director, and recommend to the Board a policy, relating to the remuneration for the directors;
- iv. to formulate the criteria for evaluation of Independent Directors and the Board;
- v. to devise a policy on Board diversity;
- vi. to recommend/review the remuneration of the Wholtime Director(s) and the Managing Director based on their performance and defined assessment criteria;
- vii. to recommend to the Board, all remuneration, in whatever form, payable to senior management;
- viii. to ensure that the level and composition of remuneration is reasonable and sufficient and the relationship of remuneration to performance is clear and meets appropriate performance benchmark;
- ix. to assist the Board in ensuring that plans are in place for orderly succession for appointments to the Board and to senior management;
- x. to determine whether to extend or continue the term of appointment of Independent Director(s) on the basis of report of performance evaluation of Independent Directors; and
- xi. to carry out any other functions as may be mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable.

6. MEMBERSHIP OF THE N&RC COMMITTEE :

- i. The Committee shall consist of atleast 3 (three) Directors, all of whom shall be Non-Executive Directors and atleast half of such Directors shall be Independent Directors;
- ii. The Board shall reconstitute the Committee as and when required to comply with the provisions of the Companies Act, 2013 and applicable statutory requirement;
- iii. The quorum for the meeting of N&RC shall be either two members or one-third of the members of the Committee, whichever is greater, including one independent director in attendance;
- iv. Membership of the Committee shall be disclosed in the Annual Report;
- v. Terms of the Committee shall continue unless terminated by the Board; and
- vi. The Chairperson of the Company may be appointed as a member of the Committee but shall not chair such Committee.

7. CHAIRMAN OF THE N&RC COMMITTEE :

- i. The Chairman of the Committee shall be an Independent Director;
- ii. In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as a Chairman; and
- iii. The Chairman of the Committee may be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

8. FREQUENCY OF MEETINGS :

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

9. N&RC COMMITTEE MEMBERS' INTEREST :

- i. A member of the Committee is not entitled to be present when his or her own remuneration is being discussed at a meeting or when his or her performance is being evaluated; and
- ii. The Committee may invite such Executives of the Company, as it considers appropriate, to be present at the meetings of the Committee.

10. SECRETARY OF N&RC COMMITTEE :

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

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

11. VOTING AT N&RC MEETINGS:

- i. Matters arising for determination at Committee meetings shall be decided by a majority of votes of members present and voting and any such decision shall for all purposes be deemed a decision of the Committee; and
- ii. In the case of equality of votes, the Chairman of the meeting shall have a casting vote.

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

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

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

• Tenure of Office :

Executive Directors

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

Independent Director

- i. An Independent Director shall hold office for a term upto five consecutive years on the Board of the Company and will be eligible for reappointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's Report;
- ii. An Independent Directors shall not be liable to retire by rotation.
- iii. No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after the expiry of three years of ceasing to be an Independent Director;

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

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

- iv. An Independent Director shall not hold office as such beyond the age of 75 years unless approved by the shareholders by a special resolution in general meeting;
- v. At the time of appointment of an Independent Director, the Committee shall ensure that the no. of Boards on which such Independent Director serves is restricted to 7 (seven) listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Wholetime Director of a listed company; and
- vi. Any person being appointed as an Independent Director shall not have any material pecuniary relationship with the Company, its holding, subsidiary or associate companies or the Company's Promoters or directors, except receiving remuneration as a director or having transaction not exceeding 10 % of his total income or such amount as may be prescribed, during the current financial year or two immediately preceding financial years and also satisfies other criteria for determining independence as specified under the Act and SEBI Listing Regulations as may be amended from time to time.

- **Evaluation :**

- i. The performance evaluation of the Board, its Committees and Directors shall be carried out as per the provisions of the Act and the SEBI Listing Regulations.
- ii. Each Director shall be provided with a questionnaire to be filled up, providing feed back on the overall functioning of the Board and its Committees;
- iii. The questionnaire shall cover various parameters such as composition, execution of specific duties, participation in meetings, etc.
- iv. The Committee shall monitor and review Board evaluation framework, conduct an assessment of the performance of the Board, each Board Committee, the Independent Directors and the Chairperson of the Board against criteria determined and approved by the Committee;
- v. The performance evaluation of Independent Directors shall be done by the entire Board of Directors, (excluding the Director being evaluated), which shall include the performance of the directors and fulfillment of the independence criteria as specified in SEBI Listing Regulations and their independence from the management ;
- vi. The Independent Directors shall meet atleast once a year to review the performance of the Non-Independent Directors, the Chairperson of the Company taking into account the view of the Executive and the Non-Executive Directors and to assess the quality, quantity and timeliness of the flow of information between the company management and the Board; and
- vii. The criteria for performance evaluation is given in Annexure 'I'. However, these criteria are only suggestive and the Board /Directors may consider such other criteria as it/they may deem necessary for effective evaluation of performance.

- **Removal :**

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

- **Retirement :**

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

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

- **Remuneration Policy for Executive Directors :**

- i. The remuneration and performance incentive to be paid to the Executive Directors shall be as per the statutory provisions of the Act and the Rules made thereunder, for the time being in force.
- ii. The remuneration payable to the Executive Directors may be divided into two components : fixed and variable components. The fixed component shall consist of monthly salary, allowances, perquisites, amenities and retirement benefits. The variable component shall comprise of performance based annual incentive.
- iii. Payment of remuneration to the Executive Directors is governed by the respective agreements executed between each of such Executive Directors and the Company;
- iv. The remuneration / performance incentives to be paid to the Executive Directors will be determined by the Committee and recommended to the Board for approval.

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

- v. The break-up of the pay scale and the quantum of perquisites and allowances shall be decided by the Committee;
- vi. The remuneration / performance incentives, etc. shall be subject to prior/post approval of the shareholders of the Company;
- vii. Increments to the existing remuneration/compensation structure may be recommended by the Committee to the Board which should be within the time scale approved by the shareholders. The effective dates of increments shall be at the discretion of the Board;
- viii. If, in any financial year the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managerial Person in accordance with the provisions of Schedule V to the said Act .
- ix. Remuneration payable to anyone managing director or wholetime director or manager shall not exceed 5 % of the net profit of the Company and if there is more than one such director, the remuneration shall not exceed 10 % of the Company for all such directors or managers taken together;
- x. Payment of remuneration in excess of the statutory limit abovementioned, shall be done by recording of clear reasons and justification and after obtaining approval of the shareholders by way of a special resolution as per the provisions of the Act, SEBI Listing Regulations and amendments made thereto from time to time; and
- xi. The fees and compensation payable to Executive Directors who are promoters or members of promoter group, shall be subject to the approval of the shareholders by special resolution in general meeting if :
 - i. the annual remuneration payable to such Executive Director exceeds rupees five crore or 2.5 % of the net profits of the Company, whichever is higher; or
 - ii. where there is more than one such director, the aggregate annual remuneration to such directors exceeds 5 % of the net profits of the Company.

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

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

- i. The remuneration and commission to be paid to the Non-Executive / Independent Directors shall be in accordance with the statutory provisions of the Act and the Rules made thereunder for the time being in force;
- ii. The Non-Executive/Independent Directors shall be paid remuneration by way of fees for attending the meeting of the Board/Committee thereof. Provided that the amount of such fees shall not exceed the maximum amount as provided in the Act, per meeting of the Board/Committee or such amount as may be prescribed by the Central Government from time to time;
- iii. The commission may be paid within the monetary limits approved by the shareholders, subject to the limits not exceeding 1 % of the net profit of the Company computed as per the applicable provisions of the Act; and
- iv. An Independent Director shall not be entitled to any stock option of the Company.

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

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

- i. This Policy aims at attracting, retaining and motivating high caliber talent and ensures equity, fairness and consistency in rewarding the employees.
- ii. The performance of the individual, as well as that of the Company forms the basis of this Policy;
- iii. The KMP, Senior Management Personnel and other employees of the Company shall be paid monthly remuneration as per the Company's HR Policies and/or as may be approved by the Committee;
- iv. The salary structure of the employees including KMP and Senior Management comprises of basic salary, perquisites, allowances and performance incentive. The salary involves a balance between fixed and variable pay which reflects the performance objective of the individual as against the earmarked Key Performance Indicator and the strategic objective and the performance of the Company;
- v. The components of total remuneration vary for different grades of employees and are based on the qualifications and experience of the employee, responsibilities handled and the individual performance; and
- vi. In case any of the relevant Statute/Rules/Regulations require that the remuneration of KMPs, Senior Management or other employees of the Company is to be specifically approved by the Committee and/or the Board of Directors, then such approval(s) shall accordingly be obtained.

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

14. FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS :

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

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

15. INSURANCE POLICY :

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

16. IMPLEMENTATION OF THE POLICY :

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

17. DELEGATION OF AUTHORITY :

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

18. DEVIATIONS FROM THE POLICY :

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

19. EXTERNAL ASSISTANCE :

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

20. DISCLOSURE OF THE POLICY:

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

21. AMENDMENTS TO THE POLICY :

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

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

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

SUCCESSION PLAN FOR APPOINTMENT TO THE BOARD AND SENIOR MANAGEMENT

1. INTRODUCTION :

Regulation 17 (4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the SEBI Listing Regulations) provides that the Board of every listed company shall satisfy itself that plans are in place for orderly succession for appointment to the Board of Directors and Senior Management. Regulation 16 (1) (d) of the SEBI Listing Regulations defines 'Senior Management' to mean officers/personnel of the Company who are members of its core management team excluding the board of directors and normally this shall comprise all members of management one level below the chief executive officer/managing director/wholetime director/manager (including chief executive officer/manager, in case they are not part of the board) and shall specifically include company secretary and chief financial officer.

2. OBJECTIVE :

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

3. PROCESS :

I. Board Level Appointment(s) :

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

II. Senior Management Level Appointment :

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

4. REVIEW OF THE POLICY :

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

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

ANNEXURE – A

PERFORMANCE EVALUATION CRITERIA

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

BOARD OF DIRECTORS :

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

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

COMMITTEE OF BOARD OF DIRECTORS :

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

NON-EXECUTIVE DIRECTORS :

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

INDEPENDENT DIRECTORS (ID) :

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

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

EXECUTIVE DIRECTORS :

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

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

ANNEXURE – B

FORM NO. MR 3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2020

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

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

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (Not applicable to the Company during audit period);
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the Company during audit period);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during audit period);
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during audit period); and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to the Company during audit period);
- (vi) We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. The list of major head/groups of Acts, Laws and Regulations as applicable to the Company is given in Annexure I.

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

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

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above **except provisions of Section 134(1) of the Act relating to signing of Financial Statement for the Financial Year ended on March 31, 2019 and Regulation 25 (6) of The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (i.e. SEBI Listing regulation) and Sub-Para (2)(a) of Para (C) of schedule V of SEBI Listing regulation. We have been informed by the management that the amount earmarked towards CSR activities during the Financial Year 2019-2020, has been spent towards CSR activities during the current Financial Year 2020-2021.**

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act **except provision of schedule IV clause VI point 2 of the Act, relating to replacement of Independent director within three months in case of resignation of Independent Director.**

Adequate notice is given to all directors to schedule the Board Meetings and agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members' views, if any are captured and recorded as part of the minutes. We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act except provision of schedule IV clause VI point 2 of the Act, relating to replacement of Independent director within three months in case of resignation of Independent Director.

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

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

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

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

1. Payment of remuneration to Mr. Hemant M. Shah (DIN:00009659) as Executive Chairman of the Company in terms of Regulation 17(6)(e) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018.
2. Payment of remuneration to Mr. Vyomesh M. Shah (DIN:00009596) as Managing Director of the Company in terms of Regulation 17(6)(e) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018.
3. Issue of Redeemable Non Convertible Debentures on a private Placement basis of ₹ 5000/- crores.

For **Ashish Bhatt & Associates**

Ashish Bhatt

Practicing Company Secretary

FCS No: 4650

C.P. No. 2956

UDIN : F004650B000533981

Place: Thane

Date: July 30, 2020

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

ANNEXURE I

LIST OF APPLICABLE LAWS TO THE COMPANY

Under the Major Group and Head

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

For **Ashish Bhatt & Associates**

Ashish Bhatt

Practicing Company Secretary

FCS No: 4650

C.P. No. 2956

UDIN : F004650B000533981

Place: Thane

Date: July 30, 2020

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

ANNEXURE-C

FORM NO. MGT 9 EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2020

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

I. REGISTRATION & OTHER DETAILS:

1.	CIN	L45200MH1989PLC050688
2.	Registration Date	16-02-1989
3.	Name of the Company	Hubtown Limited
4.	Category/Sub-category of the Company	Company having Share Capital
5.	Address of the Registered office & contact details	Plaza Panchsheel, 'A' Wing, 5th Floor, Hughes Road, Behind Dharam Palace, Grant Road (West), Mumbai 400007 Tel: 022 23660800; Fax: 022 23660812
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Link Intime India Private Limited C-101, 247 Park, Lal Bahadur Shastri Marg, Gandhi Nagar, Vikhroli (West) Mumbai, Maharashtra 400083. Tel No.: 022 4918 6270; Fax: 022 4918 6060 E-mail: rnt.helpdesk@linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

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

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES-

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary / Associate	% of Shares Held	Applicable Section
1	ABP Realty Advisors Private Limited (under process of strike off) Unit No. 116, First Floor, Rehab Building No. 4, Akruiti Annexe, Road No. 7, Marol MIDC, Andheri (E), Mumbai-400093	U67190MH2007PTC172390	Subsidiary	100%	2(87)(ii)
2	Ackruti Safeguard Systems Private Limited D-89/3, TTC Industrial Area, MIDC Turbhe, Navi Mumbai, Thane - 400705	U51909MH1999PTC176073	Subsidiary	88.27%	2(87)(ii)
3	Citywood Builders Private Limited Unit No. 116, First Floor, Rehab Building No. 4, Akruiti Annexe, Road No. 7, Marol MIDC, Andheri (E), Mumbai-400093	U45202MH2009PTC191711	Subsidiary	100%	2(87)(ii)
4	Citygold Education Research Limited Unit No. 116, First Floor, Rehab Building No. 4, Akruiti Annexe, Road No. 7, Marol MIDC, Andheri (E), Mumbai-400093	U80100MH2006PLC158595	Subsidiary	2.86%	2(87)(i)

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

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary / Associate	% of Shares Held	Applicable Section
5	Citygold Farming Private Limited (Amalgamated with Citygold Education Research Limited w.e.f. 12/09/2019) Unit No. 116, First Floor, Rehab Building No. 4, Akruti Annexe, Road No. 7, Marol MIDC, Andheri (E), Mumbai-400093	U01122MH2006PTC163517	Subsidiary	0.38%	2(87)(i)
6	Devkrupa Build Tech Limited (Amalgamated with Citygold Education Research Limited w.e.f. 12/09/2019) Unit No. 116, First Floor, Rehab Building No. 4, Akruti Annexe, Road No. 7, Marol MIDC, Andheri (E), Mumbai-400093	U74140MH2006PLC166596	Subsidiary	100%	2(87)(ii)
7	Diviniti Projects Private Limited Unit No. 116, First Floor, Rehab Building No. 4, Akruti Annexe, Road No. 7, Marol MIDC, Andheri (E), Mumbai-400093	U70100MH1995PTC087713	Subsidiary	100%	2(87)(ii)
8	Gujarat Akruti - TCG Biotech Limited A-512, Joyos Hubtown, Near GSRTC Bus Terminal No.1, Geeta Mandir, Ahmedabad - 380022	U70102GJ2007PLC050966	Subsidiary	74%	2(87)(ii)
9	Halitious Developer Limited (Amalgamated with Citygold Education Research Limited w.e.f. 12/09/2019) Unit No. 116, First Floor, Rehab Building No. 4, Akruti Annexe, Road No. 7, Marol MIDC, Andheri (E), Mumbai-400093	U70101MH2007PLC172784	Subsidiary	100%	2(87)(ii)
10	Headland Farming Private Limited (Amalgamated with Citygold Education Research Limited w.e.f. 12/09/2019) Unit No. 116, First Floor, Rehab Building No. 4, Akruti Annexe, Road No. 7, Marol MIDC, Andheri (E), Mumbai-400093	U74999MH2006PTC163511	Subsidiary	100%	2(87)(ii)
11	Heddle Knowledge Private Limited (Amalgamated with Citygold Education Research Limited w.e.f. 12/09/2019) Unit No. 116, First Floor, Rehab Building No. 4, Akruti Annexe, Road No. 7, Marol MIDC, Andheri (E), Mumbai-400093	U01122MH2006PTC163518	Subsidiary	100%	2(87)(ii)
12	India Development And Construction Venture Capital Private Limited (Under process of strike off) Unit No. 116, First Floor, Rehab Building No. 4, Akruti Annexe, Road No. 7, Marol MIDC, Andheri (E), Mumbai-400093	U67190MH2007PTC172391	Subsidiary	100%	2(87)(ii)
13	Joynest Premises Private Limited CTS No. 469-A, Chembur, Mumbai - 400071	U45202MH2008PTC183715	Subsidiary	62.07%	2(87)(ii)
14	Sanas Developers Private Limited 56, St. Patricks Town, Hadapsar, Pune - 411013	U45309PN2019PTC181901	Subsidiary	51%	2(87)(ii)
15	Upvan Lake Resorts Private Limited (Amalgamated with Citygold Education Research Limited w.e.f. 12/09/2019) B-5, Building No 9, Devidaya Nagar, Pokhran Road No 1, Thane-400606	U55204MH2008PTC183084	Subsidiary	75%	2(87)(ii)
16	Urvi Build Tech Limited (Amalgamated with Citygold Education Research Limited w.e.f. 12/09/2019) Unit No. 116, First Floor, Rehab Building No. 4, Akruti Annexe, Road No. 7, Marol MIDC, Andheri (E), Mumbai-400093	U15400MH1996PLC101031	Subsidiary	100%	2(87)(ii)

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

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary / Associate	% of Shares Held	Applicable Section
17	Vama Housing Limited Unit No. 116, First Floor, Rehab Building No. 4, Akruti Annexe, Road No. 7, Marol MIDC, Andheri (E), Mumbai-400093	U45200MH1995PLC085167	Subsidiary	100%	2(87)(ii)
18	Vega Developers Private Limited 14, Ashok Niwas, Ground Floor, South Pond Road, Vile Parle (West), Mumbai – 400056	U45200MH2006PTC159794	Subsidiary	100%	2(87)(ii)
19	Vishal Techno Commerce Limited Unit No. 116, First Floor, Rehab Building No. 4, Akruti Annexe, Road No. 7, Marol MIDC, Andheri (E), Mumbai-400093	U45200MH1986PLC041348	Subsidiary	100%	2(87)(ii)
20	Yantti Buildcon Private Limited G2, Plumeria Apartments, No.1, John Armstrong Road, Richards Town, Bengaluru, Karnataka - 560005	U45201KA2009PTC052006	Subsidiary	100%	2(87)(ii)
21	Giraffe Developers Private Limited 111, G- Wing, Akruti Commercial Complex, Co-op Soc. Ltd, next to Akruti Centre Point, Andheri (East), Mumbai-400093	U51900MH2006PTC159247	Associate	7.20%	2(6)
22	Shubhsiddhi Builders Private Limited Unit No. 116, First Floor, Rehab Building No. 4, Akruti Annexe, Road No. 7, Marol MIDC, Andheri (E), Mumbai-400093	U70100MH2006PTC159241	Associate	50%	2(6)
23	Twenty Five South Realty Limited Hindoostan Mills Compound, Kashinath Dhuri Marg, Patilwadi, Off Veer Savarkar Road, Prabhadevi, Mumbai - 400025	U51100MH1996PLC100876	Associate	47.49%	2(6)
24	Vinca Developer Private Limited Unit No. 116, First Floor, Rehab Building No. 4, Akruti Annexe, Road No. 7, Marol MIDC, Andheri (E), Mumbai-400093	U45202MH2008PTC185408	Associate	0.05%	2(6)
25	Whitebud Developers Limited Unit No. 116, First Floor, Rehab Building No. 4, Akruti Annexe, Road No. 7, Marol MIDC, Andheri (E), Mumbai-400093	U70100MH1994PLC082882	Associate	50%	2(6)
26	Hubtown Bus Terminal (Adajan) Private Limited Adajan Bus Depot, Near Shital Police Chowki, Adajan Patia, Surat – 395009, Gujarat	U45203GJ2008PTC069636	Associate	47.28	2(6)
27	Hubtown Bus Terminal (Ahmedabad) Private Limited A-512, Joyos Hubtown, Near GSRTC Bus Terminal No.1, Geeta Mandir, Ahmedabad, 380022	U60200GJ2009PTC058763	Associate	46.30%	2(6)
28	Hubtown Bus Terminal (Mehsana) Private Limited GSRTC Quarters Class-II, Block No. 2, Ground Floor Behind Vibhagiya Kacheri, Modhera Crossing, Mehsana, 384002	U45400GJ2008PTC069638	Associate	42.86%	2(6)
29	Hubtown Bus Terminal (Vadodara) Private Limited Unit No. 116, First Floor, Rehab Building No. 4, Akruti Annexe, Road No. 7, Marol MIDC, Andheri (E), Mumbai-400093	U45203GJ2008PTC069640	Associate	47.22%	2(6)
30	Joyous Housing Limited Tulsiwadi Project Office, Ambedkar Nagar, S.K. Rathod Marg, Behind Income Tax Office, Tardeo, Mumbai MH 400034	U70100MH1995PLC092856	Associate	25%	2(6)
31	Rare Townships Private Limited CTS No. 194B, PWD Ground Ghatkopar - Mankhurd Link Road, Ghatkopar (East), Mumbai - 400077	U70102MH2000PTC126999	Associate	35.10%	2(6)
32	Sunstream City Private Limited Unit No. 116, First Floor, Rehab Building No. 4, Akruti Annexe, Road No. 7, Marol MIDC, Andheri (E), Mumbai-400093	U99999MH2006PTC182177	Associate	40.67%	2(6)

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

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

i) Category-wise Share Holding

Category of Shareholders		No. of Shares held at the beginning of the year [As on 01-April-2019]				No. of Shares held at the end of the year [As on 31-March-2020]				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.	Promoters									
	(1) Indian									
	(a) Individual/ HUF	40793272	0	40793272	56.08	38565686	0	38565686	53.02	(3.06)
	(b) Central Govt/ State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
	(c) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
	(d) Any other	0	0	0	0.00	0	0	0	0.00	0.00
	(e) Bodies Corp.	600000	0	600000	0.82	600000	0	600000	0.82	0.00
	Total share-holding of Promoter (A)(1)	41393272	0	41393272	56.90	39165686	0	39165686	53.84	(3.06)
	(2) Foreign									
	(a) NRIs - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
	(b) Other – Individuals	0	0	0	0.00	0	0	0	0.00	0.00
	(c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
	(d) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
	(e) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-total (A) (2)	0	0	0	0.00	0	0	0	0.00	0.00
	Total shareholding of Promoter (A) = (A) (1)+(A)(2)	41393272	0	41393272	56.90	39165686	0	39165686	53.84	(3.06)
B.	Public Shareholding									
	1. Institutions									
	(a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
	(b) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
	(c) Alternate Investment Funds	0	0	0	0.00	0	0	0	0.00	0.00
	(d) Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
	(e) Foreign Portfolio Investor	2659500	0	2659500	3.65	2659500	0	2659500	3.65	0
	(f) Financial Institutions/ Banks	423447	0	423447	0.58	60025	0	60025	0.08	(0.49)
	(g) Insurance Companies	56937	0	56937	0.08	56937	0	56937	0.08	0
	(h) Provident Funds/ Pension Funds	0	0	0	0.00	0	0	0	0.00	0.00
	(i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-total (B)(1):-	3139884	0	3139884	4.31	2776462	0	2776462	3.81	(0.49)
	2. Central Government/ State Government(s)/ President of India									
	Central Government / State Government(s)	5	0	5	0	5	0	5	0	0.0
	Sub-total (B)(2):-	5	0	5	0	5	0	5	0	0.0

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

Category of Shareholders			No. of Shares held at the beginning of the year [As on 01-April-2019]				No. of Shares held at the end of the year [As on 31-March-2020]				% Change during the year
			Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
3.	Non-Institutions										
	(a)	Individuals:									
		(i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	6647490	17	6647507	9.14	5662376	17	5662393	7.78	(1.36)
		(ii) Individual shareholders holding nominal share capital in excess of ₹1 lakh	5056165	0	5056165	6.95	7333064	0	7333064	10.08	3.13
	(b)	NBFCs registered with RBI	7562	0	7562	0.01	0	0	0	0	(0.01)
	(d)	Overseas Depositories(holding DRs) (balancing figure)	0	0	0	0	0	0	0	0	0
	(e)	Any Others (specify)									
		(i) Trusts	1134	0	1134	0.00	12	0	12	0.00	0.00
		(ii) Foreign Nationals	3000	0	3000	0.00	3000	0	3000	0.00	0.00
		(iii) Hindu Undivided Family	1042459	0	1042459	1.43	1262606	0	1262606	1.74	0.31
		(iv) Non Resident Indians (Non Repat)	167419	0	167419	0.23	160741	0	160741	0.22	(0.01)
		(v) Non Resident Indians (Repat)	2112375	0	2112375	2.90	1981215	0	1981215	2.72	(0.18)
		(vi) Overseas Corporate Bodies	11	0	11	0.00	11	0	11	0.00	0.00
		(vii) Clearing Members	1123816	0	1123816	1.54	435571	0	435571	0.60	(0.95)
		(viii) Bodies Corporate	12041262	0	12041262	16.55	13955105	0	13955105	19.19	2.64
		Sub-total (B)(3)	28202693	17	28202710	38.77	30793701	17	30793718	42.33	3.57
	Total Public Shareholding (B)=(B)(1)+(B)(2) +(B)(3)		31342582	17	31342599	43.09	33570168	17	33570185	46.15	3.06
	Total (A)+(B)		72735854	17	72735871	100	72735854	17	72735871	100	0
C.	Non Promoter - Non Public										
	1.	Custodian/ DR Holder	0	0	0	0.00	0	0	0	0.00	0.00
	2.	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A+B+C)			72735854	17	72735871	100.00	72735854	17	72735871	100.00	

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

ii) Shareholding of Promoter-

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year [As on 1-April-2019]			Shareholding at the end of the year [As on 31-March-2020]			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Vyomesh M. Shah	7540000	10.37	10.35	7540000	10.37	10.35	0.00
2.	Hemant M. Shah	5800000	7.97	7.97	5470000	7.52	7.45	(0.45)
3.	Hemant M. Shah and Vyomesh M. Shah	190000	0.26	0.19	190000	0.26	0.19	0.00
4.	Falguni V. Shah	5789772	7.96	7.95	3039772	4.18	4.17	(3.78)
5.	Hemant M. Shah HUF	4980500	6.85	6.84	4980500	6.85	6.84	0.00
6.	Vyomesh M. Shah HUF	3925000	5.40	5.40	3925000	5.40	5.40	0.00
7.	Kushal H. Shah	3600000	4.95	4.81	4263739	5.86	4.81	0.91
8.	Kunjai H. Shah	3058000	4.20	4.19	2730931	3.75	3.74	(0.45)
9.	Khilen V. Shah	2585000	3.55	3.11	2900560	3.99	2.65	0.44
10.	Mahipatray V Shah HUF	1700000	2.34	2.33	1700000	2.33	2.33	(0.01)
11.	Rushank V. Shah	1600000	2.20	2.20	1800184	2.47	1.73	0.27
12.	Ukay Valves and Founders Private Limited	300000	0.41	0.00	300000	0.41	0.00	0.00
13.	Vishwajeet Consultancy Private Limited	300000	0.41	0.00	300000	0.41	0.00	0.00
14.	Lata M. Shah	25000	0.03	0.00	25000	0.03	0.00	0.00
	Total	41393272	56.91	55.34	39165686	53.85	49.67	(3.06)

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

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	VYOMESH M. SHAH				
	At the beginning of the year (April 01, 2019)	7540000	10.37	7540000	10.37
	No change in shareholding during the year				
	At the end of the year (March 31, 2020)	—	—	7540000	10.37
2.	HEMANT M. SHAH				
	At the beginning of the year (April 01, 2019)	5800000	7.97	5800000	7.97
	Sale of Shares on 21/06/2019	(100000)	(0.14)	5700000	7.84
	Sale of Shares on 02/08/2019	(230000)	(0.32)	5470000	7.52
	At the end of the year (March 31, 2020)	—	—	5470000	7.52
3.	HEMANT M. SHAH AND VYOMESH M. SHAH				
	At the beginning of the year (April 01, 2019)	190000	0.26	190000	0.26
	No change in shareholding during the year				
	At the end of the year (March 31, 2020)	—	—	190000	0.26

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

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
4.	FALGUNI V. SHAH				
	At the beginning of the year (April 01, 2019)	5789772	7.96	5789772	7.96
	Sale of Shares on 29/06/2019	(250000)	0.34	5539772	7.62
	Sale of Shares on 09/08/2019	(500000)	0.69	5039772	6.93
	Sale of Shares on 30/08/2019	(2000000)	2.75	3039772	4.18
	At the end of the year (March 31, 2020)	—	—	3039772	4.18
5.	HEMANT M. SHAH HUF				
	At the beginning of the year (April 01, 2019)	4980500	6.85	4980500	6.85
	No change in shareholding during the year				
	At the end of the year (March 31, 2020)			4980500	6.85
6.	VYOMESH M. SHAH HUF				
	At the beginning of the year (April 01, 2019)	3925000	5.40	3925000	5.40
	No change in shareholding during the year				
	At the end of the year (March 31, 2020)	—	—	3925000	5.40
7.	KUSHAL H. SHAH				
	At the beginning of the year (April 01, 2019)	3600000	4.95	3600000	4.95
	Purchase of Shares on 06/09/2019	99200	0.14	3699200	5.09
	Purchase of Shares on 28/02/2020	34067	0.05	3733267	5.13
	Purchase of Shares on 06/03/2020	170486	0.23	3903753	5.37
	Purchase of Shares on 13/03/2020	167658	0.23	4071411	5.60
	Purchase of Shares on 20/03/2020	192328	0.26	4263739	5.86
	At the end of the year (March 31, 2020)			4263739	5.86
8.	KUNJAL H. SHAH				
	At the beginning of the year (April 01, 2019)	3058000	4.20	3058000	4.20
	Sale of Shares on 27/09/2019	(327069)	(0.45)	2730931	3.75
	At the end of the year (March 31, 2020)	—	—	2730931	3.75
9.	KHILEN V. SHAH				
	At the beginning of the year (April 01, 2019)	2585000	3.55	2585000	3.55
	Purchase of Shares on 13/09/2019	40894	0.06	2625894	3.61
	Purchase of Shares on 20/09/2019	20231	0.03	2646125	3.64
	Sale of Shares on 27/09/2019	(289010)	(0.40)	2357115	3.24
	Purchase of Shares on 30/09/2019	43534	0.06	2400649	3.30
	Purchase of Shares on 22/11/2019	46170	0.06	2446819	3.36
	Purchase of Shares on 29/11/2019	46797	0.06	2493616	3.43
	Purchase of Shares on 06/12/2019	1000	0.00	2494616	3.43
	Purchase of Shares on 13/12/2019	25818	0.04	2520434	3.47
	Purchase of Shares on 20/12/2019	43991	0.06	2564425	3.53
	Purchase of Shares on 20/03/2020	228378	0.31	2792803	3.84
	Purchase of Shares on 27/03/2020	107757	0.15	2900560	3.99
	At the end of the year (March 31, 2020)			2900560	3.99

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Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
10.	MAHIPATRAY V. SHAH HUF				
	At the beginning of the year (April 01, 2019)	1700000	2.34	1700000	2.34
	No change in shareholding during the year				
	At the end of the year (March 31, 2020)	—	—	1700000	2.34
11.	RUSHANK V. SHAH				
	At the beginning of the year (April 01, 2019)	1600000	2.20	1600000	2.20
	Purchase of Shares on 05 April 2019	75000	0.10	1675000	2.30
	Purchase of Shares on 26 July 2019	31724	0.04	1706724	2.35
	Purchase of Shares on 02 August 2019	15248	0.02	1721972	2.37
	Purchase of Shares on 23 August 2019	140603	0.19	1862575	2.56
	Purchase of Shares on 30 August 2019	178476	0.25	2041051	2.81
	Purchase of Shares on 13 September 2019	32244	0.04	2073295	2.85
	Purchase of Shares on 20 September 2019	20722	0.03	2094017	2.88
	Sale of Shares on 27 September 2019	(293833)	(0.40)	1800184	2.47
	At the end of the year (March 31, 2020)	—	—	1800184	2.47
12.	VISHWAJEET CONSULTANCY PVT. LTD.				
	At the beginning of the year (April 01, 2019)	300000	0.41	300000	0.41
	No change in shareholding during the year				
	At the end of the year (March 31, 2020)	—	—	300000	0.41
13.	UKAY VALVES AND FOUNDERS PVT. LTD .				
	At the beginning of the year (April 01, 2019)	300000	0.41	300000	0.41
	No change in shareholding during the year				
	At the end of the year (March 31, 2020)	—	—	300000	0.41
14.	LATA M. SHAH				
	At the beginning of the year (April 01, 2019)	25000	0.03	25000	0.03
	No change in shareholding during the year				
	At the end of the year (March 31, 2020)	—	—	25000	0.03

iv) Shareholding Pattern of top ten Shareholders:

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

Sr. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	ANAND RATHI GLOBAL FINANCE LIMITED				
	At the beginning of the year (April 01, 2019)	25481	0.035	25481	0.035
	Purchase of Shares on 12 April, 2019	35000	0.048	60481	0.083
	Purchase of Shares on 19 April, 2019	3057060	4.203	3117541	4.286
	Sale of Shares on 16 August, 2019	(2617)	-0.004	3114924	4.283
	Sale of Shares on 30 August, 2019	(35000)	-0.048	3079924	4.234
	At the end of the year (March 31, 2020)	—	—	3079924	4.234

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Sr. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
2.	LSO SUBCO NO.2 COMPANY				
	At the beginning of the year (April 01, 2019)	2652700	3.647	2652700	3.647
	At the end of the year (March 31, 2020)	—	—	2652700	3.647
3.	CITY GOLD INVESTMENTS PVT. LTD.				
	At the beginning of the year (April 01, 2019)	461427	0.634	461427	0.634
	Purchase of Shares on 05 April 2019	9822	0.014	471249	0.648
	Purchase of Shares on 19 April 2019	323	0.000	471572	0.648
	Purchase of Shares on 26 April 2019	80000	0.110	551572	0.758
	Purchase of Shares on 05 July 2019	19000	0.026	570572	0.784
	Purchase of Shares on 12 July 2019	692200	0.952	1262772	1.736
	Purchase of Shares on 06 September 2019	13131	0.018	1275903	1.754
	Purchase of Shares on 04 October 2019	1493	0.002	1277396	1.756
	Purchase of Shares on 11 October 2019	32025	0.044	1309421	1.800
	Purchase of Shares on 18 October 2019	19501	0.027	1328922	1.827
	Purchase of Shares on 25 October 2019	15959	0.022	1344881	1.849
	Purchase of Shares on 08 November 2019	24335	0.033	1369216	1.882
	Purchase of Shares on 15 November 2019	34610	0.048	1403826	1.930
	Purchase of Shares on 22 November 2019	113928	0.157	1517754	2.087
	Sale of Shares on 29 November 2019	(31000)	(0.043)	1486754	2.044
	Purchase of Shares on 27 December 2019	10209	0.014	1496963	2.058
	Purchase of Shares on 31 December 2019	4046	0.006	1501009	2.064
	Purchase of Shares on 03 January 2020	9887	0.014	1510896	2.077
	Purchase of Shares on 31 January 2020	83022	0.114	1593918	2.191
	Purchase of Shares on 07 February 2020	129473	0.178	1723391	2.369
	Purchase of Shares on 14 February 2020	90823	0.125	1814214	2.494
	Purchase of Shares on 21 February 2020	137307	0.189	1951521	2.683
	Purchase of Shares on 28 February 2020	10637	0.015	1962158	2.698
	Purchase of Shares on 27 March 2020	47082	0.065	2009240	2.762
	Purchase of Shares on 31 March 2020	16421	0.023	2025661	2.785
	At the end of the year (March 31, 2020)	—	—	2025661	2.785
4.	NILESH RAMESHCHANDRA PETHANI				
	At the beginning of the year (April 01, 2019)	1604109	2.205	1604109	2.205
	No change in shareholding during the year				
	At the end of the year (March 31, 2020)	—	—	1604109	2.205
5.	SHAREKHAN BNP PARIBAS FINANCIAL SERVICES LTD				
	At the beginning of the year (April 01, 2019)	0	0.00	0	0.00
	Purchase of Shares on 30 September 2019	200003	0.275	200003	0.275
	Purchase of Shares on 04 October 2019	253011	0.348	453014	0.623
	Purchase of Shares on 25 October 2019	345348	0.475	798362	1.098
	Purchase of Shares on 13 March 2020	263312	0.362	1061674	1.460
	At the end of the year (March 31, 2020)	—	—	1061674	1.460

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Sr. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
6.	CELLO PENS AND STATIONERY PRIVATE LIMITED				
	At the beginning of the year (April 01, 2019)	960000	1.320	960000	1.320
	No change in shareholding during the year				
	At the end of the year (March 31, 2020)	—	—	960000	1.320
7.	CATALYST TRUSTEESHIP LIMITED				
	At the beginning of the year (April 01, 2019)	13829	0.019	13829	0.019
	Purchase of Shares on 27 September 2019	995000	1.368	1008829	1.387
	Sale of Shares on 24 January 2020	(5000)	(0.007)	1003829	1.380
	Sale of Shares on 07 February 2020	(50000)	(0.069)	953829	1.311
	At the end of the year (March 31, 2020)	—	—	953829	1.311
8.	SHAREKHAN LIMITED				
	At the beginning of the year (April 01, 2019)	1024966	1.409	1024966	1.409
	Sale of Shares on 05 April 2019	(2273)	(0.003)	1022693	1.406
	Purchase of Shares on 12 April 2019	9803	0.013	1032496	1.420
	Purchase of Shares on 19 April 2019	8637	0.012	1041133	1.431
	Purchase of Shares on 26 April 2019	784	0.001	1041917	1.432
	Purchase of Shares on 03 May 2019	1865	0.003	1043782	1.435
	Sale of Shares on 10 May 2019	(41715)	(0.057)	1002067	1.378
	Purchase of Shares on 17 May 2019	830	0.001	1002897	1.379
	Sale of Shares on 24 May 2019	(5300)	(0.007)	997597	1.372
	Sale of Shares on 31 May 2019	(10958)	(0.015)	986639	1.356
	Purchase of Shares on 07 June 2019	951	0.001	987590	1.358
	Sale of Shares on 14 June 2019	(1885)	(0.003)	985705	1.355
	Purchase of Shares on 21 June 2019	71795	0.099	1057500	1.454
	Purchase of Shares on 29 June 2019	1020	0.001	1058520	1.455
	Sale of Shares on 05 July 2019	(454504)	(0.625)	604016	0.830
	Purchase of Shares on 12 July 2019	40466	0.056	644482	0.886
	Purchase of Shares on 19 July 2019	1818	0.002	646300	0.889
	Sale of Shares on 26 July 2019	(780)	(0.001)	645520	0.887
	Purchase of Shares on 02 August 2019	44600	0.061	690120	0.949
	Purchase of Shares on 09 August 2019	76797	0.106	766917	1.054
	Purchase of Shares on 16 August 2019	66238	0.091	833155	1.145
	Purchase of Shares on 23 August 2019	369894	0.509	1203049	1.654
	Purchase of Shares on 30 August 2019	102102	0.140	1305151	1.794
	Purchase of Shares on 06 September 2019	8826	0.012	1313977	1.807
	Purchase of Shares on 13 September 2019	10657	0.015	1324634	1.821
	Purchase of Shares on 20 September 2019	6603	0.009	1331237	1.830
	Sale of Shares on 27 September 2019	(220934)	(0.304)	1110303	1.526

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Sr. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	Sale of Shares on 30 September 2019	(200728)	(0.276)	909575	1.251
	Sale of Shares on 04 October 2019	(253094)	(0.348)	656481	0.903
	Sale of Shares on 11 October 2019	(65290)	(0.090)	591191	0.813
	Sale of Shares on 18 October 2019	(110169)	(0.151)	481022	0.661
	Sale of Shares on 25 October 2019	(323058)	(0.444)	157964	0.217
	Purchase of Shares on 01 November 2019	1570	0.002	159534	0.219
	Purchase of Shares on 08 November 2019	18411	0.025	177945	0.245
	Sale of Shares on 15 November 2019	(538)	(0.001)	177407	0.244
	Purchase of Shares on 22 November 2019	291908	0.401	469315	0.645
	Purchase of Shares on 29 November 2019	11773	0.016	481088	0.661
	Purchase of Shares on 06 December 2019	32342	0.044	513430	0.706
	Purchase of Shares on 13 December 2019	4153	0.006	517583	0.712
	Sale of Shares on 20 December 2019	(47102)	(0.065)	470481	0.647
	Sale of Shares on 27 December 2019	(53)	0.000	470428	0.647
	Sale of Shares on 31 December 2019	(3025)	(0.004)	467403	0.643
	Purchase of Shares on 03 January 2020	138	0.000	467541	0.643
	Sale of Shares on 10 January 2020	(10215)	(0.014)	457326	0.629
	Sale of Shares on 17 January 2020	(622)	(0.001)	456704	0.628
	Sale of Shares on 24 January 2020	(12851)	(0.018)	443853	0.610
	Sale of Shares on 31 January 2020	(456)	(0.001)	443397	0.610
	Purchase of Shares on 07 February 2020	628	0.001	444025	0.610
	Sale of Shares on 14 February 2020	(582)	(0.001)	443443	0.610
	Sale of Shares on 21 February 2020	(90066)	(0.124)	353377	0.486
	Sale of Shares on 28 February 2020	(3447)	(0.005)	349930	0.481
	Purchase of Shares on 06 March 2020	17187	0.024	367117	0.505
	Sale of Shares on 13 March 2020	(284035)	(0.391)	83082	0.114
	Purchase of Shares on 20 March 2020	52308	0.072	135390	0.186
	Purchase of Shares on 27 March 2020	547259	0.752	682649	0.939
	Sale of Shares on 31 March 2020	(122)	(0.000)	682527	0.938
	At the end of the year (March 31, 2020)	—	—	682527	0.938
9.	COMBITIC GLOBAL CAPLET PRIVATE LIMITED				
	At the beginning of the year (April 01, 2019)	500000	0.687	500000	0.687
	Purchase of Shares on 19 April 2019	10000	0.014	510000	0.701
	Purchase of Shares on 26 April 2019	21180	0.029	531180	0.730
	Purchase of Shares on 03 May 2019	5000	0.007	536180	0.737
	Purchase of Shares on 10 May 2019	23820	0.033	560000	0.770
	At the end of the year (March 31, 2020)	—	—	560000	0.770

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Sr. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
10.	AQUA PROOF WALL PLAST PRIVATE LIMITED				
	At the beginning of the year (April 01, 2019)	522000	0.718	522000	0.718
	No change in shareholding during the year				
	At the end of the year (March 31, 2020)	—	—	522000	0.718
11.	PANKAJ LATA NIGAM				
	At the beginning of the year (April 01, 2019)	688026	0.946	688026	0.946
	Sale of Shares on 12 July 2019	(680000)	(0.935)	8026	0.0110
	Purchase of Shares on 20 September 2019	84420	0.116	92446	0.1271
	At the end of the year (March 31, 2020)	—	—	92446	0.1271
12.	KARVY STOCK BROKING LTD				
	At the beginning of the year (April 01, 2019)	757249	1.041	757249	1.041
	Sale of Shares on 05 April 2019	(19424)	(0.027)	737825	1.014
	Sale of Shares on 12 April 2019	(1264)	(0.002)	736561	1.013
	Sale of Shares on 19 April 2019	(1779)	(0.002)	734782	1.010
	Sale of Shares on 26 April 2019	(156)	(0.000)	734626	1.010
	Sale of Shares on 03 May 2019	(3230)	(0.004)	731396	1.006
	Sale of Shares on 10 May 2019	(475)	(0.001)	730921	1.005
	Sale of Shares on 17 May 2019	(11789)	(0.016)	719132	0.989
	Sale of Shares on 24 May 2019	(72)	(0.000)	719060	0.989
	Sale of Shares on 31 May 2019	(29698)	(0.041)	689362	0.948
	Sale of Shares on 07 June 2019	(890)	(0.001)	688472	0.947
	Purchase of Shares on 14 June 2019	11050	0.015	699522	0.962
	Purchase of Shares on 21 June 2019	2907	0.004	702429	0.966
	Purchase of Shares on 29 June 2019	150	0.000	702579	0.966
	Sale of Shares on 05 July 2019	(547)	(0.001)	702032	0.965
	Sale of Shares on 12 July 2019	(950)	(0.001)	701082	0.964
	Purchase of Shares on 19 July 2019	426	0.001	701508	0.964
	Sale of Shares on 26 July 2019	(291)	(0.000)	701217	0.964
	Sale of Shares on 02 August 2019	(309)	(0.000)	700908	0.964
	Purchase of Shares on 09 August 2019	5199	0.007	706107	0.971
	Sale of Shares on 16 August 2019	(6157)	(0.008)	699950	0.962
	Sale of Shares on 23 August 2019	(1548)	(0.002)	698402	0.960
	Sale of Shares on 30 August 2019	(15)	(0.000)	698387	0.960

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Sr. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	Sale of Shares on 06 September 2019	(98)	(0.000)	698289	0.960
	Purchase of Shares on 13 September 2019	250	0.000	698539	0.960
	Sale of Shares on 20 September 2019	(438)	(0.001)	698101	0.960
	Purchase of Shares on 27 September 2019	295	0.000	698396	0.960
	Purchase of Shares on 04 October 2019	4	0.000	698400	0.960
	Sale of Shares on 11 October 2019	(54)	(0.000)	698346	0.960
	Sale of Shares on 18 October 2019	(794)	(0.001)	697552	0.959
	Sale of Shares on 25 October 2019	(54)	(0.000)	697498	0.959
	Sale of Shares on 01 November 2019	(205)	(0.000)	697293	0.959
	Purchase of Shares on 08 November 2019	512	0.001	697805	0.959
	Sale of Shares on 15 November 2019	(39238)	(0.054)	658567	0.905
	Sale of Shares on 22 November 2019	(563116)	(0.774)	95451	0.131
	Sale of Shares on 29 November 2019	(20224)	(0.028)	75227	0.103
	Sale of Shares on 06 December 2019	(450)	(0.001)	74777	0.103
	Sale of Shares on 13 December 2019	(710)	(0.001)	74067	0.102
	Sale of Shares on 27 December 2019	(152)	(0.000)	73915	0.102
	Sale of Shares on 31 December 2019	(1047)	(0.001)	72868	0.100
	Sale of Shares on 03 January 2020	(148)	(0.000)	72720	0.100
	Sale of Shares on 10 January 2020	(23362)	(0.032)	49358	0.068
	Sale of Shares on 24 January 2020	(195)	(0.000)	49163	0.068
	Sale of Shares on 14 February 2020	(11859)	(0.016)	37304	0.051
	Sale of Shares on 21 February 2020	(3)	(0.000)	37301	0.051
	At the end of the year (March 31, 2020)	—	—	37301	0.051
13.	IL AND FS SECURITIES SERVICES LIMITED				
	At the beginning of the year (April 01, 2019)	3157452	4.341	3157452	4.341
	Sale of Shares on 05 April 2019	(47881)	(0.066)	3109571	4.275
	Sale of Shares on 12 April 2019	(3062780)	(4.211)	46791	0.064
	Sale of Shares on 26 April 2019	(29557)	(0.041)	17234	0.024
	Sale of Shares on 03 May 2019	(5689)	(0.008)	11545	0.016
	Sale of Shares on 10 May 2019	(1050)	(0.001)	10495	0.014
	Sale of Shares on 24 May 2019	(7000)	(0.010)	3495	0.005
	Sale of Shares on 31 May 2019	(675)	(0.001)	2820	0.004
	Sale of Shares on 21 June 2019	(2820)	(0.004)	0	0.00
	At the end of the year (March 31, 2020)	—	—	0	0.00

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v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1)	MR. HEMANT SHAH (Executive Chairman)				
	At the beginning of the year (April 01, 2019)	5800000	7.97	5800000	7.97
	Sale of Shares on 21/06/2019	(100000)	(0.14)	5700000	7.84
	Sale of Shares on 02/08/2019	(230000)	(0.32)	5470000	7.52
	At the end of the year (March 31, 2020)	—	—	5470000	7.52
2)	MR. VYOMESH SHAH (Managing Director)				
	At the beginning of the year (April 01, 2019)	75,40,000	10.37	75,40,000	10.37
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	—	—	—	—
	At the end of the year (March 31, 2020)	—	—	75,40,000	10.37
3)	MR. ABHIJIT DATTA (Independent Director)				
	At the beginning of the year (April 01, 2019)	—	—	—	—
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	—	—	—	—
	At the end of the year (March 31, 2020)	—	—	—	—
4)	MR. SUNIL SHAH (Independent Director)				
	At the beginning of the year (April 01, 2019)	—	—	—	—
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	—	—	—	—
	At the end of the year (March 31, 2020)	—	—	—	—
5)	MS. PRITI SHAH (Non-Executive Director)				
	At the beginning of the year (April 01, 2019)	—	—	—	—
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	—	—	—	—
	At the end of the year (March 31, 2020)	—	—	—	—
6)	MR. MAHESH A. KUVADIA (Independent Director from June 12, 2019 to March 04, 2020)				
	At the beginning of the year (April 01, 2019)	—	—	—	—
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	—	—	—	—
	At the end of the year (March 1, 2020)	—	—	—	—
7)	MS. NANCY PEREIRA (Chief Financial Officer upto July 05, 2019)				
	At the beginning of the year (April 01, 2019)	200	0.00	200	0.00
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	—	—	—	—
	At the end of the year (March 31, 2020)	—	—	200	0.00

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Sr. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
8)	MR. SUNIL MAGO (Chief Financial Officer from July 05, 2019)				
	At the beginning of the year (April 01, 2019)	1	0.00	1	0.00
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	—	—	—	—
	At the end of the year (March 31, 2020)	—	—	1	0.00
9)	MR. CHETAN MODY (Company Secretary upto April 5, 2019)				
	At the beginning of the year (April 01, 2019)	—	—	—	—
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	—	—	—	—
	At the end of the year (March 31, 2020)	—	—	—	—
10)	MR. NIMESH SHAH (Company Secretary from April 15, 2019 upto June 6, 2019)				
	At the beginning of the year (April 01, 2019)	—	—	—	—
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	—	—	—	—
	At the end of the year (March 31, 2020)	—	—	—	—
11)	MR. AMIT VYAS (Company Secretary from September 24, 2019 upto April 30, 2020)				
	At the beginning of the year (April 01, 2019)	—	—	—	—
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	—	—	—	—
	At the end of the year (March 31, 2020)	—	—	—	—

V) INDEBTEDNESS –

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

(₹ in Lakh)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	50,222.77	14,045.91	—	64,268.68
ii) Interest due but not paid	5,549.51	4,326.43	—	9,875.94
iii) Interest accrued but not due	—	—	—	—
Total (i+ii+iii)	55,772.28	18,372.34	—	74,144.62
Change in Indebtedness during the financial year				
* Addition	54,437.08	32,977.75	—	87,414.83
* Reduction	55,024.61	37,246.12	—	92,270.74
Net Change	(587.53)	(4,268.37)	—	(4,855.91)
Indebtedness at the end of the financial year				
i) Principal Amount	49,165.61	14,300.93	—	63,466.55
ii) Interest due but not paid	6,967.56	8,338.94	—	15,306.50
iii) Interest accrued but not due	226.64	0.85	—	227.48
TOTAL (I+II+III)	56,359.81	22,640.72	—	79,000.53

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

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

(₹ in Lakh)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Mr. Hemant Shah (Executive Chairman)	Mr. Vyomesh Shah (Managing Director)	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	64.80	57.60	122.40
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	10.12	9.04	19.16
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	—	—	—
2	Stock Option	—	—	—
3	Sweat Equity	—	—	—
4	Commission			
	— as % of profit	—	—	—
	— others, specify...	—	—	—
5	Others — Leave Travel Allowance	5.40	4.80	10.20
Total (A)		80.32	71.44	151.76
Ceiling as per the Act		₹ 1087.19 Lakh (being 10% of the net profit computed in accordance with Section 198 of the Companies Act, 2013).		

B. Remuneration to other directors:

(₹ in Lakh)

Sr. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. Abhijit Datta	Mr. Sunil Shah	Mr. Mahesh Kuvadia (From June 12, 2019 to March 04, 2020)	Ms. Priti Shah	
1	Independent Directors					
	Fee for attending Board/ Committee meetings	4.10	4.40	1.80	—	10.30
	Commission *	—	—	—	—	—
	Others, please specify	—	—	—	—	—
	Total (1)	4.10	4.40	1.80		10.30
2	Other Non-Executive Director					
	Fee for attending Board/ Committee meetings	—	—	—	2.90	2.90
	Commission *	—	—	—	—	—
	Others, please specify	—	—	—	—	—
	Total (2)	—	—	—	2.90	2.90
Total (B)=(1+2)		4.10	4.40	1.80	2.90	13.20
Total Managerial Remuneration (A+B)						164.96
Overall ceiling as per the Act		₹ 1195.91 Lakh being 11 % of the net profit as computed under Section 198 of the Companies Act, 2013.				

* In view of the severe liquidity constraints being faced by the Company, the Independent and Non-Executive Directors have voluntarily waived the commission payable to them for the Financial Year 2019-2020.

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

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

(₹ in Lakhs)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel					Total
		Mr. Chetan Mody (Company Secretary upto April 5, 2019)	Mr. Nimesh Shah (Company Secretary from April 15, 2019 upto June 6, 2019)	Mr. Amit Vyas (Company Secretary from September 24, 2019 upto April 30, 2020)	Ms. Nancy Pereira (Chief Financial Officer upto July 05, 2019)	Mr. Sunil Mago (Chief Financial Officer from July 05, 2019)	
1	Gross salary	0.61	2.65	13.11	16.19	28.69	61.25
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	—	—	—	—	—	—
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	—	—	—	—	—	—
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	—	—	—	—	—	—
2	Stock Option	—	—	—	—	—	—
3	Sweat Equity	—	—	—	—	—	—
4	Commission	—	—	—	—	—	—
	— as % of profit	—	—	—	—	—	—
	others, specify...	—	—	—	—	—	—
5	Others, please specify	—	—	—	—	—	—
	Total	0.61	2.65	13.11	16.19	28.69	61.25

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

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

ANNEXURE 'D'

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

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

1. A brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the weblink to the CSR Policy and projects or programs.
Weblink : <http://www.hubtown.co.in/> investors
2. Composition of the CSR Committee
Mr. Hemant M. Shah – Chairman
Mr. Vyomesh M. Shah – Managing Director
Mr. Sunil C. Shah – Independent Director
3. Average Net Profit of the Company for the last three financial years
Average Net Profit : ₹ 832.25 lakh
4. Prescribed CSR expenditure (two percent of the amount as in Item 3 above)
The Company is required to spend ₹ 16.65 lakh
5. Details of CSR spend for the financial year.
 - a. Total amount spent for the financial year : Nil
 - b. Amount unspent, if any : ₹ 16.65 lakh
 - c. manner in which the amount spent during the financial year is detailed below :

Sr. No.	CSR project or activity identified	Sector	Location	Amount outlay (budget) or program wise (₹ in lacs)	Amount spent on the project or program (₹ in lacs)	Cumulative Expenditure upto the reporting period (₹ in lacs)	Amount spent direct or through implementing agency
Nil							

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

During the year under review, the Company, due to severe liquidity constraints, had not expended the amount of ₹ 16.65 lakh earmarked for corporate social responsibility activities for the financial year 2019-2020, as required under the CSR Rules and the CSR Policy of the Company. However, the entire unspent amount of ₹ 16.65 lakh being the minimum required CSR expenditure of the F.Y. 2019-2020 was carried forward to the next financial year (F.Y. 2020-2021) and the Company has fulfilled its obligation towards corporate social activities for the previous financial year (2019-2020) by expending an amount of ₹ 25 lakh towards CSR activities during the current financial year (2020-2021). This amount has been spent through the implementing agency M/s. Sanskruti Yuva Pratisthan.

The amount of ₹ 25 lakh spent in the current financial year for the CSR activities of the previous financial year (2019-2020) shall be over and above the current financial year's (2020-2021) CSR allocation equivalent to atleast 2% of the average net profit of the Company for the immediately preceding three financial years.

7. A responsibility statement of the CSR Committee

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

For and on behalf of
Corporate Social Responsibility Committee

Hemant M. Shah
Chairman of CSR Committee

Place: Mumbai
Date: July 30, 2020

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

ANNEXURE – 'E'

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

1.	Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year ended March 31, 2020		
	Name	Designation	Ratio of remuneration to the median employees' remuneration
	Hemant M. Shah	Executive Chairman	13.6
	Abhijit Datta	Independent Director	N.A.
	Mahesh A. Kuvadia (upto March 4, 2020)	Independent Director	N.A.
	Sunil C. Shah	Independent Director	N.A.
	Priti K. Shah	Non-Executive Director	N.A.
	Vyomesh M. Shah	Managing Director	12.8
Remuneration is considered by way of commission only in case of Independent and Non-Executive Directors.			
2.	Percentage increase / (decrease) in remuneration of each Director and Key Managerial Personnel in the Financial Year 2019-2020		
	Name	Designation	Increase / (Decrease) in remuneration over 2018-2019
	Hemant M. Shah	Executive Chairman	NIL
	Vyomesh M. Shah	Managing Director	NIL
	Abhijit Datta	Independent Director	Nil
	Mahesh A. Kuvadia (upto March 4, 2020)	Independent Director	N.A.
	Sunil C. Shah	Independent Director	NIL
	Priti K. Shah	Non-Executive Director	NIL
	Nancy Pereira (upto July 5, 2019)	Chief Financial Officer	NIL
	Sunil Mago (from July 5, 2019)	Chief Financial Officer	N.A.
	Nimish Shah (from April 15, 2019 to June 6, 2019)	Company Secretary	N.A.
	Amit Vyaas (from September 24, 2019)	Company Secretary	N.A.
	There has been no increase in the remuneration of the Executive Chairman and the Managing Director and Key Managerial Personnel. Due to severe liquidity crunch being faced by the Company, the Independent and Non-Executive Directors have voluntarily waived the receipt of commission for the Financial Year 2019-2020.		
3.	The percentage increase in the median remuneration of employees in the Financial Year 2019-2020		
	There is NIL % increase in median remuneration of employees in the last financial year.		
4.	The number of permanent employees on the roll of the Company.		
	As on March 31, 2020, there were 296 employees on the roll of the Company.		
5.	Average percentile increase already made in the salaries of the employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.		
	There is NIL % increase in median remuneration of employees other than managerial personnel in the last financial year.		
	There was no change in the managerial remuneration.		
	Any increase in remuneration is due to higher replacement cost of the employees leaving the organization during the financial year 2019-2020.		
6.	Affirmation that the remuneration is as per the remuneration policy of the Company.		
	The Company affirms that the remuneration paid is a per the remuneration policy of the Company.		

CORPORATE GOVERNANCE REPORT

INTRODUCTION

Corporate Governance is the combination of voluntary practices and compliance with laws and regulations leading to effective control and management of the organization. Corporate Governance strengthens investors' trust and ensures a long-term partnership that helps in fulfilling a company's quest for higher growth and profit.

MANDATORY REQUIREMENTS

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

The basic philosophy of Corporate Governance in your Company has been to achieve business excellence, to enhance stakeholder value, keeping in view the needs and the interest of all its stakeholders. The Company's corporate governance philosophy has been further strengthened through 'Hubtown Code of Conduct and Ethics for Directors and Senior Management', 'Hubtown Code of Conduct for Prevention of Insider Trading', Terms of Reference of various Board Committees and the Company's Disclosure Policies.

2. BOARD OF DIRECTORS:

Composition :

As on March 31, 2020, the Board comprised of 5 (five) Directors, of whom 2 (two) were Promoter Executive Non-Independent Directors, 2 (Two) Independent Directors and 1 (one) Non-Executive Director.

Mr. Mahesh A. Kuvadia, Independent Director resigned from the Board of Directors of the Company with effect from March 04, 2020. The Company is in the process of appointing a new Independent Director to fill the casual vacancy caused by the resignation of Mr. Mahesh A. Kuvadia.

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

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

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

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

Relationship between Directors inter-se :

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

Shareholding of Non-Executive Directors :

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

CORPORATE GOVERNANCE REPORT (CONTD.)

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

Name of Director	Category of Directorship	Directorship in other public limited companies (*)	No. of Board Committee positions held in other public limited companies		Relationship with other Directors inter-se
			Chairman	Member @	
Mr. Hemant M. Shah Executive Chairman DIN : 00009659	Promoter, Executive Non-Independent	—	—	—	Related to Mr. Vyomesh M. Shah
Mr. Abhijit Datta DIN : 00790029	Non-Executive Independent	2	1	2	Not related to any other Director of the Company
Mr. Sunil C. Shah DIN : 06947244	Non-Executive Independent	1	1	1	
Mr. Mahesh A. Kuvadia DIN : 07195042 (from June 12, 2019 to March 04, 2020)	Non-Executive Independent	2	1	4	
Mrs. Priti K. Shah DIN : 01880436	Non-Executive	—	—	—	
Mr. Vyomesh M. Shah Managing Director DIN : 00009596	Promoter, Executive Non-Independent	1	—	—	Related to Mr. Hemant M. Shah

1. Independent Director means a Director as defined under Regulation 16 (1) (b) of the SEBI Listing Regulations and Section 149 (6) of the Act.
2. (*) – excludes Alternate Directorships, Directorships in Indian Private Limited Companies and Foreign Companies and membership of Managing Committees of various bodies.
3. @ - Member includes Chairman.
4. For the purpose of determination of limit of the Board Committees, only memberships of Audit Committees and Stakeholders' Relationship Committees of all public limited companies have been considered as prescribed under Regulation 26 (1) (b) of the SEBI Listing Regulations.
5. None of the Directors hold directorship in more than 10 (ten) public companies.

In terms of Schedule V – Part C (2) (c) to the SEBI Listing Regulations, the details of listed entities where the Directors of the Company are Directors alongwith the category of Directorship as on March 31, 2020 are given below :

Sr. No.	Name of the Director	Listed Entities in which Director is a Director	Category of Directorship
1.	Mr. Hemant M. Shah	Hubtown Limited	Chairman, Executive Non-Independent
2.	Mr. Abhijit Datta	Hubtown Limited	Non-Executive, Independent
		Bengal Tea and Fabrics Limited	Non-Executive, Independent
		Emami Realty Limited	Non-Executive, Independent
3.	Mr. Sunil C. Shah	Hubtown Limited	Non-Executive Independent
		Twenty Five South Realty Limited (from January 07, 2020)	Non-Executive Independent
4.	Mr. Mahesh A. Kuvadia (from June 12, 2019 upto March 04, 2020)	Hubtown Limited	Non-Executive Independent
		Kesar Enterprises Limited	Non-Executive Independent
		Aishwarya Technologies and Telecom Limited	Non-Executive Independent
5.	Mrs. Priti K. Shah	Hubtown Limited	Non-Executive
6.	Mr. Vyomesh M. Shah	Hubtown Limited	Managing Director, Executive Non-Independent

CORPORATE GOVERNANCE REPORT (CONTD.)

Board Diversity :

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

Appointment and Tenure :

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

Responsibilities :

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

Agenda :

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

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

Independent Directors :

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

Resignation of Independent Director :

Mr. Mahesh A. Kuvadia, Independent Director stepped down from the Board of Directors of the Company owing to his other commitments, with effect from March 04, 2020. As per Regulation 30 read with Schedule III-Part A of the SEBI Listing Regulation, Mr. Mahesh A. Kuvadia has furnished confirmation to the Company stating that there are no other material reasons behind his resignation other than those mentioned in his letter of resignation and such confirmation was duly filed with the Stock Exchanges.

Role of Independent Directors :

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

Familiarisation Programme for Independent Directors :

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

Separate Meeting of Independent Directors :

As required by the Code of Independent Directors under Schedule IV to the Companies Act, 2013 and Regulation 25 (3) of the SEBI Listing Regulations, all the Independent Directors met on May 28, 2019 to review the performance of Non-Independent Directors (including the Chairman of the Company) and the Board as a whole. The Independent Directors also assessed the quality, content and timelines of flow of information between the management and the Board that is to effectively and reasonable perform and discharge their duties.

CORPORATE GOVERNANCE REPORT (CONTD.)

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

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

Business Leadership	Leadership experience including in areas of business development, strategic planning, succession planning, driving change and long-term growth and guiding the Company and its senior management towards its vision and values.
Industry knowledge / experience	- exposure and experience of real estate business - knowledge of the real estate sector - understanding of government legislation / legislation process - recognition of emerging trends and opportunities - assessment of key risks for the business
Financial Expertise	Knowledge and skills in accounting, finance, treasury management, tax and financial management of large corporations with understanding of capital allocation, funding and financial reporting processes.
Technical Skills	- Specialized knowledge in an area or subject such as accounts, finance, auditing, marketing, construction, legal, administration, management, etc. - Knowledge of the relevant Technology and Innovations;
Governance competencies	- strategic thinking and planning from a governance perspective - compliance focus
Behavioural competencies	- common sense and sound judgment - integrity and high ethical standards - mentoring abilities - interpersonal relations - verbal communication skill - understanding of effective decision making process - willingness and ability to devote time and energy to the role

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

Board Meetings :

During the year under review, the Board met 8 (eight) times. The meetings were held on April 15, 2019; May 28, 2019; June 12, 2019; July 05, 2019; August 14, 2019; September 24, 2019; November 13, 2019 and February 13, 2020 respectively. The maximum time gap between any two consecutive meetings did not exceed 120 days. The necessary quorum was present for all the meetings.

The attendance of the Directors at the above mentioned Board Meetings and the Thirty-first AGM held on September 25, 2019 are detailed hereunder :

Name of the Director	No. of Board Meetings attended	Whether attended last AGM held on September 25, 2019
Mr. Hemant M. Shah	8	Yes
Mr. Abhijit Datta	5	Yes
Mr. Sunil C. Shah	8	Yes
Mr. Mahesh A. Kuvadia (from June 12, 2019 till March 04, 2020)	4	Yes
Mrs. Priti K. Shah	8	Yes
Mr. Vyomesh M. Shah	8	Yes

CORPORATE GOVERNANCE REPORT (CONTD.)

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

The Board met on July 30, 2020, to inter-alia approve the audited annual standalone financial statements and financial results and audited annual consolidated financial statements and financial results of the Company for the year ended March 31, 2020.

Meeting Compliances:

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

3. BOARD COMMITTEES :

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

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

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

I. AUDIT AND COMPLIANCE COMMITTEE :

Broad terms of reference :

The terms of reference specified for the Audit and Compliance Committee are as per the provisions of Section 177 of the Act, and Regulation 18 (3) and Part C of Schedule II to the SEBI Listing Regulations. These broadly include :

- a. oversight of the Company's financial reporting process ;
- b. recommendation for appointment, reappointment, terms of appointment of the statutory auditors and the fixation of audit fees;
- c. reviewing with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval;
- d. reviewing with the management, the quarterly financial statements and the auditor's report thereon before submission to the Board for approval;
- e. evaluation of internal financial controls and risk management system;
- f. reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- g. reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- h. discussion with internal auditors of any significant findings and follow up thereon;
- i. discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern;
- j. approving the appointment of Chief Financial Officer (i.e., the Wholetime Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc., of the candidate;
- k. reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- l. approval of any subsequent modification of transactions of the Company with related parties;
- m. scrutiny of inter-corporate loans and investments;
- n. to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- o. reviewing the functioning of the Whistle Blower mechanism;
- p. reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding rupees one hundred crore or 10 percent of the asset size of the subsidiary, whichever is lower including existing loans/ advances / investments; and
- q. carrying out any other function as is mentioned in the terms of reference of the Audit and Compliance Committee.

CORPORATE GOVERNANCE REPORT (CONTD.)

The Audit and Compliance Committee shall mandatorily review the following information:

- a. management discussion and analysis of financial condition and results of operations;
- b. statement of significant related party transactions (as defined by the audit committee), submitted by management;
- c. management letters / letters of internal control weaknesses issued by the statutory auditors;
- d. internal audit reports relating to internal control weaknesses; and
- e. the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit and compliance committee.
- f. statement of deviations:
 - (i) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - (ii) annual statement of funds utilized for purposes other than those stated in the offer document / prospectus/notice in terms of Regulation 32(7).

Composition :

The composition of the Audit and Compliance Committee is in line with the provisions of Section 177 of the Companies Act, 2013 read with Regulation 18 of the SEBI Listing Regulations. Upto March 03, 2020, the Audit and Compliance Committee comprised of 4 (four) Directors, of whom 3 (three) were Independent Directors. Mr. Mahesh A. Kuvadia, Independent Director who was a member of the Audit and Compliance Committee, resigned from the Board of Directors with effect from March 04, 2020 and consequently Mr. Kuvadia ceased to be a member of the Audit and Compliance Committee with effect from the said date. Presently, the Audit and Compliance Committee comprises of 3 (three) Directors, 2 (two) of whom are Non-Executive, Independent Directors and 1 (one) Executive Non-Independent Director. All the members of the Committee are financially literate and have accounting and financial management expertise. As required under Regulation 18 (1) (d) of the SEBI Listing Regulations, the Chairman of the Audit and Compliance Committee is a Non-Executive, Independent Director. The Company Secretary acts as Secretary of the Audit and Compliance Committee.

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

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

Name of the Director	Designation in Committee	Designation in Board
Mr. Abhijit Datta	Chairman	Non-Executive, Independent
Mr. Mahesh A. Kuvadia (from June 12, 2019 till March 04, 2020)	Member	Non-Executive, Independent
Mr. Sunil C. Shah	Member	Non-Executive, Independent
Mr. Vyomesh M. Shah	Member	Promoter, Executive, Non-Independent

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

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

Meetings and Attendance :

During the year under review, the Committee met 5 (five) times. The meetings were held on May 28, 2019; July 05, 2019; August 14, 2019; November 13, 2019 and February 13, 2020 respectively. The gap between two meetings did not exceed 120 days.

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

Name of the Director	No. of meetings attended
Mr. Abhijit Datta	4
Mr. Mahesh A. Kuvadia (from June 12, 2019 till March 04, 2020)	3
Mr. Sunil C. Shah	5
Mr. Vyomesh M. Shah	5

Mr. Abhijit Datta, Chairman of the Audit and Compliance Committee was present at the Annual General Meeting of the Company held on September 25, 2019 to answer the queries of the shareholders.

CORPORATE GOVERNANCE REPORT (CONTD.)

The Committee met on July 30, 2020 to inter-alia review the audited annual standalone financial results and the audited consolidated financial results of the Company for the year ended March 31, 2020 and recommended the same to the Board for its approval.

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

Internal Auditors:

M/s. Protune KS Aiyar Consultants Private Limited, Chartered Accountants act as Internal Auditors to the Company to review the internal control systems of the Company and to report thereon.

II. NOMINATION AND REMUNERATION COMMITTEE:

Composition :

The constitution, scope and powers of the Nomination and Remuneration Committee (NRC) is in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI Listing Regulations. The Nomination and Remuneration Committee (NRC) presently comprises of 4 (four) Directors, of whom 2 (two) are Non-Executive, Independent Directors, 1(one) Non-Executive Director and 1 (one) Executive Non-Independent Director. The Chairman of the Committee is a Non-Executive Independent Director. The Company Secretary of the Company acts as Secretary of the Nomination and Remuneration Committee.

The present composition of the NRC is as follows:

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

Mr. Abhijit Datta, Chairman of the NRC was present at the Annual General Meeting of the Company held on September 25, 2019 to provide clarification on matters relating to managerial remuneration.

TERMS OF REFERENCE :

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

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

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

Meeting and Attendance :

The NRC met 4 (Four) times during the year under review. The meetings were held on April 15, 2019; May 28, 2019; June 12, 2019 and September 24, 2019 respectively. The attendance of each member at the said meeting is as under :

Name of the Director	No. of meetings attended
Mr. Abhijit Datta	2
Mrs. Priti K. Shah	4
Mr. Sunil C. Shah	4
Mr. Hemant M. Shah	4

CORPORATE GOVERNANCE REPORT (CONTD.)

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

Subsequent to the close of the year under review, the NRC met on July 30, 2020 to recommend to the Board, the appointment of Mr. Sadanand Lad as Company Secretary and Compliance Officer of the Company.

Remuneration Policy :

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

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

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

Remuneration of Directors :

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

A. Remuneration to Non-Executive Directors :

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

- i. ₹ 40,000/- for every meeting of the Board attended by each of them;
- ii. ₹ 30,000/- for every meeting of the Committees of the Board (except for the Committee of Directors).

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

The members have authorized the Board for payment of commission to Non-Executive Directors, not exceeding 1 % of the net profit of the Company, subject to a ceiling limit of ₹ 40,00,000/- (Rupees Forty Lakh) per annum. As per the standard practice, the Board approves the payment of commission of an amount not exceeding 1% of the net profit of the Company computed in accordance with the provisions of Section 198 of the Act and the ceiling limit, for each financial year, to be apportioned among the Independent and Non-Executive Directors in proportion to the period for which each of them held office as Director during each financial year.

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

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

B. Remuneration to Executive Chairman and Managing Director :

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

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

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

CORPORATE GOVERNANCE REPORT (CONTD.)

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

Details of remuneration to all directors for the year ended March 31, 2020:

Non-Executive Directors :

Name of the Director	Sitting Fees (Gross) ₹	Commission * (Gross) ₹	No. of Shares held
Mr. Abhijit Datta	4,10,000	Nil	Nil
Mr. Sunil C. Shah	4,40,000	Nil	Nil
Mr. Mahesh A. Kuvadia (from June 12, 2019 till March 04, 2020)	1,80,000	Nil	Nil
Mrs. Priti K. Shah	2,90,000	Nil	Nil

* In view of the severe liquidity constraints being faced by the Company, the Independent and Non-Executive Directors have voluntarily waived the commission payable to them for the Financial Year 2019-2020.

Executive Chairman and Managing Director :

Name of the Director	Salaries ₹	Perquisite and Allowances ₹	Contribution to Provident Fund ₹	Performance Incentive ₹	Service Contract (Present)
Mr. Hemant M. Shah, Executive Chairman	64,80,000	15,51,600	7,77,600	Nil	5 years
Mr. Vyomesh M. Shah, Managing Director	57,60,000	13,83,600	6,91,200	Nil	5 years

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

III. STAKEHOLDERS' RELATIONSHIP COMMITTEE :

Composition :

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

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

As on March 31, 2020, the Stakeholders' Relationship Committee comprised of 1 (one) Non Executive Independent Director, 1 (one) Non-Executive Director and 1 (one) Executive Non-Independent Director.

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

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

Functions :

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

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

CORPORATE GOVERNANCE REPORT (CONTD.)

The Committee ensures that the investor grievances /complaints/queries are redressed in a timely and effective manner and to the utmost satisfaction of the investors. The Committee also oversees the performance of the Registrar and Transfer Agent of the Company relating to investor services and recommends measures for improvement.

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

Meetings and Attendance :

The Committee met once during the year under review on May 28, 2019.

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

Name of the Director	No. of meetings attended
Mr. Sunil C. Shah	1
Mr. Hemant Shah	1
Mrs. Priti K. Shah	1

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

Status of Investor Complaints for the Financial Year ended March 31, 2020 :

During the financial year 2019-2020, no complaints were received by the Company from the investors.

The status of investor's complaints as on March 31, 2020, is as follows :

No. of complaints as on April 1, 2019	Nil
No. of complaints received during the financial year 2019-2020	Nil
No. of complaints resolved upto March 31, 2020	Nil
No. of complaints pending as on March 31, 2020	Nil

The number of pending requests for dematerialization as on March 31, 2020 were Nil. Shareholders'/Investors' complaints and other correspondences are normally attended to within seven working days except where constrained by disputes or legal impediments.

IV. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE :

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

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

Terms of Reference :

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

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

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

CORPORATE GOVERNANCE REPORT (CONTD.)

Composition :

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

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

During the financial year ended March 31, 2020, the CSR Committee met once on February 13, 2020.

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

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

The Company Secretary acts as Secretary of the Corporate Social Responsibility Committee.

V. RISK MANAGEMENT COMMITTEE :

Regulation 21 of the SEBI Listing Regulations mandates top 500 listed entities based on market capitalization as at the end of the immediate previous financial year to constitute the Risk management Committee. Presently, the provisions of Regulation 21 of the SEBI Listing Regulations pertaining to 'Risk Management Committee' are not applicable to the Company. However, the Board has constituted a Risk Management Committee comprising of 3 (three) Directors, of whom 1 (one) is Non-Executive Independent and 2 (two) Executive Non-Independent Directors.

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

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

Composition :

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

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

The Company Secretary acts as Secretary of the Risk Management Committee.

VI. COMMITTEE OF DIRECTORS :

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

Composition :

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

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

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

CORPORATE GOVERNANCE REPORT (CONTD.)

4. GENERAL BODY MEETINGS :

- a. Location and time, where last three Annual General Meetings were held is given below :

Financial Year	Date	Location of the Meeting	Time	Particulars of the Special Resolution
2016-2017	October 30, 2017	Walchand Hirachand Hall, 4th floor, Indian Merchants' Chamber Building Indian Merchants' Chamber Marg, Churchgate, Mumbai 400 020	10.00 A.M.	i. issue of Non-convertible Debentures on private placement basis
2017-2018	September 27, 2018	Walchand Hirachand Hall, 4th floor, Indian Merchants' Chamber Building Indian Merchants' Chamber Marg, Churchgate, Mumbai 400 020	10.00 A.M.	i. issue of Non-convertible Debentures on private placement basis
2018-2019	September 25, 2019	Walchand Hirachand Hall, 4th floor, Indian Merchants' Chamber Building Indian Merchants' Chamber Marg, Churchgate, Mumbai 400 020	10.00 A.M.	i. Reappointment of Mr. Abhijit Datta (DIN : 00790029) as an Independent Director of the Company. ii. Reappointment of Mr. Sunil C. Shah (DIN : 06947244) as an Independent Director of the Company. iii. Payment of aggregate annual remuneration to Mr. Hemant M. Shah (DIN: 00009659), Executive Chairman and Mr. Vyomesh M. Shah (DIN 00009596), Managing Director being Promoters of the Company, exceeding 5 % of the net profit of the Company in terms of Regulation 17 (6) (e) of SEBI Listing Regulations. (Special resolutions passed individually for Mr. Hemant M. Shah and Mr. Vyomesh M. Shah respectively). iv. issue of Non-convertible Debentures on private placement basis.

The special resolutions for the financial years 2016-2017, 2017-2018 and 2018-2019 respectively, which were put to vote by e-voting, ballot and on poll, were passed with requisite majority.

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

No Extraordinary General Meetings were held during the last three financial years.

- c. No special resolution was passed through Postal Ballot during the financial year 2019-2020.
- d. A special resolution for issue of Secured, Redeemable and Non-convertible Debentures is proposed to be passed during the current financial year 2020-2021.

5. MEANS OF COMMUNICATION :

- the main channel of communication to the shareholders is through Annual Report which includes inter-alia, the audited Standalone and Consolidated Financial Statements, the Directors' Report, the Auditors' Reports and other relevant information;
- the Annual General Meeting of the Company is the principal forum for face-to-face communication with the shareholders, where the Board answers specific queries of the shareholders;
- the unaudited quarterly financial results are announced within forty-five days of the close of the relevant quarter. The audited annual financial results are announced within sixty days from the close of the relevant financial year.
- the approved financial results are forthwith sent to the Listed Stock Exchanges- BSE Limited and National Stock Exchange of India Limited and are published in widely circulated local daily newspapers namely 'Free Press Journal' and 'Navshakti', within forty-eight hours of approval thereof;

CORPORATE GOVERNANCE REPORT (CONTD.)

- v. all relevant information pertaining to the Company including but not limited to the annual reports, quarterly results, shareholding pattern, corporate governance reports and all news/press releases and presentations to institutional investors as and when made are posted on the Company's website at <http://hubtown.co.in/investors>.
- vi. the Company discloses to the Stock Exchanges, all information required to be disclosed under Regulation 30 read with Part A of Schedule III to the SEBI Listing Regulations. All information is filed electronically on BSE on-line portal – BSE Corporate Compliance & Listing Centre and on NSE Electronic Application Processing System (NEAPS), the on-line portal of National Stock Exchange of India Limited.

However, this year in view of the outbreak of COVID-19 pandemic and owing to the difficulties involved in dispatching of physical copies of Annual Report, the Ministry of Corporate Affairs ("MCA") has vide its circular no 20/2020 dated 5 May 2020 directed the companies to send the Annual Report only by e-mail to all the members of the Company. Therefore, the Annual Report for F.Y. 2019-20 and Notice of Thirty-second AGM of the Company is being sent to the members at their registered e-mail addresses in accordance with the said circular.

6. GENERAL SHAREHOLDER INFORMATION :

I. Thirty Second Annual General Meeting :

Day	Thursday
Date	December 24, 2020
Time	10.00 a.m.
Venue	The Company is conducting the Annual General Meeting (AGM) through Video Conferencing / Other Audio Visual Means pursuant to the MCA Circular dated May 5, 2020 and as such there is no requirement to have a venue for the AGM. For details please refer to the Notice of this AGM.

II. Financial Calendar :

Financial Year : April 1 to March 31

III. Dividend Payment Date:

The Board of Directors has not recommended any dividend on the equity shares for the year ended March 31, 2020.

IV. Listing Information :

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

Name of the Stock Exchange	Address
BSE Limited	25th floor, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai 400001
The National Stock Exchange of India Limited	Exchange Plaza, C-1, Block 'G', Bandra-Kurla Complex, Bandra (East) , Mumbai 400051

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

V. Stock Code :

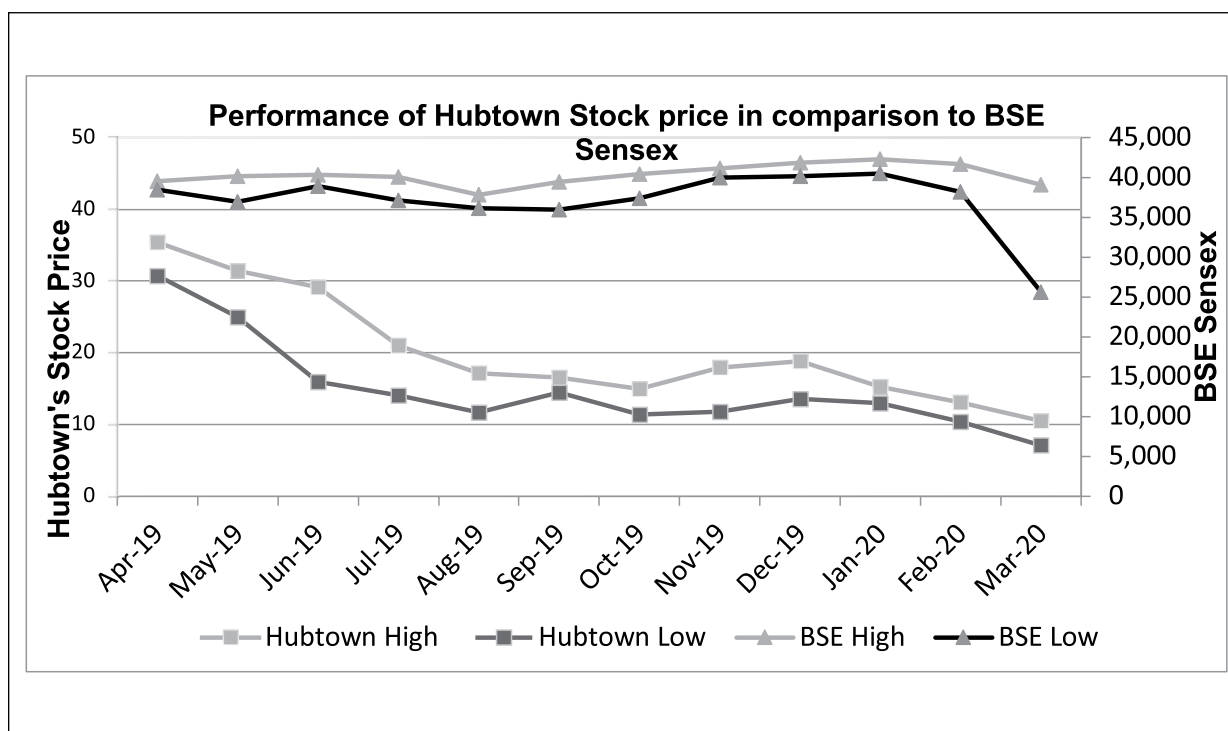
Name of the Stock Exchange	Stock Code
BSE Limited	532799
The National Stock Exchange of India Limited	HUBTOWN EQ
Corporate Identification Number (CIN)	L45200MH1989PLC050688
International Securities Identification Number (ISIN) – Equity Shares	INE703H01016

CORPORATE GOVERNANCE REPORT (CONTD.)

VI. Market Price Data during 2019 - 2020 :

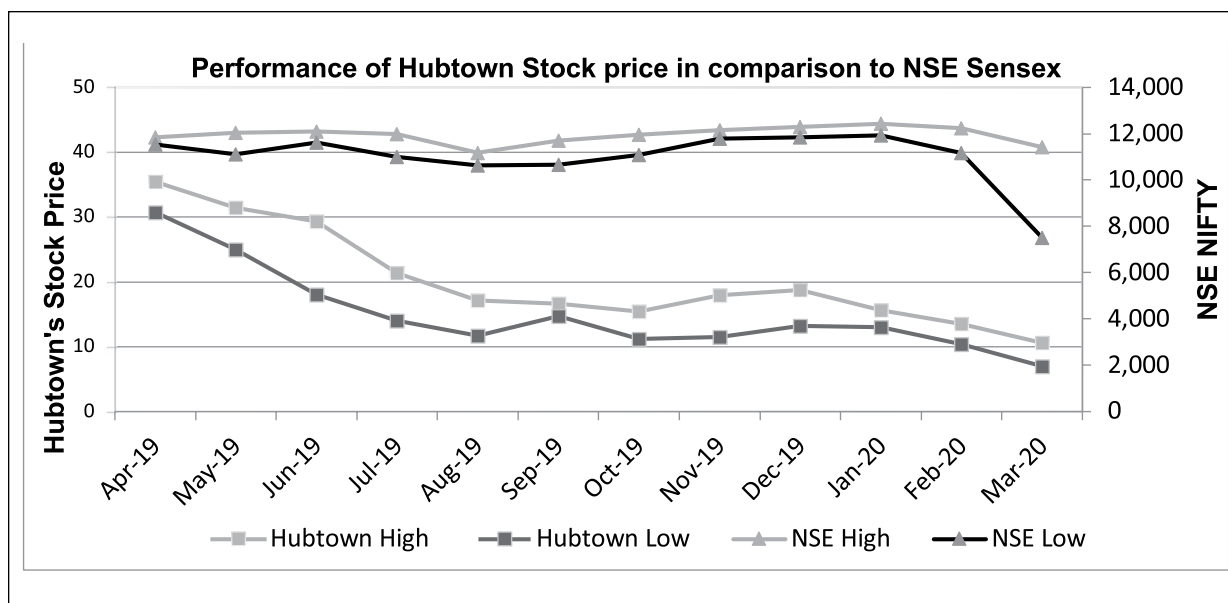
The monthly high and low market price and volume of the Company's shares traded on BSE and NSE during each month of the Financial Year from April 1, 2019 to March 31, 2020 are given below:

MONTH	BSE			BSE SENSEX	
	High (₹)	Low (₹)	Volume (in nos.)	High	Low
April – 2019	35.4	30.75	349523	39487	38460
May – 2019	31.45	25	132195	401245	36956
June – 2019	29.15	16	509927	40312	38871
July – 2019	21	14.1	162841	40032	37128
August – 2019	17.1	11.68	220877	37808	36102
September – 2019	16.6	14.5	113424	39441	35988
October – 2019	15	11.43	85766	40392	37416
November – 2019	17.95	11.78	508835	41164	40014
December - 2019	18.8	13.55	70964	41810	40135
January - 2020	15.27	13	316783	42274	40477
February - 2020	13.05	10.39	210208	41709	38220
March - 2020	10.5	7.09	832974	39083	25639



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MONTH	NSE			NSE NIFTY	
	High (₹)	Low (₹)	Volume (in nos.)	High	Low
April – 2019	35.45	30.75	1118554	11856	11549
May – 2019	31.40	25	762167	12041	11108
June – 2019	29.30	18	1738151	12103	11625
July – 2019	21.35	14	997957	11982	10999
August – 2019	17.15	11.70	1786039	11181	10637
September – 2019	16.65	14.75	706505	11695	10670
October – 2019	15.40	11.25	464817	11945	11090
November – 2019	17.90	11.55	1582565	12159	11803
December - 2019	18.75	13.25	247886	12294	11832
January - 2020	15.60	13	464029	12431	11930
February -2020	13.55	10.45	633183	12247	11175
March - 2020	10.6	7	1710193	11433	7511



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

VII. Suspension of Trading in securities :

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

viii. Registrar and Transfer Agent :

Link Intime India Private Limited

Unit : Hubtown Limited

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

Tel : 022- 4918 6000 ; Fax : 022 4918 6060 ;

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

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

CORPORATE GOVERNANCE REPORT (CONTD.)

ix Share Transfer System :

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

X. Distribution of shareholding size class as on March 31, 2020 :

Slab of shareholding	No. of shareholders	% of shareholders	No. of shares held	% of Shareholding
1 – 500	20140	88.14	1584928	2.1790
501 – 1000	1156	5.0591	954115	1.3118
1001 – 2000	615	2.6915	971171	1.3352
2001 – 3000	238	1.0416	617470	0.8489
3001 – 4000	118	0.5164	424995	0.5843
4001 – 5000	125	0.547	596843	0.8206
5001 – 10000	176	0.7702	1312145	1.8040
10001 – above	282	1.2341	66274204	91.1163
TOTAL	22850	100	72735871	100

XI. Distribution of shareholding by ownership as on March 31, 2020 :

CATEGORY			No. of Shareholders	No. of shares held	% of Total
A.	Shareholding of Promoter and Promoter Group				
	1.	Indian			
	a.	Individuals / Hindu Undivided Family	11	38565686	53.02
	b.	Bodies Corporate	2	600000	0.82
		Sub-Total (A) [1]	13	39165686	53.8465
	2.	Foreign	0	0	0
		Sub-Total (A) [2]	0	0	0
A.	Total Shareholding of Promoter and Promoter Group (A) = (A) (1) + (A) (2)		13	39165686	53.8465
B.	Public Shareholding				
	1.	Institutions			
	a.	Mutual Funds	0	0	0
	b.	Financial Institutions / Banks	2	60025	0.825
	c.	Venture Capital Fund	0	0	0
	d.	Insurance Companies	1	56937	0.078
	e.	Foreign Institutional Investors	2	2659500	3.656
	f.	Central / State Government	1	5	0
		Sub-Total (B) (1)	6	2776467	3.817

CORPORATE GOVERNANCE REPORT (CONTD.)

XI. Distribution of shareholding by ownership as on March 31, 2020 (Contd.):

CATEGORY				No. of Shareholders	No. of shares held	% of Total
2.	Non-Institutions					
	a.	Bodies Corporate		247	13955105	19.186
	b.	Resident Individuals				
	i.	Individual shareholders holding nominal capital upto ₹2 lakh		21066	6914150	9.505
	ii.	Individual shareholders holding nominal capital in excess of ₹ 2 lakh		80	6081307	8.360
	c.	NBFCs registered with RBI		0	0	0
	d.	Any Other (Specify)				
	i.	Trusts		1	12	0.000
	ii.	Non-Residents		185	2141956	2.944
	iii.	Overseas Corporate Bodies		2	11	0
	iv.	Clearing Members		25	435571	0.598
	v.	HUF		809	1262606	1.735
	vi.	Foreign Nationals		1	3000	0.004
		Sub-Total (B) (2)		22416	30793718	42.336
B.	Total Public Shareholding (B) = (B)(1) + (B) (2)			22422	33570185	46.154
GRAND TOTAL (A) + (B)				22435	72735871	100

XII. Dematerialisation of shares and liquidity :

The Company's shares are compulsorily traded in dematerialized form on BSE and NSE. As on March 31, 2020, 7,27,35,854 equity shares constituting nearly 100 % of the total share capital of the Company were held in dematerialized form.

Status of Dematerialization as on March 31, 2020 :

Particulars	No. of Shares	% to Total Capital
National Securities Depository Limited	53,773,325	73.93
Central Depository Services (India) Limited	18,926,529	26.07
Total Dematerialized	7,27,35,854	100
Physical	17	0
Grand Total	7,27,35,871	100

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

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

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

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

XV. Plant Location :

Not Applicable

CORPORATE GOVERNANCE REPORT (CONTD.)

XVI. Address for Correspondence:

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

Physical Shares	Electronic Shares
Address : Link Intime India Private Limited Unit: Hubtown Limited C-101, 247 Park L.B.S. Marg, Vikhroli (West) Mumbai – 400 083	Respective Depository Participants of the Shareholders
Contact Person : Ganesh Jadhav	
E-mail : rnthelpdesk@linkintime.co.in	
Time : 10.00 a.m. to 1.00 p.m. and 1.30 p.m. to 4.00 p.m.	
Designated e-mail for investor services : investorcell@hubtown.co.in	

XVII. Credit Rating :

The Company was not required to obtain any credit rating during the financial year 2019-2020.

7. OTHER DISCLOSURES :

i. Materially significant related party transactions :

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

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

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

iii. Whistle Blower Policy – Vigil Mechanism :

Pursuant to Section 177 (9) and (10) of the Companies Act, 2013 and Regulation 22 of the SEBI Listing Regulations, the Company has framed its Whistle Blower Policy as a vigil mechanism to enable the Directors and all employees to report in good faith genuine concerns regarding unethical behavior, actual or suspected fraud or any violation of the Company's Code of Conduct and Ethics. This mechanism also provides for adequate safeguards against victimization of persons who use this mechanism and for direct access to the Chairman of the Audit and Compliance Committee. The Company affirms that no employee of the Company was denied access to the Audit and Compliance Committee.

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

iv. Compliance with mandatory requirements :

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

v. Policy for determining Material Subsidiaries:

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

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

vi. Policy on Related Party Transactions :

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

CORPORATE GOVERNANCE REPORT (CONTD.)

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

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

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

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

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

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

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

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

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

The total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm / network entity of which the statutory auditor is a part is ₹ 68.29 lakh.

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

The Company has complied with the provisions relating to constitution of Internal Complaints Committee pursuant to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and disclosure under the said Act for the year ended March 31, 2020 is given in the table hereinbelow :

1.	number of complaints filed during the financial year 2019-2020	NIL
2.	number of complaints disposed of during the financial year 2019-2020	NIL
3.	number of complaints pending as on end of the financial year 2019-2020	NIL

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

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

9. COMPLIANCE WITH NON-MANDATORY REQUIREMENTS :

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

a. **Non-Executive Chairman's Office :**

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

b. **Shareholder Rights :**

The quarterly, half yearly and annual financial results of the Company are published in local leading English and Marathi newspapers and are also posted on the Company's website. Hence the same are not sent to the shareholders.

c. **Audit Qualifications:**

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

d. **Reporting of Internal Auditors :**

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

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

Except for compliance with the requirement of Regulations 17 (1) (b) and 25 (6), the Company has complied with the other requirements specified in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) of the SEBI Listing Regulations. The Company is in the process of appointment of an Independent Director to fill the casual vacancy caused by the resignation of Mr. Mahesh A. Kuvadia.

CORPORATE GOVERNANCE REPORT (CONTD.)

11. CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT

The Board of Directors has adopted Code of Conduct and Ethics for the Board of Directors and Senior Management Personnel of the Company in terms of Regulation 17 (5) of the SEBI Listing Regulations. All Board members and Senior Management Personnel have affirmed their compliance with the said Code for the financial year ended March 31, 2020. A declaration to this effect signed by the Managing Director is appended as Annexure – II to this report.

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

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

Pursuant to Regulation 17 (8) of the SEBI Listing Regulations, the Managing Director and the Chief Financial Officer of the Company have certified to the Board regarding the financial statements for the year ended March 31, 2020. A certificate to that effect signed by the Managing Director and the Chief Financial Officer is appended as Annexure - III to this Report.

13. SECRETARIAL AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE :

A certificate from the Secretarial Auditor of the Company regarding compliance of conditions of Corporate Governance as stipulated in Part E of Schedule V of the SEBI Listing Regulations is appended as Annexure IV to this Report.

14. ANNUAL SECRETARIAL COMPLIANCE REPORT :

The Company had undertaken an audit for the Financial Year 2019-2020 for all applicable compliances as per Securities and Exchange Board of India Regulations and Circulars/Guidelines issued thereafter.

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

15. DETAILS OF DEMAT SUSPENSE ACCOUNT :

Pursuant to Regulation 34 (9) read with Schedule VI to Listing Regulations, the Company has opened a separate demat suspense account in the name and style of "Hubtown Limited – Unclaimed Shares Suspense Account" and credited the shares of the Company which are remaining unclaimed by the shareholders under the Initial Public Offering (IPO). The details of such unclaimed shares as on March 31, 2020 are set out hereunder :.

Sr. No.	Particulars	No. of shareholders	No. of shares
1.	Aggregate no. of shareholders and the outstanding shares in the aforesaid suspense account lying at the beginning of the year i.e. April 1, 2019	20	270
2.	No. of shareholders who approached for transfer of shares from the said account during the year 2019-2020	Nil	Nil
3.	No. of shareholders to whom the shares were transferred from the said account during the year 2019-2020	Nil	Nil
4.	Aggregate no. of shareholders and the outstanding shares in the aforesaid suspense account lying at the end of the year i.e. March 31, 2020	20	270

The voting rights on the outstanding unclaimed shares as on March 31, 2020 shall remain frozen as long as the shares remain in the Suspense Account till the rightful owner of such shares claims the shares by submission of the requisite documentary proof of their identity to the Company's Registrar and Transfer Agent, M/s. Link Intime India Private Limited.

16. SEBI COMPLAINTS REDRESS SYSTEM (SCORES) :

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

17. NSE ELECTRONIC APPLICATION PROCESSING SYSTEM (NEAPS) :

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

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

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

CORPORATE GOVERNANCE REPORT (CONTD.)

ANNEXURE - I

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

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

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Hubtown Limited having CIN L45200MH1989PLC050688 and having registered office at Plaza Panchsheel, 'A' Wing, 5th Floor, Hughes Road, Behind Dharam Palace, Grant Road (W), Mumbai- 400007 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority:

Sr. No	Name of Director	DIN
1	Mr. Hemant Mahipatray Shah, Executive Chairman	00009659
2	Mr. Vyomesh Mahipatray Shah, Managing Director	00009596
3	Mr. Abhijit Datta, Independent Director	00790029
4	Mr. Sunil Chandrakant Shah, Independent Director	06947244
5	Mrs. Priti Kamlesh Shah, Non-Executive Director	01880436

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

For **Ashish Bhatt & Associates**

Ashish Bhatt

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

Place: Thane

Date: July 30, 2020

CORPORATE GOVERNANCE REPORT (CONTD.)

ANNEXURE - II

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

As provided under Regulation 34 (3) read with Para D of Schedule V to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the members of Board of Directors and the Senior Management Personnel and other employees have affirmed their compliance with Hubtown Code of Business Conduct and Ethics as applicable to them, for the Financial Year ended March 31, 2020.

For **Hubtown Limited**

Vyomesh M. Shah
Managing Director
DIN : 00009596

Mumbai, July 30, 2020

ANNEXURE - III

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

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

- a. We have reviewed the financial statements and the cash flow statements for the year ended March 31, 2020 and that to the best of our knowledge and belief, we state that :
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain any statement that might be misleading; and
 - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with the existing generally accepted accounting standards, applicable laws and regulations.
- b. We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year ended March 31, 2020 which are fraudulent, illegal or violative of the Company's Code of Business Conduct and Ethics;
- c. We hereby declare that all the members of the Board and Senior Management Personnel have confirmed compliance with the Code of Business Conduct and Ethics as adopted by the Company ;
- d. We accept responsibility for establishing and maintaining internal controls for financial reporting in the Company and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors of the Company and the Audit and Compliance Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies; and
- e. We have indicated, based on our evaluation, wherever applicable, to the Auditors and the Audit and Compliance Committee that :
 - (i) significant changes, if any, in internal control over financial reporting during the year;
 - (ii) significant changes, if any, in the accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and
 - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For **Hubtown Limited**

Vyomesh M. Shah
Managing Director
DIN : 00009596

Sunil Mago
Chief Financial Officer

Mumbai, July 30, 2020

CORPORATE GOVERNANCE REPORT (CONTD.)

ANNEXURE - IV

To the Members of
Hubtown Limited.

CERTIFICATE REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

We have examined the records concerning the compliance of conditions of Corporate Governance by Hubtown Limited ("the Company") for the year ended on 31 March 2020, as stipulated in Regulation 17 to 27 and clause (b) to (i) of sub-regulation (2) of Regulation 46 and Paras C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

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

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

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

For **Ashish Bhatt & Associates**
Company Secretaries

Ashish Bhatt
Membership No 4650
CP No 2956

Place: Thane
Date: July 30, 2020

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF HUBTOWN LIMITED

Report on the Audit of the Standalone Financial Statements

Qualified Opinion

We have audited the accompanying standalone financial statements of Hubtown Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph below, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the loss and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

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

- a) As stated in Footnote (a) to Note 28 to the standalone financial statements of the Company for the year, with regards the Company not having provided for Interest expense amounting to ₹ 28,366.53 lakhs on certain Inter-corporate deposits. Consequent to above, finance cost for the year ended 31st March, 2020 has been understated by ₹ 28,366.53 lakhs resulting in a consequential decrease in the losses for the year ended 31st March, 2020 to that extent. Our Opinion on the Standalone financial statements for the year ended March 2019 was also modified in respect of this matter.
- b) As stated in Footnote (c) to Note 23 to the standalone financial statement of the Company for the year ended 31st March, 2020 with regards the Company not having recognized finance Income from Deep Discount bonds held in one of its Joint Venture entities. Consequently, Finance Income for the year ended 31st March, 2020 is understated by ₹ 26,209.80 lakhs. Further, losses for the year ended 31st March, 2020 is overstated to that extent. Our Opinion on the Standalone financial statements for the year ended March 2019 was also modified in respect of this matter.

Emphasis of Matters

We draw Attention to:

- a) Note 2 (II) (b) (ii) of the standalone financial statements, regarding to recognition of expense for ongoing projects which, based upon estimated costs, is as per the judgment of the management and have been relied upon by us, these being technical matters.
- b) Note 42 of the standalone financial statements, which describes the effects of uncertainties relating to COVID-19 pandemic outbreak on the Company's operation and management's evaluation of its impact on the accompanying Statement as at 31st March, 2020, the impact of which is significantly dependent on future developments.
- c) Footnote (a) to Note 13 to the standalone financial statements, regarding the status of the projects and the opinion framed by the Company's management regarding realizable value of the costs incurred which, being a technical matter is relied upon by us.
- d) Note 36 (i) (B) of the standalone financial statements, regarding Corporate guarantees issued and securities provided aggregating ₹ 1,30,662.05 lakhs by the Company to banks and financial institutions on behalf of various entities, which are significant in relation to the losses for the year and the net worth of the Company. In the opinion of the Management, these are not expected to result into any financial liability to the Company.
- e) Footnote (c) to Note 36 of the standalone financial statements regarding the above corporate guarantees issued and securities provided are disclosed at amounts outstanding as at 31st March, 2020. The financial liabilities on account of such financial guarantee contracts have not been measured at fair value as management is of the opinion that there is no material benefit which is expected to accrue to the borrowers on behalf of whom the Company has provided the corporate guarantees.
- f) Footnote (b) to Note 36 of the standalone financial statements, regarding reliance placed by the auditors on certification received from the management with regard to the disclosure of contingent liabilities of the Company.
- g) Note 41 of the standalone financial statements, regarding balances that are subject to confirmations, reconciliation and adjustments, if any.
- h) Footnote (b) to Note 9 of the standalone financial statements, regarding the Company not having charged interest on advances given by it to various group entities developing real estate projects, in which the Company has a commercial and business interest.
- i) Footnote (a) to Note 19 of the standalone financial statements, regarding the Company's default in redemption of non-convertible debentures along with interest amounting to ₹ 1,441.67 lakhs. We are, however, informed by the management that the Company is in the process of negotiation for settlement / redemption of the said debentures.

INDEPENDENT AUDITOR'S REPORT (CONTD.)

- j) Footnote to Note 17 of standalone financial statements, regarding the Company has not created investments to the extent of 15% of the value of the such debentures, which is required to be created and earmarked in the manner prescribed under Rule 18(7)(c) of the Companies (Share Capital and Debentures) Rules, 2014 notified by the Ministry of Corporate Affairs.
- k) Footnote (h) to Note 6 of the standalone financial statements, regarding the Company's investments in certain subsidiaries, jointly controlled entities and associates as at 31st March, 2020 which have incurred losses and carry an eroded net worth as at 31st March, 2020.
- l) Footnote (b) to Note 30 of the standalone financial statements, regarding Company having spent ₹ 16.65 Lakhs lower amount for Corporate Social Responsibility during the year than that required under Section 135 of the Act.
- m) Footnote (g) to Note 6 of the standalone financial statements regarding non-receipt of financial statements of one of its partnership firm for year ended 31st March, 2020. In the opinion of management, share of profit/(loss) of such partnership will not have any material impact on the financial statements.

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

Key Audit Matters

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

Key Audit Matter	How the matter was addressed in our audit
I. Revenue Recognition Refer Note 2(III) to standalone financial statements Revenues from sale of residential units represent the largest portion of the total revenues of the Company. Revenue is recognized upon transfer of control of residential units to customers for an amount that reflects the consideration which the Company expects to receive in exchange for those units. The point of revenue recognition is normally on handover of the unit to the customer on completion of the project, post which the contract becomes non-cancellable by the parties. The Company records revenue at a point in time upon transfer of control of residential units to the customers. Due to the large volume of the Company's projects, there is a risk that revenue could be overstated or understated. Since revenue recognition has direct impact on the Company's profitability, this matter has been identified as Key Audit Matter for the current year audit.	I. Our audit procedures included, but were not limited to the following: - Evaluating that the Company's revenue recognition accounting policies are in line with the applicable Indian accounting standards and their application to customer contracts including consistent application; - Identify and test operating effectiveness of key controls around approvals of contracts, milestone billing, intimation of possession letters and controls over collection from customers; - For samples selected, verifying underlying documents like handover letter, sale agreement signed by the customer and the collections; - Cut off procedure for determination of revenue in the appropriate reporting period; - Conducting site visit during the year for selected projects to understand the scope, nature and status of the projects and to assess the progress of the projects; and - Considering the adequacy of disclosure in notes to the standalone financial statements in respect of the judgments taken in recognizing revenue.
II. Investment in Subsidiaries, Joint ventures and Associates The carrying amount of the investments in subsidiaries, Joint Ventures and Associates held at cost less impairment, if any represents a significant portion of the Company's total assets. The Company has investments in subsidiaries, Joint Ventures and Associates. These investments are carried at cost less any diminution in value of such investments. The investments are reviewed for impairment at each reporting date by comparing the carrying value of investments in the Company's books with the net assets of the relevant subsidiaries, joint ventures and associates balance sheet. Further, the Company's review includes assessment of the projected cash flows of the real estate projects in these underlying entities, which involve significant estimates and judgment, due to the inherent uncertainty involved in forecasting future cash flows. In addition, considering the materiality of the investments in subsidiaries, joint ventures and associates vis-à-vis the total assets of the Company, this is considered to be significant to our overall audit.	II. Our audit procedures included, but were not limited to the following: - Comparing the carrying amount of Investments in the Company's books with the respective subsidiaries, Joint Ventures and Associates audited / unaudited financial statements to identify whether their net assets (being an approximation of their minimum recoverable amount) were in excess of their carrying value. - Assess historic profitability of the subsidiaries, joint ventures and associate companies - For the Investments where the carrying amount exceeded the Company's share of net assets value, enquired status of projects. Further, the carrying amount of investments was compared by projected cash flows and profitability of the project in that respective subsidiaries, joint ventures and associate companies - Verified adequacy of disclosures in respect of the Investments in subsidiaries, joint ventures and associates.

INDEPENDENT AUDITOR'S REPORT (CONTD.)

Other Matter

Attention is further invited to the Statement of Profit and Loss of the Company which includes share of loss from investments in partnership firms / joint ventures aggregating to ₹ 326.94 lakhs that are based on the financial statements of the firms/joint ventures as prepared by the management and presented to us on which we have relied.

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

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

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

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

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

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

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

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

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

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

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

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

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

INDEPENDENT AUDITOR'S REPORT (CONTD.)

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 197(16) of the Act, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under Section 197 read with Schedule V to the Act.
2. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order.
3. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) The Standalone Financial Statements dealt with by this Report are in agreement with the books of account;
 - d) Except for the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act;
 - e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
 - f) We have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as on 31st March 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report as per **Annexure B** expressed an unmodified opinion;
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, (as amended) in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements;
 - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

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

DEVANG DALAL
Partner

Membership No.: 109049
UDIN: 20109049AAAALT5601

Place: Mumbai
Date: July 30, 2020

INDEPENDENT AUDITOR'S REPORT (CONTD.)

ANNEXURE "A" REFERRED TO IN OUR REPORT TO THE MEMBERS OF HUBTOWN LIMITED ON THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020;

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

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (b) The Property, Plant and Equipment have been physically verified by the Management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and nature of its assets. Pursuant to the program, a portion of the fixed assets has been physically verified by the management during the year and no material discrepancies between the book records and the physical fixed assets have been noticed.
- (c) The title deeds of immovable properties are held in the name of the Company.
- (ii) The physical verification of inventory has been conducted at reasonable intervals by the Management during the year. The discrepancies noticed on physical verification of inventory as compared to book records were not material and have been appropriately dealt with in the books of account;
- (iii) The Company has granted unsecured loan to three companies covered under the register maintained under Section 189 of the Act;
 - (a) The terms and condition of the loan are prima facie not prejudicial to the interest of the Company, and
 - (b) The schedule of repayment of principal and interest, if any, has been stipulated as per terms of the arrangement;
 - (c) As per the terms and conditions of the arrangement, the amount of the loan is not overdue;
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it;
- (v) The Company has not accepted any deposits during the year from the public within the meaning of Sections 73 to 76 of the Act and the Rules framed thereunder to the extent notified; Further, attention is invited to footnote (g) to Note 18.
- (vi) Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act. We have broadly reviewed the cost records maintained by the Company in respect of projects and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete;
- (vii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, except for dues in respect of Income Tax, Provident Fund, Profession Tax, Tax Deducted at Source, and Goods and Service Tax, the Company is generally regular in depositing undisputed statutory dues, including, Employees' State Insurance, Wealth Tax, duty of customs, duty of excise and other material statutory dues, as applicable, with the appropriate authorities. The extent of arrears of statutory dues outstanding including Interest as at the Balance Sheet date, for a period exceeding six months from the date they became payable are ₹ 523.46 lakhs relating to Income Tax Deducted at Source, ₹ 522.34 lakhs relating to Value Added Tax, ₹ 615.90 lakhs relating to Service Tax and ₹ 9.42 lakhs relating to Goods and Service Tax.
- (b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of Income Tax, Value Added Tax and Service Tax as at the Balance Sheet date which have not been deposited on account of a dispute, are as follows:

Statute and nature of dues	Financial Year	Amount (₹ in lakhs)	Forum where dispute is pending
Income Tax Act, 1961			
Income Tax	2003-04	17.48	Mumbai High Court
Income Tax	2004-05	21.31	Mumbai High Court
Income Tax	2005-06	20.92	Mumbai High Court
Income Tax	2011-12	74.88	Commissioner of Income Tax (Appeal)
Maharashtra Value Added Tax Act, 2002			
Maharashtra Value Added Tax	2006-07	1.64	Joint Commissioner of Sales Tax (Appeals)
Service Tax (Finance Act, 1994)			
Service Tax	2011-12	481.60	Commissioner of Service Tax
Service Tax	2012-13	451.00	Commissioner of Service Tax
Service Tax	2013-14	520.83	Commissioner of Service Tax
Service Tax	2014-15	727.52	Commissioner of Service Tax (Appeals)

INDEPENDENT AUDITOR'S REPORT (CONTD.)

- (viii) On the basis of the records examined by us and the information and explanations given to us, the Company has delayed in repayment of dues to banks, financial institution and debentures holders. Attention is invited to footnote (f) to Note 18 – Non-Current Borrowings, with regards to banks, footnote (f) to Note 18 – Current Borrowings, with regards to financial institution and footnote (b) to Note 19 with regards to debentures, for the amounts and period of delays in payment of principle and interest thereon;
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable to the Company.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practice in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the management.
- (xi) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013;
- (xii) As the Company is not a Nidhi company, the provisions of clause 3(xii) of the Order are not applicable to the Company;
- (xiii) The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards;
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provision of clause 3(xiv) of the Order are not applicable to the Company;
- (xv) Based upon the audit procedures performed and the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, the provisions of clause 3(xv) of the Order are not applicable to the Company;
- (xvi) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3(xvi) of the Order are not applicable to the Company.

FOR M.H DALAL & ASSOCIATES

Firm Registration No.: 112449W

Chartered Accountants

DEVANG DALAL

Partner

Membership No.: 109049

UDIN: 20109049AAAAALT5601

Place: Mumbai

Date: July 30, 2020

INDEPENDENT AUDITOR'S REPORT (CONTD.)

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

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

We have audited the internal financial controls over financial reporting of Hubtown Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

INDEPENDENT AUDITOR'S REPORT (CONTD.)

Opinion

In our opinion, the Company has in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

FOR M.H DALAL & ASSOCIATES

Firm Registration No.: 112449W

Chartered Accountants

DEVANG DALAL

Partner

Membership No.: 109049

UDIN: 20109049AAAALT5601

Place: Mumbai

Date: July 30, 2020

BALANCE SHEET AS AT 31ST MARCH, 2020

Particulars	Note	As at 31st March, 2020 (₹ in lakhs)	As at 31st March, 2019 (₹ in lakhs)
ASSETS			
Non-Current Assets			
(a) Property, plant and equipment	3	1,640.71	1,760.43
(b) Investment properties	4	3,755.91	3,898.91
(c) Intangible assets	5A	—	—
(d) Right to use assets	5B	59.65	—
(e) Financial assets			
(i) Investments	6	167,629.46	164,375.57
(ii) Trade receivables	7	—	—
(iii) Loans	8	560.87	519.01
(iv) Other financial assets	9	581.70	202.16
(f) Current tax assets (Net)	10	853.95	748.03
(g) Deferred tax assets (Net)	11	2,299.98	4,140.20
(h) Other non-current assets	12	2,175.49	2,385.91
Total Non-Current Assets		179,557.72	178,030.22
Current Assets			
(a) Inventories	13	133,828.66	103,007.80
(b) Financial assets			
(i) Investments	6	287.19	2,477.50
(ii) Trade receivables	7	8,930.53	31,906.97
(iii) Cash and cash equivalents	14	1,054.92	1,945.28
(iv) Bank balances other than (iii) above	15	43.50	532.14
(v) Loans	8	6,322.84	9,739.05
(vi) Other financial assets	9	54,195.06	82,059.53
(c) Other current assets	12	13,235.20	12,023.56
Total Current Assets		217,897.90	243,691.83
TOTAL ASSETS		397,455.62	421,722.05
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	16	7,273.59	7,273.59
(b) Other equity	17	160,269.85	166,156.85
Total Equity		167,543.44	173,430.44
Liabilities			
Non-Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	18	3,050.59	5,504.61
(ii) Other financial liabilities	19	3,035.64	5,076.77
(b) Provisions	20	198.91	218.00
Total Non-Current Liabilities		6,285.14	10,799.38
Current Liabilities			
(a) Financial liabilities			
(i) Borrowings	18	23,118.13	25,327.10
(ii) Trade payables	21	13,233.38	11,946.32
(iii) Other financial liabilities	19	136,424.61	146,631.71
(b) Other current liabilities	22	50,443.54	53,242.12
(c) Provisions	20	407.38	344.98
Total Current Liabilities		223,627.04	237,492.23
Total Liabilities		229,912.18	248,291.61
TOTAL EQUITY AND LIABILITIES		397,455.62	421,722.05

The accompanying notes are an integral part of the financial statements

As per our report of even date
For **M H DALAL AND ASSOCIATES**
Firm Registration No. 112449W
CHARTERED ACCOUNTANTS

DEVANG DALAL
PARTNER
Membership No. 109049
Mumbai
July 30, 2020

For and on behalf of the Board of Directors

HEMANT M. SHAH
EXECUTIVE CHAIRMAN

SADANAND LAD
COMPANY SECRETARY

Mumbai
July 30, 2020

VYOMESH M. SHAH
MANAGING DIRECTOR

SUNIL MAGO
CHIEF FINANCIAL OFFICER

Mumbai
July 30, 2020

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2020

Particulars	Note	Year ended 31st March, 2020 (₹ in lakhs)	Year ended 31st March, 2019 (₹ in lakhs)
I INCOME			
Revenue from Operations	23	25,548.38	41,404.50
Other Income	24	3,614.69	7,312.67
Share of Profit / (Loss) of Joint Ventures and Partnership Firms (Net)		(326.85)	311.70
TOTAL INCOME		28,836.22	49,028.87
II EXPENSES			
Cost of Construction / Development	25	12,555.93	13,315.06
Purchase of Stock-in-Trade		472.19	454.31
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	26	(17,169.38)	15,942.89
Employee Benefits Expense	27	1,558.48	1,375.61
Finance Cost	28	13,871.44	11,462.74
Depreciation and Amortisation Expenses	29	395.42	274.26
Other Expenses	30	21,006.75	5,908.29
TOTAL EXPENSES		32,690.83	48,733.16
Profit/(Loss) before Tax		(3,854.61)	295.71
Tax Expense			
(a) Current Tax		(251.62)	—
(b) Deferred tax (charge) / credit		(1,840.22)	(953.61)
(c) Excess / (Short) provision for taxation in respect of earlier years		—	(51.54)
Profit/(Loss) for the Year		(5,946.45)	(709.44)
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to Profit or Loss			
Remeasurement of the net defined benefit liability / asset		59.45	31.15
Total other Comprehensive Income		59.45	31.15
Total Comprehensive Income/(Loss) for the year		(5,887.00)	(678.29)
Earning per equity share of nominal value of ₹ 10/- each (in Rupees)	31		
Basic and Diluted		(8.18)	(0.98)

The accompanying notes are an integral part of the financial statements

As per our report of even date
For **M H DALAL AND ASSOCIATES**
Firm Registration No. 112449W
CHARTERED ACCOUNTANTS

DEVANG DALAL
PARTNER
Membership No. 109049
Mumbai
July 30, 2020

For and on behalf of the Board of Directors

HEMANT M. SHAH
EXECUTIVE CHAIRMAN

SADANAND LAD
COMPANY SECRETARY

Mumbai
July 30, 2020

VYOMESH M. SHAH
MANAGING DIRECTOR

SUNIL MAGO
CHIEF FINANCIAL OFFICER

Mumbai
July 30, 2020

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2020

Particulars	Year ended 31st March, 2020 (₹ in lakhs)	Year ended 31st March, 2019 (₹ in lakhs)
I. CASH FLOWS FROM OPERATING ACTIVITIES		
Net Profit / (Loss) before taxation as per Statement of Profit and Loss	(3,854.61)	295.71
Adjustments for:		
Finance costs	11,430.26	9,312.93
Interest expenses on financial liabilities measured at fair value	2,422.29	2,149.81
Interest expense on account of Right to use	18.89	—
Share of Profit / (Loss) from investment in partnership firms and JVs	326.85	(311.70)
Profit on sale of investments in associates, JVs, etc. developing real estate projects (Net)	(3,036.80)	(236.73)
Depreciation and amortisation	395.42	274.26
Unwinding of Interest free loans	(41.85)	(36.79)
Interest income on financial assets at amortised cost	—	(307.71)
Advances and other debit balances written off	1,235.10	704.52
(Profit) / Loss on sale of fixed assets (Net)	(611.18)	(0.42)
Provision no longer required	(4,206.56)	—
Interest income	(2,168.21)	(1,088.09)
Remeasurement of the net defined benefit liability / asset	59.45	31.15
Bad Debts	29.79	80.94
Provision for doubtful debts and advances and investments	6,848.75	—
Gain on Fair Valuation of Investments in Mutual Funds	(0.28)	(1.03)
Income on account of OTS	—	(2,870.63)
Interest write back	(200.57)	(751.28)
Investment written off	—	10.00
Interest income on financial liabilities measured at fair value	(2,457.44)	(2,455.75)
Provision for diminution / receivable written back	(0.90)	(10.00)
Loss on sale of Investments	—	1,341.00
Gain/(Loss) on foreign currency fluctuation (Net)	(5.15)	1.44
Prospective projects written off	—	107.63
Unwinding of security deposits	(34.84)	(44.57)
Investment written off on account of Merger	612.25	—
Sundry credit balances appropriated	(1,638.25)	(36.67)
	8,977.02	5,862.31
Operating profit before working capital changes	5,122.41	6,158.02
Add / (Less) :		
(Increase) / Decrease in inventories	(16,012.18)	(8,349.49)
On account of adoption of Ind AS 115	—	(1,379.03)
(Increase) / Decrease in trade and other receivables	22,371.95	(4,309.97)
Increase / (Decrease) in trade and other payables	(11,255.94)	12,085.63
Cash generated from operations	226.24	4,205.16
Less: Direct taxes paid	(357.54)	(1,843.22)
Net cash flow from operating activities	(131.30)	6,048.38

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2020 (CONTD.)

Particulars	Year ended 31st March, 2020 (₹ in lakhs)	Year ended 31st March, 2019 (₹ in lakhs)
II. CASH FLOWS ARISING FROM INVESTING ACTIVITIES		
Inflow / (Outflow) on account of :		
Interest income received	77.78	20.86
(Increase) / Decrease in loans and advances	4,349.32	(1,345.37)
(Increase) / Decrease in deposits with maturity of more than three months	488.63	(391.82)
Sale/(Purchase) of fixed assets	306.82	(362.57)
Increase/ Decrease in Long term investments	1,117.82	7,646.92
Net cash flow from investing activities	6,340.37	5,568.02
III. CASH FLOWS ARISING FROM FINANCING ACTIVITIES		
Inflow / (Outflow) on account of :		
Increase / (Decrease) in long term and short term borrowings	(2,877.74)	(2,777.51)
Finance Cost Paid	(4,517.13)	(8,448.67)
Net cash flow from financing activities	(7,394.87)	(11,226.17)
Net increase in cash and cash equivalents (I + II + III)	(1,185.80)	390.23
Add: Balance at the beginning of the year	511.20	120.97
Cash and cash equivalents at the end of the year	(674.60)	511.20
Components of cash and cash equivalents (Refer Note 14)		
Cash and cash equivalents:		
Cash on hand	17.19	28.31
Balances with banks		
— On Current accounts	846.41	1,870.40
— Deposit with maturity of less than three months	191.32	46.57
Cash Credit facilities (Refer Note 18)	(1,729.52)	(1,434.08)
	(674.60)	511.20

The accompanying notes are an integral part of the financial statements

Note:

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

As per our report of even date
For **M H DALAL AND ASSOCIATES**
Firm Registration No. 112449W
CHARTERED ACCOUNTANTS

DEVANG DALAL
PARTNER
Membership No. 109049
Mumbai
July 30, 2020

For and on behalf of the Board of Directors

HEMANT M. SHAH
EXECUTIVE CHAIRMAN

SADANAND LAD
COMPANY SECRETARY

Mumbai
July 30, 2020

VYOMESH M. SHAH
MANAGING DIRECTOR

SUNIL MAGO
CHIEF FINANCIAL OFFICER

Mumbai
July 30, 2020

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2020

	Note	(₹ in lakhs)
A. EQUITY SHARE CAPITAL		
As at 1st April, 2018	16	7,273.59
Changes in equity share capital		—
As at 31st March, 2019		7,273.59
Changes in equity share capital		—
As at 31st March, 2020		7,273.59

B. OTHER EQUITY

	Reserves and Surplus				(₹ in lakhs)
	Securities Premium Reserve	Debenture Redemption Reserve	General Reserve	Retained Earnings	Total
Balance at 1st April, 2018	60,716.12	2,200.00	30,795.00	74,503.05	168,214.17
On account of adoption of Ind AS 115	—	—	—	(1,379.03)	(1,379.03)
Profit / (Loss) for the year	—	—	—	(709.44)	(709.44)
Items of Other Comprehensive Income: Remeasurement of net defined benefit	—	—	—	31.15	31.15
Transfer to/from General Reserve	—	—	—	—	—
Balance at 31st March, 2019	60,716.12	2,200.00	30,795.00	72,445.73	166,156.85
Balance at 1st April, 2019	60,716.12	2,200.00	30,795.00	72,445.73	166,156.85
Profit / (Loss) for the year	—	—	—	(5,946.45)	(5,946.45)
Items of Other Comprehensive Income: Remeasurement of net defined benefit	—	—	—	59.45	59.45
Transfer (to)/from General Reserve	—	—	—	—	—
Balance at 31st March, 2020	60,716.12	2,200.00	30,795.00	66,558.71	160,269.85

The accompanying notes are an integral part of the financial statements

As per our report of even date
For **M H DALAL AND ASSOCIATES**
Firm Registration No. 112449W
CHARTERED ACCOUNTANTS

DEVANG DALAL
PARTNER
Membership No. 109049
Mumbai
July 30, 2020

For and on behalf of the Board of Directors

HEMANT M. SHAH
EXECUTIVE CHAIRMAN

SADANAND LAD
COMPANY SECRETARY

Mumbai
July 30, 2020

VYOMESH M. SHAH
MANAGING DIRECTOR

SUNIL MAGO
CHIEF FINANCIAL OFFICER

Mumbai
July 30, 2020

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020

NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

1.1 Company Overview

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

1.2 The financial statements are approved for issue by the Company's Board of Directors in the board meeting held on 30th July, 2020.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES FOLLOWED BY THE COMPANY

I. Basis of preparation of Financial Statements

(i) Compliance with Ind AS

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

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

(ii) Historical cost convention

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

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

(iii) Current and Non-current classification

All the assets and liabilities have been classified as current or non-current, wherever applicable, as per the operating cycle of the Company as per the guidance set out in Schedule III to the Act. Operating cycle for the business activities of the Company covers the duration of the project/ contract including the defect liability period, wherever applicable, and extends upto the realisation of receivables (including retention monies, (if any)) within the credit period normally applicable to the respective project.

(iv) Rounding of amounts

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

II. Significant accounting judgments, estimates and assumptions

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgments, estimates and assumptions that affect the reported balances of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

a) Judgments

Classification of property

The Company determines whether a property is classified as investment property or inventory property. Investment property comprises land and buildings that are not occupied substantially for use by, or in the operations of, the Company, nor for sale in the ordinary course of business, but are held primarily to earn rental income and capital appreciation. These buildings are substantially rented to tenants and not intended to be sold in the ordinary course of business. Inventory comprises property that is held for sale in the ordinary course of business. Principally, these are properties that the Company develops and intends to sell before or on completion of construction.

b) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (CONTD.)

i) **Employee Benefit Plans**

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

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

Inventories are stated at the lower of cost and net realisable value (NRV).

NRV for completed property is assessed by reference to market conditions and prices existing at the reporting date and is determined by the Company, based on comparable transactions identified by the Company for properties in the same geographical market serving the same real estate segment.

NRV in respect of inventory under construction / incomplete projects is assessed with reference to market prices at the reporting date for similar completed property, less estimated costs to complete construction and an estimate of the time value of money to the date of completion.

With respect to advances given to land owners, the net recoverable value is based on the present value of future cash flows, which depends on the estimate of, among other things, the likelihood that a project will be completed, the expected date of completion, the discount rate used and the estimation of sale prices and construction costs.

iii) **Valuation of investment in/ loans to subsidiaries**

The Company has performed valuation for its investments in equity of subsidiaries, associates and JVs for assessing whether there is any impairment. When the fair value of investments in such entities cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow model.

Similar assessment is carried out for exposure of the nature of loans and interest receivable thereon as well as project advances. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include consideration of inputs such as expected earnings in future years, liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported amounts of these investments, loans and advances.

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

III. **Revenue recognition**

Revenue is recognised to the extent that it is probable that the economic benefits will accrue to the Company and the revenue can be reliably measured and also when it is reasonably certain that the ultimate collection will be made and that there is buyers' commitment to make the complete payment.

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

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020 (CONTD.)

C. Revenue from Trading Materials:

Revenue from sale of trading material is recognised when significant risks and rewards associated with the sale of material is transferred to the buyer.

D. Revenue from project management services:

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

E. Profit / Loss from partnership firms / association of persons:

Share of profit / loss from partnership firms / association of persons (AOP) is recognised on the basis of their audited/ management reviewed accounts, which is considered as a part of other operating activity.

F. Income from leased premises:

Lease income from operating lease is recognised in the Statement of Profit and Loss on straight line basis after adjusting for escalation over the lease term except where the lease incomes are structured to increase in line with expected general inflation.

G. Interest and dividend:

Interest income including income arising on other instruments is recognised on time proportion basis using the effective interest rate method. Dividend income is recognized when the right to receive dividend is established.

H. Others:

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

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

- A. On transition to Ind AS, the Company has opted to continue with the carrying values measured under the previous GAAP as at 1st April, 2015 of its Property, Plant and Equipment and Investment property and use that carrying value as the deemed cost on the date of transition i.e. 1st April, 2015.
- B. Tangible fixed assets are stated at cost of acquisition or construction including attributable interest and finance cost, if any, till the date of acquisition/installation of the assets, less accumulated depreciation/amortisation and accumulated impairment losses, if any.
- C. Subsequent expenditure relating to Property, Plant and Equipment is capitalised only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the Statement of Profit and Loss as incurred. The cost and related accumulated depreciation are eliminated from the financial statements, either on disposal or when retired from active use and the resultant gain or loss are recognised in the Statement of Profit and Loss.
- D. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. Depreciation on addition to assets or on sale/disposal of assets is calculated pro-rata from the month of such addition, or upto the month of such sale/disposal, as the case may be.

Asset Category	Estimated useful life (in Years)
Plant and Machinery (Mivan System)	3 to 5
Computer servers and network systems	6
Computer desktops and laptops	3
Office Equipment	5
Vehicles	8
Furniture and Fixture	10
Completed Investment Properties	60
Leasehold Land	Over the Primary Lease period
Commercial Premises	60

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year and adjusted prospectively, if appropriate.

- E. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (CONTD.)

V. Intangible assets and amortisation

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

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

VI. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

A. Investments and Financial Assets

i. Initial recognition

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in finance income using the effective interest rate ("EIR") method. Impairment gains or losses arising on these assets are recognised in the Statement of Profit and Loss.

ii. Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

a) Financial Assets at Amortised Cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) Financial Assets Measured at Fair Value

Financial assets are measured at fair value through OCI if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the Statement of Profit and Loss. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

Financial asset not measured at amortised cost or at fair value through OCI is carried at FVTPL.

iii. De-recognition of Financial Assets

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expires, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (CONTD.)

B. Equity Instruments and Financial Liabilities

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

i. Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments which are issued for cash are recorded at the proceeds received, net of direct issue costs. Equity instruments which are issued for consideration other than cash are recorded at fair value of the equity instrument.

ii. Financial Liabilities

1. Initial Recognition

Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL, loans and borrowings and payables as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

2. Subsequent Measurement

The measurement of financial liabilities depends on their classification, as described below:

— Financial liabilities at FVTPL

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation. Amortisation is recognised as finance income in the Statement of Profit and Loss.

— Financial liabilities at amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the Statement of Profit and Loss. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

3. De-recognition of Financial Liabilities

Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as de-recognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

C. Offsetting Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis to realise the assets and settle the liabilities simultaneously.

VII. De-recognition of financial instruments

The Company de-recognizes a financial asset when the contractual rights to the cash flows from the financial asset expires or it transfers the financial asset and the transfer qualifies for de-recognition under Ind AS 109. A financial liability (or a part of a financial liability) is de-recognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (CONTD.)

VIII. Impairment

a. Financial assets

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

b. Non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less cost of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Impairment losses, including impairment on inventories, are recognised in the Statement of Profit and Loss.

i. Intangible assets and property, plant and equipment

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

ii. Provisions

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

IX. Taxation

i. Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using rates that have been enacted or substantively enacted by the end of the reporting period.

In case the Company is liable to pay income tax under Section 115JB of Income Tax Act, 1961 (i.e. MAT), the amount of tax paid in excess of normal income tax is recognized as an asset (MAT Credit entitlement) only if there is convincing evidence for realization of such asset during the specified period. MAT credit entitlement is reviewed at each Balance Sheet date.

ii. Deferred Tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

The carrying amount of deferred tax asset is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (CONTD.)

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

iii. Current and deferred tax for the year

Current and deferred tax are recognized in the Statement of Profit and Loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

X. Inventories

All inventories are stated at lower of 'Cost or Net Realizable Value'.

- A. 'Stock of material at Site' includes cost of purchase, other costs incurred in bringing them to their respective present location and condition. Cost formula used is average cost.
- B. 'Incomplete Projects' include cost of incomplete properties for which the Company has not entered into sale agreements and in other cases where the revenue recognition is postponed. 'Incomplete Projects' also include initial project costs that relate directly to a (prospective) project, incurred for the purpose of securing the project. These costs are recognized as expenditure in the year in which they are incurred unless they are separately identifiable and it is probable that the respective project will be obtained.
- C. Finished properties given under operating lease are disclosed under 'Non Current Assets' as 'Investment Properties'. The costs transferred to the 'Investment properties' are shown as deductions from the costs carried in opening inventory and construction costs incurred during the year. These assets are depreciated / amortised as per the Accounting Policy Nos. (IV)(C) and (IV)(D). Although the Company considers these assets as Inventories held for sale in the ordinary course of business, the disclosure under 'Non Current Assets' as 'Investment properties' and provision for depreciation / amortisation is made to comply with the requirements of Indian Accounting Standard (Ind AS) 17 - 'Leases' and Indian Accounting Standard (Ind AS) 40 - 'Investment Property'.
- D. Value of 'Floor Space Index' (FSI) generated is recognized as inventory at cost (i.e. proportionate rehab component cost) as and when necessary obligations / conditions are fulfilled in entirety, which are imposed on the Company by statutory authorities (viz. Rehabilitation Authority, etc.), in lieu of which the FSI is allotted to the Company. The value of FSI is either carried as inventory (at cost) held for intended sale or with the intention to utilise in construction of projects undertaken for sale.
- E. Traded goods includes cost of purchases and other cost incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

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

XI. Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after reporting period. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts are approximate fair value due to the short maturity of these instruments.

XII. Trade receivable

A receivable is classified as a 'trade receivable' if it is in respect of the amount due on account of goods sold or services rendered in the normal course of business. Trade receivables are recognized initially at fair value and subsequently measured at amortised cost using the EIR method, less provision for impairment.

XIII. Employee benefits

a) Defined Contribution Plan

Contributions to defined contribution schemes such as provident fund, labour welfare fund are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. The Company's provident fund contribution is made to a government administered fund and charged as an expense to the Statement of Profit and Loss. The above benefits are classified as Defined Contribution Schemes as the Company has no further obligations beyond the monthly contributions.

b) Defined Benefit Plan

The Company provides for gratuity which is a defined benefit plan the liabilities of which is determined based on valuations, as at the Balance Sheet date, made by an independent actuary using the projected unit credit method. Re-measurement, comprising of actuarial gains and losses, in respect of gratuity are recognised in the OCI, in the period in which they occur. Re-measurement recognised in OCI are not reclassified to the Statement of Profit and Loss in subsequent periods.

The classification of the Company's obligation into current and non-current is as per the actuarial valuation report.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (CONTD.)

c) Leave Entitlement

Leave entitlement are provided based on an actuarial valuation, similar to that of gratuity benefit. Re-measurement, comprising of actuarial gains and losses, in respect of leave entitlement are recognised in the Statement of Profit and Loss in the period in which they occur.

d) Short-term Benefits

Short-term employee benefits such as salaries, performance incentives, etc. are recognised as expenses at the undiscounted amounts in the Statement of Profit and Loss of the period in which the related service is rendered. Expenses on non-accumulating compensated absences is recognised in the period in which the absences occur.

XIV. Borrowings and Borrowing costs

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

Interests and other borrowing costs included under finance costs calculated as per effective interest rate attributable to qualifying assets, which takes substantial period of time to get ready for its intended use are allocated as part of the cost of construction / development of such assets. Such allocation is suspended during extended periods in which active development is interrupted and, no costs are allocated once all such activities are substantially complete. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are charged to the Statement of Profit and Loss.

XV. Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue, if any.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

XVI. Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

XVII. Cash and Cash Equivalents

Cash and cash equivalent in the Balance Sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

XVIII. Foreign currency transactions

- A. All transactions in foreign currency are recorded in the reporting currency, based on closing rates of exchange prevalent on the dates of the relevant transactions.
- B. Monetary assets and liabilities in foreign currency, outstanding as on the Balance Sheet date, are converted in reporting currency at the closing rates of exchange prevailing on the said date. Resultant gain or loss is recognized during the year in the Statement of Profit and Loss.
- C. Non monetary assets and liabilities denominated in foreign currencies are carried at the exchange rate prevalent on the date of the transaction.

XIX. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker regularly monitors and reviews the operating result of the whole Company as one segment of "Real Estate Development". Thus, as defined in Ind AS 108 "Operating Segments", the Company's entire business falls under this one operational segment and hence the necessary information has already been disclosed in the Balance Sheet and the Statement of Profit and Loss.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (CONTD.)

XX. Provisions, contingent liabilities and contingent assets

A provision is recognized when an enterprise has a present obligation (legal or constructive) as result of past event and it is probable that an outflow of embodying economic benefits of resources will be required to settle a reliably assessable obligation. Provisions are determined based on best estimate required to settle each obligation at each Balance Sheet date. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. A contingent liability also arises, in rare cases, where a liability cannot be recognised because it cannot be measured reliably.

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

XXI. Interest in Joint Arrangements

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020 (CONTD.)

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

(₹ in lakhs)

	Leasehold Land	Commercial Premises	Plant & Machinery	Mivan System	Computers and Laptops	Furniture and Fixtures	Vehicles	Office Equipment	Total
Gross Carrying Value (At Deemed Cost)									
Balance at 1st April, 2018	37.29	837.35	—	366.39	19.07	436.32	927.59	104.87	2,728.88
Additions	—	900.00*	—	—	0.46	3.96	2.42	2.69	909.53
Disposals/Discardment/Sale of Assets	—	—	—	—	—	—	(18.78)	—	(18.78)
Transfer to Investment Property	—	(68.53)	—	—	—	—	—	—	(68.53)
Balance at 31st March, 2019	37.29	1,668.82	—	366.39	19.53	440.28	911.23	107.56	3,551.10
Accumulated depreciation and impairment									
Balance at 1st April, 2018	21.08	191.31	—	348.07	18.92	310.97	723.02	98.26	1,711.63
Eliminated on disposal/discardment of assets	—	—	—	—	—	—	(18.66)	—	(18.66)
Depreciation Charges	1.23	23.45	—	—	0.22	34.66	67.14	2.51	129.21
Transfer to Investment Property	—	(31.51)	—	—	—	—	—	—	(31.51)
Balance at 31st March, 2019	22.31	183.25	—	348.07	19.14	345.63	771.50	100.77	1,790.67
Net Carrying value as on 31st March, 2019	14.98	1,485.57	—	18.32	0.39	94.65	139.73	6.79	1,760.43
Gross Carrying Value (At Deemed Cost)									
Balance at 1st April, 2019	37.29	1,668.82	—	366.39	19.53	440.28	911.23	107.56	3,551.10
Additions	—	—	—	—	—	—	—	0.67	0.67
Additions(on account of Merger)	—	622.25	3.82	—	0.80	323.65	4.65	294.32	1,249.49
Disposals/Discardment/Sale of Assets	—	—	—	(366.39)	—	(4.89)	(428.47)	(0.17)	(799.92)
Transfer to Investment Property	(37.29)	—	—	—	—	—	—	—	(37.29)
Balance at 31st March, 2020	—	2,291.07	3.82	—	20.33	759.04	487.41	402.38	3,964.05
Accumulated depreciation and impairment									
Balance at 1st April, 2019	22.31	183.25	—	348.07	19.14	345.63	771.50	100.77	1,790.67
Additions(on account of Merger)	—	622.25	2.60	—	0.79	305.91	3.16	200.01	1,134.72
Eliminated on disposal/discardment of assets / Addition	—	—	—	(348.07)	—	(3.51)	(425.91)	(0.17)	(777.66)
Depreciation Charges	—	31.25	1.03	—	0.15	42.37	41.42	81.70	197.92
Transfer to Investment Property	(22.31)	—	—	—	—	—	—	—	(22.31)
Balance at 31st March, 2020	—	836.75	3.63	—	20.08	690.40	390.17	382.31	2,323.34
Net Carrying value as on 31st March, 2020	—	1,454.32	0.19	—	0.25	68.64	97.24	20.07	1,640.71

Footnotes :

Commercial premises includes cost of shares aggregating ₹ 0.01 lakh (March 31, 2019: ₹ 0.01 lakh) carrying the occupancy rights in the commercial premises.

* During the previous year, the Company has acquired 50% undivided shares, rights, title in commercial premises, as part of slump sale arrangement.

3.1 Assets pledged as security

Leasehold Land and Commercial property and vehicles with a carrying amount of ₹ 61.52 lakhs (As at 31st March, 2019: ₹ 141.43 lakhs) have been pledged to secure the borrowings of the Company.

3.2 Contractual obligations

Capital expenditure contracted for at the end of the reporting period (net of advances), but not recognised as liabilities is ₹ Nil (as at 31st March, 2019: ₹ Nil).

3.3 Leased Assets

None of the properties include amounts where the Company is a lessee under a finance lease.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020 (CONTD.)

NOTE 4. INVESTMENT PROPERTY

	(₹ in lakhs)
	Completed investment properties
Gross Carrying Value (At Deemed Cost)	
Balance at 1st April, 2018	5,232.72
Transfer from Fixed Assets	68.53
Additions	—
Disposals	—
Balance at 31st March, 2019	5,301.25
Accumulated depreciation and impairment	
Balance at 1st April, 2018	1,225.78
Transfer from Fixed Assets	31.51
Depreciation charges	145.05
Balance at 31st March, 2019	1,402.34
Net Carrying amount as on 31st March, 2019	3,898.91
Gross Carrying Value (At Deemed Cost)	
Balance at 1st April, 2019	5,301.25
Transfer from Fixed Assets	37.29
Disposals	(22.43)
Balance at 31st March, 2020	5,316.11
Accumulated depreciation and impairment	
Balance at 1st April, 2019	1,402.34
Transfer from Fixed Assets	22.31
Disposals	(10.81)
Depreciation charges	146.36
Balance at 31st March, 2020	1,560.20
Net Carrying amount as on 31st March, 2020	3,755.91

Footnote :

Investment Property includes cost of shares aggregating ₹ 0.03 lakh (March 31, 2019: 0.03 lakh) carrying the occupancy rights.

	31st March, 2020 (₹ in lakhs)	31st March, 2019 (₹ in lakhs)
4.1 Amounts recognised in Statement of Profit and Loss for investment properties		
Rental Income	845.42	602.50
Direct operating expenses from properties	—	—
Profit from Investment properties before depreciation	845.42	602.50
Depreciation	146.36	145.05
Profit from Investment properties	699.07	457.45
Rental Income from others	278.37	369.51
4.2 Leasing Arrangements		
Certain investment properties are leased to tenants		
Minimum lease payments receivable are as follows		
Within one year	256.72	317.55
Later than one but not later than five years	515.05	448.35
Later than five years	—	—
4.3 Investment property pledged as security		

Leasehold Land and Commercial properties with a carrying amount of ₹ 3732.12 lakhs (As at 31st March, 2019: ₹3,888.67 lakhs) have been pledged to secure the borrowings of the Company.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020 (CONTD.)

4.4 Fair Valuation of Investment Properties

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

The fair value of Mahalaxmi Car Park is based on independent valuer's report dated March 2018. In the opinion of the management, there is no significant change in valuation as on reporting date. The Company has not determined the fair value of the other properties from any independent valuer as at 31st March, 2020. Instead, the values disclosed above are based on ready reckoner rate of the said properties for the year ended 31st March, 2020 duly published by the Government of Maharashtra.

NOTE 5. INTANGIBLE ASSETS AND RIGHT TO USE ASSETS

Gross Carrying Value (At Deemed Cost)

Balance at 1st April, 2018

Additions

Disposals

Balance at 31st March, 2019

Accumulated depreciation and impairment

Balance at 1st April, 2018

Eliminated on disposal of assets

Depreciation expense

Balance at 31st March, 2019

Net carrying value as on 31st March, 2019

Gross Carrying Value (At Deemed Cost)

Balance at 1st April, 2019

Additions

Disposals

Balance at 31st March, 2020

Accumulated depreciation and impairment

Balance at 1st April, 2019

Eliminated on disposal of assets

Depreciation expense

Balance at 31st March, 2020

Net carrying value as on 31st March, 2020

(A)	(B) (Refer foot notes (a) to (h))
(₹ in lakhs) Computer software	(₹ in lakhs) Lease Assets (Right to Use Asset)
519.16	—
—	—
—	—
519.16	—
519.16	—
—	—
—	—
519.16	—
—	—
519.16	—
—	110.79
—	—
519.16	110.79
519.16	—
—	—
—	51.14
519.16	51.14
—	59.65

Footnotes:

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020 (CONTD.)

NOTE 6. INVESTMENTS

NON CURRENT

A) Investment in equity instruments (Unquoted) (Carried at deemed cost)

I) Subsidiary Companies (Fully paid up equity shares)

	As at 31st March, 2020 (₹ in lakhs)	As at 31st March, 2019 (₹ in lakhs)
a) 50,000 (As at March 31, 2019: 50,000) Equity shares of ₹ 10/- each Diviniti Projects Private Limited	5.00	5.00
b) 50,000 (As at March 31, 2019: 50,000) Equity shares of ₹ 10/- each Vishal Techno Commerce Limited	5.00	5.00
c) Nil (As at March 31, 2019: 50,000) Equity shares of ₹ 10/- each Devkrupa Build Tech Limited (Refer Footnote i)	—	5.00
d) 37,000 (As at March 31, 2019: 37,000) Equity shares of ₹ 10/- each Gujarat Akruti - TCG Biotech Limited	3.70	3.70
e) Nil (As at March 31, 2019: 50,000) Equity shares of ₹ 10/-each Urvi Build Tech Limited (Refer Footnote i)	—	5.00
f) 36,215 (As at March 31, 2019: 36,215) (Class 'A') Equity shares of ₹ 10/- each Ackruti Safeguard Systems Private Limited	72.43	72.43
g) 50,000 (As at March 31, 2019: 50,000) Equity shares of ₹ 10/- each Yantti Buildcon Private Limited	5.00	5.00
h) Nil (As at March 31, 2019: 9,000) Equity shares of ₹ 10/- each Upvan Lake Resorts Private Limited (Refer Footnote i)	—	0.90
i) 3,00,000 (As at March 31, 2019: 3,00,000) Equity shares of ₹ 100/- each Vega Developers Private Limited	300.00	300.00
j) Nil (As at March 31, 2019: 10,000) Equity shares of ₹ 10/- each Headland Farming Private Limited (Refer Footnote i)	—	1.00
k) Nil (As at March 31, 2019: 10,000) Equity shares of ₹ 10/- each Heddle Knowledge Private Limited (Refer Footnote i)	—	1.00
l) 66,482 (As at March 31, 2019: 50,000) Equity shares of ₹ 10/- each Citygold Education Research Limited (Refer Footnote i)	6.65	5.00
m) Nil (As at March 31, 2019: 10,000) Equity shares of ₹ 10/- each Citygold Farming Private Limited (Refer Footnote i)	—	1.00
n) 1,24,31,045 (As at March 31, 2019: 1,24,31,045) (Class 'A') Equity shares of ₹ 10 /- each Joynest Premises Private Limited	1,324.15	1,324.15
o) 5,25,58,955 (As at March 31, 2019: 5,25,58,955) (Class 'C') Equity shares of ₹ 10 /- each Joynest Premises Private Limited	5,255.90	5,255.90
p) 7,400 (As at March 31, 2019: 7,400) Equity Shares of ₹ 10 /- each Joynest Premises Private Limited	0.74	0.74
q) 10,000 (As at March 31, 2019: 10,000) Equity shares of ₹ 10/- each Citywood Builders Private Limited	1.00	1.00
r) 50,000 (As at March 31, 2019: 50,000) Equity Shares of ₹ 10 /- each Vama Housing Limited	5.00	5.00
s) Nil (As at March 31, 2019: 1,00,000) Equity Shares of ₹ 10 /- each Halitious Developer Limited (Refer Footnote i)	—	600.00
t) 5,100 (As at March 31, 2019: 5,100) Equity Shares of ₹ 10 /- each Sanas Developers Private Limited	0.51	0.51
	6,985.08	7,597.33
	—	0.90
	6,985.08	7,596.43

Less: Provision for diminution in the value of investments

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020 (CONTD.)

NOTE 6. INVESTMENTS (Contd.)

Equity Contribution towards Loans and Advances

II) Joint Ventures

	As at 31st March, 2020 (₹ in lakhs)	As at 31st March, 2019 (₹ in lakhs)
a) 50,000 (As at March 31, 2019: 50,000) (Class 'A') Equity shares of ₹ 10/- each Hubtown Bus Terminal (Mehsana) Private Limited	5.00	5.00
b) 1,00,000 (As at March 31, 2019: 1,00,000) (Class 'C') Equity shares of ₹ 10/- each Hubtown Bus Terminal (Mehsana) Private Limited	629.00	629.00
c) 50,000 (As at March 31, 2019: 50,000) (Class 'A') Equity shares of ₹ 10/- each Hubtown Bus Terminal (Vadodara) Private Limited	5.00	5.00
d) 1,15,275 (As at March 31, 2019: 1,15,275) (Class 'C') Equity shares of ₹ 10/- each Hubtown Bus Terminal (Vadodara) Private Limited	592.29	592.29
e) 50,000 (As at March 31, 2019: 50,000) (Class 'A') Equity shares of ₹ 10/- each Hubtown Bus Terminal (Adajan) Private Limited	5.00	5.00
f) 1,15,463 (As at March 31, 2019: 1,15,463) (Class 'C') Equity shares of ₹ 10/- each Hubtown Bus Terminal (Adajan) Private Limited	1,057.49	1,057.49
g) 10,000 (As at March 31, 2019: 10,000) (Class 'A') Equity shares of ₹ 10/- each Hubtown Bus Terminal (Ahmedabad) Private Limited	1.00	1.00
h) 15,000 (As at March 31, 2019: 15,000) (Class 'C') Equity shares of ₹ 10/- each Hubtown Bus Terminal (Ahmedabad) Private Limited	2,132.00	2,132.00
i) 22,859 (As at March 31, 2019: 22,859) Equity shares of ₹ 10/- each Twenty Five South Realty Limited	29,208.14	29,208.14
j) 28,37,270 (As at March 31, 2019: 28,37,270) (Class 'A') Equity shares of ₹ 10/- each Rare Townships Private Limited	7,345.84	7,345.84
k) 4,25,000 (As at March 31, 2019: 4,25,000) (Class 'B') Equity shares of ₹ 10/- each Rare Townships Private Limited	100.00	100.00
l) 25,000 (As at March 31, 2019: 25,000) Equity shares of ₹ 100/- each Joyous Housing Limited	25.00	25.00
m) 1,22,000 (As at March 31, 2019: 122,000) Equity shares of ₹ 10/- each Sunstream City Private Limited	12.20	12.20
	41,117.96	41,117.96
Equity contribution by way of Interest free loans given to Joyous Housing Limited	568.20	568.20
	41,686.16	41,686.16

III) Associate Companies

a) 25,000 (As at March 31, 2019: 25,000) Equity shares of ₹ 10/- each Whitebud Developers Limited	2.50	2.50
b) 5,000 (As at March 31, 2019: 5,000) Equity shares of ₹ 10/- each Shubhsiddhi Builders Private Limited	0.50	0.50
c) 6,095 (As at March 31, 2019: 6,095) (Class 'A') Equity shares of ₹ 10/- each Vinca Developer Private Limited	0.61	0.61
d) 7353 (As at March 31, 2019: 7353) (Class 'B') Equity Shares of ₹ 10/- each Giraffe Developers Private Limited	5,004.79	5,004.79
	5,008.40	5,008.40
Less: Provision for diminution in the value of investments	0.61	0.61
	5,007.79	5,007.79

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020 (CONTD.)

NOTE 6. INVESTMENTS (Contd.)

	As at 31st March, 2020 (₹ in lakhs)	As at 31st March, 2019 (₹ in lakhs)
IV) Others		
a) 240 (As at March 31, 2019: 240) Equity shares of ₹ 100/- each Citygold Management Services Private Limited	0.24	0.24
b) 6,000 (As at March 31, 2019: 6,000) (Class 'B') Equity shares of ₹ 50/- each Hogmanay Niharika Buildings Limited	3.00	3.00
c) 37,815 (As at March 31, 2019: 37,815) Equity shares of ₹ 10/- each Janakalyan Sahakari Bank Limited	3.78	3.78
	7.02	7.02
Total (I+II+III+IV)	53,686.06	54,297.40
B) Investment in Preference Shares (Unquoted)		
i. At deemed cost		
a) 20,000 (As at March 31, 2019: 20,000) Cumulative convertible preference shares of ₹ 100/- each Ackruti Safeguard Systems Private Limited (Subsidiary)	20.00	20.00
b) 1,865 (As at March 31, 2019: 1,865) 10% Non-Cumulative Redeemable Preference Shares of ₹ 10/- each Twenty Five South Realty Private Limited (Joint Venture)	0.19	0.19
ii. Others		
a) 10,000 (As at March 31, 2019: 10,000) 21% Non Cumulative Optionally Convertible Redeemable Preference Shares of ₹ 10/- each E Commerce Magnum Solution Limited	1.00	1.00
b) 13 (As at March 31, 2019 : NIL) 10% Non Cumulative Redeemable Preference Shares of ₹ 10 /- each Citygold Education Research Limited (Refer Footnote i) * (Figure in bracket indicates actual amount in Rupees.)	*(₹ 130)	—
	21.19	21.19
C) i. Investment in Debentures (At Amortised Cost) (Unquoted) 7,68,919 (As at March 31, 2019: 7,68,919) Non - convertible debentures of ₹ 100/- each Gujarat Akruiti - TCG Biotech Limited (Subsidiary) (Refer Footnote f)	1,668.55	1,429.05
ii. Investment in Debentures (At Amortised Cost) (Unquoted) 1,47,20,000 (As at March 31, 2019: 1,47,20,000) 9% Optionally convertible debentures of ₹ 10/- each Asmeeta Infratech Limited (Refer Footnote a)	813.62	1,472.00
iii. Investment in Debentures (At Amortised Cost) (Unquoted) 1020 (As at March 31, 2019: NIL) Optionally and Partially Convertible Debentures of ₹ 10,00,000/- each Amazia Developers Private Limited (Refer Footnote e)	4,566.53	—
iv. Investment in Bonds, classified as equity by the investee (At Amortised Cost) (Quoted) 39,13,310 (As at March 31, 2019: 39,13,310) Deep Discount Bonds, issued @ ₹ 2090/- of face value ₹ 10,000 [Tenure of 9 Years] (Refer footnote (c) to Note 23) Sunstream City Private Limited (Joint venture)	97,412.85	97,412.85
v. Investment in Debentures, classified as equity by the investee (At Cost) (Unquoted) 11,95,299 (As at March 31, 2019: 11,95,299) Compulsorily Convertible Debentures of ₹ 100/- each Gujarat Akruiti - TCG Biotech Limited (Subsidiary) (Refer Footnote f)	1,195.30	1,195.30
	105,656.85	101,509.20

c/f

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020 (CONTD.)

NOTE 6. INVESTMENTS (Contd.)

- D) Capital Investment in Partnership Firms and Joint Ventures (Refer footnote d)
 E) Non Controlling Capital Investment in Partnership Firms and Joint Ventures (Refer footnote g)
 Less: Provision for Diminution in the value of investments

Total Non Current Investments (A+B+C+D+E)

Aggregate amount of quoted investments
 Aggregate amount of unquoted investments
 Aggregate provision for diminution in value of investments

As at 31st March, 2020 (₹ in lakhs)	As at 31st March, 2019 (₹ in lakhs)
700.37	977.78
7,565.00	7,570.00
—	—
8,265.37	8,547.78
167,629.46	164,375.57
97,412.85	97,412.85
70,216.61	66,962.72
0.61	1.51

Footnotes:

A) Partnership firms

- i. M/s. Shreenath Realtors (Refer footnote b)

Name of the Partners

Hubtown Limited

Vakratunda Housing Private Limited

Total Capital of the firm (₹ in lakhs)

- ii. M/s. Rising Glory Developers

Name of the Partners

Hubtown Limited

Citygold Education Research Limited

Diviniti Projects Private Limited

Heet Builders Private Limited

Total Capital of the firm (₹ in lakhs)

B) Joint Ventures

- i. M/s. Akruti Jay Chandan Joint Venture (Refer Footnote d)

Name of the Co-Venturers

Hubtown Limited

Chandan Shanti Group of Companies

Total Capital of the joint venture (₹ in lakhs)

- ii. M/s. Akruti GM Joint Venture

Name of the Co-Venturers

Hubtown Limited

GM Construction

Total Capital of the joint venture (₹ in lakhs)

- iii. M/s. Primeria Joint Venture (Formerly known as Akruti Forefront Joint Venture) (Refer Note c)

Name of the Co-Venturers

Hubtown Limited

Forefront Property Developers Private Limited

Total Capital of the joint venture (₹ in lakhs)

- iv. M/s. Sunstone Developers Joint Venture

Name of the Co-Venturers

Hubtown Limited

Swapanranjan Infrastructure Private Limited

Total Capital of the joint venture (₹ in lakhs)

- v. M/s. Jairaj Developers — Unit 9 (Refer footnote g)

Name of the Co-Venturers

Hubtown Limited

Shri. Jayant Hiralal Shah

Shri Malav Jayant Shah

Giraffe Developers Private Limited

Total Capital of the joint venture (₹ in lakhs)

Share in profits (%)	
31 March, 2020	31 March, 2019
92.50	92.50
7.50	7.50
2,120.54	2,120.54
25.00	25.00
25.00	25.00
25.00	25.00
25.00	25.00
1.50	1.50
—	50.00
—	50.00
—	282.40
50.00	50.00
50.00	50.00
910.00	910.00
16.00	16.00
84.00	84.00
10.00	10.00
5.00	5.00
95.00	95.00
5.00	5.00
19.00	19.00
31.00	31.00
31.00	31.00
19.00	19.00
100.00	100.00

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020 (CONTD.)

NOTE 6. INVESTMENTS (Contd.)

CURRENT

A) Investment in Mutual Funds (Quoted) (Other than Trade)

At Fair value through profit and loss

Indiabulls Liquid fund Direct Plan (Growth)

246.52 units (As at March 31, 2019: 246.52 units)

[NAV ₹ 1939.34 per unit (As at March 31, 2019 ₹ 1,825.38 per unit)]

B) Capital Investment in Partnership Firms (Trade, unless otherwise specified) (Unquoted) (Refer Footnotes d and j)

Total Current Investments (A+B)

Aggregate amount of quoted investments

Aggregate amount of unquoted investments

Aggregate provision for diminution in value of investments

Details of investments made in the capital of Partnership Firms and Joint Ventures:

i. M/s. Akruti Steelfab Corporation (under the process of dissolution)

Name of the Partners

Hubtown Limited

Steelfab Turnkey Projects Limited

Total Capital of the firm (₹ in lakhs)

ii. M/s. Akruti Jay Developers (Refer Footnote j)

Name of the Partners

Hubtown Limited

Hazel Erectors Private Limited

Total Capital of the firm (₹ in lakhs)

iii. M/s. Akruti Kailash Constructions (Refer Footnote j)

Name of the Partners

Hubtown Limited

Ketan D. Shah

Total Capital of the firm (₹ in lakhs)

iv. M/s. Celeste Joint Venture (Refer Footnote j)

Name of the Co-Venturers

Fourjone Realtors Private Limited

Hubtown Limited

Total Capital of the joint venture (₹ in lakhs)

v. M/s. Akruti Jay Chandan Joint Venture (Refer Footnote d)

Name of the Co-Venturers

Hubtown Limited

Chandan Shanti Group of Companies

Total Capital of the joint venture (₹ in lakhs)

As at 31st March, 2020 (₹ in lakhs)	As at 31st March, 2019 (₹ in lakhs)
4.78	4.50
4.78	4.50
282.41	2,473.00
282.41	2,473.00
287.19	2,477.50
4.78	4.50
282.41	2,473.00
—	—
31 March, 2020	31 March, 2019
—	—
—	—
—	—
—	—
—	66.66
—	33.34
—	2,491.50
—	90.00
—	10.00
—	0.58
—	95.00
—	5.00
—	100.00
50.00	—
50.00	—
282.40	—

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020 (CONTD.)

NOTE 6. INVESTMENTS (Contd.)

Footnotes:

- a. During the year, the Company has received an amount of ₹ 658.38 lakhs toward its investment in debentures redeemed out of the sale proceeds of the security against debentures. In the previous year, the Company has sold 1,59,10,000 debentures of ₹ 10/- each of Asmeeta Infratech Limited at a discounted price of ₹ 250 lakhs as lump sum consideration for the transaction.
- b. In earlier years, the Company had written off the capital amount given for project development amounting to ₹ 775 lakhs to a partnership firm Shreenath Realtors for development and exploitation of areas at Nirmal Nagar, Sion, Mumbai. Since the approval from the Government has not been received till date nor there is any scope of it being approved in the near future, operation cost has been mounting year on year in the said firm. However, the firm has not been dissolved as on date.
- c. The Company had invested an amount of ₹ 1.60 lakhs in the capital of Primeria JV, which had been written off in the earlier years. However, the JV has not been dissolved as on date.
- d. On account of reconstitution of the Joint Venture (JV), all the co-venturers other than Hubtown Limited exited from the JV Akruti Jay Chandan Joint Venture post the reporting date. Consequent to such reconstitution, the projects in the said JV were subsequently transferred in the Company. Accordingly, investment in such JV has been disclosed under current investments.
- e. During the year, the Company had invested in 1500 Optionally and Partially Convertible Debentures of ₹ 10,00,000/- each of Amazia Developers Private Limited, out of which 480 Debentures were redeemed during the year.
- f. Due to the continued liquidity crunch being faced by Gujarat Akruti TCG Limited (GATCL), a subsidiary of the Company, the tenure of the Compulsorily Convertible Debentures and Non-Convertible Debentures issued by GATCL was extended by a further period of 2 (two) years upto March 30, 2022, the other terms and conditions of issue thereof remaining unchanged.
- g. The Company has not received financials of M/s. Jairaj Developers - Unit 9 for the Financial Year 2019-20. However, in the opinion of the management, share of Profit/(Loss) of the firm will not have any material impact on the financial results of the Company.
- h. The Company has investments in certain subsidiaries, jointly controlled entities and associates aggregating ₹ 97,564 lakhs (March 31, 2019: ₹ 97,546 lakhs) and loans and advances outstanding aggregating ₹ 15,073 lakhs (March 31, 2019: ₹ 17,463 lakhs) as at March 31, 2020. While such entities have incurred losses and have negative net worth as at the year end, the underlying projects in such entities are at various stages of real estate development and are expected to achieve adequate profitability on substantial completion and/ or have current market values of certain properties which are in excess of the carrying values. The Company considers its investments in such entities as long term and strategic in nature. Accordingly, no provision is considered necessary towards diminution in the value of the Company's investments in such entities or in respect of loans and advances advanced to such entities, which are considered good and fully recoverable.
- i. Following subsidiaries of the Company namely Citygold Farming Private Limited, Devkrupa Build Tech Limited, Halitious Developer Limited, Headland Farming Private Limited, Heddle Knowledge Private Limited, Upvan Lake Resorts Private Limited and Urvi Build Tech Limited have been amalgamated with fellow subsidiary Citygold Education Research Limited vide Order of the National Company Law Tribunal (NCLT) dated 12th September, 2019. The appointed date as per the Scheme of Amalgamation is 1st April, 2018. Accordingly, restatement of investment on account of merger has been given effect. Pursuant to the Scheme, 13 10% Non-Cumulative redeemable preference share of 10/- each of Citygold Education Research Limited were allotted to the Company.

On account of amalgamation of fellow subsidiaries with Citygold Education Research Limited, investments amounting to ₹ 612.25 Lakhs were written off during the year.
- j. During the year, the erstwhile Partnership firms of the Company viz: Akruti Kailash Construction, Akruti Jay Developer and the Joint Venture Celeste JV have been reconstituted and all the Partners/Co-venturers of these firms/JV other than Hubtown Limited have retired. Accordingly, all the assets and liabilities of these entities have been merged in the Company with effect from April 1, 2019.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020 (CONTD.)

	As at 31st March, 2020 (₹ in lakhs)	As at 31st March, 2019 (₹ in lakhs)
NOTE 7. TRADE RECEIVABLES		
Non-current		
(Unsecured, considered good)	—	—
Trade Receivables	—	—
Total	—	—
Current		
(Unsecured, considered good)		
Related Parties (Refer Note 33)	1,265.14	16,487.20
Others	7,665.39	15,419.77
Doubtful		
Others	251.20	165.19
Less: Allowance for doubtful debts	(251.20)	(165.19)
Total	8,930.53	31,906.97
Footnotes:		
a) No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person, or from any firms or private companies in which any director is a partner, a director or a member.		
b) Trade Receivables are towards sale of FSI/projects/rights and services. Credit terms for such receivables are based on respective contracts.		
NOTE 8. LOANS		
Non-current		
(Unsecured, considered good)		
— Loan to related parties (Refer Note 33)	560.87	519.01
Total	560.87	519.01
Current		
(Unsecured, considered good)		
— Loan to related parties (Refer Note 33 and footnote (a) to note 34)	6,132.76	9,478.31
— Loans to others	187.69	258.43
— Loans to Employees	2.39	2.31
Total	6,322.84	9,739.05

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020 (CONTD.)

NOTE 9. OTHER FINANCIAL ASSETS

Non-current

(Unsecured, considered good)

	As at 31st March, 2020 (₹ in lakhs)	As at 31st March, 2019 (₹ in lakhs)
— Bank balances (Refer Footnote)	—	0.16
— Deposits with maturity of more than twelve months	468.15	95.93
— Margin money deposits	111.49	105.71
Security deposits		
Other Advances		
Advances recoverable		
Doubtful		
Others	—	124.51
Less: Provision for doubtful advances	—	(124.51)
Other receivables		
Interest accrued on fixed deposits	2.06	0.36
Total	581.70	202.16

Footnote:

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

Current

(Unsecured, considered good)

Security deposits	218.22	229.04
Project Advances (Refer Footnotes a and b)		
— Related parties	30,376.41	23,209.11
(Refer Note 33 and Footnote (h) of Note 6)		
Doubtful	1,000.00	—
Less: Provision for doubtful Project Advances	(1,000.00)	—
Other Advances		
Current Account Balances in Partnership Firms and Joint Ventures (Refer Note 33)	3,506.63	30,639.20
Advances recoverable		
— Related parties (Refer Note 33)	2,469.43	2,298.57
Doubtful	150.00	—
Less: Provision for doubtful Advances recoverable	(150.00)	—
— Others	14,315.33	23,016.37
Doubtful	5,323.75	—
Less: Provision for doubtful Advances recoverable	(5323.75)	—
Other receivables		
— Other than Trade Receivables	2,279.17	1,899.75
Doubtful	200.00	—
Less: Provision for doubtful Receivables	(200.00)	—
— Interest accrued on fixed deposits	16.23	9.54
— Interest accrued on investments	108.36	19.46
— Interest accrued on loan — Related Party (Refer Note 33)	905.28	738.49
Total	54,195.06	82,059.53

Footnotes:

- The amount funded by the Company to its subsidiaries, joint ventures and associate entities initially were in infant stage. These entities are on the verge of launching their own projects and are also in the process of obtaining finance facilities / investors, etc. on their own strength. In view of the above developments, project advances to these entities are considered as repayable on demand.
- The Company has not charged interest on advances given by it to certain group entities developing real estate projects, in which the Company has a commercial and business interest.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020 (CONTD.)

	As at 31st March, 2020 (₹ in lakhs)	As at 31st March, 2019 (₹ in lakhs)
NOTE 10. INCOME TAX ASSETS (NET)		
Income tax assets	1,861.13	1,503.59
Income tax liabilities	(1,007.18)	(755.56)
Total	853.95	748.03
Income Tax expense		
(a) Income Tax expense		
Current Tax	251.62	—
Tax in respect of earlier years	—	51.54
	251.62	51.54
Deferred Tax expense /(Credit)	1,840.22	953.61
Income Tax expense / (credit)	2,091.84	1,005.15
(b) Reconciliation of tax expense and the accounting profit multiplied by the Company's tax rate		
Profit / (Loss) for the Year	(3,854.61)	295.71
Income tax expense calculated at 25.168% (P.Y. : 34.608%)	(970.13)	103.33
Tax effects of amounts that are not deductible (taxable) in calculating taxable income:		
Effect of expenses that are not deductible in determining taxable profit	4,015.27	13.39
Effect of difference in rate of Tax due to MAT	—	(8.05)
Effect of expenses that are deductible in determining taxable profit due to timing difference	(458.21)	(45.12)
Effect of income that is exempt from taxation	82.27	(63.55)
Effect of incomes that are not taxable in determining taxable profit	(8.51)	—
Effect of Brought Forward Business Loss adjusted	(2,460.09)	—
Effect of incomes that are taxable in determining taxable profit as per ICDS	51.02	—
Effect on deferred tax due to timing difference (Refer Note 11)	1,840.22	953.61
Adjustments for current tax of prior periods	—	51.54
Income tax expense	2,091.84	1,005.15

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020 (CONTD.)

	As at 31st March, 2020 (₹ in lakhs)	As at 31st March, 2019 (₹ in lakhs)
NOTE 11. DEFERRED TAX BALANCES (NET)		
The following is the analysis of deferred tax asset / (liabilities) presented in the Balance Sheet		
Deferred Tax Asset	13,163.33	12,718.52
Deferred Tax Liability	(10,863.35)	(8,578.32)
Total	2,299.98	4,140.20

2019-20	Opening Balance	Recognised in profit or loss	Closing Balance
Deferred tax assets / (liabilities) in relation to:			
Difference in Revenue Recognition	4,633.07	3,125.63	7,758.70
Difference in WIP	(5,274.15)	(2,858.68)	(8,132.83)
Difference in security deposit	(36.56)	3.37	(33.19)
Difference in security deposit	5.84	(3.42)	2.42
Difference in advance lease rent	33.18	(3.52)	29.66
Difference in advance lease rent	(5.28)	3.62	(1.66)
On account of Interest Free Long Term Borrowings	(2,555.45)	846.45	(1,709.00)
On account of Advance Finance Income	2,352.11	(855.31)	1,496.80
On account of Interest Free Long Term Loans Given	155.72	(14.62)	141.10
On account of Equity Contribution towards Loans and Advances	(198.55)	—	(198.55)
On account of Investment in Debentures	—	(286.45)	(286.45)
Temporary difference in relation to investments in Joint Venture	(0.14)	(0.09)	(0.23)
Depreciation	(508.19)	27.59	(480.60)
Provisions	101.20	2,318.66	2,419.86
On account of Lease Liability (IND AS 116)	—	25.66	25.66
On account of Lease Assets (Right to use (IND AS 116))	—	(20.85)	(20.85)
Others	5,437.40	(4,148.26)	1,289.14
	4,140.20	(1,840.22)	2,299.98
2018-2019			
Deferred tax assets / (liabilities) in relation to:			
Difference in Debtors Under Subvention Scheme	101.43	(101.43)	—
Difference in Revenue Recognition	—	4,633.07	4,633.07
Difference in WIP	—	(5,274.15)	(5,274.15)
Difference in security deposit	3.53	(40.09)	(36.56)
Difference in security deposit	—	5.84	5.84
Difference in advance lease rent	(34.45)	67.63	33.18
Difference in advance lease rent	28.74	(34.02)	(5.28)
On account of Interest Free Long Term Borrowings	(3,274.88)	719.43	(2,555.45)
On account of Advance Finance Income	3,176.58	(824.47)	2,352.11
On account of Interest Free Long Term Loans Given	166.95	(11.23)	155.72
On account of Equity Contribution towards Loans and Advances	(196.65)	(1.90)	(198.55)
Temporary difference in relation to investments in joint ventures	—	(0.14)	(0.14)
Depreciation	(486.34)	(21.85)	(508.19)
Provisions	73.89	27.31	101.20
On account of Investment in Mutual Fund	(1.20)	1.20	—
On account of Investment in Non—Convertible Debentures (GATBL)	29.34	(29.34)	—
Others	4,799.92	637.48	5,437.40
	4,386.86	(246.66)	4,140.20
On account of adoption of Ind AS 115	706.95	(706.95)	—
	5,093.81	(953.61)	4,140.20

Significant estimates: Based on the approved plans and budgets, the Company has estimated that the future taxable income will be sufficient to absorb carried forward losses and unabsorbed depreciation, which management believes is probable and accordingly the Company has recognised deferred tax assets.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020 (CONTD.)

NOTE 12. OTHER ASSETS

Non-current

	As at 31st March, 2020 (₹ in lakhs)	As at 31st March, 2019 (₹ in lakhs)
Advances to land owners (Unsecured, considered good)	2,169.14	2,381.01
Other advances		
Prepaid Expenses	6.35	4.90
Total	2,175.49	2,385.91

Current

Advances to Suppliers	1,938.63	1,622.30
Advances to land owners (Unsecured, considered good)	10,634.81	10,104.00
Other Advances		
Prepaid Expenses	13.91	10.61
Others	647.85	286.65
Total	13,235.20	12,023.56

NOTE 13. INVENTORIES

Inventories (lower of cost or net realisable value)

Stock of material at site	47.69	122.78
Incomplete projects	115,721.52	102,190.40
Floor space index (FSI)	8,976.27	126.26
Transfer to Development Right (TDR)	1,484.60	—
Trading Material	34.42	—
Finished Properties	7,564.16	568.36
Total	133,828.66	103,007.80

Footnotes:

- The projects are under various stages of development and are expected to have net realisable value greater than the cost.
- Inventories include inventory with carrying value of ₹ 50,815.76 lakhs (As at 31st March, 2019: ₹ 53,353.66 lakhs) which have been mortgaged against the borrowings of the Company. The Company has various projects under construction, and it has obtained loan/finance facilities against the mortgage of units to be constructed on the said projects and the same is reflected as inventory. The Company has also sold units which are under construction and the lender has issued NOC for the same.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020 (CONTD.)

NOTE 14. CASH AND CASH EQUIVALENTS

Balances with banks:

— in current accounts

— in deposits with maturity of less than three months

Cash on hand

Cash and cash equivalents as per Balance Sheet

Working Capital Loan from Bank (Refer Note 18)

Cash and cash equivalents as per Statement of Cash Flows

Footnote:

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

NOTE 15. OTHER BANK BALANCES

Unpaid dividend accounts

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

Margin money deposits

Total

Footnote:

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

As at 31st March, 2020 (₹ in lakhs)	As at 31st March, 2019 (₹ in lakhs)
846.41	1,870.40
191.32	46.57
17.19	28.31
1,054.92	1,945.28
(1729.52)	(1434.08)
(674.60)	511.20
0.49	1.05
42.58	40.10
0.43	490.99
43.50	532.14

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020 (CONTD.)

NOTE 16. EQUITY SHARE CAPITAL

Authorised Share Capital:

125,000,000 (As at 31st March, 2019: 125,000,000) Equity Shares of ₹ 10/- each

Issued and subscribed capital comprises:

72,735,871 (As at 31st March, 2019: 72,735,871) Equity Shares of ₹ 10/- each fully paid up

As at 31st March, 2020 (₹ in lakhs)	As at 31st March, 2019 (₹ in lakhs)
12,500.00	12,500.00
7,273.59	7,273.59
7,273.59	7,273.59

a) Reconciliation of number of shares outstanding at the beginning and at the end of the year

Fully paid equity shares

Balance at 1st April, 2018

Add : Issued during the year

Less : Bought back during the year

Balance at 31st March, 2019

Add : Issued during the year

Less : Bought back during the year

Balance at 31st March, 2020

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

b) Terms / rights attached to equity shares

The Company has a single class of equity shares having a par value of ₹10 per share. Each shareholder of equity share is entitled to one vote per share. The Company declares and pays dividend in Indian rupees.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company in proportion to the number of equity shares held by each shareholder, after settlement of all preferential obligations.

c) Details of shares held by each shareholder holding more than 5% shares

Fully paid equity shares

Vyomesh Mahipatray Shah

Hemant Mahipatray Shah

Falguni Vyomesh Shah

Hemant Mahipatray Shah (HUF)

Vyomesh Mahipatray Shah (HUF)

Kushal Hemant Shah

As at 31st March, 2020	
No of shares held	% holding of this class of shares
7,540,000	10.37%
5,660,000	7.78%
3,039,772	4.18%
4,980,500	6.85%
3,925,000	5.40%
4,263,739	5.86%

As at 31st March, 2019	
No of shares held	% holding of this class of shares
7,540,000	10.37%
5,990,000	8.24%
5,789,772	7.96%
4,980,500	6.85%
3,925,000	5.40%
3,600,000	4.95%

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020 (CONTD.)

	As at 31st March, 2020 (₹ in lakhs)	As at 31st March, 2019 (₹ in lakhs)
NOTE 17. OTHER EQUITY		
Securities premium reserve		
Balance at the beginning of the year	60,716.12	60,716.12
Add / (Less) :		
Appropriations	—	—
Balance at the end of the year	60,716.12	60,716.12
The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve. This reserve will be utilised in accordance with the provisions of the Companies Act, 2013.		
Debenture redemption reserve		
Balance at the beginning of the year	2,200.00	2,200.00
Add / (Less) :		
Amount transferred to general reserve	—	—
Balance at the end of the year	2,200.00	2,200.00
A debenture redemption reserve is a reserve that any Indian company that issues debentures must create to protect investors against the possibility of default by the Company.		
General reserve		
Balance at the beginning of the year	30,795.00	30,795.00
Add / (Less) :		
Amount transferred from Debenture redemption reserve	—	—
Balance at the end of the year	30,795.00	30,795.00
General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. This reserve will be utilised in accordance with the provisions of the Companies Act, 2013.		
Retained Earnings		
Balance at the beginning of the year	72,445.73	74,503.05
On account of adoption of Ind AS 115	—	(1,379.03)
	72,445.73	73,124.02
Profit /(Loss) attributable to the owners of the Company	(5,946.45)	(709.44)
Items of OCI recognised directly in retained earnings	59.45	31.15
Balance at the end of the year	66,558.73	72,445.73
Total	160,269.85	166,156.85

Footnote:

The Company, owing to liquidity issues, has not invested / deposited as at 31st March, 2020: ₹ 198.11 lakhs (at 31st March, 2019: ₹ 294.76 lakhs) in the manner prescribed under Rule 18(7)(c) of the Companies (Share Capital and Debentures) Rules, 2014 notified by the Ministry of Corporate Affairs.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020 (CONTD.)

NOTE 18. BORROWINGS

Non-current

Secured

	As at 31st March, 2020 (₹ in lakhs)	As at 31st March, 2019 (₹ in lakhs)
(i) Term Loans		
— From banks [Refer footnotes a and f (i)]	—	12,370.50
— From a Company [Refer footnotes b and f (iii)]	6,626.29	7,503.80
— From financial institutions [Refer footnotes c and f (ii)]	18,998.67	19,045.84
	25,624.96	38,920.14
(ii) Other Loans		
— Loan from Others (Refer Footnote d)	5.41	21.44
	25,630.37	38,941.58
Less: Transferred to Current Maturities		
Long Term Loans from Banks	—	(12,370.50)
Long Term Loans from Financial Institutions	(18,245.57)	(17,669.23)
Long Term Loan from a Company	(4,329.63)	(3,380.80)
Long Term Loans from Others	(4.58)	(16.44)
	(22,579.78)	(33,436.97)
Total	3,050.59	5,504.61

Footnotes :

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

Name of lenders	Security Offered (Further secured by personal guarantee of one or more promoters)
1 Union Bank of India	i. Registered mortgage of the premises in the project located at Mahalaxmi, Mumbai. ii. First charge on lease rent receivables from above premises.
2 United Bank of India	i. Registered mortgage of the premises in the project located at Andheri (East). ii. First charge on lease rent receivables from above premises.

- b. UCO Bank has transferred the Loan amount including interest thereon amounting to ₹ 18,287.94 lakhs as on 31.03.2017 to the third party "Invent Asset Securitisation & Reconstruction Private Limited (Company)" vide letter dated 11.04.17. The said loan has been settled at ₹ 15,500 lakhs via letter dated 27.11.2017 from Invent Asset Securitisation & Reconstruction Private Limited (company). The loan carries 0% interest rate and repayable within 5 years and have been measured at fair value. The loan is secured against Property located at Mulund, Thane and Andheri (East) and also first charge on lease rent receivable from said Premises.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (CONTD.)

NOTE 18. (Contd.)

- c. Secured loan from Indiabulls Housing Finance Limited (financial institution) carries IRR of 26.13%. This loan is secured against mortgage of property of the Company located at Andheri (East) along with the personal guarantees of promoters.
- d. Secured loans of ₹ 5.41 lakhs are vehicle loans from others, which carry interest rates within a range of 9.5% - 11% and are repayable by May, 2021.

- e. Details of repayment of long term borrowings are as follows : (₹ in lakhs)

Particulars	* Up to 1 year	2-5 Years	Above 5 years	Total
Term loans from Banks	11,629.42	—	—	11,629.42
Term loans from Company \$	7,418.25	2,296.66	—	9,714.91
Term loans from Financial Institutions #	18,245.57	753.10	—	18,998.67
Loans from Others	4.58	0.83	—	5.41
	37,297.82	3,050.59	—	40,348.41

* Including overdue amounts

\$ Measured at fair value

Measured at amortised cost (net of transaction cost)

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

Particulars	31 March, 2020		31 March, 2019	
	₹ in lakhs	Period	₹ in lakhs	Period
(i) Term loans from Banks				
Overdue installments	11,629.42	Before Apr 17	12,370.50	Before Apr 17
Interest	3,108.02	Before Apr 17	875.65	Before Apr 17
Interest	1,735.42	April to Mar 20	2,427.11	Before Apr 18-19
Total	16,472.86		15,673.26	
(ii) Term loans from Financial Institutions				
Overdue installments	709.51	Jan to Mar 20	—	—
Interest	68.46	Jan to Mar 20	—	—
Total	777.97		—	
(iii) Term loan from Company				
Overdue installments	3,088.62	April to Mar 20	—	—
Total	3,088.62		—	

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020 (CONTD.)

NOTE 18. (Contd.)

	As at 31st March, 2020 (₹ in lakhs)	As at 31st March, 2019 (₹ in lakhs)
Current		
Secured		
(i) Working Capital Loan / Cash credit from Banks (Refer Footnote a and Note 14)	1,729.52	1,434.08
(ii) Loans from Financial Institutions (Refer Footnotes b and f)	2,037.13	3,226.68
(iii) Loans repayable on demand: From Companies (Refer Footnotes c and d)	5,050.55	6,620.43
	8,817.20	11,281.19
Unsecured		
(i) Loans repayable on demand: From Companies (Refer Footnote e)	14,257.05	14,045.91
Loan from Others (Refer Footnote g)	43.88	—
	14,300.93	14,045.91
Total	23,118.13	25,327.10

Footnotes:

- Working capital loan from bank carries interest rate of 19.30% (31st March, 2019: 19.30%). The loan is secured against mortgage of premises located at MIDC, Andheri (East), Mumbai and further secured by personal guarantee of one or more promoters. The said account of the Company has been attached by the Maharashtra State CID in connection with ongoing case with regards to a commercial transaction with an erstwhile associate company. [Refer Note 36(ii)(c)]
- Secured loan from financial institution carries average interest rate of 16.50%. This loan is secured against pledge of equity shares in the Company held by the promoters along with personal guarantees of promoters and mortgage of premises in the project located at Andheri (East) and Land situated at Uran, District Raigad and Kopari, Thane.
- Secured loans from companies carry interest rate from range of 9.60% to 18.00% and are repayable on demand. However, loan from a company amounting to ₹ 2837.50 lakhs (As at 31st March, 2019: ₹ 2,944.13 lakhs) is interest free. These Loans are secured against mortgage of unsold area of the commercial project at Andheri (East) and Jogeshwari (East) and secured against pledge of equity shares in the Company held by the promoters.
- Secured loan of Dena Bank has become NPA and has assigned the loan amount including interest thereon amounting to ₹ 2,100 lakhs as on 28th November, 2018 to a third party "International Asset Reconstruction Company Private Limited (IARC)" vide letter dated 24th December, 2018. The loan is secured against properties located at Mumbai. The said loan liability has been shown under secured loan from companies and finalisation of terms of loan is under process. The Company has provided for the interest on the amount of loan assigned to IARC at the Interest rate of 9.60% charged by the Dena Bank on initial term loans.
- Unsecured loans from companies and others carry interest rates within a range of 15% to 27% and are repayable on demand. (Refer footnote a to Note 28).
- Period and amount of default as on Balance Sheet date in repayment of term loans and interest :

Particulars	31st March, 2020		31st March, 2019	
	(₹ in lakhs)	Period	(₹ in lakhs)	Period
Loans from Financial Institutions				
Overdue installments	2,037.13	Feb 19 to Mar 20	3,226.68	Feb 19
Interest (Net of TDS)	594.06	April to Mar 20	149.70	Jan-March 19
	2,631.19		3,376.38	

- During the year, on account of merger of erstwhile Partnership firms Akruji Jay Developer and Akruji Kailash Constructions with the Company, the Company has inherited certain deposits received by these firms prior to the merger. The Management is of the opinion that since these deposits were not received directly by the Company, they do not attract any of the provisions relating to the Companies (Acceptance of Deposits) Rules, 2014 as amended. The Company is in the process of repaying the same.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020 (CONTD.)

NOTE 19. OTHER FINANCIAL LIABILITIES

Non-current

	As at 31st March, 2020 (₹ in lakhs)	As at 31st March, 2019 (₹ in lakhs)
Retention money payable (Refer Footnote d)	483.79	591.43
Lease deposits from tenants	594.93	140.09
Advance Lease Rentals	47.74	61.84
Lease Liability (IND AS 116)	73.43	—
Advance Finance Income (Refer Footnote (b) to Note 18 Non Current Borrowings)	1,835.75	4,283.41
Total	3,035.64	5,076.77

Current

Current maturities and overdue installments of long-term debts (Refer Note 18)	22,579.78	33,436.97
Interest accrued and due on borrowings	14,441.13	7,789.90
Interest accrued but not due on borrowings	227.48	—
Retention money payable	325.44	26.79
Unpaid matured debentures and interest accrued thereon [Refer Footnotes (a) and (b)]	1,441.67	2,086.04
Overdue Term Loan from Banks [Refer Footnotes a and f (i) to note 18 Non-Current Borrowings]	11,629.42	—
Overdue loans from company [Refer Footnote f (iii) to Note 18 Non-Current Borrowings]	3,088.62	—
Unclaimed/unpaid dividends	0.50	1.06
Current account balance in firms and joint ventures (Refer Note 33)	2,477.02	6,981.36
Security deposits (Refundable)	12,670.41	14,771.95
Lease deposits from tenants	31.17	43.19
Advance Lease Rentals	37.15	33.11
Advance Finance Income [Refer Footnote (b) to Note 18 Non Current Borrowings]	2,447.67	2,447.67
Other payables [Refer Footnotes (c) and (e)]	65,027.15	79,013.67
Total	136,424.61	146,631.71

Footnotes:

- As per fourth consent terms dated 2nd February, 2018, outstanding amount to be repayable with interest @ 20% p. a., of which last installment was to be redeemed on or before 31st March 2018. The said debentures are secured by first and exclusive charge on the premises located at MIDC, Andheri (East), project located at Andheri (West) Mumbai and secured against pledge of equity shares in the Company held by the promoters of the Company. The said Debentures have matured and unpaid amount of ₹ 1,441.67 Lakhs has been disclosed under other current financial liabilities. However, the Company is in the process of renegotiating the terms of the Non-Convertible Debentures with the Debenture holders.
- Period and amount of default as on the Balance Sheet date in respect of matured debentures and interest accrued thereon :

Overdue Installments:

10,000 (As at 31st March, 2019: 10,000) Redeemable non-convertible debentures of the face value of ₹ 100,000/- each

Interest :

10,000 (As at 31st March, 2019: 10,000) Redeemable non-convertible debentures of the face value of ₹ 100,000/- each

Total

31st March, 2020		31st March, 2019	
(₹ in lakhs)	Period	(₹ in lakhs)	Period
1320.71	31-3-2018	1,965.08	31-3-2018
120.96	31-3-2018	120.96	31-3-2018
1,441.67		2,086.04	

- Other payable include ₹ 872.97 lakhs (As at 31st March, 2019: ₹ 15,132.16 lakhs) due to related parties. Further, attention is invited to Note 33.
- Retention Money liability to the contractors which are not due for payment as at 31st March, 2020 have been shown under the head "Other Financial Liabilities" as per Ind AS 32. As per the management, the retention liability is in the nature of holding the amount as guarantee towards performance and does not relate to credit period given by the contractor. Further, in the opinion of the management, there has not been any authoritative clarification / interpretation with regard to measurement of fair value in respect of above item and hence retention liability has not been discounted as on 31st March, 2020.
- Other Payable includes an amount of ₹ 49,063.71 lakhs due to Ashok Commercial Enterprises. The party has instituted commercial summary Suit No. 1532 of 2018 in the High Court of Judicature at Bombay against the Company. The Company has filed its response/defence to the same before the Honorable High court.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020 (CONTD.)

NOTE 23. REVENUE FROM OPERATIONS

Sale from operations :

	Year ended 31st March, 2020 (₹ in lakhs)	Year ended 31st March, 2019 (₹ in lakhs)
Sale of properties / rights (Net) [Refer footnotes (a) and (b)]	5,066.54	37,228.81
Project Management Consultancy Service [Refer Footnote (a)]	200.00	1,348.97
Revenue from sale of Trading Materials	452.01	480.49
Profit on sale of investments in subsidiaries, Joint ventures, etc. developing real estate projects [Refer Footnote (e) to Note 6 and Note 33]	3,036.80	236.73
	8,755.35	39,295.00

Other operating revenue :

Income on investments in subsidiaries, Joint ventures, etc. developing real estate projects [Refer Footnote (c) and Note 33]	1,983.62	1,025.67
Share of Revenue (Refer Note 33)	6,006.91	—
Unwinding of Interest free loans	41.85	36.79
Lease rentals	1,123.79	972.01
Advances Written off in earlier year is recovered (Refer Note 33)	1,492.46	—
Sundry credit balances appropriated	1,638.25	36.67
Provision no longer required	4,206.56	9.15
Provision for diminution in investment written back	0.90	10.00
Provision for doubtful debts/advances written back	213.50	—
Others	85.19	19.21
	16,793.03	2,109.50
Total	25,548.38	41,404.50

Footnotes:

- Sale of Properties/Rights/Services includes ₹ 2,710 lakhs (For 2018-19: ₹ 10,215.76 lakhs) from related parties. Further attention is invited to Note 33.
- Sale of Properties is net of ₹ 109 lakhs (For 2018-19: ₹ 12,000 lakhs) on account of reversal of revenue recognised in previous year.
- The Company has not recognised finance income amounting to ₹ 26,209.80 lakhs (For 2018-19: ₹ 22,025.05 lakhs) from Deep Discount Bonds held in one of its joint venture entities as the terms of the said Bonds relating to tenure of the Bonds and redemption premium are under negotiation with the issuer.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020 (CONTD.)

NOTE 24. OTHER INCOME

Interest Income:

	Year ended 31st March, 2020 (₹ in lakhs)	Year ended 31st March, 2019 (₹ in lakhs)
Debentures	98.79	21.62
Loans	31.92	127.18
Bank fixed deposits	53.88	40.80
Interest income on financial assets at amortised cost	—	307.71
Income on account of OTS [Refer footnotes (i) and (ii)]	—	2,870.63
Interest write back	200.57	751.28
Interest income on financial liabilities measured at fair value [Refer Footnote (b) to Note 18 Non Current Borrowings]	2,457.44	2,455.75
Others	20.97	703.55
	2,863.57	7,278.52

Other gains and losses

Surplus on sale / discardment of fixed assets (Net)	611.18	0.42
Gain on Fair Valuation of Investments in Mutual Funds	0.28	1.03
Gain on foreign currency fluctuation (Net)	5.15	—
	616.61	1.45

Miscellaneous income

Total

	134.51	32.70
	3,614.69	7,312.67

Footnotes:

- (i) During the previous year Income on account of OTS included waiver of outstanding interest thereon from Oriental Bank of Commerce amounting to ₹ 1,220.63 lakhs.
- (ii) During the previous year, the Company had taken over debts of Rubix Trading Private Limited (Subsidiary of its Associate Vinca Developer Private Limited) amounting to ₹ 2,350 lakhs for which the Company was a guarantor to Deutsche Investment India Private Limited (Lender). The said Debt was settled at ₹ 700 Lakhs by signing consent term with the lender. The differential amount of ₹ 1,650 lakhs has been disclosed under income on account of OTS.

NOTE 25. COSTS OF CONSTRUCTION / DEVELOPMENT

Construction costs incurred during the year:

Land / rights acquired	2,479.33	1,909.72
Material and labour costs	7,274.11	7,735.41
Approval and consultation expenses	1,538.94	2,036.20
Other direct development expenses	1,263.55	1,633.73
	12,555.93	13,315.06

Total

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020 (CONTD.)

	Year ended 31st March, 2020 (₹ in lakhs)	Year ended 31st March, 2019 (₹ in lakhs)
NOTE 26. CHANGES IN INVENTORIES OF FINISHED PROPERTIES, STOCK-IN-TRADE, INCOMPLETE PROJECTS AND FSI		
Opening Inventory :		
Floor Space Index (FSI)	126.26	126.26
Finished Properties	568.36	—
Incomplete Projects	102,190.40	94,443.59
	102,885.02	94,569.85
Add / (Less):		
Addition on account of dissolution of partnership firms [Refer footnote (j) to Note 6]		
Finished Properties	745.33	—
Incomplete Project	4,345.33	—
Floor Space Index (FSI)	17,433.97	—
Transfer to Development Right (TDR)	1,484.60	—
	24,009.23	—
Adoption of Ind AS 115 (Net)	—	24,365.69
	126,894.25	118,935.54
Opening Stock Adjustment on account of write back	(906.39)	—
Project expenses written off	(987.09)	(107.63)
Loss on account of NRV of FSI [Refer Footnote (d) to Note 30]	(8,389.18)	—
	116,611.59	118,827.91
Closing Inventory :		
Floor Space Index (FSI)	8,976.27	126.26
Incomplete Projects	115,721.52	102,190.40
Transfer of Development Right (TDR)	1,484.60	—
Trading Material	34.42	—
Finished Properties	7,564.16	568.36
	133,780.97	102,885.02
Total	(17,169.38)	15,942.89
NOTE 27. EMPLOYEE BENEFITS EXPENSE		
Salaries, bonus, etc.	1,396.58	1,232.62
Contribution to provident and other funds	136.68	117.49
Staff welfare expenses	22.60	22.79
Other fund expenses	2.62	2.71
Total	1,558.48	1,375.61

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020 (CONTD.)

NOTE 30. OTHER EXPENSES

	Year ended 31st March, 2020 (₹ in lakhs)	Year ended 31st March, 2019 (₹ in lakhs)
Insurance	32.46	48.81
Rent	123.00	289.09
Rates and taxes	294.23	459.27
Advertisement expenses	255.34	434.27
Provision for doubtful debts written off	213.50	9.15
Advances and other debit balances written off [Refer Footnote (a) and Note 33]	1,235.10	704.52
Investment Written off on account of dissolution	—	10.00
Bad Debts	29.79	80.94
Donations	18.50	70.00
Brokerage	111.59	575.51
Directors' fees and travelling expenses	28.42	24.99
Commission to non-executive directors	15.00	18.63
Provision for Doubtful Advances [Refer footnote (e)]	6,673.75	—
Provision for Doubtful Debts	175.00	—
Repairs and society maintenance charges	161.13	121.92
Legal and professional fees	430.29	556.66
Prospective projects written off	987.09	107.63
Loss on account of NRV of FSI [Refer Footnote (d)]	8,389.18	—
Investment Written off on account of Merger [Refer footnote (i) to Note 6]	612.25	—
Loss on sale of Investment	—	1,341.00
Loss on foreign currency fluctuation (Net)	—	1.44
Other expenses [Refer Footnote (c)]	1,221.13	1,054.44
Total	21,006.75	5,908.29

Footnotes:

- The Company has given advances to certain companies towards potential interest in their projects. Due to cancellation of approvals, continuing losses and no movement in the project status, in the opinion of the management such advances / receivables aggregating ₹ 1,060.41 lakhs (for F.Y 2018-19 ₹ 662.02 lakhs) being non-recoverable were written off during the year.
- CSR amount required to be spent as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof by the Company during the year is ₹ 16.65 Lakhs (Previous Year ₹ 32.42 lakhs), the actual amount spent during the year is NIL (Previous year ₹ 70 lakhs) for the purpose other than construction/acquisition of an asset.
- Auditors' Remuneration (included in Legal and professional fees and Other Expenses):

Audit fees	53.00	53.00
Limited review fees	8.77	8.77
Certification and other matters	1.50	2.35
	63.27	64.12
- Due to dissolution of Celeste JV, inventory lying over in Celeste books has been taken over by the Company as on 1st December 2019. [Refer footnote (j) to Note 6]. The Company has valued the FSI inventory at NRV as on date of take over as per the stamp duty valuation. Consequently the loss on such valuation has been expensed out in the Statement of Profit and Loss during the year.
- In the opinion of the Management, certain advances made by the Company for Business purposes have not yielded the desired results and are doubtful of recovery. Hence, the Company has made necessary provision in respect of these advances. However, the Company shall continue to make all efforts for their recovery.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020 (CONTD.)

NOTE 31. EARNINGS PER SHARE (EPS)

Basic Earning Per Share (In ₹)
Diluted Earning Per Share (In ₹)

Basic and Diluted EPS

The earnings and weighted average number of equity shares used in the calculation of basic earning per share are as follows

Earnings used in the calculation of basic and diluted earning per share

Weighted average number of equity shares for the purposes of basic and diluted earning per share (Nos.)

Year ended 31st March, 2020 (₹ in lakhs)	Year ended 31st March, 2019 (₹ in lakhs)
(8.18)	(0.98)
(8.18)	(0.98)
(5,946.45)	(709.44)
72,735,871	72,735,871

NOTE 32. DISCLOSURE RELATING TO EMPLOYEE BENEFITS AS PER IND AS 19 'EMPLOYEE BENEFITS'

A. Defined Contribution Plans

An amount of ₹ 44.59 lakhs (F.Y. 2018-19: ₹ 44.16 lakhs) under defined benefit plan is recognised as expense in the Statement of Profit and Loss.

B. Defined benefit obligation - Gratuity

The Principal assumptions used for the purpose of the actuarial valuations were as follows:

Discount Rate

Expected rate of salary increase

Expected average remaining service

I (a) Expenses recognised in the Statement of Profit and Loss

Current service cost

Past service cost and (gain)/loss from settlement

Net interest expense

Component of defined benefit cost recognised in Statement of Profit and Loss

(b) Included in Other Comprehensive Income

Actuarial (Gain)/Loss recognized for the period

Return on Plan Assets excluding net interest

Component of defined benefit cost recognised in OCI

II Net Asset/(Liability) recognised in the Balance Sheet

Present value of Defined Benefit Obligation

Fair value of plan assets at the end of the period

Funded status

III Changes in Obligation during the year

Movement in PV of defined benefit obligation

Present value of Defined Benefit Obligation at the beginning of the year

Current service cost

Interest cost

Actuarial gains and losses arising from changes in experience adjustment

Benefits paid

Present value of defined benefit obligation at the end of the year

IV Changes in fair value of plan assets during the year

Fair Value of the plan assets at the beginning of the year

Adjustment to opening Fair value Plan Asset

Interest income

Return on plan assets (excluding interest income)

Contribution by employer

Benefits paid

Closing fair value of plan assets

31st March, 2020	31st March, 2019
6.80%	7.64%
5%	5%
21.01	20.42
40.13	47.49
—	—
25.78	22.97
65.91	70.46
(62.72)	(31.31)
3.27	0.16
(59.45)	(31.15)
(351.57)	(393.94)
9.02	55.16
(342.55)	(338.78)
393.94	365.49
40.13	47.49
28.27	27.45
(62.72)	(31.31)
(48.05)	(15.18)
351.57	393.94
55.16	76.02
—	(10.00)
2.48	4.48
(3.27)	(0.16)
2.70	—
(48.05)	(15.18)
9.02	55.16

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020 (CONTD.)

NOTE 32. (Contd.)

Asset Information:	Year ended 31st March, 2020 (₹ in lakhs)	Target Allocation
	Total Amount	
Gratuity Fund	9.02	100%
Expected Payout:		
Year	PVO Payout	
Expected Outgo First	29.42	
Expected Outgo Second	6.19	
Expected Outgo Third	10.87	
Expected Outgo Fourth	8.59	
Expected Outgo Fifth	8.77	
Expected Outgo Sixth to Tenth Years	84.88	

Sensitivity Analysis:

As of 31st March, 2020, every percentage point increase in discount rate will affect our gratuity benefit obligation ` 308.42 lakhs.

As of 31st March, 2020, every percentage point decrease in discount rate will affect our gratuity benefit obligation ` 403.75 lakhs.

As of 31st March, 2020, every percentage point increase in salary escalation rate will affect our gratuity benefit obligation ` 403.65 lakhs.

As of 31st March, 2020, every percentage point decrease in salary escalation rate will affect our gratuity benefit obligation ` 307.81 lakhs.

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation by one percentage, keeping all other actuarial assumptions constant.

Projected service cost as on 31st March 2021 is ` 35.35 lakhs.

Narrations:

1 Analysis of Defined Benefit Obligation

The number of members under the scheme have increased by 24.32 %. Similarly the total salary decreased by 17.29 % during the accounting period. The resultant liability at the end of the period over the beginning of the period has decreased by 10.76%

2 Expected rate of return basis:

EROA is the discount rate as at previous discount valuation date as per the accounting standard.

3 Description of Plan Assets and Reimbursement Conditions

100% of the Plan Asset is entrusted to LIC of India under their Group Gratuity Scheme. The reimbursement is subject to Insurer's Surrender Policy.

4 Investment / Interest Risk

The Company is exposed to Investment / Interest risk if the return on the invested fund falls below the discount rate used to arrive at present value of the benefit.

5 Longevity Risk

The Company is not exposed to risk of the employees living longer as the benefit under the scheme ceases on the employee separating from the employer for any reason.

6 Risk of Salary Increase

The Company is exposed to higher liability if the future salaries rise more than assumption of salary escalation.

7 Discount Rate

The discount rate has decreased from 7.64% to 6.80% and hence there is an increase in liability leading to actuarial loss due to change in discount rate.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020 (CONTD.)

NOTE 33. RELATED PARTIES DISCLOSURES AS PER IND AS 24

A. Names of related parties and description of relationship			Country of Incorporation	Percentage of voting power as at (%)	
				31st March, 2020	31st March, 2019
I.	Subsidiaries				
	1	ABP Realty Advisors Private Limited (Applied for strike off on 19th March, 2019)	India	—	—
	2	Akruti Safeguard Systems Private Limited	India	72.43%	72.43%
	3	Citygold Education Research Limited (Refer Footnote i to Note 6)	India	100.00%	100.00%
	4	Citygold Farming Private Limited (Refer Footnote i to Note 6) *	India	—	100.00%
	5	Citywood Builders Private Limited	India	100.00%	100.00%
	6	Devkrupa Build Tech Limited (Refer Footnote i to Note 6) *	India	—	100.00%
	7	Diviniti Projects Private Limited	India	100.00%	100.00%
	8	Gujarat Akruti—TCG Biotech Limited	India	74.00%	74.00%
	9	Halitious Developer Limited (Refer Footnote i to Note 6) *	India	—	100.00%
	10	Headland Farming Private Limited (Refer Footnote i to Note 6) *	India	—	100.00%
	11	Heddle Knowledge Private Limited (Refer Footnote i to Note 6) *	India	—	100.00%
	12	India Development And Construction Venture Capital Private Limited (Applied for strike off on 19th March, 2019)	India	—	—
	13	Joynest Premises Private Limited	India	74.00%	74.00%
	14	Sanas Developers Private Limited	India	51.00%	51.00%
	15	Upvan Lake Resorts Private Limited (Refer Footnote i to Note 6) *	India	—	75.00%
	16	Urvi Build Tech Limited (Refer Footnote i to Note 6) *	India	—	100.00%
	17	Vama Housing Limited	India	100.00%	100.00%
	18	Vega Developers Private Limited	India	100.00%	100.00%
	19	Vishal Techno Commerce Limited	India	100.00%	100.00%
	20	Yantti Buildcon Private Limited	India	100.00%	100.00%
II.	Associates				
	1	Giraffe Developers Private Limited	India	49.00%	49.00%
	2	Shubhsiddhi Builders Private Limited	India	50.00%	50.00%
	3	Vinca Developer Private Limited	India	49.00%	49.00%
	4	Whitebud Developers Limited	India	50.00%	50.00%
	5	Amazia Developers Private Limited [Upto 13th September 2019] [Subsidiary Of Vinca]	India	—	—
	6	Brainpoint Infotech Private Limited [Upto 13th September 2019] [Subsidiary Of Amazia]	India	—	—
	7	Rubix Trading Private Limited [Subsidiary Of Vinca]	India	—	—
III.	Joint Ventures				
	1	Akruti GM Joint Venture	India	77.00%	77.00%
	2	Akruti Jay Chandan Joint Venture	India	50.00%	50.00%
	3	Akruti Jay Developers [Upto 31st March 2019]	India	—	66.66%
	4	Akruti Kailash Constructions [Upto 31st March 2019]	India	—	90.00%
	5	Akruti Steelfab Corporation (under the process of dissolution)	India	—	—
	6	Hubtown Bus Terminal (Adajan) Private Limited	India	45.00%	45.00%
	7	Hubtown Bus Terminal (Ahmedabad) Private Limited	India	45.00%	45.00%
	8	Hubtown Bus Terminal (Mehsana) Private Limited	India	45.00%	45.00%
	9	Hubtown Bus Terminal (Vadodara) Private Limited	India	45.00%	45.00%
	10	Joyous Housing Limited	India	25.00%	25.00%
	11	Rare Townships Private Limited	India	40.00%	40.00%
	12	Rising Glory Developers	India	75.00%	75.00%
	13	Shreenath Realtors (under the process of dissolution)	India	—	—
	14	Sunstream City Private Limited	India	43.00%	43.00%
	15	Twenty Five South Realty Limited	India	61.27%	61.27%

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (CONTD.)

NOTE 33. RELATED PARTIES DISCLOSURES AS PER IND AS 24 (Contd.)

IV. Key management personnel

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

V. Non Executive directors over which they are able to exercise significant influence (where transaction have taken place)

- 1 Sunil C Shah
- 2 Abhijit B Datta
- 3 Priti K Shah
- 4 Mahesh Ambalal Kuvadia (Upto 4th March 2020)

VI. Relatives of key management personnel

- 1 Mrs. Kunjal H. Shah, Wife of Executive Chairman
- 2 Mrs. Falguni V. Shah, Wife of Managing Director
- 3 Mr. Rushank V. Shah, Son of Managing Director
- 4 Mr. Khilen V. Shah, Son of Managing Director
- 5 Mr. Kushal H. Shah, Son of Executive Chairman
- 6 Mrs. Nutan Dhanki, Sister of Executive Chairman and Managing Director
- 7 Mrs. Hemanti Parekh, Sister of Executive Chairman and Managing Director
- 8 Hemant M. Shah HUF – Karta Executive Chairman
- 9 Mrs. Pratiti K. Shah, Daughter in Law of Managing Director
- 10 Mrs. Meha R. Shah, Daughter in Law of Managing Director
- 11 Mrs. Aishwarya K. Shah, Daughter in Law of Executive Chairman
- 12 Vyomesh M. Shah HUF – Karta Managing Director
- 13 Mahipatray V. Shah HUF – Karta Executive Chairman
- 14 Mahipatray V. Shah Discretionary Trust – Trustees Executive Chairman and Managing Director
- 15 Estate of Mahipatray V Shah – Beneficiaries Executive Chairman and Managing Director

VII. Enterprises where key management personnel or their relatives exercise significant influence (Where transactions have taken place)

- 1 Adhivitiya Properties Limited
- 2 Buildbyte.Com (India) Private Limited
- 3 Celeste Joint Venture
- 4 Citygold Management Services Private Limited
- 5 Distinctive Realty Private Limited
- 6 E Commerce Magnum Solution Limited
- 7 Fern Infrastructure Private Limited
- 8 Fourjone Realtors Private Limited
- 9 Heet Builders Private Limited (from 23rd Feb, 2019)
- 10 Helictite Residency Private Limited
- 11 Helik Advisory Limited
- 12 High Scale Trading Private Limited
- 13 Hubtown Solaris Maintenance Private Limited
- 14 Ichha Constructions Private Limited
- 15 Lista City Private Limited
- 16 Powersoft IT Private Limited [From 01-10-2019]
- 17 Starzone Developers Private Limited
- 18 Sunstone Developers Joint Venture
- 19 Sheshan Housing And Area Development Engineers Limited
- 20 Trans Gulf MEP Engineers Private Limited
- 21 Vishal Nirman (India) Limited
- 22 Wellgroomed Developers Limited

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (CONTD.)

NOTE 33. RELATED PARTIES DISCLOSURES AS PER IND AS 24 (Contd.)

B. Transactions with Related Parties

(₹ in lakhs)

Sr. No.	Nature of transaction	Subsidiary companies	Associate companies	Joint Ventures	Key management personnel, their relatives and enterprises \$
i.	Loans and Advances received/ recovered/ adjusted				
	Ackruti Safeguard Systems Private Limited	— (0.70)	— (—)	— (—)	— (—)
	Urvi Build Tech Limited*	89.29 (978.43)	— (—)	— (—)	— (—)
	Upvan Lake Resorts Private Limited*	— (10.04)	— (—)	— (—)	— (—)
	Vama Housing Limited	— (52.96)	— (—)	— (—)	— (—)
	Vishal Techno Commerce Limited	900.00 (30.00)	— (—)	— (—)	— (—)
	Halitious Developer Limited*	— (108.00)	— (—)	— (—)	— (—)
	Diviniti Projects Private Limited	— (14.32)	— (—)	— (—)	— (—)
	Twenty Five South Realty Limited	— (—)	— (—)	650.00 (—)	— (—)
	Fern Infrastructure Private Limited	— (—)	— (—)	— (—)	— (4.00)
	E Commerce Magnum Solution Limited	— (—)	— (—)	— (—)	50.00 (—)
	Vinca Developer Private Limited	— (—)	500.00 (—)	— (—)	— (—)
	Heet Builders Private Limited	— (—)	— (—)	— (—)	2,639.00 (—)
	Rubix Trading Private Limited	— (—)	2,350.00 (—)	— (—)	— (—)
ii.	Loans and Advances given/ repaid/adjusted				
	Twenty Five South Realty Limited	— (—)	— (—)	1,342.48 (—)	— (—)
	Upvan Lake Resorts Private Limited*	1.00 (—)	— (—)	— (—)	— (—)
	Vama Housing Limited	1.15 (11.86)	— (—)	— (—)	— (—)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (CONTD.)

NOTE 33. RELATED PARTIES DISCLOSURES AS PER IND AS 24 (Contd.)

B. Transactions with Related Parties

(₹ in lakhs)

Sr. No.	Nature of transaction	Subsidiary companies	Associate companies	Joint Ventures	Key management personnel, their relatives and enterprises \$
	Vishal Techno Commerce Limited	1.25 (1,408.25)	— (—)	— (—)	— (—)
	Halitious Developer Limited*	13.75 (—)	— (—)	— (—)	— (—)
	Urvi Build Tech Limited*	2.61 (164.59)	— (—)	— (—)	— (—)
	India Development And Construction Venture Capital Private Limited	— (15.40)	— (—)	— (—)	— (—)
	Rare Townships Private Limited	— (—)	— (—)	— (1,355.00)	— (—)
	Distinctive Realty Private Limited	— (—)	— (—)	— (—)	— (0.20)
	Kunjal Hemant Shah	— (—)	— (—)	— (—)	88.19 (908.34)
	Hemant M. Shah (HUF)	— (—)	— (—)	— (—)	30.00 (—)
	Vinca Developer Private Limited	— (—)	500.00 (—)	— (—)	— (—)
	Heet Builders Private Limited	— (—)	— (—)	— (—)	929.30 (—)
	Rubix Trading Private Limited	— (—)	— (2,350.00)	— (—)	— (—)
iii.	Business Advances received / recovered / adjusted				
	Citygold Education Research Limited	2,903.62 (75.30)	— (—)	— (—)	— (—)
	Citywood Builders Private Limited	4,264.19 (127.00)	— (—)	— (—)	— (—)
	Citygold Farming Private Limited*	84.75 (6,519.21)	— (—)	— (—)	— (—)
	Heet Builders Private Limited	— (69.00)	— (—)	— (—)	— (—)
	Headland Farming Private Limited*	15.00 (134.98)	— (—)	— (—)	— (—)
	Heddle Knowledge Private Limited*	76.00 (2,064.25)	— (—)	— (—)	— (—)
	Vega Developers Private Limited	323.45 (35.00)	— (—)	— (—)	— (—)
	Hubtown Bus Terminal (Ahmedabad) Private Limited	— (—)	— (—)	506.51 (2,453.61)	— (—)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (CONTD.)

NOTE 33. RELATED PARTIES DISCLOSURES AS PER IND AS 24 (Contd.)

B. Transactions with Related Parties

(₹ in lakhs)

Sr. No.	Nature of transaction	Subsidiary companies	Associate companies	Joint Ventures	Key management personnel, their relatives and enterprises \$
	Hubtown Bus Terminal (Adajan) Private Limited	— (—)	— (—)	1,297.54 (21.00)	— (—)
	Hubtown Bus Terminal (Mehsana) Private Limited	— (—)	— (—)	— (34.70)	— (—)
	Sunstream City Private Limited	— (—)	— (—)	— (1,829.00)	— (—)
	Joynest Premises Private Limited	2,404.83 (350.00)	— (—)	— (—)	— (—)
	Ackruti Safeguard Systems Private Limited	2.00 (15.00)	— (—)	— (—)	— (—)
	Distinctive Realty Private Limited	— (—)	— (—)	— (—)	262.83 (—)
	High Scale Trading Private Limited	— (—)	— (—)	— (—)	375.00 (—)
	Halitious Developer Limited*	— (509.42)	— (—)	— (—)	— (—)
	Citygold Management Services Private Limited	— (—)	— (—)	— (—)	15.68 (237.85)
	Vishal Nirman (India) Limited	— (—)	— (—)	— (—)	3.00 (—)
	Adhivitiya Properties Limited	— (—)	— (—)	— (—)	540.00 (—)
	Trans Gulf MEP Engineers Private Limited	— (—)	— (—)	— (—)	8.72 (—)
	Amazia Developers Private Limited	— (—)	3,712.16 (—)	— (—)	— (—)
	Fern Infrastructure Private Limited	— (—)	— (—)	— (—)	22.54 (—)
	Wellgroomed Venture	— (—)	— (—)	— (—)	1,270.72 (—)
	Giraffe Developers Private Limited	— (—)	3,653.95 (985.00)	— (—)	— (—)
iv.	Business Advances given / repaid / adjusted				
	Citygold Education Research Limited	2,506.74 (48.73)	— (—)	— (—)	— (—)
	Citywood Builders Private Limited	460.64 (695.51)	— (—)	— (—)	— (—)
	Citygold Farming Private Limited*	55.73 (35.03)	— (—)	— (—)	— (—)
	Heet Builders Private Limited	— (2,903.25)	— (—)	— (—)	— (—)
	Headland Farming Private Limited*	— (110.33)	— (—)	— (—)	— (—)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (CONTD.)

NOTE 33. RELATED PARTIES DISCLOSURES AS PER IND AS 24 (Contd.)

B. Transactions with Related Parties

(₹ in lakhs)

Sr. No.	Nature of transaction	Subsidiary companies	Associate companies	Joint Ventures	Key management personnel, their relatives and enterprises \$
	Heddle Knowledge Private Limited*	2.50 (95.45)	— (—)	— (—)	— (—)
	Hubtown Bus Terminal (Ahmedabad) Private Limited	— (—)	— (—)	2,524.14 (219.50)	— (—)
	Hubtown Bus Terminal (Adajan) Private Limited	— (—)	— (—)	1,462.50 (111.00)	— (—)
	Hubtown Bus Terminal (Mehsana) Private Limited	— (—)	— (—)	117.25 (503.50)	— (—)
	Hubtown Bus Terminal (Vadodara) Private Limited	— (—)	— (—)	72.25 (—)	— (—)
	Sunstream City Private Limited	— (—)	— (—)	149.28 (1,166.17)	— (—)
	Joynest Premises Private Limited	1,543.24 (2,901.84)	— (—)	— (—)	— (—)
	Whitebud Developers Limited	— (—)	— (6.75)	— (—)	— (—)
	Yantti Buildcon Private Limited	20.20 (28.95)	— (—)	— (—)	— (—)
	Vega Developers Private Limited	0.95 (—)	— (—)	— (—)	— (—)
	Buildbyte.Com (India) Private Limited	— (—)	— (—)	— (—)	5.00 (—)
	Citygold Management Services Private Limited	— (—)	— (—)	— (—)	190.06 (540.88)
	Adhivitiya Properties Limited	— (—)	— (—)	— (—)	10.50 (1.25)
	Giraffe Developers Private Limited	— (—)	22,056.36 (—)	— (9,690.68)	— (—)
	Vinca Developer Private Limited	— (—)	1.00 (—)	— (—)	— (—)
	Fern Infrastructure Private Limited	— (—)	— (—)	— (—)	2.76 (—)
	Distinctive Realty Private Limited	— (—)	— (—)	— (—)	0.50 (—)
	Gallant Infotech Private Limited	— (—)	34.94 (—)	— (—)	— (—)
	Amazia Developers Private Limited	— (—)	2,464.13 (—)	— (—)	— (—)
	Wellgroomed Venture	— (—)	— (—)	— (—)	697.50 (—)
	Sheshan Housing And Area Development Engineers Limited	— (—)	— (—)	— (—)	2.85 (—)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (CONTD.)

NOTE 33. RELATED PARTIES DISCLOSURES AS PER IND AS 24 (Contd.)

B. Transactions with Related Parties

(₹ in lakhs)

Sr. No.	Nature of transaction	Subsidiary companies	Associate companies	Joint Ventures	Key management personnel, their relatives and enterprises \$
v.	Contribution in Partner's Current Account				
	Celeste JV	— (—)	— (—)	722.72 (932.25)	— (—)
	Rising Glory Developers	— (—)	— (—)	11,140.98 (3,802.54)	— (—)
	Akruti Jay Chandan JV	— (—)	— (—)	424.99 (1,155.74)	— (—)
	Sunstone Developers JV	— (—)	— (—)	2,906.99 (2,035.41)	— (—)
	Akruti GM JV	— (—)	— (—)	7.75 (499.61)	— (—)
vi.	Amount Withdrawn from Partner's Current Account				
	Akruti Jay Developers	— (—)	— (—)	— (217.90)	— (—)
	Akruti Jay Chandan JV	— (—)	— (—)	19.78 (—)	— (—)
	Akruti Kailash Constructions	— (—)	— (—)	— (1,936.85)	— (—)
	Rising Glory Developers	— (—)	— (—)	28,681.66 (—)	— (—)
	Akruti GM JV	— (—)	— (—)	13.75 (—)	— (—)
	Jairaj Developers - Unit 9	— (—)	— (—)	25.40 (—)	— (—)
	Celeste JV	— (—)	— (—)	1,337.72 (—)	— (—)
	Sunstone Developers JV	— (—)	— (—)	238.06 (—)	— (—)
vii.	On behalf payments made (Including reimbursement of expenses)				
	ABP Realty Advisors Private Limited	— (0.06)	— (—)	— (—)	— (—)
	Citygold Education Research Limited	1.94 (—)	— (—)	— (—)	— (—)
	Citygold Farming Private Limited*	0.06 (—)	— (—)	— (—)	— (—)
	Halitious Developer Limited*	0.79 (32.40)	— (—)	— (—)	— (—)
	Heddle Knowledge Private Limited*	9.12 (3.30)	— (—)	— (—)	— (—)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (CONTD.)

NOTE 33. RELATED PARTIES DISCLOSURES AS PER IND AS 24 (Contd.)

B. Transactions with Related Parties

(₹ in lakhs)

Sr. No.	Nature of transaction	Subsidiary companies	Associate companies	Joint Ventures	Key management personnel, their relatives and enterprises \$
	Hubtown Bus Terminal (Mehsana) Private Limited	— (—)	— (—)	31.36 (585.53)	— (—)
	Sunstream City Private Limited	— (—)	— (—)	0.71 (113.76)	— (—)
	Joynest Premises Private Limited	7.00 (—)	— (—)	— (—)	— (—)
	Yantti Buildcon Private Limited	— (0.37)	— (—)	— (—)	— (—)
	Citywood Builders Private Limited	59.05 (—)	— (—)	— (—)	— (—)
	Giraffe Developers Private Limited	— (—)	6.00 (278.99)	— (—)	— (—)
	Starzone Developers Private Limited	— (—)	— (—)	— (—)	— (0.35)
	Buildbyte.Com (India) Private Limited	— (—)	— (—)	— (—)	— (0.51)
	Upvan Lake Resorts Private Limited*	— (3.62)	— (—)	— (—)	— (—)
	Devkrupa Build Tech Limited*	7.89 (—)	— (—)	— (—)	— (—)
	Vama Housing Limited	0.23 (—)	— (—)	— (—)	— (—)
	Vinca Developer Private Limited	— (—)	0.02 (—)	— (—)	— (—)
	Fern Infrastructure Private Limited	— (—)	— (—)	— (—)	0.13 (—)
	Helictite Residency Private Limited	— (—)	— (—)	— (—)	4.01 (—)
	Amazia Developers Private Limited	— (—)	17.93 (—)	— (—)	— (—)
	Citygold Management Services Private Limited	— (—)	— (—)	— (—)	0.50 (—)
	Primeria Joint Venture	— (—)	— (—)	0.02 (—)	— (—)
	Twenty Five South Realty Limited	— (—)	— (—)	49.89 (—)	— (—)
	Hill View Venture	— (—)	— (—)	8.75 (—)	— (—)
	Heet Builders Private Limited	— (—)	— (—)	— (—)	7.16 (—)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (CONTD.)

NOTE 33. RELATED PARTIES DISCLOSURES AS PER IND AS 24 (Contd.)

B. Transactions with Related Parties

(₹ in lakhs)

Sr. No.	Nature of transaction	Subsidiary companies	Associate companies	Joint Ventures	Key management personnel, their relatives and enterprises \$
viii.	On behalf payments received/adjusted				
	Hubtown Bus Terminal (Adajan) Private Limited	— (—)	— (—)	11.44 (248.95)	— (—)
	Hubtown Bus Terminal (Mehsana) Private Limited	— (—)	— (—)	1.23 (—)	— (—)
	Joynest Premises Private Limited	43.37 (—)	— (—)	— (—)	— (—)
	ABP Realty Advisors Private Limited	— (0.07)	— (—)	— (—)	— (—)
	Falguni Shah	— (—)	— (—)	— (—)	184.10 (—)
	Ackruti Safeguard Systems Private Limited	31.36 (—)	— (—)	— (—)	— (—)
	Citywood Builders Private Limited	4.24 (—)	— (—)	— (—)	— (—)
	Upvan Lake Resorts Private Limited*	— (0.21)	— (—)	— (—)	— (—)
	Starzone Developers Private Limited	— (—)	— (—)	— (—)	— (7.55)
	Hemant M. Shah	— (—)	— (—)	— (—)	49.86 (—)
	Khilen Shah	— (—)	— (—)	— (—)	0.28 (—)
	Rushank Shah	— (—)	— (—)	— (—)	16.21 (—)
	Lata M. Shah	— (—)	— (—)	— (—)	6.50 (—)
	Citygold Management Services Private Limited	— (—)	— (—)	— (—)	121.96 (—)
	Hubtown Solaris Maintenance Private Limited	— (—)	— (—)	— (—)	2.34 (—)
	Mahipatray V. Shah (HUF)	— (—)	— (—)	— (—)	31.56 (71.32)
ix.	Redemption of Investments (Including Debentures)				
	Amazia Developers Private Limited	— (—)	4,800.00 (—)	— (—)	— (—)
x.(a)	Advance received against FSI				
	Khilen Shah	— (—)	— (—)	— (—)	71.70 (100.00)
	Hill View Venture	— (—)	— (—)	534.28 (2,682.86)	— (—)
	Sunstone Developers JV	— (—)	— (—)	— (1,034.35)	— (—)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (CONTD.)

NOTE 33. RELATED PARTIES DISCLOSURES AS PER IND AS 24 (Contd.)

B. Transactions with Related Parties

(₹ in lakhs)

Sr. No.	Nature of transaction	Subsidiary companies	Associate companies	Joint Ventures	Key management personnel, their relatives and enterprises \$
x.(b)	Advance received against FSI repaid				
	Khilen Shah	— (—)	— (—)	— (—)	— (693.94)
	Falguni Shah	— (—)	— (—)	— (—)	6.24 (616.00)
	Kushal Shah	— (—)	— (—)	— (—)	100.30 (522.00)
	Pratiti K. Shah	— (—)	— (—)	— (—)	— (622.30)
	Rushank Shah	— (—)	— (—)	— (—)	162.76 (459.55)
	Sunstone Developers JV	— (—)	— (—)	5,954.68 (—)	— (—)
	Meha R. Shah	— (—)	— (—)	— (—)	484.65 (—)
xi	Received against sale				
	Sunstone Developers JV	— (—)	— (—)	3,222.96 (8,866.79)	— (—)
xii.	Sale of properties/rights/Material/services (Net of GST)				
	Citywood Builders Private Limited	— (825.81)	— (—)	— (—)	— (—)
	Joyneest Premises Private Limited	7.81 (38.17)	— (—)	— (—)	— (—)
	Joyous Housing Limited	— (—)	— (—)	200.00 (920.00)	— (—)
	Hubtown Solaris Maintenance Private Limited	— (—)	— (—)	— (—)	— (428.97)
	Falguni Shah	— (—)	— (—)	— (—)	0.47 (—)
	Sanas Developers Private Limited	1,450.00 (—)	— (—)	— (—)	— (—)
	Twenty Five South Realty Limited	— (—)	— (—)	36.75 (—)	— (—)
	Powersoft IT Private Limited [From 01-10-2019]	— (—)	— (—)	— (—)	4.14 (—)
	Vinca Developer Private Limited	— (—)	1,060.00 (—)	— (—)	— (—)
	Sunstone Developers JV	— (—)	— (—)	— (8,866.79)	— (—)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (CONTD.)

NOTE 33. RELATED PARTIES DISCLOSURES AS PER IND AS 24 (Contd.)

B. Transactions with Related Parties

(₹ in lakhs)

Sr. No.	Nature of transaction	Subsidiary companies	Associate companies	Joint Ventures	Key management personnel, their relatives and enterprises \$
xiii	Interest income on loans/Debentures				
	Twenty Five South Realty Limited	— (—)	— (—)	924.39 (769.43)	— (—)
	Joyous Housing Limited	— (—)	— (—)	30.35 (26.92)	— (—)
	Rare Townships Private Limited	— (—)	— (—)	— (51.12)	— (—)
	Amazia Developers Private Limited	— (—)	819.73 (—)	— (—)	— (—)
	Gujarat Akruti—TCG Biotech Limited	239.50 (205.12)	— (—)	— (—)	— (—)
xiv.	Share of profit from Partnerships/Joint Ventures				
	Akruti Jay Chandan JV	— (—)	— (—)	11.40 (18.57)	— (—)
	Akruti Jay Developers	— (—)	— (—)	116.02 (307.71)	— (—)
	Rising Glory Developers	— (—)	— (—)	1.97 (0.55)	— (—)
	Sunstone Developers JV	— (—)	— (—)	— (15.63)	— (—)
	Shreenath Realtors	— (—)	— (—)	0.09 (—)	— (—)
	Akruti GM JV	— (—)	— (—)	— (0.45)	— (—)
xv.	Share of loss from Partnerships/Joint Ventures				
	Akruti Kailash Constructions	— (—)	— (—)	— (30.95)	— (—)
	Akruti GM JV	— (—)	— (—)	442.10 (—)	— (—)
	Celeste JV	— (—)	— (—)	14.23 (0.26)	— (—)
xvi.	Profit on Redemption of Investments (Including Debentures)				
	Amazia Developers Private Limited	— (—)	3,036.80 (—)	— (—)	— (—)
xvii	Share of Revenue				
	Citygold Education Research Limited	6,006.91 (—)	— (—)	— (—)	— (—)
xviii.	Purchase of properties/rights/Material/services (Net of GST)				
	Citywood Builders Private Limited	— (0.05)	— (—)	— (—)	— (—)
	Joyneest Premises Private Limited	9.35 (19.53)	— (—)	— (—)	— (—)
	Brainpoint Infotech Private Limited	— (—)	98.81 (72.19)	— (—)	— (—)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (CONTD.)

NOTE 33. RELATED PARTIES DISCLOSURES AS PER IND AS 24 (Contd.)

B. Transactions with Related Parties

(₹ in lakhs)

Sr. No.	Nature of transaction	Subsidiary companies	Associate companies	Joint Ventures	Key management personnel, their relatives and enterprises \$
xix.	Services received/availed				
	Gallant Infotech Private Limited	— (—)	20.04 (—)	— (—)	— (—)
	Powersoft IT Private Limited [From 01-10-2019]	— (—)	— (—)	— (—)	72.82 (—)
xx.	Directors' Remuneration				
	Hemant M. Shah	— (—)	— (—)	— (—)	88.09 (88.09)
	Vyomesh M. Shah	— (—)	— (—)	— (—)	78.35 (78.35)
xxi.	Commission to Non whole—time Directors				
	Sunil C. Shah	— (—)	— (—)	— (—)	4.00 (5.08)
	Abhijit Datta	— (—)	— (—)	— (—)	4.00 (5.08)
	Priti K. Shah	— (—)	— (—)	— (—)	4.00 (5.08)
	Shailesh G Hingarh	— (—)	— (—)	— (—)	— (3.39)
	Mahesh Ambalal Kuvadia	— (—)	— (—)	— (—)	3.00 (—)
xxii.	Remuneration to Relatives of KMPs				
	Rushank Shah	— (—)	— (—)	— (—)	27.03 (27.03)
	Khilen Shah	— (—)	— (—)	— (—)	27.03 (27.03)
	Kushal Shah	— (—)	— (—)	— (—)	17.68 (17.68)
xxiii.	Advances/Other Debit balance written off				
	India Development And Construction Venture Capital Private Limited	— (24.77)	— (—)	— (—)	— (—)
	ABP Realty Advisors Private Limited	0.57 (—)	— (—)	— (—)	— (—)
	Primeria Joint Venture	— (—)	— (—)	6.40 (—)	— (—)
	Shubhsiddhi Builders Private Limited	— (—)	— (188.56)	— (—)	— (—)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (CONTD.)

NOTE 33. RELATED PARTIES DISCLOSURES AS PER IND AS 24 (Contd.)

B. Transactions with Related Parties

(₹ in lakhs)

Sr. No.	Nature of transaction	Subsidiary companies	Associate companies	Joint Ventures	Key management personnel, their relatives and enterprises \$
xxiv.	Investment write off in Partnership/Joint Venture/Subsidiaries				
	India Development And Construction Venture Capital Private Limited	— (5.00)	— (—)	— (—)	— (—)
	ABP Realty Advisors Private Limited	— (5.00)	— (—)	— (—)	— (—)
xxv.	Sundry Balances written back				
	Ichha Constructions Private Limited	— (—)	— (—)	— (—)	1,492.46 (—)
xxvi.	Corporate guarantees given for loans availed by others				
	Hubtown Bus Terminal (Ahmedabad) Private Limited	— (—)	— (—)	— (1,263.07)	— (—)
	Sunstream City Private Limited	— (—)	— (—)	63.41 (65.53)	— (—)
	Twenty Five South Realty Limited	— (—)	— (—)	10,539.53 (12,041.25)	— (—)
xxvii.	Corporate Guarantees vacated for loans availed by others				
	Hubtown Bus Terminal (Adajan) Private Limited	— (—)	— (—)	1,511.62 (708.49)	— (—)
	Hubtown Bus Terminal (Mehsana) Private Limited	— (—)	— (—)	416.20 (604.93)	— (—)
	Hubtown Bus Terminal (Vadodara) Private Limited	— (—)	— (—)	481.41 (604.93)	— (—)
	Hubtown Bus Terminal (Ahmedabad) Private Limited	— (—)	— (—)	356.15 (—)	— (—)
	Rare Townships Private Limited	— (—)	— (—)	365.43 (3,397.91)	— (—)
	Vishal Techno Commerce Limited	3,898.23 (12,453.14)	— (—)	— (—)	— (—)
xxviii.	Bank guarantees given on behalf of related parties				
	Gujarat Akruti—TCG Biotech Limited	100.00 (100.00)	— (—)	— (—)	— (—)
	Joynest Premises Private Limited	138.29 (30.00)	— (—)	— (—)	— (—)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020 (CONTD.)

NOTE 33. RELATED PARTIES DISCLOSURES AS PER IND AS 24 (Contd.)

B. Transactions with Related Parties

(₹ in lakhs)

Sr. No.	Nature of transaction	Subsidiary companies	Associate companies	Joint Ventures	Key management personnel, their relatives and enterprises \$
xxix.	Bank Guarantees vacated for loans availed by others				
	Citywood Builders Private Limited	— (10.00)	— (—)	— (—)	— (—)
	Ackruti Safeguard Systems Private Limited	— (150.00)	— (—)	— (—)	— (—)
	Hubtown Bus Terminal (Adajan) Private Limited	— (—)	— (—)	— (263.45)	— (—)
	Hubtown Bus Terminal (Mehsana) Private Limited	— (—)	— (—)	— (839.76)	— (—)
	Hubtown Bus Terminal (Vadodara) Private Limited	— (—)	— (—)	— (332.13)	— (—)
	Shreenath Realtors	— (—)	— (—)	— (10.00)	— (—)
	Gujarat Akruti—TCG Biotech Limited	100.00 (100.00)	— (—)	— (—)	— (—)

Sr. No.	Particulars	As at 31st March, 2020 (₹ in lakhs)		As at 31st March, 2019 (₹ in lakhs)	
		Payable#	Receivable#	Payable#	Receivable#
	Balances outstanding				
xxx.	Subsidiary companies				
	Ackruti Safeguard Systems Private Limited	—	1,709.09	—	1,742.44
	ABP Realty Advisors Private Limited	—	—	—	0.57
	Citygold Education Research Limited	240.29	—	—	2,631.42
	Citywood Builders Private Limited	—	4,971.18	—	8,719.93
	Devkrupa Build Tech Limited *	—	—	—	567.36
	Gujarat Akruti—TCG Biotech Limited	—	6.88	—	11.21
	Headland Farming Private Limited *	—	—	—	738.04
	Urvi Build Tech Limited *	—	—	—	222.16
	Vama Housing Limited	—	401.33	—	399.95
	Vega Developers Private Limited	—	703.89	—	1,026.39
	Vishal Techno Commerce Limited	—	606.24	—	1,504.99
	Yantti Buildcon Private Limited	—	4,254.99	—	4,234.40
	Joynest Premises Private Limited	409.31	—	—	553.18
	Citygold Farming Private Limited *	—	—	7,998.55	—
	Halitious Developer Limited *	—	—	509.42	—

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020 (CONTD.)

NOTE 33. RELATED PARTIES DISCLOSURES AS PER IND AS 24 (Contd.)

B. Transactions with Related Parties

Sr. No.	Particulars	As at 31st March, 2020 (₹ in lakhs)		As at 31st March, 2019 (₹ in lakhs)	
		Payable#	Receivable#	Payable#	Receivable#
	Heddle Knowledge Private Limited *	—	—	1,268.14	—
	Upvan Lake Resorts Private Limited *	—	—	6.13	—
	Associate companies				
	Vinca Developer Private Limited	—	0.02	1,060.98	—
	Giraffe Developers Private Limited	—	13,484.37	4,691.84	—
	Brainpoint Infotech Private Limited	277.26	—	186.30	—
	Hubtown Bus Terminal (Surat) Private Limited	—	—	—	0.45
	Rubix Trading Private Limited	—	—	—	2,350.00
	Whitebud Developers Limited	—	920.87	—	920.87
	Joint Ventures				
	Hubtown Bus Terminal (Mehsana) Private Limited	—	884.28	—	736.91
	Hill View Venture	3,910.44	—	3,432.65	—
	Sunstone Developers JV	—	1,406.62	—	6,921.98
	Akruti Jay Developers	—	—	2,537.84	—
	Akruti Jay Chandan JV	1,412.33	—	1,828.94	—
	Akruti Kailash Constructions	—	—	1,575.28	—
	Rising Glory Developers	—	302.40	—	17,615.21
	Hubtown Bus Terminal (Adajan) Private Limited	—	3,039.25	—	2,881.86
	Hubtown Bus Terminal (Ahmedabad) Private Limited	—	2,301.88	—	260.40
	Hubtown Bus Terminal (Vadodara) Private Limited	—	402.90	—	330.65
	Joyous Housing Limited	—	1,057.12	—	1,039.83
	Sunstream City Private Limited	—	1,561.71	—	1,411.35
	Twenty Five South Realty Limited	—	3,789.34	—	3,077.70
	Rare Townships Private Limited	—	1,355.00	—	1,356.89
	Akruti GM JV	—	1,795.30	—	2,243.40
	Key management personnel, their relatives and enterprises \$				
	Citygold Management Services Private Limited	—	91.17	234.93	—
	Buildbyte.Com (India) Private Limited	—	91.58	—	82.60
	Falguni Shah	—	1.77	267.26	—
	Hemant M. Shah	6.38	—	64.71	—
	Hemant M. Shah (HUF)	—	—	30.00	—
	Vyomesh M. Shah	5.69	—	83.85	—

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020 (CONTD.)

NOTE 33. RELATED PARTIES DISCLOSURES AS PER IND AS 24 (Contd.)

B. Transactions with Related Parties

Sr. No.	Particulars	As at 31st March, 2020 (₹ in lakhs)		As at 31st March, 2019 (₹ in lakhs)	
		Payable#	Receivable#	Payable#	Receivable#
	Kunjal Shah	—	—	1,687.19	—
	Vishal Nirman (India) Limited	48.34	—	45.34	—
	Distinctive Realty Private Limited	—	70.00	—	332.33
	Khilen Shah	100.15	—	28.30	—
	Kushal Shah	—	—	100.30	—
	Pratiti K. Shah	—	—	—	—
	Meha R. Shah	137.65	—	622.30	—
	Rushank Shah	6.39	—	162.76	—
	Mahipatray V. Shah (HUF)	—	—	71.32	—
	Lata M. Shah	0.02	—	6.52	—
	Dina Chetan Mody	—	—	0.97	—
	Helik Advisory Limited	0.12	—	—	—
	E Commerce Magnum Solution Limited	—	106.52	3,089.50	146.30
	Sunil C. Shah	28.96	—	25.51	—
	Abhijit Datta	8.09	—	8.85	—
	Priti K. Shah	22.30	—	20.20	—
	Shailesh G Hingarh	6.12	—	6.46	—
	Adhivitiya Properties Limited	—	304.90	—	834.40
	Fern Infrastructure Private Limited	—	36.38	—	2.76
	Lista City Private Limited	—	39.76	—	40.41
	Sunmist Builders Private Limited	—	—	—	52.28
	Superaction Realty Private Limited	—	—	—	90.03
	Transgulf MEP Engineers Private Limited	0.11	—	—	8.61
	Starzone Developers Private Limited	—	238.20	—	237.85
	Fourjone Realtors Private Limited	—	—	—	34.00
	High Scale Trading Private Limited	—	—	—	375.00
	Helictite Residency Private Limited	—	1.00	—	1.00
	Hubtown Solaris Maintenance Private Limited	—	850.67	—	498.91
	Celeste JV	—	—	—	18,409.71
	Powersoft IT Private Limited [From 01—10—2019]	73.78	—	—	—
	Heet Builders Private Limited	—	6,424.02	—	—

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020 (CONTD.)

NOTE 33. RELATED PARTIES DISCLOSURES (Contd.)

B. Transactions with Related Parties (Contd.)

		As at 31st March, 2020 (₹ in lakhs)	As at 31st March, 2019 (₹ in lakhs)
xxxi.	Corporate guarantees given for loans availed by others (Amount outstanding there against)		
	Subsidiary companies		
	Citywood Builders Private Limited	3,017.50	3,017.50
	Vishal Techno Commerce Limited	15,981.63	16,310.77
	Associate companies		
	Giraffe Developers Private Limited	5,113.53	5,113.53
	Joint Ventures		
	Hubtown Bus Terminal (Adajan) Private Limited	1,620.75	3,132.36
	Hubtown Bus Terminal (Mehsana) Private Limited	2,828.57	3,244.77
	Hubtown Bus Terminal (Vadodara) Private Limited	3,949.27	4,430.68
	Hubtown Bus Terminal (Ahmedabad) Private Limited	5,269.38	5,625.53
	Sunstream City Private Limited	4,370.39	4,306.98
	Twenty Five South Realty Limited	85,955.37	75,415.84
	Rare Townships Private Limited	2,555.66	2,921.09
xxxii.	Bank guarantees given on behalf of related parties (Amount outstanding there against)		
	Subsidiary companies		
	Gujarat Akruti—TCG Biotech Limited	100.00	100.00
	Joynest Premises Private Limited	138.29	138.29
xxxiii.	Personal Guarantee of Directors towards loans availed by the Company		
	Key management personnel, their relatives and enterprises \$		
	Banks	16,472.86	15,673.26
	Debenture Trustees	1,441.67	208.60
	Financial Institutions	19,493.38	19,540.54
	Companies	16,474.63	16,916.78
xxxiv.	Guarantees / Securities given by way of shares in the Company pledged against loans availed by the Company	2,785.27	12,942.14

Footnotes:

* Refer footnote No. (i) to Note 6.

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

Including balances relating to transactions entered into when these were not related.

Related party relationships are as identified by the Company and relied upon by the auditors.

Previous year figures are given in brackets.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020 (CONTD.)

NOTE 34. DISCLOSURE OF LOANS AND ADVANCES IN THE NATURE OF LOANS AS PER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

A. Loans and Advances

Sr. No.	Name of the Loanee		31st March, 2020			
			Balance at the end (₹ in lakhs)	Maximum balance during the year (₹ in lakhs)	Shares held by loanee in the Company	
					No. of shares outstanding at the year end	Maximum No. of shares held during the year
	1.	Adhivitiya Properties Limited	— (—)	— (—)	1,319.45 (—)	1,319.45 (—)
I.	Subsidiaries (Refer footnote a)					
	1.	Halitious Developer Limited [Refer Footnote (i) to Note 6]	— (—)	— (108.00)	— (—)	— (—)
	2.	Vama Housing Limited	401.33 (399.95)	401.33 (441.05)	— (—)	— (—)
	3.	Devkrupa Build Tech Private Limited [Refer Footnote (i) to Note 6]	— (567.36)	567.36 (567.36)	— (—)	— (—)
	4.	Diviniti Projects Private Limited	— (—)	— (14.32)	— (—)	— (—)
	5.	Vishal Techno Commerce Limited	606.24 (1,504.99)	1,506.24 (1,504.99)	— (—)	— (—)
	6.	Urvi Build Tech Limited [Refer Footnote (i) to Note 6]	— (222.16)	222.16 (1,036.01)	— (—)	— (—)
	7.	Upvan Lake Resorts Private Limited [Refer Footnote (i) to Note 6]	— (1.14)	1.14 (1.14)	— (—)	— (—)
II.	Joint Ventures					
	1.	Joyous Housing Limited	964.65 (964.65)	987.71 (964.65)	— (—)	— (—)
	2.	Twenty Five South Realty Limited	3,770.19 (3,077.70)	4,242.75 (3,077.70)	— (—)	— (—)
	3.	Rare Townships Private Limited	1,355.00 (1,355.00)	1,355.00 (1,355.00)	— (—)	— (—)

Footnote:

- Interest free loans have been given to wholly owned subsidiaries.
- Above loans are repayable on demand.
- Previous year figures are given in brackets.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020 (CONTD.)

NOTE 34. DISCLOSURE OF LOANS AND ADVANCES IN THE NATURE OF LOANS AS PER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 (Contd.)

B. Project Advances (Refer Footnote a)

Sr. No.	Name of the Loanee	31st March, 2020			
		Balance at the end (₹ in lakhs)	Maximum balance during the year (₹ in lakhs)	Shares held by loanee in the Company	
				No. of shares outstanding at the year end	Maximum No. of shares held during the year
I.	Subsidiaries				
1.	Gujarat Akruti-TCG Biotech Limited	5.60 (5.60)	5.60 (5.60)	— (—)	— (—)
2.	Yantti Buildcon Private Limited	3,991.23 (3,971.03)	3,991.23 (3,971.03)	— (—)	— (—)
3.	Upvan Lake Resorts Private Limited [Refer Footnote (i) to Note 6]	— (—)	465.88 (—)	— (—)	— (—)
4.	Heddle Knowledge Private Limited [Refer Footnote (i) to Note 6]	— (—)	—1,544.24 (692.94)	— (—)	— (—)
5.	Citygold Education Research Limited	60.35 (2,630.24)	2,690.59 (2,684.01)	— (—)	— (—)
6.	Citygold Farming Private Limited [Refer Footnote (i) to Note 6]	— (—)	—8,084.17 (—)	— (—)	— (—)
7.	Headland Farming Private Limited [Refer Footnote (i) to Note 6]	— (738.04)	738.04 (762.69)	— (—)	— (—)
8.	Joynest Premises Private Limited	284.83 (452.24)	530.06 (452.24)	— (—)	— (—)
9.	Vega Developers Private Limited	703.89 (1,026.39)	1,026.89 (1,061.39)	— (—)	— (—)
10.	Ackruti Safeguard Systems Private Limited	1,709.09 (1,742.39)	1,741.64 (1,757.44)	— (—)	— (—)
11.	Citywood Builders Private Limited	3,962.48 (7,766.03)	7,928.72 (7,766.03)	— (—)	— (—)
12.	Heet Builders Private Limited (upto 22nd Feb, 2019)	— (—)	— (7,005.40)	— (—)	— (—)
II.	Associates				
1.	Whitebud Developers Limited	920.87 (920.87)	920.87 (920.87)	— (—)	— (—)
2.	Giraffe Developers Private Limited	13,484.37 (—)	— (—)	— (—)	— (—)
III.	Joint Ventures				
1.	Sunstream City Private Limited	1,450.37 (1,208.46)	1,448.00 (1,981.35)	— (—)	— (—)
2.	Hubtown Bus Terminal (Vadodara) Private Limited	293.23 (220.98)	343.53 (220.98)	— (—)	— (—)
3.	Hubtown Bus Terminal (Mehsana) Private Limited	134.22 (123.54)	181.33 (396.03)	— (—)	— (—)
4.	Hubtown Bus Terminal (Surat) Private Limited	— (0.45)	— (0.45)	— (—)	— (—)
5.	Hubtown Bus Terminal (Ahmedabad) Private Limited	1,840.62 (—)	2,184.63 (2,136.26)	— (—)	— (—)
6.	Hubtown Bus Terminal (Adajan) Private Limited	2,574.53 (2,402.85)	2,766.07 (2,402.85)	— (—)	— (—)

Footnotes:

- Interest free advances.
- Previous year figures are given in brackets.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020 (CONTD.)

NOTE '35'

In the opinion of the Board of Directors of the Company, all items of Current Assets, Current Liabilities and Loans and Advances continue to have a realizable value of at least the amounts at which they are stated in the Balance Sheet.

NOTE '36' CONTINGENT LIABILITIES AND COMMITMENTS (NOT PROVIDED FOR) :

	As at 31st March, 2020 (₹ in lakhs)	As at 31st March, 2019 (₹ in lakhs)
(i) (A) Claims against the Company not acknowledged as debts on account of :		
1) Income tax and MVAT matters under appeal	2,317.18	5,320.66
2) Towards pending legal cases	114,674.15	89,924.07
(B) On account of corporate guarantees issued by the Company to bankers and others on behalf of other companies and joint ventures for facilities availed by them (amount outstanding there against.) (Refer Footnote c)	130,662.05	123,519.07
(ii) Other commitments :		
(a) Bank Guarantees against own projects	1,075.93	1,075.93
(b) Bank Guarantees given on behalf of subsidiaries, Joint ventures, etc.	238.29	238.29
(c) Towards amounts to be deposited against undertaking given to the Hon'ble Sessions Court (Refer footnote a to Note 18 Current Borrowings)	5,900.00	5,900.00
(iii) Disputes and differences has arisen between the Company (as promoter of one of the joint venture namely Rare Townships Private Limited) and investors (IL&FS and IIRF) on the issue of exercising put option by the investors which the promoter has challenged. The investors have invoked arbitration clause of share subscription and shareholders agreement on the said matter.	Amount unascertainable	Amount unascertainable

Footnotes:

- Interest / penalty that may accrue on original demands are not ascertainable, at present. The Company has taken necessary steps to protect its position with respect to the above referred claims, which in its opinion, based on professional / legal advice are not sustainable.
- Contingent liabilities include corporate guarantees issued by the Company and are relied upon by the Auditors.
- The management is of the view that it was necessary to provide the corporate guarantees to further the business interest of the Company in the entities on whose behalf such guarantees have been provided and the management is of the view that there would be no sustainable claims on the Company in respect of these corporate guarantees.

The rate of interest, processing fees, any other charges levied by the lenders on the entities availing loans are based on internal guidelines of the lenders depending on the merits of the underlying projects and their estimated cash flows. Majority of the corporate guarantees issued by the Company are basically to provide comfort by the Company as a shareholder of the Borrower entity to the Lenders. These corporate guarantees, in any case, do not result in any additional benefits to the borrowers. Accordingly, the financial liability on account of financial guarantee contracts have not been fair valued as these are expected to be immaterial.

NOTE 37. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

1) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument which fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity/real estate risk. Financial instruments affected by market risk include loans and borrowings.

a) Interest rate risk

Majority of the long-term borrowings of the Company bear fixed interest rate. Thus the interest rate risk is limited for the Company.

b) Foreign currency risk

The Company is engaged in real estate business and only imports certain material against Letter of Credit for which hedging instruments are not required.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020 (CONTD.)

c) Equity price risk

The Company's equity securities are not majorly susceptible to market price risk. However, the Company's Board of Directors reviews and approves all equity investment decisions after exercising due diligence which may minimise the market related risk.

2) Credit Risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure of the financial assets are contributed by trade receivables, cash and cash equivalents and receivables from group companies.

- Receivables resulting from sale of properties: Customer credit risk is managed by requiring customers to pay advances before transfer of ownership, thereby, substantially eliminating the Company's credit risk in this respect.
- Receivables resulting from other than sale of properties: Credit risk related to such receivables is managed as per the Company's established policy, procedures and control. Outstanding customer receivables are regularly monitored. The impairment analysis is performed at each reporting date on an individual basis for major receivables. The Company does not hold collateral as security. The Company's credit period generally ranges from 30 to 90 days.
- Credit risk on cash and cash equivalents is limited as the Company generally invests deposit with banks which have high credit ratings.

3) Liquidity risk

The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. The Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

NOTE 38. DISCLOSURE OF DERIVATIVES

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

Particulars	31st March, 2020	31st March, 2019
(i) Cash on Hand		
USD	—	2,982
INR	—	206,597
EURO	—	2,000
INR	—	155,477
UK POUND	25	925
INR	2,326	83,583
SG\$	—	165
INR	—	8,367
HKD	—	200
INR	—	1,765
AED	9,182	9,183
INR	187,680	173,222
KWD	—	1
INR	—	227
(ii) Trade Payables		
USD	—	4,725
INR	—	327,354
SG\$	26,675	26,675
INR	1,405,210	1,352,732
(iii) Advances to Suppliers		
USD	24,889	33,900
INR	1,869,238	2,493,149

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020 (CONTD.)

NOTE 39. CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's management is to maximise shareholders value.

The Company manages its capital structure and makes adjustments in the light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may issue new shares. Consistent with others in the industry, the Company monitors its capital using the gearing ratio which is total net debt (borrowings offset by cash and cash equivalents) divided by total capital of the Company.

Gearing Ratio

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the borrowings that define the capital structure requirements. Breaches in meeting the financial covenants would permit the lenders to immediately call loans and borrowings.

The gearing ratio at the reporting period was as follows:

	As at 31st March, 2020 (₹ in lakhs)	As at 31st March, 2019 (₹ in lakhs)
Borrowings including current maturities	48,748.50	64,268.68
Interest accrued and due/accrued but not due	14,668.61	7,789.90
Unpaid matured debentures and interest accrued thereon	1,441.67	2,086.04
Overdue Term Loan	11,629.42	—
Overdue loan from company	3,088.62	—
Total Debt	79,576.82	74,144.62
Less: Cash and cash equivalents	1,054.92	1,945.28
Net Debt (A)	78,521.90	72,199.34
Equity Share Capital	7,273.59	7,273.59
Other Equity	160,269.85	166,156.85
Total Equity (B)	167,543.44	173,430.44
Debt Equity Ratio (A/B)	0.45	0.42

NOTE 40. CATEGORIES OF FINANCIAL INSTRUMENTS

Fair Value measurement

	31st March, 2020 (₹ in lakhs)		31st March, 2019 (₹ in lakhs)	
	FVPL / FVOCI	Amortised Cost	FVPL / FVOCI	Amortised Cost
Financial Assets				
Investments	4.78	104,461.55	4.50	98,841.90
Trade receivables	—	8,930.53	—	31,906.97
Cash and cash equivalents	—	1,054.92	—	1,945.28
Bank balances other than above	—	43.50	—	532.14
Loans	—	6,883.71	—	10,258.06
Other financial assets	—	54,776.76	—	82,261.69
Total	4.78	176,150.97	4.50	225,746.04
Financial Liabilities				
Borrowings	—	26,168.72	—	30,831.71
Trade payables	—	13,233.38	—	11,946.32
Other Financial liabilities	—	139,460.25	—	151,708.48
Total	—	178,862.35	—	194,486.52

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020 (CONTD.)

NOTE 41

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

NOTE 42

The COVID-19 Pandemic has spread throughout the world. The operations of the Company were impacted, due to shutdown of all sites and offices following nationwide lockdown by the Government of India. The Company has resumed operations in a phased manner as per directives from the Government of India. The Company has evaluated the impact of this pandemic on its business operations and financial position and based on its review of current indicators of future economic conditions, there is no significant impact on its financial statements as at 31st March 2020. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration and accordingly the impact may be different from that estimated as at the date of approval of these financial statements. The Company will continue to monitor any material changes to future economic conditions.

NOTE 43

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

As per our report of even date
For **M H DALAL AND ASSOCIATES**
Firm Registration No. 112449W
CHARTERED ACCOUNTANTS

DEVANG DALAL
PARTNER
Membership No. 109049

Mumbai
July 30, 2020

For and on behalf of the Board of Directors

HEMANT M. SHAH
EXECUTIVE CHAIRMAN

SADANAND LAD
COMPANY SECRETARY

Mumbai
July 30, 2020

VYOMESH M. SHAH
MANAGING DIRECTOR

SUNIL MAGO
CHIEF FINANCIAL OFFICER

Mumbai
July 30, 2020

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF HUBTOWN LIMITED

Report on the Audit of the Consolidated Financial Statements

Qualified Opinion

We have audited the accompanying Consolidated financial statements of Hubtown Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), its associates and joint ventures, which comprise the Consolidated Balance Sheet as at 31 March 2020, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries, associates and joint ventures, except for the effects of the matter described in the Basis for Qualified Opinion paragraph below, the aforesaid Consolidated financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, of the Consolidated state of affairs (Consolidated financial position) of the Group and its associates and joint ventures as at 31 March 2020, and its Consolidated loss (including other comprehensive income), its Consolidated cash flows and the Consolidated changes in equity for the year ended on that date.

Basis for Qualified Opinion

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

- a) As stated in Footnote (a) to Note 29 to the consolidated financial statements for the year, with regards the Holding Company not having provided for Interest expense amounting to ₹ 28,366.53 lakhs on certain Inter-corporate deposits. Consequent to above, finance cost for the year ended 31st March, 2020 has been understated by ₹ 28,366.53 lakhs resulting in a consequential decrease in the losses for the year ended 31st March, 2020. Our Opinion on the consolidated financial statement for the year ended March 2019 was also modified in respect of this matter.
- b) As stated in Footnote (a) to Note 24 to the consolidated financial statements for the year ended 31st March, 2020 with regards the Holding Company not having recognized finance Income from Deep Discount bonds held in one of its Joint Venture entities. Consequently, Finance Income for the year ended 31 March, 2020 is understated by ₹ 26,209.80 lakhs. Further, loss for the year ended is overstated to that extent. Our Opinion on the consolidated financial statements for the year ended March 2019 was also modified in respect of this matter.

Emphasis of Matters

We draw Attention to:

- a) Note 2 (II) (b) (ii) Of the Consolidated financial statements, regarding to recognition of expense for ongoing projects which, based upon estimated costs, is as per the judgment of the management and have been relied upon by us, these being technical matters.
- b) Note 43 of the consolidated financial statements, which describes the effects of uncertainties relating to COVID-19 pandemic outbreak on the Group's operation and management's evaluation of its impact on the accompanying Statement as at 31st March, 2020, the impact of which is significantly dependent on future developments.
- c) Footnote (a) to Note 14 to the consolidated financial statements, regarding the status of the projects and the opinion framed by the Group's management regarding realizable value of the costs incurred which, being a technical matter is relied upon by us.
- d) Note 33 (C) of the consolidated financial statements, regarding Corporate guarantees issued and securities provided aggregating ₹ 1,11,662.92 lakhs by the Group to banks and financial institutions on behalf of various entities, which are significant in relation to the losses for the year and the net worth of the group. In the opinion of the Management, these are not expected to result into any financial liability to the Group.
- e) Footnote (c) to Note 33 of the consolidated financial statements regarding the above corporate guarantees issued and securities provided are disclosed at amounts outstanding as at 31 March, 2020. The financial liabilities on account of such financial guarantee contracts have not been measured at fair value as management is of the opinion that there is no material benefit which is expected to accrue to the borrowers on behalf of whom the Group has provided the corporate guarantees.
- f) Footnote (b) to Note 33 of the consolidated financial statements, regarding reliance placed by the auditors on certification received from the management with regard to the disclosure of contingent liabilities of the Company.
- g) Note 42 of the consolidated financial statement, regarding balances that are subject to confirmations, reconciliation and adjustments, if any.

INDEPENDENT AUDITOR'S REPORT (CONTD.)

- h) Footnote (a) to Note 20 of the consolidated financial statements, regarding the Holding Company's default in redemption of non-convertible debentures along with interest amounting to ₹ 1,441.67 lakhs. We are, however informed by the management that the company is in the process of negotiation for settlement / redemption of the said debentures.
- i) Footnote (a) to Note 18 of Consolidated financial statements, regarding the Holding company has not created investments to the extent of 15% of the value of the such debentures, which is required to be created and earmarked in the manner prescribed under Rule 18(7)(c) of the Companies (Share Capital and Debentures) Rules, 2014 notified by the Ministry of Corporate Affairs.
- j) Footnote (i) to Note 7 of the Consolidated financial statements, regarding the Group's investments in certain jointly controlled entities and associates as at 31st March, 2020 which have incurred losses and carry an eroded net worth as at 31st March, 2020.
- k) Footnote (b) to Note 31 of the consolidated financial statements, regarding the holding company having spent ₹ 16.65 Lakhs lower amount for Corporate Social Responsibility during the year than that required under Section 135 of the Act.
- l) Footnote (h) to Note 7 of the consolidated financial statements regarding non-receipt of financial statements of one of its partnership firm for year ended 31st March, 2020. In the opinion of management share of profit/ (loss) of such partnership will not have any material impact on the financial statements.
- m) We did not audit the annual financial statements of five subsidiaries, included in the consolidated financial statements whose financial information (before inter-company elimination) reflect total assets of ₹ 25,399.80 lakhs as at 31st March, 2020 and total revenue of ₹ 542.22 lakhs and cash outflows (net) of ₹ 541.23 lakhs for the year ended on that date. The consolidated financial Statements also includes the Group's share of net profit/(loss) after tax of ₹ (816.85) lakhs for the year ended 31st March, 2020 in respect of six joint ventures, whose financial statements have not been audited by us. Further, we also did not audit the financial statements of two associates, whose aggregate share of net loss amounting to ₹ 31.43 Lakhs are also included in the consolidated financial statements. These financial statements and financial information are unaudited and have been furnished to us by the Holding company's management and our opinion on the consolidated financial Statements, and matters identified and disclosed under key audit matters section above and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, associates and joint ventures are based solely on such unaudited financial statements/information.

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiaries, associates and joint ventures, were of most significance in our audit of the Consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our audit report.

Key Audit Matter	How the matter was addressed in our audit
Revenue Recognition Refer Note 2(III) to the consolidated financial statements Revenues from sale of residential units represent the largest portion of the total revenues of the Group. Revenue is recognized upon transfer of control of residential units to customers for an amount that reflects the consideration which the Group expects to receive in exchange for those units. The point of revenue recognition is normally on handover of the unit to the customer on completion of the project, post which the contract becomes non-cancellable by the parties. The group records revenue at a point in time upon transfer of control of residential units to the customers. Due to the large volume of the group's projects, there is a risk that revenue could be overstated or understated. Since revenue recognition has direct impact on the group's profitability, this matter has been identified as Key Audit Matter for the current year audit.	Our audit procedures included, but were not limited to the following: - Evaluating that the group's revenue recognition accounting policies are in line with the applicable accounting standards and their application to customer contracts including consistent application; - Identify and test operating effectiveness of key controls around approvals of contracts, milestone billing, intimation of possession letters and controls over collection from customers; - For samples selected, verifying underlying documents like handover letter, sale agreement signed by the customer and the collections; - Cut off procedure for determination of revenue in the appropriate reporting period; - Conducting site visit during the year for selected projects to understand the scope, nature and status of the projects and to assess the progress of the projects; and - Considering the adequacy of disclosure in notes to the consolidated financial statements in respect of the judgments taken in recognizing revenue.

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

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

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

INDEPENDENT AUDITOR'S REPORT (CONTD.)

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

Responsibilities of the Management and those charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Consolidated financial statements that give a true and fair view of the Consolidated state of affairs (Consolidated financial position), Consolidated profit or loss (Consolidated financial performance including other comprehensive income), Consolidated changes in equity and Consolidated cash flows of the Group including its associates and joint ventures in accordance with the accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for the preparation of Consolidated Ind AS financial statements. Further, in terms of the provisions of the Act, the respective Board of Directors /management of the companies included in the Group, and its associate companies and joint venture companies covered under the Act are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error. These financial statements have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

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

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

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

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

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

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

INDEPENDENT AUDITOR'S REPORT (CONTD.)

Other Matters

- (a) We did not audit the annual financial statements of six subsidiaries included in the Statement whose financial information (before eliminating inter-company balances/ transactions) reflect total assets of ₹ 64,209.20 Lakhs as at 31st March, 2020 and total revenue of ₹ 3,234.18 Lakhs and cash outflows (net) of ₹ 69.16 lakhs for the year ended on that date, as considered in the Consolidated financial Statements. The Consolidated financial Statements also includes the Group's share of net profit/(loss) after tax of ₹ (578.55) lakhs for the year ended 31st March, 2020 in respect of two joint ventures not audited by us. Further we also did not audit the financial statements of two associates whose aggregate share of net profit/ (loss) amounting to ₹ Nil are also included in the Consolidated financial Statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, associates and joint ventures and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, associates and Joint Ventures is based solely on the reports of the other auditors.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matter with respect to our reliance on the work done by and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

As required by Section 197(16) of the Act, based on our audit and on the consideration of the reports of the other auditors, referred to in paragraph (a) in Other Matters section above, on separate financial statements of the subsidiaries, associates and joint ventures, we report that the Holding Company, subsidiaries, associates and joint ventures covered under the Act and referred to in paragraph (a) in Other Matters section above, paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under Section 197 read with Schedule V to the Act.

As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and other financial information of the subsidiaries, associates and joint ventures, we report, to the extent applicable, that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
- (c) The Consolidated financial statements dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
- (d) Except for the matters described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act;
- (e) On the basis of the written representations received from the directors of the Holding Company and taken on record by the Board of Directors of the Holding Company, and the reports of other statutory auditors of its subsidiary companies, associate companies and joint venture companies covered under the Act and referred to in paragraph (a) in Other Matters section above, none of the directors of the Group Companies, its associate companies and joint venture companies covered under the Act, are disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company, its subsidiary companies, associate companies and joint venture companies covered under the Act and the operating effectiveness of such controls, refer to our separate Report in **Annexure "A"**; and
- (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statement as also the other financial information of the subsidiaries, associates and joint ventures:
 - i. The Consolidated financial statements disclose the impact of pending litigations, if any on the Consolidated financial position of the Group, its associates and joint ventures ;
 - ii. The Holding Company and its subsidiary companies, associate companies and joint venture companies did not have any long term contracts including derivative contracts as at 31st March, 2020 for which there were any material foreseeable losses; and
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, associate companies and joint venture companies during the year ended 31st March 2020.

FOR **M.H DALAL & ASSOCIATES**

Firm Registration No.: 112449W

Chartered Accountants

DEVANG DALAL

Partner

Membership No.: 109049

UDIN: 20109049AAAALTU7359

Place: Mumbai

Date: July 30, 2020

INDEPENDENT AUDITOR'S REPORT (CONTD.)

"ANNEXURE A" TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF HUBTOWN LIMITED ON THE CONSOLIDATED FINANCIAL STATEMENTS

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

In conjunction with our audit of the consolidated financial statements of the Hubtown Limited ('the Holding Company') and its subsidiaries, ('the Holding Company and its subsidiaries together referred to as 'the Group'), its associates and its joint ventures as at and for the year ended March 31, 2020, we have audited the internal financial controls over financial reporting of the Holding Company, its subsidiary companies, associate companies and joint venture companies, which are companies covered under the Act, as at that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding Company, its subsidiary companies, associate companies and joint venture companies as aforesaid, based on our audit. We conducted our audit in accordance with the guidance note on Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence and financial information we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in Other matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting of the Holding Company, its subsidiary companies, associate companies and joint venture companies as aforesaid.

Meaning of Internal Financial Controls over Financial Reporting

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

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

INDEPENDENT AUDITOR'S REPORT (CONTD.)

Opinion

In our opinion and based on the consideration of the reports of the other auditors on internal financial control over financial reporting of its subsidiary companies, its associate companies and jointly venture companies, which are companies covered under the Act, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

We did not audit the internal financial controls over financial reporting of six subsidiaries, whose financial statements reflect (before inter-company elimination) total assets of ₹ 64,209.20 Lakhs as at 31st March, 2020, total revenue of ₹ 3,234.18 Lakhs and Net Cash outflows amounting to ₹ 69.16 Lakhs for the year ended on that date, as considered in the consolidated financial statement. The consolidated financial statement also include the Group's share of net profit/(loss) after tax of ₹ (578.55) Lakhs for the year ended 31 March, 2020, in respect of two joint ventures whose internal financial controls over financial reporting have not been audited by us. Further we also did not audit the internal financial controls over financial reporting of two associates, whose aggregate share of net profit/ (loss) amounting to ₹ NIL are also included in the consolidated financial statements. The internal financial controls over financial reporting in so far as it relates to such subsidiary companies, associate companies and joint venture companies have been audited by other auditors whose reports have been furnished to us by the management and our report under Section 143(3)(i) of the Act in so far as it relates to adequacy and operating effectiveness of the internal financial controls over financial reporting of such companies as aforesaid is based solely on the reports of the other auditors of such companies.

Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and on the reports of the other auditors.

FOR M.H DALAL & ASSOCIATES

Firm Registration No.: 112449W

Chartered Accountants

DEVANG DALAL

Partner

Membership No.: 109049

UDIN: 20109049AAAALTU7359

Place: Mumbai

Date: July 30, 2020

CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2020

Particulars	Note	As at 31st March, 2020 (₹ in lakhs)	As at 31st March, 2019 (₹ in lakhs)
ASSETS			
Non-Current Assets			
(a) Property, plant and equipment	4	3,784.61	3,882.90
(b) Capital work-in-progress	4	1,661.67	1,422.17
(c) Investment properties	5	3,763.99	3,910.26
(d) Goodwill on consolidation		962.21	962.21
(e) Intangible assets	6	82.75	26.73
(f) Financial assets			
(i) Investments	7	161,511.50	159,306.73
(ii) Loans	9	16,310.88	16,616.91
(iii) Other financial assets	10	654.16	269.23
(g) Current tax assets (Net)	11	1,441.91	1,338.14
(h) Deferred tax assets (Net)	12	2,300.34	4,140.84
(i) Other non-current assets	13	2,445.40	2,655.81
Total Non-Current Assets		194,919.42	194,531.93
Current Assets			
(a) Inventories	14	180,502.52	147,842.79
(b) Financial assets			
(i) Investments	7	343.06	2,546.07
(ii) Trade receivables	8	8,957.51	31,482.85
(iii) Cash and cash equivalents	15	2,897.85	3,271.73
(iv) Bank balances other than (iii) above	16	1,266.69	1,741.80
(v) Loans	9	11,928.26	10,273.87
(vi) Other financial assets	10	43,420.62	65,973.01
(c) Other current assets	13	15,586.19	14,920.67
Total Current Assets		264,902.70	278,052.79
Total Assets		459,822.12	472,584.72
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	17	7,273.59	7,273.59
(b) Other equity	18	145,949.50	152,951.44
Equity attributable to the Owners of the Parent		153,223.09	160,225.03
Non-Controlling Interest		2,202.10	2,190.97
Total Equity		155,425.19	162,416.00
Liabilities			
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	21,245.17	26,344.19
(ii) Other Financial Liabilities	20	16,647.07	18,891.61
(b) Provisions	21	200.15	225.25
(c) Deferred Tax Liabilities	12	4.65	416.01
Total Non-Current Liabilities		38,097.04	45,877.06
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	23,282.72	25,900.61
(ii) Trade payables	22	19,218.09	17,748.29
(iii) Other financial liabilities	20	157,757.16	161,981.89
(b) Other current liabilities	23	65,612.27	58,212.05
(c) Provisions	21	416.03	385.47
(d) Current Tax Liabilities	11	13.62	63.35
Total Current Liabilities		266,299.89	264,291.66
Total Liabilities		304,396.93	310,168.72
Total Equity and Liabilities		459,822.12	472,584.72

The accompanying notes are an integral part of the financial statements

As per our report of even date

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

DEVANG DALAL
PARTNER
Membership No. 109049
Mumbai
July 30, 2020

For and on behalf of the Board of Directors

HEMANT M. SHAH
EXECUTIVE CHAIRMAN

SADANAND LAD
COMPANY SECRETARY

Mumbai
July 30, 2020

VYOMESH M. SHAH
MANAGING DIRECTOR

SUNIL MAGO
CHIEF FINANCIAL OFFICER

Mumbai
July 30, 2020

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2020

Particulars	Note	Year ended 31st March, 2020 (₹ in lakhs)	Year ended 31st March, 2019 (₹ in lakhs)
I INCOME			
Revenue from Operations	24	27,272.55	47,078.08
Other Income	25	3,845.41	7,809.54
Total Income		31,117.96	54,887.62
II EXPENSES			
Costs Of Construction / Development	26	15,063.92	15,526.79
Purchase of Stock-in-Trade		662.80	621.74
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	27	(20,313.82)	5,512.24
Employee Benefits Expense	28	2,404.37	2,366.43
Finance Costs	29	13,893.87	21,832.57
Depreciation and Amortisation Expenses	30	436.66	315.20
Other Expenses	31	21,875.88	7,898.62
Impairment of goodwill		—	845.26
Total Expenses		34,023.68	54,918.85
Profit/(Loss) before Tax		(2,905.72)	(31.23)
Exception Items (Net of tax)		—	—
Tax Expense			
(a) Current Tax		(298.55)	(2.21)
(b) Deferred tax (charge) / credit		(1,428.02)	(1,034.30)
(c) Excess / (Short) provision for taxation in respect of earlier years		(0.21)	(114.73)
Profit / (Loss) after tax and before adjustments		(1,726.78)	(1,151.24)
Profit/ (Loss) after tax but before adjustments		(4,632.50)	(1,182.47)
Share of Profit /(Loss) from Associate / JV using equity method		(1,429.10)	(368.66)
Profit / (Loss) for the year		(6,061.60)	(1,551.13)
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to profit or loss			
Share of OCI from Associates / JVs		2.05	31.17
Remeasurement of the net defined benefit liability / asset		67.71	5.99
Total other Comprehensive Income		69.76	37.16
Total Comprehensive Income/(Loss) for the year		(5,991.84)	(1,513.97)
Total Comprehensive Income/(Loss) for the year attributable to:			
Non controlling interest		12.44	(47.29)
Owners of the parent		(6,004.27)	(1,466.68)
Earning per equity share of nominal value of ₹ 10/- each (in Rupees)	32	(8.35)	(2.07)
Basic and Diluted			

The accompanying notes are an integral part of the financial statements

As per our report of even date
For **M H DALAL AND ASSOCIATES**
Firm Registration No. 112449W
CHARTERED ACCOUNTANTS

DEVANG DALAL
PARTNER
Membership No. 109049
Mumbai
July 30, 2020

For and on behalf of the Board of Directors

HEMANT M. SHAH
EXECUTIVE CHAIRMAN

SADANAND LAD
COMPANY SECRETARY

Mumbai
July 30, 2020

VYOMESH M. SHAH
MANAGING DIRECTOR

SUNIL MAGO
CHIEF FINANCIAL OFFICER

Mumbai
July 30, 2020

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020

Particulars	Year ended 31st March, 2020 (₹ in lakhs)	Year ended 31st March, 2019 (₹ in lakhs)
CASH FLOWS ARISING FROM OPERATING ACTIVITIES		
Net Profit / (Loss) before taxation as per Statement of Profit and Loss	(2,905.72)	(31.23)
Add / (Less) :		
Remeasurement of the net defined benefit liability / asset	69.76	37.16
Prior Period adjustments	(1,176.90)	—
Investment written off	22.25	—
Gain on Investments measured at FVTPL	(0.55)	(16.34)
Provision for doubtful debts and advances	7,047.33	—
Advances and other debit balances written off	1,468.79	729.55
Unwinding of interest free loan	(41.85)	(36.79)
Unwinding of Security Deposit	34.42	—
Sundry credit balances appropriated	(1,790.14)	(44.98)
Provision for doubtful debts written back	(4,279.31)	(28.50)
Advances written off recovered	(1,590.60)	—
Bad debts	—	91.32
Finance costs	11,437.16	21,832.57
Share of (Profit) / Loss from investment in partnership firms and JVs	(323.38)	(368.66)
Amortisation / adjustment of goodwill	—	845.26
(Gain) / Loss on cessation / sale / conversion of shares in Joint Ventures	(3,037.00)	—
Depreciation and amortisation	436.67	315.20
Project expenses written off / amortised	(1,174.92)	107.63
(Profit) / Loss on sale of fixed assets (Net)	(611.17)	(0.42)
(Profit) / Loss on sale of investments	—	(686.92)
Liabilities written back to the extent no longer required	(38.88)	(687.06)
Interest Income on financial asset at amortised cost	(2,457.44)	(307.71)
Interest income	(354.13)	(1,268.36)
Interest expense on account of Right to use	18.89	—
Interest income on financial liabilities measured at fair value	(2,457.00)	(2,455.75)
Interest expense on financial liabilities measured at fair value	2,422.28	—
Income on account of OTS	—	(2,870.63)
Interest write back	(200.56)	(751.28)
Interest waiver	—	—
	3,423.72	14,435.29
Operating profit before working capital changes	518.00	14,404.06
Add / (Less) :		
(Increase) / Decrease in inventories	(9,556.89)	(20,527.75)
(Increase) / Decrease in trade and other receivables	24,865.00	2,375.09
Increase / (Decrease) in trade and other payables	(9,094.92)	10,145.66
Direct taxes paid	52.21	1,239.03
	6,265.40	(6,768.12)
Net cash flow from operating activities	6,783.40	7,635.94

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020 (CONTD.)

Particulars	Year ended 31st March, 2020 (₹ in lakhs)	Year ended 31st March, 2019 (₹ in lakhs)
CASH FLOWS ARISING FROM INVESTING ACTIVITIES		
Inflow / (Outflow) on account of :		
Interest income received	128.18	1,122.81
(Increase) / Decrease in loans and advances	(1,306.50)	7,348.82
(Purchase) / Sale of fixed assets including capital WIP (Net)	89.00	(1,270.59)
(Increase)/ Decrease in deposits	475.00	(904.08)
(Purchase) / Sale of Long term / Current investments (Net)	1,859.00	8,844.80
Net cash flow from investing activities	1,244.68	15,141.76
CASH FLOWS ARISING FROM FINANCING ACTIVITIES		
Inflow / (Outflow) on account of :		
Increase / (Decrease) in long term and short term borrowings	(4,145.06)	(7,857.07)
Finance costs paid	(4,552.35)	(14,009.78)
Net cash flow from financing activities	(8,697.41)	(21,866.85)
Net increase in cash and cash equivalents (I + II + III)	(669.32)	910.85
Add: Balance at the beginning of the year	1,837.65	926.80
Cash and cash equivalents at the end of the year	1,168.33	1,837.65
Components of cash and cash equivalents		
Cash and cash equivalents:		
Cash on hand	44.82	52.15
Balances with banks		
— In Current accounts	2,537.05	3,092.81
— Deposit with maturity of less than three months	228.66	81.91
— Escrow accounts	87.32	44.86
Cash Credit facilities	(1,729.52)	(1,434.08)
	1,168.33	1,837.65

The accompanying notes are an integral part of the consolidated financial statements

Note:

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

As per our report of even date
For **M H DALAL AND ASSOCIATES**
Firm Registration No. 112449W
CHARTERED ACCOUNTANTS

DEVANG DALAL
PARTNER
Membership No. 109049
Mumbai
July 30, 2020

For and on behalf of the Board of Directors

HEMANT M. SHAH
EXECUTIVE CHAIRMAN

SADANAND LAD
COMPANY SECRETARY

Mumbai
July 30, 2020

VYOMESH M. SHAH
MANAGING DIRECTOR

SUNIL MAGO
CHIEF FINANCIAL OFFICER

Mumbai
July 30, 2020

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2020

	Note	Amount (₹ in lakhs)
A. EQUITY SHARE CAPITAL		
As at 1st April, 2018	17	7,273.59
Changes in equity share capital		—
As at 31st March, 2019		7,273.59
Changes in equity share capital		—
As at 31st March, 2020		7,273.59

B. OTHER EQUITY AND CONVERTIBLE INSTRUMENTS

(₹ in lakhs)

	Reserves and Surplus					Non Controlling Interest	Total
	Securities Premium reserve	Debenture Redemption Reserve	General reserve	Capital Reserve	Retained Earnings (Refer Footnote b to Note 18)		
Balance at 31st March, 2018	64,379.05	4,659.15	29,787.06	5,785.21	50,290.16	2,227.10	157,127.73
Profit / (Loss) for the year	₹ —	—	—	—	(1,503.84)	(47.29)	(1,551.13)
Ind AS 115 transition effect	—	—	—	—	(482.51)	—	(482.51)
Other Comprehensive Income:					—		
Remeasurement of net defined benefit	—	—	—	—	37.16	—	37.16
Any other changes	—	—	—	—	—	11.16	11.16
Balance at 31st March, 2019	64,379.05	4,659.15	29,787.06	5,785.21	48,340.97	2,190.97	155,142.41
Profit / (Loss) for the year	—	—	—	—	(6,074.07)	12.47	(6,061.60)
Prior Period Adjustments	—	—	—	—	(1,176.90)	—	(1,176.90)
Adjustment for amalgamation of certain subsidiaries (Refer note 40)	2,846.25	—	—	(3,080.79)	413.77	—	179.23
Other Comprehensive Income:							
Remeasurement of net defined benefit	—	—	—	—	69.80	(0.03)	69.76
Any other changes	—	—	—	—	—	(1.31)	(1.31)
Balance at 31st March, 2020	67,225.30	4,659.15	29,787.06	2,704.42	41,573.57	2,202.10	148,151.60

The accompanying notes are an integral part of the financial statements

As per our report of even date
For **M H DALAL AND ASSOCIATES**
Firm Registration No. 112449W
CHARTERED ACCOUNTANTS

DEVANG DALAL
PARTNER
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July 30, 2020

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Mumbai
July 30, 2020

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

NOTE 1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES.

1.1 Company Overview

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

1.2 The financial statements are approved for issue by the Company's Board of Directors in the board meeting held on 30th July, 2020.

NOTE 2. SIGNIFICANT ACCOUNTING POLICIES FOLLOWED BY THE COMPANY

IA. Basis of preparation of Financial Statements

(i) Compliance with Ind AS

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

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

(ii) Historical cost convention

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

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

(iii) Current and non-current classification

If the assets and liabilities have been classified as current or non-current, wherever applicable, as per the operating cycle of the Company as per the guidance set out in Schedule III to the Act. Operating cycle for the business activities of the Company covers the duration of the project/ contract including the defect liability period, wherever applicable, and extends upto the realisation of receivables (including retention monies, (if any) within the credit period normally applicable to the respective project.

(iv) Rounding of amounts

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

IB. Principles of consolidation and equity accounting

The financial statements have been prepared on the following basis:

(i) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date the control ceases.

The acquisition method of accounting is used to account for business combination by the Group.

The Group combines the separate financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, contingent liability, equity, income and expenses. Inter company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary and practicable to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated Statement of Profit and Loss, consolidated Statement of Changes in Equity and Balance Sheet, respectively.

The consolidated financial statements have been presented to the extent possible, in the same manner as Parent Company's standalone financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (CONTD.)

(ii) **Associates**

Associates are all entities over which the Group has significant influence but no control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

(iii) **Joint arrangements**

Under Ind AS 111 Joint Arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement.

Joint operations

The Group recognises its direct right to the assets, liabilities, contingent liabilities, revenues and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses. These have been incorporated in the financial statements under the appropriate headings.

Joint ventures

Interests in joint ventures are accounted for using the equity method, after initially being recognised at cost in the consolidated Balance Sheet.

(iv) **Equity Method**

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in Profit and Loss, and the Group's share of other comprehensive income of the investee in other comprehensive income ("OCI"). Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary and practicable to ensure consistency with the policies adopted by the Group.

The carrying amount of the equity accounted investments are tested for impairment in accordance with the policy.

(v) **Change in ownership interests**

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests or reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in Statement of Profit and Loss. The fair value becomes the initial carrying amount for the purposes of subsequent accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in OCI in respect of that entity are reclassified to Statement of Profit and Loss as if the Group had directly disposed of the related assets and liabilities.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in OCI are reclassified to Statement of Profit and Loss where appropriate.

(vi) The financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's separate financial statements in preparing the financial statements to ensure conformity with the Group's accounting policies, wherever necessary and practicable.

(vii) Notes to the financial statements represent notes involving items which are considered material and are accordingly disclosed. Materiality for the purpose is assessed in relation to the information contained in the financial statements. Further, additional statutory information disclosed in separate financial statements of the subsidiary and/or a parent having no bearing on the true and fair view of the financial statements has not been disclosed in these financial Statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (CONTD.)

II. Significant accounting judgements, estimates and assumptions Applicable to all

The preparation of financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgments, estimates and assumptions that affect the reported balances of revenues, expenses, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

a) Judgements

Classification of property

The Company determines whether a property is classified as investment property or inventory property. Investment property comprises land and buildings that are not occupied substantially for use by, or in the operations of, the Company, nor for sale in the ordinary course of business, but are held primarily to earn rental income and capital appreciation. These buildings are substantially rented to tenants and not intended to be sold in the ordinary course of business. Inventory comprises property that is held for sale in the ordinary course of business. Principally, these are properties that the Company develops and intends to sell before or on completion of construction.

b) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

i) Employee Benefit Plans

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

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

Inventory are stated at the lower of cost and net realisable value (NRV).

NRV for completed property is assessed by reference to market conditions and prices existing at the reporting date and is determined by the Company, based on comparable transactions identified by the Company for properties in the same geographical market serving the same real estate segment.

NRV in respect of inventory under construction / incomplete projects is assessed with reference to market prices at the reporting date for similar completed property, less estimated costs to complete construction and an estimate of the time value of money to the date of completion.

With respect to advances given to land owners, the net recoverable value is based on the present value of future cash flows, which depends on the estimate of, among other things, the likelihood that a project will be completed, the expected date of completion, the discount rate used and the estimation of sale prices and construction costs.

iii) Valuation of investment in/ loans to subsidiaries

The Company has performed valuation for its investments in equity of subsidiaries, associates and JVs for assessing whether there is any impairment. When the fair value of investments in such entities cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow model.

Similar assessment is carried out for exposure of the nature of loans and interest receivable thereon as well as project advances. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include consideration of inputs such as expected earnings in future years, liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported amounts of these investments, loans and advances.

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (CONTD.)

III. Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will accrue to the Company and the revenue can be reliably measured and also when it is reasonably certain that the ultimate collection will be made and that there is buyers' commitment to make the complete payment.

A. Revenue from sale of properties:

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

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

B. Revenue from sale of land and development rights:

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

C. Revenue from Trading Materials:

Revenue from sale of trading material is recognised when significant risks and rewards associated with the sale of material is transferred to the buyer.

D. Revenue from project management services:

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

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

Share of profit / loss from partnership firms / association of persons (AOP) is recognised on the basis of their audited/ management reviewed accounts, which is considered as a part of other operating activity.

F. Income from leased premises:

Lease income from operating lease is recognised in the Statement of Profit and Loss on straight line basis after adjusting for escalation over the lease term except where the lease incomes are structured to increase in line with expected general inflation.

G. Interest and dividend:

Interest income including income arising on other instruments recognised on time proportion basis using the effective interest rate method.

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

H. Others:

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

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

A. On transition to Ind AS, the Company has opted to continue with the carrying values measured under the previous GAAP as at 1st April, 2015 of its Property, Plant and Equipment and Investment property and use that carrying value as the deemed cost on the date of transition i.e. 1st April, 2015.

B. Tangible fixed assets are stated at cost of acquisition or construction including attributable interest and finance cost, if any, till the date of acquisition/installation of the assets, less accumulated depreciation/amortisation and accumulated impairment losses, if any.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (CONTD.)

- C. Subsequent expenditure relating to Property, Plant and Equipment is capitalised only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the Statement of Profit and Loss as incurred. The cost and related accumulated depreciation are eliminated from the financial statements, either on disposal or when retired from active use and the resultant gain or loss are recognised in the Statement of Profit and Loss.
- D. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. Depreciation on additions to assets or on sale/disposal of assets is calculated pro-rata from the month of such addition, or upto the month of such sale/disposal, as the case may be.

Asset Category	Estimated useful life (in Years)
Plant and Machinery (Mivan System)	3 to 5
Computer servers and network systems	6
Computer desktops and laptops	3
Office Equipment	5
Vehicles	8
Furniture and Fixtures	10
Completed Investment Properties	60
Leasehold Land	Over the Primary Lease period
Commercial Premises	60

The residual values, useful lives and methods of depreciation of property plant equipment are reviewed at each financial year and adjusted prospectively, if appropriate.

- E. Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation.

V. Intangible assets and amortisation

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

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

VI. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

A. Investments and Financial Assets

i. Initial recognition

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Interest income from these financial assets is included in finance income using the effective interest rate ("EIR") method. Impairment gains or losses arising on these assets are recognised in the Statement of Profit and Loss.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (CONTD.)

ii. Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

a) Financial Assets at Amortised Cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) Financial Assets Measured at Fair Value

Financial assets are measured at fair value through OCI if these financial assets are held within a business model with an objective to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in the Statement of Profit and Loss. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

Financial asset not measured at amortised cost or at fair value through OCI is carried at FVTPL.

iii. De-recognition of Financial Assets:

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expires, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the assets and an associated liability for amounts it may have to pay.

If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

B. Equity Instruments and Financial Liabilities

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

i. Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments which are issued for cash are recorded at the proceeds received, net of direct issue costs. Equity instruments which are issued for consideration other than cash are recorded at fair value of the equity instrument.

ii. Financial Liabilities

1. Initial Recognition

Financial liabilities are classified, at initial recognition, as financial liabilities at FVPL, loans and borrowings and payables as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

2. Subsequent Measurement

The measurement of financial liabilities depends on their classification, as described below:

— Financial liabilities at FVTPL

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation. Amortisation is recognised as finance income in the Statement of Profit and Loss.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (CONTD.)

— Financial liabilities at amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the Statement of Profit and Loss. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

3. De-recognition of Financial Liabilities

Financial liabilities are de-recognised when the obligation specified in the contract is discharged, cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as de-recognition of the original liability and recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

C. Offsetting Financial Instruments

Financial assets and financial liabilities are set off and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis to realise the assets and settle the liabilities simultaneously.

VII Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expires or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

VIII. Impairment

a. Financial assets

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

b. Non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Impairment losses, including impairment on inventories, are recognised in the Statement of Profit and Loss.

i. Intangible assets and property, plant and equipment

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs.

ii. Provisions

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (CONTD.)

IX. Taxation

i. Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the financial Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using rates that have been enacted or substantively enacted by the end of the reporting period.

In case the Company is liable to pay income tax under Section 115JB of Income Tax Act, 1961 (i.e. MAT), the amount of tax paid in excess of normal income tax is recognized as an asset (MAT Credit entitlement) only if there is convincing evidence for realization of such asset during the specified period. MAT credit entitlement is reviewed at each Balance Sheet date.

ii. Deferred Tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

The carrying amount of deferred tax asset is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

iii. Current and deferred tax for the year

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

X. Inventories

All inventories are stated at lower of 'Cost or Net Realizable Value'.

- A. 'Stock of material at Site' includes cost of purchase, other costs incurred in bringing them to their respective present location and condition. Cost formula used is average cost.
- B. 'Incomplete Projects' include cost of incomplete properties for which the Company has not entered into sale agreements and in other cases where the revenue recognition is postponed. 'Incomplete Projects' also include initial project costs that relate directly to a (prospective) project, incurred for the purpose of securing the project. These costs are recognized as expenditure in the year in which they are incurred unless they are separately identifiable and it is probable that the respective project will be obtained.
- C. Finished properties given under operating lease are disclosed under 'Non Current Assets' as 'Investment Properties'. The costs transferred to the 'Investment properties' are shown as deductions from the costs carried in opening inventory and construction costs incurred during the year. These assets are depreciated / amortised as per the Accounting Policy Nos. (IV)(C) and (IV)(D). Although the Company considers these assets as Inventories held for sale in the ordinary course of business, the disclosure under 'Non Current Assets' as 'Investment properties' and provision for depreciation / amortisation is made to comply with the requirements of Indian Accounting Standard (Ind AS) 17 - 'Leases' and Indian Accounting Standard (Ind AS) 40 - 'Investment Property'.
- D. Value of 'Floor Space Index' (FSI) generated is recognized as inventory at cost (i.e. proportionate rehab component cost) as and when necessary obligations / conditions are fulfilled in entirety, which are imposed on the Company by statutory authorities (viz. Rehabilitation Authority, etc.), in lieu of which the FSI is allotted to the Company. The value of FSI is either carried as inventory (at cost) held for intended sale or with the intention to utilise in construction of projects undertaken for sale.
- E. Finished properties Valued at lower of cost or net realizable value.

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (CONTD.)

XI. Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after reporting period. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

XII. Trade receivable

A receivable is classified as a 'trade receivable' if it is in respect of the amount due on account of goods sold or services rendered in the normal course of business. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the EIR method, less provision for impairment.

XIII. Employee benefits

a) Defined Contribution Plan

Contributions to defined contribution schemes such as provident fund, labour welfare fund are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. The Company's provident fund contribution is made to a government administered fund and charged as an expense to the Statement of Profit and Loss. The above benefits are classified as Defined Contribution Schemes as the Company has no further obligations beyond the monthly contributions.

b) Defined Benefit Plan

The Company provides for gratuity which is a defined benefit plan the liabilities of which is determined based on valuations, as at the Balance Sheet date, made by an independent actuary using the projected unit credit method. Re-measurement, comprising of actuarial gains and losses, in respect of gratuity are recognised in OCI, in the period in which they occur. Re-measurement recognised in OCI are not reclassified to the Statement of Profit and Loss in subsequent periods.

The classification of the Company's obligations into current and non-current is as per the actuarial valuation report.

c) Leave Entitlement

Leave entitlement are provided based on an actuarial valuation, similar to that of gratuity benefit. Re-measurement, comprising of actuarial gains and losses, in respect of leave entitlement are recognised in the Statement of Profit and Loss in the period in which they occur.

d) Short-term Benefits

Short-term employee benefits such as salaries, performance incentives, etc. are recognised as expenses at the undiscounted amounts in the Statement of Profit and Loss of the period in which the related service is rendered. Expenses on non-accumulating compensated absences is recognised in the period in which the absences occur.

XIV. Borrowings and Borrowing costs

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

Interests and other borrowing costs included under finance costs calculated as per effective interest rate attributable to qualifying assets, which takes substantial period of time to get ready for its intended use are allocated as part of the cost of construction / development of such assets. Such allocation is suspended during extended periods in which active development is interrupted and, no costs are allocated once all such activities are substantially completed. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are charged to the Statement of Profit and Loss.

XV. Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue, if any.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (CONTD.)

XVI. Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

XVII. Cash and Cash Equivalents

Cash and cash equivalent in the Balance Sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

XVIII. Foreign currency transactions

- A. All transactions in foreign currency are recorded in the reporting currency, based on closing rates of exchange prevalent on the dates of the relevant transactions.
- B. Monetary assets and liabilities in foreign currency, outstanding as on the Balance Sheet date, are converted in reporting currency at the closing rates of exchange prevailing on the said date. Resultant gain or loss is recognized during the year in the Statement of Profit and Loss.
- C. Non monetary assets and liabilities denominated in foreign currencies are carried at the exchange rate prevalent on the date of the transaction.

XIX. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker regularly monitors and reviews the operating result of the whole Company as one segment of "Real Estate Development". Thus, as defined in Ind AS 108 "Operating Segments", the Company's entire business falls under this one operational segment and hence the necessary information has already been disclosed in the Balance Sheet and the Statement of Profit and Loss.

XX. Provisions, contingent liabilities and contingent assets

A provision is recognized when an enterprise has a present obligation (legal or constructive) as result of past event and it is probable that an outflow of embodying economic benefits of resources will be required to settle a reliably assessable obligation. Provisions are determined based on best estimate required to settle each obligation at each Balance Sheet date. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are disclosed in respect of possible obligations that arise from past events, whose existence would be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. A contingent liability also arises, in rare cases, where a liability cannot be recognised because it cannot be measured reliably.

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

XXI. Interest in Joint Arrangements

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020 (CONTD.)

NOTE 3.1.ADDITIONAL INFORMATION AS REQUIRED UNDER SCHEDULE III TO THE COMPANIES ACT, 2013 OF ENTITIES CONSOLIDATED AS SUBSIDIARIES / ASSOCIATES / JOINT VENTURES

(₹ in lakhs)

Sr. No.	Name of the Entities	31st March, 2020							
		Net Assets (Total Assets — Total Liabilities)		Share in profit/(loss)		Share in other comprehensive income		Share in total comprehensive income	
		As a % of consolidated net assets	Amount (₹ in lakhs)	As a % of consolidated Profit	Amount (₹ in lakhs)	As a % of consolidated Profit	Amount (₹ in lakhs)	As a % of consolidated profit / (loss)	Amount (₹ in lakhs)
	Parent								
	Hubtown Limited	75.37	117,136.53	98.10	(5,946.45)	85.21	59.45	98.25	(5,887.00)
	Subsidiaries								
1	Akruti Safeguard Systems Private Limited	(0.66)	(1,025.32)	0.13	(7.67)	—	—	0.13	(7.67)
2	Citygold Education Research Limited	(0.75)	(1,166.63)	(13.56)	822.00	12.03	8.40	(13.86)	830.39
3	Citywood Builders Private Limited	(0.86)	(1,339.99)	3.31	(200.62)	—	—	3.35	(200.62)
4	Diviniti Projects Private Limited	0.33	506.18	(0.02)	1.49	—	—	(0.02)	1.49
5	Gujarat Akruti—TCG Biotech Limited	0.72	1,119.69	(7.18)	435.26	—	—	(7.26)	435.26
6	Joyneest Premises Private Limited	4.48	6,960.60	5.36	(324.96)	(0.19)	(0.13)	5.43	(325.09)
7	Vama Housing Limited	(0.17)	(269.31)	0.09	(5.16)	—	—	0.09	(5.16)
8	Vega Developers Private Limited	0.18	286.39	0.02	(1.04)	—	—	0.02	(1.04)
9	Vishal Techno Commerce Limited	1.25	1,947.54	0.08	(5.13)	—	—	0.09	(5.13)
10	Yantti Buildcon Private Limited	(0.02)	(27.39)	(0.64)	38.54	—	—	(0.64)	38.54
11	Sanas Developers Private Limited	(0.01)	(14.30)	0.47	(28.77)	—	—	0.48	(28.77)
	Joint Venture								
12	Hubtown Bus Terminal (Adajan) Private Limited	0.02	32.39	9.57	(580.04)	0.26	0.18	9.68	(579.86)
13	Hubtown Bus Terminal (Ahmedabad) Private Limited	2.60	4,037.68	(1.17)	70.79	0.62	0.43	(1.19)	71.23
14	Hubtown Bus Terminal (Mehsana) Private Limited	0.49	764.32	4.40	(266.88)	(0.21)	(0.15)	4.46	(267.02)
15	Hubtown Bus Terminal (Vadodara) Private Limited	0.10	155.48	(0.02)	1.23	0.11	0.08	(0.02)	1.30
16	Joyous Housing Limited	—	—	—	—	—	—	—	—
17	Rare Townships Private Limited	7.50	11,652.82	1.32	(80.18)	2.44	1.70	1.31	(78.48)
18	Sunstream City Private Limited	—	—	—	—	—	—	—	—
19	Twenty South Realty Limited	18.26	28,375.29	8.95	(542.38)	(0.29)	(0.20)	9.06	(542.58)
	Associates								
20	Shubhsiddhi Builders Private Limited	—	—	—	—	—	—	—	—
21	Vinca Developer Private Limited	—	—	—	—	—	—	—	—
22	Whitebud Developers Limited	—	—	—	—	—	—	—	—
23	Giraffe Developers Private Limited	3.47	5,388.92	0.52	(31.44)	—	—	0.52	(31.44)
	Firms								
24	Akruti GM JV	0.45	700.00	—	—	—	—	—	—
25	Akruti Jay Chandan JV	0.18	282.40	—	—	—	—	—	—
26	Akruti Jay Developers	—	—	—	—	—	—	—	—
27	Akruti Kailash Constructions	—	—	—	—	—	—	—	—
28	Akruti Steelfab Corporation	—	—	—	—	—	—	—	—
29	Shreenath Realtors	—	—	—	—	—	—	—	—
	Minority Interest in all subsidiaries	1.42	2,202.10	(0.21)	12.47	—	—	(0.21)	12.47
	Inter company elimination and consolidation adjustments	(14.33)	(22,280.20)	(9.52)	577.33	—	—	(9.64)	577.33
	Total	100.00	155,425.19	100.00	(6,061.60)	100.00	69.76	100.00	(5,991.84)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (CONTD.)

NOTE 3.1.ADDITIONAL INFORMATION AS REQUIRED UNDER SCHEDULE III TO THE COMPANIES ACT, 2013 OF ENTITIES CONSOLIDATED AS SUBSIDIARIES / ASSOCIATES / JOINT VENTURES

Sr. No.	Name of the Entities	31st March, 2019							
		Net Assets (Total Assets — Total Liabilities)		Share in profit/(loss)		Share in other comprehensive income		Share in total comprehensive income	
		As a % of consolidated net assets	Amount (₹ in lakhs)	As a % of consolidated Profit	Amount (₹ in lakhs)	As a % of consolidated Profit	Amount (₹ in lakhs)	As a % of consolidated profit / (loss)	Amount (₹ in lakhs)
	Parent								
	Hubtown Limited	74.87	121,601.44	45.74	(709.44)	83.80	31.15	44.80	(678.29)
	Subsidiaries								
					—				—
1	ABP Realty Advisors Private Limited	0.11	181.33	(11.42)	177.21	—		(11.71)	177.21
2	Akruti Safeguard Systems Private Limited	(0.63)	(1,020.60)	(3.86)	59.88	—		(3.95)	59.88
3	Citygold Education Research Limited	0.24	397.86	5.38	(83.43)	—		5.51	(83.43)
4	Citygold Farming Private Limited	(0.21)	(340.10)	17.42	(270.27)	—		17.85	(270.27)
5	Citywood Builders Private Limited	0.02	26.66	12.10	(187.68)	—		12.40	(187.68)
6	Devkurpa Build Tech Limited	(0.55)	(890.96)	1.21	(18.81)	—		1.24	(18.81)
7	Diviniti Projects Private Limited	0.31	504.68	(0.36)	5.64	—		(0.37)	5.64
8	Gujarat Akruti—TCG Biotech Limited	0.49	797.60	5.54	(85.90)	—		5.67	(85.90)
9	Halitious Developer Limited	0.27	434.38	(0.43)	6.72	—		(0.44)	6.72
10	Headland Farming Private Limited	(0.13)	(211.67)	0.58	(9.06)	—		0.60	(9.06)
11	Heddle Knowledge Private Limited	(0.67)	(1,085.76)	5.33	(82.67)	0.43	0.16	5.45	(82.51)
12	Heet Builders Private Limited	0.01	8.34	(30.12)	467.16	—		(30.86)	467.16
13	India Development And Construction Venture Capital Private Limited	0.01	13.19	(1.50)	23.20	—		(1.53)	23.20
14	Joyneest Premises Private Limited	4.43	7,201.59	10.37	(160.83)	(0.36)	(0.13)	10.63	(160.96)
15	Upvan Lake Resorts Private Limited	(0.01)	(16.43)	(0.10)	1.56	—		(0.10)	1.56
16	Urvi Build Tech Limited	(0.11)	(182.58)	6.68	(103.62)	—		6.84	(103.62)
17	Vama Housing Limited	(0.16)	(264.15)	(0.26)	3.98	—		(0.26)	3.98
18	Vega Developers Private Limited	0.18	287.50	0.08	(1.29)	—		0.09	(1.29)
19	Vishal Techno Commerce Limited	1.20	1,952.67	2.09	(32.36)	—		2.14	(32.36)
20	Yantti Buildcon Private Limited	(0.04)	(65.93)	(0.01)	0.15	—		(0.01)	0.15
21	Sanas Developers Private Limited	—	0.51	—	—	—		—	—
	Joint Venture								
21	Hubtown Bus Terminal (Adajan) Private Limited	0.38	612.25	3.88	(60.18)	—	—	3.98	(60.18)
22	Hubtown Bus Terminal (Ahmedabad) Private Limited	2.44	3,966.46	2.33	(36.22)	3.42	1.27	2.31	(34.95)
23	Hubtown Bus Terminal (Mehsana) Private Limited	0.64	1,031.34	4.16	(64.45)	0.18	0.07	4.25	(64.38)
24	Hubtown Bus Terminal (Vadodara) Private Limited	0.09	154.17	0.12	(1.89)	—	—	0.12	(1.89)
25	Joyous Housing Limited	—	—	—	—	—	—	—	—
26	Rare Townships Private Limited	7.22	11,731.30	8.09	(125.46)	8.47	3.15	8.08	(122.31)
27	Sunstream City Private Limited	—	—	—	—	—	—	—	—
28	Twenty South Realty Limited	17.80	28,918.08	22.92	(355.44)	4.03	1.50	23.38	(353.94)
	Associates								
29	Shubhsiddhi Builders Private Limited	—	—	—	—	—	—	—	—
30	Vinca Developer Private Limited	—	—	—	—	—	—	—	—
31	Whitebud Developers Limited	—	—	—	—	—	—	—	—
32	Giraffe Developers Private Limited	3.33	5,415.41	(17.73)	274.99	—		(18.16)	274.99
	Firms								
35	Akruti GM JV	0.43	700.00	—	—	—	—	—	—
36	Akruti Jay Chandan JV	0.17	282.40	—	—	—	—	—	—
37	Akruti Jay Developers	1.52	2,467.50	—	—	—	—	—	—
38	Akruti Kailash Constructions	—	0.50	—	—	—	—	—	—
39	Akruti Steelfab Corporation	—	—	—	—	—	—	—	—
40	Shreenath Realtors	—	—	—	—	—	—	—	—
	Minority Interest in all subsidiaries	1.35	2,190.97	3.05	(47.25)	—		3.12	(47.25)
	Inter company elimination and consolidation adjustments	(15.01)	(24,383.95)	8.73	(135.34)	—		8.94	(135.34)
	Total	100.00	162,416.00	100.00	(1,551.13)	99.98	37.16	100.00	(1,513.97)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (CONTD.)

NOTE 4. PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN-PROGRESS

(₹ in lakhs)

Particulars	Freehold Land	Leasehold land	Commercial Premises	Mivan System	Computers and Laptops	Plant and Machinery	Furniture and Fixtures	Vehicles	Office Equipment	Total	Capital work-in-progress
Cost or deemed cost											
Balance at March 31, 2018	2.92	1,855.30	1,186.89	366.39	52.14	141.42	629.01	984.59	192.72	5,411.39	1,218.96
Additions	—	—	900.00	—	0.72	2.00	7.35	13.79	2.82	926.68	203.87
Disposals	—	—	—	—	(30.40)	—	(168.40)	(11.94)	(25.66)	(236.40)	(0.66)
Transfer to investment property	—	—	(68.53)	—	—	—	—	—	—	(68.53)	—
Balance at March 31, 2019	2.92	1,855.30	2,018.36	366.39	22.47	143.42	467.95	986.44	169.88	6,033.13	1,422.17
Accumulated depreciation and impairment											
Balance at March 31, 2018	—	47.00	326.27	348.07	51.99	68.63	501.13	723.51	182.80	2,249.41	—
Eliminated on disposal of assets	—	—	—	—	(30.40)	—	(168.40)	(6.44)	(25.66)	(230.90)	—
Depreciation expense	—	2.74	32.70	—	0.26	8.12	36.84	73.55	9.02	163.23	—
Transfer to investment property	—	—	(31.51)	—	—	—	—	—	—	(31.51)	—
Balance at March 31, 2019	—	49.74	327.46	348.07	21.85	76.74	369.57	790.63	166.16	2,150.23	—
Carrying amount as at 31st March 2019	2.92	1,805.56	1,691	18.32	0.62	66.68	98.38	195.81	3.72	3,882.90	1,422.17
Cost or deemed cost											
Balance at March 31, 2019	2.92	1,855.30	2,018.36	366.39	22.47	143.42	467.95	986.44	169.88	6,033.13	1,422.17
Additions	—	—	—	—	0.62	11.17	6.75	38.13	0.67	57.34	239.50
Additions(on account of Merger)	—	—	622.25	—	0.80	3.82	323.65	4.65	294.32	1,249.48	—
Disposals	—	—	—	(366.39)	—	(3.44)	(8.87)	(442.28)	(0.70)	(821.68)	—
Transfer to investment property	—	(37.29)	—	—	—	—	—	—	—	(37.29)	—
Balance at March 31, 2020	2.92	1,818.01	2,640.61	—	23.89	154.97	789.48	586.93	464.17	6,480.98	1,661.67
Accumulated depreciation and impairment											
Balance at March 31, 2019	—	49.74	327.46	348.07	21.85	76.74	369.57	790.63	166.16	2,150.23	—
Eliminated on disposal of assets	—	—	—	(348.07)	—	(2.90)	(7.18)	(439.73)	(0.67)	(798.55)	—
Additional depreciation(on account of Merger)	—	—	622.25	—	0.80	2.60	305.91	3.16	200.01	1,134.73	—
Depreciation expense	—	1.51	40.51	—	0.37	9.16	43.66	53.25	83.80	232.26	—
Transfer to investment property	—	(22.30)	—	—	—	—	—	—	—	(22.30)	—
Balance at March 31, 2020	—	28.95	990.23	—	23.00	85.60	711.95	407.30	449.29	2,696.37	—
Carrying amount as at 31st March 2020	2.92	1,789.06	1,650.38	—	0.89	69.36	77.51	179.63	14.87	3,784.61	1,661.67

Footnotes:

Commercial premises includes cost of shares aggregating to ₹ 0.01 lakhs (March 31, 2019: ₹ 0.01 lakhs) carrying the occupancy rights in the commercial premises.

3.1 Assets pledged as security

Leasehold Land and Commercial property and vehicles with a carrying amount of ₹ 61.52 lakhs (As at 31st March, 2019: ₹ 141.43 lakhs) have been pledged to secure the borrowings of the Parent Company.

3.2 Contractual obligations

Capital expenditure contracted for at the end of the reporting period (net of advances), but not recognised as liabilities is ₹ Nil (as at 31st March, 2019: ₹ Nil).

3.3 Leased Assets

None of the properties include amounts where the Company is a lessee under a finance lease.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020 (CONTD.)

NOTE 5. INVESTMENT PROPERTY

	(₹ in lakhs)
Completed investment properties	
Gross Carrying value (At Deemed Cost)	
Balance at 1st April, 2018	5,402.27
Additions	68.53
Disposals	—
Balance at 31st March, 2019	5,470.80
Accumulated depreciation and impairment	
Balance at 1st April, 2018	1,380.70
Additions	31.51
Depreciation expense	148.33
Eliminated on disposal of assets	—
Balance at 31st March, 2019	1,560.54
Net carrying value as on 31st March, 2019	3,910.26
Gross Carrying value (At Deemed Cost)	
Balance at 1st April, 2019	5,470.80
Additions	37.29
Disposals	(22.43)
Balance at 31st March, 2020	5,485.66
Accumulated depreciation and impairment	
Balance at 1st April, 2019	1,560.54
Additions	22.30
Depreciation expense	149.63
Eliminated on disposal of assets	(10.80)
Balance at 31st March, 2020	1,721.67
Net carrying value as on 31st March, 2020	3,763.99

Footnote :

Investment Property includes cost of shares aggregating ₹ 0.03 lakh (March 31, 2019: 0.03 lakh) carrying the occupancy rights.

	31st March, 2020 (₹ in lakhs)	31st March, 2019 (₹ in lakhs)
5.1 Amounts recognised in Statement of Profit and Loss for investment properties		
Rental Income	845.42	602.50
Direct operating expenses from properties	2.30	2.12
Profit from Investment properties before depreciation	843.12	600.38
Depreciation	149.63	148.33
Profit from Investment properties	693.49	452.05
Rental Income from others	278.37	527.53
5.2 Leasing Arrangements		
Certain investment properties are leased to tenants. Minimum lease payments receivable are as follows.		
Within one year	256.72	317.55
Later than one but not later than five years	515.05	448.35
Later than five years	—	—

5.3 Investment property pledged as security

Leasehold Land and Commercial properties with a carrying amount of ₹ 3732.12 lakhs (As at 31st March, 2019: ₹3,888.67 lakhs) have been pledged to secure the borrowings of the Company.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (CONTD.)

5.4 Fair Valuation of Investment Properties

Property Name	Fair Value (₹ in lakhs)	Basis
Mahalaxmi car park	22,610.00	Independent Valuer's Report
Others	3,353.46	Stamp Duty Ready Reckoner Rate

The fair value of Mahalaxmi Car Park is based on independent valuer's report dated March 2018. In the opinion of the management, there is no significant change in valuation as on reporting date. The Company has not determined the fair value of the other properties from any independent valuer as at 31st March, 2020. Instead, the values disclosed above are based on ready reckoner rate of the said properties for the year ended 31st March, 2020 duly published by the Government of Maharashtra.

NOTE 6. INTANGIBLE ASSETS

Particulars	Technical Know-how	Computer software	Lease Assets (Right to Use Asset) (Refer Footnote a to h)	Total
Gross Carrying Value (At Deemed Cost)				
Balance at 1st April, 2018	74.55	535.76	—	610.31
Additions	—	—	—	—
Disposals	—	—	—	—
Balance at 31st March, 2019	74.55	535.76	—	610.31
Accumulated depreciation				
Balance at 1st April, 2018	44.18	535.76	—	579.94
Eliminated on disposal of assets	—	—	—	—
Depreciation expense	3.64	—	—	3.64
Balance at 31st March, 2019	47.82	535.76	—	583.58
Net carrying value as at 31st March, 2019	26.73	—	—	26.73
Gross Carrying Value (At Deemed Cost)				
Balance at 1st April, 2019	74.55	535.76	—	610.31
Additions	—	—	110.79	110.79
Disposals	—	—	—	—
Balance at 31st March, 2020	74.55	535.76	110.79	721.10
Accumulated depreciation				
Balance at 1st April, 2019	47.82	535.76	—	583.58
Eliminated on disposal of assets	—	—	—	—
Depreciation expense	3.64	—	51.13	54.77
Balance at 31st March, 2020	51.46	535.76	51.13	638.35
Net carrying value as at 31st March, 2020	23.09	—	59.66	82.75

Footnotes:

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020 (CONTD.)

NOTE 7. INVESTMENTS

NON CURRENT

A) Investment in equity instruments (Unquoted) (Carried at deemed cost)

I) Joint Ventures

	As at 31st March, 2020 (₹ in lakhs)	As at 31st March, 2019 (₹ in lakhs)
a) 50,000 (As at March 31, 2019: 50,000) (Class 'A') Equity shares of ₹ 10/- each Hubtown Bus Terminal (Mehsana) Private Limited	5.00	5.00
b) 1,00,000 (As at March 31, 2019: 1,00,000) (Class 'C') Equity shares of ₹ 10/- each Hubtown Bus Terminal (Mehsana) Private Limited	759.32	1,026.34
c) 50,000 (As at March 31, 2019: 50,000) (Class 'A') Equity shares of ₹ 10/- each Hubtown Bus Terminal (Vadodara) Private Limited	5.00	5.00
d) 1,15,275 (As at March 31, 2019: 1,15,275) (Class 'C') Equity shares of ₹ 10/- each Hubtown Bus Terminal (Vadodara) Private Limited	150.48	149.17
e) 50,000 (As at March 31, 2019: 50,000) (Class 'A') Equity shares of ₹ 10/- each Hubtown Bus Terminal (Adajan) Private Limited	5.00	5.00
f) 1,15,463 (As at March 31, 2019: 1,15,463) (Class 'C') Equity shares of ₹ 10/- each Hubtown Bus Terminal (Adajan) Private Limited	27.39	607.25
g) 10,000 (As at March 31, 2019: 10,000) (Class 'A') Equity shares of ₹ 10/- each Hubtown Bus Terminal (Ahmedabad) Private Limited	4,036.43	3,965.21
h) 15,000 (As at March 31, 2019: 15,000) (Class 'C') Equity shares of ₹ 10/- each Hubtown Bus Terminal (Ahmedabad) Private Limited	1.25	1.25
i) 22,859 (As at March 31, 2019: 22,859) Equity shares of ₹ 10/- each Twenty Five South Realty Limited	28,375.29	28,918.08
j) 28,37,270 (As at March 31, 2019: 28,37,270) (Class 'A') Equity shares of ₹ 10/- each Rare Townships Private Limited	5,121.88	5,121.88
k) 4,25,000 (As at March 31, 2019: 4,25,000) (Class 'B') Equity shares of ₹ 10/- each Rare Townships Private Limited	6,530.94	6,609.42
l) 25,000 (As at March 31, 2019: 25,000) Equity shares of ₹ 100/- each Joyous Housing Limited (Refer Note 1B(iv))	—	—
m) 1,22,000 (As at March 31, 2019: 122,000) Equity shares of ₹ 10/- each Sunstream City Private Limited (Refer Note 1B(iv))	—	—
	45,017.98	46,413.60

II) Associate Companies

a) 25,000 (As at March 31, 2019: 25,000) Equity shares of ₹ 10/- each Whitebud Developers Limited (Refer Note 1B(iv))	—	—
b) 5,000 (As at March 31, 2019: 5,000) Equity shares of ₹ 10 /- each Shubhsiddhi Builders Private Limited (Refer Note 1B(iv))	—	—
c) 6,095 (As at March 31, 2019: 6,095) (Class 'A') Equity shares of ₹ 10 /- each Vinca Developer Private Limited (Refer Note 1B(iv))	—	—
d) 7,353 (As at March 31, 2019: 7353) (Class 'B') Equity Shares of ₹ 10 /- each Giraffe Developers Private Limited	5,388.92	5,415.41
	5,388.92	5,415.41

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (CONTD.)

NOTE 7. INVESTMENTS (Contd.)

	As at 31st March, 2020 (₹ in lakhs)	As at 31st March, 2019 (₹ in lakhs)
III) Others		
a) 240 (As at March 31, 2019: 240) Equity shares of ₹ 100/- each Citygold Management Services Private Limited	0.24	0.24
b) 6,000 (As at March 31, 2019: 6,000) (Class 'B') Equity shares of ₹ 50/- each Hogmanay Niharika Buildings Limited	3.00	3.00
c) 37,815 (As at March 31, 2019: 37,815) Equity shares of ₹ 10/- each Janakalyan Sahakari Bank Limited	3.78	3.78
d) 150 (As at March 31, 2019: 150) Equity shares of ₹ 25/- each Shamrao Vithal Co-operative Bank Limited (at FVPL) (Refer footnote a)	0.71	0.68
e) 2,000 (As at March 31, 2019: 2,000) Equity shares of ₹ 10/- each Suraksha Realty Limited (at FVPL) (Refer footnote a)	27.40	27.19
	35.13	34.89
B) i. Investment in Preference Shares (Unquoted)		
a) At deemed cost 1,865 (As at March 31, 2019: 1,865) 10% Non-Cumulative Redeemable Preference Shares of ₹ 10/- each Twenty Five South Realty Limited (Joint Venture)	0.19	0.19
b) Others 10,000 (As at March 31, 2019: 10,000) 21% Non Cumulative Optionally Convertible Redeemable Preference Shares of ₹ 10/- each E Commerce Magnum Solution Limited	1.00	1.00
	1.19	1.19
C) i. Investment in Debentures (Unquoted)		
a) 1,47,20,000 (As at March 31, 2019: 1,47,20,000) 9% Optionally convertible debentures of ₹ 10/- each Asmeeta Infratech Limited (Refer Footnote b)	813.62	1,472.00
b) 1020 (As at March 31, 2019: NIL) Optionally and Partially Convertible Debentures of ₹ 10,00,000/- each Amazia Developers Private Limited (Refer Footnote c)	4,566.53	—
ii. Investment in Bonds (At Ammortised Cost) (Quoted) 39,13,310 (As at March 31, 2019: 39,13,310) Deep Discount Bonds, issued @ ₹ 2,090/- of face value ₹ 10,000/- (Tenure of 9 years) [Refer footnote (b) to Note 24] Sunstream City Private Limited (Joint venture)	97,412.85	97,412.85
	102,793.00	98,884.85
D) Capital Investment in Partnership Firms (Refer Footnote d)	710.28	986.79
E) Non Controlling Capital Investment in Partnership Firms (Refer Footnote h)	7,565.00	7,570.00
Total Non Current Investments (A+B+C+D+E)	161,511.50	159,306.73
Aggregate amount of quoted investments	97,412.85	97,412.85
Aggregate amount of unquoted investments	64,098.65	61,893.88
Aggregate provision for diminution in value of investments	—	—

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (CONTD.)

NOTE 7. INVESTMENTS (Contd.)

	As at 31st March, 2020 (₹ in lakhs)	As at 31st March, 2019 (₹ in lakhs)
Current		
a) Investment in Mutual Funds (Quoted)(Other than Trade)		
At Fair value through profit and loss		
(i) 246.52 units (As at March 31, 2019: 246.52 units) Indiabulls Liquid fund Direct Plan (Growth) [NAV ₹ 1939.34 per unit (As at March 31, 2019: ₹ 1,825.38 per unit)]	4.78	4.50
(ii) 26.419 Units (As at March 31, 2018: 24.072) State Bank of India Mutual Fund [NAV ₹ 1675.03 per unit (As at March 31, 2019: ₹ 1675.03 per unit)]	0.47	0.45
(iii) NIL (As at 31st March, 2019: 62228.4580 units) L&T Income Opportunities Fund [Nil ' (As at March 31, 2019: ₹ 21.08 per unit)]	—	13.12
(iv) 15,772.3400 units (As at 31st March, 2019: 40772.3400 units L & T Short Term Income Fund Growth [NAV ₹ 20.02 per unit (As at March 31, 2019: ₹20.03 per unit)]	3.16	8.16
(v) 1,20,128.6100 Units (As at 31st March, 2019: 39470.9840 Units) IDFC Super Saver IF MT Plan [NAV ₹ 38.31 per unit (As at March 31, 2019: ₹ 38.07 per unit)]	46.02	15.02
(vi) 144.076 units (As at 31st March, 2019: 796.00 Units) of Templeton Short Term Income Plan- Growth [NAV ₹ 4320.82 per unit (As at March 31, 2019: ₹ 3997.27 per unit)]	6.23	31.82
b) Capital Investment in partnership firms and joint ventures (Trade, Unless otherwise specified) (Unquoted) (Refer Footnotes d and g)	282.40	2,473.00
TOTAL CURRENT INVESTMENTS	343.06	2,546.07
Aggregate amount of quoted investments	60.65	73.07
Aggregate amount of unquoted investments	282.40	2,473.00
Aggregate provision for diminution in value of investments	—	—

Footnotes:

- Investments in Shamrao Vithal Co-operative Bank Limited and Suraksha Realty Limited are measured at fair value as at 31st March 2020.
- During the year, the Parent Company has received an amount of ₹ 658.38 lakhs toward its investment in debentures redeemed out of the sale proceeds of the security against debentures. In the previous year, the Parent Company had sold 1,59,10,000 debentures of ₹ 10/- each of Asmeeta Infratech Limited at a discounted price of ₹250 lakhs as lump sum consideration for the transaction.
- During the year, the Parent Company had invested in 1050 Optionally and Partially Convertible Debentures of ₹ 10,00,000/- each of Amazia Developers Private Limited, out of which, 480 debentures were redeemed during the year.
- On account of reconstitution of the Joint Venture, all the Co-venturers other than Hubtown Limited retired from Akruti Jay Chandan Joint Venture post reporting date. Consequent to such reconstitution, the projects in the said JV were subsequently transferred in the Company. Accordingly investment in the JV has been disclosed under current investments.
- In earlier years, the Parent Company had written off the capital amount given for project development amounting to ₹ 775.00 lakhs to a partnership firm Shreenath Realtors for development and exploitation of areas at Nirmal Nagar, Sion, Mumbai. Since the approval from the Government has not been received till date nor there is any scope of it being approved in the near future, operation cost has been mounting year on year in the said firm. However, the firm has not been dissolved as on date.
- Primeria (a joint venture), where the Parent Company had invested capital of ₹ 1.60 lakhs has been written off in the previous year. However, the JV has not been dissolved as on date.
- During the year, the erstwhile Partnership firms of the Company viz: Akruti Kailash Constructions, Akruti Jay Developers and the Joint Venture Celeste JV have been reconstituted and all the Partners/Co-venturers of these entities other than Hubtown Limited have retired. Accordingly, all the assets and liabilities of these entities have been merged in the Parent Company with effect from April 1, 2019.
- The Parent Company has not received financials of M/s. Jairaj Developers - Unit 9 for the Financial Year 2019-20. However, in the opinion of the management of the Company, share of Profit/(Loss) of the firm will not have any material impact on the financial result of the Parent Company.
- As at 31st March, 2020, the Group has investments, loans and project advances in certain joint ventures and associates which have incurred losses and have negative net worth as at the year end. The underlying projects in such entities are at various stages of real estate development and are expected to achieve adequate profitability on substantial completion and/ or have current market values of certain properties which are in excess of the carrying values. The Company considers its investments in such entities as long term and strategic in nature. Accordingly, no provision is considered necessary towards diminution in the value of the Company's loans and project advances to such entities, which are considered good and fully recoverable.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (CONTD.)

	As at 31st March, 2020 (₹ in lakhs)	As at 31st March, 2019 (₹ in lakhs)
NOTE 10. OTHER FINANCIAL ASSETS		
Non-current		
Bank balances		
— Deposits with maturity of more than twelve months	—	50.16
— Margin money deposits	518.15	95.93
Security deposits	124.80	113.63
Other Advances		
Doubtful		
— Others	—	133.66
Less: Provision for doubtful advances	—	(133.66)
Other receivables		
Other than Trade Receivables	9.15	9.15
Interest accrued on fixed deposits	2.06	0.36
Total	654.16	269.23
Footnote:		
Balances with bank in margin money and fixed deposits are kept as security for guarantees / other facilities.		
Current		
Security deposits	247.62	260.06
Project Advances (Refer Footnotes a and b)		
Related parties (Refer Note 34 and Footnote g of Note 7)	14,951.01	2,050.26
Advances recoverable		
Related parties (Refer Note 34)	2,046.34	3,400.42
Others	14,987.46	22,781.41
Advances to Suppliers	0.77	—
Other Advances		
Current Account Balances in Partnership Firms and Joint Ventures (Refer Note 34)	1,132.43	28,263.89
Other receivables		
Other than Trade Receivables	9,012.48	8,437.60
Interest accrued on fixed deposits	28.86	21.42
Interest accrued on loans — Related Parties (Refer Note 34)	905.28	738.49
Interest accrued on investments	108.37	19.46
Total	43,420.62	65,973.01

Footnotes:

- The amount funded by the Parent Company to its joint ventures and associate entities initially were in infant stage. These entities are on the verge of launching their own projects and are also in the process of obtaining finance facilities / investors, etc. on their own strength. In view of the above developments, project advances to these entities are considered as repayable on demand.
- The Parent Company has not charged interest on advances given by it to certain group entities developing real estate projects, in which the Parent Company has a commercial and business interest.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020 (CONTD.)

	As at 31st March, 2020 (₹ in lakhs)	As at 31st March, 2019 (₹ in lakhs)
NOTE 11. INCOME TAX ASSETS (NET)		
Income Tax Assets	1,441.91	1,338.14
Income Tax Liabilities	(13.62)	(63.35)
Total	1,428.29	1,274.79
Income Tax expense		
(a) Income Tax expense		
Current Tax	(298.55)	(2.21)
Tax in respect of earlier years	(0.21)	(114.73)
	(298.76)	(116.94)
Deferred Tax		
Decrease /(Increase) in deferred tax assets	(1,839.44)	(953.61)
(Decrease) /Increase in deferred tax liabilities	411.42	(80.69)
Total deferred tax expense (credit)	(1,428.02)	(1,034.30)
Income Tax expense/(credit)	(1,726.78)	(1,151.24)
(b) Reconciliation of tax expense and the accounting profit multiplied by the Company's tax rate		
Profit / (Loss) for the Year	(2,905.72)	(31.23)
Share of Profit /(Loss) from Associate Companies / JVs using equity method	(1,429.10)	(368.66)
Add: Loss on account of consolidation of group entities	1,006.75	691.99
Total Profit / (Loss)	(3,328.07)	292.11
Income tax expense calculated at 25.168% (P.Y. : 34.608%)	(837.61)	101.12
Tax effects of amounts that are not deductible (taxable) in calculating taxable income:		
Effect of expenses that are not deductible in determining taxable profit	5,552.05	13.39
Effect of difference in rate of Tax due to MAT	—	(8.05)
Effect of expenses that are deductible in determining taxable profit due to timing difference	(458.21)	(45.12)
Effect of unabsorbed losses that are deductible in determining taxable profit	—	(63.55)
Effect of income that is exempt from taxation	82.27	—
Effect of incomes that are not taxable in determining taxable profit	(1,648.32)	—
Effect of Brought Forward Business Loss adjusted	(2,460.09)	—
Effect of incomes that are taxable in determining taxable profit as per ICDS	(528.64)	—
Effect on deferred tax due to timing difference (Refer Note 12)	(1,428.02)	(1,034.30)
Adjustments for current tax of prior periods	(0.21)	(114.73)
Income tax expense	(1,726.78)	(1,151.24)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020 (CONTD.)

	As at 31st March, 2020 (₹ in lakhs)	As at 31st March, 2019 (₹ in lakhs)
NOTE 12. DEFERRED TAX ASSETS / LIABILITY (NET)		
The following is the analysis of deferred tax asset / (liabilities) presented in the Balance Sheet		
Deferred Tax Asset (Net)		
Deferred Tax Asset	3,739.04	5,567.18
Deferred Tax Liability	(1,438.70)	(1,426.33)
Total	2,300.34	4,140.84
Deferred Tax Liability (net)		
Deferred Tax Asset	571.91	169.59
Deferred Tax Liability	(576.56)	(585.60)
Total	(4.65)	(416.01)

(₹ in lakhs)

2019-20

Deferred Tax Asset (Net)	Opening Balance	Recognised in profit or loss	Closing Balance
On account of :			
Difference in Revenue Recognition and WIP	(641.08)	266.95	(374.13)
Difference in security deposit	(30.73)	(0.05)	(30.78)
Difference in advance lease rent	27.90	—	27.90
Differential interest	(246.17)	—	(246.17)
Temporary difference in relation to investments in joint ventures	(0.13)	(0.09)	(0.22)
Depreciation	(508.20)	28.09	(480.11)
Provisions made	101.23	2,318.66	2,419.89
On account of fair valuation of investments	—	0.39	0.39
On account of Lease Liability (IND AS 116)	—	25.66	25.66
On account of Lease Assets (Right to use (IND AS 116))	—	(20.85)	(20.85)
On account of Investment in Debentures	—	(286.45)	(286.45)
Others	5,438.05	(4,171.75)	1,265.21
Total	4,140.87	(1,839.44)	2,300.34
Deferred Tax Liability (Net)	Opening Balance	Recognised in profit or loss	Closing Balance
On account of :			
On account of difference in advance lease rent	—	0.11	0.11
Difference in capital work-in-progress	17.35	(17.35)	—
Unamortised premium on debentures	52.39	—	52.39
Premium payable on debentures	(261.97)	—	(261.97)
Difference in borrowings / convertible instruments classified as equity	(278.14)	—	(278.14)
Difference in WDV of Fixed Assets	(38.70)	9.05	(29.65)
Fair valuation of investments	(6.79)	—	(6.79)
Others	99.85	419.61	519.40
Total	(416.01)	411.42	(4.65)
Deferred Tax (Charge) / Credit	—	(1428.02)	—

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020 (CONTD.)

NOTE 12. DEFERRED TAX ASSETS / LIABILITY (NET) (CONTD.)

2018-19

Deferred Tax Asset (Net)	Opening Balance	Recognised in profit or loss	Closing Balance
On account of :			
Difference in debtors under subvention scheme	101.43	(101.43)	—
Difference in Revenue Recognition and WIP	—	(641.08)	(641.08)
Difference in security deposit	(27.43)	(3.30)	(30.73)
Difference in advance lease rent	25.25	2.65	27.90
Differential interest	(98.30)	(147.87)	(246.17)
Temporary difference in relation to investments in joint ventures	(0.35)	0.22	(0.13)
Depreciation	(486.34)	(21.85)	(508.20)
Provisions made	73.89	27.35	101.23
Others	4,857.84	638.68	5,438.05
Total	4,445.99	(246.66)	4,140.84
On account of adoption of Ind AS 115	706.95	(706.95)	—
	5,152.94	(953.61)	4,140.84
Deferred Tax Liability (Net)	Opening Balance	Recognised in profit or loss	Closing Balance
On account of :			
Difference in capital work-in-progress	21.83	(4.48)	17.35
Unamortised premium on debentures	92.66	(40.27)	52.39
Premium payable on debentures	(231.66)	(30.32)	(261.97)
Difference in borrowings / convertible instruments classified as equity	(298.77)	20.63	(278.14)
Difference in WDV of Fixed Assets	(37.55)	(1.16)	(38.70)
Fair valuation of investments	(3.86)	(2.93)	(6.79)
Others	121.03	(22.17)	99.85
Total	(336.30)	(80.69)	(416.01)
Deferred Tax (Charge) / Credit	—	(1034.30)	—

NOTE 13. OTHER ASSETS

Non-current

Advances to land owners	2,439.05	2,650.91
Other advances	6.35	4.90
— Prepaid Expenses	2,445.40	2,655.81
Total		

Current

Projects Advances	541.81	242.83
Advances to land owners	10,734.81	10,204.00
Advance to Suppliers	1,975.79	1,659.12
Advances / Deposits recoverable in cash or in kind or for value to be received	1,294.72	1,425.41
Balances with Statutory / Government Authorities	76.69	416.70
Other Advances	21.53	16.61
— Prepaid Expenses	940.84	956.00
— Others	15,586.19	14,920.67
Total		

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020 (CONTD.)

NOTE 14. INVENTORIES

Inventories (lower of cost or net realisable value)

	As at 31st March, 2020 (₹ in lakhs)	As at 31st March, 2019 (₹ in lakhs)
— Stock of material at site	199.63	180.92
— Incomplete projects	162,243.44	146,863.01
— Transferable Development Rights (TDR)	1,484.60	—
— Floor space index (FSI)	8,976.27	126.26
— Trading Materials	34.42	—
— Finished properties	7,564.16	672.60
Total	180,502.52	147,842.79

Footnotes :

- The projects are under various stages of development and are expected to have net realisable value greater than the cost.
- Inventories include inventory with carrying value of ₹ 50,815.76 lakhs (As at 31st March, 2019: ₹ 53,353.66 lakhs) which have been mortgaged against the borrowings of the Parent Company. The Parent Company has various projects under construction, and it has obtained loan/finance facilities against the mortgage of units to be constructed on the said projects and the same is reflected as inventory. The Parent Company has also sold units which are under construction and the lender has issued NOC for the same.

NOTE 15. CASH AND CASH EQUIVALENTS

Balances with banks:

— in current accounts	2,537.05	3,092.81
— Escrow accounts	87.32	44.86
— in deposits with maturity of less than three months	228.66	81.91
Cash on hand	44.82	52.15
Cash and cash equivalents as per Balance Sheet	2,897.85	3,271.73
Working Capital Loan from Bank (Refer Note 19)	(1,729.52)	(1,434.08)
Cash and cash equivalents as per statement of cash flows	1,168.33	1,837.65

Footnote:

Balances with bank in fixed deposits are kept as security for guarantees / other facilities.

NOTE 16. OTHER BANK BALANCES

Other Bank Balances:

Unpaid dividend accounts	0.49	1.05
Deposits with maturity of more than three months but less than twelve months	50.58	983.07
Deposits with maturity of less than 3 months	8.99	—
Deposits with maturity of more than 12 months	934.50	—
Margin money deposits	272.13	757.68
Total	1,266.69	1,741.80

Footnote:

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020 (CONTD.)

NOTE 17. EQUITY SHARE CAPITAL

Authorised Share Capital:

125,000,000 (As at 31st March, 2019: 125,000,000) Equity Shares of ₹ 10/- each

Issued and subscribed capital comprises:

72,735,871 (As at 31st March, 2019: 72,735,871) Equity Shares of ₹ 10/- each fully paid up

Total

As at 31st March, 2020 (₹ in lakhs)	As at 31st March, 2019 (₹ in lakhs)
12,500.00	12,500.00
7,273.59	7,273.59
7,273.59	7,273.59

a) Reconciliation of number of shares outstanding at the beginning and at the end of the year

	Number of shares	Share Capital (₹ in lakhs)
Fully paid equity shares		
Balance at 31st March, 2018	72,735,871	7,273.59
Add : Issued during the year	—	—
Less : Bought back during the year	—	—
Balance at 31st March, 2019	72,735,871	7,273.59
Add : Issued during the year	—	—
Less : Bought back during the year	—	—
Balance at 31st March, 2020	72,735,871	7,273.59

b) Terms / rights attached to equity shares

The Company has a single class of equity shares having a par value of ₹10 per share. Each shareholder of equity share is entitled to one vote per share. The Company declares and pays dividend in Indian rupees.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the Company in proportion to the number of equity shares held by each shareholder, after settlement of all preferential obligations.

c) Details of shares held by each shareholders holding more than 5% shares

	As at 31st March, 2020		As at 31st March, 2019	
	No of shares held	% holding of this class of shares	No of shares held	% holding of this class of shares
Fully paid equity shares				
Vyomesh Mahipatray Shah	7,540,000	10.37%	7,540,000	10.37%
Hemant Mahipatray Shah	5,660,000	7.78%	5,990,000	8.24%
Falguni Vyomesh Shah	3,039,772	4.18%	5,789,772	7.96%
Hemant Mahipatray Shah (HUF)	4,980,500	6.85%	4,980,500	6.85%
Vyomesh Mahipatray Shah (HUF)	3,925,000	5.40%	3,925,000	5.40%
Kushal Hemant Shah	4,263,739	5.86%	3,600,000	4.95%

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (CONTD.)

NOTE18. OTHER EQUITY

Securities premium reserve

Balance at the beginning of the year

Add / (Less) :

On account of merger (Refer Note 40)

Balance at the end of the year

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

Debenture redemption reserve

Balance at the beginning of the year

Add / (Less) :

Amount transferred to general reserve

Balance at the end of the year

A debenture redemption reserve is a reserve that any Indian company that issues debentures must create to protect investors against the possibility of default by the Company.

General reserve

Balance at the beginning of the year

Add / (Less) :

Amount transferred from Debenture redemption reserve

Balance at the end of the year

General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. This reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

Capital Reserve

Balance as per last Financial Statements

Add / (Less) :

On account of merger (Refer Note 40)

Balance at the end of the year

Capital Reserves represents the gains of capital nature which mainly includes the excess of value of net assets acquired over consideration paid by the Company for business amalgamation transaction in earlier years.

Retained Earnings

Balance at the beginning of the year

Prior Period Adjustment (Refer footnote b)

Ind AS 115 transition effect

Profit / (Loss) for the year

Adjustment with reference to amalgamation of certain subsidiaries

Items of OCI recognised directly in retained earnings

Balance at the end of the year

Total

As at 31st March, 2020 (₹ in lakhs)	As at 31st March, 2019 (₹ in lakhs)
64,379.05	64,379.05
2,846.25	—
67,225.30	64,379.05
4,659.15	4,659.15
—	—
4,659.15	4,659.15
29,787.06	29,787.06
—	—
29,787.06	29,787.06
5,785.21	5,785.21
(3,080.79)	—
2,704.42	5,785.21
48,340.97	50,290.15
(1,176.90)	—
—	(482.51)
(6,074.07)	(1,503.84)
413.77	—
69.80	37.16
41,573.57	48,340.97
145,949.50	152,951.44

Footnotes:

- The Parent Company, owing to liquidity issues, has not invested / deposited as at 31st March, 2020: ₹ 198.11 lakhs (at 31st March, 2019: ₹ 294.76 lakhs) in the manner prescribed under Rule 18(7)(c) of the Companies (Share Capital and Debentures) Rules, 2014 notified by the Ministry of Corporate Affairs.
- For the year ended March 31, 2019, the Parent Company had consolidated certain subsidiaries based on management compiled financial statements. However, the audited financial statements for the year ended March 31, 2019, had variations compared to the management compiled financial statements considered for consolidation. Accordingly, the impact of such variations have been adjusted as prior period adjustment to opening retained earnings.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (CONTD.)

	As at 31st March, 2020 (₹ in lakhs)	As at 31st March, 2019 (₹ in lakhs)
NOTE 19. BORROWINGS		
Non Current		
Secured		
(i) Debentures		
40,00,000 (As at March 31, 2019: 40,00,000) Compulsorily convertible debentures of the face value of ₹ 100/- each (Refer footnote a)	4,000.00	4,000.00
300 (As at 31st March , 2019: 300) 0% Redeemable non-convertible debentures of the face value of ₹ 10,00,000 each (Refer footnote b)	1,373.93	1,504.29
(ii) Term Loans		
— From banks [Refer footnotes c and i(1)]	9.86	12,380.36
— From a company [Refer footnotes g and i(3)]	11,665.15	9,984.96
— From financial institutions [Refer footnotes d and i(2)]	29,225.14	34,341.64
	46,274.08	62,211.25
(iii) Other Loans		
— Liability component of preference shares (At amortised cost)		
1,12,500 (As at 31st March, 2019: 1,12,500) 10% Non Cumulative Non-Convertible Redeemable Preference Shares of ₹ 100/- each fully paid up (Refer Footnote e)	32.60	29.62
— Loan from Others (Refer Footnote f)	5.40	21.45
	46,312.08	62,262.32
Less: Transferred to Current Maturities		
Of Long Term Debentures	—	—
Of Long Term Loan from Banks	(5.72)	(12,370.50)
Of Long Term Loan from Financial Institutions	(18,251.01)	(17,669.23)
Of Long Term Loan from Companies	(4,329.63)	(5,861.95)
Of Long Term Loan from Others	(2,480.55)	(16.45)
	(25,066.91)	(35,918.13)
Total	21,245.17	26,344.19

Footnotes:

- 17.75% Debentures of ₹4,000 Lakhs have a term of 84 months from issue date (20,00,000 debentures issued on 01/02/2013 and 20,00,000 debentures issued on 10/06/2013). The same has been extended for further period of 36 months from the date of respective maturities.
- The Debentures shall be redeemed at a premium such that the Debenture Holders earn an IRR of 22% on subscription amount. If the Issuer commits a default in payment of Redemption Amount or Amounts due on redemption of Debentures (including Target Return thereupon) for two consecutive months, then the Debenture Holder shall have the right to exchange/convert (the "Conversion Option"), at its option, the whole or part of the defaulted amount of the outstanding Debentures into 100% of the equity shares of the Issuer. These debentures are secured by personal guarantees of the promoters of Hubtown Limited and further secured by pledge of unencumbered equity shares valued at Rs. 50 Million of the Parent Company.
- Secured term loans from banks carry interest rates within a range of 8.60 % to 16.60 %. The said loans are overdue and disclosed in Other financial liabilities—Current. The nature of securities are:

	Name of lenders	Security Offered (Further secured by personal guarantee of one or more promoters)
1	Union Bank of India	i. Registered mortgage of the premises in the project located at Mahalaxmi, Mumbai. ii. First charge on lease rent receivables from above premises.
2	United Bank of India	i. Registered mortgage of the premises in the project located at Andheri (East). ii. First charge on lease rent receivables from above premises.
3	ICICI Bank Car Loan	i. Vehicle loan secured against the vehicles.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (CONTD.)

NOTE 19. (Contd.)

- d. (i) An amount of Rs.10,197.20 Lakhs carry interest rate at 21% p.a repayable in quarterly instalments starting from 30th September 2019. This amount is secured by mortgage of land and structures on project located in Andheri (East), Matunga, Kelavali, Ghodivali, Raigad, Mulund, Khalapur and Majiwade; first charge over the receivables and escrow account collection from above projects; irrevocable and unconditional Personal Guarantee(s) of Mr. Hemant Shah and Mr. Vyomesh Shah; corporate guarantee of Heet Builders Private Limited and Citygold Education Research Limited, Pledge of shares of Heet Builders Private Limited, Citygold Education Research Limited held by Hubtown Limited and pledge of 70,00,000 shares of Hubtown Limited.
- (ii) Secured loan from Indiabulls Housing Finance Limited (financial institution) carries IRR of 26.13%. This loan is secured against mortgage of property of the Company located at Andheri (East) along with personal guarantees of the promoters of the Parent Company.
- e. 10% Non-Cumulative Redeemable Preference Shares of ₹ 10/- each. The said preference shares will be redeemed at par at the end of 10 years from the date of allotment or before at the option of the Company in one or more tranches. The Preference shares will qualify for preferential payment of dividend. As per the second proviso to Section 47(2) of the Companies Act, 2013 where the dividend in respect of a class of preference shares has not been paid for a period of two years or more, such class of preference shareholders have a right to vote on all the resolutions placed before the general meetings. The preference shares have been classified as a financial liability as per Ind AS 32 and 109 if the issuer does not have the unconditional right to avoid cash outflow at the end of the term of preference shares. The instrument is classified as a financial liability. Hence they have been grouped under non-current borrowings.
- f. Secured loans of ₹ 5.41 lakhs are vehicle loans from others, which carry interest rates within a range of 9.5% - 11% and are repayable by May, 2021.
- g. UCO Bank has transferred the Loan amount including interest thereon amounting to ₹ 18,287.94 lakhs as on March 31, 2017 to a third party "Invent Asset Securitisation & Reconstruction Private Limited (Company)" vide letter dated the April 11, 2017. The said loan has been settled at ₹ 15,500.00 lakhs via letter dated November 27, 2017 from Invent Asset Securitisation & Reconstruction Private Limited (company). The loan carries 0% interest rate and is repayable within 5 years and has been measured at fair value. The loan is secured against properties located at Mulund, Thane and Andheri (East) and also a first charge on lease rent receivables from the said Premises.
- h. Details of repayment of long term borrowings are as follows :

Particulars	*Up to 1 year	2 to 5 years	Above 5 years	Total
Debentures	—	5,373.93	—	5,373.93
Term loans from Banks	11,635.14	4.14	—	11,639.28
Term loans from Company \$	7,418.25	7,335.54	—	14,753.79
Term loan from Financial Institution #	18,251.01	10,974.12	—	29,225.14
Loan from Others	2,480.55	32.59	—	2,513.14
Total	39,784.95	23,720.32	—	63,505.28

* Including overdue amounts

\$ Measured at fair value

Measured at amortized cost (net of transaction cost)

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

Particulars	31 March, 2020		31 March, 2019	
	₹ in lakhs	Period	₹ in lakhs	Period
1) Term loans from Banks				
Overdue instalments	11,629.42	Before Apr 17	12,370.50	Before Apr 17
Interest	3,108.02	Before Apr 17	875.65	Before Apr 17
Interest	1,735.42	April to Mar 20	2,427.11	Before Apr 18
Total	16,472.86		15,673.26	
2) Term loan from Financial Institution				
Overdue instalments	709.51	Jan to Mar 20	—	
Interest	68.46	Jan to Mar 20	—	
Total	777.97		—	
3) Term loan from Company				
Overdue instalments	3,088.62	April to Mar 20	—	
Total	3,088.62		—	

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020 (CONTD.)

NOTE 19. (Contd.)

	As at 31st March, 2020 (₹ in lakhs)	As at 31st March, 2019 (₹ in lakhs)
Current		
Secured		
(i) Working Capital Loan from Bank (Refer footnote a and Note 15)	1,729.52	1,434.08
(ii) Loans from Financial Institutions (Refer footnotes b and f)	2,037.13	3,226.68
(iii) Loans repayable on demand:		
— From Companies (Refer footnotes c & d)	5,050.55	6,620.43
	8,817.20	11,281.19
Unsecured		
Loans repayable on demand:		
— From Related Party	—	274.72
— From Companies (Refer footnote e)	14,420.89	14,252.62
— Loan from Others (Refer Footnote g)	44.63	92.08
	14,465.52	14,619.42
Total	23,282.72	25,900.61

Footnotes:

- Working capital loan from bank carries interest rate of 19.30% p.a. (31st March, 2019: 19.30% p.a.). The loan is secured against mortgage of premises located at MIDC, Andheri (East), Mumbai and further secured by personal guarantee of one or more promoters of the Parent Company. The said account of the Parent Company has been attached by the Maharashtra State CID in connection with ongoing case with regards to a commercial transaction with an erstwhile associate company. [Refer Note 33 (D)(ii)]
- Secured loan from financial institution carries average interest rate of 16.50% p.a. This loan is secured against pledge of equity shares in the Parent Company held by the promoters along with personal guarantee of promoters and mortgage of premises in the project located at Andheri (East) and Land situated at Uran, District Raigad and Kopari, Thane.
- Secured loans from companies carry interest rate of from range of 9.60% p.a. to 18.00% p.a. and are repayable on demand. However, loan from a company amounting to ₹ 2837.50 lakhs (As at 31st March, 2019: ₹ 2,944.13 lakhs) is interest free. These loans are secured against mortgage of unsold area of the commercial project at Andheri (East) and Jogeshwari (East) and secured against pledge of equity shares in the Parent Company held by the promoters.
- Secured loan of Dena Bank has become NPA and has assigned the loan amount including interest thereon amounting to ₹ 2,100 lakhs as on 28th November, 2018 to a third party "International Asset Reconstruction Company Private Limited (IARC)" vide letter dated 24th December, 2018. The loan is secured against properties located at Mumbai. The said loan liability has been shown under secured loan from companies and the terms of loan are under negotiation. The Company has provided for the interest on the amount of loan assigned to IARC at the rate of 9.60% p.a. charged by the Dena Bank on initial Term loans.
- Unsecured loans from companies and others carry interest rates within a range of 15% to 27% p.a. and are repayable on demand. (Refer footnote a to Note 29)
- Period and amount of default as on Balance Sheet date in repayment of term loans and interest :

Particulars	31st March, 2020		31st March, 2019	
	(₹ in lakhs)	Period	(₹ in lakhs)	Period
Loans from Financial Institutions				
Overdue instalments	2,037.13	Feb 19 to Mar 20	3,226.68	February/19
Interest (Net of TDS)	594.06	April to Mar 20	149.70	Jan to March 19
	2,631.19		3,376.38	

- During the year, on account of merger of erstwhile Partnership firms Akruiti Jay Developers and Akruiti Kailash Constructions with the Parent Company, the Parent Company has inherited certain deposits received by these firms prior to the merger. The Management is of the opinion that since these deposits were not received directly by the Parent Company, they do not attract any of the provisions relating to Companies (Acceptance of Deposits) Rules, 2014 as amended. The Parent Company is in the process of repaying the same.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020 (CONTD.)

NOTE 20. OTHER FINANCIAL LIABILITIES

Non-current

	As at 31st March, 2020 (₹ in lakhs)	As at 31st March, 2019 (₹ in lakhs)
Retention money payable (Refer Footnote c)	761.24	850.01
Lease deposits from tenants	594.93	128.98
Advance Lease Rentals	47.74	94.94
Advance Finance Income (Refer Footnote (g) to Note 19 Non Current Borrowings)	1,835.75	4,283.41
Other Payables	15.63	—
Lease Liability (Ind AS 116)	73.43	—
On account of Shares with Differential Voting Rights	13,318.35	13,534.27
Total	16,647.07	18,891.61

Current

Current maturities of long-term debts (Refer Note 19)	25,066.91	35,918.13
Interest accrued and due on borrowings	14,469.72	7,812.38
Interest accrued but not due on borrowing	228.81	1.33
Overdue Term Loan from Banks (Refer Footnote c and i(1) to note 19 Non-Current Borrowings)	11,629.42	—
Overdue loan from company (Refer Footnote i(3) to note 19 Non-Current Borrowings)	3,088.62	—
Retention money payable	352.91	53.86
Unpaid matured debentures and interest accrued thereon (Refer footnote a and b)	1,441.67	2,086.04
Unclaimed/unpaid dividends	0.50	1.06
Current account balance in firms and joint venture (Refer Note 34)	2,469.77	7,045.95
Business advance received (including related parties)	14.87	4,469.07
Advance received from others	6,435.88	7,583.42
Security deposits (Refundable)	12,676.58	15,080.72
Advance Finance Income (Refer Footnote (g) to Note 19 Non Current Borrowings)	2,447.67	2,447.67
Advance Lease Rentals	37.15	33.11
Other payables (Refer Footnote d) (Refer Note c)	77,396.68	79,449.14
Total	157,757.16	161,981.89

Footnotes:

- a. As per fourth consent terms dated 2nd February, 2018, outstanding amount was repayable with interest @ 20% p. a., of which last instalment was to be redeemed on or before 31st March 2018. The said debentures are secured by first and exclusive charge on the premises located at MIDC, Andheri (East), project located at Andheri (West) Mumbai and secured against pledge of equity shares in the Parent Company held by the promoters of the Parent Company. The said Debentures have matured and unpaid amount of ₹ 1,441.67 Lakhs has been disclosed under other current financial liability. However, the Company is in the process of renegotiating the terms of the Non-Convertible Debentures with the Debenture holders.

- b. Period and amount of default as on the Balance Sheet date in respect of matured debentures and interest accrued thereon :

	31 March, 2020		31 March, 2019	
	(₹ in lakhs)	Period	(₹ in lakhs)	Period
Overdue Instalments:				
10,000 (As at 31st March, 2019: 10,000) Redeemable non-convertible debentures of the face value of ₹ 100,000/- each	1,320.71	31/03/2018	1,965.08	31/03/2018
Interest :				
10,000 (As at 31st March, 2019: 10,000) Redeemable non-convertible debentures of the face value of ₹ 100,000/- each	120.96	31/03/2018	120.96	31/03/2018
Total	1,441.67		2,086.04	

- c. Retention Money liability to the contractors which are not due for payment as at 31st March, 2020 have been shown under the head "Other Financial Liabilities" as per Ind AS 32. As per the management, the retention liability is in the nature of holding the amount as guarantee towards performance and does not relate to credit period given by the contractors. Further in the opinion of the management, there has not been any authoritative clarification / interpretation with regard to measurement of fair value in respect of above item and hence retention liability has not been discounted as on 31st March, 2020.
- d. Other Payables include an amount of ₹ 49063.71 lakhs due to Ashok Commercial Enterprises. The party has instituted commercial summary Suit No. 1532 of 2018 in the High Court of Judicature at Bombay against the Parent Company. The Parent Company has filed its response/defence to the same before the Honorable High court.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020 (CONTD.)

NOTE 24. REVENUE FROM OPERATIONS

Sale from operations :

	Year ended 31st March, 2020 (₹ in lakhs)	Year ended 31st March, 2019 (₹ in lakhs)
Sale of properties / rights in projects (Net) (Refer footnote b)	12,526.59	40,246.51
Revenue from sale of Trading Materials	624.29	651.59
Profit on sale of investments in subsidiaries, joint ventures, etc. developing real estate projects (Refer Footnote c to Note 7 and Note 34)	3,036.80	2,027.92
Project Management Consultancy Services	200.00	1,348.97
Share of Profit from Partnership Firms	(323.39)	314.36
	16,064.29	44,589.34

Other operating revenue :

Income from investments in Joint ventures developing real estate projects (Refer footnote a and Note 34)	1,983.62	1,025.67
Unwinding of Interest free loans	41.85	36.79
Lease rentals	1,123.79	993.22
Amortisation of lease rentals	—	5.59
Sundry credit balances appropriated	1,781.08	44.98
Liabilities written back to the extent no longer required	4,245.45	334.12
Provision for doubtful debts and diminution written back	214.40	28.50
Advances Written off in earlier year Recovered (Refer Note 34)	1,590.61	—
Miscellaneous Income	227.46	19.86
	11,208.26	2,488.73
Total	27,272.55	47,078.08

Footnotes:

- The Parent Company has not recognised finance income amounting to ₹ 26,209.80 lakhs (For 2018-19: ₹ 22,025.05 lakhs) from Deep Discount Bonds held in one of its joint venture entities as the terms of the said Bonds relating to tenure of the Bonds and redemption premium are under negotiation with the issuer.
- Sale of Properties is net of ₹ 109.00 lakhs (For 2018-19: ₹ 12,000.00) on account of reversal of revenue recognised in previous year.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020 (CONTD.)

NOTE 25. OTHER INCOME

Interest Income:

	Year ended 31st March, 2020 (₹ in lakhs)	Year ended 31st March, 2019 (₹ in lakhs)
— Debentures	98.79	21.62
— Loans	31.92	127.18
— Bank fixed deposits	136.52	115.50
— Interest Income on financial asset at amortised cost	—	307.71
— Others	86.91	—
Income on account of OTS (Refer footnote i and ii)	—	2,870.63
Interest write back	200.56	751.28
Interest income on financial liabilities measured at fair value(Refer Footnote g to Note 19 — Non Current Borrowings)	2,457.44	2,455.75
Total	3,012.14	6,649.68
Surplus on sale / discardment of fixed assets (Net)	611.17	0.42
Gain on sale of investments	—	0.78
Gain on foreign currency fluctuation (Net)	5.17	0.24
Gain on Investments measured at FVTPL	0.55	16.34
Compensation / surrender of rights	—	10.00
Liabilities/Advance written back	79.71	352.94
Total	696.60	380.73
Miscellaneous income	136.67	779.14
Total	3,845.41	7,809.54

Footnotes:

- During the previous year Income on account of OTS included waiver of outstanding interest thereon from Oriental Bank of Commerce amounting to ₹ 1,220.63 lakhs.
- During the previous year the Parent Company had taken over debts of Rubix Trading Private Limited (Subsidiary of its Associate Vinca Developer Private Limited) amounting to ₹ 2,350.00 lakhs for which the Parent Company was a guarantor to Deutsche Investment India Private Limited (Lender). The said debt was settled at ₹ 700.00 Lakhs by signing consent terms with the lender. The differential amount of ₹ 1,650.00 lakhs has been disclosed under income on account of OTS.

NOTE 26. COSTS OF CONSTRUCTION / DEVELOPMENT

Construction costs incurred during the year

Land / rights acquired	2,914.98	1,920.03
Material and labour costs	8,822.55	9,086.80
Approval and consultation expenses	1,856.27	2,668.39
Other direct development expenses	1,470.12	1,851.57
Total	15,063.92	15,526.79

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020 (CONTD.)

NOTE 27. CHANGES IN INVENTORIES OF INCOMPLETE PROJECTS, FINISHED PROPERTIES AND FSI

Opening Inventory :

Floor Space Index (FSI)	126.26	126.26
Finished Properties	146,863.01	166,266.04
Incomplete projects	672.60	117.29
	147,661.87	166,509.59

Add / (Less):

Purchase Return — Land	—	(14.80)
Project expenses written off (Refer Note 31)	(1,174.92)	(184.16)
Loss on account of NRV of Inventory (Refer footnote c to Note 31)	(8,389.18)	—
Opening Stock Adjustment	(3,825.43)	—
On account of dilution in subsidiary	—	(39,896.98)
On account of aquisition of Subsidiary / dissolution of Partnership Firm	25,840.67	212.59
On account of adoption of Ind AS 115 (Net)	—	26,547.88
	160,113.00	153,174.11

Closing Inventory :

Stock at Site	123.93	—
Floor Space Index (FSI)	8,976.27	126.26
Transferable Development Rights (TDR)	1,484.60	—
Trading Materials	34.42	—
Incomplete projects	162,243.44	146,863.01
Finished Properties	7,564.16	672.60
	180,426.82	147,661.87
Total	(20,313.82)	5,512.24

NOTE 28. EMPLOYEE BENEFITS EXPENSE

Salaries, bonus, etc.	2,208.02	2,188.92
Contribution to provident and other funds	168.09	149.14
Staff welfare expenses	23.81	24.39
Other fund expenses	4.45	3.98
Total	2,404.37	2,366.43

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020 (CONTD.)

NOTE 29. FINANCE COSTS

Interest costs:

	Year ended 31st March, 2020 (₹ in lakhs)	Year ended 31st March, 2019 (₹ in lakhs)
Interest on Debentures	246.29	604.91
Interest on Fixed loans	10,049.36	18,449.46
Unwinding of security deposit	34.42	49.69
Interest Expense on financial liabilities measured at fair value (Refer Footnote g to Note 19)	2,422.29	2,149.81
Other interest expense and finance charges	1,248.34	551.69
Delayed/penal interest on loans and statutory dues	132.67	232.13
Less: Finance Cost capitalised to Capital Work-in-Progress	(239.50)	(205.12)
Total	13,893.87	21,832.57

Footnotes:

- The Parent Company has not provided for interest amounting to ₹ 28,366.53 lakhs (P.Y. : ₹ 21,713.04 lakhs) on certain corporate deposits as the Parent Company is in the process of re-negotiating the terms / waiver of interest by respective lenders. In this regard, the Parent Company has held various meetings with the respective lenders and is hopeful of amicable settlement in the near future.
- In line with IND AS-23 'Borrowing Costs' issued by the Institute of Chartered Accountants of India, borrowing costs of ₹ 7,544.14 lakhs (For 2018-19: ₹ 7,198.44 lakhs) have been capitalised to inventory.

NOTE 30. DEPRECIATION AND AMORTISATION EXPENSES

Depreciation of property, plant and equipment	232.26	163.23
Amortisation of intangible assets	54.77	3.64
Depreciation of investment property	149.63	148.33
Total	436.66	315.20

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020 (CONTD.)

NOTE 31. OTHER EXPENSES

	Year ended 31st March, 2020 (₹ in lakhs)	Year ended 31st March, 2019 (₹ in lakhs)
Insurance	43.35	59.58
Rent	194.08	289.09
Rates and taxes	298.44	460.33
Advertisement expenses	435.81	480.83
Advances and other debit balances written off (Refer Footnote a and Note 34)	1,468.80	729.55
Donations	18.50	—
Bad Debts	32.33	91.32
Corporate Social Responsibility (CSR) activities (Refer footnote b)	—	70.00
Brokerage	308.46	751.06
Directors' fees and travelling expenses	28.42	26.18
Commission to Non-executive directors	15.00	18.63
Provision for doubtful debts and advances (Refer footnote d)	7,047.53	—
Repairs and society maintenance charges	176.84	133.25
Legal and professional fees	619.95	1,781.12
Prospective projects written off	1,174.92	184.16
Loss on account of NRV of FSI (Refer Footnote c)	8,389.18	—
Loss on sale of investment	—	1,341.00
Other expenses	1,624.27	1,482.52
Total	21,875.88	7,898.62

Footnotes:

- The Parent Company has given advances to certain companies towards potential interest in their projects. Due to cancellation of approvals, continuing losses and no movement in the project status, in the opinion of the management such advances/receivables aggregating ₹ 1,468.80 lakhs (for F.Y 2018-19 ₹ 729.55 lakhs) being non-recoverable were written off during the year.
- CSR amount required to be spent as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof by the Parent Company during the year is ₹ 16.65 Lakhs (Previous Year ₹ 32.42 lakhs). The actual amount spent during the year is NIL (Previous year ₹ 70.00 lakhs) for the purpose other than construction/acquisition of an asset.
- Due to dissolution of Celeste JV, inventory lying over in Celeste books were taken over by the Parent Company as on 1st December 2019. (Refer footnote g to Note 7). The Parent Company has valued the FSI inventory at NRV as on date of take over as per the stamp duty valuation. Consequently the loss on such valuation has been expensed out in the Statement of Profit and Loss during the year.
- In the opinion of the Management, certain advances made by the Parent Company for Business purposes have not yielded the desired results and are doubtful of recovery. Hence, the Parent Company has made necessary provision in respect of these advances. However, the Parent Company shall continue to make all efforts for their recovery

NOTE 32. EARNINGS PER SHARE (EPS)

Basic and Diluted Earning Per Share (In ₹)	(8.35)	(2.07)
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Basic and Diluted EPS

The earnings and weighted average number of equity shares used in the calculation of basic earnings per share are as follows:

Profit for the year attributable to the owners of the Parent Company	(6,074.07)	(1,503.84)
Weighted average number of equity shares for the purposes of basic and diluted earnings per share (Nos.)	72,735,871	72,735,871

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020 (CONTD.)

	Year ended 31st March, 2020 (₹ in lakhs)	Year ended 31st March, 2019 (₹ in lakhs)
NOTE 33. CONTINGENT LIABILITIES (NOT PROVIDED FOR)		
(A) Claims against the Company, not acknowledged as debts on account of:—		
(i) Income Tax, Service Tax and MVAT matters under Appeal	5,506.51	13,377.75
(ii) Towards pending legal cases	120,197.66	89,924.07
(B) On account of land purchased in two subsidiaries, pending registration and other formalities under different statutes, for which confirmations are pending, with regards to consideration paid for the purchase of land through aggregator.	Amount not determinable	Amount not determinable
(C) On account of corporate guarantees issued by the Parent Company to bankers and others on behalf of other companies and joint ventures for facilities availed by them (amount outstanding thereagainst.)	111,662.92	107,208.30-
(D) Other commitments :		
(i) Bank Guarantees against various projects	1,350.22	1,314.22
(ii) Towards amounts to be deposited against undertaking given to the Hon'ble Sessions Court (Refer footnote a to Note 19 Current Borrowings)	5,900.00	5,900.00
(iii) PWD Premium towards Additional FSI	12,960.00	12,960.00
(E) Disputes and differences has arisen between the Parent Company (as promoters of one of the joint venture namely Rare Townships Private Limited) and investors (IL&FS and IIRF) on the issue of exercising put option by the investors which the promoters has declined/denied. The investors have invoked Arbitration clause of share subscription and shareholders agreement on the said matter.	Amount unascertainable	Amount unascertainable
(F) Workmen's liability of erstwhile Hindoostan Spinning and Weaving Mills Limited (Refer Foot note d)	12.67	12.67
(G) Chief Controlling Revenue Authority (Refer Foot note e)	3,021.31	Amount unascertainable
(H) Civil construction works mainly on account of rate escalation in rehabilitation buildings	112.50	137.50
(I) On account of properties purchased pending registration and other formalities under different statutes, for which confirmations are pending, with regards to consideration paid for the purchase of land through aggregator.	Amount not ascertainable at present	Amount not ascertainable at present

Footnotes:

- Interest / penalty that may accrue on original demands are not ascertainable, at present. The Parent Company has taken necessary steps to protect its position with respect to the above referred claims, which in its opinion, based on professional / legal advice are not sustainable.
- Contingent liabilities include corporate guarantees issued by the Parent Company and are relied upon by the Auditors.
- The management of the Parent Company is of the view that it was necessary to provide the corporate guarantees to further the business interest of the Parent Company in the entities on whose behalf such guarantees have been provided and the management is of the view that there would be no sustainable claims on the Parent Company in respect of these corporate guarantees. The rate of interest, processing fees, any other charges levied by the lenders on the entities availing loans are based on internal guidelines of the lenders depending on the merits of the underlying projects and their estimated cash flows. Majority of the corporate guarantees issued by the Parent Company are basically to provide comfort by the Parent Company as a shareholder of the Borrower entity to the Lenders. These corporate guarantees, in any case, do not result in any additional benefits to the borrowers. Accordingly, the financial liability on account of financial guarantee contracts have not been fair valued as these are expected to be immaterial.
- The Hindoostan Spinning and Weaving Mills Limited (HSWML), a body corporate had in the year 2002 declared a Voluntary Retirement Scheme (VRS). The VRS liability, alongwith other assets and liabilities, vide Scheme of the Board of Industrial and Financial Reconstruction (BIFR), dated April 1, 2004 was inherited by Hoary Realty Limited (Formerly known as Chaitra Realty Limited). Some of the workers didn't accept VRS and insisted on continuation of job. Chaitra Realty Limited thereupon declared closure. After going through various appellant bodies, the matter was referred to the Industrial Tribunal which passed its order confirming closure. A writ petition was filed by the workers Union against the order of Industrial Tribunal. The said dispute is yet to be resolved fully. Liability disclosed herewith is net of Advances paid amounting ₹ 5,17,097/-.
- The Department of Stamps and Registrations claimed that pursuant to the audit by the office of the Accountant General, Govt. Of Maharashtra, it has come to their notice that there is a short levy of stamp duty of ₹ 22 crores and odd on the JDA which is adjudicated and registered. The Parent Company challenged the above observation before the CCRA and IGR u/s 53-A of the stamp Act. The hearing in the matter was concluded on December 26, 2017. However, no orders were passed by the CCRA. Later on in 2019, The Parent Company recieved a notice from the CCRA that after the audit objection there is a shortfall of stamp duty of ₹. 67 crores and odd and the Collector of stamps has requested for initiation of suo moto revision u/s 53-A of the Stamp Act. This petition was filed by the Parent Company challenging the authority of the CCRA and IGR to initiate a second revision u/s 53-A of the Stamp Act. The CCRA has passed a final Order in the revision undertaken by him now holding that there is a deficit of stamp duty of ₹ 49,31,14,151/-.
- The Management of the Parent Company certifies that other than the above, the Group does not have any claims made against it, which have not been acknowledged as its debts.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (CONTD.)

NOTE 34. RELATED PARTIES DISCLOSURES

A. Names of related parties and description of relationship			Country of Incorporation	Percentage of voting power as at (%)	
				31st March, 2020	31st March, 2019
I.	Associates				
	1	Giraffe Developers Private Limited	India	49.00%	49.00%
	2	Shubhsiddhi Builders Private Limited	India	50.00%	50.00%
	3	Vinca Developer Private Limited	India	49.00%	49.00%
	4	Whitebud Developers Limited	India	50.00%	50.00%
	5	Amazia Developers Private Limited [Upto 13th September 2019] [Subsidiary Of Vinca]	India	—	—
	6	Brainpoint Infotech Private Limited [Upto 13th September 2019] [Subsidiary Of Amazia]	India	—	—
	7	Rubix Trading Private Limited [Subsidiary Of Vinca]	India	—	—
II.	Joint Ventures				
	1	Akruti GM Joint Venture	India	77.00%	77.00%
	2	Akruti Jay Chandan Joint Venture	India	50.00%	50.00%
	3	Akruti Jay Developers [Upto 31st March 2019]	India	—	66.66%
	4	Akruti Kailash Constructions [Upto 31st March 2019]	India	—	90.00%
	5	Akruti Steelfab Corporation (under the process of dissolution)	India	—	—
	6	Hubtown Bus Terminal (Adajan) Private Limited	India	45.00%	45.00%
	7	Hubtown Bus Terminal (Ahmedabad) Private Limited	India	45.00%	45.00%
	8	Hubtown Bus Terminal (Mehsana) Private Limited	India	45.00%	45.00%
	9	Hubtown Bus Terminal (Vadodara) Private Limited	India	45.00%	45.00%
	10	Joyous Housing Limited	India	25.00%	25.00%
	11	Rare Townships Private Limited	India	40.00%	40.00%
	12	Rising Glory Developers	India	75.00%	75.00%
	13	Shreenath Realtors (under the process of dissolution)	India	—	—
	14	Sunstream City Private Limited	India	43.00%	43.00%
	15	Twenty Five South Realty Limited	India	61.27%	61.27%

III. Key management personnel

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

V. Non Executive directors over which they are able to exercise significant influence (where transaction have taken place)

- Sunil C Shah
- Abhijit B Datta
- Priti K Shah
- Mahesh Ambalal Kuvadia (Upto 4th March 2020)

V. Relatives of key management personnel

- Mrs. Lata M. Shah, Mother of Executive Chairman and Managing Director (Deceased)
- Mrs. Kunjal H. Shah, Wife of Executive Chairman
- Mrs. Falguni V. Shah, Wife of Managing Director
- Mr. Rushank V. Shah, Son of Managing Director

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (CONTD.)

NOTE 34. RELATED PARTIES DISCLOSURES AS PER IND AS 24 (Contd.)

A. Names of related parties and description of relationship (Contd.)

- 5 Mr. Khilen V. Shah, Son of Managing Director
- 6 Mr. Kushal H. Shah, Son of Executive Chairman
- 7 Mrs. Nutan Dhanki, Sister of Executive Chairman and Managing Director
- 8 Mrs. Hemanti Parekh, Sister of Executive Chairman and Managing Director
- 9 Hemant M. Shah HUF- Karta Executive Chairman
- 10 Mrs. Pratiti K. Shah, Daughter in Law of Managing Director
- 11 Mrs. Meha R. Shah, Daughter in Law of Managing Director
- 12 Mrs. Aishwarya K. Shah, Daughter in Law of Executive Chairman
- 13 Vyomesh M. Shah HUF- Karta Managing Director
- 14 Mahipatray V. Shah HUF- Karta Executive Chairman
- 15 Mahipatray V. Shah Discretionary Trust- Trustees Executive Chairman and Managing Director
- 16 Estate of Mahipatray V Shah – Beneficiaries Executive Chairman and Managing Director

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

(Where transactions have taken place)

- 1 Adhivitiya Properties Limited
- 2 Helik Advisory Limited
- 3 Sheshan Housing And Area Development Engineers Limited
- 4 Vishal Nirman (India) Limited
- 5 Buildbyte. Com. (India) Private Limited
- 6 Celeste Joint Venture
- 7 Citygold Management Services Private Limited
- 8 Distinctive Realty Private Limited
- 9 E Commerce Magnum Solution Limited
- 10 Fern Infrastructure Private Limited
- 11 Fourjone Realtors Private Limited
- 12 Heeler Hospitality Private Limited
- 13 Helictite Residency Private Limited
- 14 High Scale Trading Private Limited
- 15 Hubtown Solaris Maintenance Private Limited
- 16 Ichha Constructions Private Limited
- 17 Lista City Private Limited
- 18 Merrygold Buildcon Private Limited
- 19 Starzone Developers Private Limited
- 20 Sunmist Builders Private Limited
- 21 Sunstone Developers Joint Venture
- 22 Superaction Realty Private Limited
- 23 Trans Gulf MEP Engineers Private Limited
- 24 Heet Builders Private Limited
- 25 Wellgroomed Developers Limited

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (CONTD.)

NOTE 34. RELATED PARTIES DISCLOSURES AS PER IND AS 24 (Contd.)

B. Transactions with Related Parties

Sr. No.	Nature of transaction	Associate companies	Joint Ventures	Key management personnel, their relatives and enterprises \$
i.	Loans and Advances received/ recovered/ adjusted			
	Twenty Five South Realty Limited	— (—)	650.00 (—)	— (—)
	E Commerce Magnum Solution Limited	— (—)	— (—)	50.00 (—)
	Fern Infrastructure Private Limited	— (—)	— (—)	— (4.00)
	Rubix Trading Private Limited	2,350.00 (—)	— (—)	— (—)
	Vinca Developer Private Limited	500.00 (—)	— (—)	— (—)
	Heet Builders Private Limited	— (—)	— (—)	2,639.00 (—)
ii.	Loans and Advances given/ repaid/adjusted			
	Twenty Five South Realty Limited	— (—)	1,342.48 (—)	— (—)
	Heet Builders Private Limited	— (—)	— (—)	929.30 (—)
	Rare Townships Private Limited	— (—)	— (1,355.00)	— (—)
	Distinctive Realty Private Limited	— (—)	— (—)	— (0.20)
	Kunjal Hemant Shah	— (—)	— (—)	88.19 (908.34)
	Rubix Trading Private Limited	— (2,350.00)	— (—)	— (—)
	Vinca Developer Private Limited	500.00 (—)	— (—)	— (—)
	Hemant M. Shah (HUF)	— (—)	— (—)	30.00 (—)
iii.	Business Advances received / recovered / adjusted			
	Hubtown Bus Terminal (Ahmedabad) Private Limited	— (—)	506.51 (2,453.61)	— (—)
	Hubtown Bus Terminal (Adajan) Private Limited	— (—)	1,297.54 (21.00)	— (—)
	Hubtown Bus Terminal (Mehsana) Private Limited	— (—)	— (34.70)	— (—)
	Sunstream City Private Limited	— (—)	— (1,829.00)	— (—)
	Distinctive Realty Private Limited	— (—)	— (—)	262.83 (—)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (CONTD.)

NOTE 34. RELATED PARTIES DISCLOSURES AS PER IND AS 24 (Contd.)

B. Transactions with Related Parties (Contd.)

Sr. No.	Nature of transaction	Associate companies	Joint Ventures	Key management personnel, their relatives and enterprises \$
	High Scale Trading Private Limited	— (—)	— (—)	375.00 (—)
	Citygold Management Services Private Limited	— (—)	— (—)	15.68 (237.85)
	Vishal Nirman (India) Limited	— (—)	— (—)	3.00 (—)
	Adhivitiya Properties Limited	— (—)	— (—)	540.00 (—)
	Trans Gulf MEP Engineers Private Limited	— (—)	— (—)	8.72 (—)
	Amazia Developers Private Limited	3,712.16 (—)	— (—)	— (—)
	Fern Infrastructure Private Limited	— (—)	— (—)	22.54 (—)
	Wellgroomed Venture	— (—)	— (—)	1,270.72 (—)
	Giraffe Developers Private Limited	3,653.95 (985.00)	— (—)	— (—)
iv.	Business Advances given / repaid / adjusted			
	Hubtown Bus Terminal (Ahmedabad) Private Limited	— (—)	2,524.14 (219.50)	— (—)
	Hubtown Bus Terminal (Adajan) Private Limited	— (—)	1,462.50 (111.00)	— (—)
	Hubtown Bus Terminal (Mehsana) Private Limited	— (—)	117.25 (503.50)	— (—)
	Hubtown Bus Terminal (Vadodara) Private Limited	— (—)	72.25 —	— (—)
	Sunstream City Private Limited	— (—)	149.28 (1,166.17)	— (—)
	Whitebud Developers Limited	— (6.75)	— (—)	— (—)
	Distinctive Realty Private Limited	— (—)	— (—)	0.50 (—)
	Gallant Infotech Private Limited	34.94 (—)	— (—)	— (—)
	Buildbyte.Com (India) Private Limited	— (—)	— (—)	5.00 (—)
	Amazia Developers Private Limited	2,464.13 (—)	— (—)	— (—)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (CONTD.)

NOTE 34. RELATED PARTIES DISCLOSURES AS PER IND AS 24 (Contd.)

B. Transactions with Related Parties (Contd.)

Sr. No.	Nature of transaction	Associate companies	Joint Ventures	Key management personnel, their relatives and enterprises \$
	Wellgroomed Venture	— (—)	— (—)	697.50 (—)
	Citygold Management Services Private Limited	— (—)	— (—)	190.06 (540.88)
	Adhivitiya Properties Limited	— (—)	— (—)	10.50 (1.25)
	Giraffe Developers Private Limited	22,056.36 (—)	— (9,690.68)	— (—)
	Vinca Developer Private Limited	1.00 (—)	— (—)	— (—)
	Fern Infrastructure Private Limited	— (—)	— (—)	2.76 (—)
	Sheshan Housing And Area Development Engineers Limited	— (—)	— (—)	2.85 (—)
v.	Interest income on loans/Debenture			
	Twenty Five South Realty Limited	— (—)	924.39 (769.43)	— (—)
	Joyous Housing Limited	— (—)	30.35 (26.92)	— (—)
	Rare Townships Private Limited	— (—)	— (51.12)	— (—)
	Amazia Developers Private Limited	819.73 (—)	— (—)	— (—)
vi.	Directors' Remuneration			
	Hemant M. Shah	— (—)	— (—)	88.09 (88.09)
	Vyomesh M. Shah	— (—)	— (—)	78.35 (78.35)
vii.	Comission to Non whole—time Directors			
	Sunil Shah	— (—)	— (—)	4.00 (5.08)
	Abhijit Datta	— (—)	— (—)	4.00 (5.08)
	Priti K Shah	— (—)	— (—)	4.00 (5.08)
	Shailesh Hingarh	— (—)	— (—)	— (3.39)
	Mahesh Ambalal Kuvadia	— (—)	— (—)	3.00 (—)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (CONTD.)

NOTE 34. RELATED PARTIES DISCLOSURES AS PER IND AS 24 (Contd.)

B. Transactions with Related Parties (Contd.)

Sr. No.	Nature of transaction	Associate companies	Joint Ventures	Key management personnel, their relatives and enterprises \$
viii.	Remuneration to Relatives of KMPs			
	Rushank Shah	— (—)	— (—)	27.03 (27.03)
	Khilen Shah	— (—)	— (—)	27.03 (27.03)
	Kushal Shah	— (—)	— (—)	17.68 (17.68)
ix.	Contribution in Partner's Current Account			
	Celeste Joint Venture	— (—)	722.72 (932.25)	— (—)
	Rising Glory Developers	— (—)	11,140.98 (3,802.54)	— (—)
	Akruti Jay Chandan JV	— (—)	424.99 (1,155.74)	— (—)
	Sunstone Developers Joint Venture	— (—)	2,906.99 (2,035.41)	— (—)
	Akruti GM JV	— (—)	7.75 (499.61)	— (—)
x.	Amount Withdrawn from Partner's Current Account			
	Akruti Jay Developers	— (—)	— (217.90)	— (—)
	Akruti Jay Chandan JV	— (—)	19.78 (—)	— (—)
	Akruti Kailash Constructions	— (—)	— (1,936.85)	— (—)
	Rising Glory	— (—)	28,681.66 (—)	— (—)
	Celeste JV	— (—)	1,337.72 (—)	— (—)
	Akruti GM JV	— (—)	13.75 (—)	— (—)
	Sunstone Developers JV	— (—)	238.06 (—)	— (—)
	Jairaj Developers — Unit 9	— (—)	25.40 (—)	— (—)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (CONTD.)

NOTE 34. RELATED PARTIES DISCLOSURES AS PER IND AS 24 (Contd.)

B. Transactions with Related Parties (Contd.)

Sr. No.	Nature of transaction	Associate companies	Joint Ventures	Key management personnel, their relatives and enterprises \$
xi.	Services received/availed			
	Gallant Infotech Private Limited	20.04 (—)	— (—)	— (—)
	Powersoft IT Private Limited [From October 1, 2019]	— (—)	— (—)	72.82 (—)
xii.	Sale of properties/rights/Material/services (Net of GST)			
	Falguni Shah	— (—)	— (—)	0.47 (—)
	Joyous Housing Limited	— (—)	200.00 (920.00)	— (—)
	Hubtown Solaris Maintenance Private Limited	— (—)	— (—)	— (428.97)
	Twenty Five South Realty Limited	— (—)	36.75 (—)	— (—)
	Powersoft IT Private Limited [From October 1, 2019]	— (—)	— (—)	4.14 (—)
	Vinca Developer Private Limited	1,060.00 (—)	— (—)	— (—)
	Sunstone Developers JV	— (—)	— (8,866.79)	— (—)
xiii.	Purchase of properties/rights/Material/services (Net of GST)			
	Brainpoint Infotech Private Limited	98.81 (72.19)	— (—)	— (—)
xiv.	On behalf payments made (Including reimbursement of expenses)			
	-Hubtown Bus Terminal (Mehsana) Private Limited	— (—)	31.36 (585.53)	— (—)
	Sunstream City Private Limited	— (—)	0.71 (113.76)	— (—)
	Vinca Developer Private Limited	0.02 (—)	— (—)	— (—)
	Giraffe Developers Private Limited	6.00 (278.99)	— (—)	— (—)
	Starzone Developers Private Limited	— (—)	— (—)	— (0.35)
	Buildbyte. Com. (India) Private Limited	— (—)	— (—)	— (0.51)
	Fern Infrastructure Private Limited	— (—)	— (—)	0.13 (—)
	Helictite Residency Private Limited	— (—)	— (—)	4.01 (—)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (CONTD.)

NOTE 34. RELATED PARTIES DISCLOSURES AS PER IND AS 24 (Contd.)

B. Transactions with Related Parties (Contd.)

Sr. No.	Nature of transaction	Associate companies	Joint Ventures	Key management personnel, their relatives and enterprises \$
	Amazia Developers Private Limited	17.93 (—)	— (—)	— (—)
	Citygold Management Services Private Limited	— (—)	— (—)	0.50 (—)
	Primeria Joint Venture	— (—)	0.02 (—)	— (—)
	Twenty Five South Realty Limited	— (—)	49.89 (—)	— (—)
	Hill View Venture	— (—)	8.75 (—)	— (—)
	Heet Builders Private Limited	— (—)	— (—)	7.16 (—)
xv.	On behalf payments received/adjusted			
	Hubtown Bus Terminal (Adajan) Private Limited	— (—)	11.44 (248.95)	— (—)
	Hubtown Bus Terminal (Mehsana) Private Limited	— (—)	1.23 (—)	— (—)
	Falguni Shah	— (—)	— (—)	184.10 (—)
	Starzone Developers Private Limited	— (—)	— (—)	— (7.55)
	Hemant M. Shah	— (—)	— (—)	49.86 (—)
	Khilen Shah	— (—)	— (—)	0.28 (—)
	Rushank Shah	— (—)	— (—)	16.21 (—)
	Lata M. Shah	— (—)	— (—)	6.50 (—)
	Citygold Management Services Private Limited	— (—)	— (—)	121.96 (—)
	Hubtown Solaris Maintenance Private Limited	— (—)	— (—)	2.34 (—)
	Mahipatray V. Shah (HUF)	— (—)	— (—)	31.56 (71.32)
xvi.	Advances/Other Debit balance written off			
	Primeria Joint Venture	— (—)	6.40 (—)	— (—)
	Shubhsiddhi Builders Private Limited	— (188.56)	— (—)	— (—)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (CONTD.)

NOTE 34. RELATED PARTIES DISCLOSURES AS PER IND AS 24 (Contd.)

B. Transactions with Related Parties (Contd.)

Sr. No.	Nature of transaction	Associate companies	Joint Ventures	Key management personnel, their relatives and enterprises \$
xvii(a).	Advance received against FSI			
	Khilen Shah	— (—)	— (—)	71.70 (100.00)
	Hill View Venture	— (—)	534.28 (2,682.86)	— (—)
	Sunstone Developers Joint Venture	— (—)	— (1,034.35)	— (—)
xvii (b).	Advance received against FSI repaid			
	Khilen Shah	— (—)	— (—)	— (693.94)
	Falguni Shah	— (—)	— (—)	6.24 (616.00)
	Kushal Shah	— (—)	— (—)	100.30 (522.00)
	Pratiti Shah	— (—)	— (—)	— (622.30)
	Rushank Shah	— (—)	— (—)	162.76 (459.55)
	Sunstone Developers Joint Venture	— (—)	5,954.68 (—)	— (—)
	Meha R. Shah	— (—)	— (—)	484.65 (—)
xviii.	Received against sale			
	Sunstone Developers Joint Venture	— (—)	3,222.96 (8,866.79)	— (—)
xix.	Share of profit from Partnerships/Joint Ventures			
	Akruti Jay Chandan JV	— (—)	11.40 (18.57)	— (—)
	Akruti Jay Developers	— (—)	116.02 (307.71)	— (—)
	Rising Glory Developers	— (—)	1.97 (0.55)	— (—)
	Sunstone Developers JV	— (—)	— (15.63)	— (—)
	Shreenath Realtors	— (—)	0.09 (—)	— (—)
	Akruti GM JV	— (—)	— (0.45)	— (—)
xx.	Share of loss from Partnerships/Joint Ventures			
	Akruti Kailash Constructions	— (—)	— (30.95)	— (—)
	Akruti GM JV	— (—)	442.10 (—)	— (—)
	Celeste JV	— (—)	14.23 (0.26)	— (—)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (CONTD.)

NOTE 34. RELATED PARTIES DISCLOSURES AS PER IND AS 24 (Contd.)

B. Transactions with Related Parties (Contd.)

Sr. No.	Nature of transaction	Associate companies	Joint Ventures	Key management personnel, their relatives and enterprises \$
xxi.	Corporate Guarantees vacated for loans availed by others			
	Hubtown Bus Terminal (Adajan) Private Limited	— (—)	1,511.62 (708.49)	— (—)
	Hubtown Bus Terminal (Mehsana) Private Limited	— (—)	416.20 (604.93)	— (—)
	Hubtown Bus Terminal (Vadodara) Private Limited	— (—)	481.41 (604.93)	— (—)
	Hubtown Bus Terminal (Ahmedabad) Private Limited	— (—)	356.15 (—)	— (—)
	Rare Townships Private Limited	— (—)	365.43 (3,397.91)	— (—)
xxii.	Corporate guarantees given for loans availed by others			
	Hubtown Bus Terminal (Ahmedabad) Private Limited	— (—)	— (1,263.07)	— (—)
	Sunstream City Private Limited	— (—)	63.41 (65.53)	— (—)
	Twenty Five South Realty Limited	— (—)	10,539.53 (12,041.25)	— (—)
xxiii.	Bank Guarantees vacated for loans availed by others			
	Hubtown Bus Terminal (Adajan) Private Limited	— (—)	— (263.45)	— (—)
	Hubtown Bus Terminal (Mehsana) Private Limited	— (—)	— (839.76)	— (—)
	Hubtown Bus Terminal (Vadodara) Private Limited	— (—)	— (332.13)	— (—)
	Shreenath Realtors	— (—)	— (10.00)	— (—)
xxiv.	Sundry Balances written back			
	Ichha Constructions Private Limited	— (—)	— (—)	1,492.46 (—)
xxv.	Redemption of Investments(Including Debentures)			
	Amazia Developers Private Limited	4,800 (—)	— (—)	— (—)
xxvi.	Profit on Redemption of Investments(Including Debentures)			
	Amazia Developers Private Limited	3,036.80 (—)	— (—)	— (—)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (CONTD.)

NOTE 34. RELATED PARTIES DISCLOSURES AS PER IND AS 24 (Contd.)

B. Transactions with Related Parties (Contd.)

	As at 31st March, 2020 (₹ in lakhs)	As at 31st March, 2019 (₹ in lakhs)
Balances outstanding		
xxvii. Payables		
Associate Companies		
Giraffe Developers Private Limited	—	4,691.84
Vinca Developer Private Limited	—	1,060.98
Brainpoint Infotech Private Limited	277.26	186.30
Joint Ventures		
Hill View Venture	3,910.44	3,432.65
Akruti Jay Developers	—	2,537.84
Akruti Jay Chandan Joint Venture	1,412.33	1,828.94
Akruti Kailash Constructions	—	1,575.28
Key management personnel, their relatives and enterprises \$		
Citygold Management Services Private Limited	—	234.93
Falguni Shah	—	267.26
Hemant Shah	6.38	64.71
Hemant Shah (HUF)	—	30.00
Vyomesh Shah	5.69	83.85
Kunjal Shah	—	1,687.19
Vishal Nirman Limited	48.34	45.34
Khilen Shah	100.15	28.30
Kushal Shah	—	100.30
Pratiti Shah	—	—
Meha Shah	137.65	622.30
Rushank shah	6.39	162.76
Mahipatray V. Shah HUF	—	71.32
Lata M. Shah	0.02	6.52
Dina Chetan Mody	—	0.97
Helik Advisory Limited	0.12	—
E Commerce Magnum Solution Limited	—	3,089.50
Sunil C Shah	28.96	25.51
Abhijit B Datta	8.09	8.85
Priti K Shah	22.30	20.20
Shailesh G Hingarh	6.12	6.46
Trans Gulf MEP Engineers Private Limited	0.11	—
Powersoft IT Private Limited [From October 1, 2019]	73.78	—
Footnotes:		
\$ Enterprises where Key Management personnel or their relatives exercise significant influence.		
* Including balances relating to transactions entered into when these were not related.		

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (CONTD.)

NOTE 34. RELATED PARTIES DISCLOSURES AS PER IND AS 24 (Contd.)

B. Transactions with Related Parties (Contd.)

	As at 31st March, 2020 (₹ in lakhs)	As at 31st March, 2019 (₹ in lakhs)
xxvii. Receivables*		
Associate Companies		
Whitebud Developers Limited	920.87	920.87
Vinca Developer Private Limited	0.02	—
Giraffe Developers Private Limited	13,484.37	—
Rubix Trading Private Limited	—	2,350.00
Hubtown Bus Terminal (Surat) Private Limited	—	0.45
Joint Ventures		
Hubtown Bus Terminal (Adajan) Private Limited	3,039.25	2,881.86
Hubtown Bus Terminal (Ahmedabad) Private Limited	2,301.88	260.40
Hubtown Bus Terminal (Vadodara) Private Limited	402.90	330.65
Hubtown Bus Terminal (Mehsana) Private Limited	884.28	736.91
Joyous Housing Limited	1,057.12	1,039.83
Sunstream City Private Limited	1,561.71	1,411.35
Twenty Five South Realty Limited	3,789.34	3,077.70
Rising Glory Developers	302.40	17,615.21
Akruti GM JV	1,795.30	2,243.40
Sunstone Developers JV	1,406.62	6,921.98
Rare Townships Private Limited	1,355.00	1,356.89
Key management personnel, their relatives and enterprises		
Adhivitiya Properties Limited	304.90	834.40
Buildbyte.Com (India) Private Limited	91.58	82.60
Citygold Management Services Private Limited	91.17	—
Fern Infrastructure Private Limited	36.38	2.76
Lista City Private Limited	39.76	40.41
Sunmist Builders Private Limited	—	52.28
Superaction Realty Private Limited	—	90.03
Trans Gulf MEP Engineers Private Limited	—	8.61
Starzone Developers Private Limited	238.20	237.85
Fourjone Realtors Private Limited	—	34.00
Distinctive Realty Private Limited	70.00	332.33
High Scale Trading Private Limited	—	375.00
Helictite Residency Private Limited	1.00	1.00
Hubtown Solaris Maintenance Private Limited	850.67	498.91
Celeste Joint Venture	—	18,409.71
Falguni Shah	1.77	—
E Commerce Magnum Solution Limited	106.52	146.30
Heet Builders Private Limited	6,424.02	—

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (CONTD.)

NOTE 34. RELATED PARTIES DISCLOSURES AS PER IND AS 24 (Contd.)

B. Transactions with Related Parties (Contd.)

Sr. No.	Nature of transaction	Associate companies	Joint Ventures	Key management personnel, their relatives and enterprises \$
xxviii.	Corporate guarantees given for loans availed by others (Amount outstanding there against)			
	Hubtown Bus Terminal (Adajan) Private Limited	— (—)	1,620.75 (3,132.36)	— (—)
	Hubtown Bus Terminal (Mehsana) Private Limited	— (—)	2,828.57 (3,244.77)	— (—)
	Hubtown Bus Terminal (Vadodara) Private Limited	— (—)	3,949.27 (4,430.68)	— (—)
	Hubtown Bus Terminal (Ahmedabad) Private Limited	— (—)	5,269.38 (5,625.53)	— (—)
	Sunstream City Private Limited	— (—)	4,370.39 (4,306.98)	— (—)
	Twenty Five South Realty Limited	— (—)	85,955.37 (75,415.84)	— (—)
	Rare Townships Private Limited	— (—)	2,555.66 (2,921.09)	— (—)
	Giraffe Developers Private Limited	5,113.53 (5,113.53)	— (—)	— (—)
xxix.	Personal Guarantee of Directors towards loans availed by the company			
	Banks			16,472.86 (15,673.26)
	Debenture Trustees			1,441.67 (208.60)
	Financial Institution			19,493.38 (19,540.54)
	Company			16,474.63 (16,916.78)
xxx.	Guarantees / Securities given by way of shares in the Company pledged against loans availed by the Company			2,785.27 (40,877.05)

Footnotes:

Previous year figures are given in brackets.

Related party relationships are as identified by the Company and relied upon by the auditors.

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (CONTD.)

NOTE 35.

The Consolidated financial statements present the consolidated accounts of the Parent Company with its Subsidiaries, Associates and Joint Ventures which incorporate Ackruti Safeguard Systems Private Limited (ASSPL), a subsidiary of the Company engaged in manufacturing activities whose commercial operations have commenced but do not meet the quantitative threshold of a reportable segment as per Ind AS 108. Further, the Group operates within a single geographical segment.

NOTE 36(A). FINANCIAL RISK MANAGEMENT OBJECTIVES

The Group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Group's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance.

1) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument which will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk. Major financial instruments affected by market risk include loans and borrowings.

a) Interest rate risk

Majority of the long-term borrowings of the Group bear fixed interest rate. Thus interest rate risk is limited for the Group.

b) Foreign currency risk

The Group has limited exposure to foreign exchange risk. The Group evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policies. Further, the Group is engaged in real estate business and only imports certain material against Letter of Credit for which hedging instruments are not required.

c) Equity price risk

The Group's equity securities are not majorly susceptible to market price risk. However, the Parent Company's board of directors reviews and approves all equity investment decisions after undertaking due diligence which may affect the market related risk.

2) Credit Risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The maximum exposure of the financial assets are contributed by trade receivables, cash and cash equivalents and receivable from group companies.

a) Receivables resulting from sale of properties: Customer credit risk is managed by requiring customers to pay advances before transfer of possession, thereby, substantially eliminating the Group's credit risk in this respect.

b) Receivables resulting from other than sale of properties: Credit risk related to such receivables is managed as per Group Company's established policies, procedures and control. Outstanding customer receivables are regularly monitored. The impairment analysis is performed at each reporting date on an individual basis for major receivables. The Parent Company does not hold collateral as security. The Group Companies credit period generally ranges from 30 to 90 days.

c) Credit risk on cash and cash equivalents is limited as the Group keeps its cash balance in Current Accounts / Fixed Deposit Accounts with the Banks which have high credit ratings.

3) Liquidity risk

The Group's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Group's net liquidity position through rolling forecasts on the basis of expected cash flows.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020 (CONTD.)

NOTE 36(B). DISCLOSURE OF DERIVATIVES

- a. No derivative instrument were outstanding at the end of the year.
- b. Uncovered risks in foreign currency transactions disclosed as at:

Particulars	31st March, 2020	31st March, 2019
Cash on Hand		
USD	2,750	2,982
INR	190,636	206,597
EURO	—	2,000
INR	—	155,477
UK POUND	25	925
INR	2,326	83,583
SG\$	—	165
INR	—	8,367
HKD	—	200
INR	—	1,765
AED	9,182	9,183
INR	187,680	173,222
KWD	—	1
INR	—	227
Trade Payables		
USD	—	4,725
INR	—	327,354
SG\$	26,675	26,675
INR	1,405,210	1,352,732
Advances to Suppliers		
USD	24,889	33,900
INR	1,869,238	2,493,149

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020 (CONTD.)

NOTE 37. CAPITAL MANAGEMENT

For the purpose of the Group's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Group. The Group strives to safeguard its ability to continue as a going concern so that they can maximise returns for the shareholders and benefits for other stake holders. The aim is to maintain an optimal capital structure and minimise cost of capital.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may issue new shares. Consistent with others in the industry, the Group monitors its capital using the gearing ratio which is total net debt (borrowings offset by cash and cash equivalents) divided by equity attributable to the parents of the Company.

Gearing Ratio

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the borrowings that define the capital structure requirements. Breaches in meeting the financial covenants would permit the lenders to immediately call loans and borrowings.

The gearing ratio at the reporting period was as follows

	(₹ in lakhs)	
	As at 31st March, 2020 (₹ in lakhs)	As at 31st March, 2019 (₹ in lakhs)
Secured Loans	55,129.28	73,543.51
Unsecured Loans	14,465.52	14,619.42
Interest accrued and due/and but not due	14,698.53	7,813.71
Unpaid matured debentures and interest accrued thereon	1,441.67	2,086.04
Overdue Term Loans	11,629.42	—
Overdue loan from company	3,088.62	—
Total Debt	100,453.03	98,062.67
Less: Cash and cash equivalents	2,897.85	3,271.73
Net Debt (A)	97,555.19	94,790.94
Equity Share Capital	7,273.59	7,273.59
Other Equity	145,949.50	152,951.44
Total Equity (B)	153,223.09	160,225.03
Debt Equity Ratio (A/B)	0.64	0.59

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020 (CONTD.)

NOTE 38: CATEGORIES OF FINANCIAL INSTRUMENTS

Fair Value measurement

(₹ in lakhs)

	31st March, 2020		31st March, 2019	
	FVPL / FVOCI	Amortised Cost	FVPL / FVOCI	Amortised Cost
Financial Assets				
Investments	88.77	161,765.79	100.94	161,751.87
Trade receivables	—	8,957.51	—	31,482.85
Cash and cash equivalents	—	2,897.85	—	3,271.73
Bank balances other than above	—	1,266.69	—	1,741.80
Loans	—	28,239.14	—	26,890.78
Other financial assets	—	44,074.78	—	66,242.24
Total	88.77	247,201.76	100.94	291,381.27
Financial Liabilities				
Borrowings	—	44,527.89	—	52,244.80
Trade payables	—	19,218.09	—	17,748.29
Other Financial liabilities	—	174,404.23	—	180,873.50
Total	—	238,150.21	—	250,866.60

i) Fair Value hierarchy

This section explains the judgements and estimates in determining the fair value of the financial instruments that are recognised and measured at fair value:

(₹ in lakhs)

Financial assets and liabilities measured at fair value — recurring fair value measurements	Level 1	Level 2	Level 3	Total
At 31st March 2020				
Financial Assets				
Financial Investments at FVPL	88.77	—	—	88.77
Total Financial Assets	88.77	—	—	88.77
Financial assets and liabilities measured at fair value — recurring fair value measurements	Level 1	Level 2	Level 3	Total
At 31st March 2019				
Financial Assets				
Financial Investments at FVPL	100.94	—	—	100.94
Total Financial Assets	100.94	—	—	100.94

Level 1

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2

Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3

If one or more of the significant inputs is not based on observable market data, the instruments is included in level 3.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020 (CONTD.)

NOTE 39. INTEREST IN OTHER ENTITIES

39.1 SUBSIDIARIES

The Group's subsidiaries as at 31st March 2020 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation is also their principal place of business.

Name of the Entity	Country of Incorporation	Voting rights held by the Group		Voting rights held by the Non controlling interest		Principal Activities
		31st March, 2020	31st March, 2019	31st March, 2020	31st March, 2019	
Name of the Subsidiaries:						
Ackruti Safeguard Systems Private Limited	India	72.43%	72.43%	27.57%	27.57%	Security Plates
Citygold Education Research Limited (CERL)	India	100.00%	100.00%	—	—	Education Research
Citygold Farming Private Limited (Amalgamated with CERL)	India	—	100.00%	—	—	Infrastructure Facilities
Citywood Builders Private Limited	India	100.00%	100.00%	—	—	Real Estate Development
Devkrupa Build Tech Limited (Amalgamated with CERL)	India	—	100.00%	—	—	Real Estate Development
Diviniti Projects Private Limited	India	100.00%	100.00%	—	—	Real Estate Development
Gujarat Akruti — TCG Biotech Limited	India	74.00%	74.00%	26.00%	26.00%	Infrastructure Facilities
Halitious Developer Limited (Amalgamated with CERL)	India	—	100.00%	—	—	Real Estate Development
Headland Farming Private Limited (Amalgamated with CERL)	India	—	100.00%	—	—	Real Estate Development
Heddle Knowledge Private Limited (Amalgamated with CERL)	India	—	100.00%	—	—	Real Estate Development
Joyneest Premises Private Limited	India	74.00%	74.00%	26.00%	26.00%	Real Estate Development
Upvan Lake Resorts Private Limited (Amalgamated with CERL)	India	—	75.00%	—	25.00%	Real Estate Development
Urvi Build Tech Limited (Amalgamated with CERL)	India	—	100.00%	—	—	Real Estate Development
Vama Housing Limited	India	100.00%	100.00%	—	—	Real Estate Development
Vega Developers Private Limited	India	100.00%	100.00%	—	—	Real Estate Development
Vishal Techno Commerce Limited	India	100.00%	100.00%	—	—	Real Estate Development
Yantti Buildcon Private Limited	India	100.00%	100.00%	—	—	Real Estate Development
Sanas Developers Private Limited (from February 19, 2019)	India	51.00%	51.00%	49.00%	49.00%	Real Estate Development

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020 (CONTD.)

39.2 NON CONTROLLING INTEREST (NCI)

The following table summarises the information relating to each of the subsidiaries that has NCI. The amounts disclosed for each subsidiary are before intra group eliminations,

(₹ in lakhs)

Particulars	Ackruti Safeguard Systems Private Limited		Gujarat Akruti —TCG Biotech Limited		Sanas Developers Private Limited	
	31st March, 2020	31st March, 2019	31st March, 2020	31st March, 2019	31st March, 2020	31st March, 2019
Non-Current Assets	422.27	318.88	3,251.29	3,006.18	8.48	11.26
Current Assets	317.00	371.59	1.64	1.82	2,627.30	232.99
Non-Current Liabilities	15.63	15.63	1,668.55	1,847.69	2,588.37	1.75
Current Liabilities	1,732.26	1,765.38	349.81	369.90	75.32	255.11
Net Assets	(1,008.62)	(1,090.54)	1,234.57	790.41	(27.91)	(12.61)
Net Assets attributable to NCI	(278.08)	(300.66)	320.99	205.51	(13.68)	(6.18)
Revenue	86.65	212.51	32.99	1.94	0.24	—
Profit/(Loss) For the Year	(7.67)	60.71	435.26	(85.90)	(28.77)	—
Other Comprehensive Income	—	—	—	—	—	—
Total Comprehensive Income	(7.67)	60.71	435.26	(85.90)	(28.77)	—
Profit/(Loss) allocated to NCI	(2.11)	16.74	113.17	(22.33)	(14.10)	—
Dividend paid to NCI	—	—	—	—	—	—
OCI allocated to NCI	—	—	—	—	—	—
Total Comprehensive Income allocated to NCI	(2.11)	16.74	113.17	(22.33)	(14.10)	—
Cash Flow From Operating Activities	5.45	(14.42)	28.34	(0.25)	(2,534.34)	—
Cash Flow From Investing Activities	(13.99)	25.45	(5.53)	—	(5.77)	—
Cash Flow From Financing Activities	—	(0.18)	—	(0.53)	2,562.92	—
Net increase/(decrease) in cash and cash equivalents	(8.54)	10.85	22.80	(0.78)	22.80	—

Particulars	Joynest Premises Private Limited	
	31st March, 2020	31st March, 2019
Non-Current Assets	505.02	399.56
Current Assets	30,110.70	27,610.22
Non-Current Liabilities	4,200.06	4,139.54
Current Liabilities	17,790.90	14,920.39
Net Assets	8,624.76	8,949.85
Net Assets Attributable to NCI	2,242.44	2,326.96
Revenue	438.13	183.99
Profit/(Loss) For the Year	(324.96)	(160.83)
Other Comprehensive Income	(0.13)	(0.13)
Total Comprehensive Income	(325.09)	(160.96)
Profit/(Loss) allocated to NCI	(84.52)	(41.85)
Dividend paid to NCI	—	—
OCI allocated to NCI	—	—
Total Comprehensive Income allocated to NCI	(84.52)	(41.85)
Cash Flow From Operating Activities	(129.47)	722.87
Cash Flow From Investing Activities	41.71	(490.32)
Cash Flow From Financing Activities	8.79	(97.87)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (CONTD.)

9.3 INTEREST IN ASSOCIATES AND JOINT VENTURES

(₹ in lakhs)

	Note	Carrying amount as at	
		31st March, 2020	31st March, 2019
Interest in associates	See (A) below	5,388.92	5,415.41
Interest in joint ventures and partnership firms	See (B) below	45,728.27	47,400.39
		51,117.18	52,815.80

(A) Interest in associates

The Group's associates as at 31 March 2020 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation is also their principal place of business. (₹ in lakhs)

Name of the entity	Country of incorporation	Voting rights (%)	Carrying amount as at *		Principal Activities
			31st March, 2020	31st March, 2019	
Shubhsiddhi Builders Private Limited	India	50.00%	—	—	Real Estate Development
Vinca Developer Private Limited	India	49.00%	—	—	Real Estate Development
Whitebud Developers Limited	India	50.00%	—	—	Real Estate Development
Giraffe Developers Private Limited	India	49.00%	5,388.92	5,415.41	Real Estate Development
			5,388.92	5,415.41	
* Unlisted entity — no quoted price available					

(B) Interest in joint ventures

The Group's joint ventures as at 31 March 2020 are set out below. Joint Venture in the nature of companies have share capital consisting solely of equity shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. Capital contribution in Joint venture in the nature of Partnership firms or AOP are disclosed in carrying amount. The country of incorporation is also their principal place of business. (₹ in lakhs)

Name of the entity	Country of incorporation	Voting rights (%)	Carrying amount as at *		Principal Activities
			31st March, 2020	31st March, 2019	
Twenty Five South Realty Limited	India	61.27%	28,375.29	28,918.08	Real Estate Development
Hubtown Bus Terminal (Adajan) Private Limited #	India	45.00%	32.39	612.25	Real Estate Development
Hubtown Bus Terminal (Ahmedabad) Private Limited #	India	45.00%	4,037.68	3,966.46	Real Estate Development
Hubtown Bus Terminal (Mehsana) Private Limited #	India	45.00%	764.32	1,031.34	Real Estate Development
Hubtown Bus Terminal (Vadodara) Private Limited #	India	45.00%	155.48	154.17	Real Estate Development
Joyous Housing Limited	India	25.00%	—	—	Real Estate Development
Rare Townships Private Limited #	India	40.00%	11,652.83	11,731.31	Real Estate Development
Sunstream City Private Limited	India	43.00%	—	—	Real Estate Development
Joint Venture in the nature of Partnership Firm / AOP		Ownership interest (%)			
Akruti GM JV	India	77.00%	700.00	700.00	Real Estate Development
Akruti Jay Chandan JV	India	50.00%	282.40	282.40	Real Estate Development
Akruti Jay Developers	India	66.66%	—	2,467.50	Real Estate Development
Akruti Kailash Constructions	India	90.00%	—	0.50	Real Estate Development
Akruti Steelfab Corporation	India	55.00%	—	—	Real Estate Development
Shreenath Realtors	India	92.50%	—	—	Real Estate Development
			46,000.40	49,864.01	

(#) Includes carrying amount in shares with differential voting rights

* Unlisted entity — no quoted price available

Refer Note 39.4 for the table below provide summarised financial information for material joint ventures. The information disclosed reflects the amount presented in the financial statements of the relevant Joint Ventures and not Group's share of those amounts. They have been amended to reflect adjustments made by the Group when using the equity method, including modifications for difference in accounting policies, if any.

Though the Group's investment in some of the entities above exceed 50% of the total share capital / total capital contribution, these entities have been classified as joint ventures. The management has assessed whether or not the Group has control over these entities based on whether the Group has practical ability to direct relevant activities unilaterally. In these cases, based on specific shareholders agreement / Partnership deed, the management concluded that the Group does not have practical ability to direct the relevant activities unilaterally but has such ability along with other shareholders / partners.

During the year ended 31st March, 2020 and 31st March, 2019, the Group did not receive dividends from any of its joint ventures.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2020 (CONTD.)

39.4 SUMMARISED BALANCE SHEET FOR MATERIAL JOINT VENTURES:

(₹ in lakhs)

	Twenty Five South Realty Limited		Joyous Housing Limited		Rare Townships Private Limited		Sunstream City Private Limited	
	31st March, 2020	31st March, 2019	31st March, 2020	31st March, 2019	31st March, 2020	31st March, 2019	31st March, 2020	31st March, 2019
Cash and cash equivalents	886.33	647.50	42.27	1,316.17	32.38	105.91	15.27	970.67
Other Assets	202,262.93	167,817.40	101,780.64	83,749.07	60,394.50	62,241.00	103,194.32	102,741.43
Total Current Assets	203,149.26	168,464.89	101,822.92	85,065.23	60,426.88	62,346.91	103,209.59	103,712.10
Non - Current Assets	1,968.34	2,175.25	2,386.92	6,260.84	254.68	455.91	56.26	66.00
Current Financial Liabilities (excluding trade payables)	54,178.11	27,473.10	13,470.56	6,966.10	7,318.44	6,396.10	1,720.84	6,248.37
Other Liabilities	55,862.86	40,313.46	1,375.50	1,510.64	37,811.27	37,432.86	532.95	584.52
Total Current Liabilities	110,040.97	67,786.56	14,846.06	8,476.75	45,129.71	43,828.95	2,253.79	6,832.89
Non - Current Financial Liabilities (excluding trade payables)	79,422.76	86,325.26	84,195.35	77,451.02	34.69	830.93	101,548.53	97,466.87
Other Liabilities	23.94	12.83	1,305.00	1,685.33	5.77	5.61	—	—
Total Non - Current Liabilities	79,446.70	86,338.09	85,500.35	79,136.35	40.46	836.54	101,548.53	97,466.87
Net Assets	15,629.93	16,515.49	3,863.43	3,712.97	15,511.39	18,137.33	(536.47)	(521.66)
Group Share of Net Assets	9,576.46	10,119.04	965.86	928.24	6,204.56	7,254.93	(230.68)	(224.31)
Reconciliation of carrying amounts of material Joint Ventures:								
Group share of net assets	9,576.46	10,119.04	965.86	928.24	6,204.56	7,254.93	(230.68)	(224.31)
Goodwill	18,798.84	18,799.04	—	—	5,448.26	4,476.36	—	—
Other Adjustments	—	—	(965.86)	(928.24)	—	—	230.68	224.31
Carrying amount	28,375.29	28,918.08	—	—	11,652.82	11,731.30	—	—
Summarised Statement of Profit and Loss of material Joint Ventures:								
	31st March, 2020	31st March, 2019	31st March, 2020	31st March, 2019	31st March, 2020	31st March, 2019	31st March, 2020	31st March, 2019
Revenue	614.34	1,423.25	—	—	16.15	59.33	4.03	29.70
Interest Income	14.95	10.38	244.43	305.07	14.86	32.43	1.59	1.45
Interest Expense	22149.38	24408.54	12154.34	10494.80	493.34	1105.91	412.84	282.20
Depreciation & Amortisation	396.35	335.08	1.54	2.90	157.43	261.34	9.72	9.72
Income tax expense/ income	(49.39)	299.28	100.71	175.93	—	—	—	—
Profit/Loss from Continuing Operations	(885.23)	(580.13)	152.61	122.77	(200.45)	(313.64)	(1.37)	(5.43)
Post - Tax Profit/ Loss from Discontinued Operations	—	—	—	—	—	—	—	—
Other Comprehensive Income	(0.33)	2.45	(2.51)	0.53	4.26	7.89	—	—
Total Comprehensive Income	(885.56)	(577.68)	150.45	123.30	(196.19)	(305.75)	(1.37)	(5.43)

Carrying amount of investments in Joint Ventures:

(₹ in lakhs)

	As at	
	31st March, 2020	31st March, 2019
Non-material Joint Ventures	5,972.29	9,214.64
Material Joint Ventures	40,028.11	40,649.37
Total	46,000.40	49,864.01
Share in Total Comprehensive Income (net):		
Non-material Joint Ventures	(774.35)	(161.40)
Material Joint Ventures	(621.06)	(476.24)
Total	(1395.41)	(637.64)
Contingent Liability in respect of Joint Ventures		
Share of contingent liabilities incurred jointly with other investors of the Joint ventures	9,314.08	4,949.63
Share of Other Commitments	12,996.00	12,996.00

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (CONTD.)

NOTE 40.

- a. Following subsidiaries of the Parent Company (transferor companies) were amalgamated with a fellow subsidiary company (Citygold Education Research Limited) vide Order of the National Company Law Tribunal (NCLT) dated 12th September, 2019. The appointed date as per the Scheme of Amalgamation was 01st April, 2018. The scheme along with all approvals, (including final NCLT approval) were filled with the Registrar of Companies (ROC) on 30th September, 2019.

Sr. no.	Name of Transferor Company	Nature of Business
1	Heddle Knowledge Private Limited	To maintain own, administer, promote, control, and subsidies educational institutions for study and research, centers of learning, reading rooms, hostels, boarding houses and other institutions for basic education, adult literacy, advanced studies.
2	Citygold Farming Private Limited	To acquire by purchases, lease or otherwise, agriculture land for farming, to establish and run farms, to carry on business of agriculture, horticulture, sericulture, apiculture, floriculture, dairy farming and all kinds of vegetable produce.
3	Headland Farming Private Limited	To acquire by purchases, lease or otherwise, agriculture land for farming, to establish and run farms, to carry on business of agriculture, horticulture, sericulture, apiculture, floriculture, dairy farming, animal husbandry and all kinds of vegetable produce.
4	Urvi Build Tech Limited	To construct, build, alter, acquire, convert, improve, design, erect, establish equip, develop projects in India or elsewhere, either alone or jointly with one or more persons, government, local or other bodies.
5	Devkrupa Build Tech Limited	To construct, build, alter, acquire, convert, improve, design, erect, establish equip, develop projects in India or elsewhere, either alone or jointly with one or more persons, government, local or other bodies.
6	Halitious Developer Limited	To deal, develop, purchase, take on lease or exchange, hire or in any other lawful manner land or other immovable properties, buildings, structures, real estates, hereditaments, redevelopment rights, easement.
7	Upvan Lake Resorts Private Limited	Designing, construction, consultancy, maintenance, conducting of hotels, motels, restaurants, cafes, taverns, lodging, spa and hospitality services, refreshment rooms, clubs, recreations, boarding and catering for public/private amusements.

- b. As per Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 the business combination of entity under common control, the merger has been accounted using the 'Pooling of Interest' method. Accordingly, all the assets, liabilities and reserves of respective transferor companies were recorded at their carrying amounts as at the appointed date.

On the Scheme becoming effective, the Transferee Company had consolidated line by line the assets, liabilities and components of other equity of each of the Transferor companies after eliminating the inter-company transactions and balances between the transferor companies and the Transferee Company and adjustments with respect to alignment of accounting policies and practices, if any were given effect through retained earnings.

The net identifiable assets acquired on account of amalgamation (after eliminating the inter company balances) are stated below.

Particulars	As at appointed Date
Total Assets	1,463,949,795
(-) Total Liabilities	1,646,406,655
Net Assets	(182,456,860)

- c. As per the Scheme of Amalgamation, further equity shares of Face value of ₹ 10 each and 10% Non-cumulative redeemable preference shares of ₹ 10 each were issued to shareholders of transferor companies as consideration towards merger in following manner.

Sr. No.	Equity and Preference Shareholders of Transferor Company	Equity Shares Issued	Preference shares Issued	% of Equity Shares Exchanged
1	Headland Farming Private Limited	13,452	—	100%
2	Halitious Developer Limited	3,030	—	100%
3	Citygold Farming Private Limited	—	13	100%
4	Heddle Knowledge Private Limited	—	1	100%
5	Urvi Build Tech Limited	—	1	100%
6	Devkrupa Build Tech Limited	—	1	100%
7	Upvan Lake Resorts Private Limited	—	12	100%
	Total Shares	16,482	28	

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 (CONTD.)

NOTE 41.

In the opinion of the Board of Directors of the Company, all items of Current Assets, Current Liabilities and Loans and Advances continue to have a realizable value of at least the amounts at which they are stated in the Balance Sheet.

NOTE 42.

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

NOTE 43.

The COVID-19 Pandemic has spread throughout the world. The operations of the Company were impacted, due to shutdown of all sites and offices following nationwide lockdown by the Government of India. The Company has resumed operations in a phased manner as per directives from the Government of India. The Company has evaluated the impact of this pandemic on its business operations and financial position and based on its review of current indicators of future economic conditions, there is no significant impact on its financial statements as at 31st March 2020. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration and accordingly the impact may be different from that estimated as at the date of approval of these financial statements. The Company will continue to monitor any material changes to future economic conditions.

NOTE 44.

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

The accompanying notes are an integral part of the financial statements

The accompanying notes are an integral part of the financial statements

As per our report of even date

For **M H DALAL AND ASSOCIATES**

Firm Registration No. 112449W

CHARTERED ACCOUNTANTS

DEVANG DALAL

PARTNER

Membership No. 109049

Mumbai

July 30, 2020

For and on behalf of the Board of Directors

HEMANT M. SHAH

EXECUTIVE CHAIRMAN

VYOMESH M. SHAH

MANAGING DIRECTOR

SADANAND LAD

COMPANY SECRETARY

SUNIL MAGO

CHIEF FINANCIAL OFFICER

Mumbai

July 30, 2020

Mumbai

July 30, 2020

FORM NO. – AOC - 1

(Pursuant to first proviso to sub-section (3) of Section 129 of the Companies Act, 2013 read with Rule (5) of the Companies (Accounts) Rules , 2014)

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES / ASSOCIATES COMPANIES / JOINT VENTURES

PART 'A' – SUBSIDIARIES

(₹ in lakh)

	Name of Subsidiaries →	Akruti Safeguard Systems Private Limited	Citygold Education Research Limited	Citywood Builders Private Limited	Diviniti Projects Private Limited	Gujarat Akruti-TCG Biotech Limited	Joynest Premises Private Limited	Sanas Developers Private Limited	Vama Housing Limited	Vega Developers Private Limited	Vishal Techno Commerce Limited	Yantti Buildcon Private Limited
Serial No.	PARTICULARS	\$		\$		\$	\$			\$		\$
1	The date since when subsidiary was acquired	09.04.2007	01.04.2009	29.11.2014	31.03.2001	11.01.2008	15.02.2013	19.02.2019	31.03.2002	10.07.2010	30.06.2006	20.01.2010
2	Reporting period of the subsidiary concerned, if different from the holding company's reporting period	31.03.2020	31.03.2020	31.03.2020	31.03.2020	31.03.2020	31.03.2020	31.03.2020	31.03.2020	31.03.2020	31.03.2020	31.03.2020
3	Reporting currency	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR	INR
4	Share Capital	26.76	232.15	1.00	5.00	1620.27	10471.95	1.00	5.00	300	5.00	5.00
5	Reserves and Surplus	(1124.96)	(1736.48)	(2366.56)	501.18	(394.60)	(1839.39)	(28.91)	(276.70)	(13.98)	1942.54	(32.39)
6	Total Assets (including investments)	649.69	11764.74	14365.71	512.67	3244.04	30623.52	2635.78	130.16	1331.71	18550.13	5808.66
7	Total Liabilities	1747.89	13269.07	16731.28	6.50	2018.36	21990.96	2663.69	401.86	1045.68	16602.59	5836.05
8	Investments	55.41	0.84	—	—	—	24346.05	—	—	—	0.09	—
9	Turnover / Total Income	86.65	2793.16	383.63	2.36	32.99	438.13	0.24	0.30	0.07	—	38.89
10	Profit / (Loss) before Taxation	(7.67)	869.17	(200.62)	0.98	23.95	(317.16)	(29.27)	(5.16)	(1.04)	(5.13)	(38.54)
11	Provision for Taxation (Add) / Less	—	47.17	—	(0.52)	(411.31)	—	0.50	—	—	—	—
12	Profit / (Loss) after Taxation	(7.67)	822	(200.62)	1.50	435.26	(317.76)	(28.77)	(5.16)	(1.04)	(5.13)	(38.54)
13	Proposed Dividend	—	—	—	—	—	—	—	—	—	—	—
14	% of shareholding #	88.27%	*2.86%	100%	100%	74%	62.07%	51%	100%	100%	100%	100%

* - subsidiary under Section 2 (87) (i) of the Companies Act, 2013.

\$ - based on management accounts for F. Y. 2019-2020. ;

- total share capital = equity share capital + convertible preference share capital.

FORM NO. – AOC - 1

(Pursuant to first proviso to sub-section (3) of Section 129 of the Companies Act, 2013 read with Rule (5) of the Companies (Accounts) Rules , 2014)

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES / ASSOCIATES COMPANIES / JOINT VENTURES

PART 'A' – SUBSIDIARIES

(₹ in lakh)

	Name of Subsidiaries →	ABP Realty Advisors Private Limited	India Development and Construction Venture Capital Private Limited
Serial No.	PARTICULARS	Under process of strike off Refer note (iii)	Under process of strike off Refer note (iii)
1	The date since when subsidiary was acquired	01.04.2009	01.04.2009
2	Reporting period of the subsidiary concerned, if different from the holding company's reporting period	—	—
3	Reporting currency	—	—
4	Share Capital	—	—
5	Reserves and Surplus	—	—
6	Total Assets (including investments)	—	—
7	Total Liabilities	—	—
8	Investments	—	—
9	Turnover / Total Income	—	—
10	Profit / (Loss) before Taxation	—	—
11	Provision for Taxation (Add) / Less	—	—
12	Profit / (Loss) after Taxation	—	—
13	Proposed Dividend	—	—
14	% of shareholding #	100%	100%

NOTES :

- Names of Subsidiaries which are yet to commence operations : Nil
- Names of Subsidiaries which have been liquidated or sold during the year : Nil.
- Applications have been made to the Registrar of Companies, Maharashtra (ROC) for striking off the names of two wholly owned subsidiaries namely : (i) ABP Realty Advisors Private Limited; and (ii) India Development and Venture Capital Private Limited from the Register of Companies maintained by the Registrar of Companies under Section 248 (2) of the Companies Act, 2013. The applications have not been disposed off as yet by the ROC.
- The following subsidiaries namely: (i) Citygold Farming Private Limited; (ii) Devkrupa Build Tech Limited; (iii) Halitious Developer Limited; (iv) Headland Farming Private Limited; (v) Heddle Knowledge Private Limited; (vi) Upvan Lake Resorts Private Limited; and (vii) Urvi Build Tech Limited have been amalgamated with another subsidiary namely Citygold Education Research Limited with effect from September 12, 2019.

FORM NO. – AOC - 1

(Pursuant to first proviso to sub-section (3) of Section 129 of the Companies Act, 2013 read with Rule (5) of the Companies (Accounts) Rules , 2014)

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES / ASSOCIATES COMPANIES / JOINT VENTURES

PART 'B' – ASSOCIATES AND JOINT VENTURES

(₹ in lakh)

	Name of Associates / Joint Ventures →	Giraffe Developers Private Limited	Subhsiddhi Builders Private Limited	Vinca Developer Private Limited	Whitebud Developer Private Limited	Hubtown Bus Terminal (Adajan) Private Limited	Hubtown Bus Terminal (Ahmedabad) Private Limited	Hubtown Bus Terminal (Mehsana) Private Limited	Hubtown Bus Terminal (Vadodara) Private Limited	Joyous Housing Limited	Rare Townships Private Limited
Serial No. ↓	PARTICULARS	\$		\$		\$			\$	\$	\$
1	Latest Audited Balance Sheet Date	31.03.2020	31.03.2020	31.03.2020	31.03.2020	31.03.2020	31.03.2020	31.03.2020	31.03.2020	31.03.2020	31.03.2020
2	Date on which the Associate or Joint Venture was associated or acquired	31.03.2018	29.11.2014	23.11.2009	20.08.1999	18.03.2009	17.05.2010	18.03.2009	18.03.2009	30.04.2004	27.03.2006
3	Share of associate / joint venture held by the Company at the year end										
	• Nos.	7353	5000	6095	25000	165463	25000	150000	165275	25000	3262270
	• Amount of Investment in Associates / Joint Venture	5004.79	0.50	0.61	2.50	1062.49	2133	634	597.29	25	7445.84
	• Extent of Holding %	7.21%	50%	0.05%	50%	47.28%	46.30%	42.86%	47.22%	25%	35.10%
4	Description of how there is significant influence *	See note (1) below									
5	Reason why the associate / joint venture is not consolidated	—	—	—	—	—	—	—	—	—	—
6	Networth attributable to shareholding as per latest audited balance sheet	1622.98	(35.51)	(5.07)	(30.67)	30.77	5124.80	639.15	307.33	965.86	5444.50
7	Profit / (Loss) for the year	(64.16)	(0.47)	(8946.15)	(0.64)	(1288.99)	157.32	(593.06)	2.72	152.61	(200.45)
	Considered in consolidation	(31.44)	—	—	—	(580.04)	70.79	(266.88)	1.23	—	(80.18)
	Not considered in consolidation	(32.72)	(0.47)	(8946.15)	(0.64)	(708.94)	86.53	(326.18)	1.50	152.61	(120.27)

\$ based on management accounts for F. Y. 2019-2020.

Note :

- * Significant Influence arises owing to direct / indirect ownership of 20 % or more of the share capital or voting power, as the case may be, by the reporting enterprise – Hubtown Limited.
- Names of associates or joint ventures which are yet to commence operations : Nil
- Names of associates or joint ventures which have been liquidated or sold during the year : Nil.

FORM NO. – AOC - 1

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule (5) of the Companies (Accounts) Rules , 2014)

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES / ASSOCIATES COMPANIES / JOINT VENTURES

PART 'B' – ASSOCIATES AND JOINT VENTURES

(₹ in lakh)

	Name of Associates / Joint Ventures →	Sunstream City Private Limited	Twenty Five South Realty Limited
Serial No. ↓	PARTICULARS	\$	\$
1	Latest Audited Balance Sheet Date	31.03.2020	31.03.2020
2	Date on which the Associate or Joint Venture was associated or acquired	20.05.2010	23.06.2015
3	Share of associate / joint venture held by the Company at the year end		
	• Nos.	122000	22859
	• Amount of Investment in Associates / Joint Venture	12.20	29208.14
	• Extent of Holding %	40.67%	47.49%
4	Description of how there is significant influence *	See note (1) below	
5	Reason why the associate / joint venture is not consolidated	—	—
6	Networth attributable to shareholding as per latest audited balance sheet	(218.18)	7422.65
7	Profit / (Loss) for the year	(1.37)	(885.23)
	Considered in consolidation	—	(542.58)
	Not considered in consolidation	(1.37)	(342.65)

\$ based on management accounts for F. Y. 2019-2020.

1. * Significant Influence arises owing to direct / indirect ownership of 20 % or more of the share capital or voting power, as the case may be, by the reporting enterprise – Hubtown Limited.

For and on behalf of the Board of Directors

HEMANT M. SHAH
EXECUTIVE CHAIRMAN

VYOMESH M. SHAH
MANAGING DIRECTOR

SADANAND LAD
COMPANY SECRETARY

SUNIL MAGO
CHIEF FINANCIAL OFFICER

Mumbai
July 30, 2020

Mumbai
July 30, 2020



[CIN : L45200MH1989PLC050688]

Registered Office : 'HUBTOWN SEASONS', CTS NO. 469-A, OPP. JAIN TEMPLE, R. K. CHEMBURKAR MARG, CHEMBUR (EAST), MUMBAI 400071
Phone: + 91 22 25265000; Fax: + 91 22 25265099; E-mail : investorcell@hubtown.co.in; Website : www.hubtown.co.in

E - COMMUNICATION REGISTRATION FORM

Dear Shareholder(s),

We draw your attention to the provisions of Sections 101 and 136 of the Companies Act, 2013 read with the relevant Rules thereunder, whereby companies can serve Annual Reports and other communications through electronic mode to those shareholders who have registered their e-mail address with the Company's Registrar and Transfer Agent or with their Depository.

As a part of Green Initiative in Corporate Governance, we invite all our esteemed shareholders to fill up the form given below for receiving communication from the Company in electronic mode. You can also download the appended registration form from the website of the Company : www.hubtown.co.in.

Please note that as a member of the Company, you will be entitled to receive all such communication in physical form, upon request.

With kind regards,

Madhavi Degaonkar
Authorised Signatory

Name of the Shareholder (s) (In Block Letters) including Joint holders, if any	

Folio No.	
DP ID No.	
Client ID No.	

I, shareholder of Hubtown Limited hereby agree to receive documents / notices from the Company in electronic mode and my e-mail address for receiving such communication is given below. Kindly register the said e-mail ID in your records for sending communication in electronic form.

E- mail - Id	
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Signature of the First Shareholder	
---	--

Date : _____, 2020

Important Notes :

- Members holding shares in demat form are requested to address and send the E-communication registration form to their respective depository participants (DP). Members are requested to keep the DP/RTA informed as and when there is any change in the e-mail address.
- The above e-mail address will be registered, subject to verification of your signature with the specimen signature registered with the Company.
- On registration, all communication will be sent to the e-mail id registered in the Folio No./DP ID and Client ID.

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HUBTOWN LIMITED

Regd Office: Hubtown Seasons, CTS NO. 469-A, Opp. Jain Temple

R. K. Chemburkar Marg, Chembur (East), Mumbai - 400071

www.hubtown.co.in.