



HB ESTATE DEVELOPERS LTD.

Regd. Office : Plot No. 31, Echelon Institutional Area, Sector - 32, Gurugram - 122001 (Haryana)
Ph.: 0124-4675500, Fax: 0124-4370985, E-mail: corporate@hbestate.com
Website : www.hbestate.com, CIN : L99999HR1994PLC034146

September 5, 2020

Listing Centre

The Listing Department
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort
Mumbai – 400001

Company Code: 532334

Sub: Submission of Annual Report 2019-20 and Notice of AGM

Dear Sir / Madam,

Please find enclosed herewith copy of Annual Report 2019-20 along with the Notice of 26th AGM in due compliance with Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Annual Report along with the Notice of the AGM has also been uploaded on the Company's website, www.hbestate.com

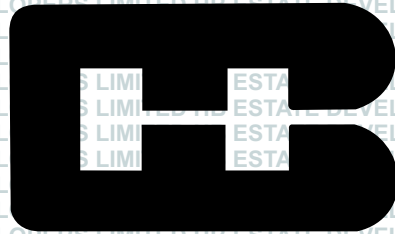
You are requested to take the above information on record.

Thanking you,
Yours Faithfully,
For HB Estate Developers Limited

Radhika
RADHIKA KHURANA
(Company Secretary & Compliance Officer)

Encl: As above

26th Annual Report 2019 - 20



HB ESTATE DEVELOPERS LIMITED



Company's Hotel Project- **"TAJ CITY CENTRE - GURUGRAM"** located at Plot No. 1, Sector 44, Gurugram, Haryana



BOARD OF DIRECTORS

Mr. Lalit Bhasin	Chairman
Mrs. Asha Mehra	Director
Mr. Anil Goyal	Director
Mr. Jag Mohan Lal Surl	Director
Mr. Rajesh Jain	Director
Mr. Sunil Malik	Director

COMPANY SECRETARY

Mrs. Radhika Khurana

CHIEF FINANCIAL OFFICER (CFO)

Mr. Praveen Gupta

MANAGER

Mrs. Banmala Jha

STATUTORY AUDITORS

G. C. Aggarwal & Associates

Chartered Accountants

240, Ghalib Apartments

Parwana Road, Pitampura,

Delhi - 110 034

REGISTERED OFFICE

Plot No. 31, Echelon Institutional Area,
Sector-32, Gurugram - 122 001, Haryana

Ph : 0124-4675500, Fax : 0124-4370985

Email : corporate@hbestate.com

CIN: L99999HR1994PLC034146

WEBSITE

www.hbestate.com

REGISTRAR & SHARE TRANSFER AGENT

RCMC Share Registry Pvt. Ltd.

CIN: U67120DL1950PTC601854

B-25/1, First Floor

Okhla Industrial Area Phase-II

New Delhi - 110020

Ph : 011-26387320, 26387321

Fax : 011-26387322

E-mail: investor.services@rcmcdelhi.com

Website: www.rcmcdelhi.com

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NOTICE

NOTICE IS HEREBY GIVEN THAT THE 26TH ANNUAL GENERAL MEETING OF HB ESTATE DEVELOPERS LIMITED WILL BE HELD ON WEDNESDAY, 30TH SEPTEMBER, 2020, AT 11.00 A.M. THROUGH VIDEO CONFERENCING ("VC") / OTHER AUDIO VISUAL MEANS ("OAVM") TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

- ADOPTION OF AUDITED FINANCIAL STATEMENTS INCLUDING CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020 TOGETHER WITH THE REPORTS OF THE DIRECTORS' AND AUDITORS' THEREON.**

To consider and, if thought fit, to pass, the following Resolution as an Ordinary Resolution:

"RESOLVED THAT the Audited Financial Statements including Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2020, including the Audited Balance Sheet as at 31st March, 2020, the Statement of Profit & Loss, Cash Flow Statement for the year ended on that date together with the Reports of the Board of Directors and Auditors thereon be and are hereby approved and adopted."

- RE-APPOINTMENT OF MR. JAG MOHAN LAL SURI (DIN: 00002373), DIRECTOR WHO RETIRES BY ROTATION AND BEING ELIGIBLE OFFERS HIMSELF FOR RE-APPOINTMENT.**

To consider and, if thought fit, to pass, the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to Section 152(6) and other applicable provisions, if any, of the Companies Act, 2013, Mr. Jag Mohan Lal Suri (DIN: 00002373), who retires by rotation and being eligible offers himself for re-appointment, be and is hereby re-appointed as the Director of the Company."

SPECIAL BUSINESS:

- APPOINTMENT OF MR. SUNIL MALIK (DIN: 01153501) AS AN INDEPENDENT DIRECTOR.**

To consider, and if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and 161(4) and other applicable provisions, if any of the Companies Act, 2013 ("the Act") and the Rules made there-under (including any statutory modification(s) or re-enactment thereof for the time being in force) and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, Mr. Sunil Malik (DIN: 01153501) who has been appointed as Non-Executive Independent Director of the Company to fill the casual vacancy by the Board of Directors in their meeting held on 12th February, 2020 on the recommendation of the Nomination and Remuneration Committee and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as a Non-Executive Independent Director of the Company to hold office for a term of five (5) consecutive years with effect from 12th February, 2020 to 11th February, 2025 and shall not be liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts, deeds and things, necessary and expedient to give effect to this resolution."

BY ORDER OF THE BOARD OF DIRECTORS
For HB ESTATE DEVELOPERS LIMITED

Sd/-
RADHIKAKHURANA
(Company Secretary)
Membership No.: A-32557

Place: Gurugram
Date: 26th June, 2020

NOTES:

- In view of the massive outbreak and extraordinary circumstances due to COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated 08th April, 2020, Circular No.17/2020 dated 13th April, 2020, Circular No. 20/2020 dated 05th May, 2020 issued by the Ministry of Corporate Affairs and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020 issued by the Securities and Exchange Board of India (SEBI) (hereinafter collectively referred to as "the Circulars"), the Companies are permitted to hold the Annual General Meeting (AGM) through Video Conferencing (VC) / Other Audio Visual Means (OAVM), without the physical presence of the members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and the Circulars as mentioned hereinabove, the 26th AGM of the Company is being held through VC / OAVM. The deemed venue of this AGM shall be the Registered Office of the Company.
- Since this AGM is being held through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of

proxies by the Members to attend and cast vote for the members will not be available for this AGM and hence the Proxy Form, Attendance Slip and route map are not annexed to this Notice.

- The Register of Members and Share Transfer Books of the Company shall remain closed from 24th September, 2020 to 30th September, 2020 (Both days inclusive).
- The Members can join the AGM in the VC mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC will be made available for 1000 Members on first come first served basis. However, this number does not include the large Shareholders i.e. Shareholders holding 2% or more shareholding, Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairman of the Audit 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 served basis.
- The attendance of the Members attending the AGM through VC will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
- Pursuant to Section 113 of the Companies Act, 2013, Institutional/Corporate Shareholders (i.e. other than Individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPEG Format) of its Board Resolution or Authorization Letter authorizing its representative to attend the AGM through VC / OAVM and to vote on their behalf through remote e-voting or through e-voting at the AGM. The said Resolution or Authorization Letter shall be sent to the Scrutinizer, Mr. Arun Kumar Gupta by an e-mail through its registered email address to aruncs.gupta@gmail.com with a copy marked to evoting@nsdl.co.in.
- In compliance with MCA Circular No. 20/2020 dated 05th May, 2020 and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020 and owing to the difficulties involved in dispatching of physical copies of the financial statements including Board's Report, Auditor's report or other documents required to be attached therewith (together referred to as Annual Report 2019-20) and Notice of AGM are being sent in electronic mode to Members whose e-mail address is registered with the Company or the Depository Participants.
- The Annual Report 2019-20 and Notice of AGM will also be available on the website of the Company, www.hbestate.com; website of the Stock Exchange i.e. BSE Limited at www.bseindia.com and the website of NSDL (agency for providing the Remote e-voting facility) i.e. <https://www.evoting.nsdl.com>.
- Details of Directors seeking Appointment / Re-appointment at the ensuing Annual General Meeting [Pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard – 2 issued by the Institute of Company Secretaries of India] is annexed hereto and forms an integral part of this Notice.
- An Explanatory Statement(s) pursuant to Section 102 of the Companies Act, 2013 in respect of the Special Business herein is annexed hereto and forms an integral part of this Notice.
- All documents referred to in the Notice shall be made available for inspection in electronic mode, from the date of circulation of this Notice upto the date of the meeting. Members may request the same by sending an e-mail from their registered e-mail address mentioning their Name, DP ID / Client ID Number / Folio Number, Mobile Number to the Company at corporate@hbestate.com
- The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or Arrangements in which Directors are interested under Section 189 of the Companies Act, 2013 shall be made available for inspection in electronic mode during the AGM upon login at NSDL e-voting system at <https://www.evoting.nsdl.com>
- Members who would like to express their views/ask questions with regard to the Financial Statements or any other matter can submit their queries in advance through an e-mail from their registered e-mail address mentioning their Name, DP ID / Client ID Number / Folio Number, Mobile Number to the Company at corporate@hbestate.com on or before 26th September, 2020 till 05.00 P.M. The views/questions of those Members will only be taken up who have mailed it to the Company within time and the same will be replied by the Company suitably.
- Members holding shares in physical form are requested to intimate their PAN, e-mail address, Bank Account details, Change of Address, Change of Name, Registration of Nomination etc. immediately to the Registrar and Share Transfer Agent (RTA) of the Company namely,

RCMC Share Registry Pvt. Ltd.
B-25/1, First Floor,
Okhla Industrial Area, Phase-II,
New Delhi – 110 020
Phone: 011 – 26387320, 26387321
Fax: 011 – 26387322
E-mail: investor.services@rcmcdelhi.com

Members holding shares in demat form can update their necessary details with their Depository Participants. These changes will be automatically reflected in the Company's records which will help the Company to provide efficient and better service to the Members.

15. As per Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, securities of listed companies can be transferred only in dematerialized form, except in case of request received for transmission or transposition of securities. In view of the same 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 dematerialised form. Members can contact the Company's RTA for assistance in this regard.
16. The Ministry of Corporate Affairs (MCA) has notified provisions relating to Unpaid / Unclaimed Dividend under Sections 124 and 125 of the Companies Act, 2013 and the Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016. As per these rules, the amount of Dividend remaining Unpaid or Unclaimed for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund (IEPF), constituted by the Central Government. The Company had, accordingly, transferred ₹ 12,09,801/- (Rupees Twelve Lakhs Nine Thousand Eight Hundred One Only) to IEPF on 23rd October, 2019 being the Unpaid and Unclaimed Dividend amount pertaining to Final Dividend for the Financial Year ended 31st March, 2012. The detail of Unpaid / Unclaimed Dividend lying with the Company as on the date of the last Annual General Meeting in respect of the financial year 2013 is available on the website of the IEPF viz. www.iepf.gov.in and also on the website of the Company; https://www.hbestate.com/Investor%20Information/Unpaid%20Dividend/index_2016.html

The Company strongly recommends Shareholders to encash / claim their respective dividends within the period given below from the Company's Registrar and Share Transfer Agent:

Financial Year	Last Date for claiming Dividend	Unclaimed Dividend in ₹ (As on 31.03.2020)
2012-13	26 th December, 2020	8,80,321

Note: No Dividend has been declared by the Company after FY 2012-13

Pursuant to the provisions of Section 124 of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 and Amendment Rules thereto, the Company has duly transferred all Equity Shares in respect of which Dividend has not been paid or claimed for seven consecutive years or more to the specified DEMAT Account of the Investor Education and Protection Fund (IEPF) Authority, Ministry of Corporate Affairs after giving individual notice to all such Equity Shareholders and publication of newspaper advertisement thereto. The complete details of such Equity Shares transferred to IEPF Account is available on the website of the Company; <https://www.hbestate.com/Investor%20Information/transfer-of-equity/index.htm>

Any further Dividend on such Equity Shares shall be credited to the IEPF Account. The Equity Shareholders may claim back their Shares along with the Unclaimed Dividend amount from the IEPF Authority by following the refund procedure as detailed on the website of IEPF Authority; <https://www.hbestate.com/Investor%20Information/transfer-of-equity/index.htm> The refund procedure is also available on the Company's website, www.hbestate.com

Mrs. Radhika Khurana, Company Secretary has been appointed as the Nodal Officer in terms of the provisions of IEPF Rules and complete details are available on the website of the Company; <https://www.hbestate.com/Investor%20Information/transfer-of-equity/index.htm>

17. INFORMATION ON REMOTE E-VOTING, ATTENDING THE AGM THROUGH VC / OAVM AND E-VOTING DURING AGM:

(A) VOTING THROUGH ELECTRONIC MEANS:

- In compliance with Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and various Circulars issued by the Ministry of Corporate Affairs (MCA) and SEBI as mentioned above, the Members are provided with the facility to attend AGM through Video Conferencing (VC) / Other Audio Visual Means (OAVM), to cast their vote electronically through the remote e-voting before the AGM and through e-voting during the AGM, through the Authorised Agency, **National Securities Depository Limited (NSDL)**.
- The remote e-voting period commences on **27th September, 2020 (09.00 A.M)** and ends on **29th September, 2020 (05.00 P.M)**. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
- The e-voting rights of the Members shall be in proportion to the paid-up value of their Shares in the Equity Share Capital of the Company. Members of the Company holding Shares either in physical form or in dematerialized form, as on the **cut-off date i.e. 23rd September, 2020**, may cast their vote by remote e-voting / at the meeting.

- Any person who acquires Shares of the Company and becomes member of the Company after dispatch of the Notice and holding Shares as on the cut-off date i.e. 23rd September, 2020 may obtain the login Id and password by sending a request at evoting@nsdl.co.in. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote.
- Mr. Arun Kumar Gupta, Company Secretary in Whole-time Practice (Membership No.: 21227, C.P. No.: 8003) failing him Mr. Kapoor Chand Garg, Company Secretary in Whole-time Practice (Membership No.: 7145, C.P. No.: 7829) have been appointed as the Scrutinizer(s) for conducting the remote e-voting & e-voting at AGM in a fair and transparent manner.
- In case of any grievance connected with the facility for voting by electronic means, Members can directly contact Ms. Pallavi Mhatre, Manager - NSDL, e-mail ID: pallavid@nsdl.co.in / evoting@nsdl.co.in or call on Toll Free No.: 1800-222-990. Members may also write to the Company Secretary at the e-mail ID: corporate@hbestate.com.**

(B) INSTRUCTIONS FOR REMOTE E-VOTING PRIOR TO AGM ARE AS UNDER:

How do I vote electronically using NSDL e-voting system?

The way to vote electronically on NSDL e-voting system consists of "Two Steps" which are mentioned below:

Step 1: Log-in to NSDL e-voting system at <https://www.evoting.nsdl.com>

Step 2: Cast your vote electronically on NSDL e-voting system.

>> Details on Step 1 is mentioned below:

How to Log-in to NSDL e-voting website?

- Visit the e-voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com> either on a Personal Computer or on a mobile.
- Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
- A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

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

- Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 113754 then user ID is 113754001***

- Your password details are given below:

- If you are already registered for e-voting, then you can use your existing password to login and cast your vote.
- If you are using NSDL e-voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- How to retrieve your 'initial password'?
 - If your e-mail address is registered in your demat account or with the company, your 'initial password' is communicated to you on your e-mail address. Trace the e-mail sent to you from NSDL from your mailbox. Open the e-mail and open the attachment i.e. a .pdf file.

The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

- If your e-mail address is not registered, please refer the **"PROCEDURE FOR REGISTRATION OF E-MAIL ADDRESS FOR OBTAINING E-VOTING USER ID & PASSWORD, NOTICE OF AGM, ANNUAL REPORT 2019-20 AND UPDATION OF BANK ACCOUNT DETAILS"** provided hereinafter.

- (vi) If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on **"Forgot User Details/Password?"** (If you are holding shares in your demat account with NSDL or CDSL) option available on <https://www.evoting.nsdl.com>.
 - b) **"Physical User Reset Password?"** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-voting system of NSDL.
- (vii) After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
- (viii) Now, you will have to click on "Login" button.
- (ix) After you click on the "Login" button, Home page of e-voting will open.

>> Details on Step 2 is mentioned below:

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

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

>> General Guidelines for Shareholders:

- (i) Once the vote on a resolution is cast by a Member, the Member shall not be allowed to change it subsequently.
- (ii) It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
- (iii) **In case of any queries / grievances, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on Toll Free No.: 1800-222-990 or send a request to Ms. Pallavi Mhatre, Manager - NSDL at pallavid@nsdl.co.in or evoting@nsdl.co.in**

(C) INSTRUCTIONS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER:

- (i) The procedure for e-voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
- (ii) Only those Members/Shareholders, who will be present in the AGM through VC/OAVM 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 system in the AGM.
- (iii) Members who have voted through remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
- (iv) The details of the person who may be contacted for any grievances connected with the facility for e-voting on the day of the AGM shall be the same person mentioned for remote e-voting.

(D) INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

- (i) Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-voting system. Members may access the same at <https://www.evoting.nsdl.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the notice to avoid last minute rush. Further, members can also use the OTP based login for logging into the e-voting system of NSDL.
- (ii) Members are encouraged to join the Meeting through Laptops for better experience.
- (iii) Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- (iv) Please note that Participants Connecting through Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- (v) Members who would like to express their views/ask questions during the meeting may pre-register themselves as a speaker by sending a request from their registered e-mail address mentioning their Name, DP ID / Client ID Number / Folio Number, Mobile Number to the Company at corporate@hbestate.com. Those Members who have registered themselves as a speaker on or before 26th September, 2020 till 5:00 P.M. will only be allowed to express their views/ask questions during the meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM. Questions that remain unanswered at the AGM will be appropriately responded by the Company at the earliest post the conclusion of the AGM.

(E) PROCEDURE FOR REGISTRATION OF E-MAIL ADDRESS FOR OBTAINING E-VOTING USER ID & PASSWORD, NOTICE OF AGM, ANNUAL REPORT 2019-20 AND UPDATION OF BANK ACCOUNT DETAILS.

- (i) **Members holding shares in physical form** who have not registered their e-mail address are requested to send scanned copy of duly signed request letter to Company's Registrar and Share Transfer Agent (RTA), RCMC Share Registry Private Limited through an e-mail at investor.hb@rcmcdelhi.com providing Folio No., Name of Shareholder along with scanned copy of the Share Certificate (front and back), self-attested scanned copy of the PAN Card and any one of the following documents viz., Aadhaar Card, Driving Licence, Voter Card, Passport or Utility bill in support of the address proof of the Member as registered with the Company for the purpose of obtaining e-voting User ID & Password, Notice of AGM and Annual Report 2019-20.

For updation of Bank Account Details, please provide (i) Bank Account Number (ii) Bank Name and Branch Address (iv) MICR Number (v) IFSC Code (vi) Cancelled cheque leaf or copy of Bank Passbook / Bank Statement duly attested by the Bank.

Please note that the registration of e-mail address / updation of Bank Account Details on the basis of scanned documents is only for the purpose of this AGM. The Members will be required to send hard copy of the aforesaid documents to RTA for necessary updation in the master records of the Company.

- (ii) **Members holding shares in demat form** can update their e-mail address and Bank Account Details with their Depository Participants.

(F) DECLARATION OF RESULTS ON THE RESOLUTIONS:

- (i) The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first unblock the votes cast at the meeting through e-voting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company, and make, not later than forty eight (48) hours of conclusion of the meeting, a Consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same. The Chairman or a person authorized by him in writing shall declare the result of the voting forthwith upon submission of the Scrutinizer's Report.
- (ii) The Company shall submit to the BSE Limited, within forty eight (48) hours of the conclusion of the meeting, details regarding the voting results in the prescribed format. The results declared along with the Scrutinizer's Report(s) shall also be placed on the website of the Company, www.hbestate.com and on the website of NSDL, <https://www.evoting.nsdl.com> immediately after the declaration of results.
- (iii) Subject to the receipt of requisite number of votes, the resolution(s) shall be deemed to be passed on the date of the meeting.


PROFILE OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AT THIS ANNUAL GENERAL MEETING

PARTICULARS	MR. JAG MOHAN LAL SURI	MR. SUNIL MALIK
Directors Identification Number (DIN)	00002373	01153501
Date of Birth	27 th April, 1938	10 th July, 1953
Date of First Appointment on the Board	20 th September, 1994	12 th February, 2020
Profile / Expertise in Specific functional Areas.	Mr. Jag Mohan Lal Suri is an Engineer by profession. He headed the operations of a Swedish Multinational before his association with the HB Group. He brings with him decades of long experience in Corporate Administration.	He has got more than three decades of working experience in corporate and operations management. International and Export Market Development, Project implementation etc.
Qualifications	B.E	Graduation from Delhi University in Bachelor of Arts. He has done his post graduation course in footwear design from the City and Guilds of London Institute (U.K.) along with technical expertise in manufacturing leather footwear from the Wellingborough College of Technology Northampton (U.K.).
List of Directorship in other Companies	Listed Companies: 1. HB Portfolio Ltd. Other Companies: 2. HB Corporate Services Ltd. 3. RRB Securities Ltd. 4. Mount Finance Ltd. 5. AHL Hotels Ltd. 6. Bhasin Share & Stock Brokers Ltd. 7. Raja Ram Bhasin Share & Stock Brokers Ltd. 8. Pal Properties (India) Pvt. Ltd.	Electrum Fintech Solutions Private Limited.
Membership of Committee of the Board in other Companies.	Audit Committee 1. HB Portfolio Ltd. (Member) 2. RRB Securities Ltd. (Chairman) Stakeholders Relationship Committee 3. HB Portfolio Ltd. (Chairman) 4. RRB Securities Ltd. (Chairman) Corporate Social Responsibility Committee 5. HB Portfolio Ltd. (Member) Finance and Borrowings Committee 6. HB Portfolio Ltd. (Member) Capital Restructuring Committee 7. HB Portfolio Ltd. (Member)	None
No. of Equity Shares held	709 (Jointly held with his wife)	Nil
No. of Board Meetings attended/entitled to attend during the year	4/4	NA
Whether related to any Board Members, Manager or KMP of the Company	No	No

BY ORDER OF THE BOARD
For HB ESTATE DEVELOPERS LIMITED

Place: Gurugram
Date: 26th June, 2020

Sd/-
RADHIKA KHURANA
(Company Secretary)
Membership No.: ACS-32557

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:**ITEM NO. 3:**

Pursuant to the provisions of Sections 161(4) and other applicable provisions, if any of the Companies Act, 2013 ('the Act') and the rules made there-under (including any statutory modification(s) or re-enactment thereof for the time being in force) and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as amended, the Board of Directors on the recommendation of the Nomination and Remuneration Committee in their meeting held on 12th February, 2020 appointed Mr. Sunil Malik (DIN: 01153501) aged 67 years as a Non-Executive Independent Director of the Company to fill the casual vacancy caused due to resignation of Mr. Yash Kumar Sehgal who was appointed as a Director in casual vacancy due to Mr. Luv Malhotra vacating his office as a Director of the Company before the expiry of his term of office i.e. 21st September, 2020. Accordingly, the term of office of Mr. Sunil Malik shall also expire on the same date.

As per the provisions of Sec 161(4), if the office of any director appointed by the Company in general meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may in default be filled by the Board of Directors at the meeting of the Board, which shall be subsequently approved by the shareholders in the immediate next general meeting.

Thereafter, it was proposed to appoint Mr. Sunil Malik (DIN: 01153501) as a Non-Executive Independent Director of the Company for a term of five consecutive years.

The Company has received requisite consent from him to act as Director of the Company and a declaration to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013 and is not debarred from holding the office of director by virtue of any SEBI Order or any other such authority. The Company has, in terms of Section 160(1) of the Act, received in writing a notice from Member, proposing his candidature for the office of Director.

In the opinion of the Board, Mr. Sunil Malik fulfills the conditions specified in the Act and the criteria of Independent Director in terms of the provisions of Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI Listing Obligations and Disclosure Requirements Regulations, 2015 and he is Independent of the management. He is not related to any of the Directors or Key Managerial Personnel (including relatives of Directors or Key Managerial Personnel) of the Company in terms of Section 2(77) of the Companies Act, 2013.

Copy of Draft letter for his appointment as Non-Executive Independent Director setting out the terms and conditions would be made available for inspection through electronic mode without any fee by the members, up to the date of the AGM.

As per the requirements of Regulation 36(3) of Listing Regulations and Secretarial Standard – 2, issued by the Institute of Company Secretaries of India, the required details of Mr. Sunil Malik are given in Notes forming part of the Notice.

Except, Mr. Sunil Malik and / or his relatives, none of the Directors, Key Managerial Personnel (KMP) or their relatives are in any way concerned or interested, financially or otherwise, in the resolution set out at Item No. 3.

The Board of Directors recommends the Special Resolution at Item No. 3 of the Notice for the approval of the members.

**BY ORDER OF THE BOARD
For HB ESTATE DEVELOPERS LIMITED**

**Place: Gurugram
Date: 26th June, 2020**

**Sd/-
RADHIKA KHURANA
(Company Secretary)
Membership No.: ACS-32557**

DIRECTORS' REPORT

To the Members,

Your Directors are pleased to present the 26th Annual Report together with the Audited Financial Statements for the Financial Year ended 31st March, 2020.

FINANCIAL RESULTS

The summarized financial results of the Company during the year under review are as under:-

(Amount in ₹ Lakhs)

PARTICULARS	Standalone		Consolidated	
	Year Ended 31.03.2020	Year Ended 31.03.2019	Year Ended 31.03.2020	Year Ended 31.03.2019
Revenue from Operations	8205.33	8922.00	8205.33	8922.00
Other Income	118.97	155.44	118.97	155.44
Total Revenue	8324.29	9077.45	8324.29	9077.45
Expenses	9475.73	10288.06	9475.73	10288.06
Profit/(Loss) for the year before Tax	(1151.44)	(1210.60)	(1151.44)	(1210.60)
Tax Expense	(271.66)	(167.67)	(271.66)	(167.67)
Profit/(Loss) for the year after Tax	(879.78)	(1042.93)	(879.78)	(1042.93)
Other Comprehensive Income	(9.02)	(3.44)	(9.02)	(3.44)
Total Comprehensive Income/(Loss) for the year	(888.80)	(1046.37)	(888.80)	(1046.37)

DIVIDEND

The Board of Directors, after considering holistically the relevant circumstances and keeping in view the current market conditions, has decided that it would be prudent, not to recommend any Dividend for the Financial Year 2019-2020.

TRANSFER TO GENERAL RESERVE

The Board of Directors of your Company has decided not to transfer any amount to the General Reserve for the year under review.

PERFORMANCE REVIEW & OUTLOOK

The tourism and hospitality industry has been severely impacted due to COVID-19 Pandemic and imposition of lockdowns by the Central/State Government. The revenue of the Company is materially impacted due to sharp cancellations of rooms and banquet bookings.

The near term impact on business is contingent upon various factors such as travel restrictions and revival of economy. With the opening of the domestic market and air travel, business is expected to improve gradually. Given the uncertainty, the final impact on the Company's operations in future may differ from estimations.

The Company's profitability and liquidity position is likely to be adversely impacted due to COVID-19. The Company aims to meet all its debt repayment with the available capital and financial resources. If required, the Company may explore various options to raise financial resources. The Company is taking necessary measures to contain costs, rationalise resources and taking initiatives to increase revenue. The Company is also holding back on discretionary spending, postponing renovations, and implementing other cost optimization measures. There has been no impact on the internal financial reporting and controls of the Company.

Industry trends and its future prospects have been summed up in the Management Discussion and Analysis Report which forms part of this report.

STATUTORY STATEMENTS

(i) Share Capital

The Company's issued and subscribed share capital consists of Equity and Redeemable Preference Share Capital. The Paid up Share Capital of the Company as on 31st March, 2020 stood at ₹ 1,04,45,99,470/- comprising of 19459947 Equity Shares of ₹ 10/- each and 8500000 Redeemable Non-Cumulative Non-Convertible Preference Shares of ₹ 100/- each. During the year under review, the Company has neither issued any Shares with differential voting rights nor granted stock options nor sweat equity.

The Shareholding of Directors of the Company (including Promoter Director) is given in the Corporate Governance Report forming part of this report.

(ii) Number of meeting(s) of the Board

During the year under review, four Board Meetings were convened and held. The details of such meeting(s) are given in the Corporate Governance Report which forms integral part of the Board's Report. The maximum interval between any two meeting(s) did not exceed 120 days, as prescribed in the Companies Act, 2013.

(iii) Committees of the Board

The Company has several Committees which have been established in compliance with the requirement of the relevant provisions of applicable laws and statutes. As on 31st March, 2020, the Board has six committees namely, Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee including two Non-Mandatory Committees viz. Business Restructuring Committee and Securities Committee. A detailed note on the composition of the Committees is provided in the Corporate Governance Report, which forms an integral part of the Board's Report.

(iv) Public Deposits

The Company has not accepted any Deposits from the Public under Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

(v) Significant and other material orders passed by the regulators or courts

There are no significant material orders passed by the Regulators or Courts or Tribunal during the year under review which has an impact on the Going Concern status and Company's operations in future.

(vi) Particulars of Loans, Guarantees or Investments

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

(vii) Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

The particulars required under Section 134(3)(m) of the Companies Act, 2013 read with Rules 8 of the Companies (Accounts) Rules 2014 in respect of conservation of energy and technology absorption are not applicable to your Company.

The total foreign exchange earnings during the year under review is ₹ 124.09 Lakhs and for previous period is ₹ 172.63 Lakhs and total foreign exchange out go during the year under review is ₹ 2840.71 Lakhs and for previous period is ₹ 3764.75 Lakhs.

(viii) Change in the Nature of Business

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

(ix) Maintenance of cost records

The nature of Company's business / activities is such that maintenance of cost records under Section 148(1) of the Companies Act, 2013 is not applicable to the Company.

(x) Material Changes and commitments

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

(xi) Reporting of frauds by the Auditors

No fraud has been noticed or reported by the Statutory Auditor's during the course of their Audit.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

(i) Subsidiaries

The Company does not have any Subsidiary and no Company has become or ceased to be Company's Subsidiary during the year under review.

The Board of Directors has approved a Policy for Determining Material Subsidiaries in compliance with the provisions of Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Policy for Determining Material Subsidiary has been suitably modified as per the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time. The said Policy has been uploaded on the website of the Company, www.hbstate.com having following web link, <https://www.hbstate.com/Investor%20Information/Corporate%20Governance/index.html>

(ii) Joint Ventures

The Company is not having any Joint Venture business and no Company has become its Joint Venture during the year under review.

(iii) Associate Companies

In terms of Sec 2(6) of the Companies Act, 2013, Parsvnath HB Projects Pvt. Ltd. is the Associate Company. A separate statement containing the salient features of the Financial Statement of the Company's Associates is being provided in **Form AOC-1** along with the Financial Statements in terms of Section 129(3) of the Companies Act, 2013.

MANAGEMENT DISCUSSION & ANALYSIS AND CORPORATE GOVERNANCE REPORT

As required under Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management Discussion & Analysis Report; a Report on the Corporate Governance together with the Compliance Certificate from the Company's Statutory Auditor's confirming compliance(s) forms an integral part of this report.

VIGIL MECHANISM - WHISTLE BLOWER POLICY

In terms of the provisions of Sec 177(9) & (10) of the Companies Act, 2013 and pursuant to the provisions of Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Vigil Mechanism for Stakeholders, Employees and Directors of the Company has been established. The Whistle Blower Policy duly approved by the Board of Directors has been uploaded on the website of the Company, having following web link, <https://www.hbstate.com/Investor%20Information/Corporate%20Governance/index.html>



HB ESTATE DEVELOPERS LIMITED

RELATED PARTY TRANSACTIONS

The Related Party Transactions that were entered during the financial year under review were on arm's length basis and were in the ordinary course of business. The Audit Committee has accorded its omnibus approval for the said transactions. The Company has not entered into any materially significant Related Party Transaction under Sec 188 of the Companies Act, 2013. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable. None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company.

The Board of Directors, on the recommendation of the Audit Committee, has approved a Policy to regulate transactions between the Company and its Related Parties, in compliance with the applicable provisions of the Companies Act, 2013, the Rules made there under and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Policy on Related Party Transactions has been suitably modified as per the applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time. The Policy is available on the website of the Company having following web link, <https://www.hbestate.com/Investor%20Information/Corporate%20Governance/index.html>

CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

The Company endeavors to preserve the confidentiality of un-published price sensitive information and to prevent misuse of such information. The Company is committed to transparency and fairness in dealing with all Stakeholders and in ensuring adherence to all laws and regulation in force.

The Board of Directors has adopted the Code of Conduct for regulating, monitoring and reporting of trading by insiders and other connected persons, in compliance with Regulation 9 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Code of Conduct lays down guidelines and procedures to be followed and disclosures to be made while dealing with the Shares of the Company, as well as the consequences of violation. The Code of Conduct has been formulated for prevention of Insider Trading and to maintain the highest standards of dealing in Company Securities. The Code of Conduct has been suitably modified as per the provisions of the Insider Trading Regulations and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

Further, the Policy and procedure for inquiry in case of leak of unpublished price sensitive information or suspected leak of unpublished price sensitive information have been framed in line with the provisions of the Insider Trading Regulations, as amended.

PRESERVATION OF DOCUMENTS & ARCHIVAL POLICY

In terms of Regulation 9 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors in their meeting held on 10th February, 2016 has adopted a Policy for Preservation of Documents & Archival thereof, classifying them in two categories as follows:

- documents whose preservation shall be permanent in nature;
- documents with preservation period of not less than eight years after completion of the relevant transactions.

The said Policy is available on the website of the Company having following web link, <https://www.hbestate.com/Investor%20Information/Corporate%20Governance/index.html>

DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY

The Board of Directors has adopted the Risk Management Policy which sets out the framework for the management of risks faced by the Company in the conduct of its business to ensure that all business risks are identified, managed and monitored. The contents of Risk Management Policy have been included in Management Discussion and Analysis forming part of this report.

PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

The Company has zero tolerance for sexual harassment at workplace. The Board of Directors in their meeting held on 08th August, 2014 constituted the Internal Complaint Committee and adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder.

The Company has two Internal Complaint Committees one is at the Registered Office and another at Hotel Unit i.e. Taj City Centre, Gurugram.

The Internal Complaint Committee at Registered Office comprises of following members:

- Mrs. Banmala Jha, Presiding Officer (Manager)
- Mrs. Madhu Suri, Member (Working in the Delhi Legal Services Authority as a Counsellor)
- Mr. Anil Goyal, Member (Director)
- Mrs. Radhika Khurana, Member (Company Secretary)

The Internal Complaint Committee at Hotel Unit comprises of following members:

- Ms. Shailza Sharma, Chairperson (HR Manager)
- Ms. Leela Gupta, Assistant Chairperson (Sales Manager)
- Ms. Ashadeep Sidhu, Member (Director of Finance)
- Mr. Pradeep Kumar Yadav, Member (Security Manager)
- Mr. Sanket Chugh, Member (Director of Sales & Marketing)
- Ms. Shalini Khanna, Member (NGO Representative)

The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The women employees were made aware about the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules made there under and the provisions of Internal Complaint Policy of the Company.

Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is provided in the Corporate Governance Report which forms an integral part of the Board's Report.

INTERNAL CONTROLS SYSTEMS AND THEIR ADEQUACY

The Company has proper and adequate system of Internal Controls. The information about Internal Controls is set out in the Management Discussion and Analysis forming part of this report.

INTERNAL FINANCIAL CONTROLS

The Company has established Internal Financial Control System for ensuring the orderly and efficient conduct of the business including adherence to Company's Policies, the safeguarding of assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable Financial Statements.

AUDITORS

(i) Statutory Auditors

The Shareholders in the 23rd Annual General Meeting held on 29th September, 2017 had appointed 'G. C. Agarwal & Associates', Chartered Accountants, Delhi (FRN 017851N) as the Statutory Auditors for a term of five (5) consecutive years i.e. from the conclusion of the 23rd Annual General Meeting to the conclusion of 28th Annual General Meeting to be held in the year 2022.

There are no qualifications, reservation, adverse remark, observations, comments or disclaimer given by the Auditors in their Report. The Report given by the Statutory Auditors on the financial statements of the Company for the financial year 2019-20, is part of the Annual Report and self explanatory.

Internal Auditors

'Marv & Associates LLP', Chartered Accountants, New Delhi perform the duties of the Internal Auditors of the Company and their report is reviewed by the Audit Committee on quarterly basis.

(ii) Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. A.N. Kukreja, Proprietor, 'A.N. Kukreja & Co.', Company Secretary in Practice to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is enclosed as a part of this report as "ANNEXURE – I".

The Secretarial Auditors have made following observations in their Secretarial Audit Report:

- BSE Limited levied a penalty of Rs. 1,51,040/- for non-compliance with the provisions of Regulation 19(1)/19(2) of SEBI (LODR) Regulations 2015, relating to constitution of Nomination and Remuneration Committee. The Company paid the penalty within time and the Nomination and Remuneration Committee was reconstituted.*

Director's Comment: No comments required as the Auditors observation is self explanatory in itself.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Board of Directors has constituted a Corporate Social Responsibility Committee (CSR Committee) pursuant to the provisions of Section 135 of the Companies Act, 2013. The composition of the CSR Committee has been mentioned in the Corporate Governance Report forming part of this report. The Board of Directors, on the recommendation of the CSR Committee, has approved the Corporate Social Responsibility Policy (CSR Policy) of the Company which is available on the website of the Company having following web link, <https://www.hbestate.com/Investor%20Information/CSR/index.html>

Brief outline / salient features of the CSR Policy of the Company are as follows:

- The Company endeavors to adopt an integrated approach to address the community, societal & environmental concerns by taking one or more of the activities allowed as per Section 135 of the Companies Act, 2013 and the applicable rules and regulations.
- To identify the activities in response to felt societal needs in diverse areas and to implement them with full involvement and commitment in a time bound manner.
- To provide financial assistance in the form of grant-in-aid assistance and corpus fund support etc. to support, supplement and improve the quality of life of different segments of the Society.
- As a responsible corporate entity, the Company will consistently strive for opportunities to meet the expectation of its stake holders by pursuing the concept of sustainable development with focus on the social welfare activities.
- A total allocation of amount as prescribed by the Companies Act, 2013 and approved by the Board earmarked every year for implementation of CSR activities.

During the Financial Year 2019-2020, the Company has carried out following changes in the CSR Policy of the Company as per the provisions of the Companies Act, 2013 read with applicable Rules made thereunder, as amended:

The activities prescribed under Corporate Social Responsibility have been included / modified in following sub-clauses of clause no. 4 of the Policy:

- Contribution to incubators funded by Central Government or State Government or any agency or Public Sector Undertaking of Central Government or State Government, and contributions to public funded Universities, Indian Institute of Technology (IITs), National Laboratories and Autonomous Bodies (established under the auspices of Indian Council of Agricultural Research (ICAR), Indian Council of Medical Research (ICMR), Council of Scientific and Industrial Research (CSIR), Department of Atomic Energy (DAE), Defence Research and Development Organisation (DRDO), Department of Biotechnology (DBT), Department of Science and Technology (DST), Ministry of Electronics and Information Technology) engaged in conducting research in science, technology, engineering and medicine aimed at promoting Sustainable Development Goals (SDGs).
- slum area development;
Explanation- For the purposes of this item, the term 'slum area' shall mean any area declared as such by the Central Government or any State Government or any other competent authority under any law for the time being in force.
- disaster management, including relief, rehabilitation and reconstruction activities;



DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)

(a) Appointment / Re-appointment / Resignation of Directors and KMP

As per the provisions of Section 152 of the Companies Act, 2013, Mr. Jag Mohan Lal Suri (DIN: 00002373), Director shall retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The Board of Directors recommends his re-appointment.

Mr. Yash Kumar Sehgal (DIN: 03641168), who has been appointed as Non-Executive Independent Director of the Company on 27th May, 2019 resigned from the Board on 29th July, 2019 due to unforeseen circumstances and personal reasons and there were no other material reasons other than those provided. His significant contributions and valuable advice from time to time to the management regarding the affairs of the Company were of immense help to the Company.

Mr. Sunil Malik (DIN: 01153501) who has been appointed as Non-Executive Independent Director of the Company to fill the casual vacancy by the Board of Directors in their meeting held on 12th February, 2020 on the recommendation of the Nomination and Remuneration Committee and proposed for the appointment and he shall hold office up to the date the outgoing director would have held office. The Company has received requisite consent from Mr. Sunil Malik to act as Director of the Company and a declaration to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013 and is not debarred from holding the office of director by virtue of any SEBI Order or any other such authority. In the opinion of the Board, He fulfill the conditions specified in the Act and the criteria of Independent Director in terms of the provisions of Section 149 of the Companies Act, 2013 and Regulation 16(1) (b) of SEBI Listing Obligations and Disclosure Requirements) Regulations, 2015 and he is independent of the management. On the recommendation of the Nomination and Remuneration Committee, the Board of Directors recommends to the Shareholders, appointment of Mr. Sunil Malik as Non-Executive Independent Director of the Company for a term of five (5) consecutive years w.e.f 12th February, 2020 till 11th February, 2025. The Board recommends to the Shareholders that the appointment of Mr. Sunil Malik would be of immense benefit to the Company considering his knowledge, background and extensive experience.

The Shareholders in the Annual General Meeting held on 19th September, 2019 appointed Mrs. Bannmala Jha has been appointed as the Manager, being the Key Managerial Personnel (KMP) of the Company for a term of three (3) consecutive years with effect from 27th May, 2019 to 26th May, 2022 pursuant to the provisions of the Section 196, 197, 198 and 203 and other applicable provisions of the Companies Act, 2013 ('the Act') and the rules made there-under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule V to the Act, and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

The information on the Particulars of Director eligible for Appointment / Re-appointment in terms of Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard – 2 issued by the Institute of Company Secretaries of India has been provided in the Notes to the Notice convening the Annual General Meeting.

(b) Declaration from Independent Directors

Mrs. Asha Mehra, Mr. Rajesh Jain and Mr. Sunil Malik are Non-Executive Independent Directors on the Board of the Company. The Company has received declarations from all the Independent Director(s) confirming that they meet with the criteria of Independence as prescribed both under Section 149(6) of the Companies Act, 2013 and under Regulation 16(1)(b), 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(c) Nomination and Remuneration Policy

The Board of Directors, on the recommendation of the Nomination & Remuneration Committee, has approved a Policy for selection, appointment & remuneration including criteria for determining qualifications, positive attributes of Directors, Key Managerial Personnel (KMP) and Senior Management employees of the Company.

Brief outline / salient features of the Nomination and Remuneration Policy are as follows:

- Nomination and Remuneration Committee has been empowered inter-alia to carry out the following functions:
 - Identification and selection of persons for appointment as Director, KMP or at Senior Management level considering their qualification, experience and integrity.
 - Determining the appropriate size, diversity and composition of the Board.
 - Developing a succession plan for the Board and Senior Management of the Company.
 - To recommend all remuneration, in whatever form, payable to senior management.
 - Considering and determining the remuneration based upon the performance to attract retain and motivate members of the Board.
 - Approving the remuneration of the Senior Management including KMPs of the Company.
 - Evaluation of performance of the Board, its committees, individual directors and Senior Management Personnel on yearly basis.
 - To extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors
- Approval of the Shareholders by way of Special Resolution is required in following cases:
 - To appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years.

- To appoint a person or continue the directorship of any person as a non-executive director who has attained the age of seventy five years.
- To re-appoint Independent Directors for second terms of five consecutive years.
- Payment of fees or compensation to executive directors who are promoters or members of the promoter group exceeding particular limits specified in the policy.
- The annual remuneration payable to a single non-executive director exceeds fifty per cent of the total annual remuneration payable to all non-executive directors.

➤ Executive Directors / Managing Director are paid remuneration as per applicable provisions of the Companies Act, 2013 and rules made there under.

➤ Non-Executive Directors are paid sitting fees for attending each meeting of the Board of Directors and the Committees constituted by the Board. The sitting fee for each meeting of Board of Directors and the Committee of Directors has been fixed by the Board of Directors within the overall ceiling laid down under the Companies Act, 2013.

Following changes were made in the Nomination and Remuneration Policy of the Company during the Financial Year 2019-20 as per the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended:

- 1) The Nomination and Remuneration Committee to recommend to the Board, all remuneration, in whatever form, payable to the Directors, Key Managerial Personnel and Senior Management.
- 2) “Senior Management” means officers / personnel of the Company who are members of the core management team excluding Board of Directors comprising all members of management one level below the chief executive officer / managing director / whole time 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.
- 3) The Company shall not appoint a person or continue the directorship of any person as a non-executive director who has attained the age of seventy five years unless a special resolution is passed to that effect, in which case the explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such a person.
- 4) The fees or compensation payable to executive directors who are promoters or members of the 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 5 crore or 2.5 per cent 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 per cent of the net profits of the company;

Provided that the approval of the shareholders under this provision shall be valid only till the expiry of the term of such director.
- 5) The approval of shareholders by special resolution shall be obtained every year, in which the annual remuneration payable to a single non-executive director exceeds fifty per cent of the total annual remuneration payable to all non-executive directors, giving details of the remuneration thereof.

The complete Nomination and Remuneration Policy of the Company is available on the website of the Company having following web link, <https://www.hbestate.com/Investor%20Information/Corporate%20Governance/index.html>

(d) Board Diversity

The Company recognizes the importance and benefits of having the diverse Board to enhance quality of its performance.

The Company believes that a diverse Board will enhance the quality of the decisions made by the Board by utilizing the different skills, qualification, professional experience, gender, knowledge etc. of the members of the Board, necessary for achieving sustainable and balanced growth of the Company. The Board of Directors on the recommendations of the Nomination and Remuneration Committee has adopted a Policy on Diversity of Board of Directors in terms of Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(e) Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors has carried out an Annual performance evaluation of its own performance and of all the Directors individually as well as the evaluation of the working of Audit, Nomination & Remuneration and other Compliance Committees. The manner in which the evaluation has been carried out is explained in the Corporate Governance Report.

(f) Remuneration of the Directors / Key Managerial Personnel (KMP) and Particulars of Employees

The information required pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of Directors / Key Managerial Personnel (KMP) and Employees of the Company is furnished hereunder:

- (i) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year; and the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year.



HB ESTATE DEVELOPERS LIMITED

Sr. No.	Name	Category	Ratio/Times per Median of employee remuneration	% Increase in remuneration
1.	Mr. Lalit Bhasin	Managing Director (Executive)	N.A	N.A
2.	Mr. Anil Goyal	Director (Non-Executive)	N.A	N.A
3.	Mr. Jag Mohan Lal Suri	Director (Non-Executive)	N.A	N.A
4.	Mr. Rajesh Jain	Director (Non-Executive)	N.A	N.A
5.	Mrs. Asha Mehra	Director (Non-Executive)	N.A	N.A
6.	Mr. Yash Sehgal*	Director (Non-Executive)	N.A	N.A
7.	Mr. Sunil Malik**	Director (Non-Executive)	N.A	N.A
8.	Mr. Praveen Gupta	Chief Financial Officer	-	-
9.	Mrs. Banmala Jha*	Manager	-	-
10.	Mrs. Radhika Khurana	Company Secretary	-	25

(*) Resigned w.e.f 29th July, 2019

(**) Appointed w.e.f. 12th February, 2020

(*) Appointed w.e.f. 27th May, 2019

The Non-Executive Directors are paid only sitting fees for attending meeting of the Board of Directors and the Committees constituted by the Board.

a) Details of top ten employee in terms of remuneration drawn as on 31st March, 2020:

Sl. No.	Name	Designation	Gross Remuneration received (In ₹)	Nature of Employment	Qualification	Experience (In Years)	Date of Commencement of Employment	Age (In Years)	Last Employment held before joining the Company	Number & Percentage of Equity Shares held	Whether any such employee is a relative of any director or manager of the Company
1	Mr. Praveen Gupta	C.F.O	37,62,204	Permanent	CA & LLB	37	01-12-2011	58	HB Securities Ltd.	Nil	No
2.	Mr. Sumit Sharma	Director of Engineering	30,72,492	Permanent	Diploma in Mechanical Engineering	18	11-05-2015	40	Double tree by Hilton	Nil	No
3.	Mr. Sanket Chaug	Director of Sales & Marketing	30,70,500	Permanent	Management Development Programme Certificate Course	20	20-08-2015	43	Shangri La Eros Hotel	Nil	No
4.	Ms. Shailza Sharma	Human Resources Manager	1906212	Permanent	Master in Human Resource Management	18	07-09-2015	38	The Leela Ambience Hotel, Gurgaon	Nil	No
5.	Mr. Ranjeet Singh	Front Office Manager	1526100	Permanent	Post Graduate Diploma in Business Management	15	12-12-2016	36	Hyatt Bangalore MG Road	Nil	No
6.	Mr. Daya Shankar Gaur	Manager Interior	14,40,000	Permanent	Civil Engineer	20	18-04-2012	45	Capital Residency Pvt. Ltd.	Nil	No
7.	Mr. Sanjeet Kumar	Catering Sales Manager	1367124	Permanent	BSC in Hotel Management	16	21-12-2018	37	Shangrila Hotel New Delhi	Nil	No
8.	Ms Banmala Jha	Vice President Legal	12,75,600	Permanent	M.A. (English & LLB)	19	01-02-2018	63	HB Stockholdings Ltd.	Nil	No
9.	Mr. Rahul Chauhan	Wellness Manager	1143924	Permanent	Master's in Physical Education	4	01-08-2018	44	Radisson MBD Hotel	Nil	No
10.	Mr Ashok Kumar	Manager Accounts	9,99,000	Permanent	CA	15	01-01-2017	45	RRB Master Securities Delhi Ltd.	Nil	No

b) Details of the Employees, who were in receipt of remuneration aggregating ₹ 1,02,00,000/- or more per annum : **None**

c) Details of the Employees, who were employed for part of the financial year and was in receipt of remuneration not less than ₹ 8,50,000/- per month: **None**

d) Details of the Employees, who were employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company: **None**

SECRETARIAL STANDARDS

During the year under review, the Company has complied with all applicable Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI).

EXTRACT OF ANNUAL RETURN

The extract of Annual Return as provided under sub-section (3) of Section 92 in **Form MGT-9** is enclosed as a part of this report as **"ANNEXURE – III"**.

The Annual Return (Form MGT-7) filed by the Company for FY 2018-19 with the Registrar of Companies is available on the website of the Company having following web link, <https://www.hbestate.com/Investor%20Information/Annual%20Returns/Return%20PDF/2018-2019.pdf>

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to sub-section (3) & (5) of Section 134 of the Companies Act, 2013, it is hereby stated that:

(ii) The increase in the median remuneration in current financial year as compared to previous financial year is 4.80%.

(iii) The number of employees on the rolls of the Company:

16 employees on the Company rolls and 205 employees on the rolls of the Company's Hotel Unit (Taj City Centre, Gurugram) operated by The Indian Hotels Company Limited as on 31st March, 2020.

(iv) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year is 13.72% as compared to the percentile increase of 25.00% in the managerial remuneration of the Company Secretary.

(v) It is hereby confirmed that the remuneration paid to the Directors, Key Managerial Personnel (KMP) and other employees is in accordance with the remuneration policy of the Company.

(iv) Statement of particulars of employees pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the year ended 31st March, 2020:

a) in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;

b) the Directors have selected such Accounting Policies and applied them consistently and made judgments and estimates, that are reasonable and prudent so as to give a true and fair view of the State of Affairs of the Company at the end of the Financial Year and of the Profit or Loss of the Company for that period;

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

d) the Directors had prepared the Annual Accounts on a going concern basis;

e) the Directors have laid down Internal Financial Controls to be followed by the Company and that such Internal Financial Controls are adequate and were operating effectively; and

f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGMENTS

Your Directors wish to thank and acknowledge the co-operation, assistance and support extended by the Banks, Company's Shareholders and Employees.

FOR AND ON BEHALF OF THE BOARD

Sd/-
LALIT BHASIN
(Chairman)
DIN: 00002114

Place: Gurugram
Date: 26th June, 2020



FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 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 of
HB Estate Developers Limited
Plot No. 31, Echelon Institutional Area
Sector – 32, Gurugram – 122001 (Haryana)

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **HB Estate Developers Limited - CIN: L99999HR1994PLC034146** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the **HB Estate Developers Limited'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 31st March, 2020** complied with 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.

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by Company for the financial year ended on **31st March, 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 and External Commercial Borrowings*.
 - (v). The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - (d) 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;
 - (e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (f) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014*;
 - (g) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008*;
 - (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009* and
 - (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.*

(*) Foreign Exchange Management Act, 1999 and the rules and regulations at sub-para (iv) of para 1 above and SEBI Regulations listed at sub-para (v) Serial Nos. (f), (g), (h) and (i) above are not applicable to the Company for 2019-20 as there were no corporate decisions/actions during the year under report, attracting these regulations.
 - (vi). The Other Laws applicable specifically to the Company (including its Unit: Taj City Centre, Gurugram) are:
 - (a). The Punjab Shops and Commercial Establishments Act, 1958 as adopted by State of Haryana; approval/Certificate for Fire Safety and NOCs from local bodies.
 - (b). Indian Boilers Act, 1923.
 - (c). Food Safety and Standards Act, 2006.
 - (d). Legal Metrology Act, 2009 and applicable Rules.
 - (e). Environment (Protection) Act, 1986.
 - (f). Air (Prevention and Control of Pollution) Act, 1981.
 - (g). Water (Prevention and Control of Pollution) Act, 1974.
 - (h). Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

2. We have also examined the compliances with the applicable Regulations/Standards of the following:
 - (i). SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Listing Agreement with the BSE Ltd.; and
 - (ii). Secretarial Standards issued by the Institute of Company Secretaries of India.
3. During the period under review the company has complied with the provisions of the Act, Rules, Regulations, Standards/Guidelines, etc. mentioned above subject to the following comment:

BSE Limited levied a penalty of ₹ 1,51,040/- for non-compliance with the provisions of Regulation 19(1)/19(2) of SEBI (LODR) Regulations 2015, relating to constitution of Nomination and Remuneration Committee. The Company paid the penalty within time and the Nomination and Remuneration Committee was reconstituted.
4. **We further report that:**
 - (a) The Board of Directors of the Company is duly constituted with all Non- Executive Directors, including a Woman Director and Independent Directors except Executive Director. In order to fulfill the requirement of Executive Director, the Company has appointed Manager effective from 27.05.2019 for a period of three years being its Key Managerial Personnel (KMP) as per the provisions of Section 203 of the Act. 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.
 - (b) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
 - (c) Majority decisions are carried through while dissenting members' views are captured and recorded as part of the minutes.
5. **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.
6. **We further report that** during the audit period, no major decisions having a bearing on Company's affairs in pursuance of the above referred laws, rules/regulations were taken. This report is to be read with our letter of even date which is annexed as **Annexure "A"** and forms an integral part of this report.

For A.N. Kukreja & Co.
Company Secretaries

Sd/-
A.N. Kukreja
(Proprietor)

FCS 1070: CP 2318

ICSI Unique Code: S1995DE014900
UDIN: F001070B000368305

Place: New Delhi
Date: 26th June, 2020

Annexure 'A'

To,
The Members of
HB Estate Developers Limited
Plot No. 31, Echelon Institutional Area
Sector – 32, Gurugram – 122001 (Haryana)

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial record. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. During the course of our examination of the books and records of the Company carried out in accordance with generally accepted practices in India, we have neither come across any instance of fraud on or by the Company, nor the Company has noticed and reported any such case during the year and accordingly the Company has not informed us of any such case.

For A.N. Kukreja & Co.
Company Secretaries

Sd/-
A.N. Kukreja
(Proprietor)

FCS 1070: CP 2318

ICSI Unique Code: S1995DE014900
UDIN: F001070B000368305

Place: New Delhi
Date: 26th June, 2020

FORM NO. MGT – 9
EXTRACT OF ANNUAL RETURN
As on the Financial Year ended on 31st March, 2019
(Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Company (Management & Administration) Rules, 2014)

I. REGISTRATION & OTHER DETAILS:

i.	CIN	L99999HR1994PLC034146
ii.	Registration Date	20th September, 1994
iii.	Name of the Company	HB Estate Developers Limited
iv.	Category/Sub-Category of the Company	Company having Share Capital
v.	Address of the Registered office & contact details	Plot No. 31, Echelon Institutional Area, Sector-32, Gurugram – 122001, Haryana Phone: 0124-4675500, Fax : 0124-4370985 e-mail : corporate@hbestate.com, Website: www.hbestate.com
vi.	Whether listed company	Yes (Listed at BSE Limited)
vii.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	RCMC Share Registry Pvt. Ltd. B-25/1, First Floor, Okhla Industrial Area, Phase-II, New Delhi – 110 020 Phone: 011-26387320, 21 Fax: 011-26387322 Email: investor.services@rcmcdelhi.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

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

Sl. No.	Name & Description of main products/services	NIC Code of the Product/Service	% to total turnover of the Company
1.	Construction and Hotels	41001 and 55101	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES:

Sl. No.	Name & Address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1.	Parsvnath HB Projects Pvt. Ltd. Address: Parsvnath Tower, Near Shahdara Metro Station, Shahdara, Delhi- 110032.	U45200DL2008PTC175708	Associate	49.00	2(6)

IV. SHAREHOLDING PATTERN (Equity Share Capital Break up as percentage of total Equity):**(i) Category-wise Shareholding:**

Category of Shareholders	No. of Equity Shares held at the beginning of the year				No. of Equity Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. PROMOTERS									
(1) Indian									
a) Individual / HUF	10541908	0	10541908	54.17	10541908	0	10541908	54.17	0.00
b) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corporate	2438879	0	2438879	12.53	2438879	0	2438879	12.53	0.00
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any other	0	0	0	0.00	0	0	0	0.00	0.00
SUB TOTAL: (A) (1)	12980787	0	12980787	66.70	12980787	0	12980787	66.70	0.00
(2) Foreign									
a) NRI-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 Corporate	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)	12980787	0	12980787	66.70	12980787	0	12980787	66.70	0.00
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	218	2515	2733	0.01	218	2515	2733	0.01	0.00
b) Banks / FI	0	147	147	0.00	0	120	120	0.00	0.00



Category of Shareholders	No. of Equity Shares held at the beginning of the year				No. of Equity Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Fund	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIs	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital 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):	218	2662	2880	0.01	218	2635	2853	0.01	0.00
(2) Non Institutions									
a) Bodies Corporate									
i) Indian	801891	19196	821087	4.22	848175	16546	864721	4.44	0.22
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i) Individual Shareholders holding nominal share capital upto ₹ 1 lakhs	2538858	1769224	4308082	22.14	2414064	1625302	4039366	20.76	-1.38
ii) Individual Shareholders holding nominal share capital in excess of ₹ 1 lakhs	478482	0	478482	2.46	612957	0	612957	3.15	0.69
c) Other (specify)									
i) Clearing Members	23659	43	23702	0.12	17596	43	17639	0.09	-0.03
ii) Non-Residents	87828	49588	137416	0.71	65974	45691	111665	0.57	-0.14
iii) NBFC Registered with RBI	168	0	168	0.00	85	0	85	0.00	0.00
iv) Trusts	9	0	9	0.00	9	0	9	0.00	0.00
d) IEPF Account	707334	0	707334	3.63	829865	0	829865	4.26	0.63
SUB TOTAL (B)(2):	4638229	1838051	6476280	33.28	4788725	1687582	6476307	33.28	0.00
TOTAL PUBLIC SHAREHOLDING (B)=(B)(1)+(B)(2)	4638447	1840713	6479160	33.29	4788943	1690217	6479160	33.29	0.00
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A+B+C)	17619234	1840713	19459947	100.00	17769730	1690217	19459947	100.00	0.00

(ii) Shareholding of Promoters:

Sl. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% 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.	Lalit Bhasin	9962280	51.19	0.00	9962280	51.19	0.00	0.00
2.	HB Portfolio Limited	2104317	10.81	0.00	2104317	10.81	0.00	0.00
3.	HB Stockholdings Limited	125400	0.64	0.00	125400	0.64	0.00	0.00
4.	Rima Arora	199680	1.03	0.00	199680	1.03	0.00	0.00
5.	RRB Securities Limited	153600	0.79	0.00	153600	0.79	0.00	0.00
6.	Ayush Kapur	88987	0.46	0.00	88987	0.46	0.00	0.00
7.	Kanishk Kapur	88987	0.46	0.00	88987	0.46	0.00	0.00
8.	Manasvin Arora	88987	0.46	0.00	88987	0.46	0.00	0.00
9.	Mehar Arora	88987	0.46	0.00	88987	0.46	0.00	0.00
10.	Mamta Kapur *	24000	0.12	0.00	24000	0.12	0.00	0.00
11.	HB Corporate Services Limited	48473	0.25	0.00	48473	0.25	0.00	0.00
12.	Merrygold Investments Limited	7089	0.04	0.00	7089	0.04	0.00	0.00
	Total	12980787	66.71	0.00	12980787	66.71	0.00	0.00

(*) 14905 Equity Shares were acquired from the open market which were not transferred in the Demat Account and were lying in the Broker's Pool account as on 31st March, 2020 due to national lockdown. Accordingly, the aforementioned Shares do not include said 14905 Equity Shares.

(iii) Change in Promoters' Shareholding :

Sl. 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.	Mrs. Mamta Kapur				
	At the beginning of the year	24000	0.12	24000	0.12
	19/03/2020 – 20/03/2020 (Purchased from the open market)	14905	0.08		
	At the end of the year			38905	0.20

(*) 14905 Equity Shares were acquired from the open market which were not transferred in the Demat Account and were lying in the Broker's Pool account as on 31st March, 2020 due to national lockdown.

(iv) Shareholding Pattern of Top Ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs):

Sl No.	For Each of the Top 10 Shareholders	Buy / Sell	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	DELHI IRON & STEEL CO (P) LTD					
	At the beginning of the year		267680	1.38	267680	1.38
	05/04/2019	Buy	18557	0.01	286237	1.47
	12/04/2019	Buy	27936	0.14	314173	1.61
	19/04/2019	Buy	4336	0.02	318509	1.64
	26/04/2019	Buy	2562	0.01	321071	1.65
	03/05/2019	Buy	1068	0.01	322139	1.66
	10/05/2019	Buy	677	0.00	322816	1.66
	07/06/2019	Buy	500	0.00	323316	1.66
	14/06/2019	Buy	558	0.00	323874	1.66
	28/06/2019	Buy	154	0.00	324028	1.67
	19/07/2019	Buy	135	0.00	324163	1.67
	20/09/2019	Buy	1663	0.01	325826	1.67
	25/10/2019	Buy	3492	0.02	329318	1.69
	01/11/2019	Buy	3515	0.02	332833	1.71
	08/11/2019	Buy	3000	0.02	335833	1.73
	22/11/2019	Buy	1000	0.01	336833	1.73
	06/12/2019	Buy	334	0.00	337167	1.73
	At the end of the year				337167	1.73
2.	CHL LIMITED					
	At the beginning of the year		155990	0.08	155990	0.08
	At the end of the year				155990	0.08
3.	SUJATA HOLDINGS PVT LTD					
	At the beginning of the year		140521	0.72	140521	0.72
	20/03/2020	Buy	-15000	0.08	125521	0.65
	At the end of the year				125521	0.65



SI No.	For Each of the Top 10 Shareholders	Buy / Sell	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.	MAHENDRA GIRDHARILAL						
	At the beginning of the year		84999	0.44	84999	0.44	
	21/06/2019	Buy	522	0.00	85521	0.44	
	28/06/2019	Buy	324	0.00	85845	0.44	
	05/07/2019	Buy	11210	0.06	97055	0.5	
	12/07/2019	Buy	22	0.00	97077	0.5	
	30/08/2019	Buy	2350	0.01	99427	0.51	
	06/09/2019	Buy	601	0.00	100028	0.51	
	13/09/2019	Buy	408	0.00	100436	0.52	
	20/09/2019	Buy	151	0.00	100587	0.52	
	27/09/2019	Buy	508	0.00	101095	0.52	
	04/10/2019	Buy	1303	0.01	102398	0.53	
	11/10/2019	Buy	1637	0.01	104035	0.53	
	18/10/2019	Buy	1344	0.01	105379	0.54	
	25/10/2019	Buy	3130	0.02	108509	0.56	
	01/11/2019	Buy	1855	0.01	110364	0.57	
	08/11/2019	Buy	132	0.00	110496	0.57	
	15/11/2019	Buy	755	0.00	111251	0.57	
	22/11/2019	Buy	2840	0.01	114091	0.59	
	29/11/2019	Buy	1416	0.01	115507	0.59	
	06/12/2019	Buy	303	0.00	115810	0.6	
	13/12/2019	Buy	449	0.00	116259	0.6	
	20/12/2019	Buy	1430	0.01	117689	0.6	
	27/12/2019	Buy	1255	0.01	118944	0.61	
	03/01/2020	Buy	253	0.00	119197	0.61	
	17/01/2020	Buy	539	0.00	119736	0.62	
	24/01/2020	Buy	1115	0.01	120851	0.62	
	31/01/2020	Buy	170	0.00	121021	0.62	
	07/02/2020	Buy	609	0.00	121630	0.63	
	03/01/2020					121630	0.63
	5.	AMRIT STEELS (P) LTD.					
		At the beginning of the year		54000	0.28	54000	0.28
17/05/2019		Buy	554	0.00	54554	0.28	
24/05/2019		Buy	1423	0.01	55977	0.29	
31/05/2019		Buy	9070	0.05	65047	0.33	
At the end of the year				54000	0.28		
6.	PRADEEP JAIN						
	At the beginning of the year		52215	0.2	52215	0.27	
	At the end of the year				52215	0.27	
7.	ASHARI AGENCIES LTD						
	At the beginning of the year		52215	0.2	52215	0.27	
	At the end of the year				52215	0.27	



SI No.	For Each of the Top 10 Shareholders	Buy / Sell	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.	DEEPAK JAIN					
	At the beginning of the year		47294	0.24	47294	0.24
	At the end of the year				47294	0.24
9.	MINAXI JAIN					
	At the beginning of the year		0	0	0	0
	09/08/2019	Buy	7746	0.04	7746	0.04
	06/09/2019	Buy	8842	0.05	16588	0.09
	04/10/2019	Buy	614	0.00	17202	0.09
	15/11/2019	Buy	2400	0.01	19602	0.1
	22/11/2019	Buy	1553	0.01	21155	0.11
	29/11/2019	Buy	3865	0.02	25020	0.13
	06/12/2019	Buy	1380	0.01	26400	0.14
	13/12/2019	Buy	1812	0.01	28212	0.14
	20/12/2019	Buy	2491	0.01	30703	0.16
	27/12/2019	Buy	2431	0.01	33134	0.17
	03/01/2020	Buy	1458	0.01	34592	0.18
	10/01/2020	Buy	1074	0.01	35666	0.18
	17/01/2020	Buy	1995	0.01	37661	0.19
	07/02/2020	Buy	1450	0.01	39111	0.20
	At the end of the year				39111	0.20
10.	RENU JAIN					
	At the beginning of the year		25000	0.13	25000	0.13
	06/12/2019	Buy	6000	0.03	31000	0.16
	13/12/2019	Buy	3542	0.02	34542	0.18
	20/12/2019	Buy	1458	0.01	36000	0.19
	At the end of the year				39111	0.20

(v) Shareholding of Directors and Key Managerial Personnel:

SI. No.	For Each of the Directors & KMP	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1.	Mr. Lalit Bhasin	9962280	51.19	9962280	51.19
2.	Mr. Anil Goyal	NIL	N.A	NIL	N.A
3.	Mr. Jag Mohan Lal Suri*	709	0.00	709	0.00
4.	Mr. Rajesh Jain	NIL	N.A	NIL	N.A
5.	Mrs. Asha Mehra	NIL	N.A	NIL	N.A
6.	Mr. Yash Kumar Sehgal**	NIL	N.A	NIL	N.A
7.	Mr. Sunil Malik***	NIL	N.A	NIL	N.A
8.	Mr. Praveen Gupta, CFO (KMP)	NIL	N.A	NIL	N.A
9	Ms. Banmala Jha, Manager (KMP)#	NIL	N.A	NIL	N.A
10	Mrs. Radhika Khurana, CS (KMP)	NIL	N.A	NIL	N.A

(*) Jointly held with his wife

(**) Resigned from the Board w.e.f. 29th July, 2019

(***) Appointed w.e.f. 12th February, 2020

(#) Appointed w.e.f. 27th May, 2019

V. INDEBTEDNESS:

Indebtedness of the company including interest outstanding/accrued but not due for payment:

(Amount in ₹ Lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	17898.08	5316.22	NA	23214.30
ii) Interest due but not paid	NIL	NIL	NA	NIL
iii) Interest accrued but not due	152.17	NIL	NA	152.17
Total (i+ii+iii)	18050.25	5316.22	NA	23366.46
Changes in Indebtedness during the financial year				
• Addition	17858.11	11.54	NA	17869.66
• Reduction	18054.49	1945.25	NA	19999.74
Net Change	(196.37)	(1933.71)	NA	(2130.08)
Indebtedness at the end of the financial year				
i) Principal Amount	17688.39	3370.97	NA	21059.36
ii) Interest due but not paid	148.47	NIL	NA	148.47
iii) Interest accrued but not due	17.02	11.54	NA	28.56
Total (i+ii+iii)	18050.25	3382.51	NA	21236.38

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A) Remuneration to Managing Director, Whole –time Directors and / or Manager:

(Amount in ₹)

Sl. No.	Particulars of Remuneration	Name of MD/WT/Manager
		N.A.
1.	Gross Salary (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	11,79,600 96,000 NIL
2.	Stock Option	-
3.	Sweat Equity	-
4.	Commission - as % of profit - others, specify	-
5.	Others, please specify	-
	Total(A)	12,75,600
	Ceiling as per the Act	-

B) Remuneration to other Directors:

(Amount in ₹)

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount
1.	Independent Directors	Mr. Rajesh Jain	Mrs. Asha Mehra	Mr. Yash Kumar Sehgal*	
	• Fee for attending board / committee meetings #	63,500	56,000	10,000	1,29,500
	• Commission	NIL	NIL		NIL
	• Others, please specify	-	-		-
	Total (1)	63,500	56,000	10,000	1,29,500
2.	Other Non-Executive Directors	Mr. Anil Goyal	Mr. Jagmohan Lal Suri	Mr. Lalit Bhasin	
	• Fee for attending board / committee meetings #	47,500	61,500	40,000	1,49,000
	• Commission	NIL	NIL	NIL	NIL
	• Others, please specify	-	-	-	-
	Total (2)	47,500	61,500	40,000	1,49,000
	Total Managerial Remuneration				2,78,500
	Overall Ceiling as per the Act	Sitting fee paid as per the provisions of the Companies Act, 2013.			

(#) Excluding reimbursement of travel and other expenses incurred for attending the meetings.

(*) Resigned from the Board w.e.f. 29th July, 2019

(**) Appointed w.e.f. 12th February, 2020

C) Remuneration to Key Managerial Personnel Other Than MD / Manager / WTD:

(Amount in ₹)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		Mr. Praveen Gupta (Chief Financial Officer)	Mrs. Radhika Khurana (Company Secretary)	
1.	Gross Salary (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	35,47,200 2,15,004 NIL	6,61,800 40,000 NIL	42,09,000 2,55,004 NIL
2.	Stock Option	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL
4.	Commission - As % of profit - Others, specify	NIL -	NIL -	NIL -
5.	Ex-Gratia	-	1,00,000	1,00,000
	Total	37,62,204	7,01,800	44,64,004

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			None		
B. DIRECTORS					
Penalty Punishment Compounding			None		
C. OTHER OFFICERS IN DEFAULT					
Penalty Punishment compounding			None		

MANAGEMENT'S DISCUSSION AND ANALYSIS

1. OPERATING RESULTS

During the year under review, the Company's Total Revenue is ₹ 8324.29 Lakhs as compared to ₹ 9077.45 Lakhs in the previous year. The Company incurred total expenses amounted to ₹ 9475.73 Lakhs as compared to ₹ 10288.06 Lakhs during the previous year.

The total revenue of the hotel unit of the Company, Taj City Centre Gurugram, for the financial year under review was ₹ 8154.62 Lakhs as compared to ₹ 8605.47 Lakhs during the previous year. During the year under review, the Company earned a cash profit amounting to ₹ 253.30 compared to ₹ 185.07 Lakhs incurred in the previous financial year.

Loss after tax stood at ₹ 879.78 Lakhs as against ₹ 1042.93 Lakhs in the previous year.

2. INDUSTRY STRUCTURE AND DEVELOPMENTS

The travel and tourism industry contributed 6.8% to India's GDP and registered the growth of 4.9% in 2019. The industry supports close to 40 million jobs in the country (8% of total employment). India is a large market for travel and tourism. It offers a diverse portfolio of niche tourism products – cruises, adventure, medical, wellness, sports, MICE, eco-tourism, film, rural and religious tourism. India ranked 34 in the Travel & Tourism Competitiveness Report 2019 published by the World Economic Forum. In 2019, arrivals through e-Tourist Visa increased by 23.6% y-o-y to touch 2.9 million.

The COVID-19 pandemic has impacted all businesses, though in varying degrees. A major impact of the pandemic has been felt by the travel and tourism sector consisting of airlines, hospitality, cruise liners, road and railway transportation, travel and tour operators, in addition to industries such as real estate, construction, passenger vehicles, luxury retail, etc. The COVID-19 pandemic, being highly infectious in nature, has impacted the tourism industry in an unprecedented manner, more so as the industry is highly people-centric in nature, and service delivery involves close interactions between service providers and guests.

The hospitality and tourism industry is facing a dire and hitherto-unknown situation that has thrown up new challenges and taken the industry by surprise. Even though the government and the RBI announced stimulatory measures to mitigate the immediate challenges faced by the industries and businesses, considering the diverse nature of the hospitality and tourism industry, especially the fact that it is one of the major contributors to the GDP and also a major employment provider, the industry feels that specific measures from the government are extremely crucial for its survival in these challenging times. In this regard, the Federation of Associations in Indian Tourism & Hospitality (FAITH), has made a representation to the task force set up by the government for relief and bailout packages for the industry.

3. OPPORTUNITIES AND THREATS

The launch of several branding and marketing initiatives by the Government of India such as 'Incredible India!' and 'Atithi Devo Bhava' has provided a focused impetus to growth. The introduction of a new category of visa—the medical visa or M visa—is expected to encourage medical tourism in India. Several other factors promoting tourism in general, and hospitality in particular are:

- Focus on improving infrastructure, including airports, roads and rail connectivity across the country.
- Further extension of E-visas, which are currently available to nationals of 169 countries.
- Introduction of 100% FDI in tourism under the automatic route
- Introduction of Tax Refund for Tourists (TRT) scheme in line with countries like Singapore in the latest Union budget, to encourage tourists to spend more in India and boost tourism.
- Rationalisation of GST rates applicable to room tariffs, where the existing rates of 28% and 18% were reduced to 18% and 12%, respectively, made effective from October 1, 2019.

The COVID-19 pandemic has impacted all businesses, though in varying degrees. A major impact of the pandemic has been felt by the travel and tourism sector consisting of airlines, hospitality, cruise liners, road and railway transportation, travel and tour operators, in addition to industries such as real estate, construction, passenger vehicles, luxury retail, etc. The COVID-19 pandemic, being highly infectious in nature, has impacted the tourism industry in an unprecedented manner, more so as the industry is highly people-centric in nature, and service delivery involves close interactions between service providers and guests.

4. FUTURE PROSPECTS AND OUTLOOK

The outbreak of the COVID-19 pandemic and consequent nationwide lockdown and other restrictions imposed by the government on movement across the country since March 24, 2020 is expected to severely affect the economic growth during FY 2020-21, especially in the first quarter.

Due to ongoing COVID pandemic and its impact on various sectors of the economy, notability on tourism and hospitality Industry, the short term outlook is uncertain. Gradually, over a period of time, the outlook is expected to improve.

5. RISKS AND CONCERNS

Your Company aims to understand measure and monitor the various risks to which it is exposed and to ensure that it adheres, as far as reasonably and practically possible, to the policies and procedures established by it to mitigate these risks. The Company has taken adequate preventive and precautionary measures to overcome all negative factors responsible for low trend to ensure steady growth.

Risk Management Policy

- (i) The Senior Management is responsible for identification of new risks, changes to existing risks and retirement of previously identified risks through a formal decision making process.
- (ii) To ensure key risks are identified and analysed by the Senior Management:
 - (a) defines risks in the context of the Company's strategy;
 - (b) prepares risk profiles including a description of the material risks, the risk level and action plans used to mitigate the risk; and
 - (c) regularly reviews and updates the risk profiles.
- (iii) The Company has implemented a systematic process to assist in the identification, assessment, treatment and monitoring of risks and provides the necessary tools and resources to management and staff to support the effective management of risks.
- (iv) Risks faced by the Company in its business principally arise from Real Estate and Tourism industry. This includes macroeconomic risks, investee company specific risks, market wide liquidity risks and execution risks relating to the Company/ its intermediaries. The macroeconomic risks, investee company specific risks are covered by investment decisions based on third party research and internal assessment. Market wide risks are assessed and managed by investment timing decisions. The execution risk is managed by dealing with reputed intermediaries and through own back office discipline re accounting and follow up of trades.
- (v) The Company assesses the effectiveness of its risk management plan through structured continuous improvement processes to ensure risks and controls are continually monitored and reviewed.

6. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

Your Company has adequate internal controls commensurate with its size to ensure protection of assets against loss from unauthorised use and all the transactions are authorised, recorded and reported correctly. The internal control is also supplemented by internal audit conducted by an external and independent firm of Chartered Accountants on an ongoing basis.

The Internal Audit Reports along with management comments thereon are reviewed by the Audit Committee of the Board. Besides, the Audit Committee reviews the internal controls at periodic intervals in close coordination with the Internal Auditors.

7. FINANCIAL PERFORMANCE

- a) **Share Capital:** The Company's issued and subscribed share capital consists of Equity and Redeemable Preference Share capital. The paid-up share capital of the Company as at 31st March, 2020, stood at ₹ 1044599470/- comprising of 19459947 Equity Shares of ₹ 10/- each and 8500000 Redeemable Non Convertible Non Cumulative Preference Shares of ₹ 100/- each.
- b) **Non-Current Assets & Non-Current Liabilities:** During the year under review, the Non-Current Assets and Non-Current Liabilities stood at ₹ 48270.64 Lakhs and ₹ 50479.84 Lakhs respectively ₹ 25952.08 Lakhs and ₹ 27791.27 Lakhs respectively in the last year.
- c) **Current Assets & Current Liabilities:** During the year under review, the Current Assets and Current Liabilities stood at ₹ 3669.20 Lakhs and ₹ 3831.86 Lakhs respectively against ₹ 5402.88 Lakhs and ₹ 4541.68 Lakhs respectively in the last year.
- d) **Key Financial Ratio (Standalone):**

Particulars	FY 2018-19	FY 2017-18	% change over previous year	Reason for change of more than 25%
1. Debtors Turnover Ratio	33.90	25.78	31.51	Timely recovery/ Low sale due to Covid Pandemic Situation.
2. Inventory Turnover Ratio	0.54	0.71	-23.63	-
3. Interest Coverage Ratio	0.54	0.56	-4.22	-
4. Current Ratio	0.68	0.84	-19.51	-
5. Debt Equity Ratio	1.52	1.47	3.54	-
6. Operating Profit Margin (%)	16.19	17.18	-5.78	-
7. Net Profit Margin (%)	-10.83	-11.73	7.64	-
8. Return on Net Worth (%)	-4.32	-4.76	9.31	-

8. HUMAN RESOURCES

Your Company has adequate human resources which is commensurate with the current volume of activity and is reviewed by the management periodically and the Company would induct competent personnel on increase / expansion of the activity.

9. CAUTIONARY STATEMENT

Statements in this management discussion and analysis, describing the Company's objective, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable laws and regulations. Actual results might differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include interest rates and changes in the Government Regulations, tax regimes, economic developments and other factors such as litigations etc.

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

The Company's Philosophy on Corporate Governance envisages the high standards of transparency, accountability and ethics in all transactions and interactions with all Stakeholders including but not limited to the Shareholders, the Government, Suppliers, Contractors and other business associates.

2. SIZE AND COMPOSITION OF THE BOARD OF DIRECTORS:

The Board of Directors of your Company comprises of Six Directors out of which five are Non-Executive Directors and three are Independent Directors including one Woman Director as on 31st March, 2020. The Non-Executive Directors are proficient in their own fields and bring with them decades of rich experience. Mr. Lalit Bhasin, Director (Promoter)

is the Chairman and Non- Executive Director of the Company. The composition of the Board is in conformity with Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Four Board Meetings were held during the year under review on – 27th May, 2019; 10th August, 2019; 05th November, 2019 and 12th February, 2020.

The necessary quorum was present for all the meetings.

Composition of the Board of Directors, particulars of director's other directorships and membership in committees of other public limited companies and their attendance in the Board Meetings and in AGM held during the year under review are given hereunder:

Name of the Director	Category	Directorships in other Public Companies as on 31 st March, 2020		*Committee Membership held in other Public Companies as on 31 st March, 2020		No. of Board Meetings attended/ entitled during the year	Whether Attended last AGM	No. of Equity Shares held
		Director	Chairman	Member	Chairman			
Mr. Lalit Bhasin	Chairman (Promoter Non Executive)	6	3	3	1	4/4	Yes	9962280
Mr. Anil Goyal	Non-Independent Non Executive	9	NIL	5	NIL	4/4	Yes	NIL
Mr. Jag Mohan Lal Suri	Non-Independent Non Executive	7	NIL	2	2	4/4	Yes	*709
Mr. Rajesh Jain	Independent Non-executive	NIL	NIL	NIL	NIL	4/4	Yes	NIL
Mrs. Asha Mehra	Independent Non-executive	1	NIL	NIL	NIL	4/4	Yes	NIL
Mr. Yash Kumar Sehgal**	Independent Non-executive	5	NIL	1	3	1/1	NA	NIL
Mr. Sunil Malik***	Independent Non-executive	NIL	NIL	NIL	NIL	0/0	NA	NIL

Comprises only Audit Committee and Stakeholders Relationship Committee of Indian Public Limited Companies

(*) Jointly held with his wife

(**) Resigned w.e.f. 29th July, 2019

(***) Appointed w.e.f. 12th February, 2020

Details of Directorships held in other listed entities by the Directors of the Company and the Category of their Directorship as on 31st March, 2020 is given as under:

Name of the Director	Directorships in other listed entities (Category of Directorship)
Mr. Lalit Bhasin	1. HB Stockholdings Ltd. (Non-Executive Non-Independent Director - Chairperson) 2. HB Portfolio Ltd. (Non-Executive Non-Independent Director - Chairperson) 3. HB Leasing & Finance Co. Ltd. (Non-Executive Non-Independent Director - Chairperson) 4. CHL Ltd. (Non-Executive Independent Director)
Mr. Anil Goyal	1. HB Stockholdings Ltd. (Non-Executive Non-Independent Director) 2. HB Portfolio Ltd. (Executive Director - MD) 3. HB Leasing & Finance Co. Ltd. (Executive Director - MD)
Mr. Jag Mohan Lal Suri	1. HB Portfolio Ltd. (Non-Executive Non-Independent Director)
Mrs. Asha Mehra	1. HB Stockholdings Ltd. (Non-Executive Independent Director)
Mr. Rajesh Jain	None
Mr. Sunil Malik	None

The number of Committees (Audit Committee and Stakeholder Relationship Committee) of Public Limited Companies in which a Director is a Member / Chairperson is within the limits provided under Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for all the Directors of the Company. The number of Directorships of each Independent Director is also within the limits as prescribed under Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

None of the Directors are related to each other as defined in Section 2(77) of the Companies Act, 2013.

The Company had issued formal letter of appointment to the Independent Directors at the time of their appointment as per the provisions of Sec 149 read with Schedule IV of the Companies Act, 2013. The terms and conditions of appointment of Independent Directors are disclosed on the website of the Company, www.hbestate.com

In the opinion of the Board and based on the disclosures received, the Independent Directors fulfill the conditions specified in the SEBI Listing Regulations and are independent of the management.

In terms of the provisions of the existing Articles of Association of the Company, one-third of the Directors of the Company, who are liable to retire by rotation, shall retire at every Annual General Meeting. Accordingly, Mr. Jag Mohan Lal Suri, Director shall retire at the ensuing Annual General Meeting and who being eligible offers himself for re-appointment.

The information on the Particulars of Director eligible for Appointment / Re-appointment in terms of Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard – 2 issued by the Institute of Company Secretaries of India has been provided in the Notes to the Notice convening the Annual General Meeting.

3. CORE SKILLS/EXPERTISE/COMPETENCIES OF THE BOARD OF DIRECTORS

The Board comprises of qualified members who bring in the required skills, competence and expertise that enable them to make effective contributions to the Company's working. The Board members have expertise and extensive experience in financial services, taxation, investments, capital markets, banking, hospitality, corporate restructuring, corporate governance, strategic planning, corporate administration and general management. They uphold ethical standards of integrity and probity and exercise their responsibility in the best interest of the Company and all stakeholders.

The Board comprises of members of varied age groups who demonstrate competence and experience required for the Company. Their diversity of experiences has a positive impact on deliberations on various matters placed before the Board setting the right direction for future strategy and plans. Sufficient time is devoted by them for informed and balanced decision-making.

All Directors are familiar with the Company's business, policies, culture (including the Mission, Vision and Values) and industry in which the Company operates.

The below chart / matrix summarizes a mix of skills, expertise and competencies expected to be possessed by our individual directors, which are key to corporate governance and board effectiveness:

Key Board Skills / Expertise / Competencies:

Technical Expertise	Education and experience in the areas of Hospitality, capital markets, banking and finance, administration, real estate, corporate governance.
Risk Management	Capability to identify, assess, and monitor the risks associated with market risk, credit risk, liquidity and Interest rate risk associated with the business of the Company.
Corporate Governance	Understanding of the relevant laws, rules, regulation policies applicable to the organisation/industry/sector in which the Company operates. Knowledge and understanding of organizations processes, strategic planning and observing appropriate governance practices.
Strategic Decision making	To develop insights about maintaining board and management accountability, protecting shareholder interests. Demonstrated strengths in developing business strategies, business transformation contributing to long-term growth.

Name of the Directors who have these expertise and skills:

Name of the Director	Core Skills / Expertise / Competencies			
	Technical Expertise	Risk Management	Corporate Governance	Strategic Decision Making
Mr. Lalit Bhasin	✓	✓	✓	✓
Mr. Anil Goyal	✓	✓	✓	✓
Mr. Jag Mohan Lal Suri	✓		✓	✓
Mr. Rajesh Jain	✓	✓	✓	✓
Mrs. Asha Mehra	✓	✓	✓	✓
Mr. Sunil Malik			✓	✓

4. CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT PERSONNEL

The Code of Conduct for Directors and Senior Management Personnel ('the Code'), as adopted by the Board, is a comprehensive Code applicable to all the Directors and Senior Management Personnel. The Company's Board of Directors and Senior Management Personnel are responsible for and are committed to setting the standards of conduct contained in the Code and for updating these standards, as appropriate, to ensure their continuing relevance, effectiveness and responsiveness to the needs of investors and all other stakeholders as also to reflect corporate, legal and regulatory developments. This Code is adhered to in letter and in spirit. The Code has been circulated to all the Directors and Senior Management Personnel and the compliance of the same is affirmed by them annually.

All the members of Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct of the Company for the financial year 2019-20. The declaration to this effect signed by the Director of the Company is attached and forms an integral part of this Report. A copy of the Code has been uploaded on the Company's website having following web link: <https://www.hbestate.com/Corporate%20Information/conduct.htm>

5. INDEPENDENT DIRECTORS MEETING:

During the year under review, the Independent Directors met on 12th February, 2020, *inter alia*, to discuss and evaluate:

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

Further, the Company gave the presentation to the Independent Directors as a part of the familiarisation programme to make them aware about their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company etc. The details of such familiarisation programme are available on the website of the Company having following web link, <https://www.hbestate.com/Investor%20Information/Corporate%20Governance/index.html>

All the Independent Directors were present at the Meeting.

6. PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS

The performance evaluation exercise has been carried out 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, execution and performance of specific duties, obligations and governance. The performance of Individual Directors has been evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company, Shareholders etc. The Performance of Chairperson was being evaluated in terms of leadership qualities, effective management, maintaining cordial relationship with Board, Shareholders, employees, etc.

The Independent Directors in their meeting held on 12th February, 2020 have done necessary performance evaluation of Non-Independent Directors, the Board of Directors as a Whole & its Committees and the Chairman of the Company, taking into account the views of Executive and Non-Executive Directors. All the Independent Directors expressed their satisfaction with the performance of Non-Independent Directors, the Board of Directors as a Whole & its Committees and the Chairman of the Company.

Mr. Lalit Bhasin, Chairman of the Company had discussion with all individual Directors in order to review the performance of the Independent Directors of the Company. The performance of the Independent Directors also found to be satisfactory during the period under review.

The Nomination and Remuneration Committee and the Board of Directors in their meeting held on 12th February, 2020 expressed their satisfaction with the performance evaluation of all individual Directors being the Independent Directors, Non-Independent Directors, Chairperson, Board as a whole and its committees in terms of the provision of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and applicable provisions of the Companies Act, 2013.

7. BOARD COMMITTEES:

The terms of reference of the Board Committee(s), their composition and attendance of the respective members at the various Committee Meeting(s) held during the year 2019-2020 are set out below:

(A) Audit Committee

The Board of Directors in their meeting held on 20th December, 2001 had constituted the Audit Committee. The Committee was duly reconstituted on 25th October, 2008, 09th March, 2010 and thereafter on 27th May, 2019.

The terms of reference of the Audit Committee was revised by the Board of Directors in their meeting held on 10th February, 2015 in terms of provisions of Section 177(4) of the Companies Act, 2013 and Clause 49 of the Listing Agreement. Further, the terms of reference of the Audit Committee has been partially amended by the Board of Directors in their meeting held on 10th February, 2016 and 12th February, 2019 in terms of Regulation 18 read with Part C of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Audit Committee consists of four Non-Executive Directors as members, out of which two are Independent Director. The Chairman of the Audit Committee is an Independent Director. The Audit Committee comprises of the following members:

- Mrs. Asha Mehra, Chairperson (Independent Director),
- Mr. Rajesh Jain, Member (Independent Director)
- Mr. Jagmohan Lal Suri, Member (Non-Independent Director)

The Company Secretary acting as Secretary to the Committee.

The quorum for the Audit Committee meeting shall either be two members or one third of the members of the Audit Committee, whichever is greater, with at least two Independent Directors.

Mr. Yash Kumar Sehgal has been appointed as member of the Audit Committee on 27th May, 2019 but ceased to be a member consequent upon his resignation on 29th July, 2019.

The Audit Committee has been empowered, *inter-alia*, to carry out the following functions:

- Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013.
 - Changes, if any, in accounting policies and practices and reasons for the same.
 - Major accounting entries involving estimates based on the exercise of judgment by management.
 - Significant adjustments made in the financial statements arising out of audit findings.
 - Compliance with listing and other legal requirements relating to financial statements.
 - Disclosure of any related party transactions.
 - Modified opinion(s) in the draft audit report.
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow up there on;
- 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;
- 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;

17. 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;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the whole-time 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;
20. The Audit 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 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) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
 - (ii) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
21. Reviewing the utilization of loans and/or advances from / investment by the Holding Company in the Subsidiary exceeding ₹ 100 Crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances / investments.
22. The Audit Committee shall also have powers, which should include the following:
 - a) To investigate any activity within its terms of reference.
 - b) To seek information from any employee.
 - c) To obtain outside legal or other professional advice.
 - d) To secure attendance of outsiders with relevant expertise, if it considers necessary.
 - e) To consider and act on any matters as included under SEBI (Listing Obligations and Disclosure Requirements) 2015 and/or as may be so included from time to time, whether provided here in above or not.
 - f) To deal with any other matters related and or incidental to the above or as may be assigned, in addition to the aforesaid, by the Board from time to time.

During the year under review, the Audit Committee met four times on 27th May, 2019, 10th August, 2019, 05th November, 2019 and 12th February, 2020 and the same were attended by all Committee members as well as the Internal & Statutory Auditors of the Company

The Audit Committee plays a crucial role in running of the Corporate Governance Functions. During the year the roles and responsibility of the Audit Committee have been effectively carried out. The Audit Committee reviewed the financial operations and performance of the Company, interacted with the Statutory and Internal Auditors, considered the reports of the Auditors and provided its valuable suggestions and recommendations to the Board of Directors from time to time.

(B) Nomination and Remuneration Committee

The Board of Directors in their meeting held on 21st April, 2004 had constituted the Remuneration Committee. The Committee was reconstituted on 29th November, 2004, 09th March, 2010, 27th May, 2019 and thereafter on 12th February, 2020.

The Board of Directors in their meeting held on 24th May, 2014 renamed the Committee as “**Nomination and Remuneration Committee**” and approved the revised terms of reference pursuant to the provisions of Section 177(4) of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

Further, the terms of reference of the Nomination and Remuneration Committee has been partially amended by the Board of Directors in their meeting held on 10th February, 2016 and 12th February, 2019 in terms of Regulation 19 read with Part C of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Nomination and Remuneration Committee consists of three Non-Executive Directors as members, out of which two are Independent Director. The Nomination and Remuneration Committee comprises of the following members:

- (i) Mrs. Asha Mehra, Chairperson (Independent Director),
- (ii) Mr. Rajesh Jain, Member (Independent Director)
- (iii) Mr. Anil Goyal, Member (Non-Independent Director)

The Company Secretary acting as Secretary to the Committee.

Mr. Jag Mohan Lal Suri resigned from the Nomination and Remuneration Committee on 27th May, 2019. Mr. Yash Kumar Sehgal has been appointed as member of the Nomination and Remuneration Committee on 27th May, 2019 but ceased to be a member consequent upon his resignation on 29th July, 2019. Mr. Anil Goyal has been appointed as the member of the Committee on 12th February, 2020.

The said Committee shall be empowered, inter-alia, to carry out the following functions:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for performance evaluation of Independent Directors and the Board;
3. Devising a policy on Board diversity;
4. 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 their appointment and removal.
5. Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
6. Recommend to the Board, all remuneration, in whatever form, payable to senior management.
7. To deal with any other matters related and / or incidental to the above or as may be assigned to the aforesaid by the Board from time to time.

During the year under review Two (2) Nomination and Remuneration Committee Meeting were held on 27th May, 2019 and 12th February, 2020 and the same was attended by all the Committee Members.

Remuneration paid during the year ended 31st March, 2020 is as under:

(Amount in ₹)

Director	Relationship with other Directors	Sitting Fees Paid	Salary & Perks	Commission if any
Mr. Lalit Bhasin	N.A.	40,000/-	Nil	Nil
Mrs. Asha Mehra	N.A.	56,000/-	Nil	Nil
Mr. Anil Goyal	N.A.	47,500/-	Nil	Nil
Mr. Jag Mohan Lal Suri	N.A.	61,500/-	Nil	Nil
Mr. Rajesh Jain	N.A.	63,500/-	Nil	Nil
Mr. Yash Kumar Sehgal*	N.A.	10,000/-	Nil	Nil

(* Resigned from the Board w.e.f. 29th July, 2019)

The Non-Executive Directors are paid sitting fees for attending each meeting of the Board of Directors and the Committees constituted by the Board and no other remuneration is being paid to any of the Directors. The sitting fee for each meeting of Board of Directors and the Committee of Directors is fixed by the Board of Directors within the overall ceiling laid down under the Companies Act.

Brief outline / salient features of the Nomination and Remuneration Policy including changes made therein during the year has been included in the Board's Report. The complete Nomination and Remuneration Policy of the Company is available on the website of the Company having following web link, <https://www.hbestate.com/Investor%20Information/Corporate%20Governance/index.html>

Stakeholders Relationship Committee

The Committee looks after the share transfer work besides redressal of shareholders complaints.

The Board of Directors had constituted Shareholders / Investor Grievance Committee in terms of the provisions of the erstwhile Listing Agreement and the Board of Directors in their meeting held on 24th May, 2014 and changed the nomenclature of the Shareholder / Investor Grievance Committee as “Stakeholders Relationship Committee” and approved the revised terms of reference pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

Further, the terms of reference of the Stakeholders Relationship Committee has been partially amended by the Board of Directors in their meeting held on 12th February, 2019 in terms of Regulation 20 read with Part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Stakeholders Relationship Committee (SRC) consists of three Directors as members. The Chairman of the Committee is a Non-Executive Director. There was no change in the constitution of SRC during the year. The Stakeholders Relationship Committee comprises of following members:

- (i) Mr. Jag Mohan Lal Suri, Chairman (Non-Independent Director)
- (ii) Mr. Anil Goyal, Member (Non-Independent Director)
- (iii) Mr. Rajesh Jain, Member (Independent Director)

The Company Secretary acting as Secretary to the Committee who has also been designated as Compliance Officer of the Company.

Stakeholders Relationship Committee has been empowered, inter-alia, to carry out the following functions:

1. To consider and approve the transfer, transmission and issue of fresh/duplicate share certificates.
2. To review the status of dematerialization of company's shares and matters incidental thereto.
3. To review and monitor the approval to the transfers and transmissions made by the Executive Director, under executive authority delegated to him from time to time.
4. To consider, review and look into the redressal of grievances of shareholders, debenture holders and other security holders.



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- To consider and resolve the grievances of the security holders of the company including complaints related to transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends.
- To consider and finalize the Report on Corporate Governance to be annexed with the Annual Report of the company.
- To deal with any other matters related and/or incidental to the shareholders.

During the year under review Five (5) Stakeholders Relationship Committee Meetings were held on 09th April, 2019; 12th July, 2019; 11th October, 2019; 30th October, 2019 and 07th January, 2020 and the same were attended by all the committee members.

Number of Shareholders Complaints received and redressed during the year 2019-2020:

Nature of Complaint	Received	Disposed Off	Pending
Non Receipt of Dividend	1	1	Nil
Non Receipt of Annual Report	1	1	Nil
Transfer, Transmission, Issue of Share Certificate etc.	6	6	Nil
Complaints Received through SEBI/Stock Exchange	Nil	Nil	Nil
TOTAL	8	8	NIL

(C) Corporate Social Responsibility Committee

The Board of Directors in its meeting held on 24th May, 2014, constituted the “**Corporate Social Responsibility Committee**” pursuant to the provisions of Section 135, Schedule VII of the Companies Act, 2013 and rules made thereunder.

The Corporate Social Responsibility Committee consists of three Directors as members out of which one Director is an Independent Director who is also the Chairman of the Committee. There was no change in the constitution of CSR Committee during the year. The Corporate Social Responsibility Committee comprises of following members:

- Mrs. Asha Mehra, Chairperson (Independent Director)
- Mr. Rajesh Jain, Member (Independent Director)
- Mr. Anil Goyal, Member (Non-Independent Director)

The Corporate Social Responsibility Committee has been empowered, inter-alia, to carry out the following functions:

- formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII;
- recommend the amount of expenditure to be incurred on the activities referred to in clause (a); and
- monitor the Corporate Social Responsibility Policy of the company from time to time.

The Company does not come under the ambit of Corporate Social Responsibility hence no Committee meeting was required to be held during the year under review.

(D) Business Restructuring Committee:

The Board of Directors in their meeting held on 06th February, 2013 constituted the “**Business Restructuring Committee**”. There was no change in the constitution of Business Restructuring Committee during the year.

The Business Restructuring Committee comprises of following members:

- Mrs. Asha Mehra, Chairperson (Independent Director)
- Mr. Rajesh Jain, Member (Independent Director)
- Mr. Anil Goyal, Member (Non-Independent Director)

The Committee has been empowered, inter-alia, to carry out the following functions:

- To analyze all the available options of capital restructuring, merger, demerger etc.
- To analyze available options for restructuring the existing Capital base by inducing more funds.
- To appoint consultants and to obtain opinion of professionals dealing in said fields on various options available for re-organization of the business of group companies and to place the opinion obtained from the said professionals before the Board of Directors of the Company.
- To appoint Advocates & Legal Counsels for the drafting of Scheme of Amalgamation/Arrangement.
- To appoint valuer for obtaining the valuation report.
- To place the Draft Scheme of Amalgamation/ Arrangement and valuation report before the Board of Directors of the Company.

During the year under review no meeting(s) of the Committee were held.

(E) Securities Committee

The Board of Directors in their meeting held on 12th December, 2014 constituted the “**Securities Committee**”. There was no change in the constitution of Securities Committee during the year.

The Securities Committee comprises of following members:

- Mrs. Asha Mehra, Chairperson (Independent Director)
- Mr. Rajesh Jain, Member (Independent Director)
- Mr. Anil Goyal, Member (Non-Independent Director)

The Committee has been empowered, inter-alia, to carry out the following functions:

- To raise capital through further issuance and allotment of Securities including but not limited to Equity Shares and/or Convertible Preference Shares and/ or Fully Convertible Debentures (“FCDs”) and/or Non Convertible Debentures (“NCDs”) with warrants, Global Depository Receipts (“GDRs”), American Depository Receipts (“ADRs”), Foreign Currency Convertible Bonds (“FCCBs”) and/or any other financial instruments convertible into or linked to Equity Shares through public issue(s), private placement(s) or a combination thereof, including issuance of Securities through a qualified institutional placement under Chapter VIII of the SEBI ICDR Regulations for an aggregate amount to ₹ 250 Crores.
- To expedite the process of preparation and approval of offer documents/information memorandum, fixing of terms and conditions including pricing, engaging of intermediaries etc. for various kinds of securities, at opportune times.
- Approving the draft / final offer documents, placement document and filing the same with any other authority or persons as may be required;
- Approving the issue price, payment terms, timings of the issue(s), the number of Securities to be issued, the basis of allocation and allotments of Securities;
- To affix the Common Seal of the Company on any agreement(s)/document(s) as may be required to be executed in connection with the above in accordance with the Company’s Articles of Association;
- Arranging the delivery and execution of all contracts, agreements and all other documents, deeds and instruments as may be required or desirable in connection with the issue of Securities;
- Opening such bank accounts and demat accounts as may be required for the offering;
- To make all such necessary applications with the appropriate authorities and make the necessary regulatory filings in this regard;
- Making applications for listing of the Equity Shares of the Company on one or more of the stock exchange(s), within or outside India and to execute and to deliver or arrange the delivery of the listing agreement(s) or equivalent documentation to the concerned stock exchange(s);
- To appoint consultants and to obtain opinion of professionals dealing in said fields on various options available to the Company and to place the opinion obtained from the said professionals before the Board of Directors of the Company;
- To appoint Advocates, Legal Counsels, Professional Consultants for the drafting of Offer documents/Information memorandum, notices, other legal papers / documents as may be required from time to time;
- To appoint valuer for obtaining the valuation report;
- To do all such acts, deeds, matters and things and execute all such other documents and pay all such fees, as it may, in its absolute discretion, deem necessary or desirable for the purpose of the transaction.
- To delegate (to the extent permitted by law) all or any of the powers herein conferred to any committee member or any other officer or officers of the Company as it may, in its absolute discretion, deem necessary or desirable for the purpose of the transaction.
- To settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of Securities and utilization of the issue proceeds as it may in its absolute discretion deem fit.

During the year under review no meeting(s) of the Committee were held.

8. GENERAL BODY MEETINGS

(i) Details of Annual General Meetings:

Location and time where the last three (3) AGM’s were held:

Year	Type	Location	Date	Time
2018-19	AGM	GIA House, I.D.C., Mehrauli Road, Opp.: Sector 14, Gurugram - 122 001 (Haryana)	19th September, 2019	11.00 A.M.
2017-18	AGM		25 th September, 2018	11.00 A.M.
2016-17	AGM		29 th September, 2017	11.00 A.M.

(ii) List of Special Resolutions passed in the previous 3 AGMs:

S. No.	Special Resolution(s)	AGM/EGM
1.	- Appointment of Mrs. Banmala Jha as a Manager of the Company - Appointment of Mrs. Asha Mehra (DIN: 02658967) as an Independent Director of the Company - Appointment of Mr. Rajesh Jain (DIN: 00031590) as an Independent Director of the Company - Continuation of Directorship of Mr. Jag Mohan Lal Suri (DIN: 00002373) Non-Executive Director of the Company	25 th AGM 19.09.2019
2	- Issuance of Redeemable Non Cumulative Non Convertible Preference Shares – Series III - Alteration of Objects Clause of Memorandum of Association of the Company	24 th AGM 25.08.2018
3.	Entering into Related Party Transaction with HB Portfolio Limited	23 rd AGM 29.09.2017

E-voting facility was provided to all the members pursuant to the provisions of Section 108 of the Companies Act, 2013, rules made there under and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(iii) Whether Special Resolutions were put through postal ballot last year: **No**

(iv) Whether any Special Resolution is proposed to be conducted through Postal Ballot: **No**

9. MEANS OF COMMUNICATION

- I. **Quarterly Results:** Dissemination through Listing Centre of BSE Limited, Company's Website and through publication in newspaper as required under Regulation 47 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- II. **Newspaper wherein results normally published:** Business Standard (English) All India editions and Business Standard (Hindi) Delhi Edition.
- III. **Website where displayed:** www.hbestate.com
- IV. The website also displays official Public Notices / Announcements containing important communications made to the BSE Limited. As and when any presentation is made to institutional investors the same would be simultaneously uploaded on the Company's Website.

10. DISCLOSURES

- I. There have been no materially significant related party transactions, pecuniary transactions or relationships other than those disclosed in the Financial Statements for the financial year ended 31st March, 2020 (Refer Note No. 43 of the Financial Statements) forming part of the Financial Statements. The Policy on Related Party Transactions is available on the website of the Company having following web link <https://www.hbestate.com/Investor%20Information/Corporate%20Governance/index.html>
- II. Penalty of ₹ 1,51,040/- has been imposed by BSE Limited regarding Non – Compliance with the provisions of Regulation 19(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the year under review.

Apart from the above, no other penalty nor any strictures have been passed by the Stock Exchanges or SEBI or any other Statutory Authority on any matter related to Capital Markets during the last three years.
- III. The Vigil Mechanism for Stakeholders, Employees and Directors of the Company has been established. The Whistle Blower Policy duly approved by the Board of Directors is available on the <https://www.hbestate.com/Investor%20Information/Corporate%20Governance/index.html> website of the Company. No personnel have been denied access to the Audit Committee.
- IV. In line with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors have formulated a The Policy for Determining Material Subsidiaries is available on the website of the Company having following web link, <https://www.hbestate.com/Investor%20Information/Corporate%20Governance/index.html> as of now Company has no subsidiaries and there is no immediate applicability of the said policy.
- V. All the mandatory requirements under the SEBI (Listing Obligations and Disclosure Requirements) 2015, related to Corporate Governance are being adhered to / complied with.
- VI. The Director along with the Chief Financial Officer of the Company have given the Compliance Certificate on the review of Financial Statements, including Cash Flow Statement for the financial year ended 31st March, 2020 to the Board of Directors as required under Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- VII. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) – Not Applicable.
- VIII. 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 is attached and forms an integral part of this report.
- IX. The Board of Directors has duly accepted the recommendation of its Committee(s), wherever required in accordance with the provisions of applicable laws.
- X. Total fees paid by the Company and its Subsidiaries, on a consolidated basis, to the Statutory Auditors is given as under:

(Amount in ₹)

Audit Fees	3,00,000
Tax Audit Fees	50,000
Limited Review Reports	45,000
Certification and others	56,500
Total	4,51,500

- XI. Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is given as under:

At Registered Office:

a. Number of complaints filed during the financial year	Nil
b. Number of complaints disposed of during the financial year	Nil
c. Number of complaints pending as on the end of the financial year	Nil

At Hotel's Unit, Taj City Centre:

a. Number of complaints filed during the financial year	02
b. Number of complaints disposed of during the financial year	02
c. Number of complaints pending as on the end of the financial year	Nil

- XII. The Company has complied with Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

ADOPTION OF DISCRETIONARY REQUIREMENTS UNDER REGULATION 27 OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015:

- I. The Internal Auditor directly reports to the Audit Committee.

11. GENERAL SHAREHOLDER INFORMATION

I. Ensuing Annual General Meeting Date, Time and Venue:

The ensuing Annual General Meeting of the Company will be held through Video Conferencing (VC) / Other Audio Visual Means (OAVM) on **Wednesday, 30th September, 2020 at 11.00 A.M.** The deemed venue of the 26th AGM shall be the Registered Office of the Company.

- II. **Financial Year** : 1st April, 2019 to 31st March, 2020

- III. **Date of Book Closure** : 24th September, 2020 to 30th September, 2020

IV. Listing on Stock Exchanges:

The Company's Equity Shares are listed at BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001. The Annual Listing Fee for the financial year 2020-2021 has been paid to BSE Limited.

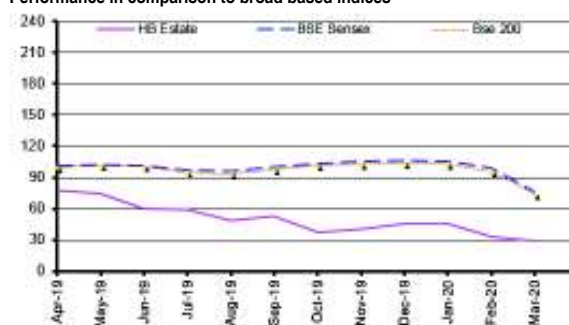
V. Stock Code/ISIN

The Company's scrip code at BSE Limited is 532334 (ISIN: INE640B01021).

- VI. **Market Price Data:** The monthly High, Low and Close price during each month in the last financial year at BSE along with volume of shares traded during the months are as under:

Month	High Price	Low Price	Close Price	Volume
April, 2019	20.55	15.2	15.3	60,925
May, 2019	18.15	12.65	14.75	45,010
June, 2019	14.75	11.11	11.79	44,836
July, 2019	12.8	10.65	11.69	31,149
August, 2019	11.56	9.12	9.6	21,424
September, 2019	11	8.64	10.39	14,106
October, 2019	11.2	7.32	7.42	58,306
November, 2019	10.71	7.41	8.06	34,360
December, 2019	10	8.13	9	19,988
January, 2020	11.2	7.89	9.05	24,575
February, 2020	9.99	6.34	6.48	24,224
March, 2020	6.95	5	5.67	32,558

VII. Performance in comparison to broad based indices



Stock Performance-Absolute returns

1 year

HB Estate	-62.94%
BSE Sensex	-24.50%
BSE 200	-26.56%

VIII. Registrar and Transfer Agents:

RCMC Share Registry Pvt. Ltd.

B-25/1, First Floor,
Okhla Industrial Area, Phase-II,
New Delhi – 110 020
Phone: 011 – 26387320, 26387321
Fax : 011 - 26387322
E-mail: investor.services@rcmcdelhi.com

IX. Share Transfer System

As per Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, securities of listed companies can be transferred only in dematerialized form, except in case of request received for transmission or transposition of securities.



HB ESTATE DEVELOPERS LIMITED

Share Transfers are registered and returned within a period of fifteen days from the date of receipt, if the documents are clear in all respects. The authority for transfer of shares has been delegated to the Director for transfer of shares up to a fixed number beyond which the matters are placed before the Stakeholders Relationship Committee, which meets as and when required. As reported by Company's Registrar and Share Transfer Agent, all valid requests for transfer during the year under review were transferred within stipulated time limit.

X. The distribution of shareholdings of the Company as on 31st March, 2020 is as under:

Shareholding of value of ₹	Shareholders		Shareholding	
	No. of Shares	% to total	Shares	% to total
Up to 5000	75106	99.06	3241210	16.66
5001-10000	361	0.48	250140	1.29
10001-20000	181	0.24	248209	1.28
20001-30000	61	0.08	149259	0.77
30001-40000	30	0.04	102182	0.53
40001-50000	12	0.02	53114	0.27
50001-100000	26	0.03	175848	0.90
100001 and above	44	0.06	15239985	78.31
TOTAL	75821	100.00	194559947	100.00

XI. Dematerialization of Share and Liquidity:

Company's Shares are tradable compulsorily in the electronic form. The Company is a member of both the depositories, National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The International Securities Identification Number (ISIN) allotted to the Company under the Depository System is INE640B01021. As at 31st March 2020, 17769730 Equity Shares of the Company are held in dematerialized form constituting 91.31% of the Company's Subscribed Share Capital.

As stipulated by SEBI, a qualified Practicing Company Secretary carries out Audit of Reconciliation of Share Capital to reconcile the Total Admitted, Issued and Listed Capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the BSE Limited.

The category-wise distribution of Shareholders is as follows:

Category	No of Shares held	% of Shareholding
A. Promoters Holding		
➤ Indian Promoter	12980787	66.70
➤ Foreign Promoters	0	0.00
B. Public Shareholding (Institutions)		
➤ Mutual Funds and UTI	2,733	0.01
➤ Banks/Financial Institutions	120	0.00
➤ Foreign Institutional Investors	0	0.00
C. Public Shareholding (Non Institutions)		
➤ Bodies Corporate	864721	4.44
➤ NRIs	111665	0.57
➤ Indian Public	4652323	23.91
➤ Clearing Member/ Intermediary	17639	0.09
➤ NBFC Registered with RBI	85	0.00
➤ Trust	9	0.00
➤ IEPF	829865	4.26
Total	194559947	100.00

XII. The Company has no outstanding GDRs/ ADRs/ Warrants or any other instruments convertible into equity.

XIII. List of all credit ratings obtained by the Company along with any revisions thereto during the financial year: Not Applicable

XIV. Address for Correspondence:

HB Estate Developers Limited
HB House, 31, Echelon Institutional Area,
Sector-32, Gurugram – 122 001
Ph: 0124-4675500; Fax: 0124-4370985
E-mail: corporate@hbestate.com

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of
HB Estate Developers Limited
Gurugram

- We have examined the compliance of conditions of Corporate Governance by **HB ESTATE DEVELOPERS LIMITED** ("the Company"), for the Financial Year ended on 31st March, 2020, as stipulated in Regulations 17 to 27, clause (b) to (i) of sub-regulation (2) of Regulation 46 and Paragraphs C, D and E of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") pursuant to the Listing Agreement entered into by the Company with the Stock Exchange.
- The Compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.
- We have examined the relevant records of the Company in accordance with the Generally Accepted Auditing Standards in India, to the extent relevant, and as per the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India.
- In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations.
- We state that such Compliance 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 G.C. Agarwal & Associates
Chartered Accountants
Firm Registration No.: 017851N

Place: Gurugram
Date: 26th June, 2020

Sd/-
G C Aggarwal
(Partner)
Membership No.: 083820



CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS
OF HB ESTATE DEVELOPERS LIMITED

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

To,
 The Members of
 HB Estate Developers Limited
 Plot No. 31, Echelon Institutional Area
 Sector – 32, Gurugram – 122001 (Haryana)

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **HB ESTATE DEVELOPERS LIMITED** having CIN: L99999HR1994PLC034146 and having Registered Office at Plot No. 31, Echelon Institutional Area, Sector 32, Gurugram -122001, Haryana, (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 and 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 verification (including Directors Identification Number (DIN) status at the portal - www.mca.gov.in as considered necessary and explanations furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending 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, Government of India or any such Statutory Authority.

Sr. No.	Name of Director	DIN	Date of Appointment in Company
1	Mr. Lalit Bhasin	00002114	20/09/1994
2	Mr. Anil Goyal	00001938	20/09/1994
3	Mr. Jag Mohan Lal Suri	00002373	20/09/1994
4	Mrs. Asha Mehra	02658967	12/08/2009
5	Mr. Rajesh Jain	00031590	29/08/2007
6.	Mr. Sunil Malik	01153501	12/02/2020

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 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 A.N. Kukreja & Co.
 Company Secretaries

Place: New Delhi
 Date: 26th June, 2020

Sd/-
 A.N. Kukreja
 (Proprietor)
 FCS 1070; CP 2318
 ICSI Unique Code: S1995DE014900
 UDIN: F001070B000384519

DIRECTOR'S DECLARATION ON CODE OF CONDUCT

The Members of
 HB Estate Developers Limited
 Gurugram

I, Jag Mohan Lal Suri, Director of the Company declare that all the members of the Board of Directors and Senior Management of the Company have affirmed compliance with the Code of Conduct. For
 HB Estate Developers Limited

Place: Gurugram
 Date: 26th June, 2020

Sd/-
 Jag Mohan Lal Suri
 Director
 (DIN: 00002373)



INDEPENDENT AUDITORS' REPORT

**TO THE MEMBERS OF
HB ESTATE DEVELOPERS LIMITED**

Report on the Audit of Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statement of **HB ESTATE DEVELOPERS LIMITED** ("the Company"), which comprise the Standalone Balance Sheet as at 31st March, 2020, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of changes in Equity and the Standalone Cash Flow Statement for the year then ended and a summary of Significant Accounting Policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 31st March, 2020, and its loss, total comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

Basis of Opinion

We conducted our Audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our Audit of the Standalone Financial Statements under the provisions of the Companies Act, 2013 and the Rule thereunder, and we have fulfilled our ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion on the Standalone Financial Statements.

Key Audit Matters

We have determined that there are no key audit matter to communicate in our report.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the Standalone Financial Statements and our Auditor's Report thereon. The Annual Report is expected to be made available to us after the date of this Auditors' Report. 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 in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in Equity of the Company in accordance with the Ind AS and other Accounting Principles generally accepted in India. 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 Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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.

Auditors' Responsibility

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 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 Standalone Financial Statements.

As part of an Audit in accordance with SAs, 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 control 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 the 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.
- 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 for the financial year ended 31st March, 2020 and are therefore the key audit matters. We describe these matters in our Auditor's Report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the **Annexure 'A'** a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our Audit.
 - (b) In our opinion, proper Books of Account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Change in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the Books of Account;
 - (d) In our opinion, the aforesaid Standalone Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015;



HB ESTATE DEVELOPERS LIMITED

- (e) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 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 Company and the operating effectiveness of such controls, refer to **Annexure 'B'**.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- The Company has disclosed the impact of pending litigations as at 31st March, 2020 on its financial position in its financial statements – Refer Note No 49
 - The Company did not have any long-term contracts including derivative contracts as at 31st March, 2020
 - There were no amounts, which were required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended on 31st March, 2020.
- (h) With respect to the matter to be included in the Auditor's Report under Section 197(16):
- The Company has not paid any managerial remuneration for the year ended 31st March, to its Directors.

FOR G. C. AGARWAL & ASSOCIATES
Chartered Accountants
Firm Registration No.: 017851N

PLACE : Gurugram
DATE : 26th June, 2020

Sd/-
G C AGARWAL
(PROPRIETOR)
Membership No. 083820

ANNEXURE - A

Annexure referred to in our report of even date to the members of **HB Estate Developers Limited** on the accounts for the year ended 31st March, 2020

- The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets;
 - As explained to us, the management during the year has physically verified the fixed assets in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the company and nature of its assets. No material discrepancies were noticed on such physical verification.
 - The title deeds of immovable property are held in the name of the Company and the same are lying with the bank in connection with the borrowings made by the Company.
- As explained to us, inventories have been physically verified by the management at reasonable intervals during the year. As explained to us the discrepancies noticed on physical verification of inventory as compared to the book records were not material.
- The Company has not granted during the year any loans, secured or unsecured to Companies, Firms, Limited Liability Partnership or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013('the Act'). However, in respect of one Company, the outstanding recoverable as at the beginning of the year was ₹ 2,64,76,182/- (Including interest receivable) and the maximum amount outstanding at any time during the year and year end balance is ₹ 3,14,99,814/- including interest receivable.
- In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, as applicable to it, with respect to the loans and investment made, to the extent applicable to the Company. As per the information and explanation given to us, the Company has not given any guarantee or provided any security in connection with a loan to any other body corporate or person.
- The Company has not accepted any deposits from the public.
- The nature of the Company's business/activities is such that maintenance of Cost Records under Section 148(1) of the Act is not applicable to the Company.
- According to the records of the Company, Undisputed Statutory Dues including Provident Fund, Employees' State Insurance, Income Tax, Sales-Tax, Service Tax, Goods & Service Tax, Customs Duty, Excise Duty, Value added tax, Cess and other Statutory Dues to the extent and as applicable to the Company have been generally regularly deposited by the Company during the year with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2020 for a period of more than six months from the date of becoming payable.
 - According to the records of the Company, the disputed statutory dues that have not been deposited on account of the matters pending before appropriate authorities as on March 31, 2020 are as under:-
 - Property tax demand of Rs. 68,02,674/- against which the Company had filed Writ Petition before Hon'ble Delhi High Court and the Company had been granted stay by the Hon'ble Court from the payment of said amount and the Hon'ble Court has directed the MCD to recompute the tax (refer note no.42.(i))
 - Vacant Land tax demand of Rs. 2,28,616/- which is being contested by company in Delhi High Court. (refer note no.42.(ii))
 - Ground Rent as explained in note no.43.(ii)
- In our opinion and according to the information and explanation given to us, the Company has not defaulted in repayment of loans/borrowings from bank/ financial institution. There are no loans or borrowings taken by the Company from government or debenture holders during the year.
- The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. The term loans were applied for the purpose for which those were raised.
- In our opinion and according to the information and explanation given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our Audit.
- According to the information and explanations given to us and based on our examination of the record of the Company, the Company has not paid any managerial remuneration during the year.
- In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, Paragraph 3(xii) of the order is not applicable.
- According to the information and explanations given to us and based on or examinations of the records of the Company, transactions with the related parties are in compliance with Section 177 and 188 of the Act where applicable and details of such transaction have been disclosed in the Financial Statements as required by the applicable Accounting Standards.
- According to the information and explanations given to us and based on our examination of the record of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- According to the information and explanations given to us and based on our examination of the record of the Company, the Company has not entered into non-cash transactions with Directors or persons connected with him. Accordingly, Paragraph 3(xv) of the order is not applicable.
- The Company is not required to be registered under Section 45-IA of the Reserve bank of India Act, 1934.

FOR G. C. AGARWAL & ASSOCIATES
Chartered Accountants
Firm Registration No.: 017851N

PLACE : Gurugram
DATE : 26/06/2020

Sd/-
G C AGARWAL
(PROPRIETOR)
Membership No. 083820



Annexure referred to in our report of even date to the members of **HB Estate Developers Limited** on the accounts for the year ended 31st March, 2020

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 **HB Estate Developers Limited** ("the Company") as of 31st March, 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 and the components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate Internal Financial Controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A Company's Internal Financial Controls over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone 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 Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and Directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

FOR G. C. AGARWAL & ASSOCIATES
Chartered Accountants
Firm Registration No.: 017851N

Sd/-
G C AGARWAL
(PROPRIETOR)
Membership No. 083820

PLACE : Gurugram
DATE : 26th June, 2020

**HB ESTATE DEVELOPERS LIMITED****BALANCE SHEET AS AT 31st MARCH, 2020**

Particulars	Note (s)	As at 31st March, 2020 (In ₹)	As at 31st March, 2019 (In ₹)
ASSETS			
Non-Current Assets			
(a) Property, Plant and Equipment	5	4353928123	4473450468
(b) Other Intangible Assets	6	945280	1815698
(c) Financial Assets			
(i) Investments	7	19634953	140931862
(ii) Other Financial Assets	8	14584623	21351760
(d) Deferred Tax Assets (Net)	9	434631515	407095134
(e) Other Non Current Assets	10	3339220	3339220
		4827063714	5047984142
Current Assets			
(a) Inventories	11	148338935	138529757
(b) Financial Assets			
(i) Trade Receivables	12	24205603	34612102
(ii) Cash and Cash Equivalents	13	57725541	90348558
(iii) Other Bank Balances other than above	14	10036763	4270394
(iv) Loans	15	32401458	28118292
(v) Other Financial Assets	16	750586	373054
(c) Current Tax Assets (Net)	17	35818361	34088819
(d) Other Current Assets	18	57643126	52844965
		366920373	383185941
		5193984087	5431170083
EQUITY AND LIABILITIES			
Shareholders' Funds			
(a) Equity Share Capital	19	197336908	197336908
(b) Other Equity	20	1861151080	2000538420
		2058487988	2197875328
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	21	2566065565	2683870834
(ii) Other Financial Liabilities	22	22168801	89913720
(b) Provisions	23	6973519	5342229
		2595207885	2779126783
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	24	149999169	148944133
(ii) Trade Payables	25		
- Total outstanding dues of micro enterprises and small enterprises		8895195	3815342
- Total outstanding dues of creditors other than micro enterprises and small enterprises		138863742	117921224
(iii) Other Financial Liabilities	26	215411387	163802186
(b) Other Current Liabilities	27	24404160	17816471
(c) Provisions	28	2714561	1868616
		540288214	454167972
		5193984087	5431170083

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS 1 to 55

The accompanying notes form an integral part of the Financial Statements
As Per our Report attached on even date

FOR G.C. AGARWAL & ASSOCIATES
CHARTERED ACCOUNTANTS

Firm Registration Number : 017851N

Sd/-
G C AGARWAL
(PROPRIETOR)
Membership No. : 083820

Sd/-
JAG MOHAN LAL SURI
(DIRECTOR)
DIN:00002373

Sd/-
PRAVEEN GUPTA
(CHIEF FINANCIAL OFFICER)

PLACE : GURUGRAM (CHIEF FINANCIAL OFFICER)
DATE : 26TH JUNE, 2020

FOR AND ON BEHALF OF THE BOARD

Sd/-
ANIL GOYAL
(DIRECTOR)
DIN:00001938

Sd/-
RADHIKA KHURANA
(COMPANY SECRETARY)
M.NO.: ACS-32557

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

Particulars	Note (s)	For the Year Ended 31st March, 2020 (In ₹)	For the Year Ended 31st March, 2019 (In ₹)
Revenue from Operations	29	820532041	892200847
Other Income	30	11896587	15544437
Total Revenue		832428628	907745284
Expenses:			
Food and Beverages Consumed	31	77318006	82959423
Changes in inventories of Finished Goods/ Stock-in-Trade	32	-	26798206
Employee Benefit Expense	33	200048749	195990778
Finance Costs	34	249910919	277029894
Depreciation and Amortization	5 & 6	140474038	141728862
Other Expenses	35	279821058	304298561
Total Expenses		947572770	1028805724
Profit/(Loss) for the year before tax and exceptional items		(115144142)	(121060440)
Exceptional items		-	-
Profit/(Loss) for the year before tax and after exceptional items		(115144142)	(121060440)
Tax expense:			
Current tax		-	-
Income Tax Earlier Years		-	2161340
Deferred Tax		(27165911)	(18928787)
Total Tax Expense		(27165911)	(16767447)
Profit/(Loss) for the year after tax		(87978232)	(104292993)
Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss			
Re-measurement gains (losses) on defined benefit plans		(1272216)	(485821)
Income tax effect on above		370469	141471
Total Other Comprehensive Income		(901747)	(344350)
Total Comprehensive Income for the year		(88879978)	(104637343)
Earning per Equity Share:	36		
Equity Share of Par value ₹ 10/-each			
Basic		(4.52)	(5.36)
Diluted		(4.52)	(5.36)

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS 1 to 55

The accompanying notes form an integral part of the Financial Statements
As Per our Report attached on even date

FOR G.C. AGARWAL & ASSOCIATES
CHARTERED ACCOUNTANTS

Firm Registration Number : 017851N

Sd/-
G C AGARWAL
(PROPRIETOR)
Membership No. : 083820

Sd/-
JAG MOHAN LAL SURI
(DIRECTOR)
DIN:00002373

Sd/-
PRAVEEN GUPTA
(CHIEF FINANCIAL OFFICER)

PLACE : GURUGRAM (CHIEF FINANCIAL OFFICER)
DATE : 26TH JUNE, 2020

FOR AND ON BEHALF OF THE BOARD

Sd/-
ANIL GOYAL
(DIRECTOR)
DIN:00001938

Sd/-
RADHIKA KHURANA
(COMPANY SECRETARY)
M.NO.: ACS-32557

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

Particulars	Year Ended 31st March, 2020 (In ₹)	Year Ended 31st March, 2019 (In ₹)
A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit / (Loss) before tax and extra ordinary items	(115144142)	(121060440)
Adjustment for :		
Depreciation/Amortisation	140474038	141728862
Loss on Sale of Property, Plant and Equipments (Net)	3284708	341490
Interest Income	(3616879)	(3981434)
Interest Expense	216977245	215849731
Loan Processing fee deferred/amortized during the year	10667983	14195619
Interest Expense on fair valuation of security deposits	1429729	2450964
Rental Income on fair valuation of security deposit	(2454616)	(4208029)
Interest Expense on Debt Component of Compounded financial instruments	20835962	44533580
Loss on Fair Valuation of Investments	2296909	4337573
Operating Profit before Working Capital Changes	274750936	294187915
Adjustments for :		
Trade receivables	10406499	(1778482)
Loans and Advances and other Assets	(8458091)	38742997
Inventories	(9809178)	33956188
Trade Payables & other Liabilities	20943507	(30800375)
Cash generated from operations	287833672	334308242
Direct Tax Paid	(1729542)	721961
Net Cash from operating activities (A)	286104131	335030203
B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipments	(23514287)	(9713007)
Sale of Property, Plant and Equipments	148305	127119
Sale of Investments	119000000	70000000
Interest Received	3616879	3981434
Net Cash received in Investing activities (B)	99250898	64395546
C) CASH FLOW FROM FINANCING ACTIVITIES		
Interest paid	(216977245)	(215849731)
Proceeds / (Repayment) from / of Long term Borrowings (Net)	(202055837)	(160714271)
Proceeds / (Repayment) from / of Short term Borrowings (Net)	1055036	(2354350)
Net Cash used in Financing Activities (C)	(417978045)	(378918352)
Net increase in Cash and Cash Equivalents (A+B+C)	(32623017)	20507397
CASH & CASH EQUIVALENTS		
(OPENING BALANCE)	90348558	69841161
CASH & CASH EQUIVALENTS		
(CLOSING BALANCE)	57725541	90348558
Components of cash and cash Equivalents at the end of the year		
Cash on hand	1041819	1209486
<u>Balances with scheduled banks :</u>		
-In current and deposit accounts	56683722	89139072
	57725541	90348558

Note: 1. Cash Flow Statement has been prepared under indirect method as set out in IND AS-7 (Cash Flow Statements)
2. Cash and cash equivalents consist of cash in hand and balances with banks.
3. Borrowings from banks is net of repayments.
4. Figures in brackets represent outflow of cash.

Particulars	Borrowings - Non Current (Refer Note No. 21)	Borrowings - Current (Refer Note No. 24)
Balance as on 01st April, 2018	2705928949	151298483
Proceeds/ Repayments of borrowings	(160714271)	(2354350)
Non cash change (Fair Value)	138656156	0
Balance as on 31st March, 2019	2683870834	148944133
Balance as on 01st April, 2019	2683870834	148944133
Proceeds/ Repayments of borrowing	(202055837)	1055036
Non cash change (Fair Value)	84250568	0
Balance as on 31st March, 2020	2566065565	149999169

The accompanying notes form an integral part of the Financial Statements

As Per our Report attached on even date

FOR G.C. AGARWAL & ASSOCIATES

CHARTERED ACCOUNTANTS

Firm Registration Number : 017851N

Sd/-

G C AGARWAL

(PROPRIETOR)

Membership No. : 083820

PLACE : GURUGRAM

DATE : 26TH JUNE, 2020

FOR AND ON BEHALF OF THE BOARD

Sd/-

JAG MOHAN LAL SURI

(DIRECTOR)

DIN:00002373

Sd/-

PRAVEEN GUPTA

(CHIEF FINANCIAL OFFICER)

Sd/-

ANIL GOYAL

(DIRECTOR)

DIN:00001938

Sd/-

RADHIKA KHURANA

(COMPANY SECRETARY)

M.No.: ACS-32557

HB ESTATE DEVELOPERS LIMITED



Statement of Changes in Equity for the year ended 31st March, 2020

A. Equity Share Capital

(Amount in ₹)

Particulars	Balance as at 31st March, 2018	Changes in Equity Share Capital during the year 2018-19	Balance as at 31st March, 2019	Changes in Equity Share Capital during the year 2019-20	Balance as at 31st March, 2020
Equity Share Capital	197336908	-	197336908	-	197336908

B. Other Equity

(Amount in ₹)

Particulars	Equity Component of Compound Financial Instruments	Reserves and Surplus							Items of Other Comprehensive Income	Total
		Capital Reserve	Business Reorganization Reserve**	Capital Redemption Reserve	Securities Premium	General Reserve	Statutory Reserve	Retained Earnings	Items that will not be reclassified to Profit and Loss	
									(i) Remeasurement of Defined Benefit Plans	
Balance as at 31st March, 2018	303773313	23039795	1046662354	20000000	555742116	668199083	125903413	(560090775)	507619	2183736918
Addition/ (Deduction) during the year	(78561156)	-	-	-	-	-	-	-	-	(78561156)
Equity Component of Interest Free Loan Trfd to Retained Earning	(45899382)	-	-	-	-	-	-	45899382	-	-
Profit/ (Loss) for the year 2018-19	-	-	-	-	-	-	-	(104292993)	-	(104292993)
Remeasurement of the net defined benefit plans (Net of Taxes)	-	-	-	-	-	-	-	-	(344350)	(344350)
Balance as at 31st March, 2019	179312776	23039795	1046662354	20000000	555742116	668199083	125903413	(618484386)	163269	2000538420
Addition / (Deduction) during the year	(50507362)	-	-	-	-	-	-	-	-	(50507362)
Equity Component of Interest Free Loan Trfd to Retained Earning	(23075222)	-	-	-	-	-	-	23075222	-	-
Profit/ (Loss) for the year 2019-20	-	-	-	-	-	-	-	(87978232)	-	(87978232)
Remeasurement of the net defined benefit plans (Net of Taxes)	-	-	-	-	-	-	-	-	(901747)	(901747)
Balance as at 31st March, 2020	105730192	23039795	1046662354	20000000	555742116	668199083	125903413	(683387395)	(738478)	1861151080

Significant Accounting Policies and notes to the Financial Statements

The accompanying notes form an integral part of the Financial Statements

As Per our Report attached on even date

FOR G.C. AGARWAL & ASSOCIATES

CHARTERED ACCOUNTANTS

Firm Registration Number : 017851N

Sd/-
G C AGARWAL
(PROPRIETOR)
Membership No. : 083820

Sd/-
JAG MOHAN LAL SURI
(DIRECTOR)
DIN:00002373

Sd/-
PRAVEEN GUPTA
(CHIEF FINANCIAL OFFICER)

FOR AND ON BEHALF OF THE BOARD

Sd/-
ANIL GOYAL
(DIRECTOR)
DIN:00001938

Sd/-
RADHIKA KHURANA
(COMPANY SECRETARY)
M.No.: ACS-32557

PLACE : GURUGRAM
DATE : 26TH JUNE, 2020

SIGNIFICANT ACCOUNTING POLICIES AND NOTES OF STANDALONE FINANCIAL STATEMENT
1. CORPORATE AND GENERAL INFORMATION

HB Estate Developers Limited ("HBEDL") or ("the Company") is domiciled and incorporated in India, with its registered office situated at Plot No. 31, Sector-32, Echelon Institutional Area, Gurugram, Haryana-122001. The Company is engaged in the business of owning and managing hotels and real estate properties. The Company has been incorporated under the provisions of Indian Companies Act and its equity shares are listed on BSE Limited in India.

2. BASIS OF PREPARATION
A. Statement of Compliance

The Financial Statements have been prepared complying in all material respects with the Indian Accounting Standards notified under Section 133 of the Companies Act 2013, read together with Paragraph 7 of the Companies (Accounts) Rule 2015 (as amended). The Financial Statements comply with IND AS notified by Ministry of Company Affairs ("MCA"). The Company has consistently applied the Accounting Policies used in the preparation for all periods presented.

The significant Accounting Policies used in preparing the Financial Statements are set out in Note no.3 of the Notes to the Financial Statements.

B. Functional and Presentation Currency

The Standalone Financial Statements are presented in Indian Rupees, which is the Company's functional and presentation currency and all amounts are rounded to the nearest rupees.

C. Basis of Measurement

The Financial Statements have been prepared on accrual basis and under the historical cost convention except following which have been measured at fair value:

- Certain Financial Assets and Liabilities carried at amortised cost,
- Defined benefit plans – plan assets measured at fair value,

D. Use of Estimates and Judgements

The preparation of the financial statements requires management to make estimates and assumptions. Actual results could vary from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision effects only that period or in the period of the revision and future periods if the revision affects both current and future years (refer Note no.4 on critical accounting estimates, assumptions and judgements).

3. SIGNIFICANT ACCOUNTING POLICIES
3.1 Property, Plant and Equipment

- a) Property, Plant and Equipment are carried at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the items. Borrowing Cost (if any) during the period of construction is added to the cost of eligible tangible assets.
- b) Depreciation is charged to the Statement of Profit and Loss so as to expense the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight line method, as per the useful life prescribed in Schedule II to the Companies Act, 2013. Assets costing less than ₹ 5000/- are fully depreciated in the year of purchase.
- c) Freehold land is not depreciated.
- d) The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year- end and adjusted prospectively, if appropriate.
- e) The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss on the date of disposal or retirement.

3.2 Intangible Assets

Identifiable Intangible Assets are recognised:

- a) when the Company controls the asset,
- b) it is probable that future economic benefits attributed to the asset will flow to the Company and
- c) the cost of the asset can be reliably measured.

Computer software's are capitalised at the amounts paid to acquire the respective license for use and are amortised over the period of license, generally not exceeding five years on straight line basis. The assets' useful lives are reviewed at each financial year end.

3.3 Impairment
A. Financial Assets

The Company recognises loss allowances using the expected credit loss (ECL) model for the Financial Assets which are not fair valued through Statement of Profit and Loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all

other Financial Assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in the Statement of Profit and Loss.

B. Non Financial Assets

An Asset is considered as impaired when at the date of Balance Sheet there are indications of impairment and the carrying amount of the Asset, or where applicable the cash generating unit to which the Asset belongs exceeds its recoverable amount (i.e. the higher of the net asset selling price and value in use). The carrying amount is reduced to the recoverable amount and the reduction is recognized as an impairment loss in the Statement of Profit and Loss. The impairment loss recognized in the prior accounting period is reversed if there has been a change in the estimate of recoverable amount. Post impairment, depreciation is provided on the revised carrying value of the impaired asset over its remaining useful life.

3.4 Financial Instruments - Initial Recognition, Subsequent Measurement and Impairment

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.

Financial Assets

Financial Assets are measured at amortised cost or fair value through Other Comprehensive Income or fair value through Profit or Loss, depending on its business model for managing those Financial Assets and Liabilities and the Assets and Liabilities contractual cash flow characteristics.

Subsequent measurements of Financial Assets are dependent on initial categorisation. For impairment purposes significant Financial Assets are tested on an individual basis, other Financial Assets are assessed collectively in groups that share similar credit risk characteristics.

Trade Receivables

Trade Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

Impairment is made on the expected credit losses, which are the present value of the cash shortfalls over the expected life of Financial Assets. The estimated impairment losses are recognised in a separate provision for impairment and the impairment losses are recognised in the Statement of Profit and Loss within other expenses.

Subsequent changes in assessment of impairment are recognised in provision for impairment and the change in impairment losses are recognised in the Statement of Profit and Loss within other expenses.

For foreign currency trade receivable, impairment is assessed after reinstatement at closing rates.

Individual receivables which are known to be uncollectible are written off by reducing the carrying amount of trade receivable and the amount of the loss is recognised in the Statement of Profit and Loss within other expenses.

Subsequent recoveries of amounts previously written off are credited to other Income

Investment in Equity Shares

Investment in Equity Securities are initially measured at fair value and is recognised through Profit and Loss account.

Financial Liabilities

At initial recognition, all Financial Liabilities other than fair valued through profit and loss are recognised initially at fair value less transaction costs that are attributable to the issue of Financial Liability. Transaction costs of Financial Liability carried at fair value through profit or loss is expensed in profit or loss. However, borrowings, which is likely to be assigned or negotiated are initially measured at fair value through profit and loss account. Other borrowings are measured at amortised cost using the effective interest rate method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the Effective rate of interest (EIR). The EIR amortisation is included in finance costs in the Statement of Profit and Loss

Trade and other Payables

Trade and other payables are presented as Current Liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

3.5 Cash and Cash Equivalents

Cash and Cash Equivalents includes Cash on hand and at bank and other short-term highly liquid investments with original maturities of three months or less that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments.

For the purpose of the Statement of Cash Flows, cash and cash equivalents consists of cash and short term deposits.

3.6 Inventories

Inventories (real estate) are valued at lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. Stock of Food & Beverages and stores and operating supplies are carried at cost or net realizable value whichever is lower.

3.7 Revenue Recognition and Other Income

Revenue is recognised at an amount that reflects the consideration to which the Company expects to be entitled in exchange for transferring the goods or services to a customer i.e. on transfer of control of the goods or service to the customer. Revenue from sales of goods or rendering of services is net of Indirect taxes, returns and discounts as per Ind AS 115.

- Revenue from Hotel operations viz. room rent, food & beverages and other allied services is recognised upon rendering of services.
- Other allied services:- In relation to laundry income, communication income, health club income, airport transfers income and other allied services, the revenue has been recognized by reference to the time of service rendered.
- Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.
- The rentals from leased premises are considered as revenue income on accrual basis. In case of sale of leased premises, rental income is accounted for up to the date of flat buyer agreement.

3.8 Employee Benefits

- Short term employee benefits are recognized as an expense in the Statement of Profit and Loss of the year in which the related services are rendered.
- Leave encashment being a short term benefit is accounted for using the Projected Unit Credit Method, on the basis of actuarial valuations carried out by third party actuaries at each Balance Sheet date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to profit and loss in the period in which they arise.
- Contribution to Provident Fund, a defined contribution plan, is made in accordance with the statute, and is recognised as an expense in the year in which employees have rendered services.
- The cost of providing gratuity, a defined benefit plans, is determined using the Projected Unit Credit Method, on the basis of actuarial valuations carried out by third party actuaries at each Balance Sheet date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to Other Comprehensive Income in the period in which they arise. Other costs are accounted in Statement of Profit and Loss.

3.9 Foreign Currencies

Transactions and Balances

Transactions in Foreign Currencies are initially recorded by the Company at rates prevailing at the date of the transaction. Subsequently monetary items are translated at closing exchange rates of balance sheet date and the resulting exchange difference recognised in profit or loss. Differences arising on settlement of monetary items are also recognised in profit or loss.

3.10 Borrowing Costs

Borrowing costs specifically relating to the acquisition or construction of qualifying assets that necessarily takes a substantial period of time to get ready for its intended use are capitalized (net of income on temporarily deployment of funds) as part of the cost of such assets. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds.

For general borrowing used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalization is determined by applying a capitalization rate to the expenditures on that asset. The capitalization rate is the weighted average of the borrowing costs applicable to the borrowings of the Company that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. The amount of borrowing costs capitalized during a period does not exceed the amount of borrowing cost incurred during that period.

All other borrowing costs are expensed in the period in which they occur.

3.11 Taxation

Income tax expense represents the sum of current and deferred tax (including MAT). Tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised directly in Equity or Other Comprehensive Income, in such cases the tax is also recognised directly in Equity or in Other Comprehensive Income. Any subsequent change in direct tax on items initially recognised in equity or other comprehensive income is also recognised in equity or other comprehensive income, such change could be for change in tax rate.

Current tax provision is computed for Income calculated after considering allowances and exemptions under the provisions of the applicable Income Tax Laws. Current tax assets and current tax liabilities are off set, and presented as net.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the Balance sheet and the corresponding tax bases used in the computation of taxable profit and are accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognised for all deductible temporary differences, carry forward tax losses and allowances to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilised. Deferred tax assets and liabilities are measured at the applicable tax rates. Deferred tax assets and deferred tax liabilities are off set, and presented as net.

The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available against which the temporary differences can be utilised.

Minimum Alternative Tax (MAT) is applicable to the Company. Credit of MAT is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the profit and loss account and shown as MAT credit entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

3.12 Lease

Effective from 1st April, 2019, the Company has applied Ind AS 116, which replaces the existing lease standard, Ind AS 17 Leases and other interpretations. The Company has applied Ind AS 116 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under Ind AS 17.

As a Lessee

The Company recognises a right-of use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The right-of-use asset is subsequently depreciated using the Straight Line Method from the commencement date to the earlier of the end of the useful life or the end of the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest.

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.

As a Lessor

Lease income from operating leases, where the Company is a Lessor, is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflation.

3.13 Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting year.

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, if any.

3.14 Provisions and Contingencies

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using equivalent period government securities interest rate. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate.

Contingencies

Contingent Liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on Contingent Liability is disclosed in the Notes to the Financial Statements. Contingent Assets are not recognised. However, when the realisation of income is virtually certain, then the related asset is no longer a Contingent Asset, but it is recognised as an Asset.

3.15 Cash Flow Statement

Cash flows are reported using indirect method, whereby net profits before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from regular revenue generating (operating activities), investing and financing activities of the Company are segregated.

3.16 Recent Accounting Development

Standards issued but not yet effective:

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from 1st April, 2020.

3.17 Current / Non-Current Classification

The Company presents Assets and Liabilities in statement of financial position based on Current / Non-Current classification.

The Company has presented Non-Current Assets and Current Assets before equity, Non-Current Liabilities and Current Liabilities in accordance with Schedule III, Division II of Companies Act, 2013 notified by MCA.

An Asset is classified as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other Assets are classified as non-current.

A liability is classified as current when:

- It is expected to be settled in normal operating cycle,

- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

Deferred Tax Assets and Liabilities are classified as Non-Current Assets and Liabilities.

4. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

In the process of applying the Company's Accounting Policies, management has made the following estimates, assumptions and judgements, which have significant effect on the amounts recognised in the Financial Statement:

(a) Income Taxes

Management judgment is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The Company reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the financial statements.

(b) Contingencies

Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.

(c) Allowance for Uncollected Account Receivables and Advances

Trade Receivables do not carry any interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not to be collectible.

Impairment is made on the expected credit losses, which are the present value of the cash shortfall over the expected life of the Financial Assets.

5. PROPERTY, PLANT AND EQUIPMENT

(Amount in ₹)

Particulars	Land	Buildings	Plant and Equipments	Furniture and Fixture	Office Equipment	Vehicles	Computer	Total
Gross Block								
As at 31st March, 2018	2248040000	1784375322	441451287	395047553	774026	2782596	12576936	4885047720
Additions	-	2,861,754	6,109,938	530,136	-	-	211,179	9,713,007
Adjustment	-	-	-	1,178,661	-	-	-	1,178,661
As at 31st March, 2019	2248040000	1787237076	447561225	394399028	774026	2782596	12788115	4893582066
Additions	-	-	15,444,766	1,206,304	-	2,298,317	4,564,900	23,514,287
Adjustment	-	-	5,376,257	-	-	1,438,285	-	6,814,542
As at 31st March, 2020	2248040000	1787237076	457629734	395605332	774026	3642628	17353015	4910281811
Accumulated Depreciation								
As at 31st March, 2018	-	59172490	68635011	144413684	355878	1303800	6369403	280250267
Charge for the year	-	29659224	34764237	72598611	174558	471142	2923612	140591384
Adjustment	-	-	-	710,053	-	-	-	710053
As at 31st March, 2019	-	88831714	103399248	216302242	530436	1774942	9293015	420131598
Charge for the year	-	29765319	35715766	72205201	160731	480923	1275680	139603620
Adjustment	-	-	2,353,148	-	-	1028381	-	3381529
As at 31st March, 2020	-	118597033	136761866	288507443	691167	1227484	10568695	556353688
Net Carrying Amount								
As at 31st March, 2019	2248040000	1698405361	344161977	178096786	243590	1007654	3495099	4473450468
As at 31st March, 2020	2248040000	1668640043	320867868	107097889	82859	2415144	6784320	4353928123

6. INTANGIBLE ASSETS

(Amount in ₹)

Particulars	Software	Total
Gross Block		
As at 31st March, 2018	6742306	6742306
Additions	-	-
Adjustment	-	-
As at 31st March, 2019	6742306	6742306
Additions	-	-
Adjustment	-	-
As at 31st March, 2020	6742306	6742306

Particulars	Software	Total
Accumulated Depreciation		
As at 31st March, 2018	3789129	3789129
Charge for the year	1137479	1137479
Adjustment	-	-
As at 31st March, 2019	4926608	4926608
Charge for the year	870418	870418
Adjustment	-	-
As at 31st March, 2020	5797026	5797026
Net Carrying Amount		
As at 31st March, 2019	1815698	1815698
As at 31st March, 2020	945280	945280

7. NON CURRENT INVESTMENTS - DESIGNATED AT FAIR VALUE THROUGH PROFIT AND LOSS ACCOUNT

Name of the Company	Face Value (In ₹)	As at 31st March, 2020		As at 31st March, 2019	
		Qty (Nos)	Amount (In ₹)	Qty (Nos)	Amount (In ₹)
A- Long Term - Trade - Unquoted					
In Equity Shares of Associates					
Parsvnath HB Projects Pvt. Ltd.	10	24020	-	24020	-
Total-(Trade Unquoted)			-		-
Aggregate Amount of Unquoted Instrument (A)			-		-
B1- Long Term - Other Than Trade - Quoted					
Royal Orchid Hotels Ltd	10	496	20336	496	58577
Bellary Steel and Alloys Ltd.*	1	100000	0	100000	191000
Hotline Glass Ltd.*	10	10000	0	10000	6100
Jaiprakash Power Ventures Ltd.	10	1543674	1003388	1543674	2871234
Shree Ram Urban Infrastructure Ltd.	10	1000	0	1000	37000
Total-(Other Than Trade Quoted)			1023724		3163911
Aggregate Amount of Quoted Instrument (B)			1023724		3163911
B2- Long Term - Other Than Trade - Unquoted					
CHL (South) Hotels Ltd.	10	100000	10787190	100000	10799873
QR Properties Pvt Ltd	10	5900	5574069	5900	5557626
HB Corporate Services Ltd.	10	15600	155795	15600	153660
RRB Securities Ltd.	10	86100	1060752	86100	1229508
B3- Investments in Mutual Fund					
Fully Paid up-Unquoted					
Taurus Liquid Fund - Direct Plan - Super Institutional Growth (Taurus Dynamic Income Fund)	10	68	133424	68	127284
Total-(Other Than Trade Unquoted)			17711229		17867951
Aggregate Amount of Un-Quoted Instrument (C)			17711229		17867951
B4- Investment in Preference Shares - Other Than Trade					
Fully Paid-Up Redeemable Preference Shares (Un-Quoted)					
HB Growth Fund Ltd (3% Non-cumulative)	10	50000	500000	50000	500000
HB Telecommunication Ltd (3% Non-cumulative)	10	40000	400000	40000	400000
Venus Portfolio Pvt Ltd (9% Non Cumulative)	100	-	0	1190000	119000000
Total- Preference Shares (D)			900000		119900000
Grand Total - (A+B+C+D)			19634953		140931862
Aggregate Amount of Quoted Instrument			1023724		3163911
Aggregate Amount of Un-Quoted Instrument			18611229		137767951
Aggregate Market Value of Quoted Instrument			1023724		3163911

(*) Listed but not quoted

8. OTHER NON CURRENT FINANCIAL ASSETS

Particulars	As at 31st March, 2020 (In ₹)	As at 31st March, 2019 (In ₹)
Unsecured, Considered Good		
Fixed Deposits with bank (with remaining maturity more than 12 months*)	3102486	9732782
Interest Accrued but not due on Fixed Deposits	362135	80476
Security Deposits	11120002	11538502
Total	14584623	21351760

(*) Pledged/ under lien with banks including for issue of Bank Guarantees

9. DEFERRED TAX ASSETS

Particulars	As at 31st March, 2020 (In ₹)	As at 31st March, 2019 (In ₹)
Temporary difference		
A. Deferred Tax Liability		
(i) Difference between book and tax base related to Fixed Assets	227392199	222306503
(ii) Unamortised Cost	32745330	34536973
Total Deferred Tax Liabilities	260137529	256843476
B. Deferred Tax Assets		
(i) Disallowance under Income Tax Act	3535475	2801215
(ii) Carried Forward losses	691233569	661137395
Total Deferred Tax Assets	694769044	663938610
Net Deferred Tax Assets	434631515	407095134

10. OTHER NON CURRENT ASSETS

Particulars	As at 31st March, 2020 (In ₹)	As at 31st March, 2019 (In ₹)
Capital Advances	3339220	3339220
Total	3339220	3339220

11. INVENTORIES

Particulars	As at 31st March, 2020 (In ₹)	As at 31st March, 2019 (In ₹)
Completed Construction (Real Estate)	92593514	92593514
Food and Beverages	19654130	10930748
Stores and Operating Supplies	36091291	35005495
Total	148338935	138529757

12. TRADE RECEIVABLES

Particulars	As at 31st March, 2020 (In ₹)	As at 31st March, 2019 (In ₹)
Trade Receivables considered good - Secured	-	-
Trade Receivables considered good - Unsecured	24205603	34612102
Trade Receivables which have significant increase in Credit Risk	1630319	1658833
Trade Receivables - Credit impaired	-1630319	-1658833
Total	24205603	34612102

13. CASH AND CASH EQUIVALENTS

Particulars	As at 31st March, 2020 (In ₹)	As at 31st March, 2019 (In ₹)
Cash and Cash Equivalents		
<u>Balances with Banks</u>		
• On Current Accounts	19683722	55881987
• Cheques/ Demand Drafts in Hand	37000000	33257085
• Cash in Hand	1041819	1209486
Total	57725541	90348558

14. OTHER BANK BALANCES

Particulars	As at 31st March, 2020 (In ₹)	As at 31st March, 2019 (In ₹)
-In Earmarked Dividend Accounts	880321	2132159
Fixed Deposits with remaining maturity of less than twelve months and other than considered in Cash and Cash Equivalents *	9156442	2138235
Total	10036763	4270394

(*) Pledged / under lien with banks including for issue of Bank Guarantees

15. LOANS

Particulars	As at 31st March, 2020 (In ₹)	As at 31st March, 2019 (In ₹)
Laons Receivables considered good-Secured	-	-
Loans Receivables considered good-Unsecured		
-Loans and Advances to Related Party-Associate*	31499814	26476182
-Inter Corporate Deposit including accrued interest	901644	1642110
Loans Receivables which have significant increase in Credit Risk	-	-
Loans Receivables - Credit impaired	-	-
Total	32401458	28118292

(*) To Parsvnath HB Projects Pvt. Ltd.

16. OTHER FINANCIAL ASSETS

Particulars	As at 31st March, 2020 (In ₹)	As at 31st March, 2019 (In ₹)
Interest accrued but not due on Bank deposits	750586	373054
Total	750586	373054

17. CURRENT TAX ASSETS (NET)

Particulars	As at 31st March, 2020 (In ₹)	As at 31st March, 2019 (In ₹)
Current Tax Assets (Net of provision)	35818361	34088819
Total	35818361	34088819

(a) Amounts recognised in Statement of Profit and Loss

For the year ended	As at 31st March, 2020 (In ₹)	As at 31st March, 2019 (In ₹)
Current tax	-	-
Deferred tax	(27165911)	-18928787
Tax for earlier years	-	2161340
Total	(27165911)	-16767447

(b) Amounts recognised in Other Comprehensive Income

For the year ended	As at 31st March, 2020 (In ₹)	As at 31st March, 2019 (In ₹)
Tax effect on items that will no be reclassified to Profit and Loss	370469	141471
Total	370469	141471

(c) Reconciliation of effective tax rate

For the year ended	As at 31st March, 2020 (In ₹)	As at 31st March, 2019 (In ₹)
Profit before tax	(115144142)	(121060440)
Applicable Statutory Enacted Income Tax Rate	29.12%	29.12%
Computed Tax Expenses	0	0
- Adjustments recognised in relation to tax of prior years	-	2161340
- Others	0	-
Tax Expense	0	2161340

(d) Breakup of Deferred Tax Expense

Particulars	Year Ended 31st March, 2020 (In ₹)	Year Ended 31st March, 2019 (In ₹)
Book base and tax base of Fixed Assets	5085696	9867190
Disallowance / Allowance (net) under Income Tax	(2155433)	(4720315)
Carries forward losses	(30096173)	(24075662)
Total	(27165910)	(18928787)

(e) Breakup of component of tax accounted in OCI and Equity

Particulars	Year Ended 31st March, 2020 (In ₹)	Year Ended 31st March, 2019 (In ₹)
Component of OCI		
Deferred Tax (Gain)/ Loss on Defined Benefit Plans	(370469)	(141471)
Total	(370469)	(141471)

18. OTHER CURRENT ASSETS

Particulars	As at 31st March, 2020 (In ₹)	As at 31st March, 2019 (In ₹)
Amount Recoverable from Government Authorities*	6540213	5842213
Advances to contractors/suppliers/other Recoverables	51102913	47002752
Total	57643126	52844965

(*) Represents VAT, GST and Cenvat Credit, Property Tax etc.

19. EQUITY SHARE CAPITAL

Particulars	As at 31st March, 2020 (In ₹)	As at 31st March, 2019 (In ₹)
AUTHORIZED		
35000000 (35000000) Equity Shares of ₹ 10/- each.	350000000	350000000
13500000 (13500000) Redeemable Preference Shares of ₹ 100/- each	135000000	135000000
	1700000000	1700000000
ISSUED		
20289285 (20289285) Equity Shares of ₹ 10/- each.	202892850	202892850
	202892850	202892850

Particulars	As at 31st March, 2020 (In ₹)	As at 31st March, 2019 (In ₹)
SUBSCRIBED & PAID UP		
19459947 (19459947) Equity Shares of ₹ 10/- each fully paid up	194599470	194599470
Add: Forfeited shares- 829338 (829338) Equity Shares (Amount originally paid up)	2737438	2737438
Total	197336908	197336908
19.1 Aggregate number of bonus shares issued, shares issued for consideration other than cash and bought back shares during the period of five years immediately preceeding the reporting date.	Nil	Nil

19.2 Reconciliation of the number of Equity Shares and Share Capital:

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	No of shares	Amount (In ₹)	No of shares	Amount (In ₹)
Number of shares at the beginning	19459947	194599470	19459947	194599470
Addition during the Year	-	-	-	-
Number of shares at the end	19459947	194599470	19459947	194599470

-- Particulars of Shareholders holding more than 5% shares (Equity Shares) :

Name of shareholder	As at 31st March, 2020		As at 31st March, 2019	
	Number of shares held	% of holding	Number of shares held	% of holding
Lalit Bhasin	9962280	51.19	9962280	51.19
HB Portfolio Ltd.	2104317	10.81	2104317	10.81

19.3 Brief Particulars of change in share capital during the Financial Year 2017-18 :

- (a) The Company had allotted Equity Shares of ₹ 10 (Rupees Ten) each fully paid-up to the Shareholders of HB Stockholdings Limited in the ratio of 24 (Twenty Four) Equity Shares of ₹ 10/- (Rupees Ten) each fully paid up of the Company for every 100 (One Hundred) Equity Shares held by them in HB Stockholdings Limited. The Company had also allotted Equity Shares of ₹ 10 (Rupees Ten) each fully paid-up to the Shareholders of HB Portfolio Limited in the ratio of 59 (Twenty Four) Equity Shares of ₹ 10/- (Rupees Ten) each fully paid up of the Company for every 100 (One Hundred) Equity Shares held by them in HB Portfolio Limited. As a result of which, the Equity Share Capital of the Company increased from ₹ 16,13,82,870 comprising of 16138287 Equity Shares of ₹ 10/- (Rupees Ten) each fully paid up to ₹ 32,43,32,450 comprising of 32433245 Equity Shares of ₹ 10/- (Rupees Ten) each fully paid up. Thus 16294958 equity shares of ₹ 10 each fully paid up were issued and allotted pursuant to composite scheme of arrangement.
- (b) After the allotment of Equity Shares by the Company to the Shareholders of HB Stockholdings Limited and HB Portfolio Limited the Equity Share Capital of the Company had been reduced by reducing the face value of the Equity Shares from 1 (One) Equity Share of Rs. 10/- (Rupees Ten) fully paid up to 1 (One) Equity Shares of ₹ 6/- (Rupees Six) each fully paid up.
- (c) The Equity Share Capital of the Company so reduced had been further consolidated in such a manner that the Shareholders holding 5 (Five) Equity Share of ₹ 6/- (Rupees Six) each fully paid up were allotted 3 (Three) Equity Share of ₹ 10/- (Rupees Ten) each fully paid up in the Equity Share Capital of the Company. As a result of which, the Equity Share Capital reduced from ₹ 32,43,32,450 comprising of 32433245 Equity Shares of ₹ 10/- (Rupees Ten) each to ₹ 19,45,99,470 comprising of 19459947 Equity Shares of ₹ 10/- (Rupees Ten) each.

19.4. The Company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

20. OTHER EQUITY

Particulars	As at 31st March, 2020 (In ₹)	As at 31st March, 2019 (In ₹)
Capital Reserve	23039795	23039795
	23039795	23039795
Business Reorganization Reserve	1046662354	1046662354
	1046662354	1046662354
Capital Redemption Reserve	20000000	20000000
	20000000	20000000
Securities Premium	555742116	555742116
	555742116	555742116
General Reserve	668199083	668199083
	668199083	668199083
Statutory Reserve	125903413	125903413
	125903413	125903413
Equity Component of Compound Financial Instruments	179312776	303773313
Addition/(Deletion) during the year	(50507362)	(78561156)
Equity Component of Interest Free Loan Trfd to Retained Earning	(23075222)	(45899382)
	105730192	179312776
Retained Earnings	(618484386)	(560090775)
Equity Component of Interest Free Loan Trfd to Retained Earning	23075222	45899382
Profit/ (Loss) for the year	(87978232)	(104292993)
	(683387395)	(618484386)
Items of Other Comprehensive Income	163269	507619
Items that will not be reclassified to Profit and Loss		
Remeasurement of Defined Benefit Plans	(901747)	(344350)
	(738478)	163269
Total	1861151080	2000538420

Retained Earnings represent the undistributed profits of the Company.

Other Comprehensive Income Reserve represents the balance in Equity for items to be accounted in Other Comprehensive Income. OCI is classified into (i) items that will not be reclassified to profit and loss (ii) Items that will be reclassified to profit and loss.

Capital Redemption reserve represents the Statutory Reserve created when capital is redeemed.

The Statutory reserve represents reserve specifically created u/s 45 IC of Reserve Bank of India (Amendment) Act, 1997

The Company has taken interest free inter corporate loan and interest free loan from Director. The same has been presented as compound financial instrument i.e. present value of principle amount is presented as financial liability in Non Current Borrowing in Note no. 21 and the difference between transaction value and its fair value is recognised as equity component of compound financial instruments in other equity.

General Reserve represents the Statutory Reserve, in accordance with Indian Corporate law wherein a portion of profit is apportioned to general reserve. Under Companies Act, 1956 it was mandatory to transfer amount before a company can declare dividend. However, under Companies Act, 2013 transfer of any amount to General Reserve is at the discretion of the Company.

Securities Premium represents the amount received in excess of par value of Securities (Equity Shares, Preference Shares and Debentures). Premium on Redemption of Securities is accounted in Security Premium available. Where Security premium is not available, premium on redemption of securities is accounted in statement of profit and loss. Section 52 of the Companies Act, 2013 specify restriction and utilisation of security premium.

21. NON CURRENT BORROWINGS

Particulars	As at 31st March, 2020 (In ₹)		As at 31st March, 2019 (In ₹)	
	Non-Current	Current	Non-Current	Current
(A) SECURED				
LOANS FROM BANK				
(i) Term Loan from Indusind Bank				
a) Facility 1	1503392593	6500000	-	-
(ii) Term Loan from Yes Bank				
a) Facility 2	-	-	600447272	16000000
b) Facility 3	-	-	899001965	7500000
(iii) Car Loan from HDFC Bank	1019139	456479	-	-
Total-A	1504411732	6956479	1499449237	23500000
(B) UNSECURED				
(i) Overdraft from State Bank of India	100384024	19250000	121484372	17200000
(ii) Debt Component of Compounded financial instruments*				
(a) Intercompany Loans & Advances	90686971	-	167260655	-
(b) Loan from Director	20582838	-	45676570	-
(iii) -9% Redeemable Non-Convertible Non-Cumulative Preference Shares- Series I	150000000	-	150000000	-
-9% Redeemable Non-Convertible Non-Cumulative Preference Shares-Series II	500000000	-	500000000	-
-9% Redeemable Non-Convertible Non-Cumulative Preference Shares-Series III	200000000	-	200000000	-
Total-B	1061653833	19250000	1184421597	17200000
Total (A+B)	2566065565	26206479	2683870834	40700000

- Maturity Profile of Secured Term Loan from banks are as under:

	1-2 years	2-3 years	3-4 years	Beyond 4 year
- Term Loan from Indusind Bank (I) (₹ 161.74 Crore)	55000000	74400000	74400000	1407063950
- Car Loan from HDFC Bank (III) (₹ 19 Lacs)	662787	356352	0	0

- Maturity Profile of Unsecured Loans are as under:

	1-2 years	2-3 years	3-4 years	Beyond 4 year
- Overdraft from State Bank of India	32150000	34300000	34396925	0

The Term Loans from Indusind Bank at Sr. No. A (i), Yes Bank at Sr. No. A (ii) and overdraft from State Bank of India at Sr No. B (i) above are net of transaction cost of ₹ 10,79,34,258 (P.Y. ₹ 11,86,02,241)

Secured

(i) Term Loans From Indusind Bank

Secured by way of exclusive charge on company's hotel land and hotel building situated in sector 44 Gurugram, exclusive charge on all present and future moveable fixed assets and current assets of Taj City Centre, Gurgaon, personal guarantee of director Mr. Lalit Bhasin, Non Disposal Undertaking (NDU) of entire shareholding of the company held by Mr. Lalit Bhasin.

Term Loan - For Loan amount of ₹ 61.74 Crore, the Rate of Interest is 1.45% over and above Bank's one year MCLR and for loan amount of ₹ 100 Crore the Rate of Interest for first five years is 5.66% over and above Bank's Overnight MIBOR and after five years the rate will be 1.45% over and above Bank's one year MCLR.

As per the sanction, the loan was repayable in quarterly installments commencing from May, 2020 and ending in August, 2033. However, In terms of RBI notification number - RBI/2019-20/186 (DOR No.BP.BC.47/21.04.048/2019-20) dated 27th, March, 2020 and RBI/2019-20/244 (DOR.No.BP.BC.71/21.04.048/2019-20) dated 23rd May, 2020, the Company has applied to the Bank for a moratorium on repayment of loan based on which the tenure of the loan is expected to move ahead by 6 months. Accordingly, the quarterly loan repayments are expected to start from November, 2020 and the last installment will be due in February, 2034. The Bank's decision is awaited.

(ii) Term Loans taken earlier from Yes Bank has been repaid during the year.

Unsecured**(i) Overdraft Facility from State Bank of India**

Secured by way of equitable mortgage of Residential Property bearing no. C-2/7, Safdarjung Development Area, New Delhi belonging to Sh. Lalit Bhasin - director of the company and also his personal guarantee. The Rate of Interest is 3.05% over and above Bank's one year MCLR. The total loan tenure is of 7 years 10 months. The loan is repayable in 27 quarterly unequal installments starting from 1st quarter of 2017-18 and last installment due in 3rd quarter of 2023-24. However, In terms of RBI notification number - RBI/2019-20/186 (DOR No.BP.BC.47/21.04.048/2019-20) dated 27th, March, 2020 and RBI/2019-20/244 (DOR.No.BP.BC.71/21.04.048/2019-20) dated 23rd May, 2020, the Company has applied to the Bank for a moratorium on repayment of loan based on which the tenure of the loan is expected to move ahead by 3 months. Accordingly, the last installment will be due in March 2024. The Bank's decision is awaited.

(ii) Debt Component of Compounded Financial Instruments

The Loans are repayable after 6 years starting from date of agreement i.e. 01.04.2016 and carries interest @ 12% p.a.

(*) The figures shown above are net of Ind-AS adjustments. The gross amount as on 31.03.2020 is ₹ 21.70 Crores.

(iii) Preference Shares carries 9% coupon rate of dividend (Non-Cumulative). The holders of Preference Shares shall not be entitled to receive notice of or to attend and vote at General meetings of the Equity Shareholders of the Company. The holders of Preference Shares shall be entitled to attend meetings and vote (one vote per share) only on the Resolutions directly affecting their rights. Also the Preference Shareholders shall not be entitled to any bonus or right issue etc. of Equity Shares or other Securities of the Company. The Preference Shares shall carry a preferential right over the Equity Shares of the Company as regards to payment of Dividend and as regards to repayment of the Capital in the event of winding up of the Company.

Detail of Preference Shares	Date of Allotment	Date of Redemption	As at 31st March 2020	As at 31st March 2019
9% Redeemable Non-Convertible Non-Cumulative Preference Shares- Series I	29.03.2013	29.03.2023	150000000	150000000
9% Redeemable Non-Convertible Non-Cumulative Preference Shares-Series II	03.03.2015	03.03.2025	150000000	150000000
	14.03.2015	14.03.2025	150000000	150000000
	23.03.2015	23.03.2025	200000000	200000000
9% Redeemable Non-Convertible Non-Cumulative Preference Shares-Series III*	21.11.2018	Refer as under	200000000	200000000

(*) Preference Shares shall be redeemed in three annual installments i.e. :-

- At the rate of ₹ 30/- in the 12th year from the date of Allotment (21/11/2030)
- At the rate of ₹ 30/- in the 13th year from the date of Allotment (21/11/2031)
- Remaining balance at the rate of ₹ 40/- in the 14th year from the date of Allotment (21/11/2032).

22. OTHER NON CURRENT FINANCIAL LIABILITIES

Particulars	As at 31st March, 2020 (In ₹)	As at 31st March, 2019 (In ₹)
Security Deposits*	22168801	75577017
Interest Accrued but not due on fair valuation of Security Deposits	0	14336703
Total	22168801	89913720

(*) include due to related parties ₹ Nil (₹ 69215763)

23. NON CURRENT PROVISIONS

Particulars	As at 31st March, 2020 (In ₹)	As at 31st March, 2019 (In ₹)
Provisions For Employees Benefit		
Leave Encashment	2762896	2199262
Gratuity	4210623	3142967
Total	6973519	5342229

24. CURRENT BORROWINGS (SECURED)

Particulars	As at 31st March, 2020 (In ₹)	As at 31st March, 2019 (In ₹)
From Banks		
Overdraft Facility from IndusInd Bank Limited #	149999169	0
Overdraft Facility from Yes Bank Limited	0	148944133
Total	149999169	148944133

(*) Secured by way of exclusive charge as specified in Note no. 21 in respect of Term Loan facilities from IndusInd Bank Limited.

25. TRADE PAYABLES

Particulars	As at 31st March, 2020 (In ₹)	As at 31st March, 2019 (In ₹)
Total outstanding dues of micro enterprises and small enterprises*	8895195	3815342
Total outstanding dues of creditors other than micro enterprises and small enterprises	138863742	117921224
Total	147758937	121736566

(*) Note relating to micro, small and medium enterprises

Particulars	As at 31st March, 2020 (In ₹)	As at 31st March, 2019 (In ₹)
Principal Amount remaining unpaid at the end of the year	8895195	3815342
Interest Amount remaining unpaid at the end of the year	-	-
Amount of Interest paid in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-
Amount of Interest due and payable for the period of delay in making payment (in addition to the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
Amount of Interest accrued and remained unpaid at the end of the year	-	-
Amount of further Interest remaining due and paid in the succeeding year	-	-
Total	8895195	3815342

26. OTHER FINANCIAL LIABILITIES

Particulars	As at 31st March, 2020 (In ₹)	As at 31st March, 2019 (In ₹)
Current Maturities of Long term borrowings (Refer Note No.21)	26206479	40700000
Interest Accrued but not due on borrowings	17702773	15216610
Unclaimed Dividend *	880321	2132159
Expenses Payable	39337758	38751946
Security Deposits	69562813	586352
Interest Accrued but not due on fair valuation of loan	61721243	63960503
Other Liabilities	0	2454616
Total	215411387	163802186

(*) There is no amount outstanding due to be transferred to Investor Education and Protection Fund.

27. OTHER CURRENT LIABILITIES

Particulars	As at 31st March, 2020 (In ₹)	As at 31st March, 2019 (In ₹)
Advances from Customers	8308929	3621501
Statutory Dues Payable	16095231	14194970
Total	24404160	17816471

28. SHORT TERM PROVISIONS

Particulars	As at 31st March, 2020 (In ₹)	As at 31st March, 2019 (In ₹)
Provisions For Employees Benefit		
Leave Encashment	1624664	1260041
Gratuity	1089897	608575
Total	2714561	1868616

29. REVENUE FROM OPERATIONS

Particulars	For the Year ended 31st March, 2020 (In ₹)	For the Year ended 31st March, 2019 (In ₹)
Hotel		
Rooms	455835658	465348664
Food & Beverages, Restaurant and Banquet Income	309474683	345068106
Others	50151549	50130510
Real Estate		
Sales	-	26500000
Other Operating Income*	5070151	5153567
Total	820532041	892200847

(*) Includes Rental Income, Facility Charges and Other Claims

30. OTHER INCOME

Particulars	For the Year ended 31st March, 2020 (In ₹)	For the Year ended 31st March, 2019 (In ₹)
Interest On Fixed Deposits with Banks	1905718	877202
Interest On Income Tax Refund	1711161	3104232
Interest Income on ICD	5581815	7023782
Other Income	243277	331192
Rental Income on fair valuation of Security Deposit	2454616	4208029
Total	11896587	15544437

31. FOOD AND BEVERAGES CONSUMED

Particulars	For the Year ended 31st March, 2020 (In ₹)	For the Year ended 31st March, 2019 (In ₹)
Opening Stock	10930748	8557880
Add : Purchases	86041388	85332291
Less : Closing Stock	19654130	10930748
Total	77318006	82959423

32. INCREASE / DECREASE IN STOCK-COMPLETED CONSTRUCTION

Particulars	For the Year ended 31st March, 2020 (In ₹)	For the Year ended 31st March, 2019 (In ₹)
Opening Stock	92593514	119391720
Less : Closing Stock	92593514	92593514
Total	0	26798206

33. EMPLOYEE BENEFIT EXPENSES

Particulars	For the Year ended 31st March, 2020 (In ₹)	For the Year ended 31st March, 2019 (In ₹)
Salaries and Benefits	105764575	110010894
Payment to Contractors	23938432	25426335
Reimbursement of expenses on personnel deputed to the Company	44189340	34758177
Contribution to Provident Fund and other fund	6871682	5273376
Staff welfare	19284720	20521997
Total	200048749	195990778

34. FINANCE COSTS

Particulars	For the Year ended 31st March, 2020 (In ₹)	For the Year ended 31st March, 2019 (In ₹)
Interest	216977245	215849731
Loan Processing Fee amortized during the year	10667983	14195619
Interest expense on fair valuation of Security Deposit	1429729	2450964
Interest expense on debt component of compound instruments	20835962	44533580
Total	249910919	277029894

35. OTHER EXPENSES

Particulars	For the Year ended 31st March, 2020 (In ₹)	For the Year ended 31st March, 2019 (In ₹)
Linen, Room, Catering and Other Supplies/Services	30689412	36596996
Facility Management Services	14465628	13182615
Legal and Professional	10055109	11595505
Payment to Orchestra Staff, Artists and Others	2750393	3490466
Communication	5440041	6029755
Commission to Travel Agents and Others	18462120	24223772
Advertisements	4603577	4383944
Printing and Stationery	3104324	4543040
Conveyance and Travelling	13884678	14066548
Repair and Maintenance :		
- To Building	12442077	13910523
- To Machinery	14565179	14717705
- To others	16146830	18222243
Fuel, Power and Light	62497641	66300037
Listing Fees	300000	250000
Insurance	2925164	2225455
Subscription Fees	3374347	3328232
Sitting Fees	278500	324500
Miscellaneous Expenses	11112470	11149234
Loss on fair valuation of Investments	2296909	4337573
Provision for Doubtful Debts	0	125997
Licence Fees	6449620	5640414
Operating Fees	29997307	32970456
Loss on sale of Fixed Assets	3284708	341490
Exchange rate Fluctuation (Net)	9831	36649
Auditors' Remuneration		
- Audit Fees	300000	300000
- Tax Audit Fees	50000	100000
- Limited Review Report	45000	75000
- Certification and Others	56500	485000
Rates and Taxes	3389290	3389290
Discount to Collecting Agents	6844403	8431122
Total	279821058	304298561

36. EARNING PER SHARE

Particulars	Current Year (In ₹)	Previous Year (In ₹)
Net Profit/(Loss) as Per Statement of Profit and Loss After Tax	(87978232)	(104292993)
Weighted Average Nos. of Equity Share Outstanding	19459947	19459947
Earning Per Share (face value of ₹10 each)		
Basic and diluted Earning per share (₹)		
- Basic	(4.52)	(5.36)
- Diluted	(4.52)	(5.36)

37. FINANCIAL RISK MANAGEMENT

FINANCIAL RISK FACTORS

The Company's principal Financial Liabilities comprise borrowings, trade and other payables. The main purpose of these Financial Liabilities is to manage finances for the Company's operations. The Company has short term trade receivable and bank deposits which are under lien with banks for availing credit facilities. The Company's activities expose it to a variety of financial risks:

i) MARKET RISK

Market Risk is the risk that the fair value or future cash flows of a Financial Instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: Currency Rate Risk, Interest Rate Risk and other price Risks, such as Equity Price Risk and Commodity Risk. Financial Instruments affected by market risk include loans and borrowings, deposits and investments. Foreign Currency Risk is the risk that the fair value or future cash flows of a Financial Instrument will fluctuate because of changes in foreign exchange rates. Interest rate risk is the risk that the fair value or future cash flows of a Financial Instrument will fluctuate because of changes in market interest rates. This is based on the Financial Assets and Financial Liabilities held as of 31st March, 2019 and 31st March, 2020.

ii) CREDIT RISK

Credit Risk is the risk that a counter party will not meet its obligations under a Financial Instrument or customer contract, leading to a financial loss.

iii) LIQUIDITY RISK

Liquidity Risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses.

The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

MARKET RISK

The sensitivity analysis excludes the impact of movements in market variables on the carrying value of post-employment benefit obligations provisions and on the non-financial assets and liabilities. The sensitivity of the relevant Statement of Profit and Loss item is the effect of the assumed changes in the respective market risks. The Company's activities expose it to a variety of financial risks, including the effects of changes in foreign currency exchange rates and interest rates. However, such effect is not material.

(a) FOREIGN EXCHANGE RISK AND SENSITIVITY

The Company transacts business primarily in Indian Rupee. However, the Company has transactions in USD, Euro, GBP and others. The Company has negligible foreign currency trade payables and is therefore, foreign exchange risk, is not material. There are no other foreign currency monetary items, so the company does not face any foreign exchange risk.

Summary of exchange difference accounted in Statement of Profit and Loss:

Particulars	For the Year ended 31st March, 2020 (In ₹)	For the Year ended 31st March, 2019 (In ₹)
Net Foreign Exchange Loss Shown as Other Expenses	9831	36649

(b) INTEREST RATE RISK AND SENSITIVITY

The Company's exposure to the risk of changes in market interest rates relates primarily to long term debt. All borrowings are at floating rate. Borrowing issued at variable rate expose the company to cash flow interest rate risk. Weighted average cost of borrowing is 11.30% for the year ended 31st March, 2020 (10.97% for the year ended 31st March, 2019). With all other variable held constants the following table demonstrate the impact of borrowing cost on floating rate portion of loans and borrowing:

INTEREST RATE SENSITIVITY

Interest rate sensitivity	Increase/Decrease in basis points (In ₹)	Effect on profit before tax (In ₹)
For the year ended 31st March, 2020		
INR borrowings	+50	8,694,682
	-50	-8,694,682
For the year ended 31st March, 2019		
INR borrowings	+50	9,645,900
	-50	-9,645,900

CREDIT RISK

The Company is not significantly exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks which are under lien with banks for availing credit facilities.

TRADE RECEIVABLES

The Company extends credit to corporate customers in normal course of business. The Company considers factors such as credit track record in the market and past dealings for extension of credit to customers. The Company monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored. However, average credit period to customers is approximately fourteen days. The company does not allow any credit period in respect of Walk-in Customers and is therefore not exposed to any credit risk.

LIQUIDITY RISK

The Company's objective is to maintain optimum levels of liquidity to meet its cash and collateral requirements. In case of temporary short fall in liquidity to repay the bank borrowing/operational short fall, promoters envisage to infuse capital and loans.

The table below provides undiscounted cash flows towards non-derivative financial liabilities into relevant maturity based on the remaining period at the balance sheet to the contractual maturity date.

Particulars	Ageing as on 31st March, 2020 (In ₹)				
	Carrying Amount	Upto 1 Year	1 - 3 Year	More Than 3 Years	Total
Borrowings	2850205470	176205648	196869139	2477130684	2850205470
Trade Payable	147758937	147758937	-	-	147758937
Other Liabilities	211373709	189204909	22168801	-	211373709
Total	3209338117	513169493	219037939	2477130684	3209338116

Particulars	Ageing as on 31st March, 2019 (In ₹)				
	Carrying Amount	Upto 1 Year	1 - 3 Year	More Than 3 Years	Total
Borrowings	2992117208	189644133	297500000	2504973075	2992117208
Trade Payable	121736566	121736566	-	-	121736566
Other Liabilities	213015906	123102186	89913720	-	213015906
Total	3326869680	434482885	387413720	2504973075	3326869680

UNUSED LINE OF CREDIT (EXCLUDING NON FUND BASED FACILITIES)

Particulars	As on 31st March, 2020 (In ₹)	As on 31st March, 2019 (In ₹)
Secured	831	101055867
Unsecured	-	-
Total	831	101055867

INTEREST RATE & CURRENCY OF BORROWINGS

The below table demonstrate the borrowing of Fixed and Floating Rate of Interest

Particulars	Total Borrowings (In ₹)	Floating Rate Borrowings (In ₹)	Fixed Rate Borrowings (In ₹)	Weighted Average Rate of Borrowing (%)
INR	2850205470	1888935661	961269809	11.30
Total as at 31st March, 2020	2850205470	1888935661	961269809	
INR	2992117208	1929179983	1062937225	10.97
Total as at 31st March, 2019	2992117208	1929179983	1062937225	

CAPITAL RISK MANAGEMENT

The Company aim to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders.

The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. The Company's primary objective when managing capital is to ensure the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital. Net debt is calculated as loans and borrowings less cash and cash equivalents.

The Gearing ratio for FY 2019-20 and 2018-19 is an under:

GEARING RATIO

Particulars	As of 31st March, 2020 (In ₹)	As of 31st March, 2019 (In ₹)
Loans and Borrowings	2742271212	2873514967
Less: Cash and Cash Equivalents	57725541	90348558
Net Debt	2684545671	2783166409
Equity	2058487988	2197875328
Total Capital	4743033659	4981041737
Gearing Ratio	56.60%	55.88%

However, the Company envisages to reduce its gearing ratio.



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38. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

Set out below is a comparison by class of the carrying amounts and fair value of the Company's Financial Instruments that are recognised in the Financial Statements.

Particulars	As at 31st March, 2020 (In ₹)		As at 31st March, 2019 (In ₹)	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets designated at Amortised Cost				
Fixed Deposits with Banks	12258928	12258928	11871017	11871017
Cash and Bank Balances	57725541	57725541	90348558	90348558
Investment	19634953	19634953	140931862	140931862
Trade Receivables	24205603	24205603	34612102	34612102
Other Financial Assets	45514502	45514502	42242482	42242482
	159339526	159339526	320006021	320006021
Financial liabilities designated at amortised cost				
Borrowings- Fixed Rate	961269809	961269809	1062937225	1062937225
Borrowings- Floating Rate	1781001403	1781001403	1810577742	1810577742
Trade Payable	147758937	147758937	121736566	121736566
Other Financial Liabilities	211373709	211373709	213015906	213015906
	3101403858	3101403858	3208267439	3208267439

Fair Value Hierarchy

The Company measures Financial Instruments at fair value in accordance with the Accounting Policies mentioned above. Fair value is the price that would be received to sell an asset or paid to transfer a Liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- Level 1: Quoted prices/NAV for identical instruments in an active market;
- Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs; and
- Level 3: Inputs which are not based on observable market data.

When measuring the fair value of an Asset or a Liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

The following table provides the fair value measurement hierarchy of Company's Asset and Liabilities, grouped into Level-1 to Level-2 as described below:

ASSETS MEASURED AT FAIR VALUE THROUGH PROFIT AND LOSS (ACCOUNTED)

Particulars	As on 31st March, 2020 (In ₹)		
	Level 1	Level 2	Level 3
Financial Assets			
Non Current Investments			
--Mutual Funds	133424	-	-
--Quoted Investment	1023724	-	-
--Un-Quoted Investment	-	17577805	-
Total	1157148	17577805	-

Particulars	As on 31st March, 2019 (In ₹)		
	Level 1	Level 2	Level 3
Financial Assets			
Non Current Investments			
--Mutual Funds	127284	-	-
--Quoted Investment	3163911	-	-
--Un-Quoted Investment	-	17740667	-
Total	3291195	17740667	-

ASSETS/ LIABILITIES FOR WHICH FAIR VALUE IS DISCLOSED

Particulars	As on 31st March, 2020 (In ₹)		
	Level 1	Level 2	Level 3
Financial Liabilities			
Borrowing - Fixed Rate	-	111269809	-
Other Financial Liabilities	-	211373709	-
Total	-	322643518	-

Particulars	As on 31st March, 2019 (In ₹)		
	Level 1	Level 2	Level 3
Financial Liabilities			
Borrowing - Fixed Rate	-	212937225	-
Other Financial Liabilities	-	213015906	-
Total	-	425953131	-

39. SEGMENT INFORMATION

Information about Primary Segment

The Company operates in a Single Primary Segment (Business Segment) i.e. Hotel Operations.

Information about Geographical Segment – Secondary

The Company's operations are located in India. The Management has not identified any geographical segment.

Hence, there are no separate reportable segment as required by the Ind AS -108 on operating segment

40. RETIREMENT BENEFIT OBLIGATIONS

(a) EXPENSE RECOGNISED FOR DEFINED CONTRIBUTION PLAN

Particulars	For the Year ended 31st March, 2020 (In ₹)	For the Year ended 31st March, 2019 (In ₹)
Company's Contribution to Provident Fund	5758564	4393939
Total	5758564	4393939

Below tables sets forth the changes in the Projected Benefit Obligation and Plan Assets and amounts recognized in the Balance Sheet as of 31st March, 2019 and 31st March, 2020, being the respective measurement dates:

(b) MOVEMENT IN OBLIGATION

Particulars	Gratuity (Funded) (In ₹)	Leave Encashment (Unfunded) (In ₹)
Present value of obligation- 01st April, 2018	3232558	3135687
current Service Cost	685087	1145401
Interest Cost	236359	221368
Benefits Paid	(294220)	(777743)
Remeasurement - Actuarial Gain / (Loss)	474487	(265410)
Present value of obligation - 31st March, 2019	4334271	3459303
Present value of obligation - 01st April, 2019	4334271	3459303
Current Service Cost	871055	1341958
Interest Cost	282854	216994
Benefits Paid	(737077)	(658130)
Remeasurement - Actuarial Gain / (Loss)	1175040	27435
Present Value of Obligation - 31st March, 2020	5926143	4387560

(c) Movement in Plan Assets- Gratuity

Particulars	For the Year ended 31st March, 2020 (In ₹)	For the Year ended 31st March, 2019 (In ₹)
Fair Value of Plan assets as beginning of year	582729	542054
Expected return on plan assets	40791	42009
Employer Contributions	-	10000
Benefits Paid	-	-
Actuarial Gain / (Loss)	2103	(11334)
Fair Value of Plan Assets at end of Year	625623	582729
Present Value of Obligation	5926143	4334271
Present Value of Plan Assets	625623	582729
Net Funded Status of Plan Assets	5300520	3751542

The Components of the Gratuity & Leave Encashment cost are as follows:

(d) **RECOGNISED IN PROFIT & LOSS**

Particulars	Gratuity (Funded) (In ₹)	Leave Encashment (Unfunded) (In ₹)
Current Service Cost	685087	1145401
Interest Cost	236359	221368
Expected return on plan assets	(42009)	-
Remeasurement - Acturial Gain / (Loss)	0	(265410)
For the Year Ended 31st March, 2019	879437	1101359
current Service Cost	871055	1341958
Interest Cost	282854	216994
Expected return on plan assets	(40791)	-
Remeasurement - Acturial Gain / (Loss)	0	27435
For the Year Ended 31st March, 2020	1113118	1586387

(e) **RECOGNISED IN OTHER COMPREHENSIVE INCOME**

Particulars	Gratuity (Funded) (In ₹)
Remeasurement - Acturial Gain / (Loss)	
For the Year Ended 31st March, 2019	(485821)
Remeasurement - Acturial Gain / (Loss)	
For the Year Ended 31st March, 2020	(1272216)

(f) **THE PRINCIPAL ACTUARIAL ASSUMPTIONS USED FOR ESTIMATING THE COMPANY'S DEFINED BENEFIT OBLIGATIONS ARE SET OUT BELOW:**

Weighted Average Acturial Assumptions	As at 31st March, 2020	As at 31st March, 2020
Discount Rate	6.00%	6.75%
Expected Rate of Increase in Salary	4.00%	6.00%
Expected Rate of Return on Plan Assets	0	0
Mortality Rate	IALM 2012-14 Ultimate	IALM 2006-08 Ultimate
Expected Average remaining working lives of Employees (Years)	27.9	28.1

(g) **SENSITIVITY ANALYSIS:**

For the Year Ended 31st March, 2019

Particulars	Change in Assumption	Effect on Gratuity Obligation (In ₹)	Change in Assumption	Effect on Leave Encashment obligation (In ₹)
Discount Rate	+ 1%	4033583	+ 1%	3290800
	- 1%	4688951	- 1%	3656505
Salary Growth Rate	+ 1%	4688131	+ 1%	3656134
	- 1%	4028999	- 1%	3288203
Attrition Rate	+ 1%	4328897	+ 1%	3469992
	- 1%	4337010	- 1%	3446954

For the Year Ended 31st March, 2020

Particulars	Change in Assumption	Effect on Gratuity Obligation (In ₹)	Change in Assumption	Effect on Leave Encashment obligation (In ₹)
Discount Rate	+ 1%	5534104	+ 1%	4170675
	- 1%	6388351	- 1%	4641727
Salary Growth Rate	+ 1%	6384811	+ 1%	4640381
	- 1%	5529600	- 1%	4167646
Attrition Rate	+ 1%	5904659	+ 1%	4389931
	- 1%	5947814	- 1%	4384943

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (projected unit credit method) has been applied as when calculating the defined benefit obligation recognised within the Balance Sheet.

(h) **ESTIMATE OF EXPECTED BENEFIT PAYMENTS**

(In absolute terms i.e. undiscounted)

Particulars	Gratuity (Funded) (In ₹)
01st April, 2020 to 31st March, 2021	1089897
01st April, 2021 to 31st March, 2022	293795
01st April, 2022 to 31st March, 2023	301810
01st April, 2023 to 31st March, 2024	230823
01st April, 2024 to 31st March, 2025	209823
01st April 2025 Onwards	3799995

(i) **STATEMENT OF EMPLOYEE BENEFIT PROVISION**

Particulars	Year ended 31st March, 2020 (In ₹)	Year ended 31st March, 2019 (In ₹)
Gratuity	5926143	4334271
Leave Encashment	4387560	3459303
Total	10313703	7793574

The following table sets out the funded status of the plan and the amounts recognised in the company's balance sheet

(j) **CURRENT AND NON-CURRENT PROVISION FOR GRATUITY AND LEAVE ENCASHMENT**

For the Year Ended 31st March, 2019

Particulars	Gratuity (In ₹)	Leave Encashment (In ₹)
Current Provision	608575	1260041
Non Current Provision	3142967	2199262
Total Provision	3751542	3459303

For the Year Ended 31st March, 2020

Particulars	Gratuity (In ₹)	Leave Encashment (In ₹)
Current Provision	1089897	1624664
Non Current Provision	4210623	2762896
Total Provision	5300520	4387560

(k) **EMPLOYEE BENEFIT EXPENSES**

Particulars	Year ended 31st March, 2020 (In ₹)	Year ended 31st March, 2019 (In ₹)
Salaries and Wages	173892347	170195406
Cost-defined Contribution Plan	6871682	5273376
Welfare Expenses	19284720	20521997
Total	200048749	195990778

Figures in No.

Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
Average No. of People Employed	245	227

Other Comprehensive Income presentation of defined benefit plan

- Gratuity is defined benefit plan, Re-measurement gains/(losses) on defined benefit plans is shown under Other Comprehensive Income as Items that will not be reclassified to profit or loss and also the income tax effect on the same.
- Leave encashment cost is in the nature of short term employee benefits.

Presentation in Statement of Profit and Loss and Balance Sheet

Expense for service cost, net interest on net defined benefit liability (asset) is charged to Statement of Profit & Loss.

IND AS 19 do not require segregation of provision in current and non-current, however net defined liability (Assets) is shown as current and non-current provision in balance sheet as per IND AS 1.

Actuarial liability for short term benefits (leave encashment cost) is shown as current and non-current provision in balance sheet.

The Company assesses these assumptions with its projected long-term plans of growth and prevalent industry standards. The mortality rates used are as published by one of the leading life insurance companies in India.

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41. OTHER DISCLOSURES

Details of loans given, investment made and Guarantees given, covered u/s 186(4) of the Companies Act 2013.

Investment made and loan given is disclosed under the Investment Schedule and loan schedule of balance sheet (refer note 7 & 15 read with note no. 43). The Company has not given any guarantee.

42. CONTINGENT LIABILITIES

i) DUTIES AND TAXES

Particulars	As at 31st March, 2020 (In ₹)	As at 31st March, 2019 (In ₹)
Disputed Sales Tax	Nil	161709502
Property Tax*	7821151	7821151
Vacant Land Tax (Under Appeal in Delhi High Court)	228616	228616
Total	169759269	169759269

(*) The total demand raised by MCD was ₹ 83,85,604/- (Previous Year ₹ 83,85,604/-). Against this, the company deposited the admitted liability of ₹ 5,64,453/- (Previous Year ₹ 5,64,453/-). For the balance amount of ₹ 78,21,151/- the company had filed a Writ Petition before the Hon'ble Delhi High Court. The company had also filed a stay petition before the Hon'ble High Court praying for stay for the payment of aforesaid amount of ₹ 78,21,151/-. As per direction of Hon'ble Court the company paid a sum of ₹10,18,477/- against the aforesaid demand and stay has been granted for the balance amount. The Hon'ble High Court directed MCD to re-compute the tax. In the opinion of management the demand raised by MCD is not sustainable and no further liability will arise and therefore the aforesaid amount of ₹10,18,477/- paid by the company is being shown as recoverable in the Balance Sheet under the head Short Term Loans and Advances.

ii) OTHER CONTINGENT LIABILITIES

Particulars	As at 31st March, 2020 (In ₹)	As at 31st March, 2019 (In ₹)
Claim against the company not acknowledged as Debt	27755293	27755293
Letter of Credit/ Bank Guarantee issued by bank	2000000	2000000
Ground Rent*	-	-
Total	29755293	29755293

(*) The Company had received a show cause notice dated 17.11.2006 from Delhi Development Authority (DDA) demanding a sum of ₹ 258.68 Lakhs (Excluding undetermined interest) on account of ground rent in respect of its property at Plot No. A-2, 3 & 4 in District Centre, Wazirpur, Delhi upto the period 14th July, 2006. Aggrieved by show cause notice issued by DDA, the company filed a writ petition in the Hon'ble High Court of Delhi Challenging the aforesaid demand. The Hon'ble High Court, vide its order dated 4th December, 2006 set-aside the matter to DDA for reconsideration. DDA vide Notice dated 12.01.2010 demanded a sum of ₹ 398.46 Lakhs (excluding interest) towards ground rent upto the period 14.07.2010. Aggrieved by the said demand, the company again filed a writ petition in the Hon'ble High Court of Delhi which vide its order dated 31.05.2010 stayed the operations of the order of DDA subject to company depositing a sum of ₹ 100 Lacs. As per the direction of Hon'ble High court, the company has deposited the said amount of ₹ 100 lacs on 10.06.2010.

The matter is pending for final disposal by the Hon'ble Court. The liability will be determined only after the disposal of matter by the Hon'ble High Court of Delhi ; and therefore at this stage, in the opinion of management any further provision is neither considered necessary nor ascertainable. The effect of any arrear/excess amount will be taken after the decision of the Hon'ble Court.

43. RELATED PARTY TRANSACTIONS

In accordance with the requirements of IND AS 24, on related party disclosures, name of the related party, related party relationship, transactions and outstanding balances including commitments where control exists and with whom transactions have taken place during reported periods are:

RELATED PARTY NAME AND RELATIONSHIP

(a) Person having significant influence / control / major shareholders

(i) Mr. Lalit Bhasin

(b) Key Managerial Personnel

(i) Mr. Praveen Gupta, CFO

(ii) Ms. Radhika Khurana, Company Secretary

(iii) Ms. Banmala Jha, Manager (Vice President Legal) (designated on 27.05.2019)

(c) Enterprises over which significant influence /control exist of the Relatives of persons mentioned in (a) above

(i) RRB Master Securities Delhi Ltd.

(d) Enterprises under direct or indirect common control/significant influence of Key Managerial Person/ Relative of Key Managerial Person

(i) HB Stockholdings Ltd.

(ii) HB Portfolio Ltd.

(iii) HB Securities Ltd. (Subsidiary of HB Portfolio Ltd.)

(e) Enterprises under Joint Ventures/Associate Company

(i) Parsvnath HB Projects Pvt. Ltd. - Associate

RELATED PARTY TRANSACTIONS:

Sr. No.	Particulars	Nature of Transaction	For the Year ended 31st March, 2020 (In ₹)	For the Year ended 31st March, 2019 (In ₹)
Enterprises under direct or indirect common control / significant influence of Key Managerial Person / relative of Key Managerial person				
i	RRB Master Securities Delhi Ltd.	Rent Received	993324	878173
ii	HB Stockholdings Ltd.	Rent Received	861240	861240
		Amount paid pursuant to Composite Scheme of Arrangement paid during the year	-	4214449
iii	HB Portfolio Ltd.	Rent Received	861240	861240
		Issue of Preference Shares	-	200000000
		Amount received pursuant to Composite Scheme of Arrangement realized	-	5933540
iv	HB Securities Ltd.	DP Charges Paid	1770	1180
		Redemption of Preference Shares	-	10000000
Enterprises under Joint ventures/Associate Company				
v	Parsvnath HB Projects Pvt. Ltd.	Interest Received	5581815	-
		Loans Given	-	12280000
Key Managerial Person / persons having significant influence / control / major shareholder				
vi	Lalit Bhasin	Sitting Fees paid	40000	40000
		Loans Received	25000000	46000000
		Loans Repaid	67000000	20000000
vii	Praveen Gupta	Remuneration & other services	3762204	3770999
viii	Radhika Khurana	Remuneration & other services	701800	561450
ix	Banmala Jha	Remuneration & other services	1084200	-

RELATED PARTY BALANCES

Sr. No.	Particulars	Nature of Balance	For the Year ended March 31, 2020 (In ₹)	For the Year ended March 31, 2019 (In ₹)
Key Managerial Person / persons having significant influence / control / major shareholder				
i	Lalit Bhasin	Loan	38000000	80000000
Enterprises under direct or indirect common control/significant influence of key managerial person/ relative of Key Managerial person				
ii	RRB Master Securities Delhi Ltd.	Security Deposit	215763	215763
iii	HB Stockholdings Ltd.	Security Deposit	34500000	34500000
iv	HB Portfolio Ltd.	Security Deposit	34500000	34500000
v	Parsvnath HB Projects Pvt Ltd	Loan including accrued interest	31499814	26476182

44. REVENUE FROM CONTRACTS WITH CUSTOMERS

- i) Details of revenue from contracts with customers recognised by the Company, net of indirect taxes in its Statement of Profit and Loss.

Particulars	For the Year ended 31st March, 2020 (In ₹)	For the Year ended 31st March, 2019 (In ₹)
Revenue from operations		
Revenue from contract with customers		
Rooms	455835658	465348664
Food & Beverages, Restaurant and Banquet Income	309474683	345068106
Others revenue from contract with customers	50151549	50130510
Sales-Real Estate	0	26500000
	815461890	887047280
Other operating revenue		
Other revenue	5070151	5153567
	5070151	5153567
Total Revenue from Operations	820532041	892200847

- ii) All the revenue of the company are in India.

- iii) Contract Balances

The contract liabilities primarily relate to the advance consideration received from customers for which revenue is recognized when the performance obligation is over / services delivered.

Advance Collections is recognised when payment is received before the related performance obligation is satisfied.

This includes advances received from the customer towards rooms/restaurant/ banquets. Revenue is recognised once the performance obligation is met i.e. on room stay / sale of food and beverage / provision of banquet services. It also includes membership fee received for Chambers Membership, Epicure membership and Spa and Health Club Memberships.

Particulars	For the Year ended 31st March, 2020 (In ₹)	For the Year ended 31st March, 2019 (In ₹)
Contract liabilities		
Advance collection from customers		
-Advances from customers	7923794	3302372
-Advance Health Club Membership	385134	319129
Total	8308929	3621501

45. IMPAIRMENT REVIEW

Assets are tested for impairment whenever there are any internal or external indicators of impairment.

Impairment test is performed at the level of each Cash Generating Unit ('CGU') or groups of CGUs within the Company at which the goodwill or other assets are monitored for internal management purposes, within an operating segment.

The impairment assessment is based on higher of value in use and value from sale calculations.

During the year, the testing did not result in any impairment in the carrying amount of goodwill and other assets.

The measurement of the cash generating units' value in use is determined based on financial plans that have been used by management for internal purposes. The planning horizon reflects the assumptions for short to- midterm market conditions.

Key assumptions used in value-in-use calculations:

- Operating margins (Earnings before interest and taxes)
- Discount rate
- Growth rates
- Capital expenditures

Operating Margins: Operating margins have been estimated based on past experience after considering incremental revenue arising out of adoption of valued added and data services from the existing and new customers, though these benefits are partially offset by decline in tariffs in a hyper competitive scenario. Margins will be positively impacted from the efficiencies and initiatives driven by the Company; at the same time, factors like higher churn, increased cost of operations may impact the margins negatively.

Discount Rate: Discount rate reflects the current market assessment of the risks specific to a CGU or group of CGUs. The discount rate is estimated based on the weighted average cost of capital for respective CGU or group of CGUs.

Growth Rates: The growth rates used are in line with the long term average growth rates of the respective industry and country in which the Company operates and are consistent with the forecasts included in the industry reports.

Capital Expenditures: The cash flow forecasts of capital expenditure are based on past experience coupled with additional capital expenditure required.

46. OTHER DETAILS

- (a) C.I.F. Value of Imports

Particulars	As at 31st March, 2020 (In ₹)	As at 31st March, 2019 (In ₹)
Stores and Operating Supplies	555840	1149871
Capital Goods	4683578	1857156

- (b) Expenditure in Foreign Currency

Particulars	Year ended 31st March, 2020 (In ₹)	Year ended 31st March, 2019 (In ₹)
Legal & Professional	1103182	262122
Advertisement	1649037	1087048
Others	9656335	15913746

- (c) Earning in Foreign Currency:

Particulars	Year ended 31st March, 2020 (In ₹)	Year ended 31st March, 2019 (In ₹)
Sale / Revenue	284071155	376475114

- (d) Dividend paid in Foreign Currency- Nil (Previous Year Nil).

47. DISCLOSURE OF LOANS / ADVANCES IN THE NATURE OF LOANS IN TERMS OF PROVISION OF REGULATION 34 OF THE SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015:

Sr. No.	Particulars	Outstanding Balance as on 31.03.2019 (In ₹)	Max. Balance outstanding during the Year (In ₹)	Outstanding Balance as on 31.03.2018 (In ₹)	Max. Balance outstanding during the Previous Year (In ₹)
i.	Loans & Advances in the nature of Loans to Subsidiaries	Nil	Nil	Nil	Nil
ii.	Loans & Advances in the nature of loans to Associates:- Parsvnath - HB Pojects Private Ltd.	31499814	31499814	26476182	26476182
iii.	Loans & Advances in the nature of loans where there is no repayment schedule, no interest or interest below Section 372A of the Companies Act, 1956	Nil	Nil	Nil	Nil
iv.	Loans & Advances in the nature of loans to firms/companies in which directors are interested.	Nil	Nil	Nil	Nil
v.	Investments by Loanee in the Shares of parent company and subsidiary company when the company has made loan or advance in the nature of Loan.	No. of Shares	Amount	No. of Shares	Amount
		Nil	Nil	Nil	Nil



HB ESTATE DEVELOPERS LIMITED

48. DETAIL OF CONSUMPTION OF IMPORTED AND INDEGENOUS ITEMS:

Particulars	Current Year		Previous Year	
	Amount (In ₹)	% of Consumption	Amount (In ₹)	% of Consumption
(i) Raw Materials				
Imported	0	0.00	0	0
Indigenous	77318006	100.00	82959423	100
Total	77318006	100.00	82959423	100.00
(ii) Stores and Supplies				
Imported	339614	1.11	1365922	3.73
Indigenous	30349798	98.89	35231074	96.27
Total	30689412	100.00	36596996	100.00

49. PENDING LITIGATIONS

The Contingent liability in respect of pending litigations is disclosed in note no. 42. In addition, the company is subject to legal proceedings and claims, which have arisen in the ordinary course of business. The company's management does not reasonably expect that the above legal claims and proceedings, when ultimately concluded and decided will have a material and adverse effect on the company's results of operations or financial statements.

50. CORPORATE SOCIAL RESPONSIBILITY

The Company was not required to spend any amount on Corporate Social Responsibility activities during the current and previous year.

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

52. The 'severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2)', generally known as COVID-19, which was declared as a global pandemic by World Health Organisation on 11th March, 2020, continues to spread across globe and in India. Globally countries and businesses are under lockdown. On 24th March, 2020, the Government of India announced a 21 days lockdown initially, which was extended by 19 days across the country to contain the spread of the virus. Considering the severe health hazard associated with COVID-19 pandemic, certain parts of the country have further extended the lockdown. There is high level of uncertainty about the duration of the lockdown and the time required to return to normalcy. The extent to which COVID-19 pandemic will impact the Company's provision on assets is dependent on the future developments which are highly uncertain. The impact of the global health pandemic may be different from that estimated at the date of approval of these standalone financial results and the Company will continue to closely monitor any material changes to future economic conditions.

COVID-19 pandemic globally and in India has caused significant disturbance and slowdown of economic activity. The tourism and hospitality industry has been severely impacted due to COVID-19 pandemic and imposition of lockdowns by the Central/State Governments. The Company expects the demand for its services to pick up, albeit at a slower pace, once lockdown is lifted and recovery in business to be driven by domestic leisure tourism, staycations, domestic business travel and international travel.

The revenue, profitability and liquidity position of the Company have been materially impacted due to sharp cancellations of rooms and banquet bookings. The Company aims to meet all its debt repayment with the available capital and financial resources.

53. LEASE

Expenses recognised in the statement of profit & loss in respect of lease for current year ₹ Nil (Previous year ₹ Nil/-).

54. NEGATIVE WORKING CAPITAL

As at the year end, the Company's current liabilities have exceeded its current assets by ₹ 17,33,67,841/- primarily on account of overdraft facility from bank aggregating ₹ 14,99,99,169/- falling due within 12 months following the balance sheet date. Management is confident of its ability to generate cash inflows from operations and also raise long term funds to meet its obligations on due date.

55. Previous year figures have been regrouped/ rearranged, wherever considered necessary to conform to current year's classification.

The accompanying notes form an integral part of the Financial Statements

As Per our Report attached on even date

FOR G.C. AGARWAL & ASSOCIATES
CHARTERED ACCOUNTANTS

FOR AND ON BEHALF OF THE BOARD

Firm Registration Number : 017851N

Sd/-

G C AGARWAL
(PROPRIETOR)

Membership No. : 083820

Sd/-

JAG MOHAN LAL SURI
(DIRECTOR)

DIN:00002373

Sd/-

ANIL GOYAL
(DIRECTOR)

DIN:00001938

Sd/-

PRAVEEN GUPTA

PLACE : GURUGRAM (CHIEF FINANCIAL OFFICER)

DATE : 26th June, 2020

Sd/-

RADHIKA KHURANA
(COMPANY SECRETARY)

ACS M.NO.: ACS-32557



INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

TO,
THE MEMBERS OF
HB ESTATE DEVELOPERS LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements (the "Consolidated Financial Statements") of HB ESTATE DEVELOPERS LIMITED ("the Company") and its Associate, which comprise the Consolidated Balance Sheet as at 31st March, 2020, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement, the Consolidated Statement of Changes in Equity for the year ended, and a summary of Significant Accounting Policies and other explanatory information prepared based on the relevant records (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Indian accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associate as at 31st March, 2020, their consolidated loss (including Other Comprehensive Income), their consolidated cash flows and consolidated statement of Changes in Equity for the year ended on that date

Basis of Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements Section of our report. We are independent of the Group in accordance with 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 Companies Act, 2013 and the Rule thereunder, and we have fulfilled our ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion on the Consolidated Financial Statements.

Key Audit Matters

We have determined that there are no key audit matter to communicate in our report.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The respective Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the Consolidated Financial Statements and our Auditor's Report thereon. The Annual Report is expected to be made available to us after the date of this Auditors' Report. Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

Management's Responsibility 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 financial position, financial performance including other Comprehensive Income, Cash Flows and Changes in Equity of the Company in accordance with the Ind AS and other Accounting Principles generally accepted in India. 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 consolidated financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the respective Board of Directors of the Companies included in the Group and its associate 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.

Auditors' Responsibility

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 SAs, 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 control 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 the 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 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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 for the financial year ended 31st March, 2020 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.

Other Matters

The Consolidated Financial Statements include the Group's share of net loss of ₹ Nil/- for the year ended 31st March, 2020, as considered in the Consolidated Financial Statements. These financial statement / financial information is unaudited and have been furnished to us by the management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of the associate, is based solely on such Unaudited Financial Statements / financial information.

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



HB ESTATE DEVELOPERS LIMITED

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, we report, to the extent applicable, that:

- We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements.
- In our opinion, proper books of account as required by law maintained by the Company, including relevant records relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books and records of the Company.
- The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), and the Consolidated Cash Flow Statement and Consolidated statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained by the group including relevant records maintained by the company for the purpose of preparation of the Consolidated Financial Statements.
- In our opinion, the aforesaid Consolidated Financial Statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015 (as amended).
- On the basis of written representation received from the Directors as on 31st March, 2020, taken on record by the Board of Directors, none of the Directors of the Company is disqualified as on 31st March, 2020 from being appointed as a Director in terms of Section 164 (2) of the Act.
- With respect to the adequacy of the Internal Financial Controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note No. 49 of the Consolidated Financial Statements.
 - The Group did not have any long-term contracts including derivative contracts as at 31st March, 2020
 - There were no amounts, which were required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended on 31st March, 2020
- With respect to the matter to be included in the Auditor's Report under Section 197(16): The Group has not paid any managerial remuneration for the year ended 31st March, 2020 to its Directors.

FOR G. C. AGARWAL & ASSOCIATES
Chartered Accountants
Firm Registration No.: 017851N

Sd/-
G C AGARWAL
(PROPRIETOR)
Membership No. 083820

PLACE : GURUGRAM
DATE : 26th June, 2020

ANNEXURE – A

Referred to in paragraph 9(f) of the Independent Auditors' Report of even date to the Board of Directors of HB Estate Developers Limited on the Consolidated Financial Statements for the year ended 31st March, 2020

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

- We have audited the Internal Financial Controls over financial reporting of HB Estate Developers Limited ("the Company") as of 31st March, 2020 in conjunction with our audit of the Consolidated Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

- The Company's management is responsible for establishing and maintaining Internal Financial Controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate Internal Financial Controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the 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") and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of Internal Financial Controls, both applicable to an audit of Internal Financial Controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate Internal Financial Controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
- Our audit involves performing procedures to obtain audit evidence about the adequacy of the Internal Financial Controls system over financial reporting and their operating effectiveness. Our audit of Internal Financial Controls over financial reporting included obtaining an understanding of Internal Financial Controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
- We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's Internal Financial Controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

- A Company's Internal Financial Control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's Internal Financial Control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and Directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

FOR G. C. AGARWAL & ASSOCIATES
Chartered Accountants
Firm Registration No.: 017851N

Sd/-
G C AGARWAL
(PROPRIETOR)
Membership No. 083820

PLACE : GURUGRAM
DATED : 26th June, 2020



HB ESTATE DEVELOPERS LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31st MARCH, 2020

Particulars	Note (s)	As at 31st March, 2020 (In ₹)	As at 31st March, 2019 (In ₹)
ASSETS			
Non-Current Assets			
(a) Property, Plant and Equipment	5	4353928123	4473450468
(b) Other Intangible Assets	6	945280	1815698
(c) Financial Assets			
(i) Investments	7	19634953	140931862
(ii) Other Financial Assets	8	14584623	21351760
(d) Deferred Tax Assets (Net)	9	434631515	407095134
(e) Other Non Current Assets	10	3339220	3339220
		4827063714	5047984142
Current Assets			
(a) Inventories	11	148338935	138529757
(b) Financial Assets			
(i) Trade Receivables	12	24205603	34612102
(ii) Cash and Cash Equivalents	13	57725541	90348558
(iii) Other Bank Balances other than (ii) above	14	10036763	4270394
(iv) Loans	15	32401458	28118292
(v) Other Financial Assets	16	750586	373054
(c) Current Tax Assets (Net)	17	35818361	34088819
(d) Other Current Assets	18	57643126	52844965
		366920373	383185941
		5193984087	5431170083
EQUITY AND LIABILITIES			
Shareholders' Funds			
(a) Equity Share Capital	19	197336908	197336908
(b) Other Equity	20	1861151080	2000538420
		2058487988	2197875328
Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	21	2566065565	2683870834
(ii) Other Financial Liabilities	22	22168801	89913720
(b) Provisions	23	6973519	5342229
		2595207885	2779126783
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	24	149999169	148944133
(ii) Trade Payables	25		
- Total outstanding dues of micro enterprises and small enterprises		8895195	3815342
- Total outstanding dues of creditors other than micro enterprises and small enterprises		138863742	117921224
(iii) Other Financial Liabilities	26	215411387	163802186
(b) Other Current Liabilities	27	24404160	17816471
(c) Provisions	28	2714561	1868616
		540288214	454167972
		5193984087	5431170083
SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS	1 to 57		

The accompanying notes form an integral part of the Consolidated Financial Statements
As Per our Report attached on even date

FOR G.C. AGARWAL & ASSOCIATES
CHARTERED ACCOUNTANTS
Firm Registration Number : 017851N

Sd/-
G C AGARWAL
(PROPRIETOR)
Membership No. : 083820

Sd/-
JAG MOHAN LAL SURI
(DIRECTOR)
DIN:00002373

Sd/-
PRAVEEN GUPTA
PLACE : GURUGRAM (CHIEF FINANCIAL OFFICER)
DATE : 26TH JUNE, 2020

FOR AND ON BEHALF OF THE BOARD

Sd/-
ANIL GOYAL
(DIRECTOR)
DIN:00001938

Sd/-
RADHIKA KHURANA
(COMPANY SECRETARY)
M.NO.: ACS-32557

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

PARTICULARS	Note (s)	For the Year Ended 31st March, 2020 (In ₹)	For the Year Ended 31st March, 2019 (In ₹)
Revenue from Operations	29	820532041	892200847
Other Income	30	11896587	15544437
Total Revenue		832428628	907745284
Expenses:			
Food and Beverages Consumed	31	77318006	82959423
Changes in inventories of Finished Goods/ Stock-in-Trade	32	-	26798206
Employee Benefit Expense	33	200048749	195990778
Finance Costs	34	249910919	277029894
Depreciation and Amortization	5 & 6	140474038	141728862
Other Expenses	35	279821058	304298561
Total Expenses		947572770	1028805724
Profit/(Loss) for the year before tax and exceptional items		(115144142)	(121060440)
Exceptional items		-	-
Profit/(Loss) for the year before tax and after exceptional items		(115144142)	(121060440)
Tax expense:			
Current tax		-	-
Income Tax Earlier Years		-	2161340
Deferred Tax		(27165911)	(18928787)
Total Tax Expense		(27165911)	(16767447)
Profit/(Loss) for the year after tax		(87978232)	(104292993)
Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss			
Re-measurement gains (losses) on defined benefit plans		(1272216)	(485821)
Income tax effect on above		370469	141471
Total Other Comprehensive Income		(901747)	(344350)
Total Comprehensive Income for the year		(88879978)	(104637343)
Share of Profit/(Loss) in Associates		-	-
Total Comprehensive Income attributable to Owners of the Company		(88879978)	(104637343)
Earning per Equity Share:	36		
Equity Share of Par value ₹ 10/-each			
Basic		(4.52)	(5.36)
Diluted		(4.52)	(5.36)
SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS	1 to 57		

The accompanying notes form an integral part of the Consolidated Financial Statements
As Per our Report attached on even date

FOR G.C. AGARWAL & ASSOCIATES
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Firm Registration Number : 017851N

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G C AGARWAL
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DIN:00001938

Sd/-
RADHIKA KHURANA
(COMPANY SECRETARY)
M.NO.: ACS-32557

HB ESTATE DEVELOPERS LIMITED



CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

Particulars	Year Ended 31st March, 2020 (In ₹)	Year Ended 31st March, 2019 (In ₹)
A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before tax and extraordinary items	(115144142)	(121060440)
Adjustment for :		
Depreciation/Amortisation	140474038	141728862
Loss on Sale of Property, Plant and Equipments (Net)	3284708	341490
Interest Income	(3616879)	(3981434)
Interest Expense	216977245	215849731
Loan Processing fee deferred/amortized during the year	10667983	14195619
Interest Expense on fair valuation of security deposits	1429729	2450964
Rental Income on fair valuation of security deposit	(2454616)	(4208029)
Interest Expense on Debt Component of Compounded financial instruments	20835962	44533580
Loss on Fair Valuation of Investments	2296909	4337573
Operating Profit before Working Capital Changes	274750936	294187915
Adjustments for :		
Trade receivables	10406499	(1778482)
Loans and Advances and other assets	(8458091)	38742997
Inventories	(9809178)	33956188
Trade Payables & other Liabilities	20943507	(30800375)
Cash generated from operations	287833672	334308242
Direct Tax Paid	(1729542)	721961
Net Cash from operating activities (A)	286104131	335030203
B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property, Plant and Equipments	(23514287)	(9713007)
Sale of Property, Plant and Equipments	148305	127119
Sale of Investments	119000000	70000000
Interest Received	3616879	3981434
Net Cash received in Investing activities (B)	99250898	64395546
C) CASH FLOW FROM FINANCING ACTIVITIES		
Interest paid	(216977245)	(215849731)
Proceeds / (Repayment) from / of Long term Borrowings (Net)	(202055837)	(160714271)
Proceeds / (Repayment) from / of Short term Borrowings (Net)	1055036	(2354350)
Net Cash used in Financing Activities (C)	(417978045)	(378918352)
Net increase in Cash and Cash equivalents (A+B+C)	(32623017)	20507397
CASH & CASH EQUIVALENTS (OPENING BALANCE)	90348558	69841161
CASH & CASH EQUIVALENTS (CLOSING BALANCE)	<u>57725541</u>	<u>90348558</u>
Components of cash and cash equivalents at the end of the year		
Cash on hand	1041819	1209486
Balances with scheduled banks :		
-In current and deposit accounts	<u>56683722</u>	<u>89139072</u>
	<u>57725541</u>	<u>90348558</u>

Note: 1. Cash Flow Statement has been prepared under indirect method as set out in IND AS-7 (Cash Flow Statements)
2. Cash and cash equivalents consist of cash in hand and balances with banks.
3. Borrowings from banks is net of repayments.
4. Figures in brackets represent outflow of cash.

Change in Liability arising from Financing Activities

Particulars	Borrowings - Non Current (Refer Note No. 21)	Borrowings - Current (Refer Note No. 24)
Balance as on 1st April, 2018	2705928949	151298483
Proceeds/ Repayments of borrowing	(160714271)	(2354350)
Non cash change (Fair Value)	138656156	0
Balance as on 31st March, 2019	2683870834	148944133
Balance as on 1st April 2019	2683870834	148944133
Proceeds/ Repayments of borrowing	(202055837)	1055036
Non cash change (Fair Value)	84250568	0
Balance as on 31st March, 2020	2566065565	149999169

The accompanying notes form an integral part of the Financial Statements

As Per our Report attached on even date

FOR G.C. AGARWAL & ASSOCIATES
CHARTERED ACCOUNTANTS

Firm Registration Number : 017851N

Sd/-
G C AGARWAL
(PROPRIETOR)
Membership No. : 083820

PLACE : GURUGRAM
DATE : 26TH JUNE, 2020

FOR AND ON BEHALF OF THE BOARD

Sd/-
JAG MOHAN LAL SURI
(DIRECTOR)
DIN:00002373

Sd/-
PRAVEEN GUPTA
(CHIEF FINANCIAL OFFICER)

Sd/-
ANIL GOYAL
(DIRECTOR)
DIN:00001938

Sd/-
RADHIKA KHURANA
(COMPANY SECRETARY)
M.No.: ACS-32557

HB ESTATE DEVELOPERS LIMITED



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2020

A. Equity Share Capital

(Amount in ₹)

Particulars	Balance as at 31st March, 2018	Changes in equity share capital during the year 2018-19	Balance as at 31st March, 2019	Changes in equity share capital during the year 2019-20	Balance as at 31st March, 2020
Equity Share Capital	197336908	-	197336908	-	197336908

B Other Equity

(Amount in ₹)

Particulars	Equity Component of Compound Financial Instruments	Reserves and Surplus							Items of Other Comprehensive Income	Total
		Capital Reserve	Business Reorganization Reserve**	Capital Redemption Reserve	Securities Premium	General Reserve	Statutory Reserve	Retained Earnings	Items that will not be reclassified to Profit and Loss	
									(i) Remeasurement of Defined Benefit Plans	
Balance as at 31st March, 2018	303773313	23039795	1046662354	20000000	555742116	668199083	125903413	(560090775)	507619	2183736918
Addition/ (Deduction) during the year	(78561156)	-	-	-	-	-	-	-	-	(78561156)
Equity Component of Interest Free Loan Trfd to Retained Earning	(45899382)	-	-	-	-	-	-	45899382		
Profit/ (Loss) for the year 2018-19	-	-	-	-	-	-	-	(104292993)	-	(104292993)
Remeasurement of the net defined benefit plans (Net of Taxes)	-	-	-	-	-	-	-	-	(344350)	(344350)
Balance as at 31st March, 2019	179312776	23039795	1046662354	20000000	555742116	668199083	125903413	(618484386)	163269	2000538420
Addition / (Deduction) during the year	(50507362)	-	-	-	-	-	-	-	-	(50507362)
Equity Component of Interest Free Loan Trfd to Retained Earning	(23075222)	-	-	-	-	-	-	23075222	-	
Profit/ (Loss) for the year 2019-20	-	-	-	-	-	-	-	(87978232)	-	(87978232)
Remeasurement of the net defined benefit plans (Net of Taxes)	-	-	-	-	-	-	-	-	(901747)	(901747)
Balance as at 31st March, 2020	105730192	23039795	1046662354	20000000	555742116	668199083	125903413	(683387395)	(738478)	1861151080

The accompanying notes form an integral part of the Financial Statements

As Per our Report attached on even date

FOR G.C. AGARWAL & ASSOCIATES
CHARTERED ACCOUNTANTS

Firm Registration Number : 017851N

Sd/-
G C AGARWAL
(PROPRIETOR)
Membership No. : 083820

PLACE : GURUGRAM
DATE : 26TH JUNE, 2020

FOR AND ON BEHALF OF THE BOARD

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(DIRECTOR)
DIN:00002373

Sd/-
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Sd/-
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(DIRECTOR)
DIN:00001938

Sd/-
RADHIKA KHURANA
(COMPANY SECRETARY)
M.No.: ACS-32557



HB ESTATE DEVELOPERS LIMITED

SIGNIFICANT ACCOUNTING POLICIES AND NOTES OF CONSOLIDATED FINANCIAL STATEMENT

1. CORPORATE AND GENERAL INFORMATION

HB Estate Developers Limited ("HBEDL" or ("the Company") is domiciled and incorporated in India, with its registered office situated at Plot No. 31, Sector-32, Echelon Institutional Area, Gurugram, Haryana-122001. The Company is engaged in the business of owning and managing hotels and real estate properties. The Company has been incorporated under the provisions of Indian Companies Act and its equity shares are listed on BSE Limited in India.

The Company has one associate namely Parsvnath HB Projects Private Limited wherein Company's share is 49% and is doing business of real estate.

2. BASIS OF PREPERATION

A. Statement of Compliance

The Consolidated financial comprise of Standalone Financial Statements along with its one associate and has been prepared in all material respects with the Indian Accounting Standards notified under Section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rule 2015 (as amended). The Consolidated Financial Statements comply with IND AS notified by Ministry of Company Affairs ("MCA"). The Company and its associate has consistently applied the Accounting Policies used in the preparation for all periods presented.

The Significant Accounting Policies used in preparing the Consolidated Financial Statements are set out in Note no.3 of the Notes to the Consolidated Financial Statements.

The preparation of the Consolidated Financial Statements requires management to make estimates and assumptions. Actual results could vary from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision effects only that period or in the period of the revision and future periods if the revision affects both current and future years (Refer Note no. 4 on critical accounting estimates, assumptions and judgements).

B. Basis of Consolidation

The Consolidated Financial Statements related to HB Estate Developers Ltd and its Associate company Parsvnath HB Projects Pvt Ltd. The Consolidated Financial Statements have been prepared on the following principles:

Interest in associate is consolidated using equity method as per IND AS 28 – 'Investment in Associates and Joint Ventures'. Under the equity method, post-acquisition attributable profit/losses are adjusted in the carrying value of investment upto the investment in the associate.

The Consolidated Financial Statements have been prepared using uniform Accounting Policies for like transactions and events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate Financial Statements.

C. Functional and Presentation Currency

The Consolidated Financial Statements are presented in Indian Rupees, which is the Company's functional and presentation currency and all amounts are rounded to the nearest rupees.

D. Basis of Measurement

The Consolidated Financial Statements have been prepared on accrual basis and under the historical cost convention except following which have been measured at fair value:

- Certain Financial Assets and Liabilities carried at amortised cost,
- Defined benefit plans – plan assets measured at fair value,

E. Use of Estimates and Judgements

The preparation of the Consolidated Financial Statements requires management to make estimates and assumptions. Actual results could vary from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision effects only that period or in the period of the revision and future periods if the revision affects both current and future years (refer Note no.4 on critical accounting estimates, assumptions and judgements).

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Property, Plant and Equipment

- Property, Plant and Equipment are carried at cost less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the items. Borrowing Cost (if any) during the period of construction is added to the cost of eligible tangible assets.
- Depreciation is charged to the Statement of Profit and Loss so as to expense the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight line method, as per the useful life prescribed in Schedule II to the Companies Act, 2013. Assets costing less than ₹ 5000/- are fully depreciated in the year of purchase.
- Freehold land is not depreciated.
- The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year- end and adjusted prospectively, if appropriate.
- The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss on the date of disposal or retirement.

3.2 Intangible Assets

Identifiable Intangible Assets are recognised:

- when the Company controls the asset,
- it is probable that future economic benefits attributed to the asset will flow to the Company and its associate
- the cost of the asset can be reliably measured.

Computer software's are capitalised at the amounts paid to acquire the respective license for use and are amortised over the period of license, generally not exceeding five years on straight line basis. The assets' useful lives are reviewed at each financial year end.

3.3 Impairment

A. Financial Assets

The Company recognises loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through Statement of Profit and Loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised as an impairment gain or loss in the Statement of Profit and Loss.

B. Non Financial Assets

An Asset is considered as impaired when at the date of Balance Sheet there are indications of impairment and the carrying amount of the Asset, or where applicable the cash generating unit to which the asset belongs exceeds its recoverable amount (i.e. the higher of the net asset selling price and value in use). The carrying amount is reduced to the recoverable amount and the reduction is recognized as an impairment loss in the Statement of Profit and Loss. The impairment loss recognized in the prior accounting period is reversed if there has been a change in the estimate of recoverable amount. Post impairment, depreciation is provided on the revised carrying value of the impaired asset over its remaining useful life.

3.4 Financial Instruments - Initial Recognition, Subsequent Measurement and Impairment

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.

Financial Assets

Financial Assets are measured at amortised cost or fair value through Other Comprehensive Income or fair value through Profit or Loss, depending on its business model for managing those financial assets and liabilities and the assets and liabilities contractual cash flow characteristics.

Subsequent measurements of Financial Assets are dependent on initial categorisation. For impairment purposes significant Financial Assets are tested on an individual basis, other Financial Assets are assessed collectively in groups that share similar credit risk characteristics.

Trade Receivables

Trade Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

Impairment is made on the expected credit losses, which are the present value of the cash shortfalls over the expected life of Financial Assets. The estimated impairment losses are recognised in a separate provision for impairment and the impairment losses are recognised in the Statement of Profit and Loss within other expenses.

Subsequent changes in assessment of impairment are recognised in provision for impairment and the change in impairment losses are recognised in the Statement of Profit and Loss within other expenses.

For foreign currency trade receivable, impairment is assessed after reinstatement at closing rates.

Individual receivables which are known to be uncollectible are written off by reducing the carrying amount of trade receivable and the amount of the loss is recognised in the Statement of Profit and Loss within other expenses.

Subsequent recoveries of amounts previously written off are credited to other Income

Investment in Equity Shares

Investment in Equity Securities are initially measured at fair value and is recognised through Profit and Loss account.

Financial Liabilities

At initial recognition, all Financial Liabilities other than fair valued through profit and loss are recognised initially at fair value less transaction costs that are attributable to the issue of financial liability. Transaction costs of financial liability carried at fair value through profit or loss is expensed in profit or loss. However, borrowings, which is likely to be assigned or negotiated are initially measured at fair value through profit and loss account. Other borrowings are measured at amortised cost using the effective interest rate method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fee or costs that are an integral part of the Effective rate of interest (EIR). The EIR amortisation is included in finance costs in the Statement of Profit and Loss.

Trade and other Payables

Trade and other payables are presented as Current Liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

3.5 Cash and Cash Equivalents

Cash and Cash Equivalents includes Cash on hand and at bank and other short-term highly liquid investments with original maturities of three months or less that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments.

For the purpose of the Statement of Cash Flows, cash and cash equivalents consists of cash and short term deposits.

3.6 Inventories

Inventories (real estate) are valued at lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. Stock of Food & Beverages and stores and operating supplies are carried at cost or net realizable value whichever is lower.

3.7 Revenue Recognition and Other Income

Revenue is recognised at an amount that reflects the consideration to which the Company expects to be entitled in exchange for transferring the goods or services to a customer i.e. on transfer of control of the goods or service to the customer. Revenue from sales of goods or rendering of services is net of Indirect taxes, returns and discounts as per Ind AS 115.

- a) Revenue from Hotel operations viz. room rent, food & beverages and other allied services is recognised upon rendering of services.
- b) Other allied services: In relation to laundry income, communication income, health club income, airport transfers income and other allied services, the revenue has been recognized by reference to the time of service rendered.
- c) Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.
- d) The rentals from leased premises are considered as revenue income on accrual basis. In case of sale of leased premises, rental income is accounted for up to the date of flat buyer agreement.

3.8 Employee Benefits

- a) Short term employee benefits are recognized as an expense in the Statement of Profit and Loss of the year in which the related services are rendered.
- b) Leave encashment being a short term benefit is accounted for using the Projected Unit Credit Method, on the basis of actuarial valuations carried out by third party actuaries at each Balance Sheet date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to profit and loss in the period in which they arise.
- c) Contribution to Provident Fund, a defined contribution plan, is made in accordance with the statute, and is recognised as an expense in the year in which employees have rendered services.
- d) The cost of providing gratuity, a defined benefit plans, is determined using the Projected Unit Credit Method, on the basis of actuarial valuations carried out by third party actuaries at each Balance Sheet date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to Other Comprehensive Income in the period in which they arise. Other costs are accounted in Statement of Profit and Loss.

3.9 Foreign Currencies

Transactions and Balances

Transactions in Foreign Currencies are initially recorded by the Company at rates prevailing at the date of the transaction. Subsequently monetary items are translated at closing exchange rates of balance sheet date and the resulting exchange difference recognised in profit or loss. Differences arising on settlement of monetary items are also recognised in profit or loss.

3.10 Borrowing Costs

Borrowing Costs specifically relating to the acquisition or construction of qualifying assets that necessarily takes a substantial period of time to get ready for its intended use are capitalized (net of income on temporary deployment of funds) as part of the cost of such Assets. Borrowing costs consist of interest and other costs that the Company and its associate incurs in connection with the borrowing of funds.

For general borrowing used for the purpose of obtaining a qualifying Asset, the amount of borrowing costs eligible for capitalization is determined by applying a capitalization rate to the expenditures on that Asset. The capitalization rate is the weighted average of the borrowing costs applicable to the borrowings of the Company and its associate that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset. The amount of borrowing costs capitalized during a period does not exceed the amount of borrowing cost incurred during that period.

All other borrowing costs are expensed in the period in which they occur.

3.11 Taxation

Income tax expense represents the sum of current and deferred tax (including MAT). Tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised directly in Equity or Other Comprehensive Income, in such cases the tax is also recognised directly in Equity or in Other Comprehensive Income. Any subsequent change in direct tax on items initially recognised in equity or other comprehensive income is also recognised in equity or other comprehensive income, such change could be for change in tax rate.

Current tax provision is computed for Income calculated after considering allowances and exemptions under the provisions of the applicable Income Tax Laws. Current tax assets and current tax liabilities are off set, and presented as net.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the Balance sheet and the corresponding tax bases used in the computation of taxable profit and are accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognised for all deductible temporary differences, carry forward tax losses and allowances to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilised. Deferred tax assets and liabilities are measured at the applicable tax rates. Deferred tax assets and deferred tax liabilities are off set, and presented as net.

The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available against which the temporary differences can be utilised.

Minimum Alternative Tax (MAT) is applicable to the Company. Credit of MAT is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the profit and loss account and shown as MAT credit entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

3.12 Lease

Effective from 1st April, 2019, the Company and its Associate has applied Ind AS 116, which replaces the existing lease standard, Ind AS 17 Leases and other interpretations. The Company and its Associate has applied Ind AS 116 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under Ind AS 17.

As a Lessee

The Company and its associate recognises a right-of use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The right-of-use asset is subsequently depreciated using the straight line method from the commencement date to the earlier of the end of the useful life or the end of the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest.

For short-term and low value leases, the Company and its associate recognises the lease payments as an operating expense on a straight-line basis over the lease term.

As a Lessor

Lease income from operating leases, where the Company is a Lessor, is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflation.

3.13 Earnings per Share

Basic Earnings Per Share are calculated by dividing the net profit or loss for the year attributable to Equity Shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of Equity Shares outstanding during the year. Partly paid Equity Shares are treated as a fraction of an Equity Share to the extent that they were entitled to participate in dividends relative to a fully paid Equity Share during the reporting year.

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, if any.

3.14 Provisions and Contingencies

Provisions

Provisions are recognised when the Company and its Associate has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using equivalent period government securities interest rate. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each Balance Sheet date and are adjusted to reflect the current best estimate.

Contingencies

Contingent Liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company and its associate or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the Consolidated Financial Statements. Contingent assets are not recognised. However, when the realisation of income is virtually certain, then the related asset is no longer a Contingent Asset, but it is recognised as an Asset.

3.15 Cash Flow Statement

Cash flows are reported using indirect method, whereby net profits before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from regular revenue generating (operating activities), investing and financing activities of the Company and its associate are segregated.

3.16 Recent Accounting Development

Standards issued but not yet effective:

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from 1st April, 2020.

3.17 Current / Non-Current Classification

The Company and its Associate presents Assets and Liabilities in statement of financial position based on Current/Non-Current classification.

The Company and its Associate has presented Non-Current Assets and Current Assets before equity, Non-Current Liabilities and Current Liabilities in accordance with Schedule III, Division II of Companies Act, 2013 notified by MCA.

An Asset is classified as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other Assets are classified as non-current.

A liability is classified as current when:

- It is expected to be settled in normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

Deferred Tax Assets and Liabilities are classified as Non-Current Assets and Liabilities.

4. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

In the process of applying the Company and its Associate's Accounting Policies, management has made the following estimates, assumptions and judgements, which have significant effect on the amounts recognised in the Consolidated Financial Statement:

(a) Income Taxes

Management judgment is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The Company and its associate reviews at each balance sheet date the carrying amount of deferred tax assets. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the consolidated financial statements.

(b) Contingencies

Management Judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the Company and its associate as it is not possible to predict the outcome of pending matters with accuracy.

(c) Allowance for Uncollected Account Receivables and Advances

Trade Receivables do not carry any interest and are stated at their normal value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off when management deems them not to be collectible.

Impairment is made on the expected credit losses, which are the present value of the cash shortfall over the expected life of the Financial Assets.

5. PROPERTY, PLANT AND EQUIPMENT

(Amount in ₹)

Particulars	Land	Buildings	Plant and Equipments	Furniture and Fixture	Office Equipment	Vehicles	Computer	Total
Gross Block								
As at 31st March, 2018	2248040000	1784375322	441451287	395047553	774026	2782596	12576936	4885047720
Additions	-	2,861,754	6,109,938	530,136	-	-	211,179	9,713,007
Adjustment	-	-	-	1,178,661	-	-	-	1,178,661
As at 31st March, 2019	2248040000	1787237076	447561225	394399028	774026	2782596	12788115	4893582066
Additions	-	-	15,444,766	1,206,304	-	2,298,317	4,564,900	23,514,287
Adjustment	-	-	5,376,257	-	-	1,438,285	-	6,814,542
As at 31st March, 2020	2248040000	1787237076	457629734	395605332	774026	3642628	17353015	4910281811
Accumulated Depreciation								
As at 31st March, 2018	-	59172490	68635011	144413684	355878	1303800	6369403	280250267
Charge for the year	-	29659224	34764237	72598611	174558	471142	2923612	140591384
Adjustment	-	-	-	710,053	-	-	-	710053
As at 31st March, 2019	-	88831714	103399248	216302242	530436	1774942	9293015	420131598
Charge for the year	-	29765319	35715766	72205201	160731	480923	1275680	139603620
Adjustment	-	-	2,353,148	-	-	1028381	-	3381529
As at 31st March, 2020	-	118597033	136761866	288507443	691167	1227484	10568695	556353688
Net Carrying Amount								
As at 31st March, 2019	2248040000	1698405361	344161977	178096786	243590	1007654	3495099	4473450468
As at 31st March, 2020	2248040000	1668640043	320867868	107097889	82859	2415144	6784320	4353928123


6. INTANGIBLE ASSETS

(Amount in ₹)

Particulars	Software	Total
Gross Block		
As at 31st March, 2018	6742306	6742306
Additions	-	-
Adjustment	-	-
As at 31st March, 2019	6742306	6742306
Additions	-	-
Adjustment	-	-
As at 31st March, 2020	6742306	6742306

Particulars	Software	Total
Accumulated Depreciation		
As at 31st March, 2018	3789129	3789129
Charge for the year	1137479	1137479
Adjustment	-	-
As at 31st March, 2019	4926608	4926608
Charge for the year	870418	870418
Adjustment	-	-
As at 31st March, 2020	5797026	5797026
Net Carrying Amount		
As at 31st March, 2019	1815698	1815698
As at 31st March, 2020	945280	945280

7. NON CURRENT INVESTMENTS - Designated at Fair Value Through Profit and Loss Account

Name of the Company	Face Value	As at 31st March, 2020		As at 31st March, 2019	
	(In ₹)	Qty (Nos)	Amount (In ₹)	Qty (Nos)	Amount (In ₹)
A- Long Term - Trade - Unquoted					
In Equity Shares of Associates					
Parsvnath HB Projects Pvt. Ltd.	10	24020	-	24020	-
Total-(Trade Unquoted)			-		-
Aggregate Amount of Unquoted Instrument (A)			-		-
B1- Long Term - Other Than Trade - Quoted					
Royal Orchid Hotels Ltd	10	496	20336	496	58577
Bellary Steel and Alloys Ltd.*	1	100000	0	100000	191000
Hotline Glass Ltd.*	10	10000	0	10000	6100
Jaiprakash Power Ventures Ltd.	10	1543674	1003388	1543674	2871234
Shree Ram Urban Infrastructure Ltd.	10	1000	0	1000	37000
Total-(Other Than Trade Quoted)			1023724		3163911
Aggregate Amount of Quoted Instrument (B)			1023724		3163911
B2- Long Term - Other Than Trade - Unquoted					
CHL (South) Hotels Ltd.	10	100000	10787190	100000	10799873
QR Properties Pvt Ltd	10	5900	5574069	5900	5557626
HB Corporate Services Ltd.	10	15600	155795	15600	153660
RRB Securities Ltd.	10	86100	1060752	86100	1229508
B3- Investments in Mutual Fund					
Fully Paid up-Unquoted					
Taurus Liquid Fund - Direct Plan - Super Institutional Growth (Taurus Dynamic Income Fund)	10	68	133424	68	127284
Total-(Other Than Trade UnQuoted)			17711229		17867951
Aggregate Amount of Un-Quoted Instrument (C)			17711229		17867951
B4- Investment in Preference Shares - Other Than Trade					
Fully Paid-Up Redeemable Preference Shares (Un-Quoted)					
HB Growth Fund Ltd (3% Non-cumulative)	10	50000	500000	50000	500000
HB Telecommunication Ltd (3% Non-cumulative)	10	40000	400000	40000	400000
Venus Portfolio Pvt Ltd (9% Non Cumulative)	100	-	0	1190000	119000000
Total- Preference Shares (D)			900000		119900000
Grand Total - (A+B+C+D)			19634953		140931862
Aggregate Amount of Quoted Instrument			1023724		3163911
Aggregate Amount of Un-Quoted Instrument			18611229		137767951
Aggregate Market Value of Quoted Instrument			1023724		3163911

(*) Listed but not quoted

8. OTHER NON CURRENT FINANCIAL ASSETS

Particulars	As at 31st March, 2020 (In ₹)	As at 31st March, 2019 (In ₹)
Unsecured, Considered Good		
Fixed Deposits with bank (with remaining maturity more than 12 months*)	3102486	9732782
Interest Accrued but not due on fixed deposits	362135	80476
Security Deposits	11120002	11538502
Total	14584623	21351760

(*) Pledged/ under lien with banks including for issue of Bank Guarantees

9. DEFERRED TAX ASSETS

Particulars	As at 31st March, 2020 (In ₹)	As at 31st March, 2019 (In ₹)
Temporary difference		
A. Deferred Tax Liability		
(i) Difference between book and tax base related to fixed assets	227392199	222306503
(ii) Unamortised Cost	32745330	34536973
Total Deferred tax liabilities	260137529	256843476
B. Deferred tax assets		
(i) Disallowance under Income Tax Act	3535475	2801215
(ii) Carried Forward losses	691233569	661137395
Total Deferred tax assets	694769044	663938610
Net Deferred Tax Assets	434631515	407095134

10. OTHER NON CURRENT ASSETS

Particulars	As at 31st March, 2020 (In ₹)	As at 31st March, 2019 (In ₹)
Capital Advances	3339220	3339220
Total	3339220	3339220

11. INVENTORIES

Particulars	As at 31st March, 2020 (In ₹)	As at 31st March, 2019 (In ₹)
Completed Construction (Real Estate)	92593514	92593514
Food and Beverages	19654130	10930748
Stores and Operating Supplies	36091291	35005495
Total	148338935	138529757

12. TRADE RECEIVABLES

Particulars	As at 31st March, 2020 (In ₹)	As at 31st March, 2019 (In ₹)
Trade Receivables considered good-Secured	-	-
Trade Receivables considered good - Unsecured	24205603	34612102
Trade Receivables which have significant increase in Credit Risk	1630319	1658833
Trade Receivables - Credit impaired	-1630319	-1658833
Total	24205603	34612102

13. CASH AND CASH EQUIVALENTS

Particulars	As at 31st March, 2020 (In ₹)	As at 31st March, 2019 (In ₹)
Cash and Cash Equivalents		
<u>Balances with Banks</u>		
• On Current Accounts	19683722	55881987
• Cheques/ Demand Drafts in Hand	37000000	33257085
• Cash in Hand	1041819	1209486
Total	57725541	90348558

14. OTHER BANK BALANCES

Particulars	As at 31st March, 2020 (In ₹)	As at 31st March, 2019 (In ₹)
-In Earmarked Dividend Accounts	880321	2132159
Fixed Deposits with remaining maturity of less than twelve months and other than considered in cash and cash equivalents *	9156442	2138235
Total	10036763	4270394

(*) Pledged / under lien with banks including for issue of Bank Guarantees

15. LOANS

Particulars	As at 31st March, 2020 (In ₹)	As at 31st March, 2019 (In ₹)
Laons Receivables considered good-Secured	-	-
Loans Receivables considered good - Unsecured		
-Loans and Advances to Related Party- Associate*	31499814	26476182
-Inter Corporate Deposit including accrued interest	901644	1642110
Loans Receivables which have significant increase in Credit Risk	-	-
Loans Receivables - Credit impaired	-	-
Total	32401458	28118292

(*) To Parsvnath HB Projects Pvt. Ltd.

16. OTHER FINANCIAL ASSETS

Particulars	As at 31st March, 2020 (In ₹)	As at 31st March, 2019 (In ₹)
Interest accrued but not due on Bank deposits	750586	373054
Total	750586	373054

17. CURRENT TAX ASSETS (NET)

Particulars	As at 31st March, 2020 (In ₹)	As at 31st March, 2019 (In ₹)
Current Tax Assets (Net of provision)	35818361	34088819
Total	35818361	34088819

(a) Amounts recognised in Statement of Profit and Loss

For the year ended	As at 31st March, 2020 (In ₹)	As at 31st March, 2019 (In ₹)
Current tax	-	-
Deferred tax	(27165911)	-18928787
Tax for earlier years	-	2161340
Total	(27165911)	-16767447

(b) Amounts recognised in Other Comprehensive Income

For the year ended	As at 31st March, 2020 (In ₹)	As at 31st March, 2019 (In ₹)
Tax effect on items that will no be reclassified to Profit and Loss	370469	141471
Total	370469	141471

(c) Reconciliation of effective tax rate

For the year ended	As at 31st March, 2020 (In ₹)	As at 31st March, 2019 (In ₹)
Profit before tax	(115144142)	(121060440)
Applicable Statutory Enacted Income Tax Rate	29.12%	29.12%
Computed Tax Expenses	0	0
- Adjustments recognised in relation to tax of prior years	-	2161340
- Others	0	-
Tax Expense	0	2161340

(d) Breakup of Deferred Tax Expense

Particulars	Year Ended 31st March, 2020 (In ₹)	Year Ended 31st March, 2019 (In ₹)
Book base and tax base of Fixed Assets	5085696	9867190
Disallowance / Allowance (net) under Income Tax	(2155433)	(4720315)
Carries forward losses	(30096173)	(24075662)
Total	(27165910)	(18928787)

(e) Breakup of component of tax accounted in OCI and Equity

Particulars	Year Ended 31st March, 2020 (In ₹)	Year Ended 31st March, 2019 (In ₹)
Component of OCI		
Deferred Tax (Gain)/ Loss on defined benefit plans	(370469)	(141471)
Total	(370469)	(141471)

18. OTHER CURRENT ASSETS

Particulars	As at 31st March, 2020 (In ₹)	As at 31st March, 2019 (In ₹)
Amount Recoverable from Government Authorities*	6540213	5842213
Advances to contractors/suppliers/other Recoverables	51102913	47002752
Total	57643126	52844965

(*) Represents VAT, GST and Cenvat Credit, Property Tax etc.

19. EQUITY SHARE CAPITAL

Particulars	As at 31st March, 2020 (In ₹)	As at 31st March, 2019 (In ₹)
AUTHORIZED		
35000000 (35000000) Equity Shares of ₹ 10/- each.	350000000	350000000
13500000 (13500000) Redeemable Preference Shares of ₹ 100/- each	135000000	135000000
	1700000000	1700000000
ISSUED		
20289285 (20289285) Equity Shares of ₹ 10/- each.	202892850	202892850
	202892850	202892850

Particulars	As at 31st March, 2020 (In ₹)	As at 31st March, 2019 (In ₹)
SUBSCRIBED & PAID UP		
19459947 (19459947) Equity Shares of ₹ 10/- each fully paid up	194599470	194599470
Add: Forfeited shares- 829338 (829338) Equity Shares (Amount originally paid up)	2737438	2737438
Total	197336908	197336908
19.1 Aggregate number of bonus shares issued, shares issued for consideration other than cash and bought back shares during the period of five years immediately preceeding the reporting date.	Nil	Nil

19.2 Reconciliation of the number of Equity Shares and Share Capital:

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	No of shares	Amount (In ₹)	No of shares	Amount (In ₹)
Number of shares at the beginning	19459947	194599470	19459947	194599470
Addition during the Year	-	-	-	-
Number of shares at the end	19459947	194599470	19459947	194599470

-- Particulars of Shareholders holding more than 5% shares (Equity Shares) :

Name of shareholder	As at 31st March, 2020		As at 31st March, 2019	
	Number of shares held	% of holding	Number of shares held	% of holding
Lalit Bhasin	9962280	51.19	9962280	51.19
HB Portfolio Ltd.	2104317	10.81	2104317	10.81

19.3 Brief Particulars of change in share capital during the Financial Year 2017-18 :

- (a) The Company had allotted Equity Shares of ₹ 10 (Rupees Ten) each fully paid-up to the Shareholders of HB Stockholdings Limited in the ratio of 24 (Twenty Four) Equity Shares of ₹ 10/- (Rupees Ten) each fully paid up of the Company for every 100 (One Hundred) Equity Shares held by them in HB Stockholdings Limited. The Company had also allotted Equity Shares of ₹ 10 (Rupees Ten) each fully paid-up to the Shareholders of HB Portfolio Limited in the ratio of 59 (Twenty Four) Equity Shares of ₹ 10/- (Rupees Ten) each fully paid up of the Company for every 100 (One Hundred) Equity Shares held by them in HB Portfolio Limited. As a result of which, the Equity Share Capital of the Company increased from ₹ 16,13,82,870 comprising of 16138287 Equity Shares of ₹ 10/- (Rupees Ten) each fully paid up to ₹ 32,43,32,450 comprising of 32433245 Equity Shares of ₹ 10/- (Rupees Ten) each fully paid up. Thus 16294958 equity shares of ₹ 10 each fully paid up were issued and allotted pursuant to composite scheme of arrangement.
- (b) After the allotment of Equity Shares by the Company to the Shareholders of HB Stockholdings Limited and HB Portfolio Limited the Equity Share Capital of the Company had been reduced by reducing the face value of the Equity Shares from 1 (One) Equity Share of ₹ 10/- (Rupees Ten) fully paid up to 1 (One) Equity Shares of ₹ 6/- (Rupees Six) each fully paid up.
- (c) The Equity Share Capital of the Company so reduced had been further consolidated in such a manner that the Shareholders holding 5 (Five) Equity Share of ₹ 6/- (Rupees Six) each fully paid up were allotted 3 (Three) Equity Share of ₹ 10/- (Rupees Ten) each fully paid up in the Equity Share Capital of the Company. As a result of which, the Equity Share Capital reduced from ₹ 32,43,32,450 comprising of 32433245 Equity Shares of ₹ 10/- (Rupees Ten) each to ₹ 19,45,99,470 comprising of 19459947 Equity Shares of ₹ 10/- (Rupees Ten) each.

19.4. The Company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

20. OTHER EQUITY

Particulars	As at 31st March, 2020 (In ₹)	As at 31st March, 2019 (In ₹)
Capital Reserve	23039795	23039795
	23039795	23039795
Business Reorganization Reserve	1046662354	1046662354
	1046662354	1046662354
Capital Redemption Reserve	20000000	20000000
	20000000	20000000
Securities Premium	555742116	555742116
	555742116	555742116
General Reserve	668199083	668199083
	668199083	668199083
Statutory Reserve	125903413	125903413
	125903413	125903413
Equity Component of Compound financial instruments	179312776	303773313
Addition/(Deletion) during the year	(50507362)	(78561156)
Equity Component of Interest Free Loan Trfd to Retained Earning	(23075222)	(45899382)
	105730192	179312776
Retained Earnings	(618484386)	(560090775)
Equity Component of Interest Free Loan Trfd to Retained Earning	23075222	45899382
Profit/ (Loss) for the year	(87978232)	(104292993)
	(683387395)	(618484386)
Items of Other Comprehensive Income	163269	507619
Items that will not be reclassified to Profit and Loss		
Remeasurement of Defined Benefit Plans	(901747)	(344350)
	(738478)	163269
Total	1861151080	2000538420

Retained Earnings represent the undistributed profits of the Company.

Other Comprehensive Income Reserve represents the balance in equity for items to be accounted in Other Comprehensive Income. OCI is classified into (i) items that will not be reclassified to profit and loss (ii) Items that will be reclassified to profit and loss.

Capital Redemption reserve represents the statutory reserve created when capital is redeemed.

The Statutory reserve represents reserve specifically created u/s 45 IC of Reserve Bank of India (Amendment) Act, 1997

The Company has taken interest free inter corporate loan and interest free loan from director. The same has been presented as compound financial instrument i.e. present value of principle amount is presented as financial liability in Non Current Borrowing in note no. 21 and the difference between transaction value and its fair value is recognised as equity component of compound financial instruments in other equity.

General Reserve represents the statutory reserve, in accordance with Indian Corporate law wherein a portion of profit is apportioned to general reserve. Under Companies Act, 1956 it was mandatory to transfer amount before a company can declare dividend. However, under Companies Act, 2013 transfer of any amount to General Reserve is at the discretion of the Company.

Securities Premium represents the amount received in excess of par value of Securities (equity shares, preference shares and debentures). Premium on redemption of Securities is accounted in Security Premium available. Where Security premium is not available, premium on redemption of securities is accounted in statement of profit and loss. Section 52 of the Companies Act 2013 specify restriction and utilisation of security premium.

21. NON CURRENT BORROWINGS

Particulars	As at 31st March, 2020 (In ₹)		As at 31st March, 2019 (In ₹)	
	Non-Current	Current	Non-Current	Current
(A) SECURED				
LOANS FROM BANK				
(i) Term Loan from IndusInd Bank				
a) Facility 1	1503392593	6500000	-	-
(ii) Term Loan from Yes Bank				
a) Facility 2	-	-	600447272	16000000
b) Facility 3	-	-	899001965	7500000
(iii) Car Loan from HDFC Bank	1019139	456479	-	-
Total-A	1504411732	6956479	1499449237	23500000
(B) UNSECURED				
(i) Overdraft from State Bank of India	100384024	19250000	121484372	17200000
(ii) Debt Component of Compounded financial instruments*				
(a) Intercompany Loans & Advances	90686971	-	167260655	-
(b) Loan from Director	20582838	-	45676570	-
(iii) -9% Redeemable Non-Convertible Non-Cumulative Preference Shares- Series I	150000000	-	150000000	-
-9% Redeemable Non-Convertible Non-Cumulative Preference Shares-Series II	500000000	-	500000000	-
-9% Redeemable Non-Convertible Non-Cumulative Preference Shares-Series III	200000000	-	200000000	-
Total-B	1061653833	19250000	1184421597	17200000
Total (A+B)	2566065565	26206479	2683870834	40700000

- Maturity Profile of Secured Term Loan from banks are as under:

	1-2 years	2-3 years	3-4 years	Beyond 4 year
- Term Loan from IndusInd Bank (I) (₹ 161.74 Crore)	55000000	74400000	74400000	1407063950
- Car Loan from HDFC Bank (III) (₹ 19 Lacs)	662787	356352	0	0

- Maturity Profile of Unsecured Loans are as under:

	1-2 years	2-3 years	3-4 years	Beyond 4 year
- Overdraft from State Bank of India	32150000	34300000	34396925	0

The Term Loans from IndusInd Bank at Sr. No. A (i), Yes Bank at Sr. No. A (ii) and overdraft from State Bank of India at Sr No. B (i) above are net of transaction cost of ₹10,79,34,258 (P.Y. ₹ 11,86,02,241)

Secured

(i) Term Loans From IndusInd Bank

Secured by way of exclusive charge on company's hotel land and hotel building situated in sector 44 Gurugram, exclusive charge on all present and future moveable fixed assets and current assets of Taj City Centre, Gurgaon, personal guarantee of director Mr. Lalit Bhasin, Non Disposal Undertaking (NDU) of entire shareholding of the company held by Mr. Lalit Bhasin.

Term Loan - For Loan amount of ₹ 61.74 Crore, the Rate of Interest is 1.45% over and above Bank's one year MCLR and for loan amount of ₹ 100 Crore the Rate of Interest for first five years is 5.66% over and above Bank's Overnight MIBOR and after five years the rate will be 1.45% over and above Bank's one year MCLR.

As per the sanction, the loan was repayable in quarterly installments commencing from May, 2020 and ending in August, 2033. However, In terms of RBI notification number - RBI/2019-20/186 (DOR No.BP.BC.47/21.04.048/2019-20) dated 27th, March, 2020 and RBI/2019-20/244 (DOR.No.BP.BC.71/21.04.048/2019-20) dated 23rd May, 2020, the Company has applied to the Bank for a moratorium on repayment of loan based on which the tenure of the loan is expected to move ahead by 6 months. Accordingly, the quarterly loan repayments are expected to start from November, 2020 and the last installment will be due in February, 2034. The Bank's decision is awaited.

(ii) Term Loans taken earlier from Yes Bank has been repaid during the year.

Unsecured**(i) Overdraft Facility from State Bank of India**

Secured by way of equitable mortgage of Residential Property bearing no. C-2/7, Safdarjung Development Area, New Delhi belonging to Sh. Lalit Bhasin - director of the company and also his personal guarantee. The Rate of Interest is 3.05% over and above Bank's one year MCLR. The total loan tenure is of 7 years 10 months. The loan is repayable in 27 quarterly unequal installments starting from 1st quarter of 2017-18 and last installment due in 3rd quarter of 2023-24. However, In terms of RBI notification number - RBI/2019-20/186 (DOR No.BP.BC.47/21.04.048/2019-20) dated 27th, March, 2020 and RBI/2019-20/244 (DOR.No.BP.BC.71/21.04.048/2019-20) dated 23rd May, 2020, the Company has applied to the Bank for a moratorium on repayment of loan based on which the tenure of the loan is expected to move ahead by 3 months. Accordingly, the last installment will be due in March 2024. The Bank's decision is awaited.

(ii) Debt Component of compounded financial instruments

The Loans are repayable after 6 years starting from date of agreement i.e. 01.04.2016 and carries interest @ 12% p.a.

(*) The figures shown above are net of Ind-AS adjustments. The gross amount as on 31.03.2020 is ₹ 21.70 Crores.

- (iii) Preference Shares carries 9% coupon rate of dividend (Non-Cumulative). The holders of Preference Shares shall not be entitled to receive notice of or to attend and vote at General meetings of the Equity Shareholders of the Company. The holders of Preference Shares shall be entitled to attend meetings and vote (one vote per share) only on the Resolutions directly affecting their rights. Also the Preference Shareholders shall not be entitled to any bonus or right issue etc. of Equity Shares or other Securities of the Company. The Preference Shares shall carry a preferential right over the Equity Shares of the Company as regards to payment of Dividend and as regards to repayment of the Capital in the event of winding up of the Company.

Detail of Preference Shares	Date of Allotment	Date of Redemption	As at 31st March 2020	As at 31st March 2019
9% Redeemable Non-Convertible Non-Cumulative Preference Shares- Series I	29.03.2013	29.03.2023	150000000	150000000
9% Redeemable Non-Convertible Non-Cumulative Preference Shares-Series II	03.03.2015	03.03.2025	150000000	150000000
	14.03.2015	14.03.2025	150000000	150000000
	23.03.2015	23.03.2025	200000000	200000000
9% Redeemable Non-Convertible Non-Cumulative Preference Shares-Series III*	21.11.2018	Refer as under	200000000	200000000

(*) Preference Shares shall be redeemed in three annual installments i.e. :-

- At the rate of ₹ 30/- in the 12th year from the date of Allotment (21/11/2030)
- At the rate of ₹ 30/- in the 13th year from the date of Allotment (21/11/2031)
- Remaining balance at the rate of ₹ 40/- in the 14th year from the date of Allotment (21/11/2032).

22. OTHER NON CURRENT FINANCIAL LIABILITIES

Particulars	As at 31st March, 2020 (In ₹)	As at 31st March, 2019 (In ₹)
Security Deposits*	22168801	75577017
Interest Accrued but not due on fair valuation of security deposits	0	14336703
Total	22168801	89913720

(*) Include due to related parties ₹ Nil (₹ 69215763)

23. NON CURRENT PROVISIONS

Particulars	As at 31st March, 2020 (In ₹)	As at 31st March, 2019 (In ₹)
Provisions For Employees Benefit		
Leave Encashment	2762896	2199262
Gratuity	4210623	3142967
Total	6973519	5342229

24. CURRENT BORROWINGS (SECURED)

Particulars	As at 31st March, 2020 (In ₹)	As at 31st March, 2019 (In ₹)
From Banks		
Overdraft Facility from IndusInd Bank Limited #	149999169	0
Overdraft Facility from Yes Bank Limited	0	148944133
Total	149999169	148944133

(*) Secured by way of exclusive charge as specified in Note no. 21 in respect of Term Loan facilities from IndusInd Bank Limited.

25. TRADE PAYABLES

Particulars	As at 31st March, 2020 (In ₹)	As at 31st March, 2019 (In ₹)
Total outstanding dues of micro enterprises and small enterprises*	8895195	3815342
Total outstanding dues of creditors other than micro enterprises and small enterprises	138863742	117921224
Total	147758937	121736566

(*) Note relating to micro, small and medium enterprises

Particulars	As at 31st March, 2020 (In ₹)	As at 31st March, 2019 (In ₹)
Principal Amount remaining unpaid at the end of the year	8895195	3815342
Interest Amount remaining unpaid at the end of the year	-	-
Amount of Interest paid in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-
Amount of Interest due and payable for the period of delay in making payment (in addition to the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
Amount of Interest accrued and remained unpaid at the end of the year	-	-
Amount of further Interest remaining due and paid in the succeeding year	-	-
Total	8895195	3815342

26. OTHER FINANCIAL LIABILITIES

Particulars	As at 31st March, 2020 (In ₹)	As at 31st March, 2019 (In ₹)
Current Maturities of Long term borrowings (Refer Note No.21)	26206479	40700000
Interest Accrued but not due on borrowings	17702773	15216610
Unclaimed Dividend *	880321	2132159
Expenses Payable	39337758	38751946
Security Deposits	69562813	586352
Interest Accrued but not due on fair valuation of loan	61721243	63960503
Other Liabilities	0	2454616
Total	215411387	163802186

(*) There is no amount outstanding due to be transferred to Investor Education and Protection Fund.

27. OTHER CURRENT LIABILITIES

Particulars	As at 31st March, 2020 (In ₹)	As at 31st March, 2019 (In ₹)
Advances from Customers	8308929	3621501
Statutory Dues Payable	16095231	14194970
Total	24404160	17816471

28. SHORT TERM PROVISIONS

Particulars	As at 31st March, 2020 (In ₹)	As at 31st March, 2019 (In ₹)
Provisions For Employees Benefit		
Leave Encashment	1624664	1260041
Gratuity	1089897	608575
Total	2714561	1868616

29. REVENUE FROM OPERATIONS

Particulars	For the Year ended 31st March, 2020 (In ₹)	For the Year ended 31st March, 2019 (In ₹)
Hotel		
Rooms	455835658	465348664
Food & Beverages, Restaurant and Banquet Income	309474683	345068106
Others	50151549	50130510
Real Estate		
Sales	-	26500000
Other Operating Income*	5070151	5153567
Total	820532041	892200847

(*) Includes Rental Income, Facility Charges and Other Claims

30. OTHER INCOME

Particulars	For the Year ended 31st March, 2020 (In ₹)	For the Year ended 31st March, 2019 (In ₹)
Interest On Fixed Deposits with banks	1905718	877202
Interest On Income Tax Refund	1711161	3104232
Interest Income on ICD	5581815	7023782
Other Income	243277	331192
Rental Income on fair valuation of security deposit	2454616	4208029
Total	11896587	15544437

31. FOOD AND BEVERAGES CONSUMED

Particulars	For the Year ended 31st March, 2020 (In ₹)	For the Year ended 31st March, 2019 (In ₹)
Opening Stock	10930748	8557880
Add : Purchases	86041388	85332291
Less : Closing Stock	19654130	10930748
Total	77318006	82959423

32. INCREASE / DECREASE IN STOCK-COMPLETED CONSTRUCTION

Particulars	For the Year ended 31st March, 2020 (In ₹)	For the Year ended 31st March, 2019 (In ₹)
Opening Stock	92593514	119391720
Less : Closing Stock	92593514	92593514
Total	0	26798206

33. EMPLOYEE BENEFIT EXPENSES

Particulars	For the Year ended 31st March, 2020 (In ₹)	For the Year ended 31st March, 2019 (In ₹)
Salaries and Benefits	105764575	110010894
Payment to Contractors	23938432	25426335
Reimbursement of expenses on personnel deputed to the Company	44189340	34758177
Contribution to Provident fund and other fund	6871682	5273376
Staff welfare	19284720	20521997
Total	200048749	195990778

34. FINANCE COSTS

Particulars	For the Year ended 31st March, 2020 (In ₹)	For the Year ended 31st March, 2019 (In ₹)
Interest	216977245	215849731
Loan Processing fee amortized during the year	10667983	14195619
Interest expense on fair valuation of Security deposit	1429729	2450964
Interest expense on debt component of compound instruments	20835962	44533580
Total	249910919	277029894

35. OTHER EXPENSES

Particulars	For the Year ended 31st March, 2020 (In ₹)	For the Year ended 31st March, 2019 (In ₹)
Linen, Room, Catering and Other Supplies/Services	30689412	36596996
Facility Management Services	14465628	13182615
Legal and Professional	10055109	11595505
Payment to Orchestra Staff, Artists and Others	2750393	3490466
Communication	5440041	6029755
Commission to Travel Agents and Others	18462120	24223772
Advertisements	4603577	4383944
Printing and Stationery	3104324	4543040
Conveyance and Travelling	13884678	14066548
Repair and Maintenance :		
- To Building	12442077	13910523
- To Machinery	14565179	14717705
- To others	16146830	18222243
Fuel, Power and Light	62497641	66300037
Listing Fees	300000	250000
Insurance	2925164	2225455
Subscription Fees	3374347	3328232
Sitting Fees	278500	324500
Miscellaneous Expenses	11112470	11149234
Loss on fair valuation of Investments	2296909	4337573
Provision for Doubtful Debts	0	125997
Licence Fees	6449620	5640414
Operating Fees	29997307	32970456
Loss on sale of Fixed Assets	3284708	341490
Exchange rate Fluctuation (Net)	9831	36649
Auditors' Remuneration		
- Audit Fees	300000	300000
- Tax Audit Fees	50000	100000
- Limited Review Report	45000	75000
- Certification and Others	56500	451500
Rates and Taxes	3389290	3389290
Discount to Collecting Agents	6844403	8431122
Total	279821058	304298561

36. EARNING PER SHARE

Particulars	Current Year (In ₹)	Previous Year (In ₹)
Net Profit/(Loss) as Per Statement of Profit and Loss After Tax	(87978232)	(104292993)
Weighted Average Nos. of Equity Share Outstanding	19459947	19459947
Earning Per Share (face value of ₹10 each)		
Basic and diluted Earning per share (₹)		
- Basic	(4.52)	(5.36)
- Diluted	(4.52)	(5.36)

37. FINANCIAL RISK MANAGEMENT

FINANCIAL RISK FACTORS

The Company's principal Financial Liabilities comprise borrowings, trade and other payables. The main purpose of these Financial Liabilities is to manage finances for the Company's operations. The Company has short term trade receivable and bank deposits which are under lien with banks for availing credit facilities. The Company's activities expose it to a variety of financial risks:

i) MARKET RISK

Market Risk is the risk that the fair value or future cash flows of a Financial Instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: Currency Rate Risk, Interest Rate Risk and other price Risks, such as Equity Price Risk and Commodity Risk. Financial Instruments affected by market risk include loans and borrowings, deposits and investments. Foreign Currency Risk is the risk that the fair value or future cash flows of a Financial Instrument will fluctuate because of changes in foreign exchange rates. Interest rate risk is the risk that the fair value or future cash flows of a Financial Instrument will fluctuate because of changes in market interest rates. This is based on the Financial Assets and Financial Liabilities held as of 31st March, 2019 and 31st March, 2020.

ii) CREDIT RISK

Credit Risk is the risk that a counter party will not meet its obligations under a Financial Instrument or customer contract, leading to a financial loss.

iii) LIQUIDITY RISK

Liquidity Risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses.

The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

MARKET RISK

The sensitivity analysis excludes the impact of movements in market variables on the carrying value of post-employment benefit obligations provisions and on the non-financial assets and liabilities. The sensitivity of the relevant Statement of Profit and Loss item is the effect of the assumed changes in the respective market risks. The Company and its associate's activities expose it to a variety of financial risks, including the effects of changes in foreign currency exchange rates and interest rates. However, such effect is not material.

(A) FOREIGN EXCHANGE RISK AND SENSITIVITY

The Company transacts business primarily in Indian Rupee. However, the Company and its associate has transactions in USD, Euro, GBP and others. The Company and its associate has negligible foreign currency trade payables and is therefore, foreign exchange risk, is not material. There are no other foreign currency monetary items, so the company and its associate does not face any foreign exchange risk.

Summary of exchange difference accounted in Statement of Profit and Loss:

Particulars	For the Year ended 31st March, 2020 (In ₹)	For the Year ended 31st March, 2019 (In ₹)
Net Foreign Exchange Loss Shown as Other Expenses	9831	36649

(B) INTEREST RATE RISK AND SENSITIVITY

The Company's exposure to the risk of changes in market interest rates relates primarily to long term debt. All borrowings are at floating rate. Borrowing issued at variable rate expose the company to cash flow interest rate risk. Weighted average cost of borrowing is 11.30% for the year ended 31st March, 2020 (10.97% for the year ended 31st March, 2019). With all other variable held constants the following table demonstrate the impact of borrowing cost on floating rate portion of loans and borrowing:

INTEREST RATE SENSITIVITY

Interest rate sensitivity	Increase/Decrease in basis points (In ₹)	Effect on profit before tax (In ₹)
For the year ended 31st March, 2020		
INR borrowings	+50	8,694,682
	-50	-8,694,682
For the year ended 31st March, 2019		
INR borrowings	+50	9,645,900
	-50	-9,645,900

CREDIT RISK

The Company is not significantly exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks which are under lien with banks for availing credit facilities.

TRADE RECEIVABLES

The Company extends credit to corporate customers in normal course of business. The Company and its associate considers factors such as credit track record in the market and past dealings for extension of credit to customers. The Company and its associate monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored. However, average credit period to customers is approximately fourteen days. The company and its associate does not allow any credit period in respect of Walk-in Customers and is therefore not exposed to any credit risk.

LIQUIDITY RISK

The Company's objective is to maintain optimum levels of liquidity to meet its cash and collateral requirements. In case of temporary short fall in liquidity to repay the bank borrowing/operational short fall, promoters envisage to infuse capital and loans.

The table below provides undiscounted cash flows towards non-derivative financial liabilities into relevant maturity based on the remaining period at the balance sheet to the contractual maturity date.

Particulars	Ageing as on 31st March, 2020 (In ₹)				
	Carrying Amount	Upto 1 Year	1 -3 Year	More Than 3 Years	Total
Borrowings	2850205470	176205648	196869139	2477130684	2850205470
Trade Payable	147758937	147758937	-	-	147758937
Other Liabilities	211373709	189204909	22168801	-	211373709
Total	3209338117	513169493	219037939	2477130684	3209338116
Particulars	Ageing as on 31st March, 2019 (In ₹)				
	Carrying Amount	Upto 1 Year	1 -3 Year	More Than 3 Years	Total
Borrowings	2992117208	189644133	297500000	2504973075	2992117208
Trade Payable	121736566	121736566	-	-	121736566
Other Liabilities	213015906	123102186	89913720	-	213015906
Total	3326869680	434482885	387413720	2504973075	3326869680

UNUSED LINE OF CREDIT (EXCLUDING NON FUND BASED FACILITIES)

Particulars	As on March 31, 2020 (In ₹)	As on March 31, 2019 (In ₹)
Secured	831	101055867
Unsecured	-	-
Total	831	101055867

INTEREST RATE & CURRENCY OF BORROWINGS

The below table demonstrate the borrowing of Fixed and Floating Rate of Interest

Particulars	Total Borrowings (In ₹)	Floating Rate Borrowings (In ₹)	Fixed Rate Borrowings (In ₹)	Weighted Average Rate of Borrowing (%)
INR	2850205470	1888935661	961269809	11.30
Total as at March 31, 2020	2850205470	1888935661	961269809	
INR	2992117208	1929179983	1062937225	10.97
Total as at March 31, 2019	2992117208	1929179983	1062937225	

CAPITAL RISK MANAGEMENT

The Company and its associate aim to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders.

The capital structure of the Company and its associate is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. The Company and its associate's primary objective when managing capital is to ensure the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company and its associate may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Company and its associate's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company and its associate will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

The Company and its associate monitors capital using a gearing ratio, which is net debt divided by total capital. Net debt is calculated as loans and borrowings less cash and cash equivalents.

The Gearing ratio for FY 2019-20 and 2018-19 is an under:

GEARING RATIO

Particulars	As of March 31, 2020 (In ₹)	As of March 31, 2019 (In ₹)
Loans and borrowings	2742271212	2873514967
Less: cash and cash equivalents	57725541	90348558
Net debt	2684545671	2783166409
Equity	2058487988	2197875328
Total capital	4743033659	4981041737
Gearing ratio	56.60%	55.88%

However, the company envisages to reduce its gearing ratio



HB ESTATE DEVELOPERS LIMITED

38. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial instruments that are recognised in the financial statements.

Particulars	As at 31st March, 2020 (In ₹)		As at 31st March, 2019 (In ₹)	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets designated at Amortised Cost				
Fixed Deposits with Banks	12258928	12258928	11871017	11871017
Cash and Bank Balances	57725541	57725541	90348558	90348558
Investment	19634953	19634953	140931862	140931862
Trade Receivables	24205603	24205603	34612102	34612102
Other Financial Assets	45514502	45514502	42242482	42242482
	159339526	159339526	320006021	320006021
Financial liabilities designated at amortised cost				
Borrowings- Fixed Rate	961269809	961269809	1062937225	1062937225
Borrowings- Floating Rate	1781001403	1781001403	1810577742	1810577742
Trade Payable	147758937	147758937	121736566	121736566
Other Financial Liabilities	211373709	211373709	213015906	213015906
	3101403858	3101403858	3208267439	3208267439

Fair Value Hierarchy

The Company and its associate measures financial instruments at fair value in accordance with the accounting policies mentioned above. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either: Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: Quoted prices/NAV for identical instruments in an active market;
- Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs; and
- Level 3: Inputs which are not based on observable market data.

When measuring the fair value of an asset or a liability, the Company and its associate uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Company and its associate recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

The following table provides the fair value measurement hierarchy of Company and its associate's asset and liabilities, grouped into Level 1 to Level 2 as described below:

ASSETS MEASURED AT FAIR VALUE THROUGH PROFIT AND LOSS (ACCOUNTED)

Particulars	As on 31st March, 2020 (In ₹)		
	Level 1	Level 2	Level 3
Financial Assets			
Non Current Investments			
--Mutual Funds	133424	-	-
--Quoted Investment	1023724	-	-
--Un-Quoted Investment	-	17577805	-
Total	1157148	17577805	-

Particulars	As on 31st March, 2019 (In ₹)		
	Level 1	Level 2	Level 3
Financial Assets			
Non Current Investments			
--Mutual Funds	127284	-	-
--Quoted Investment	3163911	-	-
--Un-Quoted Investment	-	17740667	-
Total	3291195	17740667	-

ASSETS/ LIABILITIES FOR WHICH FAIR VALUE IS DISCLOSED

Particulars	As on 31st March, 2020 (In ₹)		
	Level 1	Level 2	Level 3
Financial Liabilities			
Borrowing - Fixed Rate	-	111269809	-
Other Financial Liabilities	-	211373709	-
Total	-	322643518	-

Particulars	As on 31st March, 2019 (In ₹)		
	Level 1	Level 2	Level 3
Financial Liabilities			
Borrowing - Fixed Rate	-	212937225	-
Other Financial Liabilities	-	213015906	-
Total	-	425953131	-

39. SEGMENT INFORMATION

Information about primary segment

The Company operates in a Single Primary Segment (Business Segment) i.e. Hotel Operations.

Information about Geographical Segment – Secondary

The Company's operations are located in India. The Management has not identified any geographical segment.

Hence, there are no separate reportable segment as required by the Ind AS -108 on operating segment

40. RETIREMENT BENEFIT OBLIGATIONS

(a) EXPENSE RECOGNISED FOR DEFINED CONTRIBUTION PLAN

Particulars	For the Year ended 31st March, 2020 (In ₹)	For the Year ended 31st March, 2019 (In ₹)
Company's Contribution to Provident Fund	5758564	4393939
Total	5758564	4393939

Below tables sets forth the changes in the Projected Benefit Obligation and Plan Assets and amounts recognized in the Balance Sheet as of 31st March, 2019 and 31st March, 2020, being the respective measurement dates:

(b) MOVEMENT IN OBLIGATION

Particulars	Gratuity (Funded) (In ₹)	Leave Encashment (Unfunded) (In ₹)
Present value of obligation- 1st April, 2018	3232558	3135687
Current Service Cost	685087	1145401
Interest Cost	236359	221368
Benefits Paid	(294220)	(777743)
Remeasurement - Actuarial Gain / (Loss)	474487	(265410)
Present value of obligation - 31st March, 2019	4334271	3459303
Present value of obligation - 1st April, 2019	4334271	3459303
Current Service Cost	871055	1341958
Interest Cost	282854	216994
Benefits Paid	(737077)	(658130)
Remeasurement - Actuarial Gain / (Loss)	1175040	27435
Present Value of Obligation - 31st March, 2020	5926143	4387560

(c) Movement in Plan Assets- Gratuity

Particulars	For the Year ended 31st March, 2020 (In ₹)	For the Year ended 31st March, 2019 (In ₹)
Fair Value of Plan assets as beginning of year	582729	542054
Expected return on plan assets	40791	42009
Employer Contributions	-	10000
Benefits Paid	-	-
Actuarial Gain / (Loss)	2103	(11334)
Fair Value of Plan Assets at end of Year	625623	582729
Present Value of Obligation	5926143	4334271
Present Value of Plan Assets	625623	582729
Net Funded Status of Plan Assets	5300520	3751542

The Components of the Gratuity & Leave Encashment cost are as follows:

(d) **Recognised in Profit & Loss**

Particulars	Gratuity (Funded) (In ₹)	Leave Encashment (Unfunded) (In ₹)
Current Service Cost	685087	1145401
Interest Cost	236359	221368
Expected return on plan assets	(42009)	-
Remeasurement - Acturial Gain / (Loss)	0	(265410)
For the Year Ended 31st March, 2019	879437	1101359
current Service Cost	871055	1341958
Interest Cost	282854	216994
Expected return on plan assets	(40791)	-
Remeasurement - Acturial Gain / (Loss)	0	27435
For the Year Ended 31st March, 2020	1113118	1586387

(e) **RECOGNISED IN OTHER COMPREHENSIVE INCOME**

Particulars	Gratuity (Funded) (In ₹)
Remeasurement - Acturial Gain / (Loss)	
For the Year Ended 31st March, 2019	(485821)
Remeasurement - Acturial Gain / (Loss)	
For the Year Ended 31st March, 2020	(1272216)

(f) **THE PRINCIPAL ACTUARIAL ASSUMPTIONS USED FOR ESTIMATING THE COMPANY'S DEFINED BENEFIT OBLIGATIONS ARE SET OUT BELOW:**

Weighted Average Acturial Assumptions	As at 31st March, 2020	As at 31st March, 2020
Discount Rate	6.00%	6.75%
Expected Rate of Increase in Salary	4.00%	6.00%
Expected Rate of Return on Plan Assets	0	0
Mortality Rate	IALM 2012-14 Ultimate	IALM 2006-08 Ultimate
Expected Average remaining working lives of Employees (Years)	27.9	28.1

(g) **SENSITIVITY ANALYSIS:**

For the Year Ended 31st March, 2019

Particulars	Change in Assumption	Effect on Gratuity Obligation (In ₹)	Change in Assumption	Effect on Leave Encashment obligation (In ₹)
Discount Rate	+ 1%	4033583	+ 1%	3290800
	- 1%	4688951	- 1%	3656505
Salary Growth Rate	+ 1%	4688131	+ 1%	3656134
	- 1%	4028999	- 1%	3288203
Attrition Rate	+ 1%	4328897	+ 1%	3469992
	- 1%	4337010	- 1%	3446954

For the Year Ended 31st March, 2020

Particulars	Change in Assumption	Effect on Gratuity Obligation (In ₹)	Change in Assumption	Effect on Leave Encashment obligation (In ₹)
Discount Rate	+ 1%	5534104	+ 1%	4170675
	- 1%	6388351	- 1%	4641727
Salary Growth Rate	+ 1%	6384811	+ 1%	4640381
	- 1%	5529600	- 1%	4167646
Attrition Rate	+ 1%	5904659	+ 1%	4389931
	- 1%	5947814	- 1%	4384943

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (projected unit credit method) has been applied as when calculating the defined benefit obligation recognised within the Balance Sheet..

(h) **ESTIMATE OF EXPECTED BENEFIT PAYMENTS**

(In absolute terms i.e. undiscounted)

Particulars	Gratuity (Funded) (In ₹)
01st April, 2020 to 31st March, 2021	1089897
01st April, 2021 to 31st March, 2022	293795
01st April, 2022 to 31st March, 2023	301810
01st April, 2023 to 31st March, 2024	230823
01st April, 2024 to 31st March, 2025	209823
01st April 2025 Onwards	3799995

(i) **STATEMENT OF EMPLOYEE BENEFIT PROVISION**

Particulars	Year ended 31st March, 2020 (In ₹)	Year ended 31st March, 2019 (In ₹)
Gratuity	5926143	4334271
Leave Encashment	4387560	3459303
Total	10313703	7793574

The following table sets out the funded status of the plan and the amounts recognised in the company's balance sheet

(j) **CURRENT AND NON-CURRENT PROVISION FOR GRATUITY AND LEAVE ENCASHMENT**

For the Year Ended 31st March, 2019

Particulars	Gratuity (In ₹)	Leave Encashment (In ₹)
Current Provision	608575	1260041
Non Current Provision	3142967	2199262
Total Provision	3751542	3459303

For the Year Ended 31st March, 2020

Particulars	Gratuity (In ₹)	Leave Encashment (In ₹)
Current Provision	1089897	1624664
Non Current Provision	4210623	2762896
Total Provision	5300520	4387560

(k) **EMPLOYEE BENEFIT EXPENSES**

Particulars	Year ended 31st March, 2020 (In ₹)	Year ended 31st March, 2019 (In ₹)
Salaries and Wages	173892347	170195406
Cost-defined Contribution Plan	6871682	5273376
Welfare Expenses	19284720	20521997
Total	200048749	195990778

Figures in No.

Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
Average No. of People Employed	245	227

Other Comprehensive Income presentation of defined benefit plan

- Gratuity is defined benefit plan, Re-measurement gains/(losses) on defined benefit plans is shown under Other Comprehensive Income as Items that will not be reclassified to profit or loss and also the income tax effect on the same.
- Leave encashment cost is in the nature of short term employee benefits.

Presentation in Statement of Profit and Loss and Balance Sheet

Expense for service cost, net interest on net defined benefit liability (asset) is charged to Statement of Profit & Loss.

IND AS 19 do not require segregation of provision in current and non-current, however net defined liability (Assets) is shown as current and non-current provision in balance sheet as per IND AS 1.

Actuarial liability for short term benefits (leave encashment cost) is shown as current and non-current provision in balance sheet.

The Company assesses these assumptions with its projected long-term plans of growth and prevalent industry standards. The mortality rates used are as published by one of the leading life insurance companies in India.

HB ESTATE DEVELOPERS LIMITED



41. OTHER DISCLOSURES

Details of loans given, investment made and Guarantees given, covered U/S 186(4) of the Companies Act 2013.

Investment made and loan given is disclosed under the Investment Schedule and loan schedule of balance sheet (refer note 7 & 15 read with note no. 43). The company has not given any guarantee.

42. CONTINGENT LIABILITIES

I) DUTIES AND TAXES

Particulars	As at 31st March, 2020 (In ₹)	As at 31st March, 2019 (In ₹)
Disputed Sales Tax	Nil	161709502
Property Tax*	7821151	7821151
Vacant Land Tax (Under Appeal in Delhi High Court)	228616	228616
Total	169759269	169759269

(*) The total demand raised by MCD was ₹ 83,85,604/- (Previous Year ₹ 83,85,604/-). Against this, the company deposited the admitted liability of ₹ 5,64,453/- (Previous Year ₹ 5,64,453/-). For the balance amount of ₹ 78,21,151/- the company had filed a Writ Petition before the Hon'ble Delhi High Court. The company had also filed a stay petition before the Hon'ble High Court praying for stay for the payment of aforesaid amount of ₹ 78,21,151/-. As per direction of Hon'ble Court the company paid a sum of ₹ 10,18,477/- against the aforesaid demand and stay has been granted for the balance amount. The Hon'ble High Court directed MCD to re-compute the tax. In the opinion of management the demand raised by MCD is not sustainable and no further liability will arise and therefore the aforesaid amount of ₹ 10,18,477/- paid by the company is being shown as recoverable in the Balance Sheet under the head

(ii) OTHER CONTINGENT LIABILITIES

Particulars	As at 31st March, 2020 (In ₹)	As at 31st March, 2019 (In ₹)
Claim against the company not acknowledged as Debt	27755293	27755293
Letter of Credit/ Bank Guarantee issued by bank	2000000	2000000
Ground Rent*	-	-
Total	29755293	29755293

(*) The Company had received a show cause notice dated 17.11.2006 from Delhi Development Authority (DDA) demanding a sum of ₹ 258.68 Lakhs (Excluding undetermined interest) on account of ground rent in respect of its property at Plot No. A-2, 3 & 4 in District Centre, Wazirpur, Delhi upto the period 14th July, 2006. Aggrieved by show cause notice issued by DDA, the company filed a writ petition in the Hon'ble High Court of Delhi Challenging the aforesaid demand. The Hon'ble High Court, vide its order dated 4th December, 2006 set-aside the matter to DDA for reconsideration. DDA vide Notice dated 12.01.2010 demanded a sum of ₹ 398.46 Lakhs (excluding interest) towards ground rent upto the period 14.07.2010. Aggrieved by the said demand, the company again filed a writ petition in the Hon'ble High Court of Delhi which vide its order dated 31.05.2010 stayed the operations of the order of DDA subject to company depositing a sum of ₹ 100 Lakhs. As per the direction of Hon'ble High court, the company has deposited the said amount of ₹ 100 lacs on 10.06.2010.

The matter is pending for final disposal by the Hon'ble Court. The liability will be determined only after the disposal of matter by the Hon'ble High Court of Delhi ; and therefore at this stage, in the opinion of management any further provision is neither considered necessary nor ascertainable. The effect of any arrear/excess amount will be taken after the decision of the Hon'ble Court.

43. RELATED PARTY TRANSACTIONS

In accordance with the requirements of IND AS 24, on related party disclosures, name of the related party, related party relationship, transactions and outstanding balances including commitments where control exists and with whom transactions have taken place during reported periods are:

RELATED PARTY NAME AND RELATIONSHIP

(a) Person having significant influence / control / major shareholders

(i) Mr. Lalit Bhasin

(b) Key Managerial Personnel

(i) Mr. Praveen Gupta, CFO

(ii) Ms. Radhika Khurana, Company Secretary

(iii) Ms. Banmala Jha, Manager (Vice President Legal) (designated on 27.05.2019)

(c) Enterprises over which significant influence /control exist of the Relatives of persons mentioned in (a) above

(i) RRB Master Securities Delhi Ltd.

(d) Enterprises under direct or indirect common control/significant influence of Key Managerial Person/ Relative of Key Managerial Person

(i) HB Stockholdings Ltd.

(ii) HB Portfolio Ltd.

(iii) HB Securities Ltd. (Subsidiary of HB Portfolio Ltd.)

(e) Enterprises under Joint Ventures/Associate Company

(i) Parsvnath HB Projects Pvt. Ltd. - Associate

RELATED PARTY TRANSACTIONS:

Sr. No.	Particulars	Nature of Transaction	For the Year ended 31st March, 2020 (In ₹)	For the Year ended 31st March, 2019 (In ₹)
Enterprises under direct or indirect common control / significant influence of Key Managerial Person / relative of Key Managerial person				
i	RRB Master Securities Delhi Ltd.	Rent Received	993324	878173
ii	HB Stockholdings Limited	Rent Received	861240	861240
		Amount paid pursuant to Composite Scheme of Arrangement paid during the year	-	4214449
iii	HB Portfolio Ltd.	Rent Received	861240	861240
		Issue of Preference Shares	-	200000000
		Amount received pursuant to Composite Scheme of Arrangement realized	-	5933540
iv	HB Securities Ltd.	DP Charges Paid	1770	1180
		Redemption of Preference Shares	-	10000000
Enterprises under Joint ventures/Associate Company				
v	Parsvnath HB Projects Pvt. Ltd.	Interest Received	5581815	-
		Loans Given	-	12280000
Key Managerial Person / persons having significant influence / control / major shareholder				
vi	Lalit Bhasin	Sitting Fees paid	40000	40000
		Loans Received	25000000	46000000
		Loans Repaid	67000000	20000000
vii	Praveen Gupta	Remuneration & other services	3762204	3770999
viii	Radhika Khurana	Remuneration & other services	701800	561450
ix	Banmala Jha	Remuneration & other services	1084200	-

RELATED PARTY BALANCES

Sr. No.	Particulars	Nature of Balance	For the Year ended 31st March, 2020 (In ₹)	For the Year ended 31st March, 2019 (In ₹)
Key Managerial Person / persons having significant influence / control / major shareholder				
i	Lalit Bhasin	Loan	38000000	80000000
Enterprises under direct or indirect common control/significant influence of key managerial person/ relative of Key Managerial person				
ii	RRB Master Securities Delhi Ltd.	Security Deposit	215763	215763
iii	HB Stockholdings Ltd.	Security Deposit	34500000	34500000
iv	HB Portfolio Ltd.	Security Deposit	34500000	34500000
v	Parsvnath HB Projects Pvt Ltd	Loan including accrued interest	31499814	26476182

44. Revenue from Contracts with Customers

- i) Details of revenue from contracts with customers recognised by the Company, net of indirect taxes in its Statement of Profit and Loss.

Particulars	For the Year ended 31st March, 2020 (In ₹)	For the Year ended 31st March, 2019 (In ₹)
Revenue from operations		
Revenue from contract with customers		
Rooms	455835658	465348664
Food & Beverages, Restaurant and Banquet Income	309474683	345068106
Others revenue from contract with customers	50151549	50130510
Sales-Real Estate	0	26500000
	815461890	887047280
Other operating revenue		
Other revenue	5070151	5153567
	5070151	5153567
Total Revenue from Operations	820532041	892200847

- ii) All the revenue of the company are in India.

- iii) Contract Balances

The contract liabilities primarily relate to the advance consideration received from customers for which revenue is recognized when the performance obligation is over / services delivered.

Advance Collections is recognised when payment is received before the related performance obligation is satisfied.

This includes advances received from the customer towards rooms/restaurant/banquets. Revenue is recognised once the performance obligation is met i.e. on room stay / sale of food and beverage / provision of banquet services.

It also includes membership fee received for Chambers Membership, Epicure membership and Spa and Health Club Memberships.

Particulars	For the Year ended March 31, 2020 (In ₹)	For the Year ended March 31, 2019 (In ₹)
Contract liabilities		
Advance collection from customers		
-Advances from customers	7923794	3302372
-Advance Health Club Membership	385134	319129
Total	8308929	3621501

45. IMPAIRMENT REVIEW

Assets are tested for impairment whenever there are any internal or external indicators of impairment.

Impairment test is performed at the level of each Cash Generating Unit ('CGU') or groups of CGUs within the Company at which the goodwill or other assets are monitored for internal management purposes, within an operating segment.

The impairment assessment is based on higher of value in use and value from sale calculations.

During the year, the testing did not result in any impairment in the carrying amount of goodwill and other assets.

The measurement of the cash generating units' value in use is determined based on financial plans that have been used by management for internal purposes. The planning horizon reflects the assumptions for short to- midterm market conditions.

Key assumptions used in value-in-use calculations:

- Operating margins (Earnings before interest and taxes)
- Discount rate
- Growth rates
- Capital expenditures

Operating Margins: Operating margins have been estimated based on past experience after considering incremental revenue arising out of adoption of valued added and data services from the existing and new customers, though these benefits are partially offset by decline in tariffs in a hyper competitive scenario. Margins will be positively impacted from the efficiencies and initiatives driven by the Company; at the same time, factors like higher churn, increased cost of operations may impact the margins negatively.

Discount Rate: Discount rate reflects the current market assessment of the risks specific to a CGU or group of CGUs. The discount rate is estimated based on the weighted average cost of capital for respective CGU or group of CGUs.

Growth Rates: The growth rates used are in line with the long term average growth rates of the respective industry and country in which the Company operates and are consistent with the forecasts included in the industry reports.

Capital Expenditures: The cash flow forecasts of capital expenditure are based on past experience coupled with additional capital expenditure required.

46. OTHER DETAILS

(a) C.I.F. Value of Imports

Particulars	As at 31st March, 2020 (In ₹)	As at 31st March, 2019 (In ₹)
Stores and Operating Supplies	555840	1149871
Capital Goods	4683578	1857156

(b) Expenditure in Foreign Currency

Particulars	Year ended 31st March, 2020 (In ₹)	Year ended 31st March, 2019 (In ₹)
Legal & Professional	1103182	262122
Advertisement	1649037	1087048
Others	9656335	15913746

(c) Earning in Foreign Currency:

Particulars	Year ended 31st March, 2020 (In ₹)	Year ended 31st March, 2019 (In ₹)
Sale / Revenue	284071155	376475114

(d) Dividend paid in Foreign Currency- Nil (Previous Year Nil).

47. DISCLOSURE OF LOANS / ADVANCES IN THE NATURE OF LOANS IN TERMS OF PROVISION OF REGULATION 34 OF THE SEBI (LISTING OBLIGATION AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015:

Sr. No.	Particulars	Outstanding Balance as on 31.03.2019 (In ₹)	Max. Balance outstanding during the Year (In ₹)	Outstanding Balance as on 31.03.2018 (In ₹)	Max. Balance outstanding during the Previous Year (In ₹)
i.	Loans & Advances in the nature of Loans to Subsidiaries	Nil	Nil	Nil	Nil
ii.	Loans & Advances in the nature of loans to Associates:- Parsvnath - HB Projects Private Ltd.	31499814	31499814	26476182	26476182
iii.	Loans & Advances in the nature of loans where there is no repayment schedule, no interest or interest below Section 372A of the Companies Act, 1956	Nil	Nil	Nil	Nil
iv.	Loans & Advances in the nature of loans to firms/companies in which directors are interested.	Nil	Nil	Nil	Nil
v.	Investments by Loanee in the Shares of parent company and subsidiary company when the company has made loan or advance in the nature of Loan.	No. of Shares	Amount	No. of Shares	Amount
		Nil	Nil	Nil	Nil

48. DETAIL OF CONSUMPTION OF IMPORTED AND INDEGENOUS ITEMS:

Particulars	Current Year		Previous Year	
	Amount (In ₹)	% of Consumption	Amount (In ₹)	% of Consumption
(i) Raw Materials				
Imported	0	0.00	0	0
Indigenous	77318006	100.00	82959423	100
Total	77318006	100.00	82959423	100.00
(ii) Stores and Supplies				
Imported	339614	1.11	1365922	3.73
Indigenous	30349798	98.89	35231074	96.27
Total	30689412	100.00	36596996	100.00

49. PENDING LITIGATIONS

The Contingent liability in respect of pending litigations is disclosed in note no. 42. In addition, the company is subject to legal proceedings and claims, which have arisen in the ordinary course of business. The company's management does not reasonably expect that the above legal claims and proceedings, when ultimately concluded and decided will have a material and adverse effect on the company's results of operations or financial statements.

50. CORPORATE SOCIAL RESPONSIBILITY

The Company was not required to spend any amount on Corporate Social Responsibility activities during the current and previous year.

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

52. ADDITIONAL INFORMATION AS PER SCHEDULE III OF THE COMPANIES ACT, 2013.

Name of the entity	Current Year			
	Net Assets i.e Total assets minus total Liabilities		Share in Profit/ Loss	
	As % of consolidated net assets	Amount (₹)	As % of consolidated Profit / Loss	Amount (₹)
1	2	3	4	5
Parent				
HB Estate Developers Limited	100.00	2058487988	100.00	(88879978)
	(100.00)	(2197875328)	(100.00)	(104637343)
Associates (Investments as per Equity method)				
Parsvnath HB Projects Pvt. Ltd.	(0.00)	-	(0.00)	-
	(0.00)	-	(0.00)	-
Total	100.00	2058487988	100.00	(88879978)
	(100.00)	(2197875328)	(100.00)	(104637343)

Note: Figures showing in bracket represents to previous year

53. INTEREST IN ASSOCIATE

The company has only one associate whose principal activity is to carry on the business of real estate and carrying value of investment is nil.

Summarized financial information of associate is as follow:

Particulars	As at 31st March, 2020	As at 31st March, 2019
Assets		
Non Current Assets	108550	108550
Current Assets	1476103364	1476112604
Liabilities		
Non Current Liabilities	1050868310	1026808311
Current Liabilities	523468089	546042531
Equity	-98124485	-96629688

Summary of statement of Profit and loss of associate is as follow:

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
Revenue	-	-
Net Loss	(1494797)	(1424445)
Other Comprehensive Income	-	-
Total Comprehensive Income	(1494797)	(1424445)

54. The 'severe acute respiratory syndrome coronavirus 2 (SARS-CoV-2)', generally known as COVID-19, which was declared as a global pandemic by World Health Organisation on 11th March, 2020, continues to spread across globe and in India. Globally countries and businesses are under lockdown. On 24th March, 2020, the Government of India announced a 21 days lockdown initially, which was extended by 19 days across the country to contain the spread of the virus. Considering the severe health hazard associated with COVID-19 pandemic, certain parts of the country have further extended the lockdown. There is high level of uncertainty about the duration of the lockdown and the time required to return to normalcy. The extent to which COVID-19 pandemic will impact the Company's provision on assets is dependent on the future developments which are highly uncertain. The impact of the global health pandemic may be different from that estimated at the date of approval of these standalone financial results and the Company will continue to closely monitor any material changes to future economic conditions.

COVID-19 pandemic globally and in India has caused significant disturbance and slowdown of economic activity. The tourism and hospitality industry has been severely impacted due to COVID-19 pandemic and imposition of lockdowns by the Central/State Governments. The Company expects the demand for its services to pick up, albeit at a slower pace, once lockdown is lifted and recovery in business to be driven by domestic leisure tourism, staycations, domestic business travel and international travel.

The revenue, profitability and liquidity position of the Company have been materially impacted due to sharp cancellations of rooms and banquet bookings. The Company aims to meet all its debt repayment with the available capital and financial resources.

55. LEASE

Expenses recognised in the statement of profit & loss in respect of lease for current year ₹ Nil (Previous year ₹ Nil /-).

56. NEGATIVE WORKING CAPITAL

As at the year end, the Company's current liabilities have exceeded its current assets by ₹ 17,33,67,841/- primarily on account of overdraft facility from bank aggregating ₹ 14,99,99,169/- falling due within 12 months following the balance sheet date. Management is confident of its ability to generate cash inflows from operations and also raise long term funds to meet its obligations on due date.

57. Previous year figures have been regrouped/ rearranged, wherever considered necessary to conform to current year's classification.

The accompanying notes form an integral part of the Financial Statements

As Per our Report attached on even date

FOR G.C. AGARWAL & ASSOCIATES
CHARTERED ACCOUNTANTS

Firm Registration Number : 017851N

Sd/-
G C AGARWAL
(PROPRIETOR)
Membership No. : 083820

PLACE : GURUGRAM
DATE : 26TH JUNE, 2020

FOR AND ON BEHALF OF THE BOARD

Sd/-
JAG MOHAN LAL SURI
(DIRECTOR)
DIN:00002373

Sd/-
PRAVEEN GUPTA
(CHIEF FINANCIAL OFFICER)

Sd/-
ANIL GOYAL
(DIRECTOR)
DIN:00001938

Sd/-
RADHIKA KHURANA
(COMPANY SECRETARY)
M.No.: ACS-32557

**Form AOC-1**

Statement containing salient features of the financial statements of subsidiaries/ associate companies/ joint ventures.

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Part "A": Subsidiaries: Not Applicable**Part "B": Associates and Joint Ventures**

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

S. No.	Name of Associate Company	Parsvnath HB Projects Pvt. Ltd
1.	Latest audited Balance Sheet Date	26.06.2020
2.	Shares of Associate/Joint Ventures held by the company on the year end	
	No.	24020
	Amount of Investment in Associates/Joint Venture	Rs. 2,40,200/-
	Extend of Holding%	49
3.	Description of how there is significant influence	Shareholding of more than 20%
4.	Reason why the associate/joint venture is not consolidated	N.A.
5.	Net worth attributable to shareholding as per latest audited Balance Sheet	Nil
6.	Profit/Loss for the year	
	i. Considered in Consolidation	Nil
	ii. Not Considered in Consolidation	N.A.

FOR AND ON BEHALF OF THE BOARD

Sd/-
JAG MOHAN LAL SURI
(DIRECTOR)
DIN:00002373

Sd/-
ANIL GOYAL
(DIRECTOR)
DIN:00001938

Sd/-
PRAVEEN GUPTA
(CHIEF FINANCIAL OFFICER)

Sd/-
RADHIKA KHURANA
(COMPANY SECRETARY)
M.No.: ACS-32557

PLACE : GURUGRAM
DATE : 26TH JUNE, 2020