
**THE
HINDUSTAN HOUSING
COMPANY LIMITED**



**80th Annual Report
2015-2016**

THE HINDUSTAN HOUSING COMPANY LIMITED

Board of Directors Vinaya Mehrotra - Chairman
Vinod Nevatia
Sanjivnayan Bajaj
Minal Bajaj

Key Managerial Personnel Vijay Bohra, Chief Financial Officer
Pradeep Dhruva, Company Secretary

Statutory Auditors K. K. Mankeshwar & Co., Chartered Accountants

Bankers Central Bank of India

Registered Office Bajaj Bhawan, 2nd Floor, Jamnalal Bajaj Marg,
226 Nariman Point, Mumbai - 400 021.

Registrar and Share Transfer Agents Bigshare Services Pvt. Ltd.
E2, Ansa Industrial Estate,
Sali - Vihar Road, Saki Naka,
Andheri (E), Mumbai - 400 072.

Corporate Identification No. (CIN) L45200MH1934PLC002346

Website www.hhclbajaj.com

NOTICE

NOTICE is hereby given that the Eightieth Annual General Meeting of the Members of The Hindustan Housing Company Ltd. will be held on **Friday, 2nd September, 2016 at 3.30 p.m.** at the Registered Office of the Company at Bajaj Bhawan, 2nd floor, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai - 400021, to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Financial Statements of the Company for the financial year ended on 31st March, 2016 together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Smt. Minal Bajaj (DIN: 00222469) who retires by rotation and being eligible, offers herself for reappointment.
3. To consider the re-appointment of the current auditors, M/s K. K. Mankeshwar & Co., Chartered Accountants (Firm Registration No: FRN 106009W), as the Statutory Auditors of the Company and to fix their remuneration and to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 139 and all other applicable provisions of the Companies Act, 2013 read with Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Company hereby appoints M/s K. K. Mankeshwar & Co., Chartered Accountants (Firm Registration No : FRN 106009W), as the Statutory Auditors of the Company for a second term of 5 (Five) consecutive years to hold office from the conclusion of this meeting until the conclusion of the Eighty-Fifth Annual General Meeting of the Company, subject to ratification by the members at every Annual General Meeting to be held hereafter and on such remuneration as may be decided by the Board of Directors in consultation with the Statutory Auditors of the Company.”

NOTES:

1. Pursuant to the provisions of Section 91 of the Companies Act, 2013, the Register of Members of the Company will remain closed from 29th August, 2016 to 2nd September, 2016 (both days inclusive).
2. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF, AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
A person can act as a proxy on behalf of members up to and not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other member.
3. The Proxy Forms in order to be valid and effective should be deposited at the Registered Office of the Company not less than Forty-eight (48) hours before the commencement of the Meeting.
4. Members are requested to notify the change in their address, if any, to the Company or the Registrar and Share Transfer Agents viz. Bigshare Services Pvt. Ltd. immediately.
5. Corporate members intending to send their authorized representative to attend the Meeting are requested to send to the Company, a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.

6. Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Rules made thereunder, the first term of the appointment of the current Statutory Auditors of the Company, M/s K.K. Mankeshwar & Co., Chartered Accountants (Firm Registration No. 106009W) expires at the conclusion of this Annual General Meeting. They were appointed by the shareholders at the 78th Annual General Meeting to hold office for a period of two years until the conclusion of the 80th Annual General Meeting, subject to ratification by shareholders at each Annual General Meeting.

The members are now requested to appoint M/s K.K. Mankeshwar & Co., Chartered Accountants (Firm Registration No. 106009W) as Statutory Auditors of the Company for a second term of 5(five) consecutive years to hold office from the conclusion of this meeting until the conclusion of the Eighty-Fifth Annual General Meeting subject to ratification by the members at every Annual General Meeting to be held hereafter and to fix their remuneration.

7. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical format can submit their PAN Card details to the Company or Bigshare Services Pvt. Ltd. at their email id : investor@bigshareonline.com.
8. The Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014 has prescribed a new format of Register of Members to be maintained in Form MGT-1 which requires the Company / RTA to record additional details of shareholders such as PAN, Email address, Bank Details for payment of dividend, UID Aadhaar No., Nomination Details etc. A Form for recording such additional details is annexed to this Annual Report. Members holding shares in physical form are requested to submit the duly completed forms to the Company or Bigshare Services Pvt. Ltd. Members holding shares in electronic form are requested to submit the details to their respective Depository Participants.
9. To receive shareholders' communication through electronic means, including annual reports and notices, members are requested to kindly register/update their email address with their respective Depository Participants, where shares are held in electronic form. If, however, shares are held in physical form, members are advised to register their email address with Bigshare Services Pvt. Ltd. at their email id: investor@bigshareonline.com.
10. Members/Proxies are requested to bring the copies of Annual Reports to the meeting.

11. **Voting through electronic means**

In terms of the provisions of Section 108 of the Companies Act, 2013 (the Act) read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended (hereinafter called "the Rules" for the purpose of this section of the Notice) and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company is providing facility to exercise votes on the items of business given in the Notice through remote electronic voting system to members holding shares as on **25th August, 2016** (End of Day) being the Cut-off date (Record Date for the purpose of Rule 20 (2) (ii) of the Rules) fixed for determining the voting rights of members, entitled to participate in the remote e-voting process, through the e-voting platform provided by Central Depository Services Ltd. (CDSL).

THE HINDUSTAN HOUSING COMPANY LIMITED

The instructions for members for voting electronically are as under :-

- (i) The voting period begins on **Tuesday, 30th August, 2016 at 10.00 a.m.** and ends on **Thursday, 1st September, 2016 at 5.00 p.m.** During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 25th August, 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Log on to the e-voting website www.evotingindia.com
- (iii) Click on Shareholders
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
	<ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number (refer serial no. printed on the name and address sticker/ Postal Ballot Form/mail) in the PAN field.
	<ul style="list-style-type: none"> In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. E.g. If your name is Ramesh Kumar with serial number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

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

- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xix) **Note for Non - Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account (s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

In case of members receiving the physical copy:

- (A) Please follow all steps from sl. no. (i) to sl. no. (xix) above to cast vote.
- (B) The voting period begins **Tuesday, 30th August, 2016 at 10.00 a.m.** and ends on **Thursday, 1st September, 2016 at 5.00 p.m.** During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off (record date) of 25th August, 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

THE HINDUSTAN HOUSING COMPANY LIMITED

- (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

For members who wish to vote using Ballot Form:

Members may fill in the Ballot Forms (in lieu of remote E-voting), enclosed with the Notice and submit the same in a sealed envelope to the Scrutinizer, **Shri Devendra Kumar Meena**, Practicing Company Secretary, (FCS No. 6102 CP No. 5976), C/o Bigshare Services Pvt. Ltd., E-2, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (E), Mumbai - 400 072 or to his email id dkmeena2003@rediffmail.com, so as to reach by 5.00 p.m. on Thursday, 1st September, 2016. Ballot Forms received thereafter will strictly be treated as if not received. Unsigned, incomplete, or incorrectly ticked forms are liable to be rejected and the decision of the Scrutinizer on the validity of the forms will be final.

In the event, a member casts his votes through both the processes i.e. remote E-voting and Ballot Form, the votes in the electronic system would be considered and the Ballot Form would be ignored.

General Instructions :-

- (1) The Company has appointed Shri Devendra Kumar Meena, Practicing Company Secretary, (FCS No. 6102 CP No. 5976), having address as 3/519, Navjeevan Commercial Society, Lamington Road, Near Mumbai Central, Mumbai - 400 008 as the Scrutinizer to the e-voting process, (including voting through Ballot Form received from the Members), to scrutinize the same in a fair and transparent manner.
- (2) The Scrutinizer shall, after the closure of remote E-voting period, unlock the votes in the presence of at least two (2) witnesses, not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favor or against, if any, forthwith to the Chairman of the Company.
- (3) In the event of a poll, please note that the members who have exercised their right to vote by electronic means/through ballot form as above shall not be eligible to vote by way of poll at the Meeting. The poll process shall be conducted and report thereon will be prepared in accordance with Section 109 of the Companies Act, 2013 read with the relevant Rules. In such an event, votes cast under Poll taken together with the votes cast through e-voting and using ballot form shall be counted for the purpose of passing of resolution(s).
- (4) The members who have not exercised their right to vote through remote E-voting, and have not submitted Ballot Forms (in lieu of E-voting) so as to reach the Scrutinizer before 5.00 p.m. on 1st September, 2016, will be given Ballot papers to cast their vote at the venue of the AGM.
- (5) The Scrutinizer shall submit his report to the Chairman, who shall declare the result of the voting. The results declared along with the Scrutiniser's Report shall be placed on the Company's website www.hhclbajaj.com and on the website of Bigshare - www.bigshareonline.com within two days of the passing of the resolutions at the 80th Annual General Meeting of the Company and shall also be communicated to the Stock Exchanges.

By Order of the Board of Directors
For **The Hindustan Housing Company Ltd.**

Pradeep Dhruva
Company Secretary

Mumbai : 30th May, 2016

DIRECTORS' REPORT

Your Directors present the Eightieth Annual Report and Audited Financial Statements of the Company for the Financial Year ended on 31st March, 2016.

1. Financial Results :

	F. Y. 2015-2016	F. Y. 2014-2015
	₹	₹
Profit for the year before tax	79,62,685	65,25,294
Less : Provision for Taxation	23,07,114	13,20,185
Profit after Tax	56,55,571	52,05,109
 Add/(Less) :		
Tax in respect of earlier years (Net)	(35,768)	—
Balance brought forward from previous year	1,60,56,951	1,18,40,246
Balance available for appropriation	2,16,76,754	1,70,45,355
 Less : Appropriations:		
Proposed Dividend	—	—
Tax on Proposed Dividend	—	—
Transfer to General Reserve	(2,00,00,000)	—
Depreciation pursuant to enactment of Schedule II of the Companies Act, 2013	—	(9,88,404)
Balance carried to Balance Sheet	16,76,754	1,60,56,951

2. Dividend:

The Board of Directors of the Company do not recommend any dividend on Equity Shares of the Company for the Financial Year ended on 31st March, 2016.

3. Transfer to Reserves:

The Company has transferred Rs. 2.00 Crores to the General Reserve during the year.

4. Operations of the Company:

The Company is engaged in the business of providing administrative and allied services to Bajaj Group Entities only.

There was no change in the nature of business of the Company during the year.

5. Share Capital:

The paid up Equity Share Capital of the Company was ₹ 6,08,645 /- as on 31st March 2016. There was no public issue, rights issue, bonus issue or preferential issue etc. during the year. The Company has not issued any shares with differential voting rights, sweat equity shares nor has it granted any stock options during the year.

6. Extract of Annual Return:

An extract of the Annual Return as provided under sub-section (3) of Section 92 of the Companies Act, 2013, in the prescribed Form MGT- 9 is annexed to this Report as Annexure A.

7. Number of Meetings of the Board:

During the year, 4 (Four) meetings of the Board of the Directors of the Company were convened and held.

8. Director's Responsibility Statement:

Pursuant to clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, the Board of Directors of the Company hereby state and confirm that:

- (a) in the preparation of the annual accounts, the applicable accounting standards have been followed and no material departures have been made therefrom;
- (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 for the financial year ended as at 31st March, 2016 and of the profit of the Company for the said period;
- (c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the directors have 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 are operating effectively; and
- (f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

9. Declaration of Independence:

The Independent Directors of the Company have submitted their Declaration of Independence, as required under the provisions of Section 149(7) of the Companies Act, 2013 stating that they meet the criteria of independence as provided in Section 149 (6).

10. Remuneration Policy :

The Board on the recommendation of the Nomination and Remuneration Committee had framed a Remuneration Policy which includes (a) criteria for determining the qualifications, positive attributes and independence of a director and (b) matters relating to the remuneration for directors, key managerial personnel and other employees. The detailed Remuneration Policy is placed on the Company's website www.hhclbajaj.com.

11. Particulars of Loans, Guarantees and Investments:

The Company has not given any loans/guarantees to any other entities during the financial year. Information regarding Investments covered under the provisions of Section 186 of the Companies Act, 2013 is mentioned in detail in the financial statements annexed to this Report.

12. Related Party Transactions:

There were no related party transactions entered into by the Company during the financial year which attracted the provisions of Section 188 of the Companies Act, 2013 as all related party transactions that were entered into by the Company during the year were on an arm's length basis and were in the ordinary course of the Company's business. Hence there are no transactions which are required to be disclosed in Form AOC-2.

13. Material Changes and Commitments:

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

14. Conservation of Energy, Technology Absorption & Foreign Exchange Earnings & Outgo :

The Company being a Service Company and not having carried out any manufacturing activities during the year under review, the Directors have nothing to report on 'Conservation of Energy' 'Research & Development' and 'Technology Absorption' as required to be given under Rule 8 of the Companies (Accounts) Rules, 2014.

Further, there were no foreign exchange earnings and/or outgo during the year under review.

15. Deposits:

The Company has not invited, accepted or renewed any deposits within the meaning of the provisions of Sections 2(31) and 73 of the Companies Act 2013 read with the Companies (Acceptance of Deposit) Rules, 2014, during the year under review.

16. Significant and Material Orders passed by the Regulators or Courts:

There were no significant and material orders passed by the Regulators and Courts or Tribunals during the year under review which would impact the going concern status of the Company and its future operations.

17. Risk Management Policy:

The Board has laid down procedures for assessing the risk and procedure to be followed for risk minimization, including identification therein of elements of risk which may threaten the existence of the Company. These are periodically reviewed to ensure that Management identifies and controls risk through a properly defined framework.

18. Corporate Social Responsibility:

The Company has not crossed the threshold limits as specified in Section 135 of the Companies Act, 2013. Hence, the provisions of Section 135 of the Companies Act, 2013 relating to CSR initiatives which need to be undertaken by a Company are not applicable to this Company.

19. Performance Evaluation of the Board:

Pursuant to the provisions of the Companies Act, 2013 the Board has carried out an annual performance evaluation of its own performance, and that of its Committees and individual directors. The manner in which such formal annual evaluation was made by the Board is given below:

- Performance Evaluation Criteria for Board, Committees of the Board and Directors were approved by the Board at its meeting held on 27th March, 2015.
- Based on the said criteria, Annual Rating sheets were filled by each of the directors with regard to evaluation of performance of the Board, its Committees and Directors (except for the director being evaluated) for the year under review.
- A consolidated summary of the Ratings given by each of the directors was then prepared, based on which a Report of performance evaluation was prepared by the Chairman of the Nomination & Remuneration Committee in respect of the performance of the Board, its Committees and Directors during the year under review.
- The Report of performance evaluation so arrived at was then noted and discussed by the Nomination & Remuneration Committee and Board at their meetings held on 30th May 2016.
- As per the report of performance evaluation, the Board shall determine, inter alia, whether to continue the term of appointment of the director. During the year under review, there was no occasion to review on the continuance of the term of appointment of any of the directors and hence the question of taking a decision on their re-appointment did not arise.

20. Adequacy of Internal Financial Controls:

Internal financial controls with reference to the financial statements were adequate and operating effectively.

21. Directors and Key Managerial Personnel:

Smt. Minal Bajaj, Director of the Company retires by rotation and being eligible offers herself for reappointment. The Board recommends her reappointment.

During the year under review and pursuant to the provisions of Section 203 of the Companies Act, 2013 and Regulation 6 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Shri Pradeep Dhruva was appointed as Company Secretary & Compliance Officer with effect from 1st December, 2015, by the Board of Directors of the Company at their meeting held on 9th November, 2015 in view of the resignation tendered by Smt. Meeta Khalsa.

22. Board of Directors:

As per the provisions of Sec 149 of the Companies Act, 2013 read with the Rules made thereunder, the Company is required to have at least one third of the total number of directors as independent directors and at least one woman director on its Board.

As on 31st March 2016, the Board of Directors of the Company consisted of four directors, of whom two were non-executive independent and two were non-executive and non-independent (including one woman director) as per details given in the Table below. The Board has no institutional nominee directors. The Company has a non-executive Chairman.

	Name of the Director	Category
1	Shri Vinaya Mehrotra	Chairman, Non-Executive & Independent
2	Shri Vinod Nevatia	Non-Executive & Independent
3	Shri Sanjivnayan Bajaj	Non-Executive
4	Smt. Minal Bajaj	Non-Executive

23. Board Committees:

Audit Committee

Pursuant to the Section 177 of the Companies Act, 2013, an Audit Committee was constituted by the Board at its meeting held on 5th February, 2015 with the following members:

1. Shri Vinaya Mehrotra (Chairman)
2. Shri Vinod Nevatia (Member)
3. Smt. Minal Bajaj (Member)

Vigil Mechanism

Pursuant to the Section 177(9) of the Companies Act, 2013, a Vigil Mechanism had been established by the Board at its meeting held on 5th February, 2015. The policy is placed on the website of the Company www.hhclbajaj.com.

Nomination and Remuneration Committee

Pursuant to the Section 178 of the Companies Act, 2013, a Nomination and Remuneration Committee was constituted by the Board at its meeting held on 5th February, 2015 with the following members:

- | | | |
|----|----------------------|------------|
| 1. | Shri Vinod Nevatia | (Chairman) |
| 2. | Shri Vinaya Mehrotra | (Member) |
| 3. | Smt. Minal Bajaj | (Member) |

24. Presentation of Financial Results:

The financial results of the Company for the financial year ended on 31st March, 2016 have been disclosed as per Schedule III to the Companies Act, 2013.

25. Statutory Disclosures:

Disclosure of Particulars as required to be given under Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 are as follows:

- (a) The Company does not pay any remuneration to its Directors except payment of sitting fees for attending meetings of the Board of Directors and its Committees as a member thereof.
- (b) The Company does not pay any remuneration to its CFO as he has been taken on deputation from a Group Company.
- (c) The Company did not have any employee whose particulars are required to be given by it under Rule 5(2) & 5(3) of the aforesaid Rules.
- (d) Particulars of other employees of the Company as required to be given under Rule 5(1) of the aforesaid Rules shall be made available to any shareholder on a specific request made by him in writing.

A Cash Flow Statement of the Company for the Financial Year 2015-2016 is attached to the Balance Sheet.

The Company does not have any subsidiaries, associates or joint venture companies.

Pursuant to the provisions of Regulation 34 and Schedule V of the SEBI (Listing Obligations and Disclosure Requirements), 2015, a Report on Management Discussion and Analysis is annexed to this Report as Annexure B.

26. Corporate Governance:

As per Regulation 15 under Chapter IV of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, provisions relating to Corporate Governance as specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Paras C, D and E of Schedule V do not apply to the Company as the paid up equity share capital of the Company did not exceed ₹ 10 crores and the Net Worth of the Company as on 31/03/2015 did not exceed ₹ 25 crores.

27. Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace:

Pursuant to the legislation "Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace Act, 2013" introduced by the Government of India, which came into effect from 9th December, 2013, the Company has framed a Policy on Prevention of Sexual Harassment at Workplace. There was no case reported during the year under review under the said policy.

28. Auditors:

(a) Statutory Auditors:

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the rules made thereunder, the current auditors of the Company, M/s. K. K. Mankeshwar & Co., Chartered Accountants (Firm Registration No. 106009W) were appointed for a term of two consecutive years by the shareholders at the 78th Annual General Meeting and they hold office until the conclusion of the 80th Annual General Meeting, subject to ratification by shareholders at each Annual General Meeting. The term of appointment of the Statutory Auditors expires at the conclusion of this Annual General Meeting.

The members are now requested to appoint M/s. K. K. Mankeshwar & Co., Chartered Accountants (Firm Registration No. 106009W) as Statutory Auditors of the Company for a further term of 5 (Five) years to hold office from the conclusion of this meeting until the conclusion of the Eighty-Fifth Annual General Meeting of the Company, subject to ratification by the members at every Annual General Meeting and to fix their remuneration.

The Statutory Audit Report does not contain any qualification, reservation or adverse remark or disclaimer made by the Statutory Auditor.

(b) Secretarial Auditor:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Rules made thereunder, the Company had appointed Shri Devendra Kumar Meena, Practicing Company Secretary, (FCS No. 6102 CP No. 5976), to undertake the Secretarial Audit of the Company for the Financial Year 2015-2016. The Secretarial Audit Report for the year under review does not contain any qualification, reservation or adverse remark or disclaimer made by the Secretarial Auditor.

The Secretarial Audit Report in Form MR-3 for the FY 2015-2016 is annexed to this Report as Annexure C.

For and on behalf of the Board of Directors
The Hindustan Housing Company Ltd.

(Vinaya Mehrotra)

Chairman

(DIN: 00038732)

Mumbai : 30th May, 2016

Annexure - A

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March 2016

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

I. REGISTRATION AND OTHER DETAILS :

Corporate Identification Number (CIN)	L45200MH1934PLC002346
Registration Date	27 th February, 1934
Name of the Company	The Hindustan Housing Company Ltd.
Category / Sub-Category of the Company	Public Ltd. Company/ Company Limited by Shares
Address of the Registered Office and Contact details	Bajaj Bhawan, 2 nd Floor, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai - 400 021 E-mail Id : prdhruva@bajajgroup.net.in Tel. No : 022-22023626 Fax : 022-22025160 Website : www.hhclbajaj.com
Whether listed Company	Yes (BSE Ltd.)
Name, Address and Contact details of Registrar and Transfer Agent, if any	Bigshare Services Private Limited E/2/3, Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri (East), Mumbai - 400 072. Tel No. : 022-40430200 Fax No. : 022-28475207 Website : www.bigshareonline.com

II. Principal Business Activities of The Company

All the business activities contributing 10 % or more of the total turnover of the Company are as under:

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	General Administration Service	8211	40.06
2	Air conditioning Service	8211	21.15
3	Dining Room Service	8211	11.89

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES – NOT APPLICABLE**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

THE HINDUSTAN HOUSING COMPANY LIMITED

i) Category-wise Share Holding : -

Category of Shareholders	No. of Shares held at the beginning of the year As on 31 st March 2015				No. of Shares held at the end of the year As on 31 st March 2016				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	2224	0.00	2224	9.19	2224	0.00	2224	9.19	0.00
b) Central Govt	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c) State Govt (s)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d) Bodies Corp.	8716	0.00	8716	36.02	8716	0.00	8716	36.02	0.00
e) Banks / FI	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
f) Any Other....	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sub-total (A) (1):-	10,940	0.00	10,940	45.21	10,940	0.00	10,940	45.21	0.00
(2) Foreign	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
a) NRIs-Individuals	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b) Other- Individuals	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c) Bodies Corp.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d) Banks / FI	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
e) Any Other....	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sub-total (A) (2):-	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	10,940	0.00	10,940	45.21	10,940	0.00	10,940	45.21	0.00
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b) Banks / FI	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c) Central Govt.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d) State Govt.(s)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
e) Venture Capital Funds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
f) Insurance Companies	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
g) FIs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
h) Foreign Venture Capital Funds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
i) Others (specify)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(i-i) Foreign Portfolio Investors	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sub-total(B)(1):-	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

i) Category-wise Share Holding : -

Category of Shareholders	No. of Shares held at the beginning of the year As on 31 st March 2015				No. of Shares held at the end of the year As on 31 st March 2016				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	0.00	7188	7188	29.70	0.00	7188	7188	29.70	0.00
ii) Overseas	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	420	5452	5872	24.26	868	5004	5872	24.26	0.00
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c) Others (specify)									
(c-i) Foreign Nationals	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(c-ii) Non-Resident Indians	0.00	200	200	0.83	0.00	200	200	0.83	0.00
(c-iii) Foreign Bodies-DR	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(c-iv) Trust	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(c-v) Clearing Members	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sub-total(B)(2):-	420	12840	13260	54.79	868	12840	13260	54.79	0.00
Total Public Shareholding (B) = (B)(1) + (B)(2)	420	12840	13260	54.79	868	12840	13260	54.79	0.00
C. Shares held by Custodian for GDRs & ADRs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Grand Total (A+B+C)	11360	12840	24200	100.00	11808	12392	24200	100.00	0.00

THE HINDUSTAN HOUSING COMPANY LIMITED

ii) Shareholding of Promoters : -

S. No	Shareholder's Name	Shareholding at the beginning of the year As on 31 st March 2015			Shareholding at the end of the year As on 31 st March 2016			% 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.	Shri Rahulkumar Bajaj	880	3.64	0.00	880	3.64	0.00	0.00
2.	Shri Shekhar Bajaj	804	3.32	0.00	804	3.32	0.00	0.00
3.	Shri Niraj Bajaj	220	0.91	0.00	220	0.91	0.00	0.00
4.	Smt. Minal Bajaj	320	1.32	0.00	320	1.32	0.00	0.00
5.	Bachhraj and Company Pvt. Ltd.	6,152	25.42	0.00	6,152	25.42	0.00	0.00
6.	Jamnalaal Sons Pvt. Ltd.	2,564	10.60	0.00	2,564	10.60	0.00	0.00
Total		10,940	45.21	0.00	10,940	45.21	0.00	0.00

iii) Change in Promoters' Shareholding: -

S. No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
No changes during the year					

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

S. No	Name of Shareholder	Shareholding at the beginning of the year		Shareholding at the end of the year/Cumulative	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Sikkim Janseva Pratisthan Pvt. Ltd.	6824	28.20	6824	28.20
2a.	Safia Yusuf Mirza	404	1.67	404	1.67
2b.	Dhanpatrai Premchand	404	1.67	404	1.67
3a.	Manilal Mohanlal Javeri	400	1.65	400	1.65
3b.	Narendra Jeewanlal Shah	400	1.65	400	1.65
4	Ramo Rattan	240	0.99	240	0.99
5a.	Pushpa Rastogi	204	0.84	204	0.84
5b.	Parasram Securities Pvt. Ltd.	204	0.84	204	0.84
6a	Lakshmi Ram Bhandari	200	0.83	200	0.83
6b	Baikunth Nath Mishra	200	0.83	200	0.83
6c	Virendrakumar J. Shah	200	0.83	200	0.83
6d	Rajesh Virendrakumar Shah	200	0.83	200	0.83
7a	Baldev Singh	160	0.66	160	0.66
7b	Sudhindra Ghosh	160	0.66	160	0.66
7c	Court Receiver in Suit	160	0.66	160	0.66
7d	Madhavlal N. Pittie	160	0.66	160	0.66
7e	Sundeep Vira	160	0.66	160	0.66
7f	Damayanti Pittie	160	0.66	160	0.66
8	Vimladevi Gutt	132	0.55	132	0.55
9a	Mithilesh K. Poddar	120	0.50	120	0.50
9b	Nasirullah Beg	120	0.50	120	0.50
9c	Damayanti Madhusudanlal Pittie	120	0.50	120	0.50
10	Babulal Chunilal	100	0.41	100	0.41

v) Shareholding of Directors and Key Managerial Personnel:

S. No	Name of Shareholder	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.	Shri Vinaya Mehrotra - Independent Director				
	At the beginning and end of the year- (No Change)	80	0.33	80	0.33
2.	Shri Vinod Nevatia - Independent Director				
	At the beginning and end of the year- (No Change)	400	1.65	400	1.65
3.	Smt. Minal Bajaj - Director				
	At the beginning and end of the year- (No Change)	320	1.32	320	1.32
4.	Shri Sanjivnayan Bajaj				
	At the beginning and end of the year- (No Change)	NIL	NIL	NIL	NIL

Shareholding of Chief Financial Officer and Company Secretary (KMP) in the Company is Nil.

THE HINDUSTAN HOUSING COMPANY LIMITED

V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning and end of the financial year (No Changes)	Not Applicable			
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i + ii + iii)				

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Name of MD WTD/ Manager	Total Amount
The Company does not have any Managing Director/ Whole time Director/ Manager			

B. Remuneration to other directors :

Sl. No.	Particulars of Remuneration			Total Amount
1.	Independent Directors •	Vinaya Mehrotra	Vinod Nevatia	
	i. Fee for attending Board Meetings.	40,000	40,000	80,000
	ii. Fee for attending Audit Committee Meetings	40,000	40,000	80,000
	iii. Fee for attending Nomination & Remuneration Committee Meetings	10,000	10,000	20,000
	iv. Others, please specify	5,000	5,000	10,000
	Total (1)	95,000	95,000	1,90,000
2.	Non-Independent Non-Executive Directors	Sanjivnayan Bajaj	Minal Bajaj	
	i. Fee for attending Board Meetings.	10,000	40,000	50,000
	ii. Fee for attending Audit Committee Meetings	-	40,000	40,000
	iii. Fee for attending Nomination & Remuneration Committee Meetings	-	10,000	10,000
	iv. Others, please specify	-	-	-
	Total (2)	10,000	90,000	1,00,000
	Total (B) = (1+2)			2,90,000
	Total Managerial Remuneration			NA
	Overall Ceiling as per the Act			NA

- Notes:** 1) No bonus, pension, performance linked incentive or commission is paid to any of the Directors of the Company.
- 2) The Company has not issued any stock options or sweat equity to any of the Directors of the Company.
- 3) Except for Sitting Fees, the Company does not pay any remuneration to the Directors of the Company.

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		Chief Executive Officer (CEO)	Company Secretary (CS) ₹	Chief Financial Officer (CFO)	Total
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	3,94,000	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of profit - others, specify				
5.	Others, please specify Contribution to Provident Fund etc.	- -	- 47,280	- -	- -
	Total	-	4,41,280	-	-

Note: The Company does not have a CEO and the CFO is on deputation from a Group Company.

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			Nil		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			Nil		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty			Nil		
Punishment					
Compounding					

Annexure - B

MANAGEMENT DISCUSSION AND ANALYSIS

80th Annual Report F.Y. 2015-2016

Background

The Hindustan Housing Company Limited ("the Company") is a public listed Company incorporated in the Year 1934 and is a part of the Bajaj Group of Companies. The equity shares of the Company are listed on BSE Ltd. since the Year 1938 under Security Code No. : 509650.

The Company is a Service Company and it is presently not carrying on any manufacturing or trading activities. The principal business activities of the Company consists of rendering and providing various kinds of administrative and allied services and facilities to companies and entities of the Bajaj Group. Such services and facilities include Air-conditioning Systems, General Administrative and other allied Services

The major sources of income of the Company are (a) Income received from rendering and providing various administrative and allied services and facilities as aforesaid and (b) Dividend Income.

Financial Performance

The Net Worth of the Company as on 31.03.2016 is ₹ 5.34 Crores. The Total Revenue and Net Profit (after tax) of the Company during the year under review was ₹ 3.87 Crores and ₹ 0.56 Crore respectively as compared to ₹ 3.24 Crores and ₹ 0.52 Crore respectively in the previous year.

Risks and Concerns

The current and future financial performance of the Company is linked to and is directly related to the services rendered as detailed above and dividend payouts by the listed companies of the Bajaj Group in which it holds its investments. The Company does not have any borrowings from any banks or financial institutions and neither has it accepted nor does it hold any public deposits.

Since all the customers of the Company are companies and entities of the Bajaj group, the Company presently does not have any risk exposure in respect of the services so rendered. However, at the same time, the Company is also totally dependent on all such companies / entities in the Bajaj Group for its business and any future change in their business plans to avail the aforesaid services and facilities from the Company might adversely affect the operations of the Company. However considering the nature of services and facilities rendered and provided by the Company to the Bajaj Group Companies, the Company does not anticipate any adverse impact on its operations in the near future.

Internal Control Systems and their Adequacy

The Audit Committee of the Board of Directors of the Company periodically evaluates the adequacy of the internal controls and processes, and ensures strict adherence to its laid down processes and procedures as well as to the prescribed regulatory and legal framework to manage and minimize the risk. The Committee further reviews the internal audit reports and effectiveness of the internal financial controls.

Human Resources

The Company recognises its employees as a critical asset of the organisation and lays due emphasis on all round development of its employees.

Cautionary Statement

Statements made herein describing the Company's objectives and expectations may be 'forward looking' within the meaning of applicable laws and regulations. Actual results may differ from those expressed or implied. Important factors that could make a difference to the Company's operations include changes in government regulations, tax laws, economic developments and other incidental factors.

Annexure - C

**Form No. MR-3
SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2016

[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,
The Hindustan Housing Company Ltd.,
2nd Floor, Bajaj Bhawan,
Jamnalal Bajaj Marg,
226, Nariman Point, Mumbai- 400021

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by The Hindustan Housing Company Ltd., (herein after called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of The Hindustan Housing Company Ltd.'s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the Financial Year ended on 31st March, 2016, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made herein after:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year ended on 31st March, 2016 according to the provisions of the :

- (i) Companies Act, 2013 (the Act) and the Rules made thereunder;
- (ii) Securities Contract (Regulation) Act, 1956 and the Rules made thereunder;
- (iii) Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent applicable to the Company;
- (v) The following Regulations and Guidelines prescribed by SEBI under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- (vi) The Bombay Shops and Establishments Act, 1948;
- (vii) The Employees Provident Funds and Miscellaneous Provisions Act, 1952 and the Rules made thereunder ;

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

- (a) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (b) The Listing Agreement entered into by the Company with BSE Ltd.

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

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors and Independent Directors. No changes in the composition of the Board of Directors took place during the period under review.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the assenting members' views, if any, are captured and recorded as part of the minutes.

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

Mumbai: 10th May, 2016

(Devendra Kumar Meena)
FCS No. 6102
CP No. 5976

INDEPENDENT AUDITORS' REPORT

To the Members of The Hindustan Housing Company Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **The Hindustan Housing Company Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements to give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards referred to in Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act and the Rules made there under including the Accounting and Auditing Standards and matters which are required to be included in the audit report.

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016 and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 issued by the Central Government of India in terms of sub-section (11) of the section 143 of the Act (hereinafter referred to as "the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the "Annexure A", a statement on the matters specified in paragraph 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of written representations received from the Directors as on March 31, 2016, and taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2016, from being appointed as a Director in terms of Section 164(2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B";
 - g. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
 - i. The Company has disclosed the impact of pending litigations, if any, as at March 31, 2016 on its financial position in its financial statements.
 - ii. The Company has made provision as at March 31, 2016 as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts. The Company has not entered in to any Derivative Contracts during the financial year.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2016.

GIRISH M. PATHAK

Partner

Membership No.: 102016

For and on behalf of

K.K. MANKESHWAR & CO

Chartered Accountants

FRN 106009W

Mumbai, 30th May, 2016

ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

(The Annexure referred to in our report to the members of The Hindustan Housing Company Limited ('the Company') for the year ended March 31, 2016.)

- (i) In respect of its Fixed Assets:
- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation, of fixed assets.
 - (b) As per the explanation given to us, the fixed assets were physically verified by the Management in accordance with a regular programme covering all the assets over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the management during the year and no material discrepancies were noticed on such verification.
 - (c) The title deeds of immovable properties, as disclosed in Note 9 on fixed assets to the financial statements, are held in the name of the Company.
- (ii) The Company is a Service Company, primarily rendering various administrative and allied services. Accordingly, it does not hold any Inventory. Consequently, clause (ii) of paragraph 3 of the Order is not applicable to the Company.
- (iii) In our opinion, and according to information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Act during the year. Consequently, clauses (iii) (a) to (iii) c of paragraph 3 of the Order, are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to Companies, firms or other parties covered under Section 185 and 186 of the Act. The Company has complied with the provisions of Section 186 of the Act, with respect of investments made in body corporate.
- (v) The Company has not accepted deposits from the public, of the nature covered under the provisions of Sections 73 to 76 of the Act and the Rules framed there under to the extent notified.
- (vi) The Central Government has not prescribed the maintenance of cost records under Section 148 (1) of the Act, for any of the services rendered by the Company.
- (vii) In respect of Statutory Dues:
- (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Service Tax, Entry Tax, Cess and other material statutory dues applicable to it with the appropriate authorities. There were no dues towards Custom Duty, Wealth Tax, Sales Tax, Entry Tax and Excise Duty during the year.

According to information and explanations given to us, there were no undisputed amounts payable in respect of Income Tax, Service Tax, and other material statutory dues in arrears as on 31st March, 2016 for a period of more than six months from the date they become payable.

- (b) According to information and explanations given to us upon our enquiries in this regard and records of the Company, there are no disputed statutory dues in respect Income Tax, Service Tax, Provident Fund and other material statutory dues unpaid as at the last day of the financial year.
- (viii) According to the records of the Company examined by us and information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institution or bank during the year. There are no dues to any debenture holders.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, clause (ix) of paragraph 3 of the Order is not applicable.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the Management.
- (xi) The Company has not paid/provided for managerial remuneration during the year. Accordingly, clause (xi) of paragraph 3 of the Order is not applicable.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, clause (xii) of paragraph 3 of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable. The details of such related party transactions have been disclosed in the financial statements as required under Accounting Standards (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, clause (xv) of paragraph 3 of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

GIRISH M. PATHAK

Partner

Membership No.: 102016

For and on behalf of

K.K. MANKESHWAR & CO

Chartered Accountants

FRN 106009W

Mumbai, 30th May, 2016

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT

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

We have audited the internal financial controls over financial reporting of The Hindustan Housing Company Limited ("the Company") as of 31 March 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") 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 ("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 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 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 auditors' 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 2016, 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.

Mumbai, 30th May, 2016

GIRISH M. PATHAK
Partner
Membership No.: 102016
For and on behalf of
K.K. MANKESHWAR & CO
Chartered Accountants
FRN 106009W

THE HINDUSTAN HOUSING COMPANY LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2016

Particulars	Note No.	As at	As at
		31-Mar-2016	31-Mar-2015
		₹	₹
I. EQUITY AND LIABILITIES			
1. Shareholder's Funds			
a) Share Capital	2	6,08,645	6,08,645
b) Reserves & Surplus	3	5,28,26,754	4,72,06,951
2. Non-Current Liabilities			
a) Deferred Tax Liabilities/ (Assets) (Net)	4	(5,28,776)	(4,85,890)
b) Other Long Term Liabilities	5	56,31,000	70,41,000
c) Long Term Provisions	6	83,52,914	60,95,068
3. Current Liabilities			
a) Other Current Liabilities	7	47,68,032	48,55,175
b) Short Term Provisions	8	19,39,383	19,03,617
TOTAL		<u>7,35,97,952</u>	<u>6,72,24,566</u>
II. ASSETS			
1. Non-Current Assets			
a) Fixed Assets	9		
i) Tangible Assets		1,16,18,102	1,63,49,785
ii) Intangible Assets		-	-
b) Non-Current Investments	10	2,95,35,592	5,63,125
c) Long-Term Loans and Advances	11	1,01,54,554	82,95,843
d) Other Non-Current Assets	12	2,10,820	2,10,820
2. Current Assets			
a) Current Investments	13	1,82,01,314	2,82,76,112
b) Trade Receivables	14	19,35,207	1,14,76,247
c) Cash and Cash Equivalents	15	16,32,743	18,70,783
d) Short Term Loans and Advances	16	3,09,620	1,53,851
e) Other Current Assets	17	-	28,000
TOTAL		<u>7,35,97,952</u>	<u>6,72,24,566</u>
Significant Accounting Policies Adopted by the Company	1		

Notes 1 to 33 form an integral part of the Financial Statements

As per our report of even date

GIRISH M. PATHAK

Partner

Membership No.102016

For & on Behalf of

K K MANKESHWAR & CO.

Chartered Accountants

Firm Registration No.106009W

For The Hindustan Housing Company Ltd.

Vinaya Mehrotra

Chairman

Minal Bajaj

Director

Vinod Nevatia

Director

Pradeep Dhruva

Company Secretary

Vijay Bohra

Chief Financial Officer

Mumbai : 30th May, 2016

Mumbai : 30th May, 2016

STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2016.

Particulars	Note No.	2015-2016	2014-2015
		₹	₹
I. Revenue from Operations	18	3,49,86,042	2,98,03,606
II. Other Income	19	36,70,410	25,49,194
III. Total Revenue (I + II)		3,86,56,452	3,23,52,800
IV. EXPENSES			
Employee Benefits Expense	20	1,17,86,090	89,49,324
Depreciation and Amortisation Expense	9	49,59,918	49,70,552
Other Expenses	21	1,39,47,759	1,19,07,630
Total Expenses		3,06,93,767	2,58,27,506
V Profit before Tax (III - IV)		79,62,685	65,25,294
VI Tax Expenses			
(1) Current Tax		(23,50,000)	(25,00,000)
(2) Deferred Tax Credit / (charge)		42,886	11,79,815
(3) Tax in respect of earlier years (Net)		(35,768)	-
VII Profit/(Loss) for the year (V - VI)		56,19,803	52,05,109
VIII Earnings per Share	22		
(1) Basic		232	215
(2) Diluted		232	215
Significant Accounting Policies Adopted by the Company	1		

Notes 1 to 33 form an integral part of the Financial Statements

As per our report of even date
GIRISH M. PATHAK
Partner
Membership No.102016
For & on Behalf of
K K MANKESHWAR & CO.
Chartered Accountants
Firm Registration No.106009W

Mumbai : 30th May, 2016

For The Hindustan Housing Company Ltd.

Vinaya Mehrotra
Chairman

Minal Bajaj
Director

Vinod Nevatia
Director

Pradeep Dhruva
Company Secretary

Vijay Bohra
Chief Financial Officer

Mumbai : 30th May, 2016

THE HINDUSTAN HOUSING COMPANY LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

	Year Ended 31 st March, 2016		Year Ended 31 st March, 2015	
	₹	₹	₹	₹
A. Cash flow arising from Operating Activities				
Net Profit before Tax		79,62,685		65,25,294
Add back :				
a) Depreciation Charge	49,59,918		49,70,552	
		49,59,918		49,70,552
		1,29,22,603		1,14,95,846
Deduct :				
a) Dividend Income	36,31,977		25,13,994	
b) Interest Income	38,433		35,200	
		(36,70,410)		(25,49,194)
Operating Cash Profit before Working capital changes Add / (Deduct) :		92,52,193		89,46,652
a) Increase / (Decrease) in Trade Payables and provisions	10,94,797		4,85,561	
b) (Increase) / Decrease in Trade and Other Receivables	75,84,070		(97,31,424)	
		86,78,867		(92,45,863)
Cash Outflow From Operations		1,79,31,060		(2,99,211)
Deduct : Direct Taxes paid		27,00,506		23,25,482
Net Cash outflow from Operating Activities		1,52,30,554		(26,24,693)
B. Cash Flow arising from Investing Activities :				
Outflow :				
a) Acquisition of Fixed Assets & Capital WIP	2,28,235		2,74,184	
b) Acquisition of Current Investments	5,53,72,467		1,08,00,000	
		(5,56,00,702)		(1,10,74,184)
Inflow :				
a) Interest received	38,433		35,200	
b) Dividend received	24,06,775		9,50,000	
c) Sale of Current Investment	3,77,00,000		72,00,000	
		4,01,45,208		81,85,200
Net Cash Outflow from Investing Activities		(1,54,55,494)		(28,88,984)
C. Cash Flow arising from Financing Activities :				
Outflow :				
Unpaid Dividend deposited in "Investor Education and Protection Fund"		(13,100)		(11,660)
Net Cash Outflow from Financing Activities		(13,100)		(11,660)
Net Increase/(Decrease) in Cash / Cash Equivalents (A+B+C)		(2,38,040)		(55,25,337)
Add - Balance at the beginning of the year		18,70,783		73,96,120
Cash / Cash Equivalents at the close of the year		16,32,743		18,70,783

Significant Accounting Policies adopted by the Company
Notes 1 to 33 form an integral part of the Financial Statements

Note No. 1

As per our report of even date
GIRISH M. PATHAK
Partner
Membership No.102016
For & on Behalf of
K K MANKESHWAR & CO.
Chartered Accountants
Firm Registration No.106009W

For The Hindustan Housing Company Ltd.

Vinaya Mehrotra
Chairman

Minal Bajaj
Director

Vinod Nevatia
Director

Pradeep Dhruva
Company Secretary

Vijay Bohra
Chief Financial Officer

Mumbai : 30th May, 2016

32

Mumbai : 30th May, 2016

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016**1. Significant Accounting Policies:****1.1 Basis of preparation of financial statements:**

These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles (GAAP) under the historical cost convention on accrual basis. In accordance with the applicable mandatory Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 (the Act) read with Rule 7 of Companies (Accounts) Rules, 2014, the provisions of the Act, to the extent notified.

The Company is in the business of rendering various administrative and allied services. The Company has considered its operating cycle as 12 months and all assets and liabilities have been classified as current or non-current as per the criteria set out in Schedule III to the Companies Act, 2013

1.2 Use of Estimates:

The preparation of Financial Statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures relating to contingent assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Differences between actual results and estimates are recognised in the period in which the results are known. Changes in the estimates, if material, are reflected in the financial statements in the period in which changes are made and their effects are disclosed in the notes to the financial statements.

1.3 Recognition of Revenue and Expenditure:

- a. Income from rendering of services and related expenses are recognised on accrual basis in the year in which the services are rendered.
- b. Dividend income is recognised in the year in which the right to receive dividend is established.

1.4. Employee Benefits:

- a. **Short term employee benefits** are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related services are rendered;

- b. **Post employment benefits:**

Defined Benefit Plans:Gratuity

The present value of the obligation is determined based on an actuarial valuation at the close of the year using the Projected Unit Credit Method.

Actuarial gains and losses arising on such valuation are recognized immediately in the Statement of Profit and Loss. In the case of Gratuity liability for employees covered under the payment of Gratuity Act 1972, is contributed to the Life Insurance Corporation of India, through "Bachhraj Employees Group Gratuity Scheme." Fair value of the Plan Assets, is reduced from the gross obligation under the Defined Benefit Plans, to recognize the obligation on a net basis;

Defined Contribution PlansProvident Fund

Monthly contributions are made to "Bachhraj & Co. Ltd. Provident Fund Institution", (Trust) constituted for the benefit of the employees. The interest rate payable by the Trust to the beneficiaries is notified by the Government. The Company has an obligation to make good the shortfall, if any, between the return on investments of the Trust and the notified interest rate.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

- c. **Long term compensated absences** are provided on the basis of an actuarial valuation, using the Projected Unit Credit Method.

1.5 Fixed Assets and Depreciation:

a. Fixed Assets:

Fixed Assets are carried at cost of acquisition / book value less accumulated depreciation / amortisation. Costs include all expenses incurred to bring the assets to its present location and condition.

b. Depreciation/Amortisation:

- i. Depreciation is provided on Straight Line Method, in accordance with Schedule II to the Act. The useful lives of the assets for computing depreciation are as per Schedule II of the Act.
- ii. Depreciation on additions to assets or on sale/disposal of assets is calculated pro-rata from the day of such addition or upto the day of such sale/disposal as the case may be.
- iii. Cost of computer software is amortised over a period of three years.

1.6 Investments:

Investments are classified into Non Current and Current Investments. Non Current Investments are stated at cost of acquisition. Diminution, if any, in the value of Non Current Investments, other than temporary, is provided for each investment individually. Current Investments are stated at lower of cost and market value/ net realisable value.

1.7 Borrowing Costs:

Interest and other borrowing costs attributable to qualifying assets are capitalized. Other interest and borrowing costs are charged to revenue.

1.8 Taxation:

Income-tax expense comprises Current tax and Deferred tax charge or credit.

- a) Provision for current tax is made on the assessable income at the tax rate applicable to the relevant assessment year. Minimum Alternate Tax (MAT) eligible for set off in subsequent years, (as per tax laws) is recognized as an asset by way of credit to the Statement of Profit and Loss only if there is convincing evidence of its realisation. At each balance sheet date, the carrying amount of MAT Credit Entitlement receivable is reviewed to reassure realisation.
- b) Deferred Tax is recognized on timing difference between taxable income and accounting income that originated in one period and are capable of reversal in one or more subsequent period(s). The Deferred Tax Asset and Deferred Tax Liability is calculated by applying tax rate and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred Tax Assets arising on account of brought forward losses and unabsorbed depreciation under tax laws are recognised only if there is a virtual certainty of its realisation supported by convincing evidence. Deferred Tax Assets on account of other timing differences are recognised only to the extent there is a reasonable certainty of its realisation. At each Balance Sheet date, the carrying amount of Deferred Tax Assets is reviewed to reassure realisation.

1.9 Impairment of Assets:

The Company, at each balance sheet date, assesses whether there is any indication that an individual asset or group of assets constituting a Cash Generating Unit (CGU) may be impaired. Provision for impairment loss is recognised where the recoverable amount of an asset or a CGU, is less than its carrying amount. Provisions for impairment losses recognised in earlier years, if any, are further reviewed at each balance sheet date and adjusted for changes in the estimated recoverable amount of asset / CGU.

1.10 Provisions, Contingent Liabilities and Contingent Assets:

Provisions involving a substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events, and it is probable that there will be an outflow of resources and reliable estimate of the amount of the obligation can be made. Contingent Liabilities are not recognized and are disclosed in the notes. Contingent Assets are neither recognised nor disclosed in the financial statements

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016**1.11 Cash Flow Statement:**

Cash flows are reported using the Indirect Method, whereby profit/ (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information

1.12 Cash and Cash Equivalents:

Cash and cash equivalents comprise cash and cash on deposit with banks. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

1.13 Earnings Per Share:

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, 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.

THE HINDUSTAN HOUSING COMPANY LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

2 Share Capital

Particulars	As at 31-03-2016		As at 31-03-2015	
	Number of Shares	₹	Number of Shares	₹
a) Authorised Equity Shares of ₹ 25/- each	40,000	10,00,000	40,000	10,00,000
b) Issued Equity Shares of ₹ 25/- each	24,531	6,13,275	24,531	6,13,275
c) Subscribed and Paid up				
i) Equity Shares of ₹ 25/- each fully paid up	24,200	6,05,000	24,200	6,05,000
ii) Forfeited Shares (Amounts originally paid up)	331	3,645	331	3,645
Total	24,531	6,08,645	24,531	6,08,645

2.1 Reconciliation of Number of Shares and Amount Outstanding :

Particulars	As at 31-03-2016		As at 31-03-2015	
	Number of Shares	₹	Number of Shares	₹
Equity Shares at the beginning of the year	24,531	6,08,645	24,531	6,08,645
Add: Shares issued during the year	—	—	—	—
Less: Shares bought back during the year	—	—	—	—
Equity Shares at the end of the year	24,531	6,08,645	24,531	6,08,645

2.2 Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company :

Name of the Shareholder	As at 31-03-2016		As at 31-03-2015	
	Number of Shares	% of total Holding	Number of Shares	% of total Holding
i. Sikkim Janseva Pratisthan Pvt. Ltd.	6,824	28.20%	6,824	28.20%
ii. Bachhraj & Company Pvt. Ltd.	6,152	25.42%	6,152	25.42%
iii. Jamnalal Sons Pvt. Ltd.	2,564	10.60%	2,564	10.60%
Total	15,540	64.22%	15,540	64.22%

2.3 The Company has only one class of shares referred to as equity shares having a par value of ₹ 25/- Each holder of equity shares is entitled to one vote per share.

2.4 In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all the preferential amount, in the proportion of the number of equity shares held by each share holders.

3 Reserves & Surplus

Particulars	As at 31-03-2016		As at 31-03-2015	
	₹	₹	₹	₹
a) General Reserve				
Opening Balance	3,11,50,000		3,11,50,000	
Add : Transfer from Surplus during the Current year	2,00,00,000		—	
Closing Balance		5,11,50,000		3,11,50,000
b) Surplus in the Statement of Profit and Loss :				
Opening balance	1,60,56,951		1,18,40,246	
Add: Net Profit for the year	56,19,803		52,05,109	
Less: Transfer to General Reserve	2,00,00,000		—	
Less: Depreciation (Net of tax ₹4,41,992/-) pursuant to enactment of Schedule II of the Companies Act 2013, (refer note no 31)	—		(9,88,404)	
Closing Balance		16,76,754		1,60,56,951
Total		5,28,26,754		4,72,06,951

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

3.1 Pursuant to the Companies Act 2013, the Company has applied the useful lives of the fixed assets as specified in Schedule II, except in respect of computer software, where the amortisation is made as per the policy consistently followed by the Company in the past. Accordingly, the unamortised carrying values of the fixed assets are being depreciated over the remaining useful lives of the respective assets, after considering the specified residual value of the assets. The written down value of Fixed Assets whose lives had expired as at 1st April 2014, were adjusted, net of tax, in opening balance of statement of Profit and Loss as on 31st March 2015

4 Deferred Tax Liability / (Assets)

Particulars	As at 31-03-2016		As at 31-03-2015	
	₹	₹	₹	₹
Deferred Tax Liability/(Assets) on account of Depreciation Less: Deferred Tax Asset on account of Employee Benefits Less: Deferred Tax Liability/(Assets) transferred to retained earnings on account of changes in useful life of the assets calculated in accordance with Schedule II of the Companies Act, 2013. (refer note 31)		(3,71,389) 1,57,387 -		5,60,709 (4,41,992) (6,04,607)
Total		(5,28,776)		(4,85,890)

5 Other Long Term Liabilities

Particulars	As at 31-03-2016		As at 31-03-2015	
	₹	₹	₹	₹
Security Deposits		56,31,000		70,41,000
Total		56,31,000		70,41,000

6 Long Term Provisions

Particulars	As at 31-03-2016		As at 31-03-2015	
	₹	₹	₹	₹
Provision for employee benefits (Net) (Refer Note No. 25)	83,41,013		60,83,167	
Provision for Taxation (Net of Advance Tax)	11,901	83,52,914	11,901	60,95,068
Total		83,52,914		60,95,068

7 Other Current Liabilities

Particulars	As at 31-03-2016		As at 31-03-2015	
	₹	₹	₹	₹
Unclaimed Dividend*	-		13,100	
Other Liabilities # {Refer Note No.28 (a)}	33,58,032		34,32,075	
Security Deposits	14,10,000		14,10,000	
		47,68,032		48,55,175
Total		47,68,032		48,55,175

* There is no amount due and outstanding to be credited to Investor Education and Protection Fund (IEPF). An amount of ₹ 13,100/- has been paid towards IEPF during the year.

Includes statutory dues, liability for expenses and payable to employees.

8 Short Term Provisions

Particulars	As at 31-03-2016		As at 31-03-2015	
	₹	₹	₹	₹
Provision for employee benefits (Net) (Refer Note No. 25)		19,39,383		16,18,389
Provision for Taxation (Net of Advance Tax)		-		2,85,228
Total		19,39,383		19,03,617

THE HINDUSTAN HOUSING COMPANY LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

9 Fixed Assets

(Amount in ₹)

ASSETS	GROSS BLOCK (AT COST)				DEPRECIATION				Retained Earnings #	NET BLOCK	
	As at 01-04-2015	Addition	Disposal	As at 31-03-2016	As at 01-04-2015	For the Year	(Disposal) / Adjustment	As at 31-03-2016		As at 31-03-2016	As at 31-03-2015
a) Tangible Assets											
Building*	71,07,861	-	-	71,07,861	12,51,336	1,12,533	-	13,63,869	-	57,43,992	58,56,525
Elevators	10,63,686	-	-	10,63,686	7,75,815	-	-	7,75,815	2,34,687	53,184	53,184
Air Conditioner Plant	5,11,621	-	-	5,11,621	2,33,820	67,118	-	3,00,938	1,69,807	40,876	1,07,994
Electrical Equipments	8,99,964	-	-	8,99,964	6,46,379	-	-	6,46,379	2,10,160	43,425	43,425
Furniture, Fixtures and Equipments	83,86,863	1,49,735	-	85,36,598	40,30,636	8,73,370	-	49,04,006	3,11,978	33,20,614	40,44,249
Office Equipments	12,98,656	-	-	12,98,656	7,06,568	86,998	-	7,93,566	4,18,750	86,340	1,73,338
Security Equipment	1,00,56,431	-	-	1,00,56,431	42,93,336	36,28,504	-	79,21,840	-	21,34,591	57,63,095
Computers	8,88,680	78,500	-	9,67,180	4,95,691	1,91,395	-	6,87,086	85,014	1,95,080	3,07,975
Total Tangible Assets (A)	3,02,13,762	2,28,235	-	3,04,41,997	1,24,33,581	49,59,918	-	1,73,93,499	14,30,396	1,16,18,102	1,63,49,785
b) Intangible Assets											
Computer Software	66,180	-	-	66,180	66,180	-	-	66,180	-	-	-
Total Intangible Assets (B)	66,180	-	-	66,180	66,180	-	-	66,180	-	-	-
Total (A) + (B)	3,02,79,942	2,28,235	-	3,05,08,177	1,24,99,761	49,59,918	-	1,74,59,679	14,30,396	1,16,18,102	1,63,49,785
Previous Year's Total	3,00,05,758	2,74,184	-	3,02,79,942	75,29,209	49,70,552	-	1,24,99,761	14,30,396	1,63,49,785	

* Includes ₹ 500/- (PY ₹ 500/-) being the cost of 10 shares in a Co-operative Society for Office Premises on ownership basis.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

10 Non Current Investments

Particulars	As at 31-03-2016		As at 31-03-2015	
	Nos	₹	Nos	₹
a) Investments in Equity Shares (Quoted)- At Cost <u>Other Investments</u>				
1. Bajaj Holdings & Investment Limited (BHIL) 15,391 (7,200) Equity Shares of ₹10/- each fully paid up	15,391	1,37,00,038	7,200	24,366
2. Bajaj Finserv Limited (Equity Shares of ₹ 5/- each fully paid up)	8,000	5,29,229	8,000	5,29,229
3. Bajaj Auto Limited 20,800 (14,400) Equity Shares of ₹10/- each fully paid up	20,800	1,53,06,325	14,400	9,530
Total	44,191	2,95,35,592	29,600	5,63,125

10.1 Particulars	Book Value (₹)		Market Value (₹)	
	As at 31-03-2016	As at 31-03-2015	As at 31-03-2016	As at 31-03-2015
Aggregate Quoted Investments	2,95,35,592	5,63,125	8,61,63,131	4,95,37,680
Total	2,95,35,592	5,63,125	8,61,63,131	4,95,37,680

11 Long Term Loans and Advances

Particulars	As at 31-03-2016		As at 31-03-2015	
	₹	₹	₹	₹
<u>Unsecured, Considered good</u>				
a) Sundry Deposits	5,10,177		5,10,177	
b) Advances Recoverable in Cash or in Kind or for Value to be received	91,87,659		73,58,458	
c) Advance Tax (Net of Provision for Tax)	4,56,718	1,01,54,554	4,27,208	82,95,843
Total		1,01,54,554		82,95,843

12 Other Non-Current Assets

Particulars	As at 31-03-2016		As at 31-03-2015	
	₹	₹	₹	₹
a) Income Tax Refund Receivable		2,10,820		2,10,820
Total		2,10,820		2,10,820

THE HINDUSTAN HOUSING COMPANY LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

13 Current Investments

Particulars	As at 31-03-2016		As at 31-03-2015	
	No. of Units	₹	No. of Units	₹
a) Investments in Mutual Funds (Unquoted) (At lower of Cost or Fair value)				
1. HDFC CMF-Saving Plan-Direct Plan- Daily Dividend Reinvest (NAV ₹ 18,21,852/- ; P.Y. ₹ 2,62,96,650/-)	1,713	18,21,844	24,72,326	2,62,96,642
2. HDFC Floating Rate Income Fund- Short Term SHORT TERM PLAN-GROW (NAV ₹ 1,48,15,707/- ; P.Y. ₹ NIL)	5,67,647	1,44,00,000	-	-
3. Reliance Diversified Power Sector Fund -Growth Plan (NAV ₹ 30,09,295/- ; P.Y. ₹ 35,57,351/-)	44,370	5,00,000	44,370	5,00,000
4. Principal Large Cap Fund - Growth Plan (NAV ₹ 62,65,141/- ; P.Y. ₹ 67,88,925/-)	1,44,691	14,79,470	1,44,691	14,79,470
Total		1,82,01,314		2,82,76,112

13.1 Particulars	Book Value (₹)		Market Value (₹)	
	As at 31-03-2016	As at 31-03-2015	As at 31-03-2016	As at 31-03-2015
Aggregate Unquoted Investments	1,82,01,314	2,82,76,112	2,59,11,995	3,64,42,925
Total	1,82,01,314	2,82,76,112	2,59,11,995	3,64,42,925

14 Trade Receivable

Particulars	As at 31-03-2016		As at 31-03-2015	
	₹	₹	₹	₹
a) Trade receivables outstanding for a period exceeding six months from the date they were due for payment"		-		-
b) Other Trade Receivables Unsecured, considered good		19,35,207		1,14,76,247
Total		19,35,207		1,14,76,247

15 Cash and Cash Equivalents

Particulars	As at 31-03-2016		As at 31-03-2015	
	₹	₹	₹	₹
a) Balances with Bank				
Current Account	9,60,796		18,39,232	
Cheques in Hand	6,69,946		-	
Unclaimed Dividend Account	-		24,489	
b) Cash in Hand	2,001	16,32,743	7,062	18,70,783
Total		16,32,743		18,70,783

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

16 Short Term Loans and Advances

Particulars	As at 31-03-2016		As at 31-03-2015	
	₹	₹	₹	₹
Unsecured, considered good				
a) Loans and Advances to Employees	2,40,000		30,000	
b) Advances Recoverable in Cash or in Kind or for value to be received"	69,620	3,09,620	1,23,851	1,53,851
Total		3,09,620		1,53,851

17 Other Current Assets

Particulars	As at 31-03-2016		As at 31-03-2015	
	₹	₹	₹	₹
a) Interest Receivable		-		28,000
Total		-		28,000

18 Revenue from Operations

Particulars	2015-16	2014-15
	₹	₹
Sale of Services		
Air-conditioning Service Charges	81,74,586	71,38,857
General Administration Service Charges	1,54,87,240	1,17,84,119
Dining Room Service Charges	45,95,621	48,86,351
Other allied Services	67,28,595	59,94,279
Total	3,49,86,042	2,98,03,606

19 Other Income

Particulars	2015-16	2014-15
	₹	₹
Interest Income	38,433	35,200
Dividend	36,31,977	25,13,994
Sundry Balances Written Back	-	-
Total	36,70,410	25,49,194

20 Employee Benefits Expense

Particulars	2015-16	2014-15
	₹	₹
Salaries, Allowances, Bonus, etc.	86,09,076	62,58,583
Contribution to Provident and Other Funds (Defined Benefit Plan)	16,74,796	15,45,599
Contribution to National Pension System	2,35,727	97,320
Staff Welfare Expenses	12,66,491	10,47,822
Total	1,17,86,090	89,49,324

THE HINDUSTAN HOUSING COMPANY LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

21 Other Expenses

Particulars	2015-16	2014-15
	₹	₹
Power & Fuel	66,22,167	56,13,953
Rates and Taxes	9,61,428	8,52,624
Auditor's Remuneration (Refer Note 21.1)	1,26,000	1,29,560
Director's Sitting Fees	2,90,000	2,05,000
Maintenance and Service Contract Charges	8,65,354	3,34,438
Compensation paid for use of Premises	3,00,000	3,00,000
Legal and Professional Charges	1,84,178	1,46,750
Housekeeping Charges	14,82,010	12,87,075
General Administration Service Expenses	14,25,687	12,03,711
Miscellaneous Expenditure	16,90,935	18,34,519
Total	1,39,47,759	1,19,07,630

21.1 Auditors' Remuneration

Particulars	2015-16	2014-15
	₹	₹
Fees as Auditors	70,000	70,000
Fees as Tax Auditors	35,000	35,000
Fees for other work	21,000	21,000
For Reimbursement of Expenses	-	3,560
Total	1,26,000	1,29,560

22 Earnings per share

Particulars	2015-16	2014-15
	₹	₹
Net profit after tax as per Statement of Profit and Loss attributable to Equity shareholders (₹)	56,19,803	52,05,109
Weighted Average number of equity shares used as denominator for calculating EPS	24,200	24,200
Basic and Diluted Earnings per share (₹)	232	215
Face value per equity share (₹)	25	25

23 Particulars of the Firm M/s. Agarwal Brothers in which the Company is a Partner (as certified by a Partner of the Firm/ Director of the Company):

Sr. No.	Partners	Share of Profit (%)	Capital as at 31/03/2016 ₹	Capital as at 31/03/2015 ₹
1	Shri Gauriduttji Mittal (HUF)	10	-	-
2	Shri Govindramji Mittal (HUF)	5	-	-
3	Shri Brahmadduttji Mittal (HUF)	10	-	-
4	Shri Shankarlalji Mittal (HUF)	3	-	-
5	Shri Vishwanathiji Mittal (HUF)	9	-	-
6	Smt. Kantadevi Mittal	10	-	-
7	Smt. Pushpa Mittal	3	-	-
8	The Hindustan Housing Co. Limited	50	-	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

24. The Regional Provident Fund Office, Mumbai (RPFO) vide its Order dated 24.09.2013 had directed the Company to pay Provident Fund dues amounting to ₹ 23.55 Lacs in respect of certain contract workers, retrospectively w.e.f. 01.04.1999 onwards. The RPFO has fully recovered the said amount from the Company. The Company had preferred an appeal against the Order before the EPF Appellate Tribunal, New Delhi (EPFAT). The Employee Provident Fund Appellate Tribunal (EPFAT) has passed Order dated 10.03.2016, setting aside the order passed by the RPFO (Mumbai) and remitted the case back to RPFO (Mumbai) to dispose it off afresh in accordance with law. Pending reassessment by the RPFO, the amount so recovered has been disclosed under "Long Term Loan & Advances". The interest and penalty, if any payable thereon presently is not ascertainable.
25. (a) The disclosures in respect of Defined Benefit Gratuity Plan (to the extent of information made available by LIC) are given below:

	Particulars	2015-2016 (₹)	2014-2015 (₹)
(i)	Changes in Present Value of Obligations		
	Present Value of Obligations at beginning of the year	62,13,593	49,60,185
	Interest cost	4,84,660	4,22,528
	Current service cost	3,19,543	3,23,200
	Benefits paid	-	6,84,795
	Actuarial (Gain) /Loss	12,65,295	11,92,475
	Present Value of Obligations at end of the year	82,83,091	62,13,593
(ii)	Changes in Fair Value of Plan Assets		
	Fair Value of Plan Assets at beginning of the year	50,03,839	50,11,682
	Adjustment to Opening Fair Value of Plan Assets	(39,966)	-
	Expected Return on Plan Assets	5,14,800	4,40,700
	Contributions	13,25,000	2,94,530
	Benefits Paid	-	(6,84,795)
	Actuarial Gain /(Loss) on Plan Assets	29,367	(58,278)
	Fair Value of Plan Assets at end of the year	68,33,040	50,03,839
(iii)	Amount to be recognized in the Balance Sheet		
	Present Value of Obligations at end of the year	82,83,091	62,13,593
	Fair Value of Plan Assets at end of the year	68,33,040	50,03,839
	Net Asset / (Liability) recognized in the Balance Sheet	(14,50,051)	(12,09,754)
(iv)	Expenses to be recognized in the statement of Profit and Loss		
	Current Service Cost	3,19,543	3,23,200
	Interest Cost	4,84,660	4,22,528
	Expected Return on Plan Assets	(5,14,800)	(4,40,700)
	Net Actuarial (Gain) / Loss	12,35,928	12,50,753
	Expenses recognized in the statement of Profit and Loss	15,25,331	15,55,781
(v)	Assumptions:		
	Mortality	IALM (2006-08)	IALM(2006-08)
		ULT	ULT
	Discount Rate	8%	7.80%
	Rate of increase in compensation *	12%	9%
	Expected rate of Return on Assets	9.15%	9.15%
	Withdrawal rates	0.80%	0.80%

* The estimate of future salary increases considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors.

THE HINDUSTAN HOUSING COMPANY LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

25. (b) The disclosures in respect of Leave Encashment Plan (Unfunded) - to the extent of information made available by LIC are given below:

	Particulars	2015-2016 (₹)	2014-2015 (₹)
(i)	Changes in Present Value of Obligations		
	Present Value of Obligations at beginning of the year	14,87,963	13,42,011
	Interest cost	1,16,061	1,22,342
	Current service cost	4,39,160	4,06,120
	Benefits paid	-	(9,870)
	Actuarial (Gain)/ Loss	(45,879)	(3,72,640)
	Present Value of Obligations at end of the year	19,97,305	14,87,963
(ii)	Changes in Fair Value of Plan Assets		
	Fair Value of Plan Assets at beginning of the year	-	-
	Expected Return on Plan Assets	-	-
	Contributions	-	9,870
	Benefits Paid	-	(9,870)
	Actuarial Gain /(Loss) on Plan Assets	-	-
	Fair Value of Plan Assets at end of the year	-	-
(iii)	Amount to be recognized in the Balance Sheet		
	Present Value of Obligations at end of the year	19,97,305	14,87,963
	Fair Value of Plan Assets at end of the year	-	-
	Net Asset / (Liability) recognized in the Balance Sheet	(19,97,305)	(14,87,963)
(iv)	Expenses to be recognized in the statement of Profit and Loss		
	Current Service Cost	4,39,160	4,06,120
	Interest Cost	1,16,061	1,22,342
	Expected Return on Plan Assets	-	-
	Net Actuarial (Gain) / Loss	(45,879)	(3,72,640)
	Expenses recognized in the statement of Profit and Loss	5,09,342	1,55,822
(v)	Assumptions:		
	Mortality	IALM (2006-08) Ult.	IALM (2006-08) Ult.
	Discount Rate	8%	7.80%
	Rate of increase in compensation *	12%	9%
	Expected rate of Return on Assets	0.80%	0.80%
	Withdrawal rates		

* The estimate of future salary increases considered in actuarial calculation takes into account inflation, seniority, promotion and other relevant factors.

26. Segment Reporting:

The Company is, at present, primarily engaged in a single business segment of providing and rendering administrative and allied services and operates only in a single geographical segment.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016**27. Related Party Disclosures:**

Details of Transactions with Related Parties during the year as required by Accounting Standard-18 (AS 18) on 'Related Party Transactions' have been disclosed on the basis of parties identified by the Company to be within the definition of Related Parties as per Section 2(76) of the Companies Act, 2013 and noted by the Board of Directors.

Accordingly the information is disclosed as hereunder:

1) Relationships:

(a) Key Managerial Personnel

Name	Position held
Smt. Meeta Khalsa	Company Secretary & Compliance Officer (up to. 30 th November, 2015)
Shri. Pradeep Dhruva	Company Secretary & Compliance Officer (w.e.f. 1 st December, 2015)
Shri. Vijay Bohra	Chief Financial Officer

b) Entities which are related to the Company and with whom transactions have taken place during the year :

Names of the Entities:
Jamnalal Sons Pvt. Ltd.
Bachhraj & Company Pvt. Ltd.
Bachhraj Factories Pvt. Ltd.
Baroda Industries Pvt. Ltd.
Bajaj Holdings and Investments Ltd.

Note : Related Party relationship is as identified by the Company and relied upon by the Auditors.

THE HINDUSTAN HOUSING COMPANY LIMITED

2) Transactions carried out with Related Parties referred to in 1 above, in the ordinary course of business:

Nature of Transaction	Related Parties	
	Referred in1(a) above ₹	Referred in1(b) above ₹
Expenditure :		
Board Room Compensation		
Bachhraj & Company Private Limited		3,00,000 (3,00,000)
Payment to Key Managerial Personnel		
Shri Pradeep Dhruva	4,41,280 -	
Income :		
Services		
Jamnalal Sons Private Limited		6,00,013 (5,01,363)
Bajaj Holdings & Investments Limited		1,22,27,480 (96,42,860)
Bachhraj & Company Private Limited		55,91,108 (43,40,201)
Baroda Industries Private Limited		19,02,424 (14,84,535)
Bachhraj Factories Pvt. Ltd.		20,96,640 (16,32,116)
Dividend Received		
Bajaj Holdings & Investments Limited		6,18,775 (2,16,000)
Reimbursement of Expenses		
Jamnalal Sons Private Limited		5,51,487 (2,62,641)
Bachhraj & Company Private Limited		56,079 (58,627)
Baroda Industries Private Limited		21,142 (23,914)
Bachhraj Factories Pvt. Ltd.		9,579 (9,624)

- 2) Transactions carried out with Related Parties referred to in 1 above, in the ordinary course of business:

Nature of Transaction	Related Parties	
	Referred in1(a) above ₹	Referred in1(b) above ₹
Receivable		
Bajaj Holdings and Investments Limited		- (33,47,424)
Bachhraj Factories Pvt. Ltd.		- (235)
Payable Deposits / Advances		
Jamnalal Sons Private Limited		1,32,000 (1,59,000)
Bachhraj Factories Pvt. Ltd.		2,33,000 (2,80,000)
Bajaj Holdings and Investments Limited		18,82,572 (20,10,000)
Bachhraj & Company Private Limited		7,33,000 (8,80,000)
Baroda Industries Private Limited		2,22,000 (2,67,000)

THE HINDUSTAN HOUSING COMPANY LIMITED

Figures in brackets relate to previous year.

* All figures are net of services Tax.

28. (a) "Other Liabilities" and "Creditor for Capital Goods" in Note '7' to Account include (i) ₹ Nil (31.03.2015 ₹ Nil) due to micro and small enterprises registered under the Micro, Small and Medium Enterprises Development Act, 2006 (MSME) ; and (ii) ₹ 33,42,397 (31.03.2015 ₹ 32,86,627/-) due to other creditors.
- (b) No interest is paid / payable during the year and there is no interest accrued / payable under the MSME at the close of the year.
- (c) The above information has been determined to the extent such parties could be identified on the basis of the information available with the Company regarding the status of the suppliers under the MSME.
29. In the opinion of the Board of Directors, all items of Current Assets, Loans and Advances continue to have a realizable value of at least the amounts at which they are stated in the Balance Sheet, unless otherwise stated.
30. Balances of Loans and advances, Creditors for Capital goods and Sundry Deposits are subject to confirmation and are as per books of account only. However, in the opinion of management, the reconciliation will not have any material impact on profitability of the Company for the year.
31. Effective from April 01, 2014 the Company had charged depreciation based on the remaining useful life of the assets as per the requirement of Schedule II of the Companies Act, 2013. Due to above, the depreciation charge for the year ended March 31,2015 was higher by ₹ 36,96,700/- Further, based on transitional provision of Schedule II, an amount ₹ 9,88,404/- (net of deferred tax ₹ 4,41,992/-) was recognised in the Retained Earnings in the previous financial year.
32. The provisions of Section 135 of the Companies Act, 2013 read together with the rules framed thereunder relating to CSR initiatives which need to be undertaken by specified companies are at present not applicable to the Company.
33. Previous year's figures have been regrouped / reclassified wherever necessary.

As per our report of even date
GIRISH M. PATHAK
Partner
Membership No.102016
For & on Behalf of
K K MANKESHWAR & CO.
Chartered Accountants
Firm Registration No.106009W

Mumbai : 30th May, 2016

For The Hindustan Housing Company Ltd.

Vinaya Mehrotra
Chairman

Minal Bajaj
Director

Vinod Nevatia
Director

Pradeep Dhruva
Company Secretary

Vijay Bohra
Chief Financial Officer

Mumbai : 30th May, 2016