
**THE
HINDUSTAN HOUSING
COMPANY LIMITED**



**78th Annual Report
2013-2014**

THE HINDUSTAN HOUSING COMPANY LIMITED

Board of Directors

Niraj Bajaj - Chairman
Sanjivnayan Bajaj
Vinaya Mehrotra
Vinod Nevatia

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.

N O T I C E

NOTICE is hereby given that the Seventy Eighth Annual General Meeting of the Members of The Hindustan Housing Company Ltd. will be held on Friday, 12th September, 2014 at 3:00 p.m. at the Registered Office of the Company at Bajaj Bhawan, 2nd floor, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai - 400-021, to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Balance Sheet as at March 31, 2014 and the Profit and Loss Account for the year ended on that date and the Reports of the Directors and the Auditors thereon.
2. To appoint a Director in place of Shri Vinod Nevatia (DIN 00059194), who retires by rotation and being eligible, offers himself for reappointment.
3. To consider and, if thought fit, to pass, with or without modification, the following resolution as an Ordinary resolution:

“RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions of the Companies Act, 2013 and the Rules made there under, the retiring auditors, M/s K. K. Mankeshwar & Co., Chartered Accountants (Firm Registration No : FRN 106009W), be and are hereby appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the Seventy Eight Annual General Meeting of the Company subject to ratification by the members at every Annual General Meeting to be held hereafter, 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 8th September, 2014 to 12th September, 2014 (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 50 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 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 provisions of Section 139 of the Companies Act, 2013, and the Rules made there under, the current auditors of the Company, M/s K. K. Mankeshwar & Co., Chartered Accountants, are proposed to be appointed for a period of two years up to Year 2016. The appointment of M/s K. K. Mankeshwar & Co., Chartered Accountants, as auditors for two years from the conclusion of the ensuing Annual General Meeting till the conclusion of the Seventy Eighth Annual General Meeting, to be scheduled in the Year 2016 and to fix their remuneration for the Financial Year 2014-2015 has been put up for the approval of the shareholders.

7. 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 (hereinafter called "the Rules" for the purpose of this section of the Notice) and Clause 35B of the Listing Agreement, the Company is providing facility to exercise votes on the items of business given in the Notice through electronic voting system, to members holding shares as on 8th August, 2014 (End of Day) being the Cut-off date (Record date for the purpose of Rule 20 (3) (vii) of the Rules) fixed for determining voting rights of members, entitled to participate in the e-voting process, through the e-voting platform provided by Central Depository Services Ltd. (CDSL).

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

In case of members receiving e-mail:

- Log on to the e-voting website www.evotingindia.com
- Click on "Shareholders" tab.
- Now, select the "COMPANY NAME"- **The Hindustan Housing Company Ltd.** from the drop down menu and click on "SUBMIT"
- Now Enter your User ID
- For **CDSL** : 16 digits beneficiary ID,
- For **NSDL** : 8 Characters DP ID followed by 8 Digits Client ID,
- Members holding shares in Physical Form should enter Folio Number registered with the Company.
- Next enter the Image Verification as displayed and Click on Login.
- 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.
- If you are a first time user follow the steps given below

For Members holding shares in Demat Form and Physical Form	
PAN*	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <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 last 8 digits of the demat account/folio number in the PAN field.• In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.
DOB# Dividend Bank Details#	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format. Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none">• Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on the cutoff date in the Dividend Bank details field.

- After entering these details appropriately, click on "SUBMIT" tab.
 - 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.**
 - For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
 - Click on the EVSN for **The Hindustan Housing Company Ltd.**
 - 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.
 - Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
 - 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.
 - Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
 - You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
 - 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.
 - Institutional shareholders (i.e. other than Individuals, HUF, and NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporate Shareholders.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
- In case of members receiving the physical copy:**
- Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.

General Instructions:-

- (1) The E-voting period begins on 2nd September, 2014 at 9.00 a.m and ends on 4th September, 2014 at 6.00 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 8th August, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- (2) The Company has appointed **Mr. 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.
- (3) The Scrutinizer shall, within a period not exceeding three (3) working days from the conclusion of the 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.
- (4) 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).
- (5) Subject to the receipt of sufficient votes, the resolution shall be deemed to be passed at the 78th Annual General Meeting of the Company scheduled to be held on Friday, 12th September, 2014. At the said Annual General Meeting, the Chairman shall declare the results of voting on the resolutions set out in the Notice. 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 78th Annual General Meeting of the Company and shall also be communicated to the Stock Exchanges.
- (6) 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.

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

Niraj Bajaj
Chairman

Mumbai : 10th July, 2014

DIRECTORS' REPORT

Your Directors present their Seventy Eighth Annual Report and Audited Accounts of the Company for the year ended 31st March, 2014. Since this Report pertains to financial year that commenced prior to 1st April 2014, the contents therein are governed by the relevant provisions/schedules/rules of the Companies Act, 1956, in compliance with General Circular No.08/2014 dated 4th April 2014, issued by the Ministry of Corporate Affairs.

1. Financial Results :

	F. Y. <u>2013-2014</u> ₹	F. Y. <u>2012-2013</u> ₹
Profit for the year before tax	7,367,141	7,776,813
Less : Provision for Taxation	<u>1,809,395</u>	<u>1,769,554</u>
Profit after tax	5,557,746	6,007,259
 <u>Add/(Less) :</u>		
Tax in respect of earlier years (Net)	57,688	-
Balance brought forward from Previous year	<u>11,224,812</u>	<u>5,217,553</u>
Balance available for appropriation	<u>16,840,246</u>	<u>11,224,812</u>
 <u>Less : Appropriations:</u>		
Proposed Dividend	-	-
Tax on Proposed Dividend	-	-
Transfer to General Reserve	<u>(5,000,000)</u>	<u>-</u>
Balance carried to Balance Sheet	<u>11,840,246</u>	<u>11,224,812</u>

2. Dividend :

The Board of Directors of the Company do not recommend dividend on Equity Shares of the Company for the Financial Year ended 31st March, 2014.

3. Directors :

Shri Vinod Nevatia, Director of the Company retires by rotation and being eligible, offers himself for reappointment.

The Board of Directors recommends his re-appointment.

4. Particulars of employees :

There were no employees in respect of whom information as per Section 217(2A) of the Companies Act, 1956 read with rules framed thereunder is required to be given in the Directors' Report.

5. Other Information :

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 and Development' and 'Technology Absorption' as required to be given under the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988. Further, there was no Foreign Exchange earnings and/or outgo during the year under review.

6. Directors' Responsibility Statement :

Pursuant to sub-section (2AA) of Section 217 of the Companies Act, 1956, 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 judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company for the financial year ended as at 31st March, 2014 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, 1956 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.

7. Presentation of Financial Results :

The financial results of the Company for the year ended 31st March 2014 as in the previous year have been disclosed as per the revised Schedule VI to the Companies Act, 1956, pursuant to notification dated 28th February 2011 and General Circular No.8/2014 dated 4th April, 2014 issued by the Ministry of Corporate Affairs.

8. Auditors :

M/s K.K. Mankeshwar & Co., Chartered Accountants (Firm Registration No. 106009W) who are Statutory Auditors of the Company hold office up to the conclusion of the ensuing Annual General Meeting and are eligible for reappointment. As required under the provisions of Section 139 of the Companies Act, 2013, the Company has obtained a written certificate from M/s. K.K. Mankeshwar & Co. that their appointment, if made, would be in conformity with the limits specified in the said section.

The members are requested to appoint, M/s K.K. Mankeshwar & Co., Chartered Accountants, as auditors for two years from the conclusion of the ensuing annual general meeting till the conclusion of the Seventy Eight Annual General meeting of the Company in the Year 2016 and to fix their remuneration for the year 2014-2015.

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

Niraj Bajaj
Chairman

Mumbai : 28th May, 2014

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 M/s The Hindustan Housing Company Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and 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

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13th September, 2013 issued by Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing and other applicable authoritative pronouncements issued by The Institute of Chartered Accountants of India. 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 auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, 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.

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:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report On Other Legal And Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004, ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a. We have 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 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 referred to in sub-section (3C) of section 211 of the Act read with the General Circular 15/2013 dated 13th September, 2013 issued by Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013; and
 - e. On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act,

Mumbai, 28th May, 2014.

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

ANNEXURE TO INDEPENDENT AUDITORS' REPORT

(The Annexure referred to in our report to the members of the Company for the year ended March 31, 2014.)

- (i) (a) The Company has generally 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 program 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 program, a portion of the fixed assets have been physically verified by the Management during the year. As per the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) Based on the information and explanations given by the Management and on the basis of audit procedures performed by us, there were no disposal of Fixed Assets during the year.
- (ii) The Company is a service company, primarily rendering various administrative and allied services. Accordingly, it does not hold any Inventory. Consequently, clauses (ii) (a) to (ii) (c) of paragraph 4 of the Order are not applicable to the Company.
- (iii) The Company has neither granted nor taken any loans, secured or unsecured, to / from companies, firms or other parties covered in the register maintained under Section 301 of the Act. Consequently, clauses (iii) (a) to (iii) (g) of Paragraph 4 of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of fixed assets and for the sale of services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanation given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.
- (v) In respect of contracts or arrangements entered in the Register maintained in pursuance of Section 301 of the Companies Act 1956, to the best of our knowledge and belief and according to information and explanations given to us;
 - (a) The particulars of contracts or arrangements referred to in Section 301 that needed to be entered in the Register have been so entered.
 - (b) Where each of such transaction is in excess of Rupees Five Lacs in respect of any party, transactions have been made at prices which are prima facie reasonable having regard to the prevailing market prices at the relevant time.
- (vi) The Company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the rules framed there under.
- (vii) In our opinion, the Company has an adequate internal audit system commensurate with the size and nature of its business.
- (viii) (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, Sales Tax, Service Tax, Entry Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.
- (b) According to information and explanations given to us, there were no undisputed amounts payable in respect of Income Tax, Service Tax, Entry Tax, Cess and other material statutory dues in arrears as on 31st March, 2014 for a period of more than six months from the date they become payable.

- (ix) The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (x) On the basis of the records examined by us and the information and explanation given to us, there were no dues to the banks, financial institutions or debenture holders.
- (xi) In our opinion and according to information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xii) In our opinion and according to information and explanations given to us, the Company is not a dealer or trader in shares, securities, debentures and other investments. All the investments are held by the Company, in its own name.
- (xiii) In our opinion and according to information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
- (xiv) The Company has not obtained any term loans during the year.
- (xv) On the basis of an overall examination of the balance sheet of the Company, in our opinion and according to the information and explanations given to us, there are no funds raised on a short-term basis which have been used for long-term investment.
- (xvi) According to the information and explanations given to us, the Company has not made any preferential allotment of shares during the year to parties and companies covered in the register maintained under section 301 of the Act.
- (xvii) According to information and explanations given to us, the Company has not issued any debentures during the year.
- (xviii) The Company has not raised any monies by public issue during the year under review.
- (xix) 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.

Looking at the nature of activities being carried on, at present, by the Company, and also considering the nature of matters referred to in various clauses of the Order, as amended issued by the Central Government in terms of Section 227 (4A) of the Act, clauses (viii) and (xiii) of paragraph 4 of the aforesaid Order, are in our opinion, not applicable to the Company.

GIRISH M. PATHAK

Partner

Membership No.: 102016

For and on behalf of

K.K. MANKESHWAR & CO

Chartered Accountants

FRN 106009W

Mumbai, 28th May, 2014.

THE HINDUSTAN HOUSING COMPANY LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2014

	Note No.	As at	As at
		31-Mar-2014	31-Mar-2013
		₹	₹
I. EQUITY AND LIABILITIES			
1. SHAREHOLDER'S FUNDS			
a) Share Capital	2	608,645	608,645
b) Reserves & Surplus	3	42,990,246	37,374,812
2. NON-CURRENT LIABILITIES			
a) Deferred Tax Liabilities (Net)	4	1,135,917	926,523
b) Other Long Term Liabilities	5	9,861,000	9,861,000
c) Long Term Provisions	6	5,673,965	3,810,147
3. CURRENT LIABILITIES			
a) Other Current Liabilities	7	2,960,634	4,995,130
b) Short Term Provisions	8	693,063	765,094
TOTAL		<u>63,923,470</u>	<u>58,341,351</u>
II. ASSETS			
1. NON-CURRENT ASSETS			
a) Fixed Assets	9		
i) Tangible Assets		22,476,549	23,040,902
ii) Intangible Assets		-	22,064
b) Non-Current Investments	10	563,125	563,125
c) Long-Term Loans and Advances	11	5,880,238	4,894,569
d) Other Non-Current Assets	12	210,820	67,391
2. CURRENT ASSETS			
a) Current Investments	13	23,112,118	20,455,463
b) Trade Receivables	14	1,298,249	2,190,963
c) Cash and Cash Equivalents	15	7,396,120	6,628,870
d) Short Term Loans and Advances	16	2,927,374	255,110
e) Other Current Assets	17	58,877	222,894
TOTAL		<u>63,923,470</u>	<u>58,341,351</u>
Significant Accounting Policies Adopted by the Company	1		

Notes 1 to 31 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.

NIRAJ BAJAJ
 Chairman

VINAYA MEHROTRA
 Director

Mumbai, 28th May, 2014

Mumbai, 28th May, 2014

STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2014.

	Note No.	2013-2014	2012-2013
		₹	₹
I. Revenue from Operations	18	27,392,306	25,177,312
II. Other Income	19	2,324,901	2,365,131
III. Total Revenue (I + II)		29,717,207	27,542,443
IV. EXPENSES			
Employee Benefits Expense	20	11,120,993	9,186,731
Depreciation and Amortization Expense	9	1,326,871	1,029,579
Other Expenses	21	9,902,202	9,549,320
Total Expenses		22,350,066	19,765,630
V Profit before Tax (III - IV)		7,367,141	7,776,813
VI Tax Expenses			
(1) Current Tax		(1,600,000)	(1,600,000)
(2) Deferred Tax		(209,395)	(169,554)
(3) Tax in respect of earlier years (Net)		57,688	-
VII Profit/(Loss) for the year (V - VI)		5,615,434	6,007,259
VIII Earnings per Share			
(1) Basic	22	232	248
(2) Diluted		232	248
Significant Accounting Policies Adopted by the Company	1		

Notes 1 to 31 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.

NIRAJ BAJAJ
Chairman

VINAYA MEHROTRA
Director

Mumbai, 28th May,2014

Mumbai, 28th May,2014

THE HINDUSTAN HOUSING COMPANY LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

	Year Ended 31st March, 2014		Year Ended 31st March, 2013	
	₹	₹	₹	₹
A. Cash flow arising from Operating Activities				
Net Profit before Tax		7,367,141		7,776,813
Add back :				
a) Depreciation Charge	1,326,871		1,029,579	
b) Interest Paid (I.t.)	2,279		-	
c) Sundry Balances Written Off	16		5	
d) Loss on Sale of Mutual Fund Units.	23,866		-	
		1,353,032		1,029,584
		8,720,173		8,806,397
Deduct :				
a) Dividend Income	2,220,522		2,124,983	
b) Interest Income	81,929		62,172	
c) Sundry Balance Written Back	22,450		-	
d) Profit on sale of Mutual Fund units	-		177,976	
		2,324,901		2,365,131
Operating Cash Profit before Working capital changes		6,395,272		6,441,266
Add / (Deduct) :				
a) Increase / (Decrease) in Trade Payables and provisions	(442,163)		2,491,948	
b) (Increase) / Decrease in Trade and Other Receivables	(2,855,009)		2,772,561	
		(3,297,172)		5,264,509
Cash Inflow From Operations		3,098,100		11,705,775
Deduct : Direct Taxes paid		1,294,621		1,964,176
Net Cash Inflow in course of Operating Activities		1,803,479		9,741,599
B. Cash Flow arising from Investing Activities :				
Outflow :				
a) Acquisition of Fixed Assets & Capital WIP	740,454		3,047,204	
b) Acquisition of Long term Investments	-		520,000	
c) Acquisition of Current Investments	34,188,770		8,500,000	
		34,929,224		12,067,204
Inflow :				
a) Interest received	176,485		14,894	
b) Dividend received	840,000		838,800	
c) Sale of Current Investment	32,888,770		7,498,527	
d) Sale of Assets	-		-	
		33,905,255		8,352,221
Net Cash Inflow /(Outflow) in course of Investing Activities		(1,023,969)		(3,714,984)
C. Cash Flow arising from Financing Activities :				
Outflow :				
Unpaid Dividend deposited in "Investor Education and Protection Fund"		(12,260)		(11,960)
Net Cash (Outflow) in course of Financing Activities		(12,260)		(11,960)
Net Increase /(Decrease) in Cash / Cash Equivalents (A+B+C)		767,250		6,014,656
Add - Balance at the beginning of the year		6,628,870		614,214
Cash / Cash Equivalents at the close of the year		7,396,120		6,628,870

Significant Accounting Policies adopted by the Company Note No. 1
Notes 1 to 31 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, 28th May,2014

For The Hindustan Housing Company Ltd.

NIRAJ BAJAJ
Chairman

VINAYA MEHROTRA
Director

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014**1. Significant Accounting Policies:****1.1 Basis of preparation of financial statements:**

The financial statements are prepared under the historical cost convention on the accrual basis of accounting in accordance with the generally accepted accounting principles, the applicable mandatory Accounting Standards prescribed by the Companies (Accounting Standards) Rules, 2006 (as amended), the relevant provisions of the Companies Act, 1956 and the provisions of Companies Act, 2013, 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 the Revised Schedule VI to the Companies Act, 1956.

1.2 Use of Estimates:

The preparation of Financial Statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of 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.

1.3 Recognition of Revenue and Expenditure:

- a. Income from rendering of services is recognised in the year in which the services are rendered.
- b. All other revenues/incomes and costs/expenditure are generally accounted on accrual, as they are earned or incurred.
- c. 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 which is funded with the Life Insurance Corporation of India, 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;

-Provident Fund

Monthly contributions are made to a 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.

- c. **Long term compensated absences** are provided on the basis of an actuarial valuation, using the Projected Unit Credit Method.
- d. **Termination Benefits** are recognised as an expense in the Statement of Profit and Loss of the year in which they are incurred.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

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.

Fixed assets individually costing ₹ 5000/- or less are depreciated fully in the year of Acquisition.

b. Depreciation:

i. Depreciation is provided as per the rates and in the manner prescribed under Schedule XIV to the Companies Act, 1956, on Straight Line Method.

ii. Depreciation on additions to assets or on sale/disposal of assets is calculated pro-rata from the month of such addition or upto the month of such sale/disposal as the case may be.

1.6 Investments:

Investments are classified into Long-term and Current Investments. Long Term Investments are stated at cost of acquisition. Diminution, if any, in the value of Long Term 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 are further reviewed at each balance sheet date and adjusted for changes in the estimated recoverable amount of asset / CGU.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

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

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 2014

2 Share Capital

Particulars	As at 31-03-2014		As at 31-03-2013	
	Number of Shares	₹	Number of Shares	₹
a) Authorised Equity Shares of ₹ 25/- each	40,000	1,000,000	40,000	1,000,000
b) Issued Equity Shares of ₹ 25/- each	24,531	613,275	24,531	613,275
c) Subscribed and Paid up				
i) Equity Shares of ₹ 25/- each fully paid up	24,200	605,000	24,200	605,000
ii) Forfeited Shares (Amounts originally paid up)	331	3,645	331	3,645
Total	24,531	608,645	24,531	608,645

2.1 Reconciliation of Number of Shares and Amount Outstanding :

Particulars	As at 31-03-2014		As at 31-03-2013	
	Number of Shares	₹	Number of Shares	₹
Equity Shares at the beginning of the year	24,531	608,645	24,531	608,645
Add: Shares issued during the year	-	-	-	-
Less: Shares bought back during the year	-	-	-	-
Equity Shares at the end of the year	24,531	608,645	24,531	608,645

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 31-03-2014		As at 31-03-2013	
	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 & Co. 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 31-03-2014		As at 31-03-2013	
	₹	₹	₹	₹
a) General Reserve				
Opening Balance	26,150,000		26,150,000	
Add : Transfer from Surplus during the Current year	5,000,000		-	
Closing Balance		31,150,000		26,150,000
b) Surplus in the Statement of Profit and Loss :				
Opening balance	11,224,812		5,217,553	
Add: Net Profit for the year	5,615,434		6,007,259	
Less: Transfer to General Reserve	5,000,000		-	
Closing Balance		11,840,246		11,224,812
Total		42,990,246		37,374,812

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

4 Deferred Tax Liability

Particulars		As at 31-03-2014		As at 31-03-2013
	₹	₹	₹	₹
Deferred Tax Liability on account of Depreciation		1,848,384		1,482,616
Less: Deferred Tax Asset on account of Employee Benefits		(712,467)		(556,093)
Total		1,135,917		926,523

5 Other Long Term Liabilities

Particulars		As at 31-03-2014		As at 31-03-2013
	₹	₹	₹	₹
Security Deposits		9,861,000		9,861,000
Total		9,861,000		9,861,000

6 Long Term Provisions

Particulars		As at 31-03-2014		As at 31-03-2013
	₹	₹	₹	₹
Provision for employee benefits (Net) (Refer Note No. 25)		5,662,064		3,798,246
Provision for Taxation (Net of Advance Tax)		11,901		11,901
Total		5,673,965		3,810,147

7 Other Current Liabilities

Particulars		As at 31-03-2014		As at 31-03-2013
	₹	₹	₹	₹
Unclaimed Dividend*		24,760		37,020
Other Liabilities # {Refer Note No.28 (a)}		2,935,874		2,286,215
Creditors for Capital Goods		-		2,457,891
Advances received from Related Parties		-		214,004
Total		2,960,634		4,995,130

* There is no amount due and outstanding to be credited to Investor Education and Protection Fund (IEPF). An amount of ₹ 12,260/- 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 31-03-2014		As at 31-03-2013
	₹	₹	₹	₹
Provision for employee benefits (Net) (Refer Note No. 25)		640,132		765,094
Provision for Taxation (Net of Advance Tax)		52,931		-
Total		693,063		765,094

THE HINDUSTAN HOUSING COMPANY LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

9 Fixed Assets

(Amount in ₹)

ASSETS	GROSS BLOCK (AT COST)			DEPRECIATION				NET BLOCK		
	As at 01-04-2013	Addition	Disposal	As at 31-03-2014	As at 01-04-2013	For the Year	(Disposal)/ Adjustment	As at 31-03-2014	As at 31-03-2014	As at 31-03-2013
a) Tangible Assets										
Building*	7,107,861	-	-	7,107,861	1,022,982	115,851	-	1,138,833	5,969,028	6,084,879
Elevators	1,063,686	-	-	1,063,686	725,290	50,525	-	775,815	287,871	338,396
Air Conditioner Plant	473,681	37,940	-	511,621	52,120	23,251	-	75,371	436,250	421,561
Electrical Equipments	899,964	-	-	899,964	605,125	41,254	-	646,379	253,585	294,839
Furniture, Fixtures and Equipments	8,263,929	4,550	-	8,268,479	2,704,451	463,628	-	3,168,079	5,100,400	5,559,478
Office Equipments	1,247,217	51,439	-	1,298,656	558,734	61,014	-	619,748	678,908	688,483
Security Equipment	9,513,906	542,525	-	10,056,431	193,487	477,680	-	671,167	9,385,264	9,320,419
Computers	628,880	104,000	-	732,880	296,033	71,604	-	367,637	365,243	332,847
Total Tangible Assets (A)	29,199,124	740,454	-	29,939,578	6,158,222	1,304,807	-	7,463,029	22,476,549	23,040,902
b) Intangible Assets										
Computer Software	66,180	-	-	66,180	44,116	22,064	-	66,180	-	22,064
Total Intangible Assets (B)	66,180	-	-	66,180	44,116	22,064	-	66,180	-	22,064
Total (A) + (B)	29,265,304	740,454	-	30,005,758	6,202,338	1,326,871	-	7,529,209	22,476,549	23,062,966
Previous Year's Total	19,298,445	9,966,859	-	29,265,304	5,172,759	1,029,579	-	6,202,338	23,062,966	

* Includes ₹ 500/- (P.Y ₹ 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 2014

10 Non Current Investments

Particulars	As at 31-03-2014		As at 31-03-2013	
	Nos	₹	Nos	₹
a) Investments in Equity Shares (Quoted)- At Cost				
<u>Other Investments</u>				
1. Bajaj Holdings & Investment Limited (BHIL) (Equity Shares of ₹10/- each fully paid up)	7,200	24,366	7,200	24,366
2. Bajaj Finserv Limited (Equity Shares of ₹ 5/- each fully paid up)	8,000	529,229	8,000	529,229
3. Bajaj Auto Limited (Equity Shares of ₹10/- each fully paid up)	14,400	9,530	14,400	9,530
Total	29,600	563,125	29,600	563,125

10.1 Particulars	Book Value (₹)		Market Value (₹)	
	As at 31-03-2014	As at 31-03-2013	As at 31-03-2014	As at 31-03-2013
Aggregate Quoted Investments	563,125	563,125	43,557,120	38,584,920
Aggregate Unquoted Investments	-	-	-	-
	563,125	563,125	43,557,120	38,584,920

11 Long Term Loans and Advances

Particulars	As at 31-03-2014		As at 31-03-2013	
	₹	₹	₹	₹
<u>Unsecured, Considered good</u>				
a) Sundry Deposits		499,127		974,647
b) Advances Recoverable in Cash or in Kind or for "Value to be received"		5,011,682		3,212,305
c) Advance Tax (Net of Provision for Tax)		369,429		707,617
Total		5,880,238		4,894,569

12 Other Non-Current Assets

Particulars	As at 31-03-2014		As at 31-03-2013	
	₹	₹	₹	₹
a) Income Tax Refund Receivable		210,820		67,391
Total		210,820		67,391

THE HINDUSTAN HOUSING COMPANY LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

13 Current Investments

Particulars	As at 31-03-2014		As at 31-03-2013	
	No. of Units	₹	No. of Units	₹
a) Investments in Mutual Funds (Unquoted) (At lower of Cost or Fair value)				
1. HDFC CMF-TAP-Retail Weekly Dividend Reinvest (NAV ₹ NIL ; P.Y. ₹ 67,63,428/-)	-	-	973,999	6,763,041
2. HDFC CMF-Saving Plan -Direct Plan - Daily Dividend Reinvest (NAV ₹ 21,132,656 /- ; P.Y. ₹ NIL/-)	1,987,665	21,132,648	-	-
3. Reliance Diversified Power Sector Fund - Growth Plan (NAV ₹ 2,395,549/- ; P.Y. ₹ 2,138,851/-)	44,370	500,000	44,370	500,000
4. HDFC High Interest Fund -Dividend Reinvest (NAV ₹ NIL/- ; P.Y. ₹ 11,691,501/-)	-	-	1,104,368	11,712,952
5. Principal Large Cap Fund - Growth Plan (NAV ₹ 5,064,202/- ; P.Y. ₹ 4,081,747)	144,691	1,479,470	144,691	1,479,470
Total		23,112,118		20,455,463

13.1 Particulars	Book Value (₹)		Market Value (₹)	
	As at 31-03-2014	As at 31-03-2013	As at 31-03-2014	As at 31-03-2013
Aggregate Quoted Investments	-	-	-	-
Aggregate Unquoted Investments	23,112,118	20,455,463	28,592,407	24,675,527
	23,112,118	20,455,463	28,592,407	24,675,527

14 Trade Receivable

Particulars	As at 31-03-2014		As at 31-03-2013	
	₹	₹	₹	₹
a) Trade receivables outstanding for a period exceeding six months from the date they were due for payment		-		-
b) Other Trade Receivable Unsecured, considered good		1,298,249		2,190,963
Total		1,298,249		2,190,963

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

15 Cash and Cash Equivalents

Particulars		As at 31-03-2014		As at 31-03-2013
	₹	₹	₹	₹
a) Balances with Bank				
Current Account		2,278,061		6,567,563
Cheques in Hand		5,067,965		-
Unpaid Dividend Account		46,603		59,671
b) Cash on Hand		3,491		1,636
Total		7,396,120		6,628,870

16 Short Term Loans and Advances

Particulars		As at 31-03-2014		As at 31-03-2013
	₹	₹	₹	₹
<u>Unsecured, considered good</u>				
a) Loans and Advances to Employees		15,000		115,000
b) Advances Recoverable in Cash or in Kind or for Value to be received		2,912,374		140,110
Total		2,927,374		255,110

17 Other Current Assets

Particulars		As at 31-03-2014		As at 31-03-2013
	₹	₹	₹	₹
a) Interest Receivable		-		94,556
b) Expenses Recoverable		58,877		128,338
Total		58,877		222,894

18 Revenue from Operations

Particulars	2013-14	2012-13
	₹	₹
Sale of Services		
Airconditioning Service Charges	6,204,993	5,869,937
Communication Service Charges	856,122	767,673
General Administration Service Charges	12,764,337	11,014,232
Housekeeping Service Charges	1,581,504	1,390,720
Dining Room Service Charges	5,214,678	5,291,435
Board Room Compensation	375,000	375,000
Other Services	395,672	468,315
Total	27,392,306	25,177,312

19 Other Income

Particulars	2013-14	2012-13
	₹	₹
Interest Income	81,929	62,172
Dividend	2,220,522	2,124,983
Sundry Balances Written Back	22,450	-
Profit on Sale of Mutual Fund (Net)	-	177,976
Total	2,324,901	2,365,131

THE HINDUSTAN HOUSING COMPANY LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

20 Employee Benefits Expense

Particulars	2013-14	2012-13
	₹	₹
Salaries, Allowances, Bonus, etc.	8,336,817	7,109,403
Contribution to Provident and Other Funds (Defined Benefit Plan)	1,656,760	1,104,311
Contribution to National Pension System	77,500	-
Staff Welfare Expenses	1,049,916	973,017
Total	11,120,993	9,186,731

21 Other Expenses

Particulars	2013-14	2012-13
	₹	₹
Power & Fuel	4,719,338	4,550,740
Insurance	12,168	12,543
Rates and Taxes	834,397	969,999
Auditor's Remuneration (Refer Note 21.1)	87,500	89,875
Director's Sitting Fees	80,000	85,000
Maintenance and Service Contract Charges	291,830	355,183
Compensation paid for use of Premises	300,000	300,000
Legal and Professional Charges	210,000	130,944
Housekeeping Charges	1,265,203	1,091,846
Loss on Sale of Mutual Fund Units	23,866	-
General Administration Service Expenses	1,092,266	963,198
Miscellaneous Expenditure	985,634	999,992
Total	9,902,202	9,549,320

21.1 Auditors' Remuneration

Particulars	2013-14	2012-13
	₹	₹
Fees as Auditors	50,000	50,000
Fees as Tax Auditors	15,000	15,000
Fees for other work	15,000	20,000
For Reimbursement of Expenses	7,500	4,875
Total	87,500	89,875

22 Earnings per share

Particulars	2013-14	2012-13
	₹	₹
Net profit after tax as per Statement of Profit and Loss attributable to Equity shareholders (₹)	5,615,434	6,007,259
Weighted Average number of equity shares used as denominator for calculating EPS	24,200	24,200
Basic and Diluted Earnings per share (₹)	232	248
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 31/03/2014 ₹	Capital as at 31/03/2013 ₹
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	-	-

24. The Regional Provident Fund Office, Mumbai (RPFO) vide its Order dated 24.09.2013 has 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 has however, preferred an appeal against the Order before the EPF Appellate Tribunal, New Delhi (EPFAT). Pending decision of the EPFAT, the amount so recovered has been disclosed under the heading "Advances Recoverable in Cash or in Kind or for Value to be received". The interest and penalty, if any, payable thereon is presently 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	2013-2014 (₹)	2012-2013 (₹)
(i)	Changes in Present Value of Obligations		
	Present Value of Obligations at beginning of the year	3,454,760	2,734,953
	Interest cost	278,108	232,471
	Current service cost	285,993	202,840
	Benefits paid	-	-
	Actuarial Losses / (Gains)	941,324	284,496
	Present Value of Obligations at end of the year	4,960,185	3,454,760
(ii)	Changes in Fair Value of Plan Assets		
	Fair Value of Plan Assets at beginning of the year	3,212,305	2,557,873
	Adjustment to opening Fair Value of Plan Assets	289,692	-
	Expected Return on Plan Assets	373,900	-
	Contributions	1,168,135	368,160
	Benefits Paid	-	-
	Actuarial Gain /(Losses) on Plan Assets	(32,350)	286,272
	Fair Value of Plan Assets at end of the year	5,011,682	3,212,305
(iii)	Amount to be recognized in the Balance Sheet		
	Present Value of Obligations at end of the year	4,960,185	3,454,760
	Fair Value of Plan Assets at end of the year	5,011,682	3,212,305
	Net Asset / (Liability) recognized in the Balance Sheet	51,497	(242,455)
(iv)	Expenses to be recognized in the statement of Profit and Loss		
	Current Service Cost	285,993	202,840
	Interest Cost	278,108	232,471
	Expected Return on Plan Assets	(373,900)	-
	Net Actuarial Losses / (Gains)	973,674	(1,776)
	Expenses recognized in the statement of Profit and Loss	1,163,875	433,535
(v)	Assumptions:		
	Mortality	IALM(2006-08) Ult	LIC(1994-96) Ult
	Discount Rate	9.15%	8.05%
	Rate of increase in compensation *	9%	5%
	Expected rate of Return on Assets	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.

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

	Particulars	2013-2014 (₹)	2012-2013 (₹)
(i)	Changes in Present Value of Obligations Present Value of Obligations at beginning of the year Interest cost Current service cost Benefits paid Actuarial Losses / (Gains) Present Value of Obligations at end of the year	1,108,580 88,820 245,325 (10,463) (90,251) 1,342,011	759,118 63,165 187,245 (32,000) 131,052 1,108,580
(ii)	Changes in Fair Value of Plan Assets Fair Value of Plan Assets at beginning of the year Expected Return on Plan Assets Contributions Benefits Paid Actuarial Gain /(Losses) on Plan Assets Fair Value of Plan Assets at end of the year	--- --- 10,463 (10,463) --- ---	--- --- 32,000 (32,000) --- ---
(iii)	Amount to be recognized in the Balance Sheet Present Value of Obligations at end of the year Fair Value of Plan Assets at end of the year Net Asset / (Liability) recognized in the Balance Sheet	1,342,011 --- (1,342,011)	1,108,580 --- (1,108,580)
(iv)	Expenses to be recognized in the statement of Profit and loss Current Service Cost Interest Cost Expected Return on Plan Assets Net Actuarial Losses / (Gains) Expenses recognized in the statement of Profit and Loss	245,325 88,820 -- (90,251) 243,894	187,245 63,165 --- 131,052 381,462
(v)	Assumptions: Mortality Discount Rate Rate of increase in compensation * Expected rate of Return on Assets Withdrawal rates	IALM (2006-08) 9.15% 9% --- 0.80%	LIC(1994-96) Ult 8.50% 5% - 0.80%

* The estimate of future salary increases considered in actuarial valuation 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.

27. Related Party disclosures:

1) Relationships:

(a) Related parties where significant influence exists (on the Company) :

- i) Bachhraj & Company Private Limited
- ii) Sikkim Janseva Pratisthan Private Limited

- (b) Key Management personnel – Mr. Niraj Bajaj
- (c) Enterprises over which Key Managerial Personnel are able to exercise Significant Influence
- i) Jamnalal Sons Private Limited
 - ii) Mukand Limited
 - iii) Baroda Industries Private Limited
 - iv) Bajaj International Private Limited
 - v) Emerald Acres Private Limited
 - vi) Sanraj Nayan Investments Private Limited
 - vii) Niraj Holdings Private Limited
 - viii) Jamnalal Bajaj Seva Trust

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

- a. Transactions carried out with related Parties referred in 1 above, in the ordinary course of business:

	Referred in 1(a) above ₹	Referred in 1(b) above ₹
Expenditure :		
Board Room Compensation *		
Bachhraj & Company Private Limited	300,000 (300,000)	
Directors Sitting Fees *		
Shri Niraj Bajaj		25,000 (30000)
Income :		
Services Provided *		
Bachhraj & Company Private Limited	3,874,100 (3,510,138)	
Baroda Industries Private Limited		1,322,795 (1,200,206)
Mukand Limited		1,356,858 (1,391,391)
Jamnalal Sons Private Limited		423,110 (376,795)
Others		26,410 (86,383)
Other Receipt :		
Reimbursement of Expenses *		
Bachhraj & Company Private Limited	54,920 (38,383)	
Mukand Limited		16,338 (15,883)
Others		98,897 (69,815)

THE HINDUSTAN HOUSING COMPANY LIMITED

	Referred in 1(a) above ₹	Referred in 1(b) above ₹
Outstandings :		
Receivable		
Bachhraj & Company Private Limited	41,995 (34,129)	
Mukand Limited		774,161 (895,863)
Others		15,204 (521,138)
Payable		
Bachhraj & Company Private Limited	1,027,000 (1,027,000)	
Mukand Limited		1,785,000 (1,785,000)
Others		9,18,000 (1,137,061)

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 (31.03.2013 ₹ Nil) due to micro and small enterprises registered under the Micro, Small and Medium Enterprises Development Act, 2006 (MSME) ; and (ii) ₹ 29,27,134/- (31.03.2013 ₹ 47,14,996/-) 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. 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, 28th May, 2014

For The Hindustan Housing Company Ltd.

NIRAJ BAJAJ

Chairman

VINAYA MEHROTRA

Director

Mumbai, 28th May, 2014