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OHSAS 18001:2007

TO  
BSE LIMITED  
CORPORATE RELATION DEPARTMENT  
PHIROZE JEEJEEBHOY TOWERS  
DALAL STREET, MUMBAI – 400 001  
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**SUB:- SUBMISSION OF ANNUAL REPORT FOR THE FINANCIAL YEAR 2017-2018**

**REF:- SECURITY CODE NO. 526367**

Dear Sir,

Pursuant to the provision of Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby submit a Copy of Annual Report of the Company for the Financial Year 2017-2018.

Thanking you,

Yours faithfully,

**For GANESH HOUSING CORPORATION LTD.**

  
**PRIYA KAPADIA**  
**COMPANY SECRETARY &**  
**COMPLIANCE OFFICER**

Encl: As Above



**GANESH CORPORATE HOUSE**

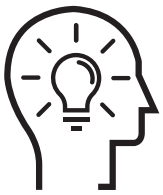
100 ft. Hebatpur-Thaltej Road,  
Nr. Sola Bridge, Off. S.G. Highway,  
Ahmedabad-380 054. Gujarat, India.  
CIN:L45200GJ1991PLC015817

**P** +91 79 6160 8888

**F** +91 79 6160 8899

**E** ganesh@ganeshhousing.com

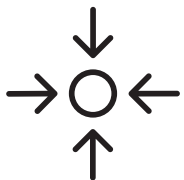
**W** www.ganeshhousing.com



# CLARITY



# COMMITMENT



# CONSOLIDATION

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To get this report online and for any further information log on to [www.ganeshhousing.com](http://www.ganeshhousing.com)

### Forward-looking statements

The Annual Report may contain, without limitation, certain statements that include words such as "believes", "expects", "anticipates" and words of similar connotation, which would constitute forward-looking statements. Forward-looking statements are not guarantees of future performance and involve risks and uncertainties that may cause actual performance or results to be materially different from those anticipated in these forward-looking statements. The Company is under no obligation to update any forward-looking statements contained herein should material facts change due to new information, future events or otherwise.

The real estate sector in India is going through an interesting and important transformation that aims to eliminate the inefficiencies and usher in a new era of accountability and transparency. New opportunities are opening for scrupulous developers with high standards of compliance and governance.

Visionary initiatives like The Real Estate (Regulation and Development) Act, 2016 (RERA), demonetisation and Goods and Services Tax (GST) are cleaning up legacy industry vices and challenging the old models and mindsets. While there are short-term aberrations, the long-term impact of this transformation is both positive and promising, for developers who have the right intent and intention.

At Ganesh Housing Corporation Limited, we have always believed that inside every challenge is an opportunity. We have re-calibrated our strategy and re-aligned our plan.

- **We have a clear view of the way ahead. Clarity.**
- **We are determined to reduce debt and strengthen our balance sheet and give maximum returns and value to our Customer and Investors. Commitment.**
- **We are focussed on developing mega real estate projects at two locations – Chharodi-Tragad and Godhavi. Consolidation.**



**These three words form the clear blueprint for the way ahead...**

# HIGHLIGHTS OF THE YEAR

## FINANCIAL HIGHLIGHTS

Total revenue  
₹ **5,082** million  
**24%**



EBITDA  
₹ **2,031** million  
**(5)%**



PAT  
₹ **508** million  
**(32)%**



EPS  
₹ **10.36**  
**(35)%**



Net worth  
₹ **8,892** million  
**5%**



Gross Block  
₹ **2,175** million  
**(4.85)%**



## MAJOR INDUSTRY DEVELOPMENTS

### Dedicated fund for affordable housing

The Union Budget 2018-19 has proposed to set-up a dedicated affordable housing fund under the National Housing Bank (NHB), to be funded from the shortfall of priority sector lending and fully serviced bonds authorised by the Government of India. This will boost demand and supply of low-cost homes.

### Considering real sale value for computing capital gains

As opposed to the existing practice of computing capital gains tax on the higher of real sale value or circle rate of the immovable property, the Government will now consider the real sale value if it is under 5% of circle rate. This will minimise the burden of capital gains tax and thus boost real estate transactions.

### Goods and Services Tax

GST has streamlined taxation structure and brought in more transparency. It will benefit the buyers with lower prices as developers pass on the advantage of reduced tax burden and input credit tax. Further, exemption of GST on ready-to-move-in flats, those having completion certificate, will prompt developers to launch projects after completion such that buyers will not be burdened by taxes.





# RERA: BRINGING A CHANGE IN INDIA'S REAL ESTATE LANDSCAPE

## 2018 YEAR OF RENEWAL

How the sector could take off after a massive cleanup and correction

- Experts feel that the sector has bottomed out and Q1 of FY2019 will see the first signs of revival
- Focus will be on affordable housing segment in 2018
- More transparency and greater consolidation
- Barrier for fly-by-night builders
- Buyers to go for reputed builders with good track record
- Global investors likely to turn on India

### BEYOND 2018

- Mid and premium segments to take off by 2019
- Sector likely to contribute to growth in 2020
- Realty market likely to reach billion in 2020 and create (direct and indirect)

## 'Sale of Residential Properties Up 25% in Top 7 Cities in H1'

Sluggishness in sales post note ban is over: CREDAI & JLL India report

Kailash Babar  
@timesgroup.com

**Berth:** Residential property sales across India's top seven cities have revived post the ban on new launches in the first six months of the current calendar year, showed a joint report by realtors' body CREDAI and JLL India. Housing sales stood at 64,080 units during January-June 2018 against 51,452 units in the year-ago period. Following the ban, sales had remained sluggish, but the latest half-yearly figures show that things are looking up. "Sales have picked up by 25% in the first half of this year. All cities have shown positive growth," said Ratan Nair, JLL India CEO. "Sluggishness in housing sales, which continued for the past 24 years, is over now."

Act, 2016 (RERA) and goods and services tax that had affected sales. Shah also insisted that the GST rate needs to be brought down from the current 12% to boost sales of under-construction homes. The seven cities tracked by CREDAI-JLL are NCR, Mumbai, Kolkata, Chennai, Hyderabad, Bengaluru and Pune. The report was released at CREDAI's 18th annual international convention held here and attended by over 1,000 developers from across India. Of the key cities, Bengaluru saw the highest sales, totalling 13,659 units in the first half of 2018, up from 12,349 units in the period. Bengaluru also recorded a rise of 2% in sales of 2018 against 9,988 units in 2017.

## Residential Launches in H1 Across Top 7 Cities Jump Over 60%

Though prices remain stagnant, rise in sales give realtors confidence to roll out projects: Lias Foras

Kailash Babar & Sobia Khan

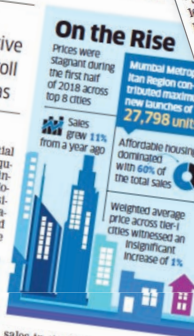
**Mumbai | Bengaluru:** Residential launches have more than doubled sequentially during the first half of 2018, indicating a big recovery in realty confidence in the market. Residential launches across top 8 cities have jumped over 60% sequentially and 60% on a year-on-year basis during the period.

The rise in the number of launches by developers is led by improvement in home buyers' response and marginal drop in inventory levels despite new supply additions. While prices have remained stagnant during the period across the top eight cities, sales have grown by 11% from a year ago, showed data from Lias Foras Real Estate Rating & Research.

Several policy interventions at the national level such as an increase in the limit of the size of a flat for subsidy (PMAY), the implementation of Real Estate (Regulation & Development) Act, 2016 (RERA), Goods & Services Tax (GST) etc., although caused an initial chaos, have definitely helped bring back the confidence of both end users and developers in the industry.

"The sales have been growing consistently since the past four quarters and that has convinced the developers to go ahead with their launches. Good response to launches has propped up their confidence further and this is expected to continue," said Pankaj Kapoor, MD, Lias Foras Real Estate Rating & Research. Mumbai Metro Region (MMR) has contributed maximum new launches of 27,798 units followed by Bengaluru where the first half of this year.

Quarterly sales have been consistently growing since the third quarter of 2016-17 and have recorded a cumulative growth of 38% since then. The realty growth of 6% with the sales of 40,877 units across eight tier-1 cities. MMR contributed almost a quarter of total



sales in tier-1 cities and witnessed a growth of 15% from a year ago. "The market seems to be gaining traction as despite nearly 2% increase in pricing, we have managed to see a 70% on-year rise in sales looking during the first half of this year. Out of this, around 90% apartments were in the affordable to low-income group category. The price hike absorption by homebuyers are back in the market," said Ashok Chhajler, CMD, Arhant Superstructures.

After launching three major projects in Navi Mumbai and Jodhpur in 2017-18, the company is planning to launch two new projects by March. Affordable housing continued to dominate the performance with close to 60% of the sales of this quarter contributed by the sub-50-lakh segment. Within this, the segment of less than ₹25 lakh is beginning to gain more traction with 32% on-year growth.

Weighted average price across tier-1 cities witnessed an insignificant increase of 1% and reached ₹6,813 per sq ft in the June quarter from ₹6,764 in the year-ago. Hyderabad and prices in Ahmedabad grew by 2% followed by MMR and Pune at 1% each. A slight decrease of 2% was observed in Bengaluru and Chennai while Kolkata witnessed a percent drop, showed the data.

## 2017 YEAR OF DISRUPTION

How GST, RERA and the push for affordable housing have led to a correction in the sector

### KEY POLICY INITIATIVES

**RERA:** The Real Estate Regulation & Development Act calls for the setting up of 29 regulatory authorities

**Benami Property Act:** It prohibits benami transactions and provides for confiscation of such properties

**GST:** Only GST registered players are eligible for tax credit. If builders do not pass on the benefit from input tax credit to consumers, it could invite probe by the National Anti-Profiteering Authority

**Demonetisation:** Gave a body blow to players who made transactions using black money

**REIT Reforms:** The launch of Real Estate Investment Trusts is likely to increase liquidity in the sector

**Affordable Housing:** Budget 2017 had proposals to boost the sector

- Awarded infrastructure status to affordable housing
- 100% deduction for profits to an undertaking in housing project for flats up to 30 sq m in metros and 60 sq m in other cities

Source: Anarock, Credai, Knight Frank, Industry

# REAL TRANSFORMATION IN REAL ESTATE

RERA has set the tone to transform the real estate industry with good practices. With higher focus on compliances, transparency, accountability and responsibility, it promises a better future for the consumers and developers with right intent. It is paving the path to a unified legal regime for home buyers and facilitating in standardising practices across the country.

RERA is helping the industry regain the lost trust of buyers and facilitating a level playing field for good developers. What the industry lack was confidence of big Investors, either foreign / domestic institution, REIT Funds, Endowment Funds, etc. RERA is the tool which gave them immense confidence, so in longer period sincere, serious and well-intent developer will not only succeed but will grow immensely.

## Positive changes post RERA implementation

► Presence of regulator

► Compulsory registration of all projects and all parties involved with the regulator

► Exit of unprofessional developers and related parties using malpractices

### ► What this means:

Buyers have the backing of a dedicated regulator to protect them.

### ► What this means:

All inventory in the industry is genuine, approved by RERA, and there is no scope to dupe buyers.

### ► What this means:

The industry now has only quality and reputed developers with strong track record and transparent dealings.

*\*RERA is applicable to all projects having over 500 sq metres of area or more than 8 apartments*

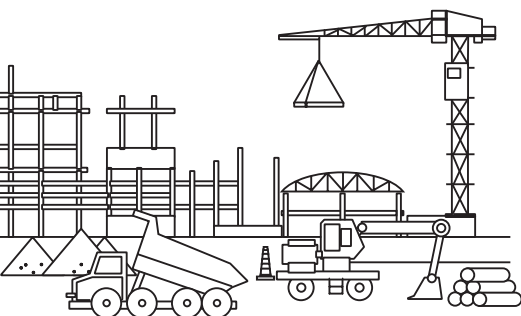
With reduced transactions using unaccounted for money, the speculative and investment demand will decline and there will be pure housing demand.

## RERA: Posing a short-term challenge

- It led to decline in supply of RERA approved home inventory with developers facing issues adhering to norms, resulting in unmet demand
- Rise in working capital expenses for developers as they are resorting to debt funding instead of earlier practice of preselling projects, selling housing units without approval or using funds diverted from other projects
- Smaller firms, ineligible for banks loans, are resorting to more expensive institutional capital
- Several developers with questionable practices have been forced to exit / quit

## RERA: A win-win in the long run

- Over time, the industry will comprise only quality developers, having quality projects and following industry best practices, on whom buyers can have faith
- With reduced transactions using unaccounted for money, the speculative and investment demand will decline and there will be pure housing demand. This will lead to price stability and increased affordability for buyers
- Facilitate standardisation of processes that will eventually improve efficiencies
- Reduce incidences of projects getting stuck and becoming unproductive







- ▶ Reserve account created for projects along with the provision to park 70% of project receivables in it
- ▶ Every home that is up for sale specifies relevant details, including the carpet area
- ▶ Developers are responsible for structural defects for 5 years

▶ **What this means:**

Home buyers' hard-earned money is safe and not diverted to other projects, reducing scope for delays and fixing date for completion of project.

▶ **What this means:**

Buyers know what they are paying for.

▶ **What this means:**

Guaranteed project quality.

## RERA benefits

Stabilise  
real estate prices

Protect home  
buyers

Facilitate level playing  
field for scrupulous  
developers

Improved transparency  
and efficiency in the  
industry

## What RERA means for Ganesh Housing

- **Head start:** For us transparency, commitment, innovation, quality and environment friendliness form the core values which we have consistently delivered across 4.52 msf of projects developed over the last 27 years. We are RERA-compliant and immune to the changes.
- **More opportunity:** The industry currently has significant shortage of RERA-approved inventory as most developers are facing issues complying to norms. On the other hand, the consumers have also deferred purchases, creating huge pent-up demand. As consumers become more accustomed with RERA, the demand will open-up. With our ₹ 600 crore of ready RERA-approved inventory, we will be able to cater a significant portion of this demand.
- **Improve balance sheet:** As we grow sales, we will utilise cash flows to reduce debt and ensure better cash management to improve balance sheet and credit rating.



# CHAIRMAN'S MESSAGE

*Dear Shareholders,*

As I reflect on the events of the year gone by, I have several reasons to be excited. Amidst all the enthusiasm, challenges and positiveness unfolded by RERA and GST, we continued our operations centred around the core values that this organisation was formed with. We remained transparent in all dealings, committed to timely delivery and quality, and focussed on innovation and environment friendliness. These values continue to drive our reputation and business performance. Besides, the kind of trust bestowed upon us by the buyers and other stakeholder truly humbles and motivates us.

While the Government's attempt to achieve uniformity and transparency with RERA and GST will have positive impact in the long run, it has created immediate disruptions. As the real estate industry adjusts and consolidates in this new regime, I believe that being a player with high standards and credibility, we have the responsibility to lead the way forward. And we will do so by setting new benchmarks of quality and execution.

## Performance review

Our total income for the year grew by 24% from ₹ 4,087.73 million in FY 2016-17 to ₹ 5,082.45 million. However, in terms

of profitability, there was a de-growth. EBITDA and PAT declined by 5% and 32% respectively to ₹ 2,030.79 million and ₹ 507.99 million in FY 2017-18. This was primarily because of lower sales in the premium projects that command higher margins along with an 8% increase in interest cost to ₹ 1,005.20 million. Our earnings per share for the year declined to ₹ 10.36 compared to ₹ 15.93 in the previous year. Irrespective of this, the Board has recommended a dividend of ₹ 1.80 per share, reflecting our strong drive to reward shareholders.

Coming to operational performance, we have almost completed the Maple Tree Project construction which is in the tune of approx. 1.9 million sq. ft.

## A year dedicated to clarity, commitment and consolidation

FY 2017-18 in many ways was an important year for your Company. Though our performance may not have been what we wanted, but we took a calculated re-calibration and re-alignment of strategies to ensure we continue delivering strong performances over the long run.

Being a proactive organisation, we were quick to identify areas of concern. In

the past, viewing a favourable industry outlook, we got aggressive and resorted to debt funding to scale operations. We would like to develop premium projects and acquired 10.09 acres of land to undertake large scale developments, and also include land for building township. All was going well, until the industry received the triple blow of RERA, demonetisation and GST one after the other, which was a temporary setback for the large formats of real estate and our premium properties witnessed a slowdown in sales. Lower churning of old inventory impacted cash flows and in turn incapacitated us to use the land bank. Resultantly, our ability to service debt declined and profitability took a hit.

Having learnt an important lesson, we now have a clear vision to get back on track to capitalise on the ongoing industry scenario. And for this, we believe the immediate need is to bring down debt and cost of debt further even though today it stands at 13.50%, we would further try reducing it to 12.00%, reduce inventory and realign focus to the right customer and business segment. While we have 611.57 acres of land bank in Ahmedabad, we have



strategically chosen to develop projects only in Chharodi-Tragad and Godhavi, which are upcoming areas and witnessing significant demand from middle income group (MIGs). For the rest of the land bank, we will contemplate ways to monetise at better valuation instead of blocking capital for development and some of it may be sold to achieve our debt reduction target. We will realign business focus by targeting mid and affordable housing projects, instead of premium ones, to ensure faster sales turnaround and cash flow cycle. These segments being the Government focus area and having the advantage of various incentives will have strong demand, facilitating us to expedite sales.

Execution will continue to be an important focus area, as we target 1.5 msf of yearly development to ensure we have adequate inventory to achieve sales and generate cash flows.

### Outlook

I have strong reasons to believe that the worst is past us. We have one hard year for stability of market and new demand coming. The real estate sector,

after stabilising from various shocks will be in for some positive movement. As home buyers steadily begin to experience the positive aspects of RERA, the lost faith in the industry will revive and demand will increase. Mid and affordable housing segments is likely to become the next big thing with the Government focussed on providing housing to all citizens by 2022. Under the 'Housing for All', the Government targets building 50 million houses and has also stepped-up investments from ₹ 11,600 crore in FY 2015-16 to ₹ 29,043 crore for FY 2017-18.

There were reasons why this segment didn't pick up earlier and why I believe it will do so now. Though named affordable, houses were still unaffordable. For this, the Government has introduced incentives like providing a subsidy of 6.5% for the lowest rung, facility of crediting the entire subsidy of 20-year loan to the loan account of applicant and allowing individuals to withdraw up to 90% of the housing amount from EPFO. I am sure these developments will provide the much-needed boost in the coming years.

I thank all our stakeholders for their support. Your Company has the clarity

in vision for its future, it is committed to improve balance sheet health and become stronger and it will consolidate its position by developing right projects in right areas, targeted to right segments. I appreciate the efforts put in by our employees and other developer communities who have made Ganesh Housing a household name. We will continue to make this organisation geared for long-term, while adequately creating value for all stakeholders.

Warm wishes,

**Dipakkumar G. Patel**

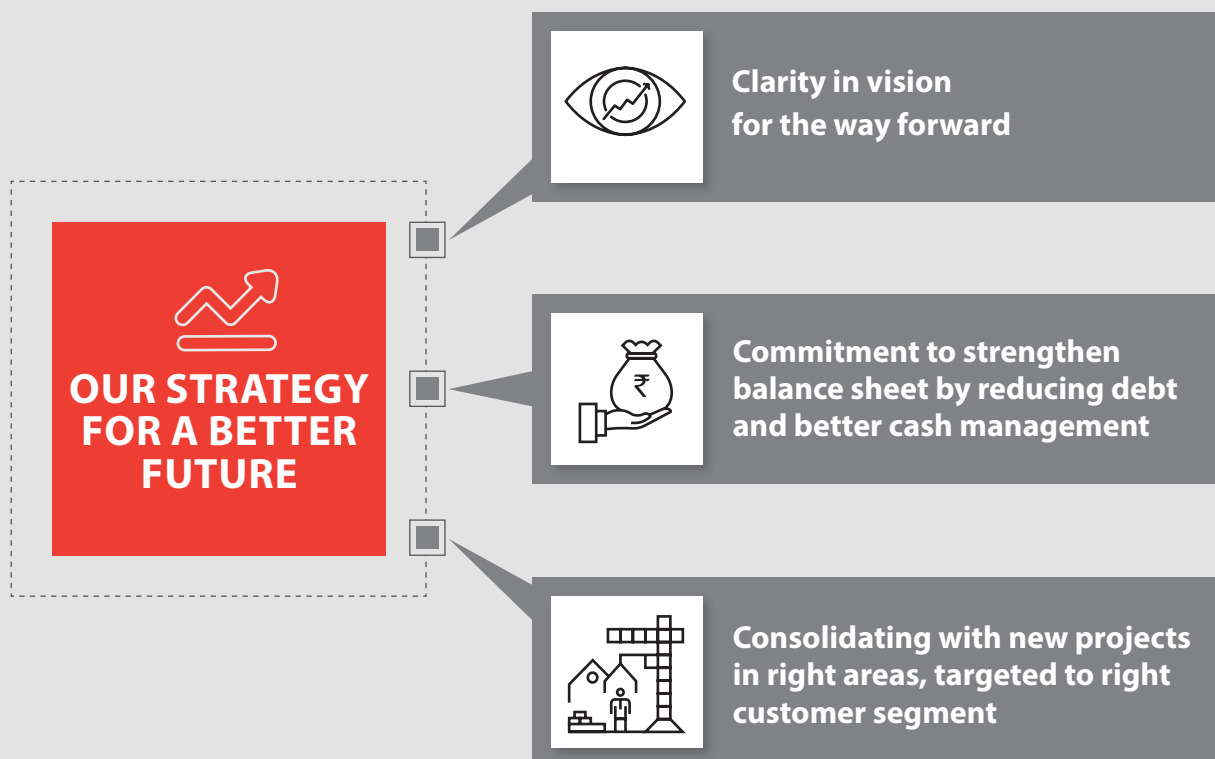
Chairman

Our total income for the year grew by **24%** from **₹ 4,087.73** million in FY 2016-17 to **₹ 5,082.45** million.



# FOCUSSED ON A BETTER FUTURE WITH CLARITY. COMMITMENT. CONSOLIDATION.

At Ganesh Housing, we have always been driven by the vision of having a sustainable future and creating more value for all the stakeholders. With RERA and GST redefining the industry reality and opening-up new opportunities, we are taking a course correction to maximise gains and system streaming.





# CLARITY ON THE WAY FORWARD

In a dynamic market scenario, the best preparation for a better future is to have a clear vision of where you want to be tomorrow and how you intend to reach there. At Ganesh Housing, we did exactly this by leveraging our experience and people expertise to create the right building blocks for the future to remain ahead of the curve.

## Clarity on target business and customers

In Ahmedabad market, there is a clear trend of increasing affinity of the homebuyers towards mid and affordable housing projects as rising prices have made premium projects unaffordable. This is further catapulted with Government's strong focus on such projects by providing incentives. In line with this, we have focussed on targeting the mid and affordable housing projects catered to the MIG, while avoiding premium projects.

## Clarity on target regions

Though we have land bank in and around Ahmedabad, we have identified two key areas of Chharodi-Tragad and Godhavi, which are upcoming areas with strong residential demand, where we will undertake development. We intend to monetise the remaining land bank.

## Clarity on fund flow management

We are focussed on de-stressing our balance sheet and protecting capital by utilising cash flows towards reducing debt, while abstaining from making or committing new investment in procuring new land bank and new projects that may be risky and not provide desired returns. With this, we will safeguard the interest of stakeholders and remain transparent in our business dealings.





# COMMITMENT TO A STRONGER BALANCE SHEET

A great company is one that maximises return in favourable market scenario and protects downside during slowdown. This is what we have been doing at Ganesh Housing. We now intend to take a step further by strengthening our balance sheet health.

## Reduce debt

We target to reduce our debt by half over the next two years by:

- Monetising land bank holding as on March 31, 2018
- Intensifying marketing to clear-off unsold RERA-approved inventory worth ₹ 600 crore, which will be in demand due to under supply of RERA-approved projects
- Delivering 1.5 msf of inventory every year by focussing on mid and affordable housing projects where execution is faster. This will facilitate in expediting turnaround time and cash flows cycle, while reducing working capital requirement

## Reduce

Having already committed CAPEX towards land acquisition, the only major expense for us going forward will be towards execution. We have undertaken the strategic decision of utilising all cash flows towards debt payment and funding execution expenses of mid and affordable housing projects. We will not invest any funds for acquiring land or premium projects, where operating expenses are high and turnaround cycle is low.

~50%  
targeted  
reduction in  
debt in the next  
two years

1.5 msf  
targeted  
real estate  
development  
each year

Entire inventory  
of ₹ 600 Crore will  
get sold in next 4  
quarter



# CONSOLIDATION WITH RIGHT PROJECTS

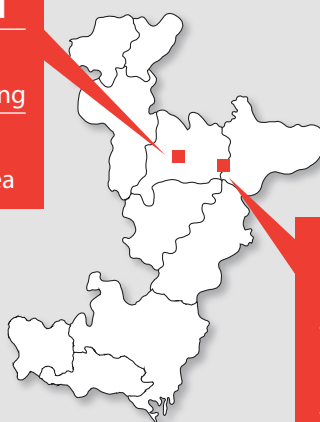
During industry slowdown, when the demand is low, it is important to have targeted approach to ensure being on the right side of opportunity. At Ganesh Housing, we have analysed and identified target consumer segment (mid and affordable housing projects) and region (Chharodi-Tragad and Godhavi), where demand will be higher. Our focus on these segment and land plots for villas will provide the necessary boost to business.

## Locational advantage

- Chharodi-Tragad and Godhavi are within a radius of 10 km and 18 km respectively from the city centre and are areas where most of the development is happening
- Having low land prices, these regions are most suitable for mid and affordable housing projects, making it ideal for MIG segments
- The said location is near Nirma University and is well connected with Ahmedabad - Gandhinagar Highway and also has advantage of Airport proximity
- There are various new development taking place in that area which includes Zyduz Corporate Office, New hospitals, Adani Corporate Office, etc.

## Land bank holding in Chharodi-Tragad and Godhavi

**Chharodi-Tragad**  
**71.50 acres**  
 total land bank holding  
**10.50 msf**  
 total developable area



**Godhavi**  
**540.07 acres**  
 total land bank holding  
**29.35 msf**  
 total developable area

## Upcoming projects

We have planned to develop Malabar County III and Malabar County IV projects in these locations. Malabar County is one of our most successful and time-tested project franchisee, which have been greatly appreciated by consumers for its luxurious quality, specifications, locational advantage and budget pricing. We expect the new projects to have similar impact.

### Malabar County III

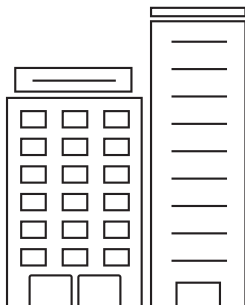
Area Spread: 54,910.29 sq. ft.  
 Location: Tragad  
 Developable area: 2,41,938.66 sq. ft.  
 No. of Units: 184  
 Type: 2.5 BHK

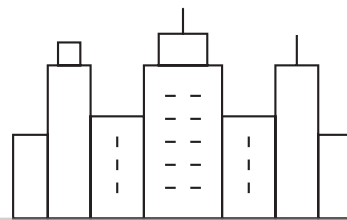
### Malabar County IV

Area Spread: 58,233.24 sq. ft.  
 Location: Tragad  
 Developable area: 2,76,756.43 sq. ft.  
 No. of Units: 200  
 Type: 2.5 BHK



# SUCCESSFUL PROJECT EXECUTIONS IN THE PAST







# FINANCIAL PERFORMANCE

## Five-Year Financial Highlights (Consolidated)

(₹ Lakhs)

	2017-18	2016-17	2015-16	2014-15	2013-14
Total Income	50,824.52	40,877.26	32,408.58	25,870.05	28,886.70
EBITDA	20,307.88	21,284.85	20,642.10	13,982.61	13,661.70
Depreciation	258.15	352.02	404.16	372.65	288.38
Interest	10,052.00	9,296.53	10,145.08	6,053.12	6,473.38
Profit before Tax	9,997.73	11,636.30	10,092.86	7,556.84	6,899.93
Profit after Tax	5,079.88	7,463.16	6,967.81	5,520.48	5,011.33
Fixed Assets (Gross Block)	21,747.83	22,858.92	23,027.26	22,667.47	6,793.72
Cash & Bank Balance	4,603.61	4,927.26	4,435.76	2,172.39	873.81
Share Capital	4,922.71	4,900.28	3,266.85	3,266.85	3,265.59
Other Equity	83,996.31	79,766.72	73,839.80	69,176.73	64,628.84
Net Worth	88,919.02	84,666.99	77,106.65	72,443.58	67,894.43
Earnings Per Share (Basic) (in ₹)	10.36	15.93	18.60	16.90	15.28
Dividend Per Share (in ₹)	1.80	2.00	2.00	2.60	2.60
Dividend Payout Ratio	0.17	0.13	0.11	0.15	0.17



**Total Income**

(₹ Lakhs)

<b>2017-18</b>	<b>50,825</b>
2016-17	40,877
2015-16	32,409
2014-15	25,870
2013-14	28,887

**EBITDA**

(₹ Lakhs)

<b>2017-18</b>	<b>20,308</b>
2016-17	21,285
2015-16	20,642
2014-15	13,983
2013-14	13,662

**PAT**

(₹ Lakhs)

<b>2017-18</b>	<b>5,080</b>
2016-17	7,463
2015-16	6,967
2014-15	5,520
2013-14	5,011

**Net Worth**

(₹ Lakhs)

<b>2017-18</b>	<b>88,919</b>
2016-17	84,667
2015-16	77,106
2014-15	73,877
2013-14	67,894

**Fixed Assets (Gross Block)**

(₹ Lakhs)

<b>2017-18</b>	<b>21,747</b>
2016-17	22,859
2015-16	23,027
2014-15	22,667
2013-14	6,794

**Earnings per Share**

(₹)

<b>2017-18</b>	<b>10.36</b>
2016-17	15.93
2015-16	18.60
2014-15	16.90
2013-14	15.28

# CORPORATE INFORMATION

## Board of Directors

**Mr. Dipakkumar G. Patel**  
Chairman & Whole Time Director  
[DIN: 00004766]

**Mr. Shekhar G. Patel**  
Managing Director  
[DIN: 00005091]

**Ms. Aneri D. Patel**  
Director  
[DIN: 06587573]

**Dr. Bharat J. Patel**  
Director  
[DIN: 00944269]

**Dr. Tarang M. Desai**  
Director  
[DIN: 00005100]

**Mr. Ashish H. Modi**  
Director  
[DIN: 02506019]

## Company Secretary

Ms. Priti Kapadia

## Statutory Auditors

M/s. Purnesh R. Mehta & Co.  
Chartered Accountants  
Ahmedabad  
FRN: 142830W

## Internal Auditors

M/s. J.M. Parikh & Associates  
Chartered Accountants  
Ahmedabad  
FRN: 118007W

## Secretarial Auditors

Mr. Anand Lavingia [ACS: 26458],  
Company Secretary,  
Ahmedabad

## Audit Committee

**Mr. Shekhar G. Patel**  
Member

**Dr. Tarang M. Desai**  
Member

**Mr. Ashish H. Modi**  
Chairman

## Nomination & Remuneration Committee

**Mr. Ashish H. Modi**  
Chairman

**Dr. Tarang M. Desai**  
Member

**Ms. Aneri D. Patel**  
Member

## Stakeholders' Relationship Committee

**Mr. Ashish H. Modi**  
Chairman

**Dr. Tarang M. Desai**  
Member

**Mr. Shekhar G. Patel**  
Member

## Corporate Social Responsibility Committee

**Mr. Dipakkumar G. Patel**  
Chairman

**Mr. Shekhar G. Patel**  
Member

**Dr. Tarang M. Desai**  
Member

## Bankers

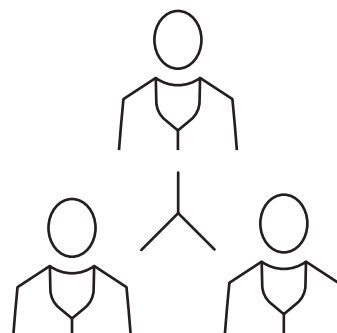
Tamilnad Mercantile Bank Limited  
ICICI Bank Limited  
HDFC Bank Limited  
Axis Bank

## Registered Office

Ganesh Corporate House  
100 Feet Hebatpur-Thaltej Road,  
Nr. Sola Bridge,  
Off S. G. Highway,  
Ahmedabad – 380 054  
Phone: +91-79-6160 8888  
Fax: +91-79-6160 8899  
Website: [www.ganeshhousing.com](http://www.ganeshhousing.com)  
E-Mail: [investors@ganeshhousing.com](mailto:investors@ganeshhousing.com)

## Registrar and Share Transfer Agent (RTA)

MCS Share Transfer Agent Limited  
101 Shatdal Complex,  
Opp. Bata Showroom,  
Ashram Road,  
Ahmedabad – 380 009  
Phone: +91-79-2658 0461, 2658 0462,  
2658 0463  
Fax: +91-79-3007 0678  
E-Mail: [mcsstaahmd@gmail.com](mailto:mcsstaahmd@gmail.com)



# Notice

[CIN: L45200GJ1991PLC015817]

NOTICE is hereby given that the **Twenty Seventh Annual General Meeting (AGM)** of the Members of **GANESH HOUSING CORPORATION LIMITED** will be held on **Saturday, 29<sup>th</sup> September, 2018 at 3.00 P.M.** at the Registered Office of the Company at: Ganesh Corporate House, 100 Feet Hebatpur – Thaltej Road, Near Sola Bridge, Off. S. G. Highway, Ahmedabad - 380054 to transact the following businesses:

## ORDINARY BUSINESS:

### 1. To consider and adopt :

- a. The Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2018, together with the Reports of the Board of Directors and Auditors thereon; and
- b. The Audited Consolidated Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2018, together with the Report of the Auditors thereon.
2. To declare a dividend on equity shares for the financial year ended 31<sup>st</sup> March, 2018.
3. To appoint a Director in place of Mr. Dipakkumar G. Patel (DIN: 00004766), who retires by rotation and, being eligible, offers himself for re-appointment.

## SPECIAL BUSINESS:

### 4. Ratification of Remuneration of Cost Auditor:

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

**“RESOLVED THAT** pursuant to the provisions of Section 148 (3) and other applicable provisions, if any, of the Companies Act, 2013, Companies (Cost Records and Audit)

Rules, 2014 and The Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration payable during the year 2018-2019 to M/s. J. B. Mistri & Co., Cost Accountants, Ahmedabad having Firm Registration No. 6149 appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year 2018-2019, amounting to ₹ 1,00,000/- (Rupees One Lakh Only) plus GST be and is hereby ratified and confirmed.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

### 5. Approval and Ratification of Material Related Party Transactions:

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

**“RESOLVED THAT** in supersession of resolution passed in the Extra Ordinary General Meeting of the Company held on 2<sup>nd</sup> July, 2016 and pursuant to the provisions of Section 188 of the Companies Act, 2013 and Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR”) and such other provisions of law as may be applicable and as may be amended from time to time, consent of the members of the Company, be and is hereby accorded to the Board of Directors and/or duly constituted Committee thereof for the following arrangements/ transactions/contracts (including any other transfer of resources, services or obligations) hitherto entered or to be entered into by the Company and also for every financial year hereafter:



**Details of Related Party Transactions/Arrangements/Contracts per Financial Year**

Sr. No.	Name of Related Party	Nature of Relationship	Type of Transaction(s)	Maximum Value* of Transaction in every financial year
1.	Essem Infra Private Limited	Subsidiary	Loan given/Guarantee or Security provided/ Investment made or any other transfer of resources/ Services/obligations	Upto ₹ 750 Crores p.a.
2.	Gatil Properties Private Limited	Subsidiary	Loan given/Guarantee or Security provided/ Investment made/Sale/ purchase of immovable properties or entering into other agreements w.r.t. immovable properties or any other transfer of resources/Services/ obligations	Upto ₹ 500 Crores p.a.
3.	Starnet Software (India) Limited	Group Company	Loan given/Investment made/Sale/purchase of immovable properties or entering into other agreements w.r.t. immovable properties or any other transfer of resources/Services/ obligations	Upto ₹ 500 Crores p.a.
4.	Mahavir (Thaltej) Complex Private Limited	Group Company	Loan given/Guarantee or Security provided/ Investment made/Sale/ purchase of immovable properties or entering into other agreements w.r.t. immovable properties or any other transfer of resources/Services/ obligations	Upto ₹ 500 Crores p.a.

\*Expected maximum value over 5 years starting from 2018-19

**“RESOLVED FURTHER THAT** the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company and/or a duly constituted Committee thereof, to do all such acts, deeds, matters and things as may be necessary, expedient or desirable including any negotiation/re-negotiation/modification/ratification/amendments to or termination thereof, of the subsisting arrangements/transactions/contracts or any future arrangements/transactions/contracts and to make or receive/pay monies or to perform all other obligations in terms of such arrangements/transactions/contracts with the Related parties.”

**“RESOLVED FURTHER THAT** the consent of the Company, be and is hereby accorded to the Board of Directors of the

Company and/or a duly constituted Committee thereof, to severally do or cause to be done all such acts, matters, deeds and things and to settle any queries, difficulties, doubts that may arise with regard to any of the transactions with the related parties and severally execute such contracts, agreements, documents and writings and to make such filings, as may be necessary, expedient or desirable for the purpose of giving full effect to this resolution, in the best interest of the Company.”

By Order of the Board

**Priti Kapadia**

Company Secretary

Date: 6<sup>th</sup> July, 2018

Place: Ahmedabad

**Registered Office:**

GANESH CORPORATE HOUSE

100 Feet Hebatpur-Thaltej Road,

Nr. Sola Bridge, Off. S. G. Highway

Ahmedabad - 380 054

**NOTES:**

1. A Statement to be attached to notice pursuant to Section 102 of the Companies Act, 2013 relating to Special Business to be transacted at the Meeting, is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/ HERSELF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY.** A person can act as proxy on behalf of members not exceeding Fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.

Provided that a member holding ten per cent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or any other shareholder.

Proxies, in order to be effective, must be received by the Company at its registered office, not less than 48 hours before the meeting. A proxy so appointed shall not have any right to speak at the meeting. A body corporate being a member shall be deemed to be personally present at the meeting if represented in accordance with the provisions of Section 113 of the Companies Act, 2013. The representative so appointed, has a right to appoint a proxy.

3. The Register of Members and the Share Transfer Books shall remain closed from Saturday, 15<sup>th</sup> September, 2018 to Friday, 28<sup>th</sup> September, 2018 (Both days inclusive) for the purpose of payment of Dividend and 27<sup>th</sup> Annual General Meeting of the Company.
4. The Dividend for the year ended 31<sup>st</sup> March, 2018, if declared at the meeting, will be paid on or after 4<sup>th</sup> October, 2018 to those members of the Company holding shares in physical form, whose names appear on the Register of Members of the Company on Friday, 14<sup>th</sup> September, 2018. In respect of shares held in electronic form, the dividend will be paid to the beneficial owners as per the data made available by National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) as of the close of business hours on Friday, 14<sup>th</sup> September, 2018.
5. All relevant documents referred in the Explanatory Statement shall be open for inspection at the Registered Office of the Company on all working days between 11:00 a.m. to 1:00 p.m. up to the date of 27<sup>th</sup> Annual General Meeting.
6. In case of Joint Holders attending the meeting, only such joint holder who is higher in the order of the name will be entitled to vote.
7. Members are requested to communicate the change in address or bank account details, if any, (i) to the Company's Registrar for physical share accounts and (ii) to their Depository Participants (DPs) in respect of the electronic share accounts.
8. Members are requested to bring their attendance slip along with a copy of Annual Report while attending the Annual General Meeting of the Company and to quote their Folio No./DP ID-Client Id in all correspondence. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send a Certified True Copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting along with attendance slip.
9. The Register of Directors and Key Managerial Personnel and their shareholding has been maintained under Section 170 of the Companies Act, 2013. Pursuant to Section 171 of the Companies Act, 2013 the said register will be available for inspection by the members at the AGM.
10. The Annual Report and Notice of 27<sup>th</sup> Annual General Meeting along with the attendance Slip and Proxy Form, is being sent by electronic mode to all members whose email addresses are registered with the Registrar/Depository Participant(s) unless a member has requested for the hard copy of the same. For members who have not registered their email addresses, physical copies of aforesaid documents are sent by the permitted mode. Members may note that this Notice and the Annual Report for the F.Y. 2017-18 will also be available on the Company's website viz. [www.ganeshhousing.com](http://www.ganeshhousing.com).
11. The route map showing directions to reach the venue of 27<sup>th</sup> Annual General Meeting is annexed.
12. Pursuant to the provisions of Section 108 of Companies Act, 2013 and other applicable rules made there under and under Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide the facility to the Members to exercise their rights to vote by electronic means. The members may cast their vote using electronic voting system from a place other than the venue of the Meeting (remote e-voting).
13. The Company shall provide facility for voting through polling paper at the 27<sup>th</sup> Annual General Meeting of the Company and the members attending the meeting who have not already cast their vote by remote e-voting shall be entitled/allowed to exercise their right at the meeting.
14. The members who have cast their vote by remote e-voting may also attend the Meeting but shall not be allowed to cast their vote again.
15. The Company has appointed Mr. Jatin Parikh, Partner of M/s J. M. Parikh & Associates, Practicing Chartered Accountants, Ahmedabad (Firm Registration No. 118007W) to act as the Scrutinizer, for conducting the scrutiny of the votes cast. The member desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereafter.
16. The scrutiniser shall, immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than three days of conclusion of the meeting, a consolidated scrutiniser's report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same.
17. The results shall be declared on or after 27<sup>th</sup> Annual General Meeting of the Company. The results declared along with the Scrutinizer's Report shall be placed on the Company's Website i.e. [www.ganeshhousing.com](http://www.ganeshhousing.com) and on the website of CDSL and the same will also be communicated to the Stock Exchanges.

18. The Company has entered into an arrangement with Central Depository Services (India) Limited (CDSL) for facilitating e-voting. The instructions for members for voting electronically are as under:

- (a) The voting period begins on Tuesday, 25<sup>th</sup> September, 2018 at 9.00 A.M. (IST) and ends on Friday, 28<sup>th</sup> September, 2018 at 5.00 P.M. (IST). During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. on 22<sup>nd</sup> September, 2018 (Saturday), may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (b) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (c) Click on Shareholders.
- (d) Now Enter your User ID
  - For CDSL: 16 digits beneficiary ID,
  - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (e) Next enter the Image Verification as displayed and Click on Login.
- (f) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any Company, then your existing password is to be used.
- (g) 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"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Attendance Slip indicated in the PAN field.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	<p>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.</p> <ul style="list-style-type: none"> <li>• 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 (d).</li> </ul>

- (h) After entering these details appropriately, click on "SUBMIT" tab.
- (i) Members holding shares in physical form will then directly reach 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.
- (j) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (k) Click on the EVSN for "GANESH HOUSING CORPORATION LIMITED".
- (l) 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.
- (m) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (n) 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.
- (o) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (p) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (q) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (r) **Shareholders can also cast their vote using CDSL's mobile app "m-Voting" available for all mobile users. The m-Voting app is available on Apple, Android, and Windows based Mobile phones. Shareholders may login to "m-Voting" using their e-voting credentials to vote for the Company resolution(s).**

## (s) 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](http://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](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details, 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](mailto: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.

(t) 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](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

19. Members may note that the above notice will also be available on the Company's Website viz. [www.ganeshhousing.com](http://www.ganeshhousing.com) and also on the website of agency providing e-voting facility viz. Central Depository Services (India) Limited (CDSL) on [www.cdslindia.com](http://www.cdslindia.com).

## 20. Unpaid/unclaimed dividend and/or shares:

- (a) The Company has transferred the unpaid or unclaimed dividends declared up to financial years 2009-10, from time to time, to the Investor Education and Protection Fund (IEPF) established by the Central Government. The Company has uploaded the details of unpaid and unclaimed dividends lying with the Company as on September 27, 2017 (date of the previous Annual General Meeting) on the website of the Company and the same can be accessed through the link: <http://www.ganeshhousing.com/dividend.html>. The said details have also been uploaded on the website of the IEPF Authority and the same can be accessed through the link: [www.iepf.gov.in](http://www.iepf.gov.in).
- (b) Further, pursuant to IEPF Rules, during the year, the Company transferred 145383 Equity Shares to IEPF

Authority in respect of which dividend has not been paid or claimed for seven consecutive years or more as on due date i.e. 30<sup>th</sup> October, 2017 Details of shares transferred to the IEPF Authority are available on the website of the Company and the same can be accessed through the link: <http://www.ganeshhousing.com/dividend.html>. The said details have also been uploaded on the website of the IEPF Authority and the same can be accessed through the link: [www.iepf.gov.in](http://www.iepf.gov.in).

- (c) Members may note that shares as well as unclaimed dividends transferred to IEPF Authority can be claimed back from them. Concerned members/investors are advised to visit the weblink: <http://iepf.gov.in/IEPFA/refund.html> or contact Company or its RTA for lodging claim for refund of shares and/or dividend from the IEPF Authority.
- (d) Members who have not yet encashed their dividend warrant(s) for the financial years 2010-2011 onwards, are requested to make their claims without any delay to the Company or Registrar and Transfer Agents (RTA), MCS Share Transfer Agent Limited. Due dates for transfer of unclaimed/unpaid dividends for the financial year 2010-11 and thereafter to IEPF is as under:

Sr. No.	Financial Year For which dividend declared	Date on which Dividend Declared	Last due date for claiming Unpaid Dividend
1.	2010-11	30/09/2011	29/09/2018
2.	2011-12	29/09/2012	28/09/2019
3.	2012-13	31/08/2013	30/08/2020
4.	2013-14	15/09/2014	14/09/2021
5.	2014-15	30/09/2015	29/09/2022
6.	2015-16	30/09/2016	29/09/2023
7.	2016-17	27/09/2017	26/09/2024

21. Members holding shares in physical mode are required to submit their Permanent Account Number (PAN) and bank account details to the Company/MCS Share Transfer Agent Ltd., if not registered with the Company as mandated by SEBI vide its Circular No. SEBI/HO/MIRSD/DOPI/CIP/P/2018/73 dated April 20, 2018.
22. SEBI has decided that securities of listed companies can be transferred only in dematerialised form from a cut-off date i.e. 5<sup>th</sup> December, 2018. In view of the above and to avail various benefits of dematerialisation, members are advised to dematerialise shares held by them in physical form at the earliest.



23. Relevant details, in terms of Sub-regulation (3) of Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and pursuant to Secretarial Standards on General Meetings ("SS – 2"), issued by the Institute of Company Secretaries of India in respect of the Directors retiring by rotation and proposed to be re-appointed are as under:

**Mr. Dipakkumar G. Patel**

Mr. Dipakkumar G. Patel, aged 50 years, is a Promoter Director and is holding the position of Whole-Time Director of the Company since 1<sup>st</sup> October, 2002. After the death of our former Chairman Late Shri Govindbhai C. Patel, he was appointed as Chairman of the Company w.e.f.

9<sup>th</sup> November, 2009. He possesses wide experience of 27 years in construction, finance, real estate development business, etc. At present Mr. Patel looks after overall policies, construction, procurement, new projects, quality control, overseas tie up, etc.

Mr. Patel is a Director on the Board of Three (3) Subsidiaries and 16 other Private Limited Companies.

As on 31<sup>st</sup> March, 2018, Mr. Patel held 12158752 (24.70%) shares in his own name and no share in the Company is held by him for any other person on a beneficial basis.

Mr. Dipakkumar G. Patel is related to Mr. Shekhar G. Patel and Ms. Aneri D. Patel, directors of the Company.

## EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

### Item No. 4

The Board of Directors of the Company, upon the recommendation of the Audit Committee, has approved the appointment of M/s J. B. Mistri & Co., Cost Auditors, Ahmedabad to conduct the audit of the cost records of the Company for the financial year ending 31<sup>st</sup> March, 2019 at a remuneration of ₹ 1,00,000/- (Rupees One Lakh Only) plus GST as applicable at its meeting held on 30<sup>th</sup> May, 2018.

In pursuance of Section 148 of the Companies Act, 2013, Rule 14 of the Companies (Audit and Auditors) Rules, 2014, read with Companies (Cost Records and Audit) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 4 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31<sup>st</sup> March, 2019.

The Board commends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the members.

None of the Directors or Key Managerial Personnel of the Company or their relatives are, in any way, concerned or interested financially or otherwise in the resolution set out at Item No. 4 of the Notice.

### Item No. 5

Pursuant to the provisions of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR"), all material related party transactions shall require the approval of the shareholders. The members of the Company gave their approval for the material related party transactions at its Extra Ordinary General Meeting held on 2<sup>nd</sup> July, 2016. However, considering the existing business scenario, the existing limits are required to be enhanced to a certain extent.

Further, certain transactions may also fall within the ambit of provisions of Section 188. As per Section 188(1) of the Companies Act, 2013, if the amount of transactions exceeds the prescribed limits than approval of members by way of Special Resolution is required. Moreover, pursuant to Regulation 23 of LODR for arrangements/transactions/contracts which are of material nature require approval of members.

Accordingly, the approval of the shareholders by way of a Special Resolution is sought for arrangements/transactions/contracts hitherto entered or to be entered into with Related Parties in one or more tranches. The particulars of the Related Party Transactions for which approval/ratification of the Members is sought, are as follows:

**Details of Related Party Transactions/Arrangements/Contracts per Financial Year**

Sr. No.	Name of Related Party	Nature of Relationship	Type of Transaction(s)	Maximum Value* of Transaction in every financial year
1.	Essem Infra Private Limited	Subsidiary	Loan given/ Guarantee or Security provided/Investment made or any other transfer of resources/ Services/obligations	Upto ₹ 750 Crores p.a.
2.	Gatil Properties Private Limited	Subsidiary	Loan given/Guarantee or Security provided/ Investment made/ Sale/purchase of immovable properties or entering into other agreements w.r.t. immovable properties or any other transfer of resources/Services/ obligations	Upto ₹ 500 Crores p.a.
3.	Starnet Software (India) Limited	Group Company	Loan given/ Investment made/ Sale/purchase of immovable properties or entering into other agreements w.r.t. immovable properties or any other transfer of resources/Services/ obligations	Upto ₹ 500 Crores p.a.
4.	Mahavir (Thaltej) Complex Private Limited	Group Company	Loan given/Guarantee or Security provided/ Investment made/ Sale/purchase of immovable properties or entering into other agreements w.r.t. immovable properties or any other transfer of resources/Services/ obligations	Upto ₹ 500 Crores p.a.

\*Expected maximum value over 5 years starting from 2018-19

All entities falling under definition of related party shall abstain from voting irrespective of whether the entity is party to the particular transaction or not.

Accordingly, consent of the Members is sought by way of a Special Resolution as set out in Item No. 5 of the accompanying Notice. This resolution enables the Board of Directors of the Company to approve related party transactions, as may be required by the Company, from time to time, and also ratification of existing arrangements/transactions/contracts entered into by the Company till the date of the said resolution coming into effect. Hence, by the proposed resolution, all existing material related party transactions are placed for approval/ratification. Moreover, by the proposed resolution, approval of the members is also sought for the material related party arrangements/transactions/contracts for the next five financial years starting from 2018-19 with the various specified related parties.

All documents and papers connected with this resolution are available for inspection at the registered office of the Company on all working days during normal business hours of the Company.

None of the Promoter(s), Director(s), Manager(s) and Key Managerial Personnel(s) and their relative(s) is/are, in any way, concerned or interested in the said resolution, except to the extent of their equity shareholdings in the Company and/or their respective Directorship or shareholding in the related entities covered by the related party transactions for which approval/ratification of the members is sought.

By Order of the Board

**Priti Kapadia**

Company Secretary

Date: 6<sup>th</sup> July, 2018

Place: Ahmedabad

**Registered Office:**

GANESH CORPORATE HOUSE  
100 Feet Hebatpur-Thaltej Road,  
Nr. Sola Bridge, Off. S. G. Highway  
Ahmedabad - 380 054

# Directors' Report

**Dear Shareholders,**

**Ganesh Housing Corporation Limited,**

Your Directors have pleasure in presenting the Twenty Seventh Annual Report and the Audited Accounts for the Financial Year ended 31<sup>st</sup> March, 2018.

## 1. STANDALONE FINANCIAL RESULTS

(₹ in Lakhs)

Particulars	Year Ended 31-03-2018	Year Ended 31-03-2017
Revenue from Operations	<b>20839.43</b>	17741.67
Other Income	<b>191.33</b>	196.05
<b>Total Income</b>	<b>21030.76</b>	17937.72
Total Expenses	<b>8333.87</b>	6502.76
Earnings Before Interest, Tax and Depreciation	<b>12696.89</b>	11434.96
Less: Finance Cost	<b>5737.60</b>	5180.63
Less: Depreciation	<b>255.03</b>	329.67
<b>Profit before Tax (PBT)</b>	<b>6704.27</b>	5924.66
Less: Current Tax	<b>2958.68</b>	2097.50
Less: Deferred Tax	<b>(161.09)</b>	9.49
<b>Profit after Tax (PAT)</b>	<b>3906.67</b>	3817.67
Other Comprehensive Income	<b>0.00</b>	0.00
<b>Total Comprehensive Income for the period</b>	<b>3906.67</b>	3817.67
Opening Balance in Retained Earnings/Profit & Loss	<b>39867.05</b>	37228.95
Add: Transfer from Statement of Profit and Loss	<b>3906.67</b>	3817.67
Total Amount available for appropriation	<b>43773.72</b>	41046.61
<b>Appropriations:</b>		
(a) Transferred to Reserve	<b>0.00</b>	0.00
(b) Dividend on Equity shares	<b>983.03</b>	980.06
(c) Tax on Dividend	<b>200.12</b>	199.52
Closing Balance	<b>42590.56</b>	39867.04

## 2. REVIEW OF OPERATIONS

### Financial performance of the year:

The Standalone and Consolidated Financial Statements for the financial year ended 31<sup>st</sup> March, 2018, forming part of this Annual Report, have been prepared in accordance with the Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs.

During the Year 2017-2018, revenue from operations on standalone basis increased to ₹ 20839.43 lakhs from ₹ 17741.67 lakhs in previous year. Further, during the year under review the Company booked other income of ₹ 191.33 Lakhs.

Total Expenditure (excluding interest & financial charges and depreciation) of the Company increased from ₹ 6502.76 lakhs to ₹ 8333.87 lakhs. After providing for interest and financial charges of ₹ 5737.60 lakhs and depreciation of ₹ 255.03 lakhs, the Profit before Tax (PBT) stood at ₹ 6704.27 lakhs and Net Profit after Tax (PAT) at ₹ 3906.67 lakhs.

### Material Changes and Commitments:

The material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year 2017-18 and the date of this report is as under:

The Company has disclosed the details of pending litigations or disputes before Income Tax Authority, Ahmedabad in point no. (E) to (H) of Note No. 47 to the Notes forming part of Accounts. Reference of said disputes are also included in the Auditor's Report under "Report on other Legal and Regulatory Requirements" in point no. 2(g)(i) and under Annexure-A to the Auditors' Report in point no. (vii)(b).

However, after the date of adoption of Financial Statement, the Income Tax Authority passed an Order under Section 264 of Income Tax Act, 1961 for the above mentioned disputes and accordingly, re-assessment is initiated.

### Changes in Equity Share Capital:

During the year under review, the Company had allotted 224271 fully paid up equity shares of face value of ₹ 10/- each upon conversion of Employee Stock Options granted and vested to the employees of the Company under Employee Stock Option Scheme 2010 (ESOP 2010) from time to time. Consequent to the allotment of aforesaid shares under ESOP 2010 Scheme, the issued, subscribed and paid up share capital of the Company increased from ₹ 49,00,28,190/- to ₹ 49,22,70,900/-.

## 3. TRANSFER TO RESERVES

The Company has not transferred any amount to the General Reserve out of the amount available for appropriation.

## 4. DIVIDEND

Your Directors are pleased to recommend a dividend of ₹ 1.80/- (Previous year ₹ 2.00/-) per equity share of ₹ 10/- each for the year ended 31<sup>st</sup> March, 2018. The Dividend on equity shares, if approved by the members at the 27<sup>th</sup> Annual General Meeting of the Company scheduled on 29<sup>th</sup> September, 2018, would involve a cash outflow of ₹ 886.09 lakhs, excluding dividend distribution tax.

The Register of Members and Share Transfer Books will remain closed from Saturday, 15<sup>th</sup> September, 2018 to Friday, 28<sup>th</sup> September, 2018 (Both days inclusive) for the purpose of payment of Dividend for the financial year ended 31<sup>st</sup> March, 2018.

## 5. FUTURE OUTLOOK

The majority of the provisions of Real Estate (Regulation & Development Act) have been implemented from 1<sup>st</sup> May, 2017. The said implementation has completely changed the dynamics of real estate sector in India.

RERA has brought clarity and transparency for the buyers as well as developers of the projects. Registration of new real estate projects has been made mandatory. Due to this mandate there has been an acute shortage of RERA approved projects. So it is desirable to launch new projects rapidly in order to cater to the demands of the buyers. Further it will enable the developers to liquidate the existing inventory and raise cash flow to reduce leverage and fund the new projects which are in pipeline.

GST has remained a big challenge for real estate industry. The amendment of Benami (Prohibition) Amendment Act, 2016 has aimed to improve the confidence of real estate buyers by enforcing transparency in transactions.

The Company through its subsidiary viz. Essem Infra Private Limited is executing two (2) projects namely, Maple Tree and Maple Trade Centre near Surdhara Circle, Thaltej, Ahmedabad. It is expected that these RERA approved projects will be completed by the end of the current financial year. Further the Company is planning two (2) residential projects under the name and style of Malabar County-3 and Malabar County-4 projects with total saleable area of 2,41,939 sq. ft. and 2,76,757 sq. ft. respectively, behind Nirma University, Ahmedabad.

## 6. FIXED DEPOSITS

Your Company has not accepted any public deposits during the financial year under review and, as such, no amount of principal or interest was outstanding as of the Balance Sheet date.

## 7. SUBSIDIARIES, JOIN VENTURES AND ASSOCIATE COMPANIES:

The Company has Three (3) Subsidiaries viz. Essem Infra Private Limited, Gatil Properties Private Limited and Maheshwari (Thaltej) Complex Private Limited as on 31<sup>st</sup> March, 2018. There are no associate companies or joint venture companies within the meaning of Section 2(6) of the Companies Act, 2013 ("Act"). Moreover, during the year under review Shaily Infrastructure Private Limited and Yash Organiser Private Limited ceased to be subsidiary of the Company w.e.f. 30<sup>th</sup> January, 2018 and 14<sup>th</sup> February, 2018 respectively.

During the year, the Board of Directors reviewed the affairs of the subsidiaries. In accordance with Section 129(3) of Companies Act, 2013, Consolidated Financial Statements of the Company and all its subsidiaries in accordance with the relevant accounting standards have been prepared which forms part of the Annual Report. The Consolidated Financial Statement of profit and loss for the financial year 2017-2018 includes profit or loss of ceased subsidiaries up to the date of cessation. Further, a statement containing the salient features of the financial statements of our subsidiaries in the prescribed format i.e. AOC-1 also forms part of Annual Report.

In accordance with Section 136 of the Companies Act, 2013, the audited financial statements, including the consolidated financial statements and related information of the Company and audited accounts of each of its subsidiaries, are available on the website of your Company viz. [www.ganeshhousing.com](http://www.ganeshhousing.com).

## 8. EMPLOYEES STOCK OPTIONS SCHEME

The Company had rolled out the Employees Stock Option Scheme ("ESOP 2010") in accordance with the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 ("the SEBI Guidelines") in the year 2010. The Company allocated 1500000 stock options for conversion into equity shares under the said Scheme to the employees of the Company and its subsidiaries. Further, Nomination and Remuneration Committee has been empowered with regard to administration and monitoring of the ESOP 2010. No employee has been issued share options during the year, equal to or exceeding 1% of the issued capital of the Company at the time of grant.

Further, during the year under review, the Company allotted 224271 fully paid up equity shares of face value of ₹ 10/- each upon conversion of Employee Stock Options on exercise of said options. Other than this, there has not been any material change in the Employee Stock Option Schemes during the current financial year.

The details of disclosure of Employee Stock Option Plan [ESOP 2010] as required under the provisions of Companies Act, 2013 and SEBI (Share Based Employee Benefits) Regulations, 2014 are available on the website of the Company. Web-link of the same is <http://www.ganeshhousing.com/investors/financial-information/>.

The Company has received a Certificate dated 21<sup>st</sup> May, 2018 from the Auditors of the Company that the ESOP 2010 Scheme has been implemented in accordance with the SEBI (Share Based Employee Benefits) Regulations, 2014 and as per the resolution passed by the members of the Company authorizing issuance of ESOP.

## 9. DIRECTORS AND KEY MANAGERIAL PERSONNEL

### Appointment/Re-appointment:

As per the provisions of Sub-section (6) of Section 152 of the Companies Act, 2013, Mr. Shekhar G. Patel, Managing Director of the Company, retires by rotation and being eligible has offered himself for re-appointment. The Board recommends his re-appointment.

During the year under review, there has been change in the Key Managerial Personnel. Mr. Nilesh Shah has resigned as Chief Financial Officer of the Company w.e.f. 10<sup>th</sup> April, 2017 and Mr. Rajendra Shah has been appointed as Chief Financial Officer of the Company w.e.f. 10<sup>th</sup> April, 2017.

### Other:

The Company has received a declaration from the Independent Directors of the Company under Section 149 (7) of Companies Act, 2013 confirming that they meet criteria of Independence as per relevant provisions of Companies Act, 2013 which was placed at the first meeting of Board of Directors of the Company held for the financial year 2018-2019.

Relevant details, in terms of Sub-regulation (3) of Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect of the Directors retiring by rotation and proposed to be re-appointed, are provided in the Notice for convening the 27<sup>th</sup> Annual General Meeting.



## 10. DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 134(3)(c) of the Companies Act, 2013, your Directors state that:-

- (i) In the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2018, the applicable accounting standards had been followed to the extent applicable to the Company. There are no material departures in the adoption of the applicable Accounting Standards.
- (ii) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 31<sup>st</sup> March, 2018 and of the Profit of the Company for that period;
- (iii) 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;
- (iv) The Directors have prepared the annual accounts on a going concern basis;
- (v) The Directors have laid down internal financial control to be followed by the Company and that such internal financial control are adequate and were operating effectively; and
- (vi) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## 11. UNCLAIMED AND UNPAID DIVIDENDS AND SHARES TRANSFERRED TO INVESTOR EDUCATION AND PROTECTION FUND ("IEPF")

In accordance with the provisions of Sections 124 and 125 of the Act read with Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") dividends which remain unpaid or unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend Account shall be transferred by the Company to the Investor Education and Protection Fund ("IEPF").

The IEPF Rules mandate companies to transfer all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more in the name of IEPF. The Members whose dividend and/or shares are transferred to the IEPF Authority can claim their shares and/or dividend from the IEPF Authority following the procedure prescribed in the Rules.

In accordance with the said IEPF Rules and its amendments, the Company had sent notices to all the Shareholders whose shares were due for transfer to the IEPF Authority and simultaneously published newspaper advertisements.

Dividend remitted to IEPF during the year:

Financial Year	Dividend declared on	Last due date for claiming Dividend	Amount transferred to IEPF	Date of transfer to IEPF
2009-2010	30/09/2010	29/09/2017	₹ 3,47,015	26/10/2017

Shares transferred/credited to IEPF:

Pursuant to IEPF Rules, during the year, the Company transferred 145383 Equity Shares to IEPF Authority.

The voting rights on these shares shall remain frozen until the rightful owner claims the shares.

The Company has appointed a Nodal Officer under the provisions of IEPF, the details of which are available on the website of the Company <http://www.ganeshhousing.com/dividend.html>

The Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on the date of Annual General Meeting viz. 27<sup>th</sup> September, 2017 on the Company's website <http://www.ganeshhousing.com/dividend.html> and on the website of the Ministry of Corporate Affairs at [www.iepf.gov.in](http://www.iepf.gov.in).

The following table provides dates on which unclaimed dividend and their corresponding shares would become liable to be transferred to the IEPF:

Sr. No.	Financial Year For which dividend declared	Date on which Dividend Declared	Last due date for claiming Unpaid Dividend
1.	2010-11	30/09/2011	29/09/2018
2.	2011-12	29/09/2012	28/09/2019
3.	2012-13	31/08/2013	30/08/2020
4.	2013-14	15/09/2014	14/09/2021
5.	2014-15	30/09/2015	29/09/2022
6.	2015-16	30/09/2016	29/09/2023
7.	2016-17	27/09/2017	26/09/2024

In view of above, the Members of the Company, who have not yet encashed their dividend warrant(s) or those who have not claimed their dividend amounts, may write to the Company/ Company's Registrar and Share Transfer Agent, MCS Share Transfer Agent Limited.

## 12. STATUTORY DISCLOSURES

### Particulars of Employees

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

- a) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

Directors	Ratio to median Remuneration
Mr. Dipakkumar G. Patel	33.97
Mr. Shekhar G. Patel	33.92
Dr. Tarang M. Desai	0.15
Dr. Bharat J. Patel	0.08
Mr. Ashish H. Modi	0.15
Ms. Aneri D. Patel	0.08

- b) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

Directors, Chief Financial Officer and Company Secretary	% increase in remuneration in the financial year
Mr. Dipakkumar G. Patel	-0.02#
Mr. Shekhar G. Patel	0.07#
Dr. Tarang M. Desai	8.02*
Dr. Bharat J. Patel	37.50*
Mr. Ashish H. Modi	24.43*
Ms. Aneri D. Patel	25.00*
Mr. Rajendra Shah, Chief Financial Officer	**
Mrs. Priti Kapadia, Company Secretary	10.83

# This is due to fluctuation of variable component of remuneration of executive directors viz. perquisites.

\* This includes sitting fees paid to Non-Executive and Independent Directors. There has been no change in the amount paid per meeting in FY 18 as compared to FY 17, hence, the increase is only due to fluctuation in number of meetings.

\*\* Remuneration received in FY 18 is not comparable with remuneration received in FY 17 as he was appointed w.e.f. 10<sup>th</sup> April, 2017.

- c) The percentage increase in the median remuneration of employees in the financial year: **14.72%**;
- d) The number of permanent employees on the rolls of Company as on 31<sup>st</sup> March, 2018: **139**;
- e) Average percentile increase made in the salaries of employees other than the managerial personnel in the financial year i.e. 2017-18 was **11.40%** whereas the increase/

decrease in the managerial remuneration for the same financial year was **19.15%**. During the year under review, the Company made appointment of new person for the position of Chief Financial Officer based on experience and qualification, due to which there is increase in managerial remuneration.

- f) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel, Senior Management Personnel and other Employees.
- g) The statement containing top ten employees in terms of remuneration drawn and the particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this report. Further, the report and the accounts are being sent to members excluding this annexure. In terms of Section 136 of the Act, the said annexure is open for inspection at the Registered Office of the Company. Any shareholder interested in obtaining a copy of the same may write to Company Secretary.

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

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as prescribed under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 of Companies (Accounts) Rules, 2014 are given in Annexure – A annexed hereto and forms part of this Report.

### Management Discussion & Analysis Report

Management Discussion & Analysis report for the year under review as stipulated under Regulation 34(2)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed as Annexure – B hereto and forms part of this Report.

### Corporate Governance Report

Your Directors adhere to the requirements set out in Regulation 34(3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Report on Corporate Governance as stipulated in the SEBI LODR Regulations is annexed as Annexure – C hereto and forms part of this Report along with Certificate from the Statutory Auditors M/s Purnesh R. Mehta & Co., Chartered Accountants, Ahmedabad confirming compliance of conditions of Corporate Governance.

### 13. AUDITORS AND AUDITORS' REPORT

#### Statutory Auditor:

M/s. Purnesh R. Mehta & Co., Chartered Accountants, Ahmedabad (Firm Registration No. 142830W) were appointed as Statutory Auditors of the Company for the period of five (5) consecutive years from the conclusion of 26<sup>th</sup> Annual General Meeting till the conclusion of 31<sup>st</sup> Annual General Meeting of the Company to be held in the year 2022.

Pursuant to the Companies (Amendment) Act, 2017 read with notification issued by the Ministry of Corporate Affairs on 7<sup>th</sup> May, 2018, first proviso to sub-section (1) of Section 139 of the Companies Act, 2013 was amended. Accordingly, the mandatory requirement for ratification of appointment of Auditors by the Members at every AGM has been omitted and hence your Company has not proposed ratification of appointment of M/s. Purnesh R. Mehta & Co., Chartered Accountants, Ahmedabad at the forthcoming AGM.

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

#### Secretarial Auditor:

As per provisions of Section 204 of Companies Act, 2013, the Board of Directors of the Company appointed C.S. Anand Lavingia, Practising Company Secretary, to conduct the Secretarial Audit of the Company for the financial year 2017-2018. The Secretarial Audit Report for the financial year 2017-2018, is annexed herewith marked as Annexure – D to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

#### Cost Auditor:

In terms of Section 148 of the Companies Act, 2013 read with Companies (Cost records and audits) Rules, 2014, the Company is required to get its cost records audited by the Practising Cost Accountant. Accordingly, the Board of Directors at their meeting held on 30<sup>th</sup> May, 2017, appointed M/s J. B. Mistri & Co., Cost Accountants, Ahmedabad, as Cost Auditors for auditing the cost records of your Company for the year ended 31<sup>st</sup> March, 2018.

#### Reporting of Frauds by Auditors:

During the year under review, the Statutory Auditor, Cost Auditor and Secretarial Auditor have not reported any instances of frauds committed in the Company by its Officers or Employees to the Audit Committee or Board under section 143(12) of the Companies Act, 2013, details of which needs to be mentioned in this Report.

### 14. COMMITTEES OF BOARD OF DIRECTORS

The Company has the following Committees of the Board:

1. Audit Committee;
2. Nomination and Remuneration Committee;
3. Stakeholders Relationship Committee;
4. Corporate Social Responsibility Committee

The composition of each of the above Committees, their respective role and responsibility is as detailed in the Report of Corporate Governance.

The Nomination and Remuneration Policy framed by the Company as per the provisions of section 178(4) of the Act, is available on the website of the Company (<http://www.ganeshhousing.com/wp-content/pdf/nomination-and-remuneration-policy.pdf>).

### 15. EXTRACT OF THE ANNUAL RETURN

The extract of the Annual Return as provided under sub-section (3) of Section 92 of Companies Act, 2013 for the financial year 2017-2018 is attached as *Annexure E*.

### 16. MEETINGS OF BOARD

During the financial year 2017-2018, the Board of Directors met for Eleven (11) times viz. 10<sup>th</sup> April, 2017; 30<sup>th</sup> May, 2017; 21<sup>st</sup> July, 2017; 11<sup>th</sup> August, 2017; 22<sup>nd</sup> September, 2017; 14<sup>th</sup> November, 2017; 7<sup>th</sup> December, 2017; 29<sup>th</sup> December, 2017; 25<sup>th</sup> January, 2018; 14<sup>th</sup> February, 2018 and 10<sup>th</sup> March, 2018.

### 17. PARTICULARS OF CONTRACTS OR ARRANGEMENT WITH RELATED PARTIES REFERRED IN SECTION 188(1) OF THE COMPANIES ACT, 2013

During the year under review there were contracts or arrangements with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013. All related party transactions entered were in the ordinary course of business and on arm's length basis. Form AOC-2 pursuant to Section 134 (3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is set out in Annexure-F to this Report.

Further, there were no materially significant related party transactions with the Company's Promoters, Directors, Management or their relatives, which could have had a potential conflict with the interests of the Company. Transactions with related parties entered into by the Company in the normal course of business are periodically placed before the Audit Committee for review.

Members may refer to the notes to the accounts for details of related party transactions entered as per Indian Accounting Standard – 24. The Board of Directors of the Company has, on the recommendation of the Audit Committee, adopted a policy to regulate transactions between the Company and its Related Parties, in compliance with the applicable provisions of the Companies Act 2013, the Rules thereunder and the SEBI LODR Regulations.

The Policy on Materiality of and dealing with Related Party Transactions as approved by the Board is uploaded on the Company's website and can be accessed at the Web-link: <http://www.ganeshhousing.com/wp-content/pdf/policy-on-related-party-transaction.pdf>

## 18. PARTICULARS OF LOANS, INVESTMENTS AND GUARANTEES UNDER SECTION 186 OF COMPANIES ACT, 2013:

Disclosure on details of loans, guarantees and investments pursuant to the provisions of Section 186 of the Companies Act, 2013, and SEBI (LODR) Regulations, 2015, are provided in the financial statements.

## 19. RISK MANAGEMENT

As per Regulation 17(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is required to lay down the procedures about the risk assessment and minimisation procedures. In accordance with the said clause the Company has adopted risk management framework with the following objectives:

1. Aligning the corporate strategies & objectives to the risk appetite
2. Providing a formal organisation structure for risk management
3. Integrated approach to risk management at strategic level
4. Systematic approach and use of special tools for risk management
5. Providing Board/Management oversight

In order to achieve the key objective, the policy establishes a structured and disciplined approach to Risk Management, in order to guide decisions on risk related issues. Thus, the Company has in place risk management policy which also includes identification of elements of risk, if any, which in the opinion of the board may threaten the existence of the Company.

## 20. CORPORATE SOCIAL RESPONSIBILITY

Pursuant to Section 135 of Companies Act, 2013, the Company has formed Corporate Social Responsibility Committee (CSR Committee) comprising of following members:

Sr. No.	Name of Director	Category / Designation	Position
1.	Mr. Dipakkumar G. Patel	Chairman & Whole-time Director	Chairman
2.	Mr. Shekhar G. Patel	Managing Director	Member
3.	Dr. Tarang M. Desai	Independent Director	Member

The CSR Committee has formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company as specified under Schedule VII of Companies Act, 2013, which has been approved by the Board. The CSR Policy may be accessed on the Company's website at the link: <http://www.ganeshhousing.com/wp-content/pdf/corporate-social-responsibility-policy.pdf>.

The annual report on CSR containing particulars as specified under Rule 8 of Companies (Corporate Social Responsibility) Rules, 2014 is as per Annexure – G to the Report.

## 21. ANNUAL EVALUATION MADE BY THE BOARD OF ITS OWN PERFORMANCE AND THAT OF ITS COMMITTEE AND INDIVIDUAL DIRECTORS

The Board of Directors has carried out an annual evaluation of its own performance, Board committees and individual directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed by Securities and Exchange Board of India ("SEBI") under SEBI LODR Regulations.

The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of the criteria such as the Board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the Board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

The Board and the Nomination and Remuneration Committee ("NRC") reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the Board and committee meetings like preparedness on the issues/ matters to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.



In a separate meeting of Independent Directors, performance of non-independent directors, performance of the Board as a whole and performance of the Chairman was evaluated.

## 22. SIGNIFICANT AND MATERIAL ORDERS

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

## 23. INTERNAL FINANCIAL CONTROLS

With reference to financial statements, the Company has in place adequate financial controls in form of policies and procedures 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.

## 24. AUDIT COMMITTEE

The Audit Committee comprises of total three members out of which two are Independent and Non-executive Directors viz. Mr. Ashish H. Modi, Chairman & Dr. Tarang M. Desai, Member and third member is Managing Director viz. Mr. Shekhar G. Patel. All the recommendations made by the Audit Committee were accepted by the Board.

## 25. VIGIL MECHANISM

The Company has adopted the whistle blower mechanism for directors and employees to report concern about unethical behaviour, actual or suspected fraud, or violation of Company's Code of Conduct and Ethics. The whistle blower policy is available on the website of the Company. The web link of the same viz. <http://www.ganeshhousing.com/wp-content/pdf/vigil-mechanism.pdf>.

## 26. DISCLOSURE AS REQUIRED UNDER SECTION 22 OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with

the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules thereunder for prevention and redressal of complaints of sexual harassment at workplace. The Company has setup an Internal Complaints Committee (ICC) for redressal of Complaints.

During the financial year 2017-18, the Company has received Nil complaints on sexual harassment, out of which Nil complaints have been disposed of and appropriate action taken and Nil complaints remain pending as of 31<sup>st</sup> March, 2018.

## 27. COMPLIANCE WITH THE PROVISIONS OF SECRETARIAL STANDARD 1 AND SECRETARIAL STANDARD 2

The applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly complied by your Company.

## 28. ACKNOWLEDGEMENTS

Your directors express a deep sense of gratitude for assistance and cooperation received from customers, vendors, shareholders and banks viz. Tamilnad Mercantile Bank Limited, ICICI Bank, HDFC Bank, Axis Bank, Karur Vysya Bank, Punjab National Bank, AU Small Finance Bank and Yes Bank Ltd as well as various NBFC Lenders, Central & State Government authorities, other business associates, who have extended their valuable support during the year under review. Your directors take this opportunity to place on record their gratitude and appreciation for the unstinted support of all the employees at all the levels of the Company.

For & on behalf of Board of Directors

**Dipakkumar G. Patel**  
Chairman  
(DIN: 00004766)

Date : 6<sup>th</sup> July, 2018  
Place : Ahmedabad

**ANNEXURE - A**

Details of particulars under Section 134(3)(m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 are given as under

**A. CONSERVATION OF ENERGY:**

(i) the steps taken or impact on conservation of energy;	Company ensures that the operations are conducted in the manner whereby optimum utilisation and maximum possible savings of energy is achieved.
(ii) the steps taken by the Company for utilising alternate sources of energy;	No alternate source has been adopted
(iii) the capital investment on energy conservation equipment;	No specific investment has been made in reduction in energy consumption

**B. TECHNOLOGY ABSORPTION:**

1. The efforts made towards technology absorption	The Company executes major projects through contractors. Hence, no outside technology is used by the Company
2. The benefits derived e.g., product improvement, cost reduction, product development, import substitution	Not Applicable
3. In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year)	a. Technology imported: Nil b. Year of import: Not Applicable c. Has technology been fully absorbed? : Not Applicable d. If not fully absorbed, areas where this has not taken place, reasons there for: Not Applicable.
4. The expenditure incurred on Research and Development.	Not Applicable

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO:**

As on 31<sup>st</sup> March, 2018, there were no foreign exchange earnings and/or outgo.

For & on behalf of Board of Directors

Date : 6<sup>th</sup> July, 2018  
Place : Ahmedabad

**Dipakkumar G. Patel**  
Chairman  
(DIN: 00004766)

# Management Discussion and Analysis

## ECONOMIC SCENARIO

### Global Economy

After a lackluster outturn in 2016, global economy strengthened in 2017 to 3.8%, with a notable rebound in global trade. Two-thirds of countries accounting for about three-fourths of global output experienced faster growth in 2017 than in the previous year, making 2017 a year of broad-based cyclical recovery. A large portion of this growth was primarily driven by an investment recovery in Advanced Economies, continued strong growth in Emerging Asia, a notable upswing in Emerging Europe and signs of recovery in several commodity exporters. At 3.8%, global growth was 0.5% faster than in 2016 and the strongest since 2011.

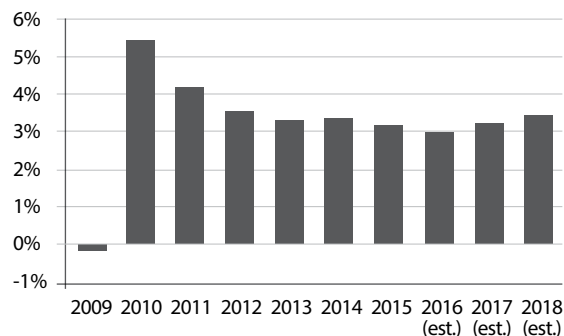
Among the Advanced Economies, growth was led by the US, Euro area and Japan that grew 2.3%, 2.3% and 1.7% respectively in 2017 as against 1.5%, 1.8% and 0.9% respectively in 2016. Growth was driven by revival in capital spending, strengthening external demand and turnaround in inventories.

Higher fixed investment growth coupled with acceleration in private consumption supported the growth performance of Emerging Market and Developing Economies. Both Russia and Brazil reverted to growth after contracting for two consecutive years owing to the rebound in commodity prices. Meanwhile, Asian Emerging Market Economies displayed strength, characterized by vibrant manufacturing activities and surging trade flows during 2017. As a result, Emerging Market and Developing Economies grew at 4.7% in 2017 and are projected to grow further at 4.9% in 2018.

As per IMF, global growth is expected to pick up to 3.9% in both 2018 and 2019. The growth will be aided by the sustained strong momentum, favourable market sentiments, accommodative financial conditions and the domestic and international repercussions of expansionary fiscal policy in the United States.

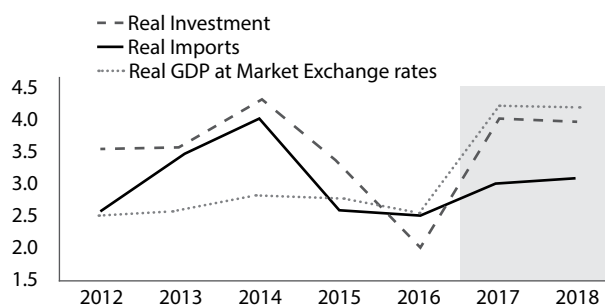
(Source: IMF World Economic Outlook, April 2018)

### Global GDP Growth Rate



### Global trade Rebounds

In 2017, global trade grew faster than global GDP  
(Global investment, GDP and trade, percent change)



Source: IMF Staff calculations.

Note: Shaded area contains IMF projections

### Indian Economy

The Indian economy slowed down in early 2017 owing to the disruptions caused by the twin blows of demonetization and introduction of the Goods and Services Tax (GST). GDP growth stood at 6.7% in FY 2017-18 as compared to 7.1% clocked in FY 2016-17.

While the GDP growth in FY2017-18 was subdued, the economy has begun to show green shoots of revival. Growth in the fourth quarter of the year climbed to an impressive 7.7%, the highest in seven quarters. Normalization in cash conditions following demonetization of late 2016 and the receding teething problems relating to GST implementation have facilitated this recovery.

The Government's reform agenda has been lauded by the World Bank, as reflected in India's 30-point jump to join the top 100 countries in the World Bank's "Ease of Doing Business" report. Additionally, the country's sovereign credit rating was upgraded by Moody's Investors Service for the first time since 2004, indicating the confidence the global players have in the Indian economy.

In the current fiscal, India's economic growth is expected to accelerate on the back of improvement in investment cycle and capacity utilization. The Government's continued focus on stabilizing reforms, including ensuring progress on stressed assets under the Indian Bankruptcy Code (IBC), another landmark reform, is expected to improve investor confidence and support growth in the medium term. Inflation also continues to be well under the target. GST will further help to increase efficiency and improve tax compliance. Direct tax collection has already grown by 18% to cross ₹ 10 Lakh crore in FY2017-18, a significant improvement due to the higher formalization of the economy. Strong rural demand aided by normal monsoon, strong global growth helping exports of both goods and services, and pickup in spending in key infra sectors like roads, irrigation and power transmission are among the other factors that are expected to drive economic momentum and growth.

Institutions like the IMF and the World Bank continue to be optimistic on India's growth potential. As per the June 2018 edition of the Global Economic Prospect report by the World Bank, India's growth is projected to be 7.3% in FY2018-19 and 7.5% in FY2019-20. The IMF is even more bullish, pegging growth at 7.4% in FY2018-19 and 7.8% in FY2019-20.

## INDUSTRY OVERVIEW

### Indian Real Estate Market

2017 was a landmark year for the real estate sector reflecting the implementation of all the policy initiatives undertaken in 2016. The year, though packed with uncertainties and volatility, promised long-term growth as various new opportunities in the form of regulatory developments such as Real Estate (Regulation & Development Act) Act (RERA), Goods and Service Tax (GST), Real Estate Investment Trusts (REITs) and Industry Status to Affordable Housing were rolled out. While the impact of demonetization had the entire economy reeling until the first quarter of 2017, including the real estate sector which witnessed sluggish sales, the industry started recovering from April 2017 with the demonetization impact fading away and the introduction of historic reforms.

The introduction of RERA was a revolutionary move implemented by the Government primarily to protect consumers' interests and ensure greater transparency and efficiency. RERA is also aimed to encourage greater institutional capital inflows into the sector. Timely project delivery, greater accountability and proper governance are the other transformational changes expected with the implementation of RERA. RERA has already started showing visible results with new launches steadily gaining traction in 2018.

REITs, on the other hand, have a positive impact on the realty sector by offering investors the benefits of real estate investment along with the ease and advantages of investing in publicly traded stock. Besides this, amendments to the Benami Transactions Act, 1988 coming into force from 2016 is yet another significant measure adopted by the Government to improve transparency and accountability in the sector.

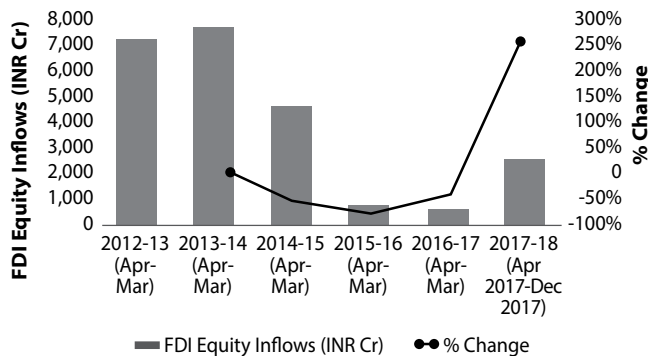
In September 2017, the Government announced a new public-private partnership (PPP) policy to boost private investments in line with its 'Housing for All by 2022' scheme. Apart from this, the private real estate developers' body is planning to come up with 250 affordable housing projects across India through its members. With these focused efforts, affordable housing is expected to become an important segment in every developer's portfolio in 2018. Moreover, completion of existing projects will be prioritized over launching of new ones in the days to come.

The Ministry of Housing and Urban Affairs has completed the selection of 100 cities to receive funding under the Centre's flagship Smart Cities Mission, with Shillong being selected as the 100th city in June 2018. An ambitious government scheme, the Smart Cities Mission holds considerable potential to redefine the country's infrastructure, provided the plans are efficiently executed.

Foreign investors have also welcomed the recent government reforms for bringing in transparency and accountability in the Real Estate sector. According to the Department of Industrial Policy & Promotion (DIPP), in just nine months of FY 2017-18, FDI equity inflows into construction development sector jumped by around 250% over the levels of FY 2016-17. This is largely attributable to the optimistic outlook in the business environment owing to the adoption of RERA regime and other transformational reforms.



### FDI Equity Inflows: Construction Development



(Source: Departmental of Industrial Policy & Promotion (DIPP))

On the back of all these positive developments, 2018 looks a promising year for the real estate industry across major Indian markets. As per industry reports, India's real estate sector is poised for a robust growth in the years to come with an expectation to reach \$180 billion by 2020 from \$126 billion in 2015.

### Ahmedabad Real Estate Market

The real estate market in Ahmedabad witnessed few challenges in the beginning of 2017, mainly because of lack of clarity faced by developers due to the implementation of RERA Act. This resulted in reduction of new launches in the city in the initial part of the year. However, these concerns are being addressed effectively. Overall, the future of Ahmedabad real estate is bright with streamlined systems and processes and sound fundamentals.

This year, South Ahmedabad observed majority of the launches followed by East Ahmedabad and North Ahmedabad. The city witnesses a remarkable affinity of homebuyers towards affordable housing projects with West Ahmedabad continuing to remain the favourite among homebuyers due to its proximity to business districts along SG Highway and Sanand.

The major reason for the attractiveness of Ahmedabad real estate sector is the abundant real estate options offered by the sector at very competitive rates compared to other urban markets. The commercial capital of Gujarat is expected to witness a robust growth in the realty space with rapid infrastructural investments (in bullet trains and metro trains), and proximity to Gujarat International Finance Tec-City (GIFT city) and Ahmedabad-Dholera Special Investment Region. Driven by its state-of-the-art world class technology, GIFT is likely to boost the demand of the commercial market in Ahmedabad significantly. Post September 2017, things have started progressing smoothly in the city with around 800 projects and 300 real estate agents being

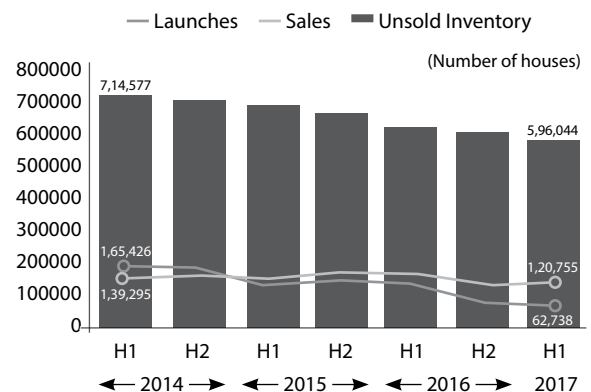
registered with the state authority till the end of November. The traction in registration demonstrates the smooth implementation of RERA regime by the State of Gujarat.

(Source: Knight Frank Research)

### Residential Sector

Residential market across top 8 Tier I cities of the country, namely Ahmedabad, Bengaluru, Chennai, Pune, Mumbai, Delhi, Kolkata and Hyderabad, registered a 13% growth in sales volume during FY2017-18. Among these, Mumbai Metropolitan Region achieved highest growth of 25%. The rising demand for affordable housing coupled with lower home loan interest rates and necessary thrust by the government pushed the overall sales in Tier I cities during Q4 2017-18 to 18%. Mumbai was followed by Delhi-National Capital Region witnessing a 19% increase in sales for the year. Among the southern zones, Chennai and Bangalore witnessed a drop in sales of 15% and 5%, respectively while Hyderabad demonstrated a growth of 17%. Measures such as RERA, GST and Pradhan Mantri Awas Yojana (PMAY) have changed the dynamics of the industry, thereby boosting buyers' sentiments.

Overall, on a y-o-y basis, a significant fall in new launches was observed across the top eight cities. However, some of the key cities such as Mumbai, Hyderabad and Kolkata witnessed growth in launches by 42%, 53% and 29% respectively. Owing to rise in sales and drop in new launches, the unsold inventory in these cities dipped by a considerable 3% compared to the previous year and stood at 9.29 lac units as on March 2018.



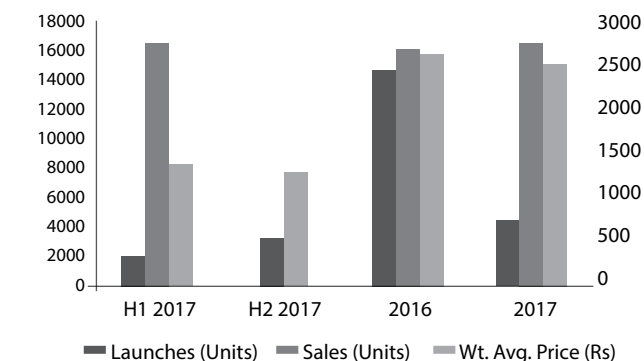
Graphic by Naveen Kumar Saini/Mint

(Source: Knight Frank Research)

### Ahmedabad Residential Sector

The residential market in the city witnessed challenging times. During 2017, new launches declined by 66% as compared to the launches in 2016 with 1,874 units being launched in H1 2017 and 2,916 units in H2 2017. Fall in new launches led to further stress in the market. Compared to 2016, sales were somewhat

lower in 2017, with H2 2017 registering a decline in sales by 19% compared to the average sales of 9677 units recorded across H2 2013, H2 2014 and H2 2015. However, West Ahmedabad showed an impressive performance in respect of sales volume in H2 2017. During this period, its share amounted to 24% of the total sales in the city compared to 21% during H2 2016. Overall, on a YoY comparison, the share of West Ahmedabad increased to 26% in 2017 compared to 19% in 2016. The declining trend in new launches and steady sales impacted the quarters to sell (QTS) and the unsold inventory levels. In H2 2017, the QTS came down to 7 quarters and the unsold inventory in the city stood at 26,800 units at the end of 2017, which is less compared to the previous two years' figures, showing signs of a healthy market. Despite steady sales, the months of July and August saw a reduction in the number of homebuyers mainly because of the challenges faced by developers due to the higher tax rate under GST regime. (Source: Knight Frank Research)



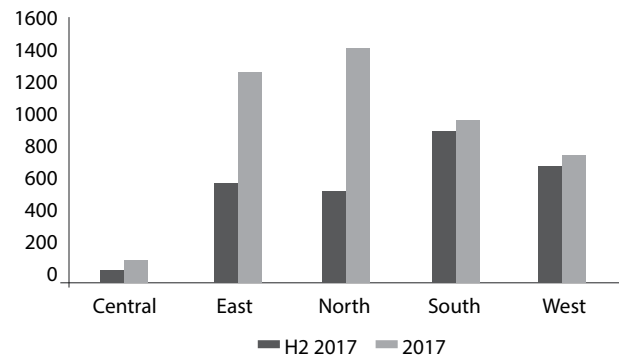
(Source: Knight Frank Research)

### Micro-Market Launches and Sales

South Ahmedabad witnessed majority of the launches amounting to nearly 35% of the new launches in the city in H2 2017, especially in locations like Kankaria and Juhapura. Micro markets like Vastrapur and Shilaj in West Ahmedabad and Chandkheda in North Ahmedabad also showed an encouraging increase in the number of new launches. Markets of East and North Ahmedabad, which are the pioneers for affordable housing projects, posted approximately 60% of the sales in H2 2017. Lack of available spaces and high capital values in Central Ahmedabad lowered the developers' confidence for this micro market.

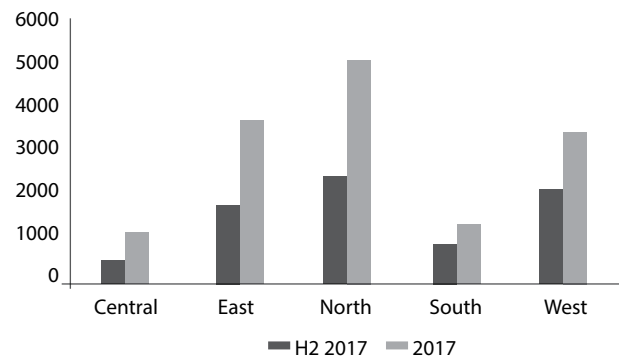
West Ahmedabad, owing to its proximity to business districts is largely preferred by the homebuyers, particularly by the white-collared job-workers. East Ahmedabad, driven by increasing manufacturing activity, has also been performing exceptionally well, gathering homebuyers' attention towards affordable houses in that region.

### Micro-Market Split of Launched Units



(Source: Knight Frank Research)

### Micro-Market Wise Residential Sales

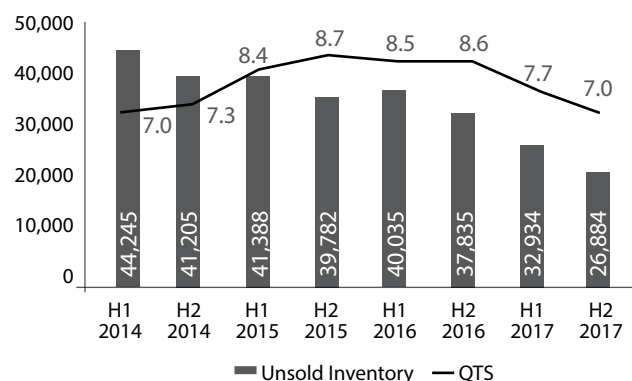


(Source: Knight Frank Research)

### Unsold Inventory

The Quarters to Sell (QTS) unsold inventory in Ahmedabad at the end of 2017 stood at 7 quarters, which is less than two years old, signalling the recovery of the market.

### Analysis of unsold inventory and QTS

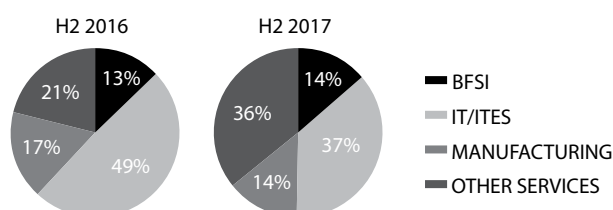


## Commercial Sector

After a record 2016, India's commercial market continued to maintain its growth trajectory in 2017 as well. Despite various technological disruptions and weakening signs of IT and ITES sectors' share in transactions due to macro-economic factors such as drop in spending as well as an inclination to insource by the USA and several European countries, the overall demand for office space remained robust. The IT/ITES sector share accounted for 37% of the transacted volume in H2 2017 compared to 49% achieved in H2 2016 while the share of Other Services sector jumped from 21% in H2 2016 to 36% in the second half of 2017, supported by increased absorption by E-commerce and Co-working companies. In 2017, demand for co-working space touched an all-time high of 2.6 million sq. ft (msf) especially in key cities such as Bengaluru, Mumbai and Gurgaon. New completions during 2017 stood at 32.7 msf as compared to 30.7 msf in 2016, signalling a growth of 7%. Besides this, the office space in the country witnessed an annual absorption of over 42 msf in 2017 with more than 50% of annual leasing activity coming from the key markets like Bangalore and Delhi-NCR. Moreover, the sector displayed strong rental growth across markets with the exception of Mumbai which saw a decline of 5% in rental value due to increasing supply and vacancy levels. On the other side, the average rental values across the seven cities grew at 3% during H2 2017.

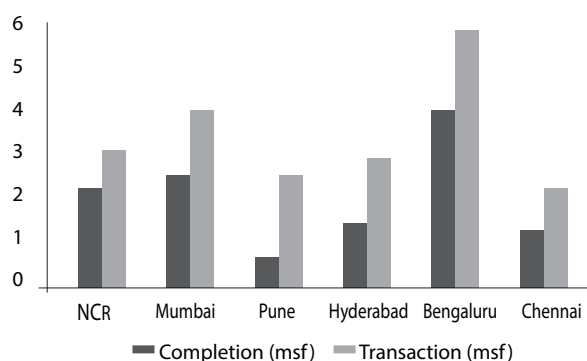
(Source: Knight Frank Research)

## Sector-Wise Split of Transactions



(Source: Knight Frank Research)

## Office Completions and Transactions as on H2 2017



(Source: Knight Frank Research)

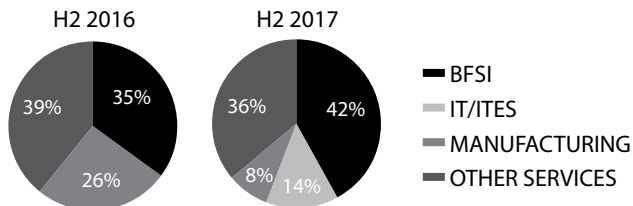
## Ahmedabad Commercial Sector

During 2017, office space transactions in Ahmedabad grew by 53% to 1.46 msf, of which 1.14 msf was done in H1 2017 and 0.32 msf in H2 2017. This huge jump in transacted space is credited mainly to availability of good quality office space at competitive rates. New completions, on the other hand reached 2.92 msf compared to 1.67 msf in 2016 i.e. an increase by 75% which was largely observed across three projects in Grade-B office buildings. Compared to urban markets like Mumbai, Bengaluru and Delhi-NCR, office market in Ahmedabad is still at its nascent stage, with BFSI, Other Services and manufacturing sectors being the major contributors in Ahmedabad's office market. In H2 2017, the largest share was occupied by BFSI followed by Other Services, IT/ITES and manufacturing sectors. Moreover, the second half of 2017 was marked by a rise in the number of deals from 15 in H2 2016 to 17, supported mainly by a significant increase of 42% in the average deal size in H2 2017. The year 2017 also demonstrated a steady growth in the rentals especially in the Central Business District (CBD) West and Peripheral Business District (PBD), wherein the rentals have increased considerably in comparison to the previous year.

Office Rental (H2 2017)	(INR/sq. ft/ month)	6-month change	12-month change
PBD	40-41	4%	9%
CBD WEST	40-43	0%	1%

(Source: Knight Frank Research)

### Sector-Wise Split of Transactions



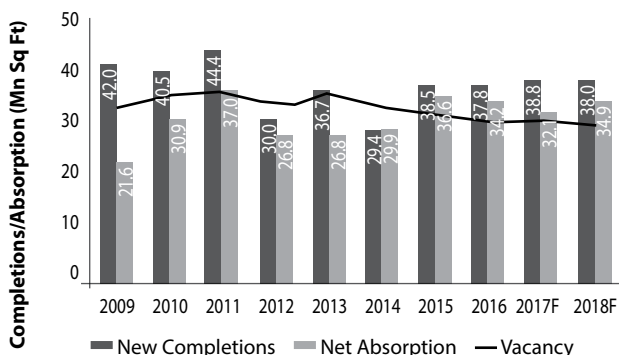
(Source: Knight Frank Research)

### Retail Sector

The retail sector is emerging to be the most vibrant segment with the inclusion of more shopping malls, multiplexes, hypermarkets, supermarkets, complexes offering Food & Beverage (F&B), entertainment, etc. The expansion of the middle-class community, increasing young population, changing lifestyles and rising income levels are the significant growth drivers behind the Indian retail industry. While factors such as lack of available space in retail malls, increasing lease rentals and high land prices pose a challenge for retailers to own real estate in Tier 1 cities, the market dynamics in smaller cities are very favourable. The smaller cities are being preferred because of availability of land at cheaper prices, lower rentals, new high street formats and a younger generation of retailers now willing to experiment with new leasing formats. Emerging destinations like Lucknow, Jaipur, Chandigarh, Kochi, Indore, Nagpur and Bhubaneswar are poised for an impressive performance in the retail sector owing to upcoming supply and retailer expansion plans and investment in these cities. Backed by right government reforms and initiatives, the future of retail space looks promising, making it favorable for retailers to do business. According to IBEF, the Indian retail sector is expected to reach USD 950 billion by 2018.

(Source: Jones Long LaSalle)

### Retail Space Supply and Demand



(Source: <http://realtyplusmag.com/indian-real-estate-a-review-of-2016-and-peering-into-2017-2/>)

### Ahmedabad Retail Sector

The city witnessed new significant high-end retail space supply during the year. Mall leasing activities were largely driven by Food & Beverage (F&B) and apparel segments. Insufficient new supply and limited availability of quality spaces led to an increase in the mall rents in the S.G. Highway submarket by 5%. The retail spaces in prime main streets continued to remain dominated by retailers from apparels and lifestyle goods segments. Strong demand and limited quality supply led to a significant upsurge in rental rates in the main streets. However, leasing is expected to strengthen further due to increase in enquiries from F&B, apparels and automobile retailers.

(Source: Cushman & Wakefield)

### BUSINESS OVERVIEW

A flagship company of the Ganesh Group, Ganesh Housing Corporation Limited (GHCL) is one of the leading and most reputed real estate developers in Ahmedabad founded by Late Govindbhai C. Patel. Established in 1991, the Company has been a pioneer of organized housing and construction and has built a strong presence across Ahmedabad by delivering remarkable projects catering to the requirements of the middle and higher class segment of the society. The Company has developed and delivered over 22 million sq. ft (msf) of impeccable residential, commercial and retail real estate projects. A key strategic advantage for the Company is the ownership of one of the largest developable land bank in the city occupying over 50 million sq. ft (msf), provides it impressive growth opportunities in the coming years. The Company specializes in the residential, commercial, retail and township real estate segments wherein, it has embarked upon some marquee projects. The Company endeavors to continuously offer better spaces to its customers.

### Residential Projects:

Project Name	Total development area	Key points
<b>Completed</b>		
<b>Malabar County-I</b>	7,51,752 sq. ft.	The project comprises 600 apartments and is located behind Nirma University. The project is completed.
<b>Malabar County-II</b>	7,19,752 sq. ft.	The project comprises 442 apartments having an area of 6,81,588 sq. ft. and a 37,476 sq. ft. retail space (convenient shopping) comprising of 60 shops. It is located behind Nirma University. The project is completed.



Project Name	Total development area	Key points
<b>On-going</b>		
Maple Tree Garden Homes	Super built-up area Apartment – 15,11,221.52 sq. ft. Shop– 87,069.09sq.ft.	It is a unique project based on the classic French Alfresco open-garden home Style. It is located near Surdhara Circle, Thaltej spread over an area of 3,42,211.04 sq. ft. It has a total of 488 units comprising 3BHK, 4BHK and penthouse apartments and 66 units comprising of shops. Maple Tree Garden Homes is one of the premium addresses in Ahmedabad and is all set to emerge as a Marquee landmark in the city's skyline.
<b>Commercial Projects:</b>		
Project Name	Total Saleable Area	Key points
<b>Completed</b>		
Magnet Corporate Park	6,31,081 sq. ft.	It is located in S.G. Road and is based on the concept of individual corporate houses. It is spread over 2,70,000 sq. ft. having 23 individual corporate houses of 20,000-30,000 sq. ft. size. The project is completed.
<b>On-going</b>		
Maple Trade Centre	4,28,592.54sq. ft.	This is a 13-floor commercial project having 242 offices and 48 shops and is located near Sudhara Circle, Thaltej spread over an area of 97,184.32 sq. ft.

## OPPORTUNITIES AND THREATS

### Opportunities

- **Strong macro-economic fundamentals:** India is one of the world's fastest growing major economies. The overall macro-economic scenario in the country is positive supported by rising GDP, low inflation, lower interest rates, low commodity prices, rising foreign investments, increase in income and purchasing power of people, increase in employment, etc. A combination of all these factors is likely to boost the Real Estate sector in the country. Besides, recent government initiatives such as RERA, GST and Benami Property Act have enforced transparency and accountability in the sector and boosted consumer confidence to a large extent.
- **Policy Regulations:** The major policy and regulatory reforms undertaken by the government to boost transparency and growth in the realty sector include:
  1. The implementation of RERA Act on May 1, 2017 has completely changed the dynamics of the real

estate sector which was primarily operating in an unorganized manner. This landmark move is enabling the sector to progress in a much transparent and organized manner. Under this regime, developers have to declare all project related details such as project layout, plan of development work, land status, names of promoters to the State Real Estate Regulatory Authority (RERA) before the buyers. This enables a speedy dispute resolution mechanism, in case of default by developers. Besides, the developers have to deposit mandatorily 70% of the project fund in an escrow account. Moreover, the Act facilitates the selling of apartments on carpet-area basis instead of super built-up area and stipulates the compulsory registration of all the residential real estate projects with plot sizes of over 500 sq. mts. A majority of the states such as Gujarat, Maharashtra, Madhya Pradesh and Uttar Pradesh have notified the real estate rules with other states notifying these rules in the days to come.

2. Real estate sector of India is the second largest sector generating FDI inflows, with higher FDI inflows leading to increased construction and development of properties. In order to boost higher foreign investment, the government announced 100% FDI inflow through automatic route in construction led development projects to instill more transparency and governance in the sector. Besides this, measures such as removal of minimum floor area and minimum capitalisation requirements, options granted to foreign investors to exit the project before its completion subject to lock-in period of 3 years and other relaxations in FDI norms are expected to further boost the realty segment of the country.
3. The Government had introduced the concept of REITs in order to attract retail funding in the sector. Under the Indian Taxation Laws, REITs were allotted a pass through status for the purpose of taxation. Besides, reforms such as REITs acknowledgement as eligible financial instruments, increasing the threshold of investment by REITs in under-construction projects to 20% from earlier 10%, etc. contributed to the revival of the sector to a large extent.
4. Another significant reform to enforce transparency in the sector is the amendment of the Benami

(Prohibition) Amendment Act, 2016 aimed to improve the confidence of the real estate buyers and to prohibit Benami transactions. With all the real estate transactions being in the name of the actual owner paying the consideration, this regime would bring much clarity in the ownership of property enhancing investor confidence. Moreover, the amendment in the Act clearly specifies the Benami transactions, formulates adjudicating authorities and Appellate Tribunals addressing the Benami transactions and specifies penalties for entering into Benami transactions, thus making India an attractive investment destination.

- **Government reforms:** The Government of India has undertaken several initiatives to encourage the development in the sector. The Smart City Project aims to build 100 smart cities, thereby creating a robust opportunity for the real estate companies. Among other remarkable initiatives are the approval of creation of National Urban Housing Fund with an outlay of Rs.60,000 crore (USD 9.27 billion) in February 2018 and permitting construction of additional 3,21,567 affordable houses in March 2018 under the Pradhan Mantri Awas Yojana (PMAY) Urban program in which establishment of 1,427,486 houses were sanctioned in FY2017-18.
- **Increasing affordability and rising demand:** Affordability of consumers in India has been rising since the shift from socialism to capitalist economy, largely due to the increasing income levels. This has, in turn, generated a significant demand for housing and commercial property, especially in the urban areas. Moreover, the growing number of nuclear families and the rising young working population in the country are expected to augment the demand for housing units further.

### Threats

- **Inventory pile-up:** The overestimated demand in the real estate sector and reduction in sales and launches leads to large pile-up of inventory causing huge losses to developers. The Indian real estate market observed a considerable decline in launches and sales in the year 2017. As per Knight Frank Report, in the first half of 2017, the housing sales dipped by 26% in Delhi-NCR. Unsold housing units in the country stood at 5,28,494 units during 2017. Several factors such as incomplete projects, lower confidence among buyers, poor planning, over-leveraged balance sheets, etc.

have led to the inventory pile-up and subdued residential market, which in turn, leads to delayed launches of new projects.

(Source: Knight Frank Research)

- **Decline in bank credit:** Due to rising Non-Performing Assets (NPAs) and internal frauds, banks have become more stringent in their lending facilities across all industries. Banks are more focussed on cleaning their balance sheets and refunding themselves. This has hit the construction sector, leading to liquidity issues for the real estate industry as well. Further, the interest rates are moving upwards.
- **Shortage of skills and technology:** The biggest challenge faced by the realty segment is the shortage of skilled professionals in the construction sector, leading to delayed projects. In order to deliver potentially required real estate space and planned infrastructure, India needs to make huge investment in technology and requires a massive number of real estate investment professionals. Adequate skill development training is also required to be imparted to the primary construction workers to enable faster turnaround of projects.

### Financial Performance

#### Consolidated

**INCOME:** The total income of the Company increased by 24.33 per cent from Rs.408.77 crores in 2016-2017 to Rs.508.24 crores in 2017-2018.

**EBITDA:** The Earnings before interest, tax and depreciation of the Company decreased by 4.59 per cent from Rs.212.85 crore in 2016-2017 to Rs.203.08 crore in 2017-2018.

**PAT:** The profit after Tax of the Company decreased by 31.93 per cent from Rs.74.63 crores in 2016-2017 to Rs.50.80 crores in 2017-2018.

#### Internal Control Systems

The Internal Control systems of the Company are commensurate to the size of the business and the nature of industry it operates in. It has well-defined and adequate systems, processes and procedures to ensure compliance to the applicable statutes and laws. The Company enforces stringent compliance across the organization to safeguard its assets, prevent fraudulent transactions and ensure optimum utilization of resources. The Company adheres to the accounting standards and policies facilitating timely preparation of financial statements and completeness of accounting records. Internal Audit by both

internal and external auditors is conducted on a regular basis to check the accuracy and correctness of the functions and processes across all business aspects and any deviation is immediately reported and necessary corrective actions are taken. Also, expenses are regularly monitored to keep them within budgeted levels. Besides this, the Company also firmly believes in adherence to all the environment protection norms. The Audit Committee reviews the findings and recommendations of the Internal Auditors on a periodic basis.

### **Material Developments in Human Resources**

Employees are considered the most valuable resource at Ganesh Housing contributing to the overall growth and stability of the organization. The Company's human resource policies revolve around establishing a conducive and productive work environment focused on enhancing employee satisfaction and motivation. Necessary steps have been taken by the Company to ensure the safety and health of the employees across all construction sites. Resultantly, the Company has established an enviable track record of having one of the lowest incidents of work-related accidents (major or minor) across all its project sites. The Company conducts numerous skill development and safety drill programs time and again for the employees. Besides this, the Company has a professional and efficient work culture built around strong corporate ethos. Stringent human rights policies

are formulated for the construction workers, thereby ensuring that they have received fair wages as per industry standards. In 2017-18, the Company ensured healthy relationship with the workforce. As on 31.03.2018, the Company has a total of 139 employees working across its sites.

### **Cautionary Statement**

This report contains statements that may be "forward looking" including, but without limitation, statements relating to the implementation of strategic initiatives, and other statements relating to Company's future business developments and economic performance. While these forward looking statements indicate our assessment and future expectations concerning the development of our business, a number of risks, uncertainties and other unknown factors could cause actual developments and results to differ materially from our expectations. These factors include, but are not limited to, general market, macroeconomic, governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with us, legislative developments, and other key factors that could affect our business and financial performance. Company undertakes no obligation to publicly revise any forward looking statements to reflect future/likely events or circumstances.

# CORPORATE GOVERNANCE REPORT

## 1. CORPORATE GOVERNANCE PHILOSOPHY:

Corporate Governance has been framed with the aim of adopting the best management practices, compliance of law and adherence to ethical standards to achieve the Company's objective of increasing the value of stakeholders and retention of investors' trust based on transparency, integrity, professionalism and accountability.

The Corporate Governance philosophy of the Company has been further strengthened with the adoption of Code of Conduct for Board and Senior Management Personnel and Code of Conduct for Prevention of Insider Trading for its Directors and Designated Employees as also a Code of Corporate Disclosure Practices. Thus, the Company, through its Board, Committees and Senior Managerial Personnel endeavor to strike and deliver the highest governing standards for the benefits of its Stakeholders.

## 2. BOARD OF DIRECTORS:

### Composition and Category of Board of Directors as on 31st March, 2018:

The Board of Directors of the Company have an optimum combination of Executive and Non-executive Directors and is in conformity with the provisions of Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 ["SEBI LODR Regulations"]. The Board of the Company comprises of Six (6) Directors – Two (2) Executive Directors and Four (4) Non-Executive Directors, of whom three are Independent Directors. The current strength of Board includes one Woman Director as required under applicable provisions.

Further, on basis of declarations received from Directors as on 31<sup>st</sup> March, 2018, none of the Directors on the Board are Members of more than Ten (10) Committees or Chairman of more than Five (5) Committees across all the public companies in which they are Directors.

### Independent Directors:

The Independent Directors of the Company meet all the criteria mandated by SEBI LODR and the Companies Act, 2013. As per the declarations received from Independent Directors as on 31<sup>st</sup> March, 2018, none of the Independent Directors serve as

Independent Director of more than Seven (7) Listed Companies. Moreover, none of the Independent Directors hold positions as Whole-time Director of any Company.

The Independent Directors held a meeting on 31<sup>st</sup> March, 2018, without the attendance of Non-Independent Directors and members of Management. All the Independent Directors were present at the said meeting. At the Meeting, they:

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

### Performance Evaluation criteria for Directors:

The Nomination and Remuneration Committee has devised a criteria for evaluation of the performance of the Directors including Independent Directors and the same forms part of Directors' Report. The said criteria provides certain parameters like preparedness on the issue/matters to be discussed, meaningful and constructive contribution and inputs in meetings, etc., which is in compliance with applicable laws, regulations and guidelines.

### Familiarization Programmes for Board Members:

The Company has formulated a policy to familiarise the Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., through various programmes. The details of such familiarization programmes are disclosed on the website of the Company and the web link for the same is <http://www.ganeshhousing.com/wp-content/pdf/ghcl-familiarization-programme-of-ids.pdf>.

### Succession Planning:

The Nomination and Remuneration Committee believes that sound succession plans for the senior leadership are very important for creating a robust future for the Company. The Committee works along with the Human Resource team of the Company for a proper leadership succession plan.



**Board Meetings:**

During the financial year 2017-2018, the Board of Directors met for Eleven (11) times viz. 10<sup>th</sup> April, 2017; 30<sup>th</sup> May, 2017; 21<sup>st</sup> July, 2017; 11<sup>th</sup> August, 2017; 22<sup>nd</sup> September, 2017; 14<sup>th</sup> November, 2017; 7<sup>th</sup> December, 2017; 29<sup>th</sup> December, 2017; 25<sup>th</sup> January, 2018; 14<sup>th</sup> February, 2018 and 10<sup>th</sup> March, 2018.

The procedures with respect to Board Meetings and the Meetings of the Committees thereof are in compliance with the requirements of the Companies Act, 2013, SEBI (LODR) Regulations, 2015, Secretarial Standard on Meetings of Board of Directors (SS-1) and other applicable laws and regulations.

**Attendance of each Director at the Board Meetings, last AGM and the number of other Board/Committees in which he is a Member/Chairman:**

The names and categories of the Directors on the Board, their attendance at Board Meetings held during the financial year and the number of Directorship(s) and Committee Chairmanship(s)/ Membership(s) held by them in other companies is given below. Other Directorships do not include Alternate Directorships, Directorships of Private Limited Companies, Section 8 Companies and Foreign Companies.

Name of Director	Category	Attendance Particulars		No. of Directorships in other Public Companies#	*Committee Memberships/ Chairmanships of other Companies	
		Board Meeting	Last AGM		Member	Chairman
Mr. Dipakkumar G. Patel (name changed from "Dipak" to "Dipakkumar")	Chairman & Whole-time Director	10 of 11	Yes	3	Nil	Nil
Mr. Shekhar G. Patel	Managing Director	10 of 11	Yes	5	Nil	3
Dr. Bharat J. Patel	Independent Director	11 of 11	No	0	Nil	Nil
Dr. Tarang M. Desai	Independent Director	10 of 11	Yes	2	1	Nil
Mr. Ashish H. Modi	Independent Director	11 of 11	Yes	4	2	Nil
Ms. Aneri D. Patel	Non-Executive Director	10 of 11	Yes	0	Nil	Nil

# Public companies includes private companies which are subsidiaries of public company

\* For the purpose of above only Audit and Stakeholders' Relationship Committee is taken into consideration.

**Relationship between Directors inter-se:**

Except as disclosed below, no Director of the Company is related to any other Director on the Board:

Mr. Dipakkumar G. Patel and Mr. Shekhar G. Patel are brothers. Ms. Aneri D. Patel is daughter of Mr. Dipakkumar G. Patel and niece of Mr. Shekhar G. Patel.

**Code of conduct for the Board of Directors and senior management personnel:**

In terms of Regulation 17(5) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has adopted the Code of Conduct for the Board of Directors and Senior Management Personnel of the Company. The compliance of the said code has been affirmed by them annually. The Code of Conduct also includes the duties of Independent Directors. A copy of the Code has been put up on the Company's website [www.ganeshhousing.com](http://www.ganeshhousing.com). A declaration signed by the Managing Director of the Company is as under:

**DECLARATION ON CODE OF CONDUCT**

This is to declare that the Company has adopted a Code of Conduct for its Board Members and the Senior Management Personnel and the same is available on the Company's website.

I confirm that the Company has in respect of the Financial Year ended 31<sup>st</sup> March, 2018, received a declaration of compliance with the Code of Conduct from the senior management personnel of the Company and the members of the Board.

**Shekhar G. Patel**

Managing Director  
(DIN: 00005091)

Ahmedabad, 6<sup>th</sup> July, 2018

**Board Committees:**

The terms of reference of Board Committees are determined by the Board from time to time. Presently the Company has Four (4) committees i.e. Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee. All the decisions pertaining to the constitution of the Committees, appointment of members, and fixing of terms of reference for committee members are taken by the Board of Directors. Details on the role and composition of these committees, including the number of meetings held during the financial year and the related attendance, are provided in detailed hereinafter.

**3. AUDIT COMMITTEE:**

The purpose of the Committee is to assist the Board in fulfilling its overall responsibilities of monitoring financial reporting processes, reviewing the Company's established systems and processes for internal financial controls, governance and reviewing the Company's statutory and internal audit activities. The Committee carries out its functions as per the powers and roles given under Regulation 18 of SEBI LODR Regulations, 2015 read with Part C of Schedule II and Companies Act, 2013.

**Powers, Terms of Reference and Role of Committee:**

The Powers, Terms of reference and Role of Audit Committee as provided under Section 177 of Companies Act, 2013, and the SEBI LODR Regulations, is as under:

**a. Powers of Committee:**

The Committee-

- (1) May call for comments of auditors about internal control system, scope of audit, including observations of auditors and review of financial statement before their submission to board;
- (2) May discuss any related issues with internal and statutory auditors and management of the Company;
- (3) To investigate into any matter in relation to above items or referred to it by Board;
- (4) To obtain legal or professional advice from external sources and have full access to information contained in the records of the Company;
- (5) To seek information from any employee;
- (6) To secure attendance of outsiders with relevant expertise, if it considers necessary;
- (7) Any other power as may be delegated to the Committee by way of operation of law.

**b. Terms of Reference:**

- (1) Review and monitor the auditors' independence and performance, and effectiveness of audit process;
- (2) Examination of the financial statement and auditors' report thereon;
- (3) Approval or any subsequent modification of transactions of the Company with related parties;
- (4) Scrutiny of inter-corporate loans and investment;
- (5) Valuation of undertakings or assets of the Company, wherever it is necessary;
- (6) Evaluation of internal financial controls and risk management systems;
- (7) Monitoring the end use of funds raised through public offers and related matters;
- (8) Any other matters as prescribed by law from time to time.

**c. Role of Committee:**

The role of the Audit Committee shall include the following:

- (1) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (2) Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- (3) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (4) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
  - Changes, if any, in accounting policies and practices and reasons for the same;
  - Major accounting entries involving estimates based on the exercise of judgment by management;
  - Significant adjustments made in the financial statements arising out of audit findings;
  - Compliance with listing and other legal requirements relating to financial statements;
  - Disclosure of any related party transactions;
  - Qualifications in the draft audit report.

- (5) Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
  - (6) Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
  - (7) Review and monitor the auditor's independence and performance, and effectiveness of audit process;
  - (8) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
  - (9) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
  - (10) Discussion with internal auditors of any significant findings and follow up there on;
  - (11) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
  - (12) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
  - (13) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
  - (14) To review the functioning of the Whistle Blower mechanism (i.e. Vigil Mechanism);
  - (15) Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
  - (16) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- d. Review of Information by the Committee:**
- The Audit Committee shall mandatorily review the following information:
- (1) Management discussion and analysis of financial condition and results of operations;
  - (2) Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
  - (3) Management letters/letters of internal control weaknesses issued by the statutory auditors;
  - (4) Internal audit reports relating to internal control weaknesses; and
  - (5) The appointment, removal and terms of remuneration of the internal auditor shall be subject to review by the Audit Committee.
- Composition of Committee, Meeting and Attendance of each Member at Meetings:**
- During the Year under review, the Committee met Five (5) times viz. 3<sup>rd</sup> April, 2017; 30<sup>th</sup> May, 2017; 11<sup>th</sup> August, 2017; 14<sup>th</sup> November, 2017 and 14<sup>th</sup> February, 2018. The time gap between any two meetings was less than four months.
- The names of the members of the Audit Committee, and its Chairman, and details of meetings attended by them during the year are stated hereunder:

Name	Category	Position	Meetings	
			Held	Attended
Mr. Ashish H. Modi	Independent and Non-Executive Director	Chairman	5	5
Dr. Tarang M. Desai	Independent and Non-Executive Director	Member	5	5
Mr. Shekhar G. Patel	Managing Director	Member	5	4

The Company Secretary of the Company acts as a Secretary to the Committee. The Constitution of the Audit Committee is in line with the provisions of Section 177 of the Companies Act, 2013 read with Regulation 18 of the SEBI (LODR) Regulations, 2015.

#### 4. NOMINATION AND REMUNERATION COMMITTEE:

The role of Committee is as prescribed under Regulation 19 of SEBI LODR Regulations read with Part D of Schedule II. The Remuneration Policy and criteria for evaluation of Independent Directors and Board is available on the website of the Company viz. [www.ganeshhousing.com](http://www.ganeshhousing.com).

##### Terms of reference:

- (1) Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down;
- (2) Recommend to Board their appointment and removal;
- (3) Formulation of criteria for evaluation of Independent Directors and the Board;
- (4) Carry out evaluation of every directors' performance;
- (5) Formulate criteria for determining qualification, positive attributes and independence of director;
- (6) Recommend the Board, a Policy, relating to the remuneration for the directors, KMP and other employees and on Board's diversity.

Explanation: Senior Management means personnel who are members of the core management team excluding BOD comprising all members of management one level below the executive directors, including functional heads.

- (7) Other terms of reference as prescribed under Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

##### Composition of Committee, Meeting and Attendance of each Member at Meetings:

During the Year under review, the Committee met Five (5) times viz. 3<sup>rd</sup> April, 2017; 30<sup>th</sup> May, 2017; 22<sup>nd</sup> September, 2017; 29<sup>th</sup> December, 2017; and 19<sup>th</sup> January, 2018.

The names of the members of the Committee, its Chairman and the details of meetings attended by them are stated hereunder:

Name	Category	Position	Meetings	
			Held	Attended
Mr. Ashish H. Modi	Independent and Non-Executive Director	Chairman	5	5
Dr. Tarang M. Desai	Independent and Non-Executive Director	Member	5	5
Ms. Aneri D. Patel	Promoter and Non-Executive Director	Member	5	5

##### Remuneration of Directors:

The remuneration paid to the Executive Directors viz. Managing Director and Whole-time Director of the Company is recommended by Nomination and Remuneration Committee and approved by the Board of Directors as well as the Shareholders of the Company. The remuneration of the Executive Directors has two components: fixed pay and variable pay. While the fixed pay is paid to the Directors on monthly basis, variable pay includes Commission payable to Executive Directors which is based on Net Profit of the Company.

Name of Director	Remuneration (p.a.) (₹ in lakhs)	Commission	Perquisites (p.a.) (₹ in lakhs)	Tenure
Dipakkumar G. Patel Whole-time Director	120.00	—	2.12	5 years (Mr. Dipakkumar G. Patel was re-appointed as Whole-time Director of the Company w.e.f. 1 <sup>st</sup> October, 2017 up to 30 <sup>th</sup> September, 2022 which was approved by the Members at its meeting held on 27 <sup>th</sup> September, 2017)
Shekhar G. Patel Managing Director	120.00		1.93	5 years (Mr. Shekhar G. Patel was re-appointed as Managing Director of the Company w.e.f. 1 <sup>st</sup> July, 2014 up to 30 <sup>th</sup> June, 2019 which was approved by the members through resolution passed by way of Postal Ballot on 31 <sup>st</sup> July, 2014)

According to the terms of appointment the above mentioned Directors are entitled to commission of 1% on the net profits of the Company calculated as per the provisions of Sections 197 and 198 of the Companies Act, 2013. During the year under review, the said Directors have waived the commission payable to them.

Apart from sitting fees, Non-Executive Directors do not receive any other consideration except in their professional capacity. Further, the Non-Executive Directors are paid sitting fees within the limits as stipulated under Section 197 of Companies Act, 2013, for attending Board/Committee Meetings. Sitting Fees paid to Directors does not require the approval of Shareholders and Central Government. During the year under review, non-executive directors were paid Sitting Fees as under:

Name of Directors	Amount (₹ in lakhs)
Ms. Aneri D. Patel	0.30
Dr. Bharat J. Patel	0.28
Dr. Tarang M. Desai	0.52
Mr. Ashish H. Modi	0.55
<b>Total</b>	<b>1.65</b>

None of the Directors have been granted Stock Option under Employee Stock Option Scheme (ESOP 2010). As on 31<sup>st</sup> March, 2018, none of the non-executive directors of the Company held any shares except Mr. Ashish H. Modi, who being an Independent Director, held 3000 shares (0.01%).

## 5. STAKEHOLDERS RELATIONSHIP COMMITTEE:

The role of Stakeholders Relationship Committee have been specified as per Regulation 20 of SEBI (LODR) Regulations, 2015 read with Part D of the Schedule II thereof.

### Terms of Reference:

This Committee is specifically responsible for the Redressal of Shareholders, Debenture holders and other security holders grievances including non-receipt of Annual reports, non-receipt of declared dividend, Transfer/Transmission/Demat of Securities/Issue of Duplicate Certificates, etc. The Committee also oversees the performance of the Registrar & Transfer agents of the Company relating to the investors' services and recommends measures for improvement.

### Composition of Committee, Meetings and Attendance of each Member at Meetings:

During the Year under review the Committee held Sixteen (16) meetings viz. 29<sup>th</sup> April, 2017; 20<sup>th</sup> May, 2017; 10<sup>th</sup> June, 2017; 10<sup>th</sup> July, 2017; 20<sup>th</sup> July, 2017; 10<sup>th</sup> August, 2017; 19<sup>th</sup> August, 2017; 31<sup>st</sup> August, 2017; 30<sup>th</sup> September, 2017; 23<sup>rd</sup> October, 2017; 11<sup>th</sup> December, 2017; 10<sup>th</sup> January, 2018; 10<sup>th</sup> February, 2018; 20<sup>th</sup> February, 2018; 10<sup>th</sup> March, 2018 and 20<sup>th</sup> March, 2018. Further, the Committee consists of following:

Name	Category	Position	Meetings	
			Held	Attended
Mr. Ashish H. Modi	Independent and Non-Executive Director	Chairman	16	16
Dr. Tarang M. Desai	Independent and Non-Executive Director	Member	16	12
Mr. Shekhar G. Patel	Managing Director	Member	16	14

### Name and Designation of Compliance Officer

Ms. Priti Kapadia, Company Secretary of the Company acts as the Compliance Officer.

### Details of complaints received and redressed:

Number of complaints outstanding as on 01/04/2017	:	Nil
Number of complaints received from the investor from 01/04/2017 to 31/03/2018	:	Nil
Number of complaints solved to the satisfaction of the Investors as on 31/03/2018	:	Nil
Number of complaints pending as on 31/03/2018	:	Nil



## 6. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

As required under section 135 of the Companies Act, 2013 the Company has formed a CSR committee consisting of the three (3) members.

### Terms of Reference:

- formulate and recommend to the Board, a Corporate Social Responsibility Policy as per the contents provided under Companies (Corporate Social Responsibility) Rules, 2014 (as amended from time to time) which shall indicate the activities to be undertaken by the Company as specified in Schedule VII (as amended from time to time);
- recommend the amount of expenditure to be incurred on the activities; and
- monitor the Corporate Social Responsibility Policy of the Company from time to time.

### Meeting and Attendance of each Member at Meetings:

The committee met Four (4) times during the financial year ended 31<sup>st</sup> March, 2018 viz. 21<sup>st</sup> June, 2017; 22<sup>nd</sup> September, 2017; 29<sup>th</sup> December, 2017 and 5<sup>th</sup> March, 2018. The attendance record of the members at the meeting were as follows:

Name	Category	Position	Meetings	
			Held	Attended
Mr. Dipakkumar G. Patel	Chairman & Whole-time Director	Chairman	4	4
Mr. Shekhar G. Patel	Managing Director	Member	4	4
Dr. Tarang M. Desai	Independent and Non-Executive Director	Member	4	4

## 7. SUBSIDIARY COMPANIES:

As on 31<sup>st</sup> March, 2018, the Company has Three (3) Subsidiary Companies out of which none is listed on any stock exchanges. Out of the three Subsidiaries, two Subsidiaries viz. Essem Infra Private Limited and Gatil Properties Private Limited is covered under the criteria of material non-listed Indian Subsidiary Company as defined under Regulation 16(1)(c) of SEBI (LODR) Regulations, 2015. Mr. Ashish H. Modi, Independent Director of the Company is on the Board of Directors of Essem Infra Private Limited and Dr. Tarang M. Desai, Independent Director of the Company is on the Board of Gatil Properties Private Limited. The Company has formulated policy for determining 'material' subsidiaries which has been disclosed on the website of the Company. The web link of the policy is <http://www.ganeshhousing.com/wp-content/pdf/policy-on-material-subsidiaries.pdf>.

During the year under review, Shaily Infrastructure Private Limited and Yash Organiser Private Limited ceased to be subsidiary of the Company w.e.f. 30<sup>th</sup> January, 2018 and 14<sup>th</sup> February, 2018.

Further, the financial statements of said Unlisted Subsidiary Companies were reviewed by the Audit Committee of the Company. The Company has neither disposed of any shares nor sold, dispose and lease any assets of material subsidiary. The Minutes of the Meetings of Board of Directors of Subsidiary Companies have been regularly placed before the Board of the Company. A statement of all the significant transactions and arrangements, if any, entered into by the unlisted subsidiary companies were periodically brought to the attention of Board of Directors of the Company.

## 8. RELATED PARTY TRANSACTIONS:

All transactions entered into with Related Parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013, during the financial year were in the ordinary course of business and on an arm's length pricing basis as detailed under Form AOC-2.

There were certain materially significant transactions with related parties during the financial year which were approved by the member of the Company at its Extra Ordinary General Meeting held on 2<sup>nd</sup> July, 2016 in terms of sub-regulation (8) of Regulation 23 of SEBI LODR Regulations. Moreover, during the year under review, there was one material related party transaction in terms

of SEBI LODR which was entered beyond the limits approved by the Members of the Company in the aforesaid meeting and the same will be placed for the approval of members at the ensuing Annual General Meeting of the Company. For reference, the details of related party transactions as required by the Indian Accounting Standards (IND AS-24) has been made in the notes to the Financial Statements.

The Board has approved a policy for related party transactions which has been uploaded on the Company's website. The web link of the policy is <http://www.ganeshhousing.com/wp-content/pdf/policy-on-related-party-transaction.pdf>.

## 9. PREVENTION OF INSIDER TRADING:

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company as per the provisions of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

## 10. GENERAL BODY MEETINGS:

**Details of last three Annual General Meetings are as follows:**

Year	Date	Time	Venue
2014-2015	30 <sup>th</sup> September, 2015	3.00 p.m.	Ganesh Corporate House, 100 feet, Hebatpur-Thaltej Road, Nr. Sola Bridge, Off. S. G. Highway, Ahmedabad 380 054
2015-2016	30 <sup>th</sup> September, 2016	3.00 p.m.	Ganesh Corporate House, 100 feet, Hebatpur-Thaltej Road, Nr. Sola Bridge, Off. S. G. Highway, Ahmedabad 380 054
2016-2017	27 <sup>th</sup> September, 2017	3.00 p.m.	Ganesh Corporate House, 100 feet, Hebatpur-Thaltej Road, Nr. Sola Bridge, Off. S. G. Highway, Ahmedabad 380 054

## SPECIAL RESOLUTIONS

Two (2) Special Resolutions were put through in the last three years' Annual General Meetings.

No Extra Ordinary General Meeting was held during the year 2017-2018.

## POSTAL BALLOTS

No Special Resolution was passed during the year 2016-2017 by way postal ballot.

## 11. DISCLOSURE:

### (a) Material Related Party Transaction

During the year 2017-2018, there was no materially significant related party transaction that may have potential conflict with the interests of the Company at large. Attention of members is drawn to the disclosure of transactions with the related parties set out in Notes to Accounts - Note No. 43, forming part of the Annual Report.

### (b) Disclosure of Compliance with Corporate Governance requirements under Regulations 17 to 27 and Regulation 46(2)(B) to (I)

All complied with except Regulation 25(6) and Regulation 21 which are not applicable to the Company.

### (c) Compliances

There were neither any instances of non-compliance by the Company nor there were any penalties or strictures imposed on the Company by the Stock Exchange/(s) or SEBI or any statutory authority, on any matter related to Capital Markets, during the last three years.

### (d) Whistle Blower

The Company has established a vigil mechanism for directors and employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethic policy. The said mechanism also provides for adequate safeguards against victimization of director(s) / Employee(s) who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases. The details of establishment of such mechanism

has been disclosed in the Board's Report. Further, the Policy on Vigil Mechanism is available on the website of the Company.

**(e) Risk Management**

Business risk evaluation and management is an ongoing process within the Company. During the year under review, the Management reviewed the risk management and minimization procedure adopted by the Company covering the business operations of the Company.

**(f) Proceeds from public issues, rights issues, preferential issues etc.**

During the year under review, the Company has not raised any proceeds from public issue, right issue, preferential issues, etc.

**(g) CEO/ CFO Certification**

In terms of Regulation 17(8) read with part B of Schedule II of SEBI LODR Regulations, the Certification by CEO and CFO has been obtained and the said certification has been placed before the Board Members of the Company for perusal.

**(h) Accounting treatment**

In the preparation of the financial statements, the Company has followed the Accounting Standards referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.

**(i) Details of Compliance with mandatory requirements and adoption of non-mandatory requirements**

The Company has complied with the applicable mandatory requirements as specified under Regulation 15 of SEBI (LODR) Regulations, 2015. The Company has adopted following non-mandatory requirements as prescribed under Regulation 27(1) read with Part E of Schedule II of the SEBI (LODR) Regulations, 2015.

The Board: Since the Company does not have a non-executive chairman it does not maintain such office.

Shareholders Rights: The quarterly and half-yearly financial results are published in widely circulated dailies and also displayed on Company's website viz. [www.ganeshhousing.com](http://www.ganeshhousing.com). Hence, these are not individually sent to the Shareholders.

Modified Opinion(s) in audit report: There is no modified opinion given in the Auditors' Report on Financial Accounts.

Separate posts of Chairman and CEO: The Company has separate persons appointed for the post of Chairman and Managing Director/CEO.

Reporting of Internal Auditor: The internal auditor directly reports to audit committee.

## 12. MEANS OF COMMUNICATION

**Intimation to Stock Exchange(s)** - Your Company believes that all the stakeholders should have access to adequate information about the Company. All information, which could have a material bearing on the share prices, is released at the earliest to the BSE Limited and National Stock Exchange of (India) Ltd. in accordance with the requirements of SEBI LODR Regulations through BSE Corporate Compliance & Listing Centre (the "Listing Centre") and NSE Electronic Application Processing System (NEAPS) respectively.

**Newspapers** - The financial results and other communications of the Company were normally published in 'Financial Express (English)' and 'Financial Express (Gujarati)'.

**Website** - The financial results were also displayed on the Company's website viz. [www.ganeshhousing.com](http://www.ganeshhousing.com). The Company also keeps on updating its website with other relevant information, as and when required.

The Company updates official news releases and any presentations made to the institutional investors or analysts, if any, on its official website viz. [www.ganeshhousing.com](http://www.ganeshhousing.com).

**SEBI Complaints Redress System (SCORES)** - The investor complaints are processed in a centralised web-based complaints redress system. The salient features of this system are: centralised database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

**Designated Exclusive email-ID:** The Company has exclusively designated email-id viz. [investors@ganeshhousing.com](mailto:investors@ganeshhousing.com) for investor servicing.

## 13. GENERAL SHAREHOLDERS INFORMATION:

### A. Date, time and venue of 27<sup>th</sup> Annual General Meeting of:

Ganesh Housing Corporation Limited  
[CIN: L45200GJ1991PLC015817]

On Saturday, 29<sup>th</sup> September, 2018 at 3.00 p.m.

At: Registered Office of the Company  
Ganesh Corporate House  
100 Feet Hebatpur – Thaltej Road,  
Near Sola Bridge, Off S. G. Highway,  
Ahmedabad - 380 054

**B. Financial Year:**

The year under review is for Twelve (12) months from 1<sup>st</sup> April, 2017 to 31<sup>st</sup> March, 2018

**C. Financial Calendar:**

*(Tentative and subject to change for the financial year 2018-2019)*

Quarter ending	Release of Results
30 <sup>th</sup> June, 2018	Second week of August, 2018
30 <sup>th</sup> September, 2018	Second week of November, 2018
31 <sup>st</sup> December, 2018	Second week of February, 2019
31 <sup>st</sup> March, 2019	End of May, 2019
Annual General Meeting for the year ending 31 <sup>st</sup> March, 2019	End of September, 2019

**D. Date of Book Closure:**

15<sup>th</sup> September, 2018 (Saturday) to 28<sup>th</sup> September, 2018 (Friday) (Both the days inclusive)

**E. Rate of Dividend and Dividend Payment Date:**

Dividend of ₹ 1.80 per equity share i.e. 18% as recommended by the Board is subject to the approval of the Shareholders at the Annual General Meeting to be held on 29<sup>th</sup> September, 2018.

The proposed dividend, if approved by the shareholders, shall be paid on or after 4<sup>th</sup> October, 2018, within the statutory time limit to those members whose names appear on register of members as at end of day on 14<sup>th</sup> September, 2018.

**F. Listing on Stock Exchanges:**

BSE LIMITED

Phiroze Jeejeebhoy Towers  
Dalal Street,  
Mumbai – 400 001

NATIONAL STOCK EXCHANGE OF INDIA LTD.

Exchange Plaza, Plot No. C/1, G Block,  
Bandra-Kurla Complex,  
Bandra (E), Mumbai – 400 051

Listing fees for the financial year 2018-2019 have been paid to the aforesaid Stock Exchanges.

The Company has also paid Annual Custodial Fees for financial year 2018-2019 to Central Depository Services (India) Limited (CDSL). Further, the Company has received invoice from National Securities Depository Limited (NSDL) and is in process of payment of the same.

**G. Stock Code/Symbol:**

- (i) BSE Limited
  - Scrip Code – 526367
  - Scrip ID – GANESHHOUC
  - Scrip forms part of Group/Index B/S&P BSE SmallCap.
- (ii) National Stock Exchange of India Ltd.
  - Company Symbol – GANESHHOUC
- (iii) ISIN Equity shares
  - NSDL/CDSL – INE 460 C 01014

**H. Market Price Data:**

The Monthly high/low and the volume of the Company's shares traded on stock exchanges and the Monthly high /low of the said exchanges are as follows:

Month	Company			BSE	
	High (in ₹)	Low (in ₹)	Volume (Nos.)	Sensex (High)	Sensex (Low)
April 2017	116.55	84.40	2304923	30,184.22	29,241.48
May 2017	132.35	101.00	2634520	31,255.28	29,804.12
June 2017	124.85	105.10	971710	31,522.87	30,680.66
July 2017	157.40	111.90	2279487	32,672.66	31,017.11
August 2017	148.75	120.30	572678	32,686.48	31,128.02
September 2017	146.50	110.55	666575	32,524.11	31,081.83
October 2017	130.40	116.35	560365	33,340.17	31,440.48
November 2017	147.80	107.00	2001409	33,865.95	32,683.59
December 2017	182.60	123.20	3340249	34,137.97	32,565.16
January 2018	189.65	155.00	3515908	36,443.98	33,703.37
February 2018	167.70	125.00	1821255	36,256.83	33,482.81
March 2018	151.85	115.35	811661	34,278.63	32,483.84

Month	Company			NSE	
	High (in ₹)	Low (in ₹)	Volume (Nos.)	Nifty (High)	Nifty (Low)
April 2017	116.80	85.10	7652335	9,367.15	9,075.15
May 2017	132.50	101.10	9962060	9,649.60	9,269.90
June 2017	124.85	105.60	3190494	9,709.30	9,448.75
July 2017	158.0	111.15	8898107	10,114.85	9,543.55
August 2017	148.85	120.00	2894572	10,137.85	9,685.55
September 2017	146.90	111.10	3229510	10,178.95	9,687.55
October 2017	131.90	116.25	3731448	10,384.50	9,831.05
November 2017	148.00	104.70	10331905	10,490.45	10,094.00
December 2017	183.00	123.80	14931003	10,552.40	10,033.35
January 2018	190.00	155.25	11394302	11,171.55	10,404.65
February 2018	167.00	123.10	6338595	11,117.35	10,276.30
March 2018	151.65	114.60	2560278	10,525.50	9,951.90

**I. Registrar and Transfer Agents:**

M/s. MCS Share Transfer Agent Limited, 101 Shatdal Complex, Opp. Bata Show Room, Ashram Road, Ahmedabad – 380 009, Tel. Nos. 079 - 26580461, 26580462, 26580463, Fax No. 079 - 3007 0678. E-mail: mcsstaahmd@gmail.com.



**J. Share Transfer System:**

Transfers in physical form are lodged with the Company/Transfer Agent. The Transfer Agent has complete computerized facility for processing the transfer. After verification of the transfers lodged in physical form, the transfer agent prepares a statement of transfer(s) and accordingly approves the transfer(s) which is reviewed by Stakeholder Relationship Committee of Directors. The share certificate(s) duly transferred are sent by the transfer agent to the transferees, which completes the transaction. In case of any complaint from shareholder(s) for delay in transfer, the matter is actively followed up by the Company with the transfer agent and the same is resolved to the satisfaction of the shareholder(s).

**K. Distribution of shareholding (As on March 31, 2018):****(a) On the basis of Nominal value of each Share held**

Range of No. of Equity Shares	No. of Shareholders	Percentage to total Shareholders	No. of shares held	Percentage to total shares held
Up to 500	20613	87.04	2502117	5.08
501 - 1000	1455	6.14	1169449	2.38
1001 - 2000	744	3.14	1141301	2.32
2001 - 3000	276	1.16	707155	1.44
3001 - 4000	112	0.47	404038	0.82
4001 - 5000	110	0.46	524085	1.06
5001 - 10000	180	0.76	1349213	2.74
10001 - 50000	138	0.58	3078722	6.25
50001 - 100000	19	0.08	1368593	2.78
100001 - Above	36	0.15	36982417	75.13
<b>TOTAL</b>	<b>23683</b>	<b>100.00</b>	<b>49227090</b>	<b>100.00</b>

**(b) On the basis of Category**

Category	No. of shares held	Percentage to total shares held
Indian Promoters	27562084	55.99
MF/UTI	34729	0.07
FIs/Banks	9190	0.02
FIs	1984580	4.03
Corporate Bodies	5406934	10.98
Trust & Foundations	1001	0.00
HUF	830033	1.69
NRIS	2171717	4.41
Indian Public	11081439	22.51
IEPF	145383	0.30
<b>TOTAL</b>	<b>49227090</b>	<b>100.00</b>

**L. Dematerialization of Shares and Liquidity (as on 31<sup>st</sup> March, 2018):**

Electronic/Physical	No. of Shares	Percentage
NSDL	41266232	83.83
CDSL	7587053	15.41
Physical	373805	0.76
<b>Total</b>	<b>49227090</b>	<b>100.00</b>

48853285 equity shares were held in the demat form as on 31<sup>st</sup> March, 2018, constituting 99.24% of the total paid up share capital.

The shares are actively traded on BSE Limited and National Stock Exchange of India Ltd. For those shareholders who hold the shares in physical form may contact Depository Participant.

**M. Outstanding GDRs/ADRs/Warrants or any Convertible instruments conversion date and likely impact on equity:**

The Company has not issued any GDRs/ADRs/Warrants or any Convertible instruments till date. Hence, there are no outstanding GDRs/ADRs/Warrants or any Convertible instruments.

**N. Plant Locations:**

The Company is engaged in Construction of Residential and Commercial Complexes. The Company does not have any plant or factory.

**O. Address for Correspondence:**

All enquiries, clarifications and Correspondence should be addressed to the Compliance Officer at the following address:

**Ms. Priti Kapadia**

Company Secretary

Ganesh Housing Corporation Limited

Ganesh Corporate House, 100 Feet Hebatpur – Thaltej Road  
Near Sola Bridge, Off. S. G. Highway, Ahmedabad - 380 054

Tel. No. +91 - 79 - 6160 8888

Fax No. +91 - 79 - 6160 8899

E-mail: investors@ganeshhousing.com

**P. Compliance Certificate of the Auditors:**

A Certificate from the Auditors of the Company viz. M/s. Purnesh R. Mehta & Co. & Associates, Chartered Accountants, Ahmedabad as stipulated under Regulation 34 of the Listing Regulations, is attached to this Report as **Annexure-I**.

**ANNEXURE - I**

**Independent Auditors' Certificate on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To  
The Members  
Ganesh Housing Corporation Limited,  
Ahmedabad

1. The Corporate Governance Report prepared by Ganesh Housing Corporation Limited ("the Company"), contains details as stipulated in Regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('applicable criteria') with respect to Corporate Governance for the year ended March 31, 2018. This certificate is required by the Company for annual submission to the Stock exchange and to be sent to the shareholders of the Company.

**Management's Responsibility**

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

**Auditor's Responsibility**

4. Our responsibility is to provide a reasonable assurance that the Company has complied with the conditions of Corporate Governance, as stipulated in the Listing Regulations.
5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
7. The procedures selected depend on the auditors' judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. The procedures includes, but not limited to, verification of secretarial records and financial information of the Company and obtained necessary representations and declarations from Directors including independent directors of the Company.
8. The procedures also include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

**Opinion**

9. Based on the procedures performed by us as referred in paragraph 7 and 8 above and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable for the year ended March 31, 2018, referred to in paragraph 1 above.

**Other matters and Restriction on Use**

10. This Certificate is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.
11. This Certificate is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this Certificate for events and circumstances occurring after the date of this Certificate.

**FOR PURNESH R. MEHTA & CO.**  
**CHARTERED ACCOUNTANTS**  
**FRN:- 142830W**

**PLACE : AHMEDABAD**  
**DATE : 06/07/2018**

**PURNESH R. MEHTA**  
**PROPRIETOR**  
**MEMBERSHIP NO.: 032812**

# SECRETARIAL AUDIT REPORT

## Form No. MR-3

For the financial year ended March 31, 2018

[Pursuant to section 204(1) of the Companies Act, 2013 and

Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

### **GANESH HOUSING CORPORATION LIMITED**

Ganesh Corporate House, 100 Feet Hebatpur – Thaltej Road,  
Near Sola Bridge, Off. S. G. Highway,  
Ahmedabad – 380 054

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **GANESH HOUSING CORPORATION LIMITED** (hereinafter 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 Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that, in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2018, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

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 March 31, 2018 according to the provisions of:

- i. The Companies Act, 2013 ('the Act') and the rules made there under as applicable;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 (FEMA) and the rules and regulations made there under to the extent of Foreign Direct Investment;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
  - d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- vi. Secretarial Standards issued by the Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules made thereunder, Regulations, guidelines etc. mentioned above.

Further company being engaged in the business of Construction, there are few specific applicable acts/rules to the Company, which requires approvals or compliances under the respective acts/rules, as list out in the **Annexure A**. We have relied on the representation made by the Company and its officers for system and mechanism framed by the Company for compliances of the said specific acts/rules.

During the Period under review, provisions of the following Acts, Rules, Regulations, Standards are not applicable to the Company,

- i. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- ii. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; - the Company is not registered as Registrar to an Issue & Share Transfer Agent. However, the Company has appointed M/s. MCS Share Transfer Agent Limited as Registrar & Share Transfer Agent as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- iii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- iv. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- v. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- vi. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Overseas Direct Investment and External Commercial Borrowings; and

**I further report that –**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Women Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

Majority decision is carried through while the dissenting members' views 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.

**I further report that –**

During the audit period, company has issued total 224271 equity shares to the employees of the company under Employee Stock Option Scheme 2010.

**I further report that –**

Since the company has not commenced any new projects during the audit period, it does not require to obtain an approval under Real Estate (Regulations and Development) Act, 2016.

Place: Ahmedabad

Date: July 06, 2018

Signature:

Name of Practicing Company

Secretary: Anand Lavingia

ACS No. : 26458

C P No. : 11410

**Note:** This Report is to be read with Annexure A and my letter of even date which is annexed as Annexure B and both Annexure forms are integral part of this report.



**Annexure A****List of major Specific Acts/Rules applicable to the Company**

1. The Gujarat Town Planning and Urban Development Act, 1976
2. The Special Economic Zones Act, 2005
3. The Gujarat Special Economic Zone Act, 2004
4. The Environment (Protection) Act, 1986
5. The Gujarat Land Revenue Code, 1879
6. The Gujarat Tenancy & Agricultural Lands Act, 1948
7. The Registration Act, 1908
8. The Indian Stamp Act, 1899
9. The Transfer of Property Act, 1882
10. The Gujarat Stamp Act, 1958
11. The Gujarat Ownership Flats Act, 1973
12. The Indian Contract Act, 1872
13. The Contract Labour (Regulation and Abolition) Act, 1970
14. The Gujarat Shops and Establishments Act, 1948
15. The Building and other construction worker (Regulation of Employment and Conditions of Services) Act, 1996
16. The Real Estate (Regulation and Development) Act, 2016
17. Gujarat Real Estate (Regulation and Development) General Rules, 2017

**Annexure B**

To,

The Members,

**GANESH HOUSING CORPORATION LIMITED**

Ganesh Corporate House, 100 Feet Hebatpur – Thaltej Road,  
Near Sola Bridge, Off. S. G. Highway,  
Ahmedabad – 380 054

My report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company.

My responsibility is to express an opinion on these secretarial records based on my audit.

2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of secretarial records. The verification was done on test basis, on the records and documents provided by the Management of the Company, to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices followed by me provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. The compliance of the provision of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to verification of procedures on test basis.
5. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place : Ahmedabad

Signature:

Date : July 06, 2018

Name of Practicing Company

Secretary: Anand Lavingia

ACS No. : 26458

C P No. : 11410

# EXTRACT OF ANNUAL RETURN

FORM NO. MGT-9

As on the financial year ended on 31/03/2018

[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:

i)	CIN:	L45200GJ1991PLC015817
ii)	Registration Date:	13 <sup>th</sup> June, 1991
iii)	Name of the Company:	GANESH HOUSING CORPORATION LIMITED
iv)	Category/Sub-Category of the Company:	Category – Company Limited by Shares Sub-Category – Indian Non-Government Company
v)	Address of the registered office and contact details:	Ganesh Corporate House, 100 Feet Hebatpur – Thaltej Road, Near Sola Bridge, Off S. G. Highway, Ahmedabad - 380 054, Gujarat, India (T): +91-079-61608888 (F): +91-079-61608899 (W): www.ganeshhousing.com (E): groupcompanies.62@gmail.com
vi)	Whether listed Company:	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any:	MCS Share Transfer Agent Limited 101 Shatdal Complex, Opp. Bata Show Room, Ashram Road, Ahmedabad - 380 009 (P): +91-79-2658 0461, 2658 0462, 2658 0463 (F): +91-79-3007 0678 Email: mcsstaahmd@gmail.com

## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

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

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

## III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1.	Gatil Properties Private Limited	U45201GJ2002PTC041354	Subsidiary	69.10%	2(87)(ii)
2.	Maheshwari (Thaltej) Complex Private Limited	U45201GJ2002PTC041055	Subsidiary	100.00%	2(87)(ii)
3.	Essem Infra Private Limited	U45200GJ2015PTC082484	Subsidiary	100.00%	2(87)(ii)

**IV. SHARE HOLDING PATTERN:**

(Equity Share Capital Breakup as percentage of Total Equity)

*i) Category-wise Share Holding***SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)**

Category of Shareholders	No. of Shares held at the beginning of the year i.e. 01/04/2017				No. of Shares held at the end of the year i.e. 31/03/2018				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. PROMOTERS</b>									
<b>(1) Indian</b>									
a) Individual/HUF	2,71,03,429	NIL	2,71,03,429	55.31	2,71,03,429	NIL	2,71,03,429	55.06	-0.25
b) Central Govt. or State Govt.	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
c) Bodies Corporates	4,58,655	NIL	4,58,655	0.94	4,58,655	NIL	4,58,655	0.93	-0.01
d) Bank/FI	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
e) Any other	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
<b>Sub Total (A)(1):</b>	<b>2,75,62,084</b>	<b>NIL</b>	<b>2,75,62,084</b>	<b>56.25</b>	<b>2,75,62,084</b>	<b>NIL</b>	<b>2,75,62,084</b>	<b>55.99</b>	<b>-0.26</b>
<b>(2) Foreign</b>									
a) NRI – Individuals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
b) Other Individuals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
c) Bodies Corp.	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
d) Banks/FI	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
e) Any other...	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
<b>Sub Total (A)(2):</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
<b>Total Shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>2,75,62,084</b>	<b>NIL</b>	<b>2,75,62,084</b>	<b>56.25</b>	<b>2,75,62,084</b>	<b>NIL</b>	<b>2,75,62,084</b>	<b>55.99</b>	<b>-0.26</b>
<b>B. PUBLIC SHAREHOLDING</b>									
<b>(1) Institutions</b>									
a) Mutual Funds	22,17,994	NIL	22,17,994	4.53	34,729	NIL	34,729	0.07	-4.46
b) Banks/FI	19,461	NIL	19,461	0.04	9,190	NIL	9,190	0.02	-0.02
c) Central Govt.	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
d) State Govt.	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
e) Venture Capital Fund	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
f) Insurance Companies	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
g) FIIS	21,90,000	NIL	21,90,000	4.47	19,84,580	NIL	19,84,580	4.03	-0.44
h) Foreign Venture Capital Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
i) Others (specify)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
<b>SUB TOTAL (B)(1):</b>	<b>44,27,455</b>	<b>NIL</b>	<b>44,27,455</b>	<b>9.04</b>	<b>20,28,499</b>	<b>NIL</b>	<b>20,28,499</b>	<b>4.12</b>	<b>-4.92</b>

Category of Shareholders	No. of Shares held at the beginning of the year i.e. 01/04/2017				No. of Shares held at the end of the year i.e. 31/03/2018				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(2) Non Institutions</b>									
a) Bodies corporates									
i) Indian	65,78,484	43,385	66,21,869	13.51	53,65,199	41,735	54,06,934	10.98	-2.53
ii) Overseas	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	30,89,911	4,21,675	35,11,586	7.16	61,18,814	2,67,030	63,85,844	12.97	+5.81
ii) Individuals shareholders holding nominal share capital in excess of ₹ 1 lakh	50,21,389	31,500	50,52,889	10.31	46,64,095	31,500	46,95,595	9.53	-0.78
c) Others (specify)									
Trust & Foundation	1	NIL	1	NIL	1001	NIL	1001	NIL	NIL
Hindu Undivided Family	8,61,875	45	8,61,920	1.76	8,30,033	NIL	8,30,033	1.69	-0.07
Non Resident Indian	9,21,050	43,965	9,65,015	1.97	21,38,177	33,540	21,71,717	4.41	+2.44
IEPF	NIL	NIL	NIL	NIL	1,45,383	NIL	1,45,383	0.30	+0.30
<b>SUB TOTAL (B)(2):</b>	<b>1,64,72,710</b>	<b>5,40,570</b>	<b>1,70,13,280</b>	<b>34.71</b>	<b>1,92,62,702</b>	<b>3,73,805</b>	<b>1,96,36,507</b>	<b>39.88</b>	<b>+5.17</b>
<b>Total Public Shareholding (B) = (B) (1)+(B)(2)</b>	<b>2,09,00,165</b>	<b>5,40,570</b>	<b>2,14,40,735</b>	<b>43.75</b>	<b>2,12,91,201</b>	<b>3,73,805</b>	<b>2,16,65,006</b>	<b>44.01</b>	<b>+0.26</b>
<b>C. SHARES HELD BY CUSTODIAN FOR GDRs &amp; ADRs</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
<b>GRAND TOTAL (A+B+C)</b>	<b>4,84,62,249</b>	<b>5,40,570</b>	<b>4,90,02,819</b>	<b>100.00</b>	<b>4,88,53,285</b>	<b>3,73,805</b>	<b>4,92,27,090</b>	<b>100.00</b>	<b>NIL</b>

**ii) Shareholding of Promoters**

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year i.e. 01/04/2017			Shareholding at the end of the year i.e. 31/03/2018			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company <sup>1</sup>	% of Shares Pledged/encumbered to total shares of the Company <sup>1</sup>	No. of Shares	% of total Shares of the Company	% of Shares Pledged/encumbered to total shares <sup>2</sup>	
1	Dipakkumar Govindbhai Patel (Previous year "Dipak Govindbhai Patel")	93,43,675	19.07	1.02	1,21,58,752	24.70	1.02	+5.63
2	Shekhar Govindbhai Patel	1,04,91,585	21.41	5.02	1,41,06,662	28.66	2.25	+7.25
3	Lalitaben Govindbhai Patel <sup>3</sup>	68,30,154	13.94	NIL	NIL	NIL	NIL	-13.94
4	Archanaben Shekharbhai Patel <sup>4</sup>	NIL	NIL	NIL	2,00,000	0.41	NIL	+0.41
5	Sapnaben Dipakkumar Patel	2,66,340	0.54	NIL	4,66,340	0.95	NIL	+0.41
6	Shri Ganesh Construction Private Limited	4,58,655	0.94	NIL	4,58,655	0.93	NIL	NIL
7	Jayantibhai C Patel	75,375	0.15	NIL	75,375	0.15	NIL	NIL
8	Hemang Jayantibhai Patel	48,150	0.10	NIL	48,150	0.10	NIL	NIL
9	Kailashben Jayantilal Patel	48,150	0.10	NIL	48,150	0.10	NIL	NIL
	<b>Total</b>	<b>2,75,62,084</b>	<b>56.25</b>	<b>6.04</b>	<b>2,75,62,084</b>	<b>56.00</b>	<b>3.27</b>	<b>-0.25</b>

**Notes:** (1) Paid up share capital of the Company as on 31.03.2017 was 49002819

(2) Paid up share capital of the Company as on 31.03.2018 was 49227090

(3) Ms. Lalitaben G. Patel ceased to be promoter of the Company due to death. After demise of Ms. Lalitaben G. Patel on 2<sup>nd</sup> October, 2018 total shares i.e. 68,30,154 held by her were transmitted in favour of her Nominee.

(4) Ms. Archanaben G. Patel was added as Promoter due to receipt of new shares by way of inter se transfer.

**iii) Change in Promoters' Shareholding**

Particulars	Shareholding at the beginning of the year i.e. 01/04/2017		Cumulative Shareholding during the year i.e. 01-04-2017 to 31-03-2018	
	No. of Shares	% of total Shares of the Company	No. of shares	% of total Shares of the Company
At the beginning of the year	2,75,62,084	56.25		
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reason for Increase/Decrease (e.g. allotment/ transfer/ bonus/sweat equity, etc.)			Note-1	
At the end of the year	2,75,62,084	56.00*		

\* The Change in percentage (%) of shares between 01.04.2017 and 31.03.2018 is on account of allotment of Shares under Employees' Stock Option Scheme.



## Note - 1

Sr. No.	Particulars	Shareholding		Date of Debit/Credit	Increase/ Decrease in Shareholder	Reason	Cumulative Shareholding during the year (01/04/2017 to 31/03/2018)	
		No. of shares at the beginning of the year i.e. 01/04/2017	% of total shares of the Company <sup>(1)</sup>				No. of shares	% of total shares of the Company <sup>(2)</sup>
1.	<b>Dipakkumar Govindbhai Patel</b>	93,43,675	19.07	01.04.2017	—	—	—	—
				02.02.2018	28,15,077	Inter se transfer	1,21,58,752	24.70
				31.03.2018	—	—	<b>1,21,58,752</b>	<b>24.70</b>
2.	<b>Shekhar Govindbhai Patel</b>	1,04,91,585	21.41	01.04.2017	—	—	—	—
				09.01.2018	68,30,154	Acquisition as Nominee through transmission on account of death of Ms. Lalitaben G. Patel on 9 <sup>th</sup> January, 2018	1,73,21,739	35.19
					(30,15,077)	Inter se transfer	143,06,662	29.06
					(2,00,000)	Inter se transfer	141,06,662	28.65
		—	—	31.03.2018	—	—	<b>141,06,662</b>	<b>28.65</b>
3.	<b>Lalitaben Govindbhai Patel</b>	68,30,154	13.94	01.04.2017	—	—	—	—
				09.01.2018	(68,30,154)	Transferred to Nominee due to death	Nil	Nil
				31.03.2018	—	—	<b>Nil</b>	<b>Nil</b>
4.	<b>Sapnaben Dipakkumar Patel</b>	2,66,340	0.54	01.04.2017	—	—	—	—
				02.02.2018	2,00,000	Inter se transfer	4,66,340	0.95
				31.03.2018	—	—	<b>4,66,340</b>	<b>0.95</b>
5.	<b>Archana Shekharbhai Patel</b>	Nil	Nil	01.04.2017	—	—	—	—
				05.02.2018	2,00,000	Inter se transfer	2,00,000	0.41
				31.03.2018	—	—	<b>2,00,000</b>	<b>0.41</b>
6.	<b>Shri Ganesh Construction Private Limited</b>	4,58,655	0.94	01.04.2017	—	—	—	—
				<b>31.03.2018</b>	—	—	<b>4,58,655</b>	<b>0.94</b>
7.	<b>Jayantibhai C. Patel</b>	75,375	0.15	01.04.2017	—	—	—	—
				<b>31.03.2018</b>	—	—	<b>75,375</b>	<b>0.15</b>
8.	<b>Hemang Jayantibhai Patel</b>	48,150	0.10	01.04.2017	—	—	—	—
				<b>31.03.2018</b>	—	—	<b>48,150</b>	<b>0.10</b>
9.	<b>Kailashben Jayantilal Patel</b>	48,150	0.10	01.04.2017	—	—	—	—
				<b>31.03.2018</b>	—	—	<b>48,150</b>	<b>0.10</b>

## Notes:

(1) Percentage calculated on paid-up share capital i.e. 49002819 shares as at the beginning of the year;

(2) Percentage calculated on paid-up share capital i.e. 49227090 shares as at the end of the year.

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

Sr. No.	Name of Shareholder	Shareholding at the beginning of the year i.e. 01/04/2017		*Date	Increase / Decrease in Shareholding		Reason	Cumulative Shareholding at the end of the year i.e. 31/03/2018	
		No. of Shares	% of total Shares of the Company		No. of Shares	% of Shares		No. of Shares	% of total Shares of the Company
1	C. D. Integrated Services Limited	271582	0.55	—	—	—	—	—	—
				07/04/2017	+293500	+0.60	Purchase of Shares	565082	1.15
				21/04/2017	+10435	+0.02	Purchase of Shares	575517	1.17
				16/06/2017	-34390	-0.07	Sale of Shares	541127	1.10
				23/06/2017	-42417	-0.09	Sale of Shares	498710	1.01
				30/06/2017	-177473	-0.36	Sale of Shares	321237	0.65
				07/07/2017	+288592	+0.59	Purchase of Shares	609829	1.24
				14/07/2017	-11000	-0.02	Sale of Shares	598829	1.22
				04/08/2017	-78000	-0.16	Sale of Shares	520829	1.06
				11/08/2017	-7000	-0.01	Sale of Shares	513829	1.05
				30/09/2017	-492237	-1.01	Sale of Shares	21592	0.04
				06/10/2017	+488265	+1.00	Purchase of Shares	509857	1.04
				13/10/2017	+30000	+0.06	Purchase of Shares	539857	1.10
				10/11/2017	+26737	+0.05	Purchase of Shares	566594	1.15
				24/11/2017	-62264	-0.12	Sale of Shares	504330	1.03
				01/12/2017	-136370	-0.28	Sale of Shares	367960	0.75
				08/12/2017	-20000	-0.04	Sale of Shares	347960	0.71
				22/12/2017	+68838	+0.14	Purchase of Shares	416798	0.85
				30/12/2017	-5916	-0.01	Sale of Shares	410882	0.84
				05/01/2018	-95689	-0.20	Sale of Shares	315193	0.64
				12/01/2018	-24631	-0.05	Sale of Shares	290562	0.59
				19/01/2018	-290562	-0.59	Sale of Shares	0.00	0.00
				31/03/2018	—	—	—	0.00	0.00
2	Cophall Mauritius Investment Limited	1342500	2.74	—	—	—	—	—	—
				07/04/2017	-150000	-0.31	Sale of Shares	1192500	2.43
				21/04/2017	-175000	-0.36	Sale of Shares	1017500	2.07
				28/04/2017	-105000	-0.21	Sale of Shares	912500	1.86
				30/06/2017	-465000	-0.95	Sale of Shares	447500	0.91
				11/08/2017	-447500	-0.91	Sale of Shares	0.00	0.00
				31/03/2018	—	—	—	0.00	0.00
3	Reliance Capital Trustee Company Limited A/C Reliance Growth Fund	2208202	4.51	—	—	—	—	—	—
				26/05/2017	+50000	+0.10	Purchase of Shares	2258202	4.61
				15/09/2017	-135496	-0.29	Sale of Shares	2122706	4.32
				22/09/2017	-125955	-0.26	Sale of Shares	1996751	4.06
				06/10/2017	-37622	-0.08	Sale of Shares	1959129	3.98
				13/10/2017	-150379	-0.31	Sale of Shares	1808750	3.67
				20/10/2017	-75000	-0.15	Sale of Shares	1733750	3.52
				27/10/2017	-583870	-1.19	Sale of Shares	1149880	2.33
				03/11/2017	-433405	-0.88	Sale of Shares	716475	1.45
				10/11/2017	-606726	-1.23	Sale of Shares	109749	0.22
				17/11/2017	-109749	-0.22	Sale of Shares	0.00	0.00
				31/03/2018	—	—	—	0.00	0.00
4	Bimalbhai K Patel/ Kalpeshbhai K Patel/ Savitaben Keshubhai Patel	667080	1.36	—	—	—	—	—	—
				31/03/2018	—	—	—	667080	1.36

Sr. No.	Name of Shareholder	Shareholding at the beginning of the year i.e. 01/04/2017		*Date	Increase / Decrease in Shareholding		Reason	Cumulative Shareholding at the end of the year i.e. 31/03/2018	
		No. of Shares	% of total Shares of the Company		No. of Shares	% of Shares		No. of Shares	% of total Shares of the Company
5	Payone Enterprises Private Limited	1125000	2.29	—	—	—	—	—	—
				21/04/2017	-364000	-0.74	Sale of Shares	761000	1.55
				28/04/2017	-23000	-0.05	Sale of Shares	738000	1.50
				05/05/2017	-738000	-1.50	Sale of Shares	0.00	0.00
				31/03/2018	—	—	—	0.00	0.00
6	Bimalbhai K Patel	481905	0.98	—	—	—	—	—	—
				31/03/2018	—	—	—	481905	0.98
7	Monsoon Infrastructure & Reality Co-invest Limited	847500	1.73	—	—	—	—	—	—
				30/12/2017	-347500	-0.71	Sale of Shares	500000	1.02
				31/03/2018	—	—	—	500000	1.02
8	Gautam Prakash	652500	1.33	—	—	—	—	—	—
				28/04/2017	+105000	+0.21	Purchase of Shares	757500	1.54
				30/06/2017	+465000	+0.95	Purchase of Shares	1222500	2.49
				14/07/2017	-20000	-0.04	Sale of Shares	1202500	2.45
				11/08/2017	+447500	+0.91	Purchase of Shares	1650000	3.36
				05/01/2018	-62250	-0.13	Sale of Shares	1587750	3.23
				12/01/2018	-37750	-0.08	Sale of Shares	1550000	3.15
				19/01/2018	-250	-0.00	Sale of Shares	1549750	3.15
				31/03/2018	—	—	—	1549750	3.15
9	Kunvarji Fincorp Private Limited	1024060	2.08	—	—	—	—	—	—
				14/04/2017	-233000	-0.47	Sale of Shares	791060	1.61
				21/04/2017	-65000	-0.13	Sale of Shares	726060	1.48
				05/05/2017	-95000	-0.19	Sale of Shares	631060	1.29
				09/06/2017	-110000	-0.23	Sale of Shares	521060	1.06
				30/06/2017	-41000	-0.08	Sale of Shares	480060	0.98
				28/07/2017	-145000	-0.30	Sale of Shares	335060	0.68
				08/09/2017	+15000	+0.03	Purchase of Shares	350060	0.71
				10/11/2017	+195000	+0.40	Purchase of Shares	545060	1.11
				01/12/2017	-100000	-0.20	Sale of Shares	445060	0.91
				30/12/2017	-156000	-0.32	Sale of Shares	289060	0.59
				05/01/2018	-95000	-0.20	Sale of Shares	194060	0.39
				31/03/2018	—	—	—	194060	0.39
10	Janpath Marketing Private Limited	972641	1.98	—	—	—	—	—	—
				31/03/2018	—	—	—	972641	1.98
11	Chartered Finance & Leasing Limited	481500	0.98	—	—	—	—	—	—
				31/03/2018	—	—	—	481500	0.98

Sr. No.	Name of Shareholder	Shareholding at the beginning of the year i.e. 01/04/2017		*Date	Increase / Decrease in Shareholding		Reason	Cumulative Shareholding at the end of the year i.e. 31/03/2018	
		No. of Shares	% of total Shares of the Company		No. of Shares	% of Shares		No. of Shares	% of total Shares of the Company
12	Runner Marketing Pvt. Ltd.	450000	0.91	—	—	—	—	—	—
				31/03/2018	—	—	—	450000	0.91
13	Ashmore India Opportunities Fund	0.00	0.00	—	—	—	—	—	—
				05/05/2017	+294500	+0.60	Purchase of Shares	294500	0.60
				12/05/2017	+104900	+0.21	Purchase of Shares	399400	0.81
				09/06/2017	+52000	+0.11	Purchase of Shares	451400	0.92
				16/06/2017	+24397	+0.05	Purchase of Shares	475797	0.97
				30/06/2017	+38000	+0.08	Purchase of Shares	513797	1.05
				22/09/2017	+20000	+0.04	Purchase of Shares	533797	1.09
				10/11/2017	+203310	+0.41	Purchase of Shares	737107	1.50
				17/11/2017	+100000	+0.20	Purchase of Shares	837107	1.70
				24/11/2017	+33121	+0.07	Purchase of Shares	870228	1.77
				31/03/2018	—	—	—	870228	1.77
14	Kunvarji Fincorp Private Limited	257000	0.52	—	—	—	—	—	—
				14/04/2017	+19100	+0.04	Purchase of Shares	276100	0.56
				21/04/2017	-2800	-0.01	Sale of Shares	273300	0.55
				09/06/2017	-800	0.00	Sale of Shares	272500	0.55
				23/06/2017	-1378	0.00	Sale of Shares	271122	0.55
				30/06/2017	-5672	-0.01	Sale of Shares	265450	0.54
				07/07/2017	-8450	-0.02	Sale of Shares	257000	0.52
				28/07/2017	+6000	+0.01	Purchase of Shares	263000	0.53
				25/08/2017	+6500	+0.01	Purchase of Shares	269500	0.54
				17/11/2017	-7000	-0.01	Sale of Shares	262500	0.53
				24/11/2017	-3000	-0.01	Sale of Shares	259500	0.52
				30/12/2017	-500	0.00	Sale of Shares	259000	0.52
				05/01/2018	-5500	-0.01	Sale of Shares	253500	0.51
				12/01/2018	-1500	-0.00	Purchase of Shares	252000	0.51
				19/01/2018	+5000	+0.01	Purchase of Shares	257000	0.52
				31/03/2018	—	—	—	257000	0.52
15	Kashmira Investment and Leasing Private Ltd	0.00	0.00	—	—	—	—	—	—
				06/10/2017	+350000	+0.71	Purchase of Shares	350000	0.71
				24/11/2017	+50000	+0.10	Purchase of Shares	400000	0.81
				22/12/2017	-50000	-0.10	Sale of Shares	350000	0.71
				12/01/2018	+100	+0.00	Purchase of Shares	350100	0.71
				19/01/2018	-100	-0.00	Sale of Shares	350000	0.71
				31/03/2018	—	—	—	350000	0.71
		0.00	0.00	—	—	—	—	—	—

Sr. No.	Name of Shareholder	Shareholding at the beginning of the year i.e. 01/04/2017		*Date	Increase / Decrease in Shareholding		Reason	Cumulative Shareholding at the end of the year i.e. 31/03/2018	
		No. of Shares	% of total Shares of the Company		No. of Shares	% of Shares		No. of Shares	% of total Shares of the Company
16	Kunvarji Finstock Private Limited	0.00	0.00	—	—	—	—	—	—
				14/04/2017	+233000	+0.48	Purchase of Shares	233000	0.48
				21/04/2017	+65000	+0.13	Purchase of Shares	298000	0.61
				05/05/2017	+95000	+0.19	Purchase of Shares	393000	0.80
				09/06/2017	+110000	+0.23	Purchase of Shares	503000	1.03
				30/06/2017	+41000	+0.08	Purchase of Shares	544000	1.11
				28/07/2017	+145000	+0.29	Purchase of Shares	689000	1.40
				08/09/2017	+3577	+0.01	Purchase of Shares	692577	1.41
				15/09/2017	-3577	-0.01	Sale of Shares	689000	1.40
				30/09/2017	+1000	+0.00	Purchase of Shares	690000	1.40
				20/10/2017	-500	-0.00	Sale of Shares	689500	1.40
				03/11/2017	-500	-0.00	Sale of Shares	689000	1.40
				10/11/2017	-195000	-0.40	Sale of Shares	494000	1.00
				01/12/2017	-100000	-0.20	Sale of Shares	394000	0.80
				08/12/2017	-100000	-0.20	Sale of Shares	294000	0.60
				15/12/2017	-235000	-0.48	Sale of Shares	59000	0.12
				22/12/2017	-59000	-0.12	Sale of Shares	0.00	0.00
				31/03/2018	—	—	—	0.00	0.00
17	IL and FS Securities Services Limited	78530	0.16	—	—	—	—	—	—
				07/04/2017	+3799	+0.01	Purchase of Shares	82329	0.17
				14/04/2017	+2550	+0.00	Purchase of Shares	84879	0.17
				21/04/2017	-3722	-0.01	Sale of Shares	81157	0.16
				28/04/2017	+3675	+0.01	Purchase of Shares	84832	0.17
				05/05/2017	+15100	+0.03	Purchase of Shares	99932	0.20
				12/05/2017	-2800	-0.00	Sale of Shares	97132	0.20
				19/05/2017	+33030	+0.06	Purchase of Shares	130162	0.26
				26/05/2017	-11663	-0.02	Sale of Shares	118499	0.24
				02/06/2017	-6660	-0.01	Sale of Shares	111839	0.23
				09/06/2017	+16357	+0.03	Purchase of Shares	128196	0.26
				16/06/2017	-825	-0.00	Sale of Shares	127371	0.26
				23/06/2017	-44269	-0.09	Sale of Shares	83102	0.17
				30/06/2017	-1650	-0.00	Sale of Shares	81452	0.17
				07/07/2017	-27807	-0.06	Sale of Shares	53645	0.11
				14/07/2017	-6165	-0.02	Sale of Shares	46880	0.09
				21/07/2017	+7906	+0.02	Purchase of Shares	54786	0.11
				28/07/2017	-2710	-0.00	Sale of Shares	52076	0.11
				04/08/2017	+17840	+0.03	Purchase of Shares	69916	0.14
				11/08/2017	+700	+0.00	Purchase of Shares	70616	0.14
				18/08/2017	-7619	-0.02	Sale of Shares	62997	0.12
				25/08/2017	+3706	+0.01	Purchase of Shares	66703	0.13
				01/09/2017	+250	+0.00	Purchase of Shares	66953	0.13
				08/09/2017	-2550	-0.00	Sale of Shares	64403	0.13
				15/09/2017	+2875	+0.01	Purchase of Shares	67278	0.14
				22/09/2017	+1003	+0.00	Purchase of Shares	68281	0.14
				30/09/2017	-32301	-0.07	Sale of Shares	35980	0.07
				06/10/2017	+18015	+0.04	Purchase of Shares	53995	0.11
				13/10/2017	+8780	+0.01	Purchase of Shares	62775	0.12



Sr. No.	Name of Shareholder	Shareholding at the beginning of the year i.e. 01/04/2017		*Date	Increase / Decrease in Shareholding		Reason	Cumulative Shareholding at the end of the year i.e. 31/03/2018	
		No. of Shares	% of total Shares of the Company		No. of Shares	% of Shares		No. of Shares	% of total Shares of the Company
IL and FS Securities Services Limited				20/10/2017	-47940	-0.09	Sale of Shares	14835	0.03
				27/10/2017	+3486	+0.01	Purchase of Shares	18321	0.04
				03/11/2017	+7053	+0.01	Purchase of Shares	25374	0.05
				10/11/2017	+17494	+0.03	Purchase of Shares	42868	0.08
				17/11/2017	+31000	+0.07	Purchase of Shares	73868	0.15
				24/11/2017	-33291	-0.07	Sale of Shares	40577	0.08
				01/12/2017	-8860	-0.02	Sale of Shares	31717	0.06
				08/12/2017	+37318	+0.08	Purchase of Shares	69035	0.14
				15/12/2017	+32069	+0.06	Purchase of Shares	101104	0.20
				22/12/2017	-5355	-0.01	Sale of Shares	95749	0.19
				30/12/2017	-10471	-0.02	Sale of Shares	85278	0.17
				05/01/2018	-78441	-0.16	Sale of Shares	6837	0.01
				12/01/2018	-6587	-0.01	Sale of Shares	250	0.00
				19/01/2018	+9545	+0.02	Purchase of Shares	9795	0.02
				26/01/2018	+25315	+0.05	Purchase of Shares	35110	0.07
				02/02/2018	+160795	+0.33	Purchase of Shares	195905	0.40
				09/02/2018	+75987	+0.15	Purchase of Shares	271892	0.55
				16/02/2018	+13972	+0.03	Purchase of Shares	285864	0.58
				23/02/2018	+23398	+0.05	Purchase of Shares	309262	0.63
				02/03/2018	-29171	-0.06	Sale of Shares	280091	0.57
				09/03/2018	-14518	-0.04	Sale of Shares	265573	0.53
				16/03/2018	+6475	+0.02	Purchase of Shares	272048	0.55
				23/03/2018	-138769	-0.28	Sale of Shares	133279	0.27
				31/03/2018	+7805	+0.01	Purchase of Shares	141084	0.28

## v) Shareholding of Directors and Key Managerial Personnel:

Sr. No	Name	Shareholding		Date of Debit/Credit	Increase / Decrease in Shareholder	Reason	Cumulative Shareholding during the year (01/04/2017 to 31/03/2018)	
		No. of shares at the beginning of the year i.e. 01/04/2017	% of total shares of the Company <sup>(1)</sup>				No. of shares	% of total shares of the Company <sup>(2)</sup>
1.	<b>Dipakkumar Govindbhai Patel</b> Chairman & Whole-time Director	93,43,675	19.07	01.04.2017	—	—	—	—
				02.02.2018	28,15,077	Inter se transfer	1,21,58,752	24.70
				31.03.2018	—	—	<b>1,21,58,752</b>	<b>24.70</b>
2.	<b>Shekhar Govindbhai Patel</b> Managing Director	1,04,91,585	21.41	01.04.2017	—	—	—	—
				09.01.2018	68,30,154	Acquisition as Nominee through transmission on account of death of Ms. Lalitaben G. Patel on 9 <sup>th</sup> January, 2018	1,73,21,739	35.19
					(30,15,077)	Inter se transfer	143,06,662	29.06
					(2,00,000)	Inter se transfer	141,06,662	28.65
		—	—	31.03.2018	—	—	<b>141,06,662</b>	<b>28.65</b>
3.	<b>Dr. Bharat J. Patel,</b> Independent Director	Nil	Nil	01.04.2017	—	—	—	—
				31.03.2018	—	—	<b>Nil</b>	<b>Nil</b>
4.	<b>Dr. Tarang M. Desai,</b> Independent Director	Nil	Nil	01.04.2017	—	—	—	—
				31.03.2018	—	—	<b>Nil</b>	<b>Nil</b>
5.	<b>Mr. Ashish H. Modi,</b> Independent Director	11250	0.02	01.04.2017	—	—	—	—
				28.07.2017	(2750)	Market Sale	8500	0.02
					(3616)	Market Sale	4884	0.01
					(1884)	Market Sale	3000	0.01
				31.03.2018	—	—	<b>3000</b>	<b>0.01</b>
6.	<b>Ms. Aneri D. Patel,</b> Non- Executive Director	Nil	Nil	01.04.2017	—	—	—	—
				31.03.2018	—	—	<b>Nil</b>	<b>Nil</b>
<b>KEY MANAGERIAL PERSONNEL (KMPs)</b>								
7.	<b>Rajendra Shah,</b> Chief Financial Officer	Nil	Nil	01.04.2017	—	—	—	—
				31.03.2018	—	—	<b>Nil</b>	<b>Nil</b>
8.	<b>*Priti Kapadia,</b> Company Secretary	Nil	Nil	01.04.2017	—	—	—	—
				21.07.2017	2755	ESOP Allotment	2755	0.005
				16.08.2017	(1754)	Market Sale	1001	0.002
				07.09.2017	(500)	Market Sale	501	0.001
				21.12.2017	(501)	Market Sale	<b>Nil</b>	<b>Nil</b>
				29.12.2017	1000	ESOP Allotment	1000	0.002
				10.01.2018	(300)	Market Sale	700	0.001
				12.01.2018	(500)	Market Sale	200	0.000
				31.03.2018	—	—	<b>200</b>	<b>0.000</b>

\* Change of Surname due to Marriage

**V. INDEBTEDNESS:**

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

(Amount in ₹ lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	32837.31	2377.50	0.00	35214.81
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	187.17	324.97	0.00	512.14
<b>Total (i + ii + iii)</b>	<b>33024.48</b>	<b>2702.47</b>	<b>0.00</b>	<b>35726.95</b>
<b>Change in Indebtedness during the financial year</b>				
– Addition	25394.00	122.50	0.00	25516.50
– Reduction	17079.87	1867.47	0.00	18947.35
<b>Net Change</b>				
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	41338.60	9,57.50	0.00	42296.10
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	564.82	51.16	0.00	615.98
<b>Total (i+ii+iii)</b>	<b>41903.43</b>	<b>1008.66</b>	<b>0.00</b>	<b>42912.08</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:***A. Remuneration to Managing Director, Whole-time Directors and/or Manager:*

(Amount in ₹ lakhs)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager		
		Shekhar G. Patel, Managing Director	Dipakkumar G. Patel, Chairman & Whole-time Director	Total Amount
1.	Gross salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	120.00	120.00	240.00
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	1.93	2.12	4.05
	(c) Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961	—	—	—
2.	Stock Option	—	—	—
3.	Sweat Equity	—	—	—
4.	Commission			
	– as % of profit	—	—	—
	– Others, specify...	—	—	—
5.	Others, Please Specify	—	—	—
	<b>Total (A)</b>	<b>121.93</b>	<b>122.12</b>	<b>244.05</b>
	Ceiling as per the Act	₹ 694.43 lakhs (being 10% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013)		

**B. Remuneration to other Directors:**

(Amount in ₹ lakhs)

Sr. No.	Particulars of Remuneration	Name of Directors				
		Dr. Bharat J. Patel	Dr. Tarang M. Desai	Ashish H. Modi	Aneri D. Patel	Total Amount
1.	<b>Independent Directors:</b>					
	• Fee for attending board committee meetings	0.28	0.52	0.55	--	1.35
	• Commission	—	—	—	—	—
	• Others, please specify	—	—	—	—	—
	<b>Total (1)</b>	<b>0.28</b>	<b>0.52</b>	<b>0.55</b>	<b>--</b>	<b>1.35</b>
2.	<b>Other Non-Executive Directors</b>					
	• Fee for attending board committee meetings	—	—	—	0.30	0.30
	• Commission	—	—	—	—	—
	• Others, please specify	—	—	—	—	—
	<b>Total (2)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>0.30</b>	<b>0.30</b>
	<b>Total (B)=(1+2)</b>	<b>0.28</b>	<b>0.52</b>	<b>0.55</b>	<b>0.30</b>	<b>1.65</b>
	<b>Overall Ceiling as per the Act</b>	₹ 69.44 lakhs (being 1% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013).				

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

(Amount in ₹ lakhs)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		
		CFO (Rajendra Shah)	Company Secretary (Priti Kapadia)*	Total Amount
1.	Gross salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	51.66	9.03	60.69
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	—	—	—
	(c) Profits in lieu of salary under Section 17(3) of the Income-tax Act, 1961	—	—	—
2.	Stock Option	—	0.18	0.18
3.	Sweat Equity	—	—	—
4.	Commission			
	– as % of profit	—	—	—
	– Others, specify...	—	—	—
5.	Others	—	—	—
	<b>Total</b>	<b>51.66</b>	<b>9.21</b>	<b>60.87</b>

\* Change of Surname due to Marriage

**VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:**

Type	Section of 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					

For &amp; on behalf of Board of Directors

**Dipakkumar G. Patel**Chairman  
(DIN: 00004766)Date : 6<sup>th</sup> July, 2018

Place : Ahmedabad



# Form AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

## 1. Details of contracts or arrangement or transactions not at arm's length basis

(a) Name(s) of the related party and nature of relationship:	Not Applicable
(b) Nature of contracts/arrangements/transactions	
(c) Duration of the contracts/arrangements/transactions	
(d) Salient terms of the contracts or arrangements or transactions including the value, if any:	
(e) Justification for entering into such contracts or arrangements or transactions:	
(f) Date(s) of approval by the Board, if any:	
(g) Amount paid as advances, if any:	
(h) Date on which the special resolution was passed in general meeting as required under first proviso to Section 188:	

## 2. Details of material contracts or arrangement or transactions at arm's length basis

Particulars	Details	Details	Details
(a) Name(s) of the related party and nature of relationship:	Name of related party: Mr. Anmol D. Patel	Name of related party: Mr. Dipakkumar G. Patel and Mr. Shekhar G. Patel	Name of related party: A Mody Construction Co.
	Nature of relation: Mr. Anmol D. Patel is son of Mr. Dipakkumar G. Patel, Chairman & Whole-time Director and brother of Ms. Aneri D. Patel, Director	Nature of relation: Directors of the Company	Nature of relation: Firm in which Director viz. Mr. Ashish H. Modi is interested
(b) Nature of contracts/arrangements/transactions	Remuneration payable to related party under place of profit in the Company.	Agreements made in ordinary course of business. Agreements for sale executed on 30.10.2017 and 02.02.2018 for purchase of land i.e. F.P. No. 33/1 and 33/2 located at Village: Tragad by the Directors.	Arrangement or transactions entered into in ordinary course of business for purpose of road construction near the project location of the Company.
(c) Duration of the contracts / arrangements/ transactions	Term of Employment is Permanent	12 months from the date of execution of Agreement for sale	As per the exigencies of business.

Particulars	Details	Details	Details
(d) Salient terms of the contracts or arrangements or transactions including the value, if any:	Appointed as President (Strategy & Operations) of the Company at a monthly remuneration of ₹ 2.00 lakh per month w.e.f. 1 <sup>st</sup> February, 2018.  Other terms: As per HR Policy applicable to all employees in general.	Purchase of land located at F. P. No. 33/1 and 33/2 at a consideration of ₹ 4,41,90,100 and ₹ 4,15,94,700/- respectively.	For different items rate per unit fixed. For the financial year 2017-2018 the total value approved by Audit Committee by way of omnibus approval is ₹ 20.00 lakhs.
(e) Justification for entering into such contracts or arrangements or transactions	Mr. Anmol D. Patel, aged 22 years, is a Bachelor of Science (Management) from University of Nottingham, U.K. and has gained thorough on-ground experience during his internship tenure at Larsen and Toubro Ltd., a leading construction, engineering & financial services conglomerate. He is equipped to lead the Strategy & Operations activities of the Company, wherein he will champion implementation of various systems & process across the different verticals of the Company, drive new projects & manage other operational activities.	Company has entered agreements in its ordinary course of business. Further, the value for the said transaction is well above Jantri (land ready reckoner) rates.	To Carry out work relating to road construction near the project location of the Company as and when required.
(f) Date(s) of approval by the Board, if any:	25 <sup>th</sup> January, 2018	11 <sup>th</sup> August, 2017	Not Applicable.
(g) Amount paid as advances, if any:	Not Applicable	₹ 20,000/- for both transactions. Sale deeds to be executed during the financial year 2018-2019.	Not Applicable

For &amp; on behalf of Board of Directors

**Dipakkumar G. Patel**Chairman  
(DIN: 00004766)Date : 6<sup>th</sup> July, 2018

Place : Ahmedabad

# ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. A Brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR Policy and Projects or programmes:

Longevity and success for a Company comes from living in harmony with the context, which is the community and society. The main objective of CSR policy encompasses the ideas of corporate governance, sustainable wealth creation, corporate philanthropy and advocacy for the goals of the community. The projects undertaken are within the broad framework of Schedule VII of the Companies Act, 2013. Our CSR initiatives focus on Education and Environment. Apart from this the Company has also undertaken other CSR projects as provided under the said Schedule.

The Company has framed its CSR Policy in compliance with the provisions of the Companies Act, 2013 and the same is placed on the Company's website at the web link: <http://www.ganeshhousing.com/wp-content/pdf/corporate-social-responsibility-policy.pdf>.

2. The Composition of CSR Committee: Mr. Dipakkumar G. Patel, Chairman; Mr. Shekhar G. Patel, Member and Dr. Tarang M. Desai, Member
3. Average net profit of the Company for last three financial years: ₹ 50,97,53,166/-
4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above): ₹ 1,01,95,063/-
5. Details of CSR spend for the financial year:
6. Total amount to be spent for the financial year: ₹ 1,03,63,256/-
  - a) Amount unspent, if any: Nil
  - b) Manner in which the amount spent during the financial year is detailed below:

(₹ in lakhs)

1	2	3	4	5	6	7	8
Sr. No.	CSR Project or activity identified	Sector in which the Project is covered	Projects or Programmes (1) Local area or other (2) Specify the State and District where Projects or Programmes were undertaken	Amount Outlay (budget) Project or Programmes wise	Amount Spent on the Projects or Programmes Sub-heads: (1) Direct Expenditure (2) Overheads	Cumulative expenditure up to the reporting period	Amount Spent: Direct or through implementation agency
1.	Plantation and maintenance of saplings and other activities for protection of environment	Ensuring environmental sustainability & ecological balance	Gujarat, Ahmedabad	23.00	23.74	23.74	Direct

1	2	3	4	5	6	7	8
Sr. No.	CSR Project or activity identified	Sector in which the Project is covered	Projects or Programmes (1) Local area or other (2) Specify the State and District where Projects or Programmes were undertaken	Amount Outlay (budget) Project or Programmes wise	Amount Spent on the Projects or Programmes Sub-heads: (1) Direct Expenditure (2) Overheads	Cumulative expenditure up to the reporting period	Amount Spent: Direct or through implementation agency
2.	Promotion of Education including Special Education and Other Initiatives	Promoting education	Gujarat, Ahmedabad	73.00	73.42	73.42	Direct and Implementation agency
3.	Promotion of Nationally recognized sports	Promotion of Nationally recognized sports	Gujarat, Ahmedabad	6.00	6.47	6.47	Direct and Implementation agency
<b>TOTAL</b>				<b>102.00</b>	<b>103.63</b>	<b>103.63</b>	

\* Implementation agency: Shatayu, Bapa Shree Mahotsav, Gujarat Inst. of Hsg & Est. Dev, etc.

7. In case the Company has failed to spend two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board Report: Not Applicable
8. The CSR Committee of the Company hereby confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

For Ganesh Housing Corporation Limited

For Ganesh Housing Corporation Limited

Shekhar G. Patel  
Managing Director  
(DIN: 00005091)

Date: 06/07/2018  
Place: Ahmedabad

Dipakkumar G. Patel  
Chairman of the Committee  
(DIN: 00004766)

Date: 06/07/2018  
Place: Ahmedabad

# Independent Auditors' Report

To the Members of:

## **GANESH HOUSING CORPORATION LIMITED,**

### **Report On The Standalone Financial Statements**

We have audited the accompanying standalone financial statements of GANESH HOUSING CORPORATION LIMITED ("the company"), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss (including other Comprehensive Income), the Cash Flow Statement and the statement of changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Standalone financial statement").

### **Management's Responsibility for the Standalone Financial Statements**

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

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We 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 standalone financial statements are free from material misstatements.

An Audit involves performing procedures to obtain Audit Evidence about the amounts and Disclosures in the Standalone Financial Statements. The procedures selected depend on the Auditor's judgments, including the assessment of risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to company's preparation of the standalone 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 standalone 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 standalone financial statements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the 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



31st March, 2018, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, We give in the Annexure – A, a statement on the matters specified in paragraphs 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 beliefs were necessary for the purposes of our audit;
  - b. In our opinion proper books of accounts as required by Law have been kept by the Company so far as it appears from our examinations of those books;
  - c. The Balance Sheet, Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this report are in agreement with the relevant books of account;
  - d. In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with relevant rules issued there under;
  - e. On the basis of written representations received from the directors as on 31st March, 2018, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164(2) of the Act.
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure – B.

- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The company has disclosed the impact of pending litigations as at 31st March, 2018 on its financial position in its standalone financial statements as referred to in Note No. 47 [A to H] to the standalone financial statements.
  - ii. The company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31st March, 2018.
  - iv. The disclosure requirements relating to holding as well as dealings in specified bank notes were applicable for the period 08/11/2016 to 30/12/2016 which are not relevant to these financial statements. Hence reporting under this clause is not applicable.

For **PURNESH R. MEHTA & CO.**

Chartered Accountants

FRN: 142830W

**PURNESH MEHTA**

Proprietor

Place: Ahmedabad

Date: 30/05/2018

Membership No.: 032812

# Annexure - A to the Independent Auditors' Report

To the Members of:

## **GANESH HOUSING CORPORATION LIMITED,**

Referred to in paragraph (1) under the heading of "Report on Other Legal and Regulatory requirements" of our Report of even date to the standalone financial statements of the company for the year ended 31st March, 2018:

- (i)
  - (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - (b) All the assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
  - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) The company is accounting various construction projects being built by it, as inventory. There is a continuous monitoring of the construction projects. Hence, the question of physical verification of the project does not arise. In case of Inventory of Raw materials, it has been physically verified during the year by the management. The inventory shown in the accounts is in the nature of various construction projects. Hence, normal inventory records associated with manufacturing companies are not being kept. However, the company is maintaining the necessary records to our satisfaction. No discrepancies were noticed on verification between the physical stocks and book records.
- (iii) The company has not granted any loan to any company, Limited Liability Partnership, Firm and other party covered in the Register maintained under section 189 of the Companies Act, 2013. However, by way of abundant caution we are giving opinion of business advances given by the company. The company has granted unsecured business advances to five companies covered in the Register maintained under section 189 of the Companies Act, 2013.
- (a) The business advances granted to the companies listed in the Register maintained under Section 189 of the Companies Act, 2013 are not prima facie prejudicial to the interest of the company, even though they are interest free and unsecured, as the advances are given to a group companies.
- (b) The business advances granted to the companies listed in the Register maintained under Section 189 of the Companies Act, 2013 are Interest free & repayable on demand. Hence, the question of payment of interest and regular repayment of principal amount does not arise.
- (c) There is no overdue amount in respect of the business advances granted to the companies listed in the Register maintained under Section 189 of the Companies Act, 2013, as the business advances are repayable on demand.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 with respect to the loans, guaranties, securities and investments made.
- (v) The company has not accepted any public deposit within the meaning of provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under. Therefore, the provisions of clause 3(v) of the Order are not applicable to the Company.
- (vi) We have broadly reviewed the cost records maintained by the company pursuant to the rules made by the Central Government of India under sub-section (1) of

section 148 of the Companies Act, 2013 and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

- (vii) (a) According to the information and explanations given to us and based on our examination of the records of the company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and other statutory dues with the appropriate authorities have been generally regularly deposited.

According to the information and explanations given to us no other undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2018 for a period of more than six months from the date of becoming payable.

- (b) According to the information and explanations given to us, there are no dues of Income Tax, Sales Tax, Service Tax, Duty of Custom, Duty of Excise, Valued Added Tax and Cess, which have not been deposited on account of any dispute other than the following:

Name of Statute	A.Y.	Demand Raised Amt. ₹	Demand Paid Amt. ₹	With whom dispute is pending
Income Tax	2007-2008	127343870/-	0	ITAT, Ahmedabad
Income Tax	2008-2009	494887706/-	143095169/-	ITAT, Ahmedabad
Income Tax	2009-2010	44176840/-	40000000/-	ITAT, Ahmedabad
Income Tax	2009-2010	10331651/-	1000000/-	ITAT, Ahmedabad
Income Tax	2010-2011	130334350/-	0	Pr.CIT-2, Ahmedabad
Income Tax	2011-2012	185054140/-	0	Pr.CIT-2, Ahmedabad
Income Tax	2012-2013	20809200/-	1000000/-	ITAT, Ahmedabad
Income Tax	2015-2016	242969200/-	0	Pr.CIT-2, Ahmedabad

- (viii) In our opinion and according to the information and explanations given to us by the management and based on our examination of the records of the company, the outstanding repayment to a bank and financial institutions at the end of the financial year have been paid by the date of our audit report. The Company has not taken any loan from the government. The company has not issued any Debentures.
- (ix) According to the information and explanations given to us and based on our examination of the records of the company, the company has not raised moneys by way of initial public offer or further public offer including debt instruments. The company has utilized the monies raised by way of term Loans for the purposes for which they were raised.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the company by its officers or employees has been noticed or reported during the year in course of our audit.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, The Company has paid/provided for managerial remuneration in accordance with the requisite approval mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company.
- (xiii) According to the information and explanations given to us during the year there were transactions with related parties. However, the value of transactions were such that they were not within the scope of section 188. [Refer clause 15 of Companies (Meeting of Board and its powers) Rules, 2014]. Hence, all transaction with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given 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 under review. Accordingly, the provisions of clause 3(xiv) of the Order are not applicable to the Company.

- (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 any non-cash transactions with directors or persons connected with him. Hence the question of complying with provisions of section 192 of Companies Act, 2013 does not arise. Accordingly, the provisions of clause 3(xv) of the Order are not applicable to the Company.

- (xvi) In our opinion, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of clause 3(xvi) of the Order are not applicable to the Company.

For **PURNESH R. MEHTA & CO.**

Chartered Accountants

FRN: 142830W

**PURNESH MEHTA**

Proprietor

Place: Ahmedabad

Date: 30/05/2018

Membership No.: 032812

# Annexure - B to the Independent Auditors' Report

To the Members of:

## **GANESH HOUSING CORPORATION LIMITED,**

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 Ganesh Housing Corporation Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls,

both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

#### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **PURNESH R. MEHTA & CO.**

Chartered Accountants

FRN: 142830W

**PURNESH MEHTA**

Proprietor

Place: Ahmedabad

Date: 30/05/2018

Membership No.: 032812

# Balance Sheet

as at 31st March, 2018

In ₹

Particulars	Note	As at the End of Current Reporting Period 31/03/2018	As at the End of Previous Reporting Period 31/03/2017
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property Plant and Equipment	1	2082394417	2102386024
Other Intangible assets	2	912657	1587051
<b>Financial Assets</b>			
Investments	3	2029739659	2054790659
Loans	4	30042325	353158737
Other financial Assets	5	206094506	47569729
Deferred tax assets (net)	6	5557329	0
		<b>4354740893</b>	4559492200
<b>Current assets</b>			
Inventories	7	61323823	370673111
<b>Financial Assets</b>			
Trade receivables	8	1214034392	595446028
Cash and cash equivalents	9	66661776	59157683
Bank balances other than above	10	212971562	243375939
Loans	11	6517785212	5758960793
Other current assets	12	289733810	272354664
		<b>8362510575</b>	7299968218
<b>TOTAL ASSETS</b>		<b>12717251468</b>	11859460418
<b>Equity</b>			
Equity Share capital	13	492270900	490028190
Other Equity	14	7178061822	6882458006
		<b>7670332722</b>	7372486196
<b>Non-current liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	15	2900053609	1708304751
Deferred tax liabilities (Net)	16	0	10551202
Other non-current liabilities	17	172025854	192331309
		<b>3072079463</b>	1911187262
<b>Current liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	18	622166168	374391625
Trade payables	19	210259357	192656279
Other current financial liabilities	20	801588628	1509285651
Other current liabilities	21	96935255	304764404
Current Tax Liabilities (Net)	22	243889875	194689001
		<b>1974839283</b>	2575786960
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>12717251468</b>	11859460418

## Significant Accounting Policies & Notes Forming Part of Accounts

1 to 47

As per our Report of even date  
For **PURNESH R. MEHTA & CO.**  
Chartered Accountants  
FRN: 142830W

**Purnesh Mehta**  
Proprietor  
Membership No. 032812

Place: Ahmedabad  
Date: 30/05/2018

On behalf of the Board of Directors

**Dipakkumar G. Patel**  
Chairman & Whole-time Director  
[DIN: 00004766]

**Rajendra Shah**  
Chief Financial Officer

Place: Ahmedabad  
Date: 30/05/2018

**Shekhar G. Patel**  
Managing Director  
[DIN: 00005091]

**Priti Kapadia**  
Company Secretary

# Statement of Profit & Loss

for the year ended on 31st March, 2018

In ₹

Particulars	Note	For the Current Reporting Period 2017-2018	For the Previous Reporting Period 2016-2017
<b>I INCOME:</b>			
Revenue from Operations	23	2083943030	1774167013
Other Income	24	19133145	19604984
<b>TOTAL INCOME</b>		<b>2103076175</b>	1793771997
<b>II EXPENSES:</b>			
Cost of Material Consumed	25	195671857	408924823
Changes in Inventories	26	305716787	(28231827)
Employee Benefits Expense	27	153314541	123655910
Finance Cost	28	573760332	518062728
Other Expenses	29	178682738	145928061
Depreciation and Amortisation Expense		25503074	32966653
<b>TOTAL EXPENSES</b>		<b>1432649329</b>	1201306348
<b>III Profit Before Tax</b>		<b>670426846</b>	592465649
<b>IV Less: Tax Expenses:</b>			
Current Tax		(295868495)	(209749712)
Deferred Tax		16108531	(948719)
		<b>(279759964)</b>	(210698431)
<b>V Profit for the period</b>		<b>390666882</b>	381767218
<b>VI Other Comprehensive Income</b>		<b>0</b>	0
<b>Total of Other Comprehensive Income</b>		<b>0</b>	0
<b>VII Total Comprehensive Income for the period</b>		<b>390666882</b>	381767218
<b>VIII Earning Per share [In ₹]</b>	34		
(Face value of ₹ 10 per share)			
– Basic		<b>7.95</b>	8.76
– Diluted		<b>7.95</b>	8.76
<b>IX Significant Accounting Policies &amp; Notes Forming Part of Accounts</b>	1 to 47		

As per our Report of even date  
For **PURNESH R. MEHTA & CO.**  
Chartered Accountants  
FRN: 142830W

**Purnesh Mehta**  
Proprietor  
Membership No. 032812

Place: Ahmedabad  
Date: 30/05/2018

On behalf of the Board of Directors

**Dipakkumar G. Patel**  
Chairman & Whole-time Director  
[DIN: 00004766]

**Rajendra Shah**  
Chief Financial Officer

Place: Ahmedabad  
Date: 30/05/2018

**Shekhar G. Patel**  
Managing Director  
[DIN: 00005091]

**Priti Kapadia**  
Company Secretary

# Cash Flow Statement

for the year 2017-2018

In ₹

Particulars	Note	2017-2018	2016-2017
<b>A Cash Flow From Operating Activities:</b>			
Profit Before Tax		670426846	592465649
Provision For Taxation		(295868495)	(209749712)
		(295868495)	(209749712)
Net Profit After Tax		374558351	382715937
Add/Less Adjustments For			
Depreciation		25503074	32966653
Interest Expenses		573760332	518062728
Employees Stock option scheme		(16443688)	(8693853)
Interest Income		(19128035)	(16421167)
		563691683	525914361
<b>Operating Profit Before Working Capital Changes</b>		<b>938250034</b>	908630298
Add/Less Adjustments For			
Inventories		309349288	(26081719)
Trade & Other Receivables		(618588364)	392915861
Other Current Assets		84925761	(33856801)
Trade Payables		17603078	(2892599)
Other Current Liabilities		(886630753)	744042059
		(1093340990)	1074126801
Taxes Paid (Net)		(260829684)	(45125243)
Net Cash Generated From Operations		(1354170674)	1029001558
<b>B Cash Flow From Investing Activities:</b>			
Purchase of Fixed Assets		(5462270)	(25083195)
Capital Work In Progress		0	20122583
Sale of Fixed Assets		625197	3187002
Movement In Investments		25051000	(122469649)
Movement In Loans & Advances		(435708007)	(1188753600)
Interest Received		19128035	16421167
Net Cash Used In Investing Activities		(396366045)	(1296575692)

In ₹

Particulars	Note	2017-2018	2016-2017
<b>C Cash Flow From Financing Activities:</b>			
Changes in Share Capital		<b>2242710</b>	163342730
Changes in Security Premium		<b>39695967</b>	(163342730)
Changes in Borrowings		<b>1439523401</b>	(15065902)
Finance Cost Paid		<b>(573760332)</b>	(517929317)
Dividend Paid (Including Dividend Distribution Tax)		<b>(118315345)</b>	(117957281)
Net Cash Used In Financing Activities		<b>789386401</b>	(650952500)
<b>Net Increase In Cash And Cash Equivalents</b>		<b>(22900284)</b>	(9896336)
<b>Opening Balance of Cash And Cash Equivalents</b>		<b>302533622</b>	312429958
<b>Closing Balance of Cash And Cash Equivalents*</b>		<b>279633338</b>	302533622
<b>Components of Cash and Cash Equivalents</b>			
Cash on hand		<b>1559584</b>	1712974
Balances with Banks*		<b>65102192</b>	57444709
Other Balances other than above		<b>212971562</b>	243375939
<b>Total</b>		<b>279633338</b>	302533622

\* Include towards Unclaimed Dividend of ₹ 3448771/- (Pre. Yr. ₹ 3136884/-)

#### Significant Accounting Policies

30

**Note:** Effective April 1, 2017, the Company adopted the amendment to Ind AS 7, which require the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement. The adoption of the amendment did not have any material impact on the financial statements.

As per our Report of even date  
For **PURNESH R. MEHTA & CO.**  
Chartered Accountants  
FRN: 142830W

**Purnesh Mehta**  
Proprietor  
Membership No. 032812

Place: Ahmedabad  
Date: 30/05/2018

On behalf of the Board of Directors

**Dipakkumar G. Patel**  
Chairman & Whole-time Director  
[DIN: 00004766]

**Rajendra Shah**  
Chief Financial Officer

Place: Ahmedabad  
Date: 30/05/2018

**Shekhar G. Patel**  
Managing Director  
[DIN: 00005091]

**Priti Kapadia**  
Company Secretary

# Statement of Changes in Equity

for the year ended on 31/03/2018

A. EQUITY SHARE CAPITAL									
Particulars	AS AT 31/03/2018					AS AT 31/03/2017			
Balance at the beginning of the year					490028190				326685460
Changes in Equity Share capital During the year					2242710				163342730
Balance at the end of the reporting period					<b>492270900</b>				<b>490028190</b>
B. OTHER EQUITY									
Particulars	Share application money pending allotment	Equity component of compound financial instruments	Reserves and Surplus				Employee Stock Option Outstanding	Total	
			Capital Reserve	Securities Premium Reserve	General Reserves	Retained Earnings/ profit & loss			
<b>Balance as at 1/04/2016</b>	0	0	0	2453103844	512585910	3722895022	75000000	27099876	6790684652
Total Comprehensive Income for the year	0	0	0	0	0	381767218	0	0	381767218
Dividends	0	0	0	0	0	(98005638)	0	0	(98005638)
Tax on Dividends	0	0	0	0	0	(19951643)	0	0	(19951643)
Employee Stock Options (Net)	0	0	0	0	0	0	(8693853)	(8693853)	
Transfer to Share Capital on Issue of Bonus Shares	0	0	0	(163342730)	0	0	0	0	(163342730)
Transfer from Debenture Redemption Reserve to General Reserve	0	0	0	0	75000000	0	(75000000)	0	0
Addition during the year	0	0	0	0	0	0	0	0	0
<b>Balance as at 01/04/2017</b>	0	0	0	2289761114	587585910	3986704959	0	18406023	6882458006
<b>Total Comprehensive Income for the year</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>390666882</b>	<b>0</b>	<b>0</b>	<b>390666882</b>
Dividends	0	0	0	0	0	(98303138)	0	0	(98303138)
Tax on Dividends	0	0	0	0	0	(20012207)	0	0	(20012207)
Employee Stock Options (Net)	0	0	0	0	0	0	(16443688)	(16443688)	
Transfer from Debenture Redemption Reserve to General Reserve	0	0	0	0	0	0	0	0	0
Addition during the year	0	0	0	39695967	0	0	0	0	39695967
<b>Balance as at 31/03/2018</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2329457081</b>	<b>587585910</b>	<b>4259056496</b>	<b>0</b>	<b>1962335</b>	<b>7178061822</b>



# Notes Forming Part of Accounts as at 31/03/2018

In ₹

**NOTE - 1 PROPERTY, PLANT & EQUIPMENT**

Description of Assets	Gross Block			Depreciation			Net Block	
	As at 01-04-2017	Addition During Year	Deductions During Year	As at 31-03-2018	Depreciation/ Amortisation During the Year	Deductions During Year	As at 31-03-2018	As at 31-03-2017
	01-04-2017	During Year	During Year	31-03-2018	During the Year	During Year	31-03-2018	31-03-2017
<b>Tangible Assets:</b>								
Land	1927532433	0	0	1927532433	0	0	1927532433	1927532433
Office Premises	132329043	0	0	132329043	6723224	0	109978887	116702111
Plant & Machinery	2620939	0	0	2620939	325583	0	1391532	1717115
Furniture & Fixtures	28298046	344542	0	28642588	5146674	0	13942699	18744831
Vehicles	53999008	4012453	1215200	56796261	8300826	590003	21632097	26545667
Office Equipments	19327864	685234	0	20013098	3592813	0	7038008	9945587
Computer	2593995	370100	0	2964095	689619	0	878761	1198280
<b>Total</b>	<b>2166701328</b>	<b>5412329</b>	<b>1215200</b>	<b>2170898457</b>	<b>24778739</b>	<b>590003</b>	<b>2082394417</b>	<b>2102386024</b>
<b>Previous Year</b>	<b>2157728759</b>	<b>23121662</b>	<b>14149093</b>	<b>2166701328</b>	<b>31574678</b>	<b>10962091</b>	<b>2102386024</b>	

In ₹

**NOTE - 2 OTHER INTANGIBLE ASSETS**

Description of Assets	Gross Block			Depreciation			Net Block	
	As at 01-04-2017	Addition During Year	Deductions During Year	As at 31-03-2018	Depreciation/ Amortisation During the Year	Deductions During Year	As at 31-03-2018	As at 31-03-2017
	01-04-2017	During Year	During Year	31-03-2018	During the Year	During Year	31-03-2018	31-03-2017
<b>Intangible Assets:</b>								
Software	3932477	49941	192123	3790295	724335	192123	912657	1587051
<b>Total</b>	<b>3932477</b>	<b>49941</b>	<b>192123</b>	<b>3790295</b>	<b>724335</b>	<b>192123</b>	<b>912657</b>	<b>1587051</b>
<b>Previous Year</b>	<b>2860353</b>	<b>1961533</b>	<b>889409</b>	<b>3932477</b>	<b>1391975</b>	<b>889409</b>	<b>1587051</b>	

# Notes Forming Part of Accounts as at 31/03/2018

Particulars	In ₹	
	As At 31/03/2018	As At 31/03/2017
<b>NOTE - 3 INVESTMENTS</b>		
<b>A. Investments in Equity Instruments:-</b>		
<b>Unquoted &amp; Fully paid up:-</b>		
Non Current Investments in Equity Shares of Subsidiary Companies:		
NIL (Previous year 10,000) Equity Shares of ₹ 10/- each in Yash Organiser Pvt. Ltd.	0	25000000
89,54,726 (Previous year 89,54,726) Equity Shares of ₹ 10/- each in Gatil Properties Pvt. Ltd.	1906957410	1906957410
10,000 (Previous year 10,000) Equity Shares of ₹ 10/- each in Maheshwari (Thaltej) Complex Pvt. Ltd.	100000	100000
NIL (Previous year 5,100) Equity Shares of ₹ 10/- each in Shaily Infrastructure Pvt. Ltd.	0	51000
15,000 (Previous year 11,250) Equity Shares of ₹ 10/- each in Essem Infra Pvt. Ltd.	122582149	122582149
	<b>2029639559</b>	2054690559
<b>Investment in other Companies:-</b>		
10 Equity Shares (Previous year 10) of ₹ 10/- each in Starnet Software (India) Ltd.	100	100
10,000 Equity Shares (Previous year 10,000) of ₹ 10/- each in Ganesh Infrastructure (India) Pvt. Ltd.	100000	100000
	<b>100100</b>	100100
<b>TOTAL</b>	<b>2029739659</b>	2054790659

## NOTE - 4 LOANS [NON CURRENT] [UNSECURED, CONSIDERED GOOD]

Non Current Loans & Advances:-		
Business Advances to Co-Operative Societies	0	70287945
Business Advances to Others	<b>30042325</b>	282870792
[Refer Note No. 45(A) for details]		
<b>TOTAL</b>	<b>30042325</b>	353158737

## NOTE - 5 OTHER FINANCIAL ASSETS

Advance paid for purchase of Investments	<b>199930737</b>	0
Service Tax recoverable from members	<b>1052332</b>	2309007
Electricity, AUDA, Legal charges receivable for projects	<b>5111437</b>	45260722
<b>TOTAL</b>	<b>206094506</b>	47569729

In ₹

Particulars	As At 31/03/2018	As At 31/03/2017
<b>NOTE - 6 DEFERRED TAX ASSETS (NET)</b>		
<b>Deferred Tax Assets:-</b>		
Timing Difference :-		
Related to Fixed Assets	281232	0
Disallowances under the Income Tax Act, 1961	14638155	0
<b>TOTAL A</b>	14919387	0
<b>Deferred Tax Liabilities:-</b>		
Timing Difference :-		
Disallowances under the Income Tax Act, 1961	9362058	0
<b>TOTAL B</b>	9362058	0
<b>Total A - B = Net Deferred Tax Assets</b>	5557329	0

**NOTE - 7 INVENTORIES**

<b>INVENTORIES (As taken, valued &amp; certified by Management)</b>		
Raw-materials	132770	3765271
Work-In-Process & Finished Goods (Construction Projects)	61191053	366907840
<b>TOTAL</b>	61323823	370673111

**NOTE - 8 TRADE RECEIVABLES**

<b>[UNSECURED, CONSIDERED GOOD]</b>		
– More than Six Months	471114515	341742091
– Others	742919877	253703937
<b>TOTAL</b>	1214034392	595446028

**NOTE - 9 CASH & CASH EQUIVALENTS**

Cash on hand	1559584	1712974
Balances with Banks:		
In other accounts	65102192	57444709
<b>TOTAL</b>	66661776	59157683

**NOTE - 10 OTHER BANK BALANCES**

Balances with Banks:		
– In FD Accounts with Bank < 12 months	209522791	240239055
– In unpaid dividend account	3448771	3136884
<b>TOTAL</b>	212971562	243375939

# Notes Forming Part of Accounts as at 31/03/2018

Particulars	In ₹	
	As At 31/03/2018	As At 31/03/2017
<b>NOTE - 11 LOANS [CURRENT]</b>		
<b>[UNSECURED, CONSIDERED GOOD]</b>		
Short Term Loans & Advances:-		
Business Advances to related parties:-		
– Subsidiary Companies	3456135296	3090791454
– Other Related Parties	222536059	0
[Refer Note No. 45(B) for details]	<b>3678671355</b>	3090791454
Business Advances to Others [Refer Note No. 45(B) for details]	<b>791679434</b>	2421831000
Advances for Purchase of land to:		
– Related Party	1937667667	0
– Others	5136000	15136000
	<b>1942803667</b>	15136000
Advances to Others #	<b>104630756</b>	231202339
<b>TOTAL</b>	<b>6517785212</b>	5758960793

# Includes staff loan, prepaid expenses & reimbursement.

<b>NOTE - 12 OTHER CURRENT ASSETS</b>		
Advance to Suppliers	<b>4648</b>	12942331
Registration deposit	<b>1119354</b>	1119354
GST & Service Tax (Input)	<b>40036970</b>	38522858
Advance payment of Income Tax & TDS	676672838	640321764
Less:-		
Provision for Income Tax	428100000	420551643
	<b>248572838</b>	219770121
<b>TOTAL</b>	<b>289733810</b>	272354664

<b>NOTE - 13 EQUITY SHARE CAPITAL:</b>		
AUTHORISED:-		
5,00,00,000 (Previous year 5,00,00,000) Equity Shares of ₹ 10/- each	<b>500000000</b>	500000000
	<b>500000000</b>	500000000
Issued, Subscribed and Paid up Capital:-		
4,92,27,090 (Previous year 4,90,02,819) Equity shares of ₹ 10/- each fully paid up	<b>492270900</b>	490028190
<b>TOTAL</b>	<b>492270900</b>	490028190

## NOTE :

13.1. The reconciliation of number of shares at the beginning of the year and at the close of the year is set out below:

Particulars	As At	
	31/03/2018	31/03/2017
Equity shares at the beginning of the year	<b>49002819</b>	32668546
Add: Shares issued during the year	<b>224271</b>	16334273
Equity shares at the end of the year	<b>49227090</b>	49002819

## 13.2. The Statement of Shareholders Holding More Than 5% Equity Shares of The Company:-

Particulars	As At 31/03/2018		As At 31/03/2017	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Dipakkumar G. Patel	12158752	24.70	9343675	19.07
Shekhar G. Patel	14106662	28.66	10491585	21.41
Lalitaben G. Patel	0	0.00	6830154	13.94

## 13.3. Right, Preferences and Restrictions attached to shares:

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

## 13.4. 16334273 Equity shares of ₹ 10/- each are allotted, in the ratio of 1 equity share to the holder of 2 equity shares, as fully paid up Bonus Shares by capitalisation of profits in F.Y. 2016-17.

## 13.5. 224271 Equity shares of ₹ 10/- each fully paid up are allotted during the year on conversion of options under ESOP 2010 Scheme.

## 13.6. For details of shares reserved for issue under the employee stock option [ESOP 2010] scheme of the company, please refer Note No. 46.

Particulars	In ₹	
	As At 31/03/2018	As At 31/03/2017
<b>NOTE - 14 OTHER EQUITY</b>		
(a) SECURITY PREMIUM		
Balance As Per Last Balance Sheet	2289761114	2453103844
Less: Transfer to Share Capital on Issue of Bonus Shares	0	(163342730)
Add: Addition during the year - Issue of ESOP Shares	39695967	
	2329457081	2289761114
(b) GENERAL RESERVE		
Balance As Per Last Balance Sheet	587585910	512585910
Add : Transfer from Debenture Redemption Reserve	0	75000000
	587585910	587585910
(c) DEBENTURES REDEMPTION RESERVE		
Balance As Per Last Balance Sheet	0	75000000
Less : Transfer to General Reserve	0	(75000000)
	0	0
(d) EMPLOYEES' STOCK OPTION OUTSTANDING		
Less: Deferred Employees' Compensation	18406023	27099876
	(16443688)	(8693853)
	1962335	18406023
(e) PROFIT & LOSS		
Balance As Per Last Balance Sheet	3986704959	3722895022
Add : Transfer from Profit & Loss Statement	390666882	381767218
	4377371841	4104662240
Less: Appropriation:-		
Dividend on Equity Shares	98303138	98005638
[Dividend per Share ₹ 2.00 on Expanded Capital (Pre. Yr. ₹ 2.00)] Tax on dividend	20012207	19951643
	118315345	117957281
	4259056496	3986704959
<b>TOTAL</b>	<b>7178061822</b>	<b>6882458006</b>

# Notes Forming Part of Accounts as at 31/03/2018

Particulars	In ₹	
	As At 31/03/2018	As At 31/03/2017
<b>NOTE - 15 NON CURRENT BORROWINGS</b>		
SECURED:-		
<b>A) Term Loans:</b>		
(I) From Banks	704458316	324999994
(II) From Others - [NBFC]	2195595293	1383304757
	<b>2900053609</b>	1708304751
<b>TOTAL</b>	<b>2900053609</b>	1708304751

[Refer note no. 39 for security details]

Maturity Profile of Secured Term Loans issue are as set out below:

Particulars	Current	Non Current		
	2018-19	2019-20	2020-21	2021-22 & Beyond
Term Loans from Banks	<b>262690490</b>	292739040	186972746	224746530
Term Loans from Others	<b>506298358</b>	783993296	609747203	801854794

Particulars	In ₹	
	As At 31/03/2018	As At 31/03/2017
<b>NOTE - 16 DEFERRED TAX LIABILITIES (NET)</b>		
Deferred Tax Assets:-		
Temporary Difference:-	0	0
<b>TOTAL - A</b>	<b>0</b>	0
Deferred Tax Liabilities:-		
Temporary Difference:-		
Related to Fixed Assets	0	2429539
Disallowances under the Income Tax Act, 1961	0	8121663
<b>TOTAL - B</b>	<b>0</b>	10551202
<b>TOTAL A - B = Net Deferred Tax Liabilities</b>	<b>0</b>	10551202

## NOTE - 17 OTHER NON CURRENT LIABILITIES

<b>Other Long Term Liabilities:-</b>		
Statutory liabilities	<b>172025854</b>	192331309
<b>TOTAL</b>	<b>172025854</b>	192331309



Particulars	In ₹	
	As At 31/03/2018	As At 31/03/2017
<b>NOTE - 18 CURRENT BORROWINGS</b>		
<b>Secured:-</b>		
– From Bank : Cash Credit Facility From Banks	184484059	104144364
– From others	336816164	0
[Refer note no. 39 for security details]		
	<b>521300223</b>	104144364
<b>Unsecured &amp; Repayable on Demand:-</b>		
– Intercompany loan from others	100115945	269997261
– From others	750000	250000
	<b>100865945</b>	270247261
<b>TOTAL</b>	<b>622166168</b>	374391625

Note:- All unsecured loans are repayable on demand. As they are repayable on demand, they are shown as current borrowing.

<b>NOTE - 19 TRADE PAYABLES</b>		
Micro, Small & Medium Enterprise	0	0
Others	<b>210259357</b>	192656279
<b>TOTAL</b>	<b>210259357</b>	192656279

<b>NOTE - 20 OTHER CURRENT FINANCIAL LIABILITIES</b>		
Current maturities of Secured long term debts	<b>768988848</b>	1489999264
Unpaid/Unclaimed Dividends	<b>3448860</b>	3136877
(Liability towards Investors Education and Protection Fund)		
Customer Booking Refundable	<b>29150920</b>	16149510
<b>TOTAL</b>	<b>801588628</b>	1509285651

<b>NOTE - 21 OTHER CURRENT LIABILITIES</b>		
Other Payables *	<b>89745380</b>	282328129
Booking advance received from customers	<b>7189875</b>	22436275
<b>TOTAL</b>	<b>96935255</b>	304764404

\* Includes Statutory Dues, Retention money of Suppliers, Unpaid Expenses & credit balance of bank due to reconciliation.

<b>NOTE - 22 CURRENT TAX LIABILITIES [NET]</b>		
Provision for Income Tax	250000000	200000000
Less:-		
Advance payment of Income Tax, TDS & WT	6110125	5310999
	<b>243889875</b>	194689001
<b>TOTAL</b>	<b>243889875</b>	194689001

# Notes Forming Part of Accounts as at 31/03/2018

In ₹

Particulars	Year Ended 31/03/2018	Year Ended 31/03/2017
<b>NOTE - 23 REVENUE FROM OPERATIONS</b>		
Sales from construction related activities	<b>1978409800</b>	1672102871
Other Operating Income:-		
Income from commission on home loans	<b>333168</b>	376265
Notional Corporate Guarantee Fees Income	<b>6035507</b>	2290417
Miscellaneous Income	<b>39664579</b>	51411140
Sundry Balances written off	<b>59499976</b>	47986320
<b>TOTAL</b>	<b>2083943030</b>	1774167013

<b>NOTE - 24 OTHER INCOME</b>		
Interest income:-		
– from Banks	3221310	7962789
– from Others	15906725	8458378
	<b>19128035</b>	16421167
Profit on sale of Fixed Assets	<b>5110</b>	3183817
<b>TOTAL</b>	<b>19133145</b>	19604984

<b>NOTE - 25 PROJECT EXPENSES</b>		
Architect Fee	<b>4237288</b>	8341500
Carting Exp.	<b>296216</b>	289128
Electric Exp.	<b>1578383</b>	3251495
Labour Exp.	<b>12067052</b>	26164062
Land Exp.	<b>129976</b>	23118229
Land Purchase	<b>85784800</b>	0
Machinery Rent	<b>419450</b>	359557
Professional Charges	<b>1885168</b>	1914761
Raw Material Consumptions	<b>24536792</b>	126916913
Repairs & Maintenance Exp.	<b>106783</b>	44899
Site Exp.	<b>788042</b>	736433
Site Office Exp.	<b>155527</b>	203019
Site Security Exp.	<b>753099</b>	1519707
Works Contract Expenses	<b>62933281</b>	216065120
<b>TOTAL</b>	<b>195671857</b>	408924823

In ₹

Particulars	Year Ended 31/03/2018	Year Ended 31/03/2017
<b>NOTE - 26 CHANGES IN INVENTORIES</b>		
CLOSING STOCK:-		
Stock of WIP & Finished Goods	61191053	366907840
	61191053	366907840
LESS: OPENING STOCK:-		
Stock of WIP & Finished Goods	366907840	338676013
	366907840	338676013
(Increase)/Decrease in stock	305716787	(28231827)
<b>TOTAL</b>	<b>305716787</b>	<b>(28231827)</b>
<b>NOTE - 27 EMPLOYEE BENEFIT EXPENSES</b>		
Salary, Allowances & Bonus Expenses	109589403	91364864
Directors' Remuneration	24000000	24000000
Contribution to Provident Fund & ESIC	1830184	1562896
Contribution to Gratuity Fund	12657889	4400390
Staff Welfare Expenses	4713761	1880809
Director's Medical Exp.	523304	446951
<b>TOTAL</b>	<b>153314541</b>	<b>123655910</b>
<b>NOTE - 28 FINANCE COST</b>		
Bank Charges	195298	147299
Loan Processing Charges	4055680	937389
Amortisation of finance cost as per EIR method	19425035	16693232
	23676013	17777920
Interest to:-		
– Banks	87972693	61753086
– Others	453281835	430855623
– Late payment of taxes	8283063	5628805
Finance Charges	546728	2047294
	550084319	500284808
<b>TOTAL</b>	<b>573760332</b>	<b>518062728</b>
<b>NOTE - 29 OTHER EXPENSES</b>		
ADMINISTRATIVE & OTHER EXPENSES:-		
Appeal Fees	7500	250
Advertisement Exp.	3053211	0
Audit Fees	100000	979875
Miscellaneous Exp.	53550	26605
Computer Consumable	728456	448973
Conveyance Expenses	251170	232563
C.S.R. Expenses	10363256	9866602

# Notes Forming Part of Accounts as at 31/03/2018

In ₹

Particulars	Year Ended 31/03/2018	Year Ended 31/03/2017
Postage & Courier Charges	322157	359904
Depository & Share Transfer Agent Exp.	586396	650949
Donation	291250	926000
Electric Expenses	4615826	4717022
Filing Fees	50465	33847
GST Expenses	7748438	0
Insurance Expenses	444460	516691
Internet & Website Expenses	851480	744770
Legal Expenses	10907964	1983201
Loss on sale of Fixed assets	5307	18519
Loss on sale of Investments	25035900	0
Mobile Phone Exp.	741483	906957
Motor-Car Exp.	4252977	3836772
Municipal Tax	2614715	2679498
Office & Office Maintenance Expenses	4830711	4592804
Penalty	55900	112800
Professional Fees	23973799	31507805
Professional Tax	2400	2400
Rent & Maintenance Exp.	690508	0
Repair & Maintenance Expenses	4207037	6950413
Security Service Charges	3363949	3065056
Service Tax , SBC & KKC Exp.	10301737	5738888
Site Maintenance Expenses	34073697	33815131
Sitting Fees - Directors	165683	137888
Stationery, Printing, Typing & Xerox Expenses	1205315	973016
Sundry balances written off	927052	1305138
Telephone Exp.	356683	353376
Travelling Exp.	6748064	4869864
VAT Expenses	1452694	2982599
	<b>165381190</b>	125336176
MARKETING EXPENSES:-		
Advertisement Expenses	3349933	11281817
Brochure Exp.	685910	609844
Brokerage Exp.	803159	2977681
Sales Promotion Exp	8285546	4617043
Sponsorship Charges	150000	1105500
Trademark Registration Expenses	27000	0
	<b>13301548</b>	20591885
<b>TOTAL</b>	<b>178682738</b>	145928061

### 30. SIGNIFICANT ACCOUNTING POLICIES:

#### 1.1 NATURE OF OPERATIONS:

The Company was incorporated in 1991. The company is a public limited company incorporated and domiciled in India has its registered office at Ahmedabad, Gujarat, India. The company has its primary listings on the BSE Limited and National Stock Exchange of India Limited in India. The company's main business is real estate promotion and development in residential and commercial segment and infrastructure projects.

#### 1.2 BASIS OF PREPARATION OF FINANCIAL STATEMENTS:

These financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as specified under section 133 of the Companies Act 2013 read together with the Rules notified there under to the extent applicable and the other relevant provisions of the Act, pronouncements of the regulatory bodies applicable to the company.

The financial statements have been prepared on going concern and accrual basis. The accounting policies are applied consistently to all the periods presented in the financial statements.

The financial statements of the Company for the year ended March 31, 2018 were approved by the Board of Directors on 30/05/2018.

#### 1.3. BASIS OF MEASUREMENT:

The Ind AS Financial Statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting, except for certain financial assets and liabilities as specified and defined benefit plans which have been measured at actuarial valuation as required by relevant Ind AS.

#### 1.4 BASIS FOR CLASSIFICATION OF ASSETS & LIABILITIES:

All the assets and liabilities have been classified as current or non current as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition

of assets or processing and their realization in cash and cash equivalent, the Company has ascertained its operating cycle to be 12 months for the purpose of current – non current classification of assets and liabilities.

#### 1.5 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS:

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 and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Revisions to accounting estimates are recognised prospectively.

The areas involving critical estimates or judgments are:

- Estimation of defined benefit obligation (Note 1.13)
- Estimation of Useful life of Property, plant and equipment and intangibles (Note 1.7/1.8)
- Estimation of taxes (Note 1.11)
- Estimation of cost of project for revenue recognition (Note 1.12)
- Estimation of impairment (Note 1.10, 1.14)
- Estimation of provision and contingent liabilities (Note 1.17)
- Estimation of Share based payments to employees (Note 1.18)

#### 1.6. RECENT ACCOUNTING DEVELOPMENTS

On March 28, 2018, the Ministry of Corporate Affairs (MCA) has notified Ind AS 115 - Revenue from Contract with Customers and certain amendment to existing Ind AS. These amendments shall be applicable to the Company from April 01, 2018.

##### (a) Issue of Ind AS 115 - Revenue from Contracts with Customers

Ind AS 115 will supersede the current revenue recognition guidance including

# Notes Forming Part of Accounts as at 31/03/2018

Ind AS 18 Revenue, Ind AS 11 Construction Contracts and the related interpretations. Ind AS 115 provides a single model of accounting for revenue arising from contracts with customers based on the identification and satisfaction of performance obligations.

## **(b) Amendment to Existing issued Ind AS**

The MCA has also carried out amendments to the following accounting standards:

- i. Ind AS 21 - The Effects of Changes in Foreign Exchange Rates
- ii. Ind AS 40 - Investment Property
- iii. Ind AS 12 - Income Taxes
- iv. Ind AS 28 - Investments in Associates and Joint Ventures and
- v. Ind AS 112 - Disclosure of Interests in Other Entities

## **1.7. PROPERTY, PLANT & EQUIPMENT:**

- A.** Property, Plant & Equipment are stated at cost of acquisition or construction net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises the purchase price and other directly attributable costs. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.
- B. Depreciation on fixed assets:**  
Depreciation is provided based on a pro-rata basis on the useful life of the assets as prescribed in Schedule II of the Companies Act, 2013 on the "Written down value" method in respect of all assets.
- C.** The company had elected to consider the carrying value of all its property, plant and equipment appearing in the financial statements prepared in accordance with Accounting Standards notified under section 133 of the Companies Act 2013 read together with the Rules notified there under and used

the same as deemed cost in the opening Ind AS Balance Sheet prepared on 1st April, 2015.

## **1.8 INTANGIBLE ASSET**

Intangible Assets are recognized when it is probable that the future economic benefits that are attributable to the assets will flow to the company and the cost of asset can be measured reliably.

Intangible Assets are stated at cost, net of accumulated amortization and accumulated impairment loss, if any. Cost includes any expenditure directly attributable on making the asset ready for its intended use.

Intangible assets with finite lives are amortized over their useful economic life. The amortisation period and the amortisation method for finite-life intangible assets is reviewed at each financial year end and adjusted prospectively, if appropriate.

## **1.9. BORROWING COST:**

Borrowing costs attributable to the acquisition, construction or production of qualifying assets (i.e. assets that necessarily take substantial period of time to get ready for their intended use or sale) are capitalised as part of the cost of such asset up to the date when such asset is ready for its intended use or sale. Other borrowing costs are recognised as an expense in the period in which they are incurred. Further, interest earned out of borrowed funds from temporary investments is reduced from the borrowing cost.

## **1.10 FINANCIAL INSTRUMENT:**

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

### **I) Financial Asset:-**

Initial recognition and measurement:

All financial instruments are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through P&L, transaction costs that are attributable to the acquisition of the financial asset, purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in



the market place are recognized on the trade date i.e. the date that the company commits to purchase or sell the asset.

**Subsequent Measurement:**

For the purpose of subsequent measurement financial assets are classified as measured at:

- Amortised cost
- Fair value through profit and loss (FVTPL)
- Fair value through other comprehensive income (FVOCI).

**(a) Financial Asset measured at amortized cost:**

Financial Assets held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortized cost using effective interest rate (EIR) method. The EIR amortization is recognized as finance income in the statement of Profit & Loss. The company while applying above criteria has classified the following at amortized cost:

- (a) Trade receivables
- (b) Investment in Subsidiaries
- (c) Loans
- (d) Other financial assets

**(b) Financial Assets Measured at fair value through other comprehensive income:**

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value

through other comprehensive income. Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognized in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the Statement of Profit and Loss.

**(c) Financial Assets at fair value through profit or loss (FVTPL):**

Financial Asset are measured at Fair value through Profit & Loss if it does not meet the criteria for classification as measured at amortized cost or at FVOCI. All fair value changes are recognized in the statement of Profit & Loss.

**Equity Instruments:-**

All investments in equity instruments classified under financial assets are initially measured at fair value, the group may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL.

**De-recognition of Financial Assets:-**

Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire or the financial asset is transferred and the transfer qualifies for Derecognition. On Derecognition of a financial asset in its entirety, the difference between the carrying amount (measured on the date of recognition) and the consideration received (including any new asset obtained less any new liability assumed) shall be recognized in the Statement of Profit & Loss.

# Notes Forming Part of Accounts as at 31/03/2018

## **Impairment of Financial Assets:-**

In accordance with Ind AS 109, the company applies expected credit loss (ECL) model by adopting the simplified approach using a provision matrix reflecting current condition and forecasts of future economic conditions for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- (a) Financial Assets that are debt instruments, and are measured at amortized cost e.g. loans, debt securities, deposits, trade receivables and bank balance.
- (b) Financial Assets that are debt instruments and are measured at FVTOCI.
- (c) Lease receivables under Ind AS 17.
- (d) Trade receivables or any contractual right to receive cash or another financial asset.
- (e) Loan commitments which are not measured at FVTPL.
- (f) Financial guarantee contracts which are not measured at FVTPL.

## **II) Financial Liability:**

Initial recognition and measurement:

Financial liabilities are recognized initially at fair value plus any transaction cost that are attributable to the acquisition of the financial liability except financial liabilities at FVTPL that are measured at fair value.

### **Subsequent measurement:**

Financial liabilities are subsequently measured at amortised cost using the EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

## **Financial Liabilities at amortized cost:**

Amortized cost for financial liabilities represents amount at which financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between the initial amount and the maturity amount.

The company is classifying the following under amortized cost

- Borrowings from banks
- Borrowings from others
- Trade payables
- Other Financial Liabilities

## **Derecognition:**

A financial liability shall be derecognized when, and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expires.

## **1.11 INCOME TAXES:**

Income tax expense for the year comprises of current tax and deferred tax. Provision for Current Tax is computed as per Total Income Returnable under the Income Tax Act, 1961 taking into account available deductions and exemptions.

Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

## **1.12 REVENUE RECOGNITION:**

The company is following the 'Percentage of Completion Method' of accounting. As per this method, revenue from sale of properties is recognized in Statement of Profit & Loss in proportion to the actual cost incurred as against the total estimated cost of projects under execution with the Company on transfer of significant risk and reward to the buyer.

The Company records revenue on all its Real Estate Development Projects in accordance with 'Guidance note on Accounting for Real Estate Transactions' issued by the Institute of Chartered Accountants of India.

The full revenue is recognized on sale of property when the Company has transferred to the buyer all significant risks & rewards of ownership and when the seller has not to perform any substantial acts to complete the contract.

However, when the Company is obliged to perform any substantial acts after transfer of all significant risks & rewards of ownership on sale of property, the revenue is recognized on proportionate basis as the acts are performed i.e. by applying the percentage completion method.

Lease of land of SEZ project: Land given on perpetual lease is treated as actual sale of land.

Interest income is recognized using the effective interest rate (EIR) method.

### 1.13 RETIREMENT & OTHER EMPLOYEE BENEFITS:-

#### A. Defined Contribution Plans:-

The company's contribution paid/payable for the year to Provident Fund are recognized in the Profit & Loss Statement. The company has no obligation other than the contribution payable to the Government.

The company funds a post-employment benefit obligation by contributing to an insurance policy under which the entity is not obliged to pay any future liability arising, which is directly paid by insurance company and hence treats the same as defined contribution plan as per para 46 of Ind AS 19.

#### B. Defined Benefit Plans:-

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is

calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation denominated in INR is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

- C. The company has a system of providing accumulating compensating absences non-vesting and hence no provision is made in the books of accounts for the leaves.
- D. In respect of employees' stock options, the excess of fair price on the date of grant over the exercise price is recognized as deferred compensation cost amortised over the vesting period.

### 1.14 IMPAIRMENT OF ASSETS:

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. Recoverable value being higher of value in use and net selling price. Value in use is computed at net present value of cash flow expected over the balance useful life of the assets. An impairment loss is recognized in the year in which an asset is identified as impaired as an expense in the Profit and Loss Account.

### 1.15 INVENTORY:

Inventories are valued at the lower of cost and net realisable value.

# Notes Forming Part of Accounts as at 31/03/2018

- A. In case of the inventory of Raw-materials, they are valued at cost using FIFO method.
- B. The Closing stock of WIP has been valued at cost.

## 1.16 TRANSACTIONS IN FOREIGN CURRENCY:

- A. Foreign currency transactions are translated into the functional currency using exchange rates at the date of the transaction.
- B. Monetary items denominated in foreign currencies at the period end are restated at year end rates.
- C. Non monetary foreign currency items are carried at cost.
- D. Any income or expense on account of exchange difference either on settlement or on transaction is recognised in the statement of profit and loss.

## 1.17 PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events, it is probable that there will be an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date. If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation.

Contingent liabilities are disclosed when there is a possible obligation arising from past event, the existence of which will be confirmed only by occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arise from past event where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount can not be made.

## 1.18 SHARE BASED PAYMENT:

Under the equity settled share based payment, the fair value on the grant date of the awards given to employees is recognised as 'employee benefit expenses' with a corresponding increase in equity over the vesting period. The fair value of the options at the grant date is calculated by an independent valuer basis Black Scholes model. When the options are exercised, the Company issues fresh equity shares.

For cash-settled share based payments, the fair value of the amount payable to employees is recognised as 'employee benefit expenses' with a corresponding increase in liabilities, over the period of non market vesting conditions getting fulfilled. The liability is remeasured at each reporting period up to, and including the settlement date, with changes in fair value recognised in employee benefits expenses.

## 1.19 EARNINGS PER SHARE:

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all potential dilutive equity shares.

## 1.20. CASH FLOW STATEMENT:

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payment and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

- 31. Corresponding figures of the previous year have been regrouped to confirm with this year's classification wherever necessary.

**32. PAYMENT TO AUDITORS:**

[Amt. ₹]

Sr. No.	Particulars	2017-2018	2016-2017
1	As Auditors	100000	979875
2	For Certification & Other Work etc.	0	813129
	<b>TOTAL</b>	<b>100000</b>	<b>1793004</b>

**33.** Based on the information available with the Company, there are no suppliers who are registered under the Micro, Small and Medium Enterprises Development Act, 2006 as at March 31st, 2018. Hence, the information as required under the Micro, Small and Medium Enterprises Development Act, 2006 is not disclosed.

**34. EARNINGS PER SHARE:**

Sr. No.	Particulars	2017-2018	2016-2017
A	<b>Basic &amp; Diluted EPS (IN ₹) From Continuing Operations attributable to equity share holders</b>		
	– Basic	7.95	8.76
	– Diluted	7.95	8.76
B	<b>Reconciliation of earnings used in calculation of Basic &amp; Diluted EPS</b>		
	Profit attributable to equity shareholders used in calculation of Basic EPS from continuing operations	390666882	381767218
C	<b>Weighted Average number of shares as denominator</b>		
	Weighted average number of shares used in calculation of Basic EPS	49121038	43558061
	Weighted average number of equity shares and potential equity shares used as denominator in calculation of Diluted EPS	49121038	43558061

**35. FINANCIAL INSTRUMENT BY CATEGORY:**

[Amt. ₹]

Particulars	2017-2018			2016-2017		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
<b>Financial Assets</b>						
– Investment	0	0	2029639559	0	0	2054690559
– Loans	0	0	6547827537	0	0	6112119530
– Trade Receivable	0	0	1214034392	0	0	595446028
– Cash & cash equivalents	0	0	66661776	0	0	59157683
– Other bank balances	0	0	212971562	0	0	243375939
– Other financial Assets	0	0	206094506	0	0	47569729
<b>Financial Liabilities</b>						
– Borrowings	0	0	3522219777	0	0	2082696376
– Trade Payables	0	0	210259357	0	0	192656279
– Other financial liabilities	0	0	801588628	0	0	1509285651

\* Since all the Financial Assets and Financial Liabilities are measured at amortised cost, disclosure of fair value hierarchy is not being made.

# Notes Forming Part of Accounts as at 31/03/2018

## 36. FAIR VALUE OF FINANCIAL ASSETS & LIABILITIES MEASURED AT AMORTIZED COST:

[Amt. ₹]

Particulars	2017-2018		2016-2017	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>Financial Assets:</b>				
Investment in Subsidiary	2029639559	2029639559	2054690559	2054690559
Loans	6547827537	6547827537	6112119530	6112119530
Trade Receivable	1214034392	1214034392	595446028	595446028
Cash & cash equivalents	66661776	66661776	59157683	59157683
Other bank balances	212971562	212971562	243375939	243375939
Other financial assets	206094506	206094506	47569729	47569729
<b>Financial Liabilities:</b>				
Borrowings	3522219777	3522219777	2082696376	2082696376
Trade Payables	210259357	210259357	192656279	192656279
Other financial liabilities	801588628	801588628	1509285651	1509285651

- A.** The carrying amounts of trade receivables, trade payables, current loans, capital creditors and cash and cash equivalents, other financial assets, other financial liabilities are considered to be the same as their fair values, due to their short-term nature.
- B.** The fair values of non-current borrowings and non-current Loans are same as their amortised cost since the borrowings are interest bearing at the prevalent market rate.

## 37. FINANCIAL RISK MANAGEMENT:-

The Company's activities expose it to market risk, liquidity risk and credit risk. In order to minimize any adverse effects on the financial performance of the company, derivative financial instruments, such as foreign exchange forward contracts, foreign currency option contracts are entered to hedge certain foreign currency risk exposures and interest rate swaps to hedge variable interest rate exposures. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of hedge accounting in the financial statements.

Risk	Exposure	Measurement	Management
Credit Risk	Financial Assets measured at amortised cost	– Ageing Analysis – Credit Ratings	Diversification, Credit Limits
Liquidity Risk	Borrowing and other liabilities	Rolling Cash flow forecasts	Availability of committed borrowing facilities
Market Risk – Interest Rates	Variable Rate Borrowings	Sensitivity Analysis	Conversion of loan from higher interest rate to lower interest rate



## Credit Risk Management

Credit risk is managed on a company basis. For banks and financial institutions, only high rated banks/institutions are accepted.

For other financial assets, the company assesses and manages credit risk based on internal credit rating system. The finance function consists of a separate team who assess and maintain an internal credit rating system. Internal credit rating is performed on a company basis for each class of financial instruments with different characteristics.

## Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, company treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the company's liquidity position and cash and cash equivalents on the basis of expected cash flows. This is generally carried out at local level in the operating companies of the company in accordance with practice and limits set by the company. These limits vary by location to take into account the liquidity of the market in which the entity operates. In addition, the company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

## Financing Arrangements:

[Amt. ₹]

Particulars	2017-2018	2016-2017
Floating Rate:		
Expiring within 1 year	953472907	1594143628
Expiring beyond 1 year	2562872975	1698325716

## Maturities of financial liabilities (except current maturity of long term debts) as on 31.03.2018

[Amt. ₹]

Financial Liabilities	2017-18			2016-17		
	< 3 month	3 to 12 month	Total	< 3 month	3 to 12 month	Total
<b>Non Derivative</b>						
Unclaimed Dividend	3448860	0	3448860	3136877	0	3136877
Customer bookings refundable	0	29150920	29150920	0	16149510	16149510
Trade payable	210259357	0	210259357	192656279	0	192656279

## Market Risk Management

### Cash flow and fair value interest rate risk

The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk.

The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The Company manages its cash flow interest rate risk by converting higher rate interest loan to lower rate interest loan.

# Notes Forming Part of Accounts as at 31/03/2018

## Interest rate risk exposure

[Amt. ₹]

Particulars	2017-2018	2016-2017
Variable Rate Borrowings	3853162046	3292469344
Fixed Rate Borrowings	438046579	280226296

At the end of reporting period the Company had the following variable rate borrowings.

[Amt. ₹]

Particulars	2017-2018			2016-2017		
	Average Interest Rate		% of Total Loan	Average Interest Rate		% of Total Loan
	%	Balance		%	Balance	
Cash Credit From Bank	12.75	184484059	4.00	14.50	104144364	3.00
Term Loan From Bank and NBFC	13.45	3668677987	85.00	14.87	3188324980	89.00
Net Exposure		3853162046	89.00		3292469344	92.00

## Sensitivity Analysis

[Amt. ₹]

Particulars	Impact on PBT		Impact on other Components of Equity	
	31.03.2018	31.03.2017	31.03.2018	31.03.2017
Interest Rate increase by 50 basis points	(20189395)	(16647087)	0	0

## Price Risk

The Company's exposure to equity securities price risk does not arise since company has measured investments at amortised cost.

## 38. CAPITAL MANAGEMENT:

The Company's objectives when managing capital are to:

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns to shareholders and benefits to other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio:

### Net debt (total borrowings net of cash and cash equivalents & Other Bank Balances) divided by Total 'equity'

[Amt. ₹]

Particulars	2017-2018	2016-2017
Net Debt	4011575287	3270162018
Total Equity	7670332722	7372486196
Debt Equity Ratio	0.52	0.44

**Dividends recognized as distributed to owners:**

[Amt. ₹]

Particulars	2017-2018	2016-2017
Final Dividend	98303138	98005638
Tax on Dividend	20012207	19951643

**39. INFORMATION CONCERNING CLASSIFICATION OF SECURITIES:****Assets Mortgaged as security**

[Amt. ₹]

Particulars	2017-2018	2016-2017
<b>Current</b>		
Financial Asset:		
– First Charge	0	0
– Floating Charge	616844703	835110755
Non-Financial Asset:		
– First Charge	0	0
– Floating Charge	6650726	808023079
<b>Non-Current</b>		
– First Charge	7376787	0
<b>Total assets mortgaged as security</b>	<b>630872216</b>	<b>1643133834</b>

**The details of security offered for the secured loans taken are as follows:****A. Loan from AU Small Finance Bank:**

Charge secured by mortgage of immovable property and interest thereon of the group company and personal guarantee of promoter directors of the company & corporate guarantee of group company.

**B. Loan from Tamilnad Mercantile Bank Ltd.:**

Charge secured by mortgage of immovable property and interest thereon of the company and group company and personal guarantee of two promoter directors of the company & corporate guarantee of group company.

**C. Loan from Karur Vysya Bank:**

Charge secured by mortgage of immovable property and interest thereon of the group company and personal guarantee of promoter directors of the company & corporate guarantee of group company.

**D. Loan from Reliance Home Finance Ltd.:**

Charge secured by mortgage of immovable property and interest thereon of the group company and hypothecation of receivables, outstanding moneys and claims, all rights, titles, interest, claims, benefits, demands and escrow account of one project etc of the company and personal guarantee of two promoter directors of the company & corporate guarantee of group company.

**E. Loan from IFCI Factors Ltd.:**

Charge secured by mortgage of immovable property and interest thereon of the group company, pledge of shares of promoters, maintenance of F.D. with lien and personal guarantee of promoter directors of the company & corporate guarantee of group companies.

**F. Loan from IFCI Venture Capital Funds Ltd.:**

Charge secured by mortgage of immovable property and interest thereon of the group company, pledge of shares of promoters, maintenance of F.D. with lien and corporate guarantee of the group company and personal guarantee of two promoter directors of the company.

# Notes Forming Part of Accounts as at 31/03/2018

## G. Loan from Piramal Finance Ltd.:

Charge secured by mortgage of immovable property and interest thereon of the company and group company, hypothecation of receivables, outstanding moneys and claims, all rights, titles, interest, claims, benefits, demands and escrow account of two units of project of group company and corporate guarantee of the group company and personal guarantee of two promoter directors of the company.

## H. Loan from SREI Equipment Finance Ltd.:

Charge secured by mortgage of immovable property of the promoter directors of the company and hypothecation of equipments of the company & personal guarantee of two promoter directors of the company.

## I. Loan from PNB Housing Finance Ltd.:

Charge secured by mortgage of immovable property and interest thereon, maintenance of F.D. with lien and hypothecation of receivables, book debts, outstanding moneys and claims, escrow accounts of project, etc of the company and its group company and personal guarantee of two promoter directors of the company & corporate guarantee of group company.

## J. Loan from Venus India Asset Finance Pvt. Ltd.:

Charge secured by mortgage of immovable property and interest thereon of the company and personal guarantee of two promoter directors of the company.

## K. Loan from Yes Bank Ltd.:

Charge secured by hypothecation of stocks of construction material and advances made for their purchases and equitable mortgage of land owned by company and personal guarantee of two promoter directors of the company.

## L. Loan from Aasan Corporate Solutions Pvt. Ltd.:

Charge secured by mortgage of immovable property and interest thereon & in relation to the development of the property which shall include the receivables of the company and personal guarantee of two promoter directors of the company.

## M. Loans in respect of Vehicles are secured by the hypothecation of the vehicles financed through the loan agreement. viz. Motor Cars.

## 40. INCOME TAXES:

[Amt. ₹]

Particulars	2017-2018	2016-2017
Current Tax	295868495	209749712
Deferred Tax	(16108531)	948719
<b>Total Income Tax Expenses</b>	<b>279759964</b>	210698431

## Reconciliation of tax expenses and the accounting profit multiplied by Tax Rate

[Amt. ₹]

Particulars	2017-2018	2016-2017
Profit Before Tax	670426846	592465649
Statutory Tax Rate (%)	34.61%	34.61%
<b>Tax at statutory tax rate</b>	<b>232034731</b>	205040512
Tax effects of amounts which are not deductible in calculating taxable income due to adjustments as per income tax act	46650177	5657919
Tax effects of difference between current tax rate and deferred tax rate	1075056	0
<b>Income Tax Expense</b>	<b>279759964</b>	210698431

**Current Tax Asset/(Liability)**

[Amt. ₹]

Particulars	2017-2018	2016-2017
Income Tax asset/(liability) at the beginning of the reporting period	(194689001)	(107729586)
Increase in liability as per income tax adjustment	(60088863)	(14918812)
Income Tax paid/(refund)	254777864	122648398
Current income tax payable for the year	(279759964)	(210698431)
Net Current Income Tax Asset/(liability) at the end of the period	(243889875)	(194689001)
<b>Income Tax Asset</b>	<b>NIL</b>	<b>NIL</b>
<b>Income Tax Liability</b>	<b>243889875</b>	<b>194689001</b>

**Deferred Tax Assets/(Liabilities)**

[Amt. ₹]

Particulars	2017-2018	2016-2017
The balances comprises temporary differences attributable to :	(10551202)	(9469072)
<b>Deferred Tax Assets</b>		
Difference of WDV of fixed assets	281232	0
Disallowances under the Income Tax Act, 1961	14638155	0
<b>Deferred Tax Liabilities</b>		
Disallowances under the Income Tax Act, 1961	6932519	(456236)
Difference of WDV of fixed assets	(8121663)	(625894)
<b>Net Deferred Tax Asset/(liability)</b>	<b>5557329</b>	<b>(10551202)</b>

**MOVEMENT IN DEFERRED TAX****For the year ended on March 31, 2017**

Particulars	As at April 1, 2016	Credit/ (charge) in the Statement of Profit and Loss	Credit/(charge) in Other Comprehensive Income	As at March 31, 2017
<b>Deferred tax assets/(liabilities)</b>				
Disallowances under the Income Tax Act, 1961	1889708	(1889708)		0
Fair value of Employee Stock Option Plan	666771	(666771)		0
Related to Fixed Assets	(1803645)	(625894)		(2429539)
Disallowances under the Income Tax Act, 1961	0	(8121663)		(8121663)
Amortisation of Transaction Cost as per EIR Method	(10221906)	10221906		0
<b>TOTAL</b>	<b>(9469072)</b>	<b>(1082130)</b>	<b>0</b>	<b>(10551202)</b>

# Notes Forming Part of Accounts as at 31/03/2018

## For the year ended on March 31, 2018

Particulars	As at April 1, 2017	Credit/ (charge) in the Statement of Profit and Loss	Credit/(charge) in Other Comprehensive Income	As at March 31, 2018
<b>Deferred tax assets/(liabilities)</b>				
Related to Fixed Assets	(2429539)	2710771		281232
Disallowances under the Income Tax Act, 1961	(8121663)	22759818		14638155
Disallowances under the Income Tax Act, 1961	0	(9362058)		(9362058)
<b>TOTAL</b>	<b>(10551202)</b>	<b>16108531</b>	<b>0</b>	<b>5557329</b>

## 41. SEGMENT INFORMATION:

In line with Ind AS 108 operating segments and basis of the review of operations being done by the senior management, the operations of the group falls under real estate business which is considered to be the only reportable segment by the management.

### 1. Information about Products and Services:

[Amt. ₹]

Product/Service	Revenue from the product	
	2017-2018	2016-2017
Real Estate Promotion & Development	2083943030	1774167013

### 2. Information about Geographical Areas:

[Amt. ₹]

Geographical Information	Within India	
	2017-2018	2016-2017
Revenues	2083943030	1774167013
Non Current Assets	4354740893	4559492200

### 3. Information about Major Customers:

Revenue from transactions with a single customer does not amount to 10 percent or more of entity's revenues with any customer.

42. During the year under review, two subsidiaries viz. Shaily Infrastructure Private Limited and Yash Organiser Private Limited ceased to be subsidiary of the Company w.e.f. 30th January, 2018 and 14th February, 2018 respectively.

## 43. RELATED PARTY TRANSACTIONS:

### Subsidiaries

Gatil Properties Private Limited
Maheshwari (Thaltej) Complex Private Limited
Essem Infra Private Limited

### Other Related Parties

Starnet Software (I) Limited	Ganesh Infrastructure (I) Private Limited
Madhuj Realty Private Limited	Medhbhuti Complex Private Limited
Madhumati Realty Private Limited	Ganeshsagar Infrastructure Private Limited
Sujan Developers Private Limited	Yash Organiser Private Limited
Shaily Infrastructure Private Limited	Martand Estate Private Ltd.
Matang Properties Private Ltd.	Anmol D. Patel



**Key Managerial Personnel**

Shri Shekhar G. Patel

Shri Dipakkumar G. Patel

**Key Managerial Personnel Compensation**

[Amt. ₹]

Particulars	2017-2018	2016-2017
Short term employee benefits	24000000	24000000

(Related parties as identified by the company and relied upon by the auditors)

Nature of transactions with related parties and aggregate amount of such transactions for each class of related party balance outstanding as on 31/03/2018:-

[Amt. ₹]

Particulars	2017-2018			2016-2017		
	Subsidiary	Other Related Parties	Key Managerial Person	Subsidiary	Other Related Parties	Key Managerial Person
<b>Business Advances:-</b>						
Shaily Infrastructure Pvt. Ltd.		188495639		43823203		
Essem Infra Private Limited	3374991142			2328812515		
Gatil Properties Pvt. Ltd.	300000			1409388		
Maheshwari (Thaltej) Complex Pvt. Ltd.	80844154			500575754		
Yash Organiser Pvt. Ltd.		34040420		216170594		
<b>Advances for Purchase of Land:-</b>						
Starnet Software (India) Ltd.		1937667667				
<b>INVESTMENT:-</b>						
Yash Organiser Pvt. Ltd.				25000000		
Gatil Properties Pvt. Ltd.	1906957410			1906957410		
Maheshwari (Thaltej) Complex Pvt. Ltd.	100000			100000		
Shaily Infrastructure Pvt. Ltd.				51000		
Essem Infra Pvt. Ltd.	122582149			122582149		
Starnet Software (India) Ltd.		100			100	
Ganesh Infrastructure (India) Pvt. Ltd.		100000			100000	
<b>ADVANCE PAID FOR PURCHASE OF INVESTMENT:-</b>						
Monsoon India Infrastructure Direct II Ltd.		199930737				
<b>TRADE RECEIVABLES:-</b>						
Starnet Software (India) Ltd.		103113510			130000000	

# Notes Forming Part of Accounts as at 31/03/2018

[Amt. ₹]

Particulars	2017-2018			2016-2017		
	Subsidiary	Other Related Parties	Key Managerial Person	Subsidiary	Other Related Parties	Key Managerial Person
<b>REIMBURSEMENT OF EXPENSES:-</b>						
Maheshwari (Thaltej) Complex Pvt. Ltd.				154141910		
Shaily Infrastructure Pvt. Ltd.		<b>155401</b>		122745		
Gatil Properties Pvt. Ltd.				68231		
Madhuj Realty Pvt. Ltd.		<b>109619</b>			105480	
Madhumati Realty Pvt. Ltd.		<b>26140</b>			26140	
Martand Estate Pvt. Ltd.		<b>4139</b>				
Matang Properties Pvt. Ltd.		<b>4139</b>				
Medhbhuti Complex Pvt. Ltd.		<b>208749</b>			204610	
Ganeshsagar Infrastructure Pvt. Ltd.		<b>31171016</b>			31171016	
Sujan Developers Pvt. Ltd.		<b>233330</b>			67150	
<b>TRADE PAYABLES:-</b>						
Ashish Modi - Sitting Fee			<b>49500</b>			30330
Bharat J Patel - Sitting Fee			<b>27450</b>			13500
Tarang M Desai - Sitting Fee			<b>47250</b>			33300
Aneri D Patel - Sitting Fees			<b>27450</b>			16470
Dipakkumar Govindbhai Patel			<b>42882400</b>			
Shekharbhai Govindbhai Patel			<b>42882400</b>			
Shekhar Govindbhai Patel - Unpaid Remuneration			<b>594588</b>			
Dipakkumar Govindbhai Patel - Unpaid Remuneration			<b>587552</b>			
Anmol Dipakkumar Patel		<b>195948</b>				
<b>Remuneration To Directors</b>						
Shri Dipakkumar G. Patel			<b>12000000</b>			12000000
Shri Shekhar G. Patel			<b>12000000</b>			12000000
<b>INCOME:-</b>						
Starnet Software (India) Ltd - Profit on Waiver of Land Right		<b>330000000</b>			430000000	
<b>EXPENSES:-</b>						
Director's Medical Exp.			<b>523304</b>			446951
Sitting Fee			<b>165683</b>			137888
Director's Travelling Exp.			<b>3401887</b>			3068915
Purchase of Land			<b>85784800</b>			
Salary to Anmol Dipakkumar Patel		<b>400000</b>				

**44. EMPLOYEE BENEFITS: DEFINED CONTRIBUTION PLAN:**

[Amt. ₹]

Particulars	2017-2018	2016-2017
Employer's contribution to Provident Funds	1426991	1317381
Employer's contribution to ESIC	403193	245515
Employer's contribution to Gratuity Fund	12657889	4400390

**45. THE DETAILS OF BUSINESS ADVANCES & LOANS GIVEN FOR BUSINESS PURPOSES ARE AS FOLLOWS:**

[Amt. ₹]

	Balance as on 31/03/2018	Balance as on 31/03/2017
<b>A: Non Current Assets Financial Assets – Loan</b>		
<b>Business Advances to Co-operative Societies:</b>		
Mahalaxmi Co. Op. Housing Society Limited	0	68927945
Gannath Co. Op. Housing Society Limited	0	1360000
<b>TOTAL</b>	<b>0</b>	<b>70287945</b>
<b>Business Advances given to others:</b>		
Ganesh Plantations Limited	15042325	267870792
Noopur Construction	7500000	7500000
Nisha Construction	7500000	7500000
<b>TOTAL</b>	<b>30042325</b>	<b>282870792</b>
<b>B: Current Assets Financial Assets – Loan</b>		
<b>Business Advances to Subsidiary Companies:</b>		
Gatil Properties Private Limited	300000	1409388
Maheshwari (Thaltej) Complex Private Limited	80844154	500575754
Shaily Infrastructure Private Limited	0	43823203
Yash Organiser Private Limited	0	216170594
Essem Infra Private Limited	3374991142	2328812515
<b>TOTAL</b>	<b>3456135296</b>	<b>3090791454</b>
<b>Short Term Business Advances to Other Related Companies:</b>		
Shaily Infrastructure Private Limited	188495639	0
Yash Organiser Private Limited	34040420	0
<b>TOTAL</b>	<b>222536059</b>	<b>0</b>
<b>Short Term Business Advances to Others:</b>		
Ganesh Infotech Limited	0	1246955000
Shaligram Investments Pvt. Ltd.	0	300000000
Shangrila Funworld Pvt. Ltd.	693764878	44876000
Madhughosh Ventures LLP	97914556	0
Madhukamal Developers LLP	0	830000000
<b>TOTAL</b>	<b>791679434</b>	<b>2421831000</b>

# Notes Forming Part of Accounts as at 31/03/2018

## 46. EMPLOYEES STOCK OPTION SCHEME:

The company introduced the Employees Stock Option Scheme ("ESOP 2010") in accordance with Securities and Exchange Board of India (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999. The scheme was approved by the members of the company at their meeting held on 30/10/2010. The scheme is announced for all permanent employees and non-executive directors, including independent directors of the company and its subsidiary company/companies. Total grant approved by the company is 1500000 options which are earmarked and to be granted under the scheme over a period of five years. Under the scheme 998815 equity shares have been granted which were vest to the employees over a period of five years and 20% each of the above was vested to the employees as on 01/11/2011, 01/11/2012, 01/11/2013, 01/11/2014 & 01/11/2015. There was no option outstanding for vesting as on 31/03/2018.

## 47. CONTINGENT LIABILITIES:

- A. For the Asst. Year 2007-2008 the Assessing officer assessed the income of the company and raised a demand of ₹ 127343870/-. Aggrieved by this order the company went in to Appeal with CIT (Appeal). The decision of the CIT (Appeal) came in favour of the company. Against this order the Income Tax Department went in to the ITAT and the company has also filed cross objection. Both the appeals are pending before Income Tax Appellate Tribunal Ahmedabad.
- B. For the Asst. Year 2008-2009 the Assessing officer assessed the income of the company and raised a demand of ₹ 494887706/-. Against this the company has already paid ₹ 143095169/- during the F.Y. 2011-12. Aggrieved by this order the company went in to Appeal with CIT (Appeal) and CIT (Appeals) has passed an order giving the relief in favour of the company. Against the Order of CIT (Appeals), Income Tax department and the company has filed an appeal before Income Tax Appellate Tribunal Ahmedabad. Both the appeals are pending before Income Tax Appellate Tribunal Ahmedabad.
- C. For the Asst. Year 2009-2010 the Assessing officer assessed the income of the company and raised a demand of ₹ 44176840/-. Against this the company has already paid ₹ 40000000/- during the F.Y. 2012-13. Aggrieved by this order the company went in to Appeal with CIT (Appeal) and CIT (Appeals) has passed an order giving the part relief in favour of the company by deleting additions. Against the Order of CIT (Appeals), Income Tax department and the company has filed an appeal before Income Tax Appellate Tribunal Ahmedabad. Both the appeals are pending before Income Tax Appellate Tribunal Ahmedabad.
- D. Income Tax department has reopened the case for A.Y. 2009-10 and has passed the order u/s 143(3) r.w.s 147 of the Act and has raised the demand of ₹ 1,03,31,651/-. The company has paid ₹ 10,00,000/- against said demand. The company has preferred an appeal before CIT (Appeals) Ahmedabad and CIT (Appeals) Ahmedabad has passed an order giving the relief in favour of the company. Against the Order of CIT (Appeals), Income Tax department has filed an appeal before Income Tax Appellate Tribunal Ahmedabad which is still pending.
- E. Income-tax Department has reopened the case for A.Y.2010-11 and has passed the order u/s.143(3) r.w.s.147 of the Act and has raised the demand of ₹ 13,03,34,350/-. The company has filed an application u/s.264 of the I.T. Act, 1961, for Revision of the Order rendered u/s.143(3) r.w.s.147 of the I.T. Act, 1961, before the Pr. Commissioner of Income-tax-2, Ahmedabad for setting aside the order for denovo fresh assessment as the Assessing Officer has not granted proper opportunity of hearing to the company. The said application is pending before the Pr.CIT-2, Ahmedabad.
- F. Income-tax Department has reopened the case for A.Y.2011-12 and has passed the order u/s.143(3) r.w.s.147 of the Act and has raised the demand of ₹ 18,50,54,140/-. The company has filed an application u/s.264 of the I.T. Act, 1961, for Revision of the Order rendered u/s.143(3) r.w.s.147 of the I.T. Act, 1961, before the Pr. Commissioner of Income-tax-2, Ahmedabad for setting aside the order for denovo fresh assessment as the Assessing Officer has not granted proper opportunity of hearing to the company. The said application is pending before the Pr.CIT-2, Ahmedabad.

- G. For the Asst. Year 2012-2013 the Assessing officer assessed the income of the company and raised a demand of ₹ 20809200/-. The company has paid ₹ 10,00,000/- against said demand. Aggrieved by this order the company went in to Appeal with CIT (Appeals) and CIT (Appeals) Ahmedabad has passed an order giving the relief in favour of the company. Against the Order of CIT (Appeals), Income Tax department has filed an appeal before Income Tax Appellate Tribunal Ahmedabad which is still pending.
- H. For the Asst. Year 2015-16 the assessee was under scrutiny assessment under the Income-tax Act 1961 and the A.O. has passed the order u/s.143(3) of the Act and has raised the demand of ₹ 24,29,69,200/-. The company has filed an application u/s.264 of the I.T. Act, 1961, for Revision of the order rendered u/s.143(3) of the Act for A.Y.2015-16, filed before Pr. Commissioner of Income-tax-2, Ahmedabad for setting aside the order for denovo fresh assessment as the Assessing Officer has not granted proper opportunity of hearing to the company. The said application is pending before the Pr. CIT-2, Ahmedabad.
- I. The Company has given a guarantee for Non Convertible Debentures issued by Essem Infra Private Limited to the tune of ₹ 225.00 crores & term loan of ₹ 125.00 crores taken by Essem Infra Private Limited. The trustees for the said NCD & term loan are IDBI Trusteeship Services Limited in whose name the guarantee is given. The outstanding balance of NCD as on 31st March, 2018 is ₹ 133.00 crores & for term loan ₹ 125.00 crores.

As per our Report of even date  
For **PURNESH R. MEHTA & CO.**  
Chartered Accountants  
FRN: 142830W

**Purnesh Mehta**  
Proprietor  
Membership No. 032812

Place: Ahmedabad  
Date: 30/05/2018

On behalf of the Board of Directors

**Dipakkumar G. Patel**  
Chairman & Whole-time Director  
[DIN: 00004766]

**Rajendra Shah**  
Chief Financial Officer

Place: Ahmedabad  
Date: 30/05/2018

**Shekhar G. Patel**  
Managing Director  
[DIN: 00005091]

**Priti Kapadia**  
Company Secretary

# Independent Auditors' Report

To the Members of:

**GANESH HOUSING CORPORATION LIMITED,****Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of GANESH HOUSING CORPORATION LIMITED ('the Company') and its subsidiaries (together referred to as 'the Group') which comprise the Consolidated Balance Sheet as at 31st March, 2018, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes of Equity for the year then ended and a summary of significant accounting policies and other explanatory information. (hereinafter referred to as "the Consolidated Financial Statements").

**Management's Responsibility for the Consolidated 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 consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and change in equity of the Group in accordance with the accounting principles generally accepted in India including the Indian Accounting Standards specified under section 133 of the Act, read with relevant rules issued there under. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Company, as aforesaid.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We 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 consolidated financial statements are free from material misstatements.

An Audit involves performing procedures to obtain Audit Evidence about the amounts and Disclosures in the Consolidated Financial Statements. The procedures selected depend on the Auditor's judgments, including the assessment of risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to company's preparation of the consolidated 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 consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to Other Matters below, is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid Consolidated Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Accounting Principles generally accepted in India of

the consolidated state of affairs of the Group as at 31st March, 2018, and its consolidated profit and its consolidated cash flows and the consolidated changes in equity for the year ended on that date.

### Other Matters

The Consolidated Financial Statements includes five subsidiaries out of which four subsidiaries have been audited by other auditor. The financial statements and other financial information have been audited by other auditors, whose financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of such other auditors.

### Report On Other Legal And Regulatory Requirements

1. As required by Section 143 (3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, as referred in the 'Other Matters' paragraph, we report, to the extent applicable, that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and beliefs were necessary for the purposes of our audit of the aforesaid consolidated financial statement;
  - b. In our opinion proper books of accounts as required by Law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examinations of those books and reports of the other auditors;
  - c. The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss (including other Comprehensive Income), Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
  - d. In our opinion, the aforesaid Consolidated financial statements comply with the accounting standards specified under section 133 of the Act, read with relevant Rules made there under;
  - e. On the basis of written representations received from the directors as on 31st March, 2018, taken on record by the Board of Directors of the

company and its subsidiary companies, none of the directors of the company and its subsidiary companies is disqualified as on 31st March, 2018 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 Group and the operating effectiveness of such controls, refer to our separate report in Annexure – A which is based on the Auditors' Reports of the subsidiary companies incorporated in India;
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries as noted in the 'Other Matters' paragraph:
  - i. The Group has disclosed the impact of pending litigations as at 31st March, 2018 on its consolidated financial position as referred to in Note No. 47['A to H'] to the consolidated financial statements.
  - ii. The Group did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and its subsidiary companies during the year ended 31st March, 2018.
  - iv. The disclosure requirements relating to holding as well as dealings in specified bank notes were applicable for the period 08/11/2016 to 30/12/2016 which are not relevant to these consolidated financial statements. Hence reporting under this clause is not applicable.

For **PURNESH R. MEHTA & CO.**

Chartered Accountants

FRN: 142830W

**PURNESH MEHTA**

Proprietor

Place: Ahmedabad

Date: 30/05/2018

Membership No.: 032812



# Annexure - A to the Independent Auditors' Report on Consolidated Financial Statements

To the Members of:

## **GANESH HOUSING CORPORATION LIMITED,**

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 Ganesh Housing Corporation Limited ("the Company") and its subsidiaries which are companies incorporated in India (together referred to as 'the Group') as of March 31, 2018 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

### **Management's Responsibility for Internal Financial Controls**

The respective Board of Directors of the Group are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of chartered accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Group internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed

under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

### **Meaning of Internal Financial Controls Over Financial Reporting**

The Group 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. The Group 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 Group; (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 Group are being made only in accordance with authorisations of management and directors of the Group; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Group 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 Group have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of chartered accountants of India.

For **PURNESH R. MEHTA & CO.**

Chartered Accountants

FRN: 142830W

**PURNESH MEHTA**

Proprietor

Place: Ahmedabad

Date: 30/05/2018

Membership No.: 032812

# Consolidated Balance Sheet

as at 31st March, 2018

In ₹

Particulars	Note	As at the End of Current Reporting Period 31/03/2018	As at the End of Previous Reporting Period 31/03/2017
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property Plant and Equipment	1	2082428282	2132171844
Goodwill		151552480	173312574
Other Intangible assets	2	912657	1587051
Financial Assets			
Investments	3	100100	100100
Loans	4	312476570	765314682
Other financial Assets	5	408632206	271169441
Deferred tax assets (net)	6	7797764	14712691
		<b>2963900059</b>	<b>3358368383</b>
<b>Current assets</b>			
Inventories	7	5104480255	7197664406
Financial Assets			
Trade receivables	8	4850271972	3060571909
Cash and cash equivalents	9	143160901	74494632
Bank balances other than above	10	317199881	418230950
Loans	11	4524240673	4279553033
Other current assets	12	488053900	452882323
		<b>15427407582</b>	<b>15483397253</b>
<b>TOTAL ASSETS</b>		<b>18391307641</b>	<b>18841765636</b>
<b>Equity</b>			
Equity Share capital	13	492270900	490028190
Other Equity	14	8399631063	7976671502
Total equity attributable to shareholders of company		<b>8891901963</b>	<b>8466699692</b>
<b>Non-controlling Interest</b>		<b>926860577</b>	<b>1060704683</b>
<b>Total Equity</b>		<b>9818762540</b>	<b>9527404375</b>
<b>Non-current liabilities</b>			
Financial Liabilities			
Borrowings	15	4830053794	4210598847
Deferred tax liabilities (Net)	16	0	10948964
Other non-current liabilities	17	172025854	192331309
		<b>5002079648</b>	<b>4413879120</b>
<b>Current liabilities</b>			
Financial Liabilities			
Borrowings	18	817951293	1319983587
Trade payables	19	409980750	390084671
Other current financial liabilities	20	1594258106	2247654932
Other current liabilities	21	445408998	583144084
Current Tax Liabilities (Net)	22	302866306	359614867
		<b>3570465453</b>	<b>4900482141</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>18391307641</b>	<b>18841765636</b>

## Significant Accounting Policies & Notes Forming Part of Accounts

1 to 47

As per our Report of even date  
For **PURNESH R. MEHTA & CO.**  
Chartered Accountants  
FRN: 142830W

**Purnesh Mehta**  
Proprietor  
Membership No. 032812

Place: Ahmedabad  
Date: 30/05/2018

On behalf of the Board of Directors

**Dipakkumar G. Patel**  
Chairman & Whole-time Director  
[DIN: 00004766]

**Rajendra Shah**  
Chief Financial Officer

Place: Ahmedabad  
Date: 30/05/2018

**Shekhar G. Patel**  
Managing Director  
[DIN: 00005091]

**Priti Kapadia**  
Company Secretary

# Consolidated Statement of Profit & Loss

for the year ended on 31st March, 2018

In ₹

Particulars	Note	For the Current Reporting Period 2017-2018	For the Previous Reporting Period 2016-2017
<b>I INCOME:</b>			
Revenue from Operations	23	5001877741	4017207887
Other Income	24	80574275	70517866
<b>TOTAL INCOME</b>		<b>5082452016</b>	4087725753
<b>II EXPENSES:</b>			
Cost of Material Consumed	25	829055707	1679788081
Changes in Inventories	26	1838601789	(68748113)
Employee Benefits Expense	27	156487331	126867400
Finance Cost	28	1005200072	929652541
Other Expenses	29	227518519	221333828
Depreciation and Amortisation Expense		25815175	35202460
<b>TOTAL EXPENSES</b>		<b>4082678593</b>	2924096197
<b>III Profit Before Tax</b>		<b>999773423</b>	1163629556
<b>IV Less: Tax Expenses:</b>			
Current Tax		(514669965)	(392532206)
Deferred Tax		22884567	(24781804)
		<b>(491785398)</b>	(417314010)
<b>V Profit for the period</b>		<b>507988025</b>	746315546
<b>VI Other Comprehensive Income</b>		<b>0</b>	0
<b>Total of Other Comprehensive Income</b>		<b>0</b>	0
<b>VII Total Comprehensive Income for the period</b>		<b>507988025</b>	746315546
Total Comprehensive Income attributable to		<b>508690356</b>	693903857
Owners of the Company		<b>(702331)</b>	52411689
Non-Controlling Interests		<b>507988025</b>	746315546
<b>VIII Earning Per share [In ₹]</b>	33		
– Basic		<b>10.36</b>	15.93
– Diluted		<b>10.36</b>	15.93
<b>IX Significant Accounting Policies &amp; Notes Forming Part of Accounts</b>	1 to 47		

As per our Report of even date  
For **PURNESH R. MEHTA & CO.**  
Chartered Accountants  
FRN: 142830W

**Purnesh Mehta**  
Proprietor  
Membership No. 032812

Place: Ahmedabad  
Date: 30/05/2018

On behalf of the Board of Directors

**Dipakkumar G. Patel**  
Chairman & Whole-time Director  
[DIN: 00004766]

**Rajendra Shah**  
Chief Financial Officer

Place: Ahmedabad  
Date: 30/05/2018

**Shekhar G. Patel**  
Managing Director  
[DIN: 00005091]

**Priti Kapadia**  
Company Secretary

# Consolidated Cash Flow Statement

for the year 2017-2018

In ₹

Particulars	Note	2017-2018	2016-2017
<b>A Cash Flow From Operating Activities:</b>			
Profit Before Tax		999773423	1163629556
Provision For Taxation		(514669965)	(392532206)
		(514669965)	(392532206)
Net Profit After Tax		485103458	771097350
Add/Less Adjustments For			
Depreciation		25815175	35202460
Interest Expenses		1005200072	929652541
Employees Stock option scheme		(16443688)	(8945931)
Interest Income		(29326519)	(28794217)
		985245040	927114853
<b>Operating Profit Before Working Capital Changes</b>		<b>1470348498</b>	1698212203
Add/Less Adjustments For			
Inventories		2093184151	(67376713)
Trade & Other Receivables		(1789700063)	(944514933)
Other Current Assets		(42172837)	455722801
Trade Payables		19896079	77007395
Other Current Liabilities		(868185928)	1054721603
		(586978598)	575560153
Taxes Paid (Net)		(130461505)	(255839885)
Net Cash Generated From Operations		(717440103)	319720268
<b>B Cash Flow From Investing Activities:</b>			
Purchase of Fixed Assets		(5462270)	(52765395)
Capital Work In Progress		0	20122583
Sale of Fixed Assets		27810977	38329641
Movement In Loans & Advances		208150472	(1437106751)
Interest Received		29326519	28794217
Net Cash Used In Investing Activities		259825698	(1402625705)

In ₹

Particulars	Note	2017-2018	2016-2017
<b>C Cash Flow From Financing Activities:</b>			
Changes in Share Capital		2242710	163342730
Changes in Security Premium		39695967	(163342730)
Changes in Borrowings		117422653	619400478
Finance Cost Paid		(1005200072)	(997542020)
Changes due to Non Controlling Interest		(133844106)	52411690
Changes due to Subsidiary		52899300	(122469649)
Dividend Paid (Including Dividend Distribution Tax)		(118315345)	(117957281)
Net Cash Used In Financing Activities		(1045098893)	(566156782)
<b>Net Increase In Cash And Cash Equivalents</b>		<b>(32364800)</b>	49149984
<b>Opening Balance of Cash And Cash Equivalents</b>		<b>492725582</b>	443575598
<b>Closing Balance of Cash And Cash Equivalents*</b>		<b>460360782</b>	492725582
<b>Components of Cash and Cash Equivalents</b>			
Cash on hand		2813762	2517100
Balances with Banks*		140347139	71977532
Other Balances other than above		317199881	418230950
<b>Total</b>		<b>460360782</b>	492725582

\* Include towards Unclaimed Dividend of ₹ 3448771/- (Pre. Yr. ₹ 3136884/-)

**Significant Accounting Policies**

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**Note:** Effective April 1, 2017, the Company adopted the amendment to Ind AS 7, which require the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance Sheet for liabilities arising from financing activities, to meet the disclosure requirement. The adoption of the amendment did not have any material impact on the financial statements.

As per our Report of even date  
For **PURNESH R. MEHTA & CO.**  
Chartered Accountants  
FRN: 142830W

**Purnesh Mehta**  
Proprietor  
Membership No. 032812

Place: Ahmedabad  
Date: 30/05/2018

On behalf of the Board of Directors

**Dipakkumar G. Patel**  
Chairman & Whole-time Director  
[DIN: 00004766]

**Rajendra Shah**  
Chief Financial Officer

Place: Ahmedabad  
Date: 30/05/2018

**Shekhar G. Patel**  
Managing Director  
[DIN: 00005091]

**Priti Kapadia**  
Company Secretary

# Consolidated Statement of Changes in Equity

for the year ended on 31/03/2018

A. EQUITY SHARE CAPITAL										In ₹
Particulars						AS AT 31/03/2018		AS AT 31/03/2017		
Balance at the beginning of the year						490028190		326685460		
Changes in Equity Share capital During the year						2242710		163342730		
Balance at the end of the reporting period						492270900		490028190		
B. OTHER EQUITY										
Particulars	Share application money pending allotment	Equity component of compound financial instruments	Reserves and Surplus					Total		
			Capital Reserve	Securities Premium Reserve	General Reserves	Retained Earnings/ profit & loss	Debenture Redemption Reserve		Employee Stock Option Outstanding	
<b>Balance as at 1/04/2016</b>	0		169675529	2453103844	512585910	4285296350	125000000	27099876	7572761509	
Total Comprehensive Income for the year	0					693903857			693903857	
Dividends	0					(98005638)			(98005638)	
Tax on Dividends	0					(19951643)			(19951643)	
Employee Stock Options (Net)	0							(8693853)	(8693853)	
Transfer to Share Capital on Issue of Bonus Shares	0			(163342730)					(163342730)	
Transfer from Debenture Redemption Reserve to General Reserve	0					75000000	(75000000)		0	
Adjustment due to Subsidiary	0									
Addition during the year	0									
<b>Balance as at 31/03/2017</b>	0	0	169675529	2289761114	587585910	4861242926	50000000	18406023	7976671502	
<b>Total Comprehensive Income for the year</b>	0	0	0	0	0	<b>508690356</b>	0	0	<b>508690356</b>	
Dividends	0	0	0	0	0	(98303138)	0	0	(98303138)	
Tax on Dividends	0	0	0	0	0	(20012207)	0	0	(20012207)	
Employee Stock Options (Net)	0	0	0	0	0	0	0	(16443688)	(16443688)	
Transfer from Debenture Redemption Reserve to General Reserve	0	0	0	0	0	0	0	0	0	
Adjustment due to Subsidiary	0	0	0	0	0	9332271	0	0	9332271	
Addition during the year	0	0	0	39695967	0	(283000000)	283000000	0	39695967	
<b>Balance as at 31/03/2018</b>	0	0	<b>169675529</b>	<b>2329457081</b>	<b>587585910</b>	<b>4977950208</b>	<b>333000000</b>	<b>1962335</b>	<b>8399631063</b>	



# Notes Forming Part of Consolidated Accounts

as at 31/03/2018

In ₹

## NOTE - 1 PROPERTY, PLANT & EQUIPMENT

Description of Assets	Gross Block			Depreciation			Net Block	
	As at 01-04-2017	Addition During Year	Deductions During Year	As at 31-03-2018	Depreciation/ Amortisation During the Year	Deductions During Year	As at 31-03-2018	As at 31-03-2017
	01-04-2017	During Year	During Year	31-03-2018	During the Year	During Year	31-03-2018	31-03-2017
<b>Tangible Assets:</b>								
Land	1927532433	0	0	1927532433	0	0	1927532433	1927532433
Office Premises	160011243	0	27682200	132329043	7020240	496420	109978887	144170089
Plant & Machinery	2684569	0	0	2684569	334993	0	1418483	1753476
Furniture & Fixtures	28298046	344542	0	28642588	5146674	0	13942699	18744831
Vehicles	53999008	4012453	1215200	56796261	8300826	590003	21632097	26545667
Office Equipments	19358914	685234	0	20044148	3598488	0	7044922	9958176
Computer	2593995	370100	0	2964095	689619	0	878761	1198280
<b>Total</b>	<b>2194478208</b>	<b>5412329</b>	<b>28897400</b>	<b>2170993137</b>	<b>25090840</b>	<b>1086423</b>	<b>2082428282</b>	<b>2129902952</b>
<b>Previous Year</b>	<b>2215191581</b>	<b>50803862</b>	<b>68708850</b>	<b>2197286593</b>	<b>33810485</b>	<b>30164987</b>	<b>2132171844</b>	

In ₹

## NOTE - 2 OTHER INTANGIBLE ASSETS

Description of Assets	Gross Block			Depreciation			Net Block	
	As at 01-04-2017	Addition During Year	Deductions During Year	As at 31-03-2018	Depreciation/ Amortisation During the Year	Deductions During Year	As at 31-03-2018	As at 31-03-2017
	01-04-2017	During Year	During Year	31-03-2018	During the Year	During Year	31-03-2018	31-03-2017
<b>Intangible Assets:</b>								
Software	3932477	49941	192123	3790295	724335	192123	912657	1587051
<b>Total</b>	<b>3932477</b>	<b>49941</b>	<b>192123</b>	<b>3790295</b>	<b>724335</b>	<b>192123</b>	<b>912657</b>	<b>1587051</b>
<b>Previous Year</b>	<b>2860353</b>	<b>1961533</b>	<b>889409</b>	<b>3932477</b>	<b>1391975</b>	<b>889409</b>	<b>1587051</b>	

# Notes Forming Part of Consolidated Accounts

as at 31/03/2018

Particulars	In ₹	
	As At 31/03/2018	As At 31/03/2017
<b>NOTE - 3 INVESTMENTS</b>		
<b>A. Investments in Equity Instruments:-</b>		
<b>Unquoted &amp; Fully paid up:-</b>		
<b>Investment in other Companies :-</b>		
10 Equity Shares (Previous year 10) of ₹ 10/- each in Starnet Software (India) Ltd.	100	100
10,000 Equity Shares (Previous year 10,000) of ₹ 10/- each in Ganesh Infrastructure (India) Pvt. Ltd.	100000	100000
	<b>100100</b>	100100
<b>TOTAL</b>	<b>100100</b>	100100

## NOTE - 4 LOANS [NON CURRENT] [UNSECURED, CONSIDERED GOOD]

Non Current Loans & Advances:-		
Business Advances to Co-Operative Societies	0	70287945
Business Advances to Others	<b>312476570</b>	695026737
[Refer Note No. 43(A) for details]		
<b>TOTAL</b>	<b>312476570</b>	765314682

## NOTE - 5 OTHER CURRENT FINANCIAL ASSETS

Advance paid for purchase of Investments	<b>199930737</b>	0
Service Tax recoverable from members	<b>1052332</b>	2309007
Electricity, AUDA, Legal charges receivable for projects	<b>207649137</b>	268860434
<b>TOTAL</b>	<b>408632206</b>	271169441

## NOTE - 6 DEFERRED TAX ASSETS (NET)

### Deferred Tax Assets:-

Timing Difference :-		
Related to Fixed Assets	<b>288273</b>	6615
Disallowances under the Income Tax Act, 1961	<b>16871549</b>	15407164
<b>TOTAL A</b>	<b>17159822</b>	15413779
<b>Deferred Tax Liabilities:-</b>		
Timing Difference :-		
Disallowances under the Income Tax Act, 1961	<b>9362058</b>	0
Related to Fixed Assets	<b>0</b>	701088
<b>TOTAL B</b>	<b>9362058</b>	701088
<b>Total A - B = Net Deferred Tax Assets</b>	<b>7797764</b>	14712691

In ₹

Particulars	As At 31/03/2018	As At 31/03/2017
<b>NOTE - 7 INVENTORIES</b>		
<b>INVENTORIES (As taken, valued &amp; certified by Management)</b>		
Raw-materials	33279794	6369454
Work-In-Process & Finished Goods (Construction Projects)	5071200461	7191294952
<b>TOTAL</b>	<b>5104480255</b>	7197664406

**NOTE - 8 TRADE RECEIVABLES****[UNSECURED, CONSIDERED GOOD]**

– More than Six Months	1378330591	1266261437
– Others	3471941381	1794310472
<b>TOTAL</b>	<b>4850271972</b>	3060571909

**NOTE - 9 CASH & CASH EQUIVALENTS**

Cash on hand	2813762	2517100
Balances with Banks:		
In other accounts	140347139	71977532
<b>TOTAL</b>	<b>143160901</b>	74494632

**NOTE - 10 OTHER BANK BALANCES**

Balances with Banks:		
– In FD Accounts with Bank < 12 months	313751110	415094066
– In unpaid dividend account	3448771	3136884
<b>TOTAL</b>	<b>317199881</b>	418230950

**NOTE - 11 LOANS [CURRENT]****[UNSECURED, CONSIDERED GOOD]**

Advances for Purchase of land to:		
– Related Party	1941805834	4138167
– Others	6948710	16948710
	<b>1948754544</b>	21086877
SHORT TERM LOANS & ADVANCES:-		
Business Advances to related parties:-		
– Other Related Parties	222536059	0
Business Advances to Others	2247923930	4179108782
	<b>2470459989</b>	4179108782
Advances to Others #	<b>105026140</b>	79357374
<b>TOTAL</b>	<b>4524240673</b>	4279553033

# Includes staff loan, prepaid expenses &amp; reimbursement.

# Notes Forming Part of Consolidated Accounts

as at 31/03/2018

In ₹

Particulars	As At 31/03/2018	As At 31/03/2017
<b>NOTE - 12 OTHER CURRENT ASSETS</b>		
Advance to Suppliers	15097119	15345306
Registration deposit	1164354	1622354
GST & Service Tax (Input)	86626022	70587845
Advance payment of Income Tax & TDS	1265816405	1144053461
Less:-		
Provision for Income Tax	880650000	778726643
	385166405	365326818
<b>TOTAL</b>	<b>488053900</b>	<b>452882323</b>

**NOTE - 13 EQUITY SHARE CAPITAL:**

AUTHORISED:-		
5,00,00,000 (Previous year 5,00,00,000) Equity Shares of ₹ 10/- each	500000000	500000000
	500000000	500000000
Issued, Subscribed and Paid up Capital:-		
4,92,27,090 (Previous year 4,90,02,819) Equity shares of ₹ 10/- each fully paid up	492270900	490028190
<b>TOTAL</b>	<b>492270900</b>	<b>490028190</b>

**NOTE :**

13.1. The reconciliation of number of shares at the beginning of the year and at the close of the year is set out below:

Particulars	As At 31/03/2018	As At 31/03/2017
Equity shares at the beginning of the year	49002819	32668546
Add: Shares issued during the year	224271	16334273
Equity shares at the end of the year	49227090	49002819

13.2. The Statement of Shareholders Holding More Than 5% Equity Shares of The Company:-

Particulars	As At 31/03/2018		As At 31/03/2017	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Dipakkumar G. Patel	12158752	24.70	9343675	19.07
Shekhar G. Patel	14106662	28.66	10491585	21.41
Lalitaben G. Patel	0	0.00	6830154	13.94

13.3. Right, Preferences and Restrictions attached to shares:

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

13.4. 16334273 Equity shares of ₹ 10/- each are allotted, in the ratio of 1 equity share to the holder of 2 equity shares, as fully paid up Bonus Shares by capitalisation of profits in F.Y. 2016-17.

13.5. 224271 Equity shares of ₹ 10/- each fully paid up are allotted during the year on conversion of options under ESOP 2010 Scheme.

13.6. For details of shares reserved for issue under the employee stock option [ESOP 2010] scheme of the company, please refer Note No. 44.

In ₹

Particulars	As At 31/03/2018	As At 31/03/2017
<b>NOTE - 14 OTHER EQUITY</b>		
(a) SECURITY PREMIUM		
Balance As Per Last Balance Sheet	2289761114	2453103844
Less: Transfer to Share Capital on Issue of Bonus Shares	0	(163342730)
Add: Addition during the year - Issue of ESOP Shares	39695967	
	2329457081	2289761114
(b) GENERAL RESERVE		
Balance As Per Last Balance Sheet	587585910	512585910
Add : Transfer from Debenture Redemption Reserve	0	75000000
	587585910	587585910
(c) DEBENTURES REDEMPTION RESERVE		
Balance As Per Last Balance Sheet	50000000	125000000
Less : Transfer to General Reserve	0	(75000000)
Add : Transfer from Profit & Loss Account	283000000	0
	333000000	50000000
(d) EMPLOYEES' STOCK OPTION OUTSTANDING	18406023	27099876
Less: Deferred Employees' Compensation	(16443688)	(8693853)
	1962335	18406023
(e) CAPITAL RESERVE		
Balance As Per Last Balance Sheet	169675529	169675529
	169675529	169675529
(e) PROFIT & LOSS		
Balance As Per Last Balance Sheet	4861242926	4285296350
Add : Adjustment Due to Subsidiary	9332271	0
Add : Transfer from Profit & Loss Statement	508690356	693903857
	5379265553	4979200207
Less: Appropriation:-		
Transfer to Debentures Redemption Reserves	283000000	0
Dividend on Equity Shares	98303138	98005638
[Dividend per Share ₹ 2.00 (Pre. Yr. ₹ 2.00)] Tax on dividend	20012207	19951643
	401315345	117957281
	4977950208	4861242926
<b>TOTAL</b>	<b>8399631063</b>	<b>7976671502</b>

# Notes Forming Part of Consolidated Accounts

as at 31/03/2018

		In ₹
Particulars	As At 31/03/2018	As At 31/03/2017
<b>NOTE - 15 NON CURRENT BORROWINGS</b>		
SECURED:-		
<b>A) Term Loans:</b>		
(I) From Banks	704458316	324999994
(II) From Others - [NBFC]	3445595293	2573304755
	<b>4150053609</b>	2898304749
<b>B) Debentures:</b>		
13300002 (Pre. Yr. 19323000) 12.50% (Pre. Yr. 13.75%) Non Convertible Debentures of ₹ 100/- each	680000185	1312294098
	<b>680000185</b>	1312294098
<b>TOTAL</b>	<b>4830053794</b>	4210598847
[Refer note no. 38 for security details]		

Maturity Profile of Secured Term Loans and NCD issue are as set out below:

Particulars	Current	Non Current		
	2018-19	2019-20	2020-21	2021-22 & Beyond
Term Loans from Banks	<b>262690490</b>	292739040	186972746	224746530
Term Loans from Others	<b>506298358</b>	843993296	929747203	1671854794
12.50% (Pre. Yr. 13.75%) Non Convertible Debentures [Rate of Interest is Variable]	<b>650000000</b>	680000185	0	0

		In ₹
Particulars	As At 31/03/2018	As At 31/03/2017
<b>NOTE - 16 DEFERRED TAX LIABILITIES (NET)</b>		
Deferred Tax Assets:-		
Temporary Difference:-	<b>0</b>	0
<b>TOTAL - A</b>	<b>0</b>	0
Deferred Tax Liabilities:-		
Temporary Difference:-		
Related to Fixed Assets	<b>0</b>	2827301
Disallowances under the Income Tax Act, 1961	<b>0</b>	8121663
<b>TOTAL - B</b>	<b>0</b>	10948964
<b>TOTAL A - B = Net Deferred Tax Liabilities</b>	<b>0</b>	10948964

**NOTE - 17 OTHER NON CURRENT LIABILITIES**

<b>Other Long Term Liabilities:-</b>		
Statutory liabilities	<b>172025854</b>	192331309
<b>TOTAL</b>	<b>172025854</b>	192331309

In ₹

Particulars	As At 31/03/2018	As At 31/03/2017
<b>NOTE - 18 CURRENT BORROWINGS</b>		
<b>Secured:-</b>		
– From Bank : Cash Credit Facility From Banks	184484059	104144364
– From others	336816164	0
[Refer note no. 43 for security details]		
	<b>521300223</b>	104144364
<b>UNSECURED &amp; REPAYABLE ON DEMAND:-</b>		
Intercompany loan:-		
– From Related Parties - Group Companies	0	519000
– From others	295901070	1091220464
From Others	750000	250000
	<b>296651070</b>	1091989464
<b>Loan from :-</b>		
– Related Parties - Directors	0	123849759
<b>TOTAL</b>	<b>817951293</b>	1319983587

Note:- All unsecured loans are repayable on demand. As they are repayable on demand, they are shown as current borrowing.

**NOTE - 19 TRADE PAYABLES**

Micro, Small & Medium Enterprise	0	0
Others	<b>409980750</b>	390084671
<b>TOTAL</b>	<b>409980750</b>	390084671

**NOTE - 20 OTHER CURRENT FINANCIAL LIABILITIES**

Current maturities of Secured long term debts	<b>1418988848</b>	2109999264
Unpaid/Unclaimed Dividends	<b>3448860</b>	3136877
(Liability towards Investors Education and Protection Fund)		
Customer Booking Refundable	<b>171820398</b>	134518791
<b>TOTAL</b>	<b>1594258106</b>	2247654932

**NOTE - 21 OTHER CURRENT LIABILITIES**

Other Payables *	<b>204190298</b>	350563586
Booking advance received from customers	<b>241218700</b>	232580498
<b>TOTAL</b>	<b>445408998</b>	583144084

\* Includes Statutory Dues, Retention money of Suppliers, Unpaid Expenses & credit balance of bank due to reconciliation.

**NOTE - 22 CURRENT TAX LIABILITIES [NET]**

Provision for Income Tax	325000000	373050000
Less:-		
Advance payment of Income Tax, TDS & WT	22133694	13435133
	<b>302866306</b>	359614867
<b>TOTAL</b>	<b>302866306</b>	359614867



# Notes Forming Part of Consolidated Accounts

as at 31/03/2018

In ₹

Particulars	Year Ended 31/03/2018	Year Ended 31/03/2017
<b>NOTE - 23 REVENUE FROM OPERATIONS</b>		
Sales from construction related activities	<b>4760402536</b>	3868744324
Other Operating Income:-		
Income from commission on home loans	<b>333168</b>	376265
Notional Corporate Guarantee Fees Income	<b>6035507</b>	2290417
Stock Transferred to Fixed Assets	<b>0</b>	27682200
Profit on sale of Investments	<b>105671341</b>	0
Miscellaneous Income	<b>63829600</b>	66391472
Sundry Balances written off	<b>65605589</b>	51723209
<b>TOTAL</b>	<b>5001877741</b>	4017207887

**NOTE - 24 OTHER INCOME**

Interest income:-		
– from Banks	13212685	19866263
– from Others	16113834	8927954
	<b>29326519</b>	28794217
Profit on sale of Fixed Assets	<b>51247756</b>	41723649
<b>TOTAL</b>	<b>80574275</b>	70517866

**NOTE - 25 PROJECT EXPENSES**

Architect Fee	<b>4237288</b>	8341500
Carting Exp.	<b>296216</b>	289128
Electric Exp.	<b>1578383</b>	3251495
Labour Exp.	<b>12067052</b>	26164062
Land Exp.	<b>129976</b>	23118229
Land Purchase	<b>85784800</b>	0
Machinery Rent	<b>419450</b>	359557
Professional Charges	<b>1885168</b>	1914761
Raw Material Consumptions	<b>24536792</b>	126916913
Repairs & Maintenance Exp.	<b>106783</b>	44899
Site Exp.	<b>788042</b>	736433
Site Office Exp.	<b>155527</b>	203019
Site Security Exp.	<b>753099</b>	1519707
Works Contract Expenses	<b>62933281</b>	216065120
Township Project Construction Expenses	<b>291939</b>	537542
Corporate park Project Construction Expenses	<b>16133704</b>	35566508
Bungalows-Rajasthan Project Construction Expenses	<b>379085</b>	371297
Residential & Commercial center Project construction Expenses	<b>616579122</b>	1234387911
<b>TOTAL</b>	<b>829055707</b>	1679788081

In ₹

Particulars	Year Ended 31/03/2018	Year Ended 31/03/2017
<b>NOTE - 26 CHANGES IN INVENTORIES</b>		
CLOSING STOCK:-		
Stock of WIP & Finished Goods	5352693163	7191294952
	5352693163	7191294952
LESS: OPENING STOCK:-		
Stock of WIP & Finished Goods	7191294952	7122546839
	7191294952	7122546839
(Increase)/Decrease in stock	1838601789	(68748113)
<b>TOTAL</b>	<b>1838601789</b>	<b>(68748113)</b>
<b>NOTE - 27 EMPLOYEE BENEFIT EXPENSES</b>		
Salary, Allowances & Bonus Expenses	112761493	94576354
Directors' Remuneration	24000000	24000000
Contribution to Provident Fund & ESIC	1830184	1562896
Contribution to Gratuity Fund	12657889	4400390
Staff Welfare Expenses	4714461	1880809
Director's Medical Exp.	523304	446951
<b>TOTAL</b>	<b>156487331</b>	<b>126867400</b>
<b>NOTE - 28 FINANCE COST</b>		
Bank Charges	229416	501128
Loan Processing Charges	4055680	13745494
Amortisation of finance cost as per EIR method	19425035	16693232
	23710131	30939854
Interest to:-		
– Banks	87972693	61753086
– Others	880266569	824679926
– Late payment of taxes	12703951	10232381
Finance Charges	546728	2047294
	981489941	898712687
<b>TOTAL</b>	<b>1005200072</b>	<b>929652541</b>
<b>NOTE - 29 OTHER EXPENSES</b>		
ADMINISTRATIVE & OTHER EXPENSES:-		
Appeal Fees	8500	1250
Advertisement Exp.	3053211	0
Audit Fees	1531000	2056250
Miscellaneous Exp.	53550	26605
Computer Consumable	728456	448973
Conveyance Expenses	251170	232563
C.S.R. Expenses	19463256	17937602

# Notes Forming Part of Consolidated Accounts

as at 31/03/2018

In ₹

Particulars	Year Ended 31/03/2018	Year Ended 31/03/2017
Postage & Courier Charges	322157	522304
Depository & Share Transfer Agent Exp.	586396	650949
Donation	291250	926000
Electric Expenses	4650426	4757322
Filing Fees	74608	55233
GST Expenses	8062999	0
Insurance Expenses	480007	1336005
Internet & Website Expenses	879640	789737
Legal Expenses	11383296	2563593
Loss on sale of Fixed assets	5307	7468712
Mobile Phone Exp.	741483	906957
Motor-Car Exp.	4252977	3836772
Municipal Tax	2621324	3172115
Office & Office Maintenance Expenses	4863809	4622797
Penalty	445740	375206
Professional Fees	34149393	37866156
Professional Tax	11600	12000
Rent & Maintenance Exp.	690508	0
Repair & Maintenance Expenses	5395532	8363699
Security Service Charges	3363949	3065056
Service Tax, SBC & KKC Exp.	14949427	7550964
Site Maintenance Expenses	40367885	42820757
Sitting Fees - Directors	165683	137888
Stationery, Printing, Typing & Xerox Expenses	1337969	987080
Sundry balances written off	947527	1411121
Telephone Exp.	356683	353376
Travelling Exp.	6777111	4880604
VAT Expenses	3977792	3032863
	<b>177241621</b>	163168509
MARKETING EXPENSES:-		
Advertisement Expenses	14957965	32116739
Brochure Exp.	685910	609844
Brokerage Exp.	25849177	17525716
Sales Promotion Exp.	8606846	6807520
Sponsorship Charges	150000	1105500
Trademark Registration Expenses	27000	0
	<b>50276898</b>	58165319
<b>TOTAL</b>	<b>227518519</b>	221333828

### 30. SIGNIFICANT ACCOUNTING POLICIES ON CONSOLIDATED ACCOUNTS:

#### 1.1. NATURE OF OPERATION:-

The parent company is engaged in the business of construction of Residential, Commercial and Infrastructure projects.

#### 1.2. BASIS OF PREPARATION:-

The consolidated financial statements relate to Ganesh Housing Corporation limited, and its subsidiaries namely Gatil Properties Private Limited, Maheshwari (Thaltej) Complex Private Limited & Essem Infra Private Limited. These financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as specified under section 133 of the Companies Act 2013 read together with the Rules notified there under to the extent applicable and the other relevant provisions of the Act, pronouncements of the regulatory bodies applicable to the company.

These consolidated financial statements have been prepared on going concern and accrual basis.

These consolidated financial statements of the group for the year ended March 31, 2018 were approved by the Board of Directors on 30/05/2018.

#### 1.3. PRINCIPLES OF CONSOLIDATION:-

The Consolidated Financial Statements have been prepared on the following basis:

Subsidiaries are all entities (including special purpose entities) that are controlled by the Company. Control exists when the Company is exposed to, or has rights, to variable returns from its involvement with the entity, and has the ability to affect those returns through power over the entity. The net assets and results of acquired businesses are included in the consolidated financial statements from their respective dates of acquisition, being the date on which the Group obtains control. The results of disposed businesses are included in the consolidated financial statements up to their date of disposal, being the date control ceases.

The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

The excess of cost to the Group of its investment in subsidiaries, on the acquisition dates over and above the Group's share of equity in the subsidiaries, is recognised as 'Goodwill on Consolidation' being an asset in the consolidated financial statements. The said Goodwill is not amortised, however, it is tested for impairment at each Balance Sheet date and the impairment loss, if any, is provided for. On the other hand, where the share of equity in subsidiaries as on the date of investment is in excess of cost of investments of the Group, it is recognised as 'Capital Reserve' and shown under the head 'Reserves and Surplus' in the consolidated financial statements.

**Non-controlling interests** in the net assets of consolidated subsidiaries is identified and presented in the consolidated Balance Sheet separately within equity. Non-controlling interests in the net assets of consolidated subsidiaries consists of:

- (a) The amount of equity attributable to non-controlling interests at the date on which investment in a subsidiary is made; and
- (b) The non-controlling interests share of movements in equity since the date parent subsidiary relationship came into existence.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

# Notes Forming Part of Consolidated Accounts

as at 31/03/2018

List of the Domestic Subsidiaries considered for consolidation.

Sr. No.	Name of Company	Nature of Relationship	Country of Incorporation	Extent of Holding/ Voting Power (%) as on March 31, 2018.
1.	Gatil Properties Private Limited	Subsidiary	India	69.10%
2.	Maheshwari (Thaltej) Complex Private Limited	Subsidiary	India	100%
3.	Essem Infra Private Limited	Subsidiary	India	100%

During the year under review, two subsidiaries viz. Shaily Infrastructure Private Limited and Yash Organiser Private Limited ceased to be subsidiary of the Company w.e.f. 30th January, 2018 and 14th February, 2018 respectively. The consolidated statement of profit & loss of F.Y. 2017-18 includes profit or loss of ceased subsidiaries up to the date of cessation.

## 1.4. OTHER SIGNIFICANT ACCOUNTING POLICIES:

These are set out under "Significant Accounting Policies" as given in the Company's separate financial statements.

- 31.** Corresponding figures of the previous year have been regrouped to confirm with this year's classification wherever necessary. Closing Balance of previous year is not becoming opening balance of current year, as during the year two companies ceased to be subsidiaries of company.
- 32.** Based on the information available with the Company, there are no suppliers who are registered under the Micro, Small and Medium Enterprises Development Act, 2006 as at March 31st 2018. Hence, the information as required under the Micro, Small and Medium Enterprises Development Act, 2006 is not disclosed.

## 33. EARNINGS PER SHARE:

Sr. No.	Particulars	2017-2018	2016-2017
A	<b>Basic &amp; Diluted EPS (IN ₹) From Continuing Operations attributable to equity share holders</b>		
	– Basic	<b>10.36</b>	15.93
	– Diluted	<b>10.36</b>	15.93
B	<b>Reconciliation of earnings used in calculation of Basic &amp; Diluted EPS</b>		
	Profit attributable to equity shareholders used in calculation of Basic EPS from continuing operations	<b>508690356</b>	693903857
C	<b>Weighted Average number of shares as denominator</b>		
	Weighted average number of shares used in calculation of Basic EPS	<b>49121038</b>	43558061
	Weighted average number of equity shares and potential equity shares used as denominator in calculation of Diluted EPS	<b>49121038</b>	43558061

**34. FINANCIAL INSTRUMENT BY CATEGORY:**

[Amt. ₹]

Particulars	2017-2018			2016-2017		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
<b>Financial Assets</b>						
– Investment	0	0	100100	0	0	100100
– Loans	0	0	4836717243	0	0	5044867715
– Trade Receivable	0	0	4850271972	0	0	3060571909
– Cash & cash equivalents	0	0	143160901	0	0	74494632
– Other bank balances	0	0	317199881	0	0	418230950
– Other financial assets	0	0		0	0	271169441
<b>Financial Liabilities</b>						
– Borrowings	0	0	5648005087	0	0	5530582434
– Trade Payables	0	0	409980750	0	0	390084671
– Other financial liabilities	0	0	1594258106	0	0	2247654932

\* Since all the Financial Assets and Financial Liabilities are measured at amortised cost, disclosure of fair value hierarchy is not being made.

**35. FAIR VALUE OF FINANCIAL ASSETS & LIABILITIES MEASURED AT AMORTIZED COST:**

[Amt. ₹]

Particulars	2017-2018		2016-2017	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>Financial Assets:</b>				
Investment	100100	100100	100100	100100
Loans	4836717243	4836717243	5044867715	5044867715
Trade Receivable	4850271972	4850271972	3060571909	3060571909
Cash & cash equivalents	143160901	143160901	74494632	74494632
Other bank balances	317199881	317199881	418230950	418230950
Other financial assets	408632206	408632206	271169441	271169441
<b>Financial Liabilities:</b>				
Borrowings	5648005087	5648005087	5530582434	5530582434
Trade Payables	409980750	409980750	390084671	390084671
Other financial liabilities	1594258106	1594258106	2247654932	2247654932

- A.** The carrying amounts of trade receivables, trade payables, current loans, capital creditors and cash & cash equivalents, other financial liabilities are considered to be the same as their fair values, due to their short-term nature.
- B.** The fair values of non-current borrowings and non-current Loans are same as their amortised cost since the borrowings are interest bearing at the prevalent market rate.

# Notes Forming Part of Consolidated Accounts

as at 31/03/2018

## 36. FINANCIAL RISK MANAGEMENT:

The Company's activities expose it to market risk, liquidity risk and credit risk.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of hedge accounting in the financial statements.

Risk	Exposure	Measurement	Management
Credit Risk	Financial Assets measured at amortised cost	– Ageing Analysis – Credit Ratings	Diversification, Credit Limits
Liquidity Risk	Borrowing and other liabilities	Rolling Cash flow forecasts	Availability of committed borrowing facilities
Market Risk – Interest Rates	Variable Rate Borrowings	Sensitivity Analysis	Conversion of loan from higher interest rate to lower interest rate

### Credit Risk Management

Credit risk is managed on a company basis. For banks and financial institutions, only high rated banks/institutions are accepted.

For other financial assets, the company assesses and manages credit risk based on internal credit rating system. The finance function consists of a separate team who assess and maintain an internal credit rating system. Internal credit rating is performed on a company basis for each class of financial instruments with different characteristics.

### Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, company treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the company's liquidity position and cash and cash equivalents on the basis of expected cash flows. This is generally carried out at local level in the operating companies of the company in accordance with practice and limits set by the company. These limits vary by location to take into account the liquidity of the market in which the entity operates. In addition, the company's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

### Financing Arrangements:

Particulars	[Amt. ₹]	
	2017-2018	2016-2017
Floating Rate:		
Expiring within 1 year	1603472907	2214143628
Expiring beyond 1 year	4829689324	4200619812

### Maturities of financial liabilities (except current maturity of long term debts) as on 31.03.2018

Financial Liabilities	2017-18			2016-17		
	< 3 month	3 to 12 month	Total	< 3 month	3 to 12 month	Total
<b>Non Derivative</b>						
Unclaimed Dividend	3448860	0	3448860	3136877	0	3136877
Customer bookings refundable	0	171820398	171820398	0	134518791	134518791
Trade payable	409980750	0	409980750	390084671	0	390084671



## Market Risk Management

### Cash flow and fair value interest rate risk

The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk.

The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The Company manages its cash flow interest rate risk by converting higher rate interest loan to lower rate interest loan.

### Interest rate risk exposure

[Amt. ₹]

Particulars	2017-2018	2016-2017
Variable Rate Borrowings	<b>6433162231</b>	6414763440
Fixed Rate Borrowings	<b>633831704</b>	1225818258

At the end of reporting period the Company had the following variable rate borrowings.

[Amt. ₹]

Particulars	2017-2018			2016-2017		
	Average Interest Rate	Balance	% of Total Loan	Average Interest Rate	Balance	% of Total Loan
	%			%		
Cash credit from Bank	<b>12.75%</b>	<b>184484059</b>	<b>2.61</b>	14.50	104144364	1.00
Term Loan from NBFCs & Banks	<b>13.21%</b>	<b>4918677987</b>	<b>69.60</b>	14.56	4378324978	57.00
Debentures	<b>12.50%</b>	<b>1330000185</b>	<b>18.82</b>	13.75	1932294098	25.00
Net Exposure		<b>6433162231</b>	<b>92.03</b>		6414763440	83.00

### Sensitivity Analysis

[Amt. ₹]

Particulars	Impact on PBT		Impact on other Components of Equity	
	31.03.2018	31.03.2017	31.03.2018	31.03.2017
Interest Rate increase by 50 basis points	<b>(37118752)</b>	(31026176)	<b>0</b>	0

### Price Risk

The Company's exposure to equity securities price risk does not arise since company has measured investments at amortised cost.

## 37. CAPITAL MANAGEMENT:

The Company's objectives when managing capital are to:

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns to shareholders and benefits to other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio:

# Notes Forming Part of Consolidated Accounts

as at 31/03/2018

## Net debt (total borrowings net of cash and cash equivalents & Other Bank Balances) divided by Total 'equity'

[Amt. ₹]

Particulars	2017-2018	2016-2017
Net Debt	6606633153	7147856116
Total Equity	8891901963	8466699692
Debt Equity Ratio	0.74	0.84

## Dividends recognized as distributed to owners:

[Amt. ₹]

Particulars	2017-2018	2016-2017
Final Dividend	98303138	98005638
Tax on Dividend	20012207	19951643

## 38. INFORMATION CONCERNING CLASSIFICATION OF SECURITIES:

### Assets Mortgaged as security

[Amt. ₹]

Particulars	2017-2018	2016-2017
<b>Current</b>		
Financial Asset:		
– First Charge	0	0
– Floating Charge	3868458724	2631887856
Non-Financial Asset:		
– First Charge	0	0
– Floating Charge	3487501204	5547104464
<b>Non-Current</b>		
– First Charge	184217564	27630375
<b>Total assets mortgaged as security</b>	<b>7540177492</b>	<b>8206622695</b>

### The details of security offered for the secured loans taken are as follows:

#### A. Loan from AU Small Finance Bank:

Charge secured by mortgage of immovable property and interest thereon of the group company and personal guarantee of promoter directors of the company & corporate guarantee of group company.

#### B. Loan from Tamilnad Mercantile Bank Ltd.:

Charge secured by mortgage of immovable property and interest thereon of the company and group company and personal guarantee of two promoter directors of the company & corporate guarantee of group company.

#### C. Loan from Karur Vysya Bank:

Charge secured by mortgage of immovable property and interest thereon of the group company and personal guarantee of promoter directors of the company & corporate guarantee of group company.

#### D. Loan from Reliance Home Finance Ltd.:

Charge secured by mortgage of immovable property and interest thereon of the group company and hypothecation of receivables, outstanding moneys and claims, all rights, titles, interest, claims, benefits, demands and escrow account of one project etc of the company and personal guarantee of two promoter directors of the company & corporate guarantee of group company.

**E. Loan from IFCI Factors Ltd.:**

Charge secured by mortgage of immovable property and interest thereon of the group company, pledge of shares of promoters, maintenance of F.D. with lien and personal guarantee of promoter directors of the company & corporate guarantee of group companies.

**F. Loan from IFCI Venture Capital Funds Ltd.:**

Charge secured by mortgage of immovable property and interest thereon of the group company, pledge of shares of promoters, maintenance of F.D. with lien and corporate guarantee of the group company and personal guarantee of two promoter directors of the company.

**G. Loan from Piramal Finance Ltd.:**

Charge secured by mortgage of immovable property and interest thereon of the company and group company, hypothecation of receivables, outstanding moneys and claims, all rights, titles, interest, claims, benefits, demands and escrow account of two units of project of group company and corporate guarantee of the group company and personal guarantee of two promoter directors of the company.

**H. Loan from SREI Equipment Finance Ltd.:**

Charge secured by mortgage of immovable property of the promoter directors of the company and hypothecation of equipments of the company & personal guarantee of two promoter directors of the company.

**I. Loan from PNB Housing Finance Ltd:**

Charge secured by mortgage of immovable property and interest thereon, maintenance of F.D. with lien and hypothecation of receivables, book debts, outstanding moneys and claims, escrow accounts of project, etc of the company and its group company and personal guarantee of two promoter directors of the company & corporate guarantee of group company.

**J. Loan from Venus India Asset Finance Pvt. Ltd.:**

Charge secured by mortgage of immovable property and interest thereon of the company and personal guarantee of two promoter directors of the company.

**K. Loan from Yes Bank Ltd.:**

Charge secured by hypothecation of stocks of construction material and advances made for their purchases and equitable mortgage of land owned by company and personal guarantee of two promoter directors of the company.

**L. Loan from Aasan Corporate Solutions Pvt. Ltd.:**

Charge secured by mortgage of immovable property and interest thereon & in relation to the development of the property which shall include the receivables of the company and personal guarantee of two promoter directors of the company.

**M. Piramal Finance Limited:**

Charge secured by mortgage of immovable property and interest thereon, maintenance of F.D. with lien and hypothecation of receivables, book debts, outstanding moneys and claims, escrow accounts of projects, etc of the subsidiary company and company, pledge of shares of promoter of the subsidiary company, personal guarantee of promoter directors of the subsidiary company and corporate guarantee/security of company. The trustee for the said NCD & Loan is IDBI Trusteeship Services Limited in whose name the necessary charge is created.

**N. Loans in respect of Vehicles are secured by the hypothecation of the vehicles financed through the loan agreement. viz. Motor Cars.**

# Notes Forming Part of Consolidated Accounts

as at 31/03/2018

## 39. INCOME TAXES:

[Amt. ₹]

Particulars	2017-2018	2016-2017
Current Tax	514669965	392532206
Deferred Tax	(22884567)	24781804
<b>Total Income Tax Expenses</b>	<b>491785398</b>	<b>417314010</b>

## Reconciliation of tax expenses and the accounting profit multiplied by Tax Rate

[Amt. ₹]

Particulars	2017-2018	2016-2017
Profit Before Tax	999773423	1163629556
Statutory Tax Rate (%)	34.61%	34.61%
<b>Tax at statutory tax rate</b>	<b>346021582</b>	<b>402732189</b>
Tax effects of amounts which are not deductible in calculating taxable income due to adjustments as per income tax act, Tax effects of change in deferred tax rate & Tax effects of difference between current tax rate and deferred tax rate	145763816	14581821
<b>Income Tax Expense</b>	<b>491785398</b>	<b>417314010</b>

## Current Tax Asset/(Liability)

[Amt. ₹]

Particulars	2017-2018	2016-2017
Income Tax asset/(liability) at the beginning of the reporting period	(359614867)	(262429849)
Increase in liability as per income tax adjustment	(120821184)	(37223290)
Income Tax paid/(refund)	480436051	299653139
Current income tax payable for the year		359614867
Net Current Income Tax Asset/(liability) at the end of the period	491785398	359614867
Income Tax Asset	0	0
<b>Income Tax Liability</b>	<b>302866306</b>	<b>359614867</b>

## Deferred Tax Assets/(Liabilities)

[Amt. ₹]

Particulars	2017-2018	2016-2017
The balances comprises temporary differences attributable to :	3763727	28545531
<b>Deferred Tax Assets</b>		
Disallowances under the Income Tax Act, 1961	1464385	(27729770)
Difference of WDV of fixed assets	281658	3988
<b>Deferred Tax Liabilities</b>		
Disallowances under the Income Tax Act, 1961	1240395	1170053
Related to Fixed Assets	(3528389)	(4114031)
<b>Net Deferred Tax Asset/(liability)</b>	<b>7797764</b>	<b>3763727</b>

**MOVEMENT IN DEFERRED TAX****For the year ended on March 31, 2017**

Particulars	As at April 1, 2016	Credit/ (charge) in the Statement of Profit and Loss	Credit/(charge) in Other Comprehensive Income	As at March 31, 2017
<b>Deferred tax assets/(liabilities)</b>				
Disallowances under the Income Tax Act, 1961	45476108	(38588369)		6887739
Fair value of Employee Stock Option Plan	666771	(666771)		0
Related to Fixed Assets	(7242031)	4118019		(3124012)
Amortisation of Transaction Cost as per EIR Method	(10355317)	10355317		0
<b>TOTAL</b>	<b>28545531</b>	<b>(24781804)</b>	<b>0</b>	<b>3763727</b>

**For the year ended on March 31, 2018**

Particulars	As at March 31, 2017	Credit/ (charge) in the Statement of Profit and Loss	Credit/(charge) in Other Comprehensive Income	As at March 31, 2018
<b>Deferred tax assets/(liabilities)</b>				
Disallowances under the Income Tax Act, 1961	6887739	621752		7509491
Related to Fixed Assets	(3124012)	3412285		288273
<b>TOTAL</b>	<b>3763727</b>	<b>4034037</b>	<b>0</b>	<b>7797764</b>

**40. SEGMENT INFORMATION:**

In line with Ind AS 108 operating segments and basis of the review of operations being done by the senior management, the operations of the group falls under real estate business which is considered to be the only reportable segment by the management.

**1. Information about Products and Services:**

[Amt. ₹]

Product/Service	Revenue from the product	
	2017-2018	2016-2017
Real Estate Promotion & Development	5001877741	4017207887

**2. Information about Geographical Areas:**

[Amt. ₹]

Geographical Information	Within India	
	2017-2018	2016-2017
Revenues	5001877741	4017207887
Non Current Assets	2963900059	3358368383

**3. Information about Major Customers:**

Revenue from transactions with a single customer does not amount to 10 percent or more of entity's revenues with any customer.

# Notes Forming Part of Consolidated Accounts

as at 31/03/2018

## 41. RELATED PARTY TRANSACTIONS:

### Other Related Parties

Starnet Software (I) Limited	Matang Properties Pvt. Ltd.
Ganesh Infrastructure (I) Private Limited	Madhumati Realty Pvt. Ltd.
Gaven Construction Pvt. Ltd.	Ganeshsagar Infrastructure Pvt. Ltd.
Gitanjali Infrastructure Private Limited	Madhuj Realty Pvt. Ltd.
Mitul (Thaltej) Complex Private Limited	Sujan Developers Pvt. Ltd.
Shardul Buildcon Private Limited	Shaily Infrastructure Pvt. Ltd.
Sulabh Realty Private Limited	Medhbhuti Complex Pvt. Ltd.
Vivan Infrastructure Pvt. Ltd.	Martand Estate Pvt. Ltd.
Yash Organiser Pvt. Ltd.	Tarang Realty Private Limited

### Key Managerial Personnel

Shri Shekhar G. Patel
Shri Dipakkumar G. Patel

### Relative of Key Management Personnel

Smt. Sapnaben D. Patel
Smt. Archanaben S. Patel
Late Smt. Lalitaben G. Patel
Mr. Anmol D. Patel
Ms. Aneri D. Patel

### Key Managerial Personnel Compensation

[Amt. ₹]

Particulars	2017-2018	2016-2017
Short term employee benefits	24000000	24000000

(Related parties as identified by the company and relied upon by the auditors)

Nature of transactions with related parties and aggregate amount of such transactions for each class of related party balance outstanding as on 31/03/2018:-

[Amt. ₹]

Particulars	2017-2018		2016-2017	
	Other Related Parties	Key Managerial Person	Other Related Parties	Key Managerial Person
<b>Business Advances</b>				
Shaily Infrastructure Pvt. Ltd.	188495639			
Yash Organiser Pvt. Ltd.	34040420			
<b>Advances For Purchase of Land</b>				
Dipakkumar G. Patel		1501670		1501670
Lalitaben G. Patel	592385		592385	
Archnaben S. Patel	2044112		2044112	

[Amt. ₹]

Particulars	2017-2018		2016-2017	
	Other Related Parties	Key Managerial Person	Other Related Parties	Key Managerial Person
Starnet Software (India) Ltd.	1937667667			
<b>Short Term Loan Taken</b>				
Gaven Construction Pvt. Ltd.			19000	
Vivan Infrastructure Pvt. Ltd.			500000	
Sanjay M. Kothari				44950000
Tejas Joshi				46450000
Dipakbhai B. Patel				32449759
<b>Investment in Equity of Other Company</b>				
Starnet Software (India) Ltd.	100		100	
Ganesh Infrastructure (India) Pvt. Ltd.	100000		100000	
<b>Advance Paid For Purchase of Investments:</b>				
Monsoon India Infrastructure Direct II Ltd.	199930737			
<b>Trade Receivables</b>				
Starnet Software (India) Ltd.	103113510		130000000	
Jesika Sanjay Kothari			3885510	
<b>Reimbursement of Expenses</b>				
Shaily Infrastructure Pvt. Ltd.	155401			
Madhuj Realty Pvt. Ltd.	109619		105480	
Madhumati Realty Pvt. Ltd.	26140		26140	
Martand Estate Pvt. Ltd.	4139			
Matang Properties Pvt. Ltd.	4139			
Medhbhuti Complex Pvt. Ltd.	208749		204610	
Ganeshsagar Infrastructure Pvt. Ltd.	31171016		31171016	
Sujan Developers Pvt. Ltd.	233330		67150	
Ganeshsagar Infrastructure Pvt. Ltd.			8341	
<b>Trade Payables</b>				
Ashish Modi – Sitting Fees		49500		30330
Bharat J. Patel – Sitting Fees		27450		13500
Tarang M. Desai – Sitting Fees		47250		33300
Aneri D. Patel – Sitting Fees		27450		16470
Aneri D. Patel – Unpaid Salary	154300		150058	
Shekhar G. Patel		42882400		
Dipakkumar G. Patel		42882400		



# Notes Forming Part of Consolidated Accounts

as at 31/03/2018

[Amt. ₹]

Particulars	2017-2018		2016-2017	
	Other Related Parties	Key Managerial Person	Other Related Parties	Key Managerial Person
Shekhar G. Patel – Unpaid Remuneration		594588		
Dipakkumar G. Patel – Unpaid Remuneration		587552		
Anmol Dipakkumar Patel – Unpaid Salary	195948			
A. Mody Construction Co. – For Labour and Work Contract Exp.	34784			
<b>Other Current Liability</b>				
Dhara Tejas Joshi			3940486	
<b>Advance From Customers</b>				
Tarang Realty Private Limited	1248749		1248749	
<b>Remuneration to Directors</b>				
Dipakkumar G. Patel		12000000		12000000
Shekhar G. Patel		12000000		12000000
<b>Income</b>				
Starnet Software (India) Ltd. – Profit on Waiver of Land Right	330000000		430000000	
<b>Expenses</b>				
Salary to Anmol D. Patel	400000			
Director's Medical Exp.		523304		446951
Sitting Fee		165683		137888
Director's Travelling Exp.		3401887		3068915
Purchase of Land		85784800		
Salary To Aneri D. Patel	2400000		2200000	
Labour & Work Contract Exp. to A. Mody Construction Co.	6491774			

## 42. EMPLOYEE BENEFITS: DEFINED CONTRIBUTION PLAN:

[Amt. ₹]

Particulars	2017-2018	2016-2017
Employer's contribution to Provident Funds	1426991	1339072
Employer's contribution to ESIC	403193	245515
Employer's contribution to Gratuity Fund	12657889	4400390

**43. THE DETAILS OF BUSINESS ADVANCES & LOANS GIVEN FOR BUSINESS PURPOSES ARE AS FOLLOWS:**

[Amt. ₹]

	Balance as on 31/03/2018	Balance as on 31/03/2017
<b>A: Non Current Assets Financial Assets – Loan</b>		
<b>Business Advances to Co-Operative Societies:</b>		
Mahalaxmi Co. Op. Housing Society Limited	0	68927945
Gannath Co. Op. Housing Society Limited	0	1360000
<b>TOTAL</b>	<b>0</b>	<b>70287945</b>
<b>Business Advances given to others:</b>		
Ganesh Plantations Limited	15042325	267870792
Noopur Construction	7500000	7500000
Nisha Construction	7500000	7500000
Shreekala Infrastructure Pvt. Ltd.	255991261	382862961
Shaligram Investments Pvt. Ltd.	3413000	3413000
Siddhivinayak Securities Pvt. Ltd.	3300000	3300000
Mukur Real Estate Private Limited	0	22579984
Treetop Entertainment LLP	19729984	0
<b>TOTAL</b>	<b>312476570</b>	<b>695026737</b>
<b>B: Current Assets Financial Assets – Loan</b>		
<b>Business Advances to Other Related Companies:</b>		
Shaily Infrastructure Private Limited	188495639	0
Yash Organiser Private Limited	34040420	0
<b>TOTAL</b>	<b>222536059</b>	<b>0</b>
<b>Business Advances given to others:</b>		
Ganesh Infotech Limited	0	1246955000
Shaligram Investment Pvt. Ltd.	0	300000000
Shangrila Funworld Pvt. Ltd.	693764878	44876000
Madhukamal Developers LLP	0	830000000
Madhughosh Ventures LLP	97914556	0
Alkaben V. Matadar	4363125	3500000
Mehulbhai Ureshbhai	8975000	0
Prerna Arcade Pvt. Ltd.	42537970	42537970
Rajnikant Kanubhai Patel	37500000	37500000
Redrose Tradelink P. Ltd.	26075273	26075273
Rich Arcade P. Ltd	64312695	64312695
Royal Arcade Pvt. Ltd.	23098150	23098150
Samirbhai C. Patel	8726250	7000000
Sandip Kanubhai Patel	32750000	32750000

# Notes Forming Part of Consolidated Accounts

as at 31/03/2018

[Amt. ₹]

	Balance as on 31/03/2018	Balance as on 31/03/2017
Ureshbhai Jayantibhai	12975000	0
Vaghela Priyanka Rajendrasinh	5230000	5230000
Vinodbhai P. Matadar	4363125	4000000
Madhughosh Ventures LLP	96206640	0
Ganesh Plantations Limited	1084131268	1114119896
Tathya Complex Private Limited	0	111971056
Mukur Real Estate Pvt. Ltd.	0	0
Gavendu Land Developers Private Limited	0	280182742
J.P. Fincorp Services Private Limited	5000000	5000000
<b>TOTAL</b>	<b>2247923930</b>	<b>4179108782</b>

#### 44. EMPLOYEES STOCK OPTION SCHEME:

The company introduced the Employees Stock Option Scheme ("ESOP 2010") in accordance with Securities and Exchange Board of India (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999. The scheme was approved by the members of the company at their meeting held on 30/10/2010. The scheme is announced for all permanent employees and non-executive directors, including independent directors of the company and its subsidiary company/companies. Total grant approved by the company is 1500000 options which are earmarked and to be granted under the scheme over a period of five years. Under the scheme 998815 equity shares have been granted which were vest to the employees over a period of five years and 20% each of the above was vested to the employees as on 01/11/2011, 01/11/2012, 01/11/2013, 01/11/2014 & 01/11/2015. There was no option outstanding for vesting as on 31/03/2018.

#### 45. Additional information as required under Schedule III to the Companies Act, 2013 for Consolidated Financial Statements:

GANESH HOUSING CORPORATION LIMITED					
ADDITIONAL INFORMATION AS REQUIRED UNDER SCHEDULE III TO THE COMPANIES ACT, 2013 OF COMPANY CONSOLIDATED AS SUBSIDIARY					
Sr. No.	Name of the Company	Net Assets i.e. Total Assets Minus Total Liabilities		Share in Profit or Loss	
		As % of Consolidated Net Assets	[Amt. ₹]	As % of Consolidated Profit/Loss	[Amt. ₹]
<b>A</b>	<b>Parent – Indian</b>				
	Ganesh Housing Corporation Limited	86.26	7670332722	76.80	390666882
<b>B</b>	<b>Subsidiaries – Indian</b>				
1	Essem Infrastructure Private Limited	6.31	560679742	5.24	26647639
2	Gatil Properties Private Limited	33.73	2999548780	(0.37)	(1863587)
3	Maheshwari (Thaltej) Complex Private Limited	5.25	466443776	18.22	92663574
<b>C</b>	<b>Non Controlling Interests in all Subsidiaries – Indian</b>				
1	Gatil Properties Private Limited	10.42	926860577	0.01	33608

**46. As per the first provision to sub-section 3 of section 129 read with Rule 5 of Companies (Accounts) Rules, 2014 statement in form AOC – I regarding details of subsidiaries companies are given below:**

GANESH HOUSING CORPORATION LIMITED				
SALIENT FEATURES OF FINANCIAL STATEMENTS OF SUBSIDIARY AS PER COMPANIES ACT, 2013				
[Amt. ₹]				
Sr. No.	Name of the Subsidiary Company	Essem Infra Private Limited	Gatil Properties Private Limited	Maheshwari (Thaltej) Complex Private Limited
1	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01/04/2017 to 31/03/2018	01/04/2017 to 31/03/2018	01/04/2017 to 31/03/2018
2	Reporting Currency	INR	INR	INR
3	Exchange Rate	1	1	1
4	Paid up Capital	150000	129590830	100000
5	Reserves	560529742	2869957950	466343776
6	Total Assets	7216601851	3032685843	759210570
7	Total Liabilities	6655922109	33137063	292766794
8	Investments	NIL	NIL	NIL
9	Turnover/Total Income	2435957803	649228	429009463
10	Profit/(Loss) Before Taxation	46647213	(1008484)	147265812
11	Provision for Taxation (Net)	(19999574)	(855103)	(54602238)
12	Profit/(Loss) After Taxation	26647639	(1863587)	92663574
13	Proposed dividend	NIL	NIL	NIL
14	Percentage of Shareholding	100.00	69.10	100

1. Name of subsidiaries which are yet to commence operations: None
2. Name of subsidiaries which have been liquidated or sold during the year:-

During the year under review, two subsidiaries viz. Shaily Infrastructure Private Limited and Yash Organiser Private Limited ceased to be subsidiary of the Company w.e.f. 30th January, 2018 and 14th February, 2018 respectively. The consolidated statement of profit & loss of F.Y. 2017-18 includes profit or loss of ceased subsidiaries up to the date of cessation.

**47. CONTINGENT LIABILITIES:**

- A. For the Asst. Year 2007-2008 the Assessing Officer assessed the income of the company and raised a demand of ₹ 127343870/-. Aggrieved by this order the company went in to Appeal with CIT (Appeal). The decision of the CIT (Appeal) came in favour of the company. Against this order the Income Tax Department went in to the ITAT and the company has also filed cross objection. Both the appeals are pending before Income Tax Appellate Tribunal Ahmedabad.
- B. For the Asst. Year 2008-2009 the Assessing Officer assessed the income of the company and raised a demand of ₹ 494887706/-. Against this the company has already paid ₹ 143095169/- during the F.Y. 2011-12. Aggrieved by this order the company went in to Appeal with CIT (Appeal) and CIT (Appeals) has passed an order giving the relief in favour of the company. Against the Order of CIT (Appeals), Income Tax department and the company has filed an appeal before Income Tax Appellate Tribunal Ahmedabad. Both the appeals are pending before Income Tax Appellate Tribunal Ahmedabad.
- C. For the Asst. Year 2009-2010 the Assessing Officer assessed the income of the company and raised a demand of ₹ 44176840/-. Against this the company has already paid ₹ 40000000/- during the F.Y. 2012-13. Aggrieved by this order the company went in to Appeal with CIT (Appeal) and CIT (Appeals) has passed an order giving the part relief in favour of the company by deleting additions. Against the Order of CIT (Appeals), Income Tax department and the company has filed an appeal before Income Tax Appellate Tribunal Ahmedabad. Both the appeals are pending before Income Tax Appellate Tribunal Ahmedabad.

# Notes Forming Part of Consolidated Accounts

as at 31/03/2018

- D. Income Tax department has reopened the case for A.Y. 2009-10 and has passed the order u/s 143(3) r.w.s 147 of the Act and has raised the demand of ₹ 10331651/-. The company has paid ₹ 1000000/- against said demand. The company has preferred an appeal before CIT (Appeals) Ahmedabad and CIT (Appeals) Ahmedabad has passed an order giving the relief in favour of the company. Against the Order of CIT (Appeals), Income Tax department has filed an appeal before Income Tax Appellate Tribunal Ahmedabad which is still pending.
- E. Income Tax Department has reopened the case for A.Y. 2010-11 and has passed the order u/s.143(3) r.w.s.147 of the Act and has raised the demand of ₹ 130334350/-. The company has filed an application u/s. 264 of the I.T. Act, 1961, for Revision of the Order rendered u/s.143(3) r.w.s.147 of the I.T. Act, 1961, before the Pr. Commissioner of Income Tax-2, Ahmedabad for setting aside the order for denovo fresh assessment as the Assessing Officer has not granted proper opportunity of hearing to the company. The said application is pending before the Pr. CIT-2, Ahmedabad.
- F. Income Tax Department has reopened the case for A.Y. 2011-12 and has passed the order u/s.143(3) r.w.s.147 of the Act and has raised the demand of ₹ 185054140/-. The company has filed an application u/s. 264 of the I.T. Act, 1961, for Revision of the Order rendered u/s.143(3) r.w.s.147 of the I.T. Act, 1961, before the Pr. Commissioner of Income Tax-2, Ahmedabad for setting aside the order for denovo fresh assessment as the Assessing Officer has not granted proper opportunity of hearing to the company. The said application is pending before the Pr. CIT-2, Ahmedabad.
- G. For the Asst. Year 2012-2013 the Assessing Officer assessed the income of the company and raised a demand of ₹ 20809200/-. The company has paid ₹ 1000000/- against said demand. Aggrieved by this order the company went in to Appeal with CIT (Appeals) and CIT (Appeals) Ahmedabad has passed an order giving the relief in favour of the company. Against the Order of CIT (Appeals), Income Tax department has filed an appeal before Income Tax Appellate Tribunal Ahmedabad which is still pending.
- H. For the Asst. Year 2015-16 the assessee was under scrutiny assessment under the Income Tax Act, 1961 and the A.O. has passed the order u/s.143(3) of the Act and has raised the demand of ₹ 242969200/-. The company has filed an application u/s. 264 of the I.T. Act, 1961, for Revision of the order rendered u/s.143(3) of the Act for A.Y. 2015-16, filed before Pr. Commissioner of Income Tax-2, Ahmedabad for setting aside the order for denovo fresh assessment as the Assessing Officer has not granted proper opportunity of hearing to the company. The said application is pending before the Pr. CIT-2, Ahmedabad.
- I. The Company has given a guarantee for Non Convertible Debentures issued by Essem Infra Private Limited to the tune of ₹ 225.00 crores & term loan of ₹ 125.00 crores taken by Essem Infra Private Limited. The trustees for the said NCD & term loan are IDBI Trusteeship Services Limited in whose name the guarantee is given. The outstanding balance of NCD as on 31st March, 2018 is ₹ 133.00 crores & for term loan ₹ 125.00 crores.

As per our Report of even date  
For **PURNESH R. MEHTA & CO.**  
Chartered Accountants  
FRN: 142830W

**Purnesh Mehta**  
Proprietor  
Membership No. 032812

Place: Ahmedabad  
Date: 30/05/2018

On behalf of the Board of Directors

**Dipakkumar G. Patel**  
Chairman & Whole-time Director  
[DIN: 00004766]

**Rajendra Shah**  
Chief Financial Officer

Place: Ahmedabad  
Date: 30/05/2018

**Shekhar G. Patel**  
Managing Director  
[DIN: 00005091]

**Priti Kapadia**  
Company Secretary

# Proxy Form

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

## GANESH HOUSING CORPORATION LIMITED

(CIN: L45200GJ1991PLC015817)

Registered Office: Ganesh Corporate House, 100 Feet Hebatpur-Thaltej Road,  
Near Sola Bridge, Off S. G. Highway, Ahmedabad - 380 054

P: +91 79 61608888; F: +91 79 61608899; W: [www.ganeshhousing.com](http://www.ganeshhousing.com); E: [investors@ganeshhousing.com](mailto:investors@ganeshhousing.com)

Name of the member(s):			
Registered address:			
Folio No/ Client ID & DP ID:		E-mail ID:	

I/We, being the member(s) of \_\_\_\_\_ shares of the above named company, hereby appoint:

Name: \_\_\_\_\_ E-mail ID: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_  
Signature: \_\_\_\_\_ or failing him

Name: \_\_\_\_\_ E-mail ID: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_  
Signature: \_\_\_\_\_ or failing him

Name: \_\_\_\_\_ E-mail ID: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_  
Signature: \_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 27<sup>th</sup> Annual General Meeting of the Company, to be held on Saturday, the 29<sup>th</sup> day of September, 2018 at 3.00 p.m. at the Registered Office of the Company at Ganesh Corporate House, 100 Feet Hebatpur-Thaltej Road, Near Sola Bridge, Off S.G. Highway, Ahmedabad - 380 054 and at any adjournment thereof in respect of such resolution as are indicated below:

\*\* I wish my above Proxy to vote in the manner as indicated in the box below:

Sr. No.	Resolution	Vote (Optional) See Note No. 2 (Please mention number of Shares)		
		For	Against	Abstain
	<b>Ordinary Businesses:</b>			
1.	To consider and adopt: <ol style="list-style-type: none"> <li>the Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2018, together with the Reports of the Board of Directors and Auditors thereon and</li> <li>The Audited Consolidated Financial Statement of the Company for the financial year ended 31<sup>st</sup> March, 2018, together with the Report of Auditors thereon.</li> </ol>			

Sr. No.	Resolution	Vote (Optional) See Note No. 2 (Please mention number of Shares)		
		For	Against	Abstain
2.	To declare a dividend on equity shares for the year ended 31st March, 2018			
3.	To appoint a Director in place of Mr. Dipakkumar G. Patel (DIN: 00004766), who retires by rotation and being eligible offers himself for re-appointment			
4.	Ratification of Remuneration of Cost Auditor for the Financial Year 2018-2019			
5.	Approval and Ratification of Material Related Party Transactions			

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2018

\_\_\_\_\_  
Signature of Shareholder

\_\_\_\_\_  
Signature of Proxy holder(s)

Affix  
Revenue  
Stamp  
of Re. 1/-

**Note:**

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. It is optional to indicate your preference. If you leave for, against or abstain column blank against above resolution, your proxy will be entitled to vote in the manner as he may deem fit.



# Attendance Slip

**PLEASE BRING THIS ATTENDANCE SLIP TO THE MEETING HALL AND HAND IT OVER AT THE ENTRANCE**

Joint Shareholders may obtain additional slip at the venue of the meeting

I/We hereby record my/our presence at the 27<sup>th</sup> Annual General Meeting of GANESH HOUSING CORPORATION LIMITED held at the Registered Office of the Company at: Ganesh Corporate House, 100 Feet Hebatpur-Thaltej Road, Near Sola Bridge, Off S. G. Highway, Ahmedabad - 380 054 on Saturday, the 29<sup>th</sup> day of September, 2018 at 3.00 p.m.

Name of the Shareholder : \_\_\_\_\_

Ledger Folio No./CL ID : \_\_\_\_\_

DP ID No. : \_\_\_\_\_

Number of shares held : \_\_\_\_\_

Name of the Proxy/Representative, if any : \_\_\_\_\_

Signature of the Member/Proxy : \_\_\_\_\_

**ROUTE MAP OF THE VENUE OF 27<sup>TH</sup> ANNUAL GENERAL MEETING**





**Ganesh Corporate House**

100 Feet Hebatpur-Thaltej Road, Nr. Sola Bridge, Off S. G. Highway, Ahmedabad – 380 054

**Phone:** +91-79-6160 8888 | **Fax:** +91-79-6160 8899 | **CIN:** L45200GJ1991PLC015817

**Website:** [www.ganeshhousing.com](http://www.ganeshhousing.com) | **E-Mail:** [investors@ganeshhousing.com](mailto:investors@ganeshhousing.com)