



Building lifestyles since 1967



ANNUAL REPORT

2018-19

ANSAL PROPERTIES & INFRASTRUCTURE LIMITED



VISION & MISSION

To fulfill growing aspirations of our customers by building world class real estate solutions & redefining lifestyle standards



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COMPANY INFORMATION

BOARD OF DIRECTORS

Shri Sushil Ansal	Chairman & Whole Time Director
Shri Pranav Ansal	Vice Chairman & Whole Time Director
Shri Yogesh Gauba	Whole Time Director & CEO
Dr. Lalit Bhasin	Independent Director
Shri Arvind Kumar Gupta	Independent Director
Shri Malay Chatterjee	Independent Director
Smt. Jagath Chandra	Independent Director

AUDIT COMMITTEE MEMBERS

Dr. Lalit Bhasin	Chairman
Shri Arvind Kumar Gupta	Member
Shri Malay Chatterjee	Member
Smt. Jagath Chandra	Member

VICE PRESIDENT (FINANCE & ACCOUNTS) & CFO

Shri Sunil Kumar Gupta

COMPANY SECRETARY

Shri Abdul Sami

STATUTORY AUDITORS

M/s. S. S. Kothari Mehta & Co.
Chartered Accountants
New Delhi

FINANCIAL INSTITUTIONS / NBFCs

Housing Development Finance Corporation Limited
IL&FS Urban Infrastructure Managers Limited
DMI Finance Pvt. Limited
HDB Financial Services Limited
IL&FS Financial Services Limited
Xander Finance Private Limited

BANKERS

Punjab National Bank
The Jammu & Kashmir Bank Limited
Yes Bank Limited
Allahabad Bank
Bank of Maharashtra
Bank of India
Indian Bank
Syndicate Bank
HDFC Bank

CORPORATE IDENTITY NUMBER (CIN)

L45101DL1967PLC004759

REGISTERED OFFICE

115, Ansal Bhawan
16, Kasturba Gandhi Marg
New Delhi - 110 001

REGISTRAR & SHARE TRANSFER AGENT

M/s. Link Intime India Private Limited
Noble heights, 01st Floor, Plot no.: NH-2,
C-1 Block, LSC, Near Savitri Market,
Janakpuri, New Delhi - 110058
Tel. No. 41410592-94

DIRECTORS' REPORT**Dear Members/ Shareholders,**

Your Directors are pleased to present the 52nd (Fifty Second) Annual Report along with the Audited Financial Statements of your Company for the Financial Year ended the 31st March, 2019.

COMPANY PERFORMANCE

Financial Highlights (Standalone)

(Rs. in Lakhs)

Particulars	For the year ended 31.03.2019		For the year ended 31.03.2018	
Sales & Other Income		64,875.23		56,881.50
Profit (Before Interest, Depreciation, Exceptional Items and Taxes)		9,740.20		6,678.94
Less : Interest	12,497.18		10,170.97	
Depreciation	232.24		331.97	
Exceptional Items	2,183.63	14,913.05	2,562.75	13,065.69
Profit / (Loss) before Tax		(5,172.85)		(6,386.76)
Less : Provision for taxation		845.99		(2,529.53)
Profit / (Loss) after Tax carried to Balance Sheet		(6,018.83)		(3,857.23)
Other Comprehensive Income (Net of Tax)		11.40		25.92
Add :- Surplus Profit brought forward from previous year		-		-
Disposable Profit		-		-
Appropriation :-				
- Proposed Dividend including Dividend Tax		-		-
- Transfer to General Reserve		-		-
- Debenture Redemption Reserve		-		-
Surplus (Deficit) carried to Balance Sheet		(6,007.44)		(3,831.31)

RESULTS OF OUR OPERATIONS

Net Loss for the year 2018-19 stood at Rs. (6,007.44) lakhs as against loss of Rs. (3,831.31) in the year 2017-18. The total turnover including other income for the year 2018-19 stood at Rs. 64,875.23 lakhs, as compared to Rs. 56,881.50 lakhs for the year 2017-18.

TRANSFER TO RESERVES

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

CAPITAL STRUCTURE

During the Financial Year 2018-19, there has been no change in the capital structure of the Company.

DIVIDEND

The Board of Directors of your Company, keeping in view the loss in the Financial Year 2018-19 and uncertainties in the real estate sector and so also the imperative need to conserve resources, has decided not to recommend any dividend for the said financial year.

LOANS, GUARANTEES AND INVESTMENTS

Details of loans, guarantees and investments under the provisions of Section 186 of the Companies Act, 2013 ("Act") read with the Companies (Meetings of Board and its Powers) Rules, 2014, as amended from time to time as on 31st March, 2019, are set out in the Standalone Financial Statements forming part of this Annual Report.

CONSOLIDATED FINANCIAL STATEMENTS

The Audited Consolidated Financial Statements of your Company for the Financial Year 2018-19 have been prepared in accordance with the applicable provisions of Companies Act, 2013, Rules made thereunder, Indian Accounting Standards (IND –AS) and the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (hereinafter referred to as the “Listing Regulations”), and are forming part of this Annual Report.

FIXED DEPOSITS

As on the 31st March, 2019, fixed deposits stood at Rs. 9,955.69 lakhs as against Rs. 11,135.60 lakhs in the previous year.

As already reported earlier, the Company could not comply with the provisions of Section 73 and other applicable Sections of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014 and therefore the Company had w.e.f. the 01st April 2014, stopped accepting/renewing fixed deposits.

Since the Company was unable to make payments to its fixed deposit holders as per the schedule mentioned in its Fixed Deposit Schemes due to fund constraints arising out of downturn in the real estate market, a revised schedule of payment of fixed deposits was approved by the then Hon’ble Company Law Board, New Delhi Bench (“CLB”) vide its Order dated the 30th December, 2014.

Subsequently, fresh petition/s had been filed at Principal Bench of the Hon’ble National Company Law Tribunal (“NCLT”), New Delhi for seeking further extension of time for repayment of Fixed Deposits (“FDs”) payable as there was no improvement in the fund position of the Company and the real estate market continued to remain depressed.

In response thereto, NCLT passed Order/s for repayment of fixed deposits with certain conditions.

Thereafter, at the various hearings held before NCLT and at the last hearing held on the 25th July, 2019, NCLT has reviewed the status of its previous Order and decided that the scheme shall be further extended based on the compliance done by the Company.

The Company has made payments to the fixed deposit holders in compliance with the fresh proposal approved by NCLT till March, 2019. The next date of hearing will be on the 29th August, 2019.

The Company is complying with above NCLT Orders. Further, provisions of Sections 73 to 76 or any other relevant provisions of the Act whichever is applicable, are being complied by it except the Company has not maintained the liquid assets on or before 30th April, 2019, as required under Section 73(2) of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 due to reasons mentioned aforesaid.

Details relating to deposits covered under the aforesaid Rules are as follows:

Deposit accepted during the year: Nil

Deposit accepted before the 01st April 2014 is in compliance with the requirements of the Companies Act, 1956 and Rules there under.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY

No Material changes and commitments have occurred between the end of Financial Year 2018-19 and the date of this Report which could affect the financial position of the Company.

DEVELOPMENT IN BUSINESS OPERATIONS / PERFORMANCE

There has been no change in Nature of Business of the Company during the Financial Year 2018-19.

Your Company is constantly striving to create world class solutions in real estate and uplift the quality of life. Over the five decades it has been engaged in the business of real estate in various facets and in that process, it has been evolving as a professionally managed organization striving for excellence.

During the last 52 years, it had been and presently engaged in the field of housing and real estate business covering development of Hi- Tech and integrated townships and other large mixed-use and standalone developments in the residential, commercial, retail and hospitality segments, with a focus on large-scale mixed use developments, particularly in residential projects. The business is being carried on by the Company on its own as well as through various subsidiaries, joint ventures and collaborations etc. The projects of your Company are located in the Delhi NCR, the States of Uttar Pradesh, Haryana,

Rajasthan and Punjab..

Through Management Discussion and Analysis Report forming part of the Directors' Report, your Board has tried to capture broader overview of the Global economic scenario and the Indian economy situation and more particularly the status of the real estate sector prevailing in the Country which have and shall have an impact on the nature of the Company's business and generally in the class of business in which the Company has interest.

No significant and material order has been passed by the Regulators or Courts or Tribunal affecting the going concern status and the Company's operations in future.

REAL ESTATE SECTOR

Real estate is one of the most important sector in India and has contributed a lot in the economic growth engine of the Country. The sector is instrumental in the growth of several other sectors in India through its backward and forward linkages.

The entry of major private players in the education sector has created vast opportunities for the real estate sector. Emergence of nuclear families, rapid urbanisation and rising household income are likely to remain the key drivers for growth in all spheres of real estate, including residential, commercial and retail. Rapid urbanisation in the Country is pushing the growth of real estate.

The real estate sector including construction is a pivotal cog of economic growth for India, as it contributes the third highest share to the Indian economy and is also the third largest employer (after agriculture and manufacturing). With forward and backward linkages to over 250 sectors and ancillary industries, the real estate sector is the third-highest contributor to the economy of India.

The Indian real estate market is expected to touch US\$ 1 trillion by 2030 and it will contribute 13 percent of the Country's Gross Domestic Product (GDP) by 2025. Apart from the housing sector, which is contributing significantly to the Country's GDP, Retail, Hospitality and Commercial Real Estate are also growing at rapid pace, providing the much-needed infrastructure for India's growing needs.

Your Company has at present projects under various stages of implementation across residential, commercial, retail and others. It focuses on mixed use development, particularly in residential projects, and, has a leading position in the housing segment, particularly in key cities in northern India. Within the residential asset class, the projects of the Company range from large-scale integrated townships to mixed use and standalone detached single and group housing, as well as serviced plots. Your Company continues to follow the strategy of developing integrated townships in key cities in north India.

TOWNSHIPS

Townships development is a trend that has already caught the acceptance of Indian real estate consumers. A trend that has played an essential role in opening the floodgates for the development of integrated townships across the Country that offer their residents the promise of a quality lifestyle tailored to suit every budget. Your Company has developed and continues to develop world-class residential townships, complexes, giving facilities to its customers, stakeholders and investors while giving a new dimension to the India's infrastructure development.

Details of major projects / townships of your Company are discussed in the Management Discussion and Analysis Report which forms a part of this Annual Report.

CORPORATE SOCIAL RESPONSIBILITY ("CSR")

Your Company has always been a committed organisation in working towards social causes and meeting the societal expectations and thus ushering in cooperative relationship. With this very notion in mind, the Company now seeks to extend its support towards community service with a public -spirited approach by enhancing the quality of life in the field of healthcare, learning and basic infrastructure facilities to the underprivileged. Through its CSR initiatives, your Company wishes to create a community of goodwill thus enabling itself to reinforce a positive and socially amicable corporate entity.

Your Company aims to actively contribute towards a healthy and harmonious environment in the society and communities around its areas of operation.

The Corporate Social Responsibility (CSR) Committee constituted by the Board of Directors ("Board") on the 07th February,

2014, is in consonance with the requirements of the Section 135 of the Companies Act, 2013 and its Rules. The said CSR Committee has been entrusted with the responsibility of formulating and recommending to the Board, a Corporate Social Responsibility Policy ("CSR Policy") indicating the activities to be undertaken by the Company, monitoring the implementation of the framework of the CSR Policy and the amount to be spent on CSR activities. The CSR policy approved by the Board is available on the website of the Company i.e. <http://www.ansalapi.com/pdf/Corporate-Social-Responsibility-Policy2017.pdf>

The Composition of the said Committee and other particulars are mentioned in the Corporate Governance Report which forms part of this Annual Report.

Your Company has since long supported the under-privileged and socially and economically backward sections of the society. This can be seen from many of its social projects in terms of setting up of schools, health care facilities, old age care homes and affordable homes for weaker sections. Your Company collaborates with social, charitable and NGOs which are similarly engaged in pursuit of upliftment of under-privileged sections of the society.

Annual Report on the Corporate Social Responsibility Activities for the Financial Year ended on the 31st March, 2019.

The CSR report for the Financial Year ended 31st March, 2019 is attached as **Annexure – A** to the Directors' Report.

A. EDUCATION

Education imparts not just knowledge but nurtures an individual's evolution for the future. The key factor of knowledge is at the core of all development efforts in advancing economic and social well being in an emerging nation like India.

Your Company, through its associates/ Trust, has ushered in the field of education and has built eminent institutes like:

Ansal University

Chiranjiv Charitable Trust ("CCT") has established "Ansal University" under the Haryana Private Universities Act, 2006 in consonance with Section 2(f) of the University Grants Commission Act, 1956. Ansal University is dedicated to its mission to transform lives and communities through education and research and achieve excellence through participatory governance and focus on quality research and innovation.

The University has established various Schools and Centers of Excellence with a focus on education and research in Architecture, Planning, Design, Engineering & Technology, Management, Hospitality, Law and Health Sciences. The key pillars of educational philosophy of the University are; industry relevance, global orientation, trans-disciplinary learning and character building supported by research and innovation. The contemporary curriculum and innovative pedagogy, emphasizing on holistic development of personality prepare graduates to be industry ready professional and excellent human beings.

A brief of various schools of the University is given below:

Sushant School of Art & Architecture ("SSAA"):-Conceived with the objective of combining traditional Indian aesthetics and art and culture the school emphasizes on developing human sensibilities. SSAA not only fulfils this objective but also goes beyond and sets its own paradigm for others to emulate. SSAA has completed 30 years of its existence and it has been recognised as one of the top schools of architecture in the Country.

SSAA has associations with many international universities and institutions such as University of Westminster, Bartlett College of Architecture and AA School London. These international relationships ensure that SSAA is always in dialogue with the world community.

Sushant School of Design: Its curriculum is planned and progressed keeping in mind the individual's potential and abilities for pursuing the courses of interior designing, fashion and textiles designing, product designing, and visual communication. The School has academic collaboration with Art University of Bournemouth (AUB), UK.

School of Engineering and Technology: It is focussing on renewable energy and advanced technologies like Artificial Intelligence and Machine Learning, Cyber Security and Robotics Process Automation and Design and Development. It offers Bachelor's and Master's degrees in Computer Science Engineering, Civil Engineering, Electrical Engineering, Electronics and Communication Engineering and has collaboration with University of West of England, Bristol, UK. The School has collaborated with Lucideus Technologies to offer B-Tech in Cyber Security, Xebia to offer a specialization in DevOps and has established a Center of Excellence in IoT with IoT-NCR.

Sushant School of Business: The school offers futuristic programmes at Undergraduate and Post-Graduate levels and include MBA, BBA (H) and B.Com (H). In collaboration with the renowned University of Warwick, UK, the School emphasizes on practical learning and emphasizes on Entrepreneurship Development. The School offers all the functional specializations as part of BBA and MBA programmes.

School of Hospitality Management: It has been setup in partnership with World's No. One Hospitality School VATEL from France. The school is offering courses in Hotel Management & Catering Technology.

School of Law: The University School of Law offers two 5-year LLB (H) programmes namely BA-LLB (H) and BBA-LLB (H), 3-year LLB (H) and LLM programmes. The school has highly qualified faculty members and has set up a unique Legal Aid Clinic with the Woman Police Station in Gurugram.

Sushant School of Planning & Development: To offer programmes in Planning, Development, Policy and Governance, the University carved out School of Planning and Development out of its School of Art and Architecture. It offers Bachelor's and Master's Degree programmes and has collaborated with Queens University of Belfast, UK.

Sushant School of Health Sciences ("SSHS"): The School offers allied health science programmes in niche areas of Cardio-vascular Technology, Optometry, Imaging Technology, Dialysis Technology, Lab Technology at both Undergraduate and Post Graduate levels. The School has some of its laboratories established in collaboration with OXSight, Menicon, Manthan Eye Care Health Centre and has set up a ICU simulator in collaboration with YUVA Healthcare Institute.

Ansal University, in line with its vision and mission has established i4 Centre at Ansal University in collaboration with Sam Circle USA to promote research, entrepreneurship development and innovation exchange. Sam Circle will work through its associate India International Innovation Institute (i4) in India.

B. RESEARCH & RESOURCES CONSERVATION

Your Company recognizes the relationship of business sustainability with resources management and is committed to supervise and conserve the amount of water and electricity used across its project sites at the time of construction. It has installed Solar Power Plants at some of its location with view of generating clean energy for internal consumptions.

Scientific Research Program – In this era of technological advancement throughout the World, there is need for development of new technologies. Therefore, your Company has undertaken a scientific research program to bring out innovations in the field of Solar Energy Projects.

In India there is a wide gap between the demand for electricity and its availability, leading to load shedding in many areas particularly in rural areas. To plug the gaps, small auxiliary power plants are being set up by the governments which are based on gas and oil to make them cost efficient. The solar thermal systems can provide very efficient and cost-effective alternatives for power demands. The project of your Company is expected to yield benefits for the entire society clubbed with availability of sustainable and clean energy with reasonable costs.

In order to create awareness amongst employees towards environment and resources conservation, your Company organises various camps and has been anchoring green initiatives on a regular basis. The projects of your Company have integrated environment protection, upgradation, conservation, water harvesting, etc. and plantation of trees etc. as a part of the sustainable development.

C. DAY CARE CRECHE FACILITIES AT PROJECT SITES

Your Company, through an NGO- 'Mobile Crèches', strives to ensure a healthy and secure childhood for children through quality day care programs aimed at holistic development. This further creates favorable conditions for Women to work at the Company's project sites by providing them the necessary day care support for their children and providing opportunities for basic schooling skills. Day care programs run for eight hours, six days a week for children as young as newborns to twelve year olds, with trained, experienced and caring staff.

D. COMMUNITY DEVELOPMENT INITIATIVES

Your Company strongly believes in contributing to and investing in communities in and around its project sites. Under this endeavour, several initiatives have made a lasting impact on the economic, environmental and social conditions of local people. Some such initiatives are:

- Tree plantations

- ✱ Adoption of villages connected to project sites of the Company
- ✱ Construction of roads, sanitation facilities and temples
- ✱ Provision of electricity
- ✱ Provision of employment
- ✱ Sponsorship of Vocational Training Programmes
- ✱ Blood Donation Camps
- ✱ Provision of health facilities to poor people

E. HEALTHCARE

- ✱ **Diya India Foundation:-** This NGO is engaged for betterment of weaker sections of society. Your Company, through this trust, has been supporting primary school education to the underprivileged children from the slum clusters. Today the foundation has two school buildings - Chetan Vidya Mandir and Chetan Playway School. It is also being planned to conduct regular basic healthcare facilities with assistance in medicines to those in need in villages that have no access to the hospital facility.
- ✱ **Village Kahma in Punjab:-** The welfare and social upliftment of this village and the surrounding areas has been undertaken through Kahma Welfare Committee, a non- profitable organization set up for this purpose. This initiative has been in progress for decades. A hospital in Kahma-Hansraj Government Hospital - in the name of Late Sh. Hans Raj – grandfather of Shri Sushil Ansal, has been set up. The Welfare Committee has been working well in providing medical support to the villagers of Kahma in Punjab and adjoining villages with the support from your Company. Specialized eye/ health camps are organized every year and many are getting benefitted through camp facility.

F. HOUSING FOR ECONOMICALLY WEAKER SECTIONS (“EWS”) OF THE SOCIETY

Many plots/flats are reserved for Economically Weaker Sections of the society, in townships of your Company, which are in the process of development. The plots/flats were allotted through open public lottery system at highly subsidised rates with easy interest free instalments. The affordable homes are being developed in the projects at Uttar Pradesh and Rajasthan and it is also proposed to further add to above tally of dwelling units in the affordable housing category in the next few years.

G. SENIOR CITIZEN HOME

A plot of 1000 sq. m. had been donated long ago to establish a Senior Citizen's Home in Palam Vihar, Gurgaon. Free technical and engineering support was provided to build this home called Chiranjiv Karam Bhoomi. Several senior citizens are staying in this home which is being run by Divya Chaya Trust comprising Dr. (Mrs.) Kusum Ansal, wife of Shri Sushil Ansal and other members of the Trust.

H. PROMOTION OF LITERATURE

Kusumanjali Foundation, another social and literary initiative of your Company, a non-profit making company is promoting literary works in Hindi and other regional languages. Kusumanjali Foundation has been established by Dr. (Mrs.) Kusum Ansal, the well-known writer and supported by your Company.

A literary charitable organisation known as SAMVAD was successfully launched many years ago. It provides an opportunity for creative writers where their literary works are discussed and analysed. Your Company's social and charitable initiatives have been giving support for more than two decades. A collection of the selected works of the members of the SAMVAD has been compiled into a book for dissemination to public and creative fraternity.

AUDIT COMMITTEE

The composition of the Audit committee is covered under the Corporate Governance Report which forms the part of this Annual Report. All the recommendations given by the Audit Committee were accepted by the Board.

INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial control with reference to financial statements. The Board of Directors have noted/approved the policies and procedures adopted by the Company for ensuring an orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of