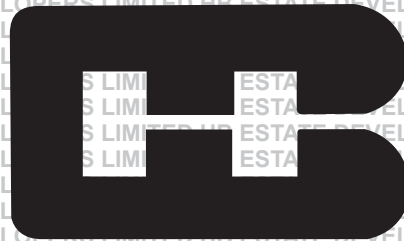


24th Annual Report 2017 - 18



HB ESTATE DEVELOPERS LIMITED



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

**BOARD OF DIRECTORS**

Mr. Lalit Bhasin	Chairman
Mrs. Asha Mehra	Director
Mr. Anil Goyal	Director
Mr. J.M.L. Suri	Director
Mr. Rajesh Jain	Director
Mr. Luv Malhotra	Director

CHIEF FINANCIAL OFFICER (CFO)

Mr. Praveen Gupta

COMPANY SECRETARY

Mrs. Radhika Khurana

STATUTORY AUDITORS**G. C. Aggarwal & Associates**

Chartered Accountants
240, Ghalib Apartments
Parwana Road, Pitampura,
Delhi - 110 034

REGISTERED OFFICE

Plot No. 31, Echelon Institutional Area,
Sector-32, Gurugram - 122 001, Haryana
Ph : 0124-4675500, Fax : 0124-4370985
Email : corporate@hbestate.com
CIN: L99999HR1994PLC034146

WEBSITE<http://www.hbestate.com>**REGISTRAR & SHARE TRANSFER AGENT****RCMC Share Registry Pvt. Ltd.****CIN: U67120DL1950PTC601854**

B-25/1, First Floor
Okhla Industrial Area Phase-II
New Delhi - 110020
Ph : 011-26387320, 26387323
Fax : 011-26387322
E-mail: investor.services@rcmcdelhi.com
Website: www.rcmcdelhi.com

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NOTICE

NOTICE IS HEREBY GIVEN THAT THE 24TH ANNUAL GENERAL MEETING OF HB ESTATE DEVELOPERS LIMITED WILL BE HELD AS FOLLOWS:

(Note: The Company is providing facility for voting by electronic means and the business of this meeting may be transacted through electronic voting system.)

Day : Tuesday

Date : 25th September, 2018

Time : 11.00 A.M.

Place : GIA House, I.D.C., Mehrauli Road, Opp. Sector 14, Gurugram (Haryana) - 122 001
(Please see route map provided in this Annual Report)

to transact the following business(es):

ORDINARY BUSINESS:

1. To receive, consider and adopt the Standalone and Consolidated Audited Financial Statements of the Company for the year ended 31st March, 2018, including the Audited Balance Sheet as at 31st March, 2018, the Statement of Profit & Loss for the year ended on that date together with the Reports of the Board of Directors and Auditors thereon.

2. To appoint a Director in place of Mr. Lalit Bhasin (DIN: 00002114), who retires by rotation and being eligible, had offered himself for re-appointment.

3. To re-appoint M/s. G.C. Agarwal & Associates, Chartered Accountants (Firm Registration No. 017851N) as the Statutory Auditors of the Company and to fix their remuneration.

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 Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Companies (Audit and Auditors) Rules, 2014, (the Rules), (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the appointment of 'G. C. Agarwal & Associates', Chartered Accountants, Delhi (FRN 017851N), the Statutory Auditors of the Company, who holds office until the conclusion of 28th Annual General Meeting (AGM) of the Company to be held in the year 2022, be and is hereby ratified for the Financial Year 2018-2019 at such remuneration as may be fixed by the Board of Directors of the Company."

SPECIAL BUSINESS:

4. **Issuance of Redeemable Non Cumulative Non Convertible Preference Shares – Series III**

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

"RESOLVED THAT pursuant to the provisions of Sections 42.55 and other applicable provisions, if any of the Companies Act, 2013 read with the all applicable Rules made thereunder (including any amendment / modifications thereto or re-enactment thereof for the time being in force), Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the Company's Policy on Related Party Transactions and in accordance with the enabling provisions of the Articles of Association of the Company, subject to such approvals, consents, sanctions and permissions of appropriate authorities, departments and bodies as may be required and as per the approval of Audit Committee and such terms and conditions, alteration and modifications as may be considered appropriate and agreed by the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall include a duly authorized committee thereof for the time being exercising the powers conferred by the Board) consent of the Company be and is hereby accorded to Board to offer and issue in one or more tranches, 50,00,000 (Fifty Lakhs) Redeemable Non-Cumulative Non-Convertible Preference Shares – Series III of face value of Rs.100/- each ("Preference Shares") to various entities/persons including Promoters / Promoter Group & Associates whether or not they are related party / member(s) of the Company on private placement basis, aggregating to ₹ 50,00,00,000/- (Rupees Fifty Crores Only) on the following terms and conditions contained hereinbelow and / or in the Explanatory Statement annexed to the Notice:

- The Preference Shareholder(s) shall have priority with respect to payment of dividend or repayment of capital vis-à-vis Equity shares.
- The participation of Preference Shareholders in the surplus fund shall be pari-passu with the existing Equity and Preference Shareholders as may be permissible at the relevant point of time.
- The said Preference Shares shall in winding up be entitled to rank, as regards repayment of Capital, whether declared or not, upto the commencement of the winding up, in priority to the Equity Shares but shall not be entitled to any further participation in profits or assets.
- The Preference Shareholder(s) shall carry a fixed non-cumulative preference dividend of 9% (Nine Percent) on the Capital paid-up thereon.
- The Preference Shares are not convertible into Equity Shares.
- The voting rights of the persons holding the said Preference Shares shall be in accordance with the provisions of Section 47 of the Companies Act, 2013 (including any statutory modifications or re-enactments thereof for the time being in force).
- The Preference Shares shall be redeemable not later than the date and in the manner/ mode as may be determined by the Board of Director(s) at the time of allotment or such other date as may be determined by the Board but not later than a period exceeding twenty (20) years.

RESOLVED FURTHER THAT for the purpose of giving effect to the resolution, the Board be and is hereby authorized to take all such steps and actions and give such directions as may be in its absolute discretion deem necessary and to settle any question that may arise in this regard, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of Directors or any other Officer(s) / Authorised Representative(s) of the Company to give effect to the aforesaid resolution."

5. **To Consider and approve Alteration of Objects Clause of Memorandum of Association of the Company**

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

"RESOLVED THAT pursuant to the provisions of Section 4, 13 and all other applicable provisions, if any of the Companies Act, 2013, including any statutory modification or re-enactment thereof for the time being in force and the rules framed thereunder, the approval of members of the Company be and is hereby granted for alteration of Clause III(A) of the Memorandum of Association (MOA) of the Company as follows:

III.A THE OBJECTS TO BE PERSUED BY THE COMPANY ON ITS INCORPORATION ARE:

- To carry on, in India or elsewhere, either alone or jointly with one or more persons, companies, government, or other entities and bodies of any kind, the business of hotels of every kind and sort, including hotel rooms, serviced apartments, banquet facilities, conference facilities, meeting rooms, function halls, convention centres, shopping galleries, retail and service shops, offices, libraries, swimming pool, health club, spa, fitness centres, beauty parlors, saloons, restaurants, café, bakery, tavern, pubs, bars, clubs, discotheques, casinos, coach, cab and motor car providers, caterers, housekeeping, laundry, amusement and recreational facilities, parking, back offices, along with all the conveniences, amenities and facilities adjunct thereto and such other facilities as may be provided in hotels of all kinds, and to own, purchase, take over, acquire, erect, construct, build, set up, furnish, adapt, manage, franchise, run, use, maintain, operate or in any other manner and in all its aspects deal in, hotels of every kind and sort, including all land, buildings, premises, conveniences, amenities and facilities adjunct thereto, and to manage hotels of every kind and sort, with all related facilities and necessary adjuncts, whether owned by the Company or otherwise, and to render technical services, managerial services, advisory services thereon, including in relation to construction and / or operations of hotels with all related facilities and necessary adjuncts, to any persons or entities, and also to carry on the business of builders, developers, re-developers, constructors, contractors, designers, architects, consultants, of residences, apartments, dwelling houses, residential complexes, tenements, serviced residences, branded residences, offices, shops, exhibition halls, convention centres, conference centres, auditoriums, discotheques, sports and recreational facilities, and structures or properties of all kinds, tenure or description for commercial or residential purpose with requisite infrastructure and conveniences, and for these purposes to, either alone or jointly with one or more persons, government, or other bodies, purchase, own, take on lease or otherwise acquire and hold any lands or buildings of any tenure or description wherever situated, or rights or interests therein or connected therewith, to prepare building sites, and to construct, reconstruct, pull down, renovate, develop, alter, improve, decorate, furnish, use, manage and maintain such properties, either alone or jointly with one or more persons, and whether under its brand name and/or that of one or more other persons, and to lease, sell, license, rent, deal in or otherwise dispose of the same on ownership basis, installment basis, license, lease or rental or any other basis and transfer such properties or any rights therein to co-operative societies, limited companies, bodies corporate, partnerships, association of persons or individuals or any person or entity, as the case may be, and to promote, operate, maintain, manage, market, enter into brand licensing arrangements, provide consultancy services, technical services, operation and management services, facilities management services, hospitality services, housekeeping services and other services, to any persons or entities, in relation to the residential or commercial projects, immovable properties and other real estate assets and to enter into any arrangements of licensing, brokerage, commission, technical, business or financial collaboration with any other party or concern, in relation thereof.
- To carry on the business of financing, subject to the Banking Regulation Act 1949, by way of advance, deposit, guarantee or lending of money, secured or unsecured, short term of long term for and in respect of acquisition, purchase, owning, development, appropriation, construction or dealing in any manner for commercial and/or non commercial objectives of lands, properties, estates, buildings for commercial and/or residential purposes, business centers, townships, industrial estates and complexes, hotels, resorts, farms and farm-houses, cottages, depots, warehouses, shops, commercial complexes, multistoreyed flats and/or infrastructure facilities relating thereto and also to acquire and hold shares, stocks, debentures, debenture stocks, bonds, obligations, units, secured premium notes, participation certificates and securities of any kind description issued or guaranteed by any company incorporated or carrying on business in India or abroad; any debentures, debenture stocks, bonds, obligations and securities, issued or guaranteed by any government, sovereign ruler commissioners, public body or authority, supreme, municipal, local or otherwise; to acquire any such shares, stocks, debentures, debenture stocks, bonds, obligations or securities by original subscription, tender, purchase, exchange or otherwise and the subscribe for the same, either conditionally, or otherwise and to guarantee the subscription thereof and to exercise and enforce all right and powers conferred by or incidental to the ownership thereof.

RESOLVED FURTHER THAT the Board and/or the Company Secretary be and are hereby jointly or severally authorized to do all such acts, deeds and things and to sign all such forms, returns and other document as may be necessary to give effect to this resolution.

BY ORDER OF THE BOARD
For HB ESTATE DEVELOPERS LIMITED

Sd/-
RADHIKA KHURANA
(Company Secretary)

Membership No.: ACS-32557

Place : Gurugram

Date : 29.05.2018


NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PROXY IN ORDER TO BE EFFECTIVE MUST BE LODGED AT THE REGISTERED OFFICE OF THE COMPANY AT LEAST FORTY EIGHT HOURS BEFORE THE TIME OF THE MEETING.**

PURSUANT TO SECTION 105 OF THE COMPANIES ACT, 2013, A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) MEMBERS AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY. A PROXY APPOINTED BY A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS SHALL NOT ACT AS PROXY FOR ANY OTHER MEMBER.

2. An Explanatory Statement(s) pursuant to Section 102 of the Companies Act, 2013 in respect of the Special Business herein is annexed hereto and form part of this Notice.
3. The Register of Members and Share Transfer Books of the Company shall remain closed from **20th September, 2018 to 25th September, 2018** (Both days inclusive).
4. **Shareholders of the Company holding shares in physical form are requested to convert their holdings into Demat Form.**
5. **Shareholders of the Company are requested to provide / update their e mail ID with their Depository Participant (DP) / Registrar & Share Transfer Agent (RCMC Share Registry Private Limited) for communication purposes.**

The Ministry of Corporate Affairs has notified provisions relating to unpaid / unclaimed dividend under Sections 124 and 125 of the Companies Act, 2013 and the Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016. As per these rules, the amount of Dividend remaining Unpaid or Unclaimed for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund (IEPF), constituted by the Central Government. The Company had, accordingly, transferred ₹ 10,90,082/- (**Rupees Ten Lacs Ninety Thousand Eighty Two Only**) to IEPF on 06th October, 2017 being the Unpaid and Unclaimed Dividend amount pertaining to Final Dividend for the Financial Year ended 31st March, 2010.

The detail of Unpaid / Unclaimed Dividend lying with the Company as on the date of the last Annual General Meeting in respect of the financial years from 2010 to 2015 is available on the website of the IEPF viz. www.iepf.gov.in and on the website of the Company; www.hbestate.com

7. In terms of Section 124(6) of the Companies Act, 2013 read with Rule 6 of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended from time to time) ("Rules"), members whose dividend amount has not been paid or claimed for seven consecutive years or more, shares held by them shall be credited to the DEMAT Account of the Investor Education and Protection Fund Authority (IEPFA). During FY 2018, 719916 shares are transferred to the DEMAT Account of IEPFA constituted in accordance with the Rules.

The unclaimed or unpaid dividend which have already been transferred and the shares which are transferred can be claimed back by the Shareholders from IEPFA by following the procedure given on the website of the Company; www.hbestate.com

It may be noted that all the corporate benefits accruing on these shares will also be credited to the said 'Demat Account' and the voting rights on these shares shall remain frozen until the rightful owner has claimed the shares.

8. **The Securities and Exchange Board of India (SEBI) has made it mandatory for all the listed Companies to use the bank account details furnished by the Shareholders for distributing Dividend through Electronic channel such as NEFT/NECS/RTGS, wherever Bank details are available. In the absence of this facility being made available for any reason, the Companies are required to print the bank account details on the payment instrument for distribution of dividends to the Investors. Accordingly, Shareholders holding Shares in physical form are requested to notify their bank details along with the photocopy of the cancelled 'Name printed Cheque' in original or copy of Bank Passbook / Bank Statement duly attested by the Bank to the Company's Registrar and Share Transfer Agent, RCMC Share Registry Pvt. Ltd. In case the holdings are in dematerialised form, the said details should be conveyed to their Depository Participant (DP).**
9. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding Shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form shall submit their PAN details to the Company's Registrar and Share Transfer Agent namely, RCMC Share Registry Pvt. Ltd.
10. Members/Proxies should bring Attendance Slips duly filled in for attending the meeting.
11. Corporate Members intending to send their authorised representative to attend the Annual General Meeting, Pursuant to Section 113 of the Companies Act, 2013 are requested to send a duly Certified Copy of the Board Resolution authorizing him to attend and vote on their behalf at the Meeting.
12. Shareholders seeking any information with regard to Financial Statements are requested to write to the Company at least seven days before the date of the meeting so as to enable the management to keep the information ready.

13. Members are requested to:

- (a) Notify any change in their address to the Company including PIN CODE to the Registrar and Share Transfer Agent of the Company namely,

RCMC Share Registry Pvt. Ltd.
B-25/1, First Floor,
Okhla Industrial Area, Phase-II,
New Delhi – 110 020
Phone: 011 – 26387320, 26387323
Fax: 011 – 26387322
E-mail: investor.services@rcmcdelhi.com
website: www.rcmcdelhi.com

Members whose Shareholding is in electronic mode are requested to direct change of address notifications and bank particulars for receiving the Dividend, if declared, through electronic credit under ECS, to their respective Depository Participants.

- (b) Bring their copies of Annual Report with them at the meeting as the same will not be supplied again as a measure of economy.

14. The Company is implementing the "Green Initiative" to enable electronic delivery of Notices / Documents and Annual Reports to the Shareholders. Henceforth, the email addresses indicated in your respective Depository Participant (DP) accounts which will be periodically downloaded from NSDL / CDSL will be deemed to be your registered email address for serving Notices / Documents including those covered under Section 136 of the Companies Act, 2013. The Notice of Annual General Meeting and the copies of Audited Financial Statements, Director's Report, Auditors Report etc. will also be displayed on the website of the Company, www.hbestate.com

The Members holding Shares in electronic mode are therefore requested to ensure to keep their email addresses updated with the Depository Participants. Members holding Shares in physical mode are also requested to update their email addresses by writing to the Registrar and Share Transfer Agent of the Company at the address mentioned in 9(a) above quoting their folio number(s).

Copies of the Annual Report are being sent by electronic mode only to the members whose email addresses are registered with the Company / Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the Annual Report including Attendance Slip and Proxy Form are being sent by the permitted mode.

15. Voting through electronic means:

- (i) In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide the Members with the facility to cast their votes by electronic means on all the resolutions proposed to be considered in this Annual General Meeting from a remote location ("Remote e-voting").
- (ii) The Company has engaged the services of Karvy Computershare Pvt. Ltd. ("Karvy") to provide the facility of Remote e-voting.
- (iii) The facility for voting through Physical Ballot Papers shall be made available at the meeting and members attending the meeting, who have not already cast their vote by Remote e-voting shall be able to exercise their right to vote at the meeting through Ballot Papers.
- (iv) The e-voting rights of the Members shall be in proportion to the paid-up value of their Shares in the Equity Share Capital of the Company. Members of the Company holding Shares either in physical form or in dematerialized form, as on the **cut-off date i.e. 18th September, 2018**, may cast their vote by remote e-voting / at the meeting.
- (v) Any person who acquires Shares of the Company and becomes member of the Company after dispatch of the Notice and holding Shares as on the **cut-off date i.e. 18th September, 2018** may obtain the login Id and password by sending a request at **evoting@karvy.com**. However, if you are already registered with Karvy for remote e-voting then you can use your exiting user ID and password for casting your vote.
- (vi) **The Remote e-voting period shall commence on (Saturday), 22nd September, 2018 (09.00 A.M) and ends on (Monday), 24th September, 2018 (05.00 P.M).** Thereafter, the Remote e-voting module shall be disabled by Karvy for voting.
- (vii) Once the vote on a resolution is cast by a Member, the Member shall not be allowed to change it subsequently. The Members who have cast their vote by Remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
- (viii) Ms. Jyoti Sharma, Company Secretary in Whole-time Practice (Membership No.: 8843, C.P. No.: 10196) failing him Ms. Purni Singhal, Company Secretary in Whole-time Practice (Membership No.: 40565, C.P. No.: 19493) has been appointed as the Scrutinizer for conducting the remote e-voting & polling process in a fair and transparent manner.
- (ix) The Scrutinizer shall, immediately after the conclusion of voting at the AGM, 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 Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same. The Chairman or a person authorized by him in writing shall declare the result of the voting forthwith upon submission of the Scrutinizer's Report.
- (x) The Company shall submit to the Bombay Stock Exchange Limited (BSE), within forty eight hours of the conclusion of the meeting, details regarding the voting results in the prescribed format. The results declared along with the Scrutinizer's Report(s) shall

also be placed on the website of the Company, www.hbestate.com and on Karvy's website, <https://evoting.karvy.com> immediately after the declaration of results.

(xi) In case of any queries pertaining to e-voting, please visit Help & FAQ's section available at Karvy's website, <https://evoting.karvy.com> or call their Toll Free No. 1800-345-4001 for any further clarification.

(xii) The instructions for availing the Remote e-voting facility indicating the process and manner of e-voting are given as hereunder.

➤ **In case a Member receives notice through e-mail from Karvy [for Members whose email IDs are registered with the Company / Depository Participants]:**

- Launch internet browser by typing the URL: <https://evoting.karvy.com>
- Enter the login credentials (i.e. User ID and Initial Password provided by Karvy in e-mail). Your Folio No. / DP ID-Client ID will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.
- After entering these details appropriately, click on "LOGIN".
- You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@, #, \$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
- You need to login again with the new credentials.
- On successful login, the system will prompt you to select the E-Voting Event Number for HB Estate Developers Limited.
- On the voting page enter the number of shares (which represents the number of votes) as on the cut-off date under "FOR / AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR / AGAINST" taken together should not exceed your total shareholding as mentioned overleaf. You may also choose the option "ABSTAIN" and the shares held will not be counted under either head.

- Members holding multiple folios / demat accounts shall choose the voting process separately for each of the folios / demat accounts.
- Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.
- You may then cast your vote by selecting an appropriate option and click on "Submit".
- A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
- Corporate / Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution / Authority Letter, etc., together with attested specimen signature(s) of the duly authorized representative(s), to the **Scrutinizer at e-mail ID: legal2015js@gmail.com** with a copy to **Karvy at e-mail ID: evoting@karvy.com**. They may also upload the same in the e-voting module in their login. The scanned image of the above mentioned documents should be in the naming format "Corporate Name_EVENT NO."

➤ **In case a Member receives Notice in physical form [for Members whose email IDs are not registered with the Company / Depository Participants]:**

- User ID and Initial Password as given in the e-voting notice sent along with the Annual Report.
 - Please follow all steps from Sr. No. (i) to (xii) as mentioned in (A) above, to cast your vote.
- All documents referred to in this Notice shall be open for inspection at the Registered Office of the Company during normal business hours (9.00 A.M to 5.00 P.M) on all working days up to and including the date of the Annual General Meeting of the Company.
 - The Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Companies Act, 2013; the Register of Contracts or Arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013 shall be made available for inspection at the Annual General Meeting.
 - Details of Directors seeking Appointment / Re-appointment at the ensuing Annual General Meeting [Pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015] are as under:

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

(Refer Item No. 2 of this Notice)

Name of the Director	Mr. Lalit Bhasin
Directors Identification Number (DIN)	00002114
Date of Birth	14 th August, 1968
Date of Appointment	20 th September, 1994
Profile/ Expertise in Specific functional Areas.	Mr. Lalit Bhasin, Director (Chairman) is a commerce graduate from Shri Ram College of Commerce, Delhi University. He brings with him nearly 3 decades of expertise in the field of Management, Hospitality Business and Investments.
Qualifications	B.Com
List of Directorship in other Listed entities. (As on 31st March, 2018)	<ol style="list-style-type: none"> HB Stockholdings Limited HB Portfolio Limited HB Leasing & Finance Co. Limited Jaypee Infratech Limited CHL Limited
Membership of Committee of the Board in other Listed entities. (As on 31st March, 2018)	<p>Audit Committee</p> <ol style="list-style-type: none"> HB Leasing & Finance Co. Limited (Member) CHL Limited (Member) <p>Stakeholder Relationship Committee</p> <ol style="list-style-type: none"> HB Leasing & Finance Co. Limited (Chairman) CHL Limited (Member) <p>Nomination and Remuneration Committee</p> <ol style="list-style-type: none"> HB Leasing & Finance Co. Limited (Member) CHL Limited (Member) <p>Corporate Social Responsibility Committee</p> <ol style="list-style-type: none"> HB Stockholdings Limited (Chairman)
Shares held by the Director	9927873
Relationship with any Director(s) of the Company	NO

BY ORDER OF THE BOARD
For HB ESTATE DEVELOPERS LIMITED

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

Place : Gurugram
Date : 29.05.2018



EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:

ITEM No. 4

The proposed Special Resolution set out at Item No. 4 is for approval of the issue and allotment of 50,00,000 (Fifty Lakhs) Redeemable Non-Cumulative Non-Convertible 9% Preference Shares – Series III of face value of Rs.100/- each to raise capital for general corporate purposes including improvement in the financial condition, restructure the operations and strengthening the long-term resource base of the Company. The said Preference Shares would not be listed.

The Preference Shares may be issued in one or more tranches to various entities / persons which may include the promoters / promoters group and associates, whether or not they are related party / member(s) of the Company on private placement basis. The said enabling resolution empowers the Board to create, offer, issue and allot 50,00,000 (Fifty Lakhs) Redeemable Non-Cumulative Non-Convertible Preference Shares – Series III of face value of Rs.100/- each aggregating to Rs. 50,00,00,000/- (Rupees Fifty Crores Only) and on such terms and conditions, including but not limited as to the rate of dividend, amount of premium, if any, as the Board in its absolute discretion may determine. The Board shall also be authorised to approve any modification, alteration and re-setting of all or any of the terms and conditions of the Preference Shares from time-to-time in consultation and agreement with the subscribers / holders of Preference Shares. The terms and conditions of the Preference Shares shall however be subject to provisions of the Companies Act, 2013 or any modification / re-enactment thereof and the provisions of the Memorandum and Articles of Association of the Company.

The material facts in connection with the aforesaid issue of Preference Shares required under Rule 9(3) of the Companies (Share Capital and Debentures) Rules, 2014 ("Rules") are as follows:

- The size of the issue is Rs. 50,00,00,000/- (Rupees Fifty Crore only). The Company proposes to create, offer, issue and allot 50,00,000 (Fifty Lakhs) Redeemable Non-Cumulative, Non-Participating and Non-Convertible Preference Shares – Series III of the face value of Rs.100/- each aggregating to a nominal value of Rs. 50,00,00,000/- (Rupees Fifty Crore only).
- The Preference Shares are Redeemable Non-Cumulative, Non-Participating and Non-Convertible.
- The Objective of the issue is to raise resources for general corporate purposes including improvement in the financial condition, restructure the operations and strengthening the long-term resource base of the Company.
- The Preference Shares are proposed to be offered through issue of a Private Placement offer letter in accordance with the provisions of Section 42 of the Companies Act, 2013 read with the Rules made thereunder.
- The proposed Preference Shares are to be issued & allotted at par, i.e. Rs. 100/- each.
- The Board has decided to issue and allot proposed Preference Shares at par value of Rs. 100/- each since it is fixed return based Redeemable Preference Shares.
- The Preference Shares shall rank in priority with respect to payment of dividend or repayment of capital vis-a-vis Equity shares. The Preference Shares shall carry a fixed Non-Cumulative preference dividend of 9% (Nine Percent) on the Capital paid-up thereon. The Preference Shares are not convertible into Equity Shares.
- The tenure of redemption shall be for a period as the Board may decide. However the tenure shall not exceed twenty (20) years from the date of allotment and would be based on cash flow forecasts of the Company which in turn would be linked to ongoing performance and the growth opportunities.
- The Shares shall be redeemed at par out of profit and / or out of fresh issue of capital or otherwise as may be permitted by the extant applicable laws and decided by the Board.
- No dilution in the Equity Share Capital is applicable as the Preference Shares proposed to be issued are Redeemable and Non-Convertible and Non-Cumulative Preference Shares.
- The Current Shareholding Pattern of the Company is given below:

Sr. No.	Category	No. of Equity Shares held	% of Shareholding	No. of Preference Shares held	% of Shareholding
A. Promoters' Holding					
1.	Indian:				
	Individual	10507501	54.00	-	-
	Bodies Corporate	2438879	12.53	750000	11.54
2.	Foreign:	0	0.00	-	-
	Sub Total (A)	12946380	66.53	750000	11.54
B. Non-Promoters' Holding					
1.	Institutional Investors	11021	0.05	-	-
2.	Non-Institutions				
	Bodies Corporate	742351	3.81	5750000	88.46
	Individuals	4891101	23.49	-	-
	Clearing Members	46504	0.24	-	-
	Non-Residents	156986	0.81	-	-
	NBFC Registered with RBI	85	0.00	-	-
	Trusts	44	0.00	-	-
	IEPF	665475	3.35	-	-
	Sub Total (B)	6513567	33.47	5750000	88.46
	GRAND TOTAL (A) + (B)	19459947	100.00	6500000	100.00

Pursuant to the provisions of Section 42, 55 of the Companies Act, 2013 read with Rule 9(1) of the Companies (Share Capital and Debentures) Rules, 2014 ("Rules"), inter alia, requires the Company to obtain the prior approval of the Members, by way of Special Resolution for issuance of Preference Shares.

Hence, the Directors recommend the Special Resolution under Item No. 4 of the Notice for approval of the Members, in the best interest of the Company.

None of the Directors or Key Managerial Personnel (KMP) or their relatives is in any way concerned or interested in the proposed Resolution except to the extent of Preference Shares issued / allotted to them or to the companies in which they are director or members.

ITEM No. 5

The Company is primarily engaged in Hospitality Business, Development of Commercial Complexes and other Financial Service activities.

The main Object Clause(s) of the Memorandum of Association of the Company (MoA) cover all the activities currently carried on by the Company. However, in order to foray into allied and / or new business activities which have good potential, it would be prudent to alter the main objects clause of the Memorandum of Association of the Company. Hence, your Directors hereby recommend the resolution stated at Item No. 5 of the Notice for the approval of the members of the Company to enable the company to expand its activities and venture into new areas of business(es).

This will enable the Company to carry on its business economically and efficiently and the proposed activities can be, under the existing circumstances, conveniently and advantageously combined with the present activities of the Company. This will also enlarge the area of operations of the Company.

The provisions of Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014 ("Rules") have been amended by the Companies Amendment Act, 2017 effective from 09th February, 2018 which provides that any item of business required to be transacted by means of postal ballot, may be transacted at a general meeting by a Company which is required to provide the facility to members to vote by electronic means.

The Draft of the Memorandum of Association of the Company, after incorporating the proposed changes is available for inspection by the Members at the Registered office of the Company during the business hours on any working day upto the date of the Meeting and will be kept open at the place of the Meeting during the continuation of the Meeting.

None of the Directors or Key Managerial Personnel (KMP) of the Company or their relatives is in any way concerned or interested, financial or otherwise in the proposed Resolution.

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

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

**Place : Gurugram
Date : 29.05.2018**

DIRECTORS' REPORT

To the Members,

Your Directors have the pleasure to present the 24th Annual Report of your Company along with the Audited Financial Statements for the year ended 31st March, 2018.

FINANCIAL RESULTS

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

(₹ In Lacs)

PARTICULARS	Year Ended 31.03.2018	Year Ended 31.03.2017
Total Revenue	8470.86	7471.96
Gross Profit/ (Loss)	2222.80	1843.40
Add/ (Less) : Exceptional Items	-	-
Less :		
(a) Depreciation	1435.70	1441.66
(b) Finance Cost	2668.61	3101.74
(c) Deferred Tax Charge	(250.88)	(696.14)
Net Profit/(Loss)	-1630.62	-2899.45
Appropriations :		
General Reserve	0	0
Proposed Dividend	0	0
Tax on Dividend	0	0
Other Comprehensive Income	-6.32	-1.25
Total Comprehensive Income	-1624.29	-2005.12
Balance Brought Forward	-3970.28	-1966.41
Accumulated Profits	-2600.91	-3970.28

PERFORMANCE REVIEW & OUTLOOK

The Company posted Total Turnover of ₹ 8470.86 Lacs and Net loss after tax of ₹ 1630.62 lakhs Lacs for the Financial Year ended 31st March, 2018. The financial figures for the current year are not comparable with previous year due to accounting effect given in the Financial Statements from the Appointed Date(s) i.e. 01st April, 2015 & 03rd April, 2015 pursuant to the sanction of the Scheme of Arrangement ('the Scheme') between HB Stockholdings Limited (HBSL), HB Portfolio Limited (HBPL) and HB Estate Developers Limited (HBEDL) and their respective Shareholders and Creditors under Sections 391 to 394 read with Section 100 to 104 of the Companies Act, 1956.

The Industry Trends and outlook are summed up in the Management Discussion and Analysis which forms part of this report.

TRANSFER OF AMOUNT TO RESERVE

The Company does not propose to transfer any amount to reserves.

DIVIDEND

In view of the brought forward and current year losses, your Directors regret their inability to recommend dividend for the year under review.

SCHEME OF ARRANGEMENT

The Hon'ble National Company Law Tribunal (NCLT), Chandigarh Bench at Chandigarh vide its Order Dated 22nd December, 2017 sanctioned the Scheme of Arrangement between HB Stockholdings Limited (HBSL), HB Portfolio Limited (HBPL) and HB Estate Developers Limited (HBEDL) and their respective Shareholders and Creditors under Sections 391 to 394 read with Section 100 to 104 of the Companies Act, 1956.

The Company filed the Certified True Copy of the Order with the Registrar of Companies, Ministry of Corporate Affairs on 30th January, 2018 i.e. the Effective Date for the purpose of the Scheme. Accordingly, the Scheme came into effect on 30th January, 2018 from the Appointed Date(s) i.e. 01st April, 2015 & 03rd April, 2015 in a manner more particularly defined in the Scheme.

Mr. Anil Goyal, Director of the Company, duly authorised by the Board of Directors in their Meeting held on 01st February, 2018 had fixed 14th March, 2018 as the Record date for the purpose of Reduction of Issued Capital, Subscribed and Paid up Equity Share Capital and Reorganisation of its Authorised Share Capital after the Allotment of shares by HBEDL to the shareholders of HBSL and HBPL.

The Board also approved the Issuance of Shares and authorized the Securities Committee for the Allotment of the same. On 17th March, 2018, the Securities Committee allotted 57,10,132 (Fifty Seven Lakhs Ten Thousand One Hundred Thirty Two) Equity Shares of ₹ 10/- (Rupees Ten Only) each fully paid-up in the ratio of 25 (Twenty Five) Equity Shares of ₹ 10/- (Rupees Ten Only) each fully paid up of HBEDL for every 100 (One Hundred) Equity Shares of ₹ 10/- (Rupees Ten Only) each fully paid up of HBSL to the eligible Shareholders of HB Stockholdings Limited (HBSL), whose name was recorded in the Register of Members and the records of the Depositories as members of HBSL on March 12, 2018 ('HBSL Record Date') in consideration of the Demerger of HBSL "Preference Shares Investment Undertaking" from HBSL and transfer and vesting of the same to the Company. As a result of which, the Equity Share capital of the Company increased from ₹ 16,13,82,870/- comprising of 1,61,38,287 Equity Shares of ₹ 10/- (Rupees Ten) each fully paid up to ₹ 21,84,84,190/- comprising of 2,18,48,419 Equity Shares of ₹ 10/- (Rupees Ten) each fully paid up

Thereafter, the Committee also allotted 1,05,84,826 (One Crore Five Lakhs Eight Four Thousand Eight Hundred Twenty Six) Equity Shares of ₹ 10/- (Rupees Ten) each fully paid-up in the ratio of 24 (Twenty Four) Equity Shares of ₹ 10/- (Rupees Ten Only) each fully paid up of HBEDL for every 100 (One Hundred) Equity Shares of ₹ 10/- (Rupees Ten only) each fully paid up of

HBPL to the eligible Shareholders of HB Portfolio Limited (HBPL), whose name was recorded in the Register of Members and the records of the Depositories as members of HBPL on March 13, 2018 ('HBPL Record Date') including the Shareholders of HBSL who have received Equity Shares of HBPL in Demerger 1, in consideration of the Demerger of HBPL "Preference Shares Investment and Loans & Advances Undertaking" from HBPL and transfer and vesting of the same to the Company. As a result of which, the Equity Share capital of the Company increased from ₹ 21,84,84,190/- comprising of 2,18,48,419 Equity Shares of ₹ 10/- (Rupees Ten only) each fully paid up to ₹ 32,43,32,450/- comprising of 3,24,33,245 Equity Shares of ₹ 10/- (Rupees Ten only) each fully paid up.

Immediately after the said allotment, the Share Capital was reduced from 1(one) equity share of ₹ 10/- (Rupees Ten only) fully paid up to 1 (one) equity share of ₹ 6/- (Rupees Six only) each fully paid. Then the Equity shares were further consolidated in such a manner that the Shareholders holding 5 (Five) Equity Shares of ₹ 6/- each fully paid up in the Equity Share Capital of HBEDL shall get 3 (Three) Equity Shares of ₹ 10/- (Rupees Ten Only) each fully paid up in the Equity Share Capital of HBEDL. As a result of which, the Equity Share Capital of the Company reduced from ₹ 32,43,32,450/- comprising of 3,24,33,245 Equity Shares of ₹ 10/- (Rupees Ten) each fully paid up to ₹ 194599470/- comprising 19459974 Equity Shares of ₹ 10/- (Rupees Ten only) each fully paid up.

The Company had applied on 24th March, 2018 for listing of 1,94,59,947 Equity Shares of ₹ 10/- (Rupees Ten only) each with BSE Limited, where the Equity Shares of the Company are listed and / or are admitted for trading. On receipt of listing approval from BSE Limited, the Company shall take necessary corporate action with NSDL and CDSL for crediting the shares in respective Demat Account of the Shareholders. The Company is also in process of dispatching the new Share Certificates to all those Shareholders who hold shares in physical form.

The Equity Shares held by the Equity Shareholders of the Company as on 14th March, 2018 (HBEDL Record Date), whether in dematerialised form or physical form stood cancelled without any further act, deed or thing.

The Copy of Scheme of Arrangement along with all other documents are available on the website of the Bombay Stock Exchange (BSE Limited), <http://www.bseindia.com> and also on the Company's website having following web link, <http://www.hbestate.com>

SHARE CAPITAL

The Authorized Share Capital of the Company

Pursuant to the Scheme of Arrangement, the Authorized Share Capital of the Company is ₹ 1,70,00,00,000/- (Rupees One Hundred Seventy Crore only) divided into 3,50,00,000 (Three Crore Fifty Lac) Equity Shares of ₹ 10/- each (Rupees Ten only) and 1,35,00,000 (One Crore Thirty Five Lac) Redeemable Preference Shares of ₹ 100/- each (Rupees One Hundred only)

Paid up, Issued and Subscribed Capital of the Company

The Paid up Share Capital of the Company as on March 31, 2018 stood at ₹ 84,45,99,470/- consisting of 1,94,59,947 Equity shares of ₹ 10/- each and 65,00,000 Preference Shares of ₹ 100/- each.

During the year under review, the Company has not issued shares with differential rights for voting, dividend or otherwise nor granted stock options or sweat equity.

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

Equity Shares of your Company are listed on Bombay Stock Exchange and Preference Shares of your Company are not listed on any Stock Exchange.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

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

PUBLIC DEPOSITS

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

CHANGE IN THE NATURE OF BUSINESS

There is no change in the nature of business of the Company during the Financial Year 2017-18.

SIGNIFICANT AND OTHER MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

- Approval of the Scheme of Arrangement between ('the Scheme') between HB Stockholdings Limited (HBSL), HB Portfolio Limited (HBPL) and HB Estate Developers Limited (HBEDL) and their respective Shareholders and Creditors under Sections 391 to 394 read with Section 100 to 104 of the Companies Act, 1956 by the Hon'ble National Company Law Tribunal (NCLT), Chandigarh Bench at Chandigarh.

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

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Sections 134(3)(c) and 134(5), the Board of Directors, to the best of their knowledge and ability, confirm that :

- in the preparation of the Annual Accounts for the year ended 31st March, 2018, the applicable accounting standards have been followed with proper explanation relating to material departures, if any;
- the accounting policies adopted in the preparation of the annual accounts have been applied consistently except as otherwise stated in the Notes to Financial Statements and reasonable and prudent judgments and estimates so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 2017-2018 and of the profit or loss for that period;



HB ESTATE DEVELOPERS LIMITED

- (c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the annual financial statements for the year ended 31st March, 2018, have been prepared on a going concern basis;
- (e) that proper internal financial controls were in place and that the financial controls were adequate and operating effectively;
- (f) that system to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

(i) Subsidiaries

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

The Board of Directors has approved a Policy for Determining Material Subsidiaries in compliance with the provisions of Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The said Policy has been uploaded on the website of the Company, www.hbestate.com having following web link, www.hbestate.com/Investor Centre/Corporate Governance

(ii) Joint Ventures

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

(iii) Associate Companies

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

DIRECTORS AND KEY MANAGERIAL PERSONNEL

(i) Appointment / Reappointment / Resignation of Directors and KMP

As per the provisions of Section 152 of the Companies Act, 2013 and the Articles of Association of your Company, Mr. Lalit Bhasin, Director shall retire by rotation at the ensuing Annual General Meeting and being eligible offered himself for re-appointment. The Board of Directors recommends his re-appointment.

The information on the particulars of Director eligible for appointment in terms of Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been provided in the notes to the notice convening the Annual General Meeting.

(ii) Independent Directors Declaration

Mr. Rajesh Jain, Mrs. Asha Mehra and Mr. Luv Malhotra are Independent Directors on the Board of the Company. The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013, and Regulations 16 & 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

During the year under review, there were Four (4) Board Meetings. The details of the number of meetings of the Board held during the financial year 2017-2018 forms part of Corporate Governance Report. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

(iv) Nomination and Remuneration Policy

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The said Policy is marked as "Annexure - III" which is annexed hereto and forms part of the Director's Report.

(v) Board Diversity

The Board of Directors on the recommendations of the Nomination and Remuneration Committee has adopted a Policy on Diversity of Board of Directors in terms of Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(vi) Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an Annual performance evaluation of its own performance and of all the Directors individually as well as the evaluation of the working of Audit, Nomination & Remuneration and other Compliance Committees. The manner in which the evaluation has been carried out is explained in the Corporate Governance Report.

(vii) Remuneration of the Director/ KMP and Particulars of Remuneration

The provisions of Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable, as there are no such employee who were drawing / in receipt of remuneration of prescribed amount during the period under review.

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

- (a) The ratio of the remuneration of each director to the median remuneration of the employees of the for the financial year, and
- (b) The percentage increase in remuneration of each Director, Chief Financial Officer, Company Secretary or Manager, if any, in the financial year:

Sr. No.	Name of the Director/KMP	Designation	Ratio of Remuneration of each Director / to median remuneration of employees	% Increase in remuneration in the financial year 2017-18
1.	Mr. Lalit Bhasin	Director (Non-executive)	N.A.	N.A.
2.	Mr. Anil Goyal	Director (Non-executive)	N.A.	N.A.
3.	Mr. Jag Mohan Lal Suri	Director (Non-executive)	N.A.	N.A.
4.	Mr. Rajesh Jain	Director (Non-executive)	N.A.	N.A.
5.	Mrs. Asha Mehra	Director (Non-executive)	N.A.	N.A.
6.	Mr. Luv Malhotra	Director (Non-executive)	N.A.	N.A.
7.	Mr. Praveen Gupta	Chief Financial Officer		16%
8.	Mrs. Radhika Khurana*	Company Secretary and Compliance Officer		Nil

Note: No Director received any remuneration other than sitting fee during the financial year 2017-18

*Mrs. Radhika Khurana has been appointed as Company Secretary and Compliance Officer w.e.f. 29th May, 2017.

- (c) The percentage increase in the median remuneration of employees in the financial year:
7.41%
- (d) The number of permanent employees on the rolls of the Company:
19 (Nineteen) employees on the Company rolls and 223 employees on the rolls of the Company's Hotel Unit (Vivanta by Taj, Gurgaon now known as Taj City Centre, Gurugram) operated by The Indian Hotels Company Limited as on 31st March, 2018
- (e) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year is NIL and its comparison with the percentile increase of 16% in the managerial remuneration of KMP respectively.
- (f) The key parameters for any variable component of remuneration availed by the directors :

Not Applicable

- (g) It is hereby affirmed that the remuneration paid is as per the remuneration policy of the Company.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

As required under Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management Discussion & Analysis Report confirming compliance(s) forms an integral part of this report.

CORPORATE GOVERNANCE REPORT

A Separate report of the Board of Directors of the Company on Corporate Governance is included in the Annual Report and the Certificate from G.C. Agarwal & Associates, Chartered Accountants confirming compliance with the requirements of Corporate Governance as stipulated in Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

SECRETARIAL STANDARDS

During the year under review, your Company had complied with all the applicable Secretarial Standards.

RELATED PARTY TRANSACTIONS

The Related Party Transactions that were entered during the Financial Year under review were on arm's length basis and were in the ordinary course of business. There were no materially significant Related Party Transactions entered into by the Company during the year under review. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable. None of the Directors has any pecuniary relationships or transactions vis-à-vis the Company.

The Policy on Related Party Transactions, as approved by the Board, has been uploaded on the website of the Company, www.hbestate.com having following web link, www.hbestate.com/Investor centre/Corporate Governance.



PRESERVATION OF DOCUMENTS & ARCHIVAL POLICY

In terms of Regulation 9 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors in their meeting held on 14th February, 2016 has adopted a Policy for Preservation of Documents & Archival thereof, classifying them in two categories as follows:

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

The said Policy is available on the website of the Company having following web link, www.hbestate.com/PdfFiles/PDAP.pdf

VIGIL MECHANISM - WHISTLE BLOWER POLICY

In terms of the provisions of Sec 177(9) & (10) of the Companies Act, 2013 and pursuant to the provisions of Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Vigil Mechanism for Stakeholders, Employees and Directors of the Company has been established. The Whistle Blower Policy duly approved by the Board of Directors has been uploaded on the website of the Company, www.hbestate.com and the web link for the same is www.hbestate.com/Investorcentre/CorporateGovernance.

DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY

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

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

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

During the year under review, foreign exchange earnings were ₹ 3668.28 lakhs. The foreign exchange outgo during the said period was ₹ 5.43 lakhs towards payment of Professional and Technical fees and ₹ 143.18 lakhs towards advertisement and other expenses.

DISCLOSURE AS PER THE SEXUAL PREVENTION OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has a policy on prohibition, prevention and redressal of Sexual Harassment of women at workplace and matters connected therewith incidental thereto covering all the aspects as contained under "The Sexual Harassment of Women at workspace and matters connected therewith or incidental thereto covering all aspects as contained under "The Sexual harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013".

During the Financial Year 2017-18, no complaint was received under the policy. The women employees were made aware about the provisions of the sexual harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules made there under and the provisions of Internal Complaint Policy of the Company.

CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

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

INTERNAL CONTROL SYSTEMS

The Company has adequate internal control procedures commensurate with its size and nature of business. The objective of these procedures is to ensure efficient use and protection of the Company's resources, accuracy in financial reporting and due compliance of statutes and corporate policies and procedures. The adequacy of internal financial control systems are reviewed by the Audit Committee of the Board in its periodical meetings.

INTERNAL FINANCIAL CONTROL SYSTEM

The Company has a comprehensive Internal Financial Control system commensurate with the size and scale of its operations. The system ensures the reliability of financial reporting, compliance with policies, procedures, laws and regulations, safeguarding of assets and economical and efficient use of resources.

The policies and procedures adopted by the company ensures the orderly and efficient conduct of its business and adherence to the company's policies, prevention and detection of frauds and errors and timely preparation of reliable financial information.

AUDITORS

(i) Statutory Auditors

Mr. G.C. Agarwal & Associates, Chartered Accountants, New Delhi (Firm Registration No: 017851N), the Statutory Auditors of the Company, hold office till the conclusion of the ensuring Annual General Meeting and being eligible offers themselves for re-appointment. The Company has received a letter from them to the effect that their re-appointment, if made would be within the prescribed limits under Section 141(3)(g) of the Companies Act, 2013 and they are not disqualified for re-appointment.

Observations of the Statutory Auditors are explained, wherever necessary, by way of notes to accounts.

(ii) Internal Auditors

M/s. Marv & Associates LLP, Chartered Accountants, New Delhi are the Internal Auditors of the Company and the reports are reviewed by the Audit Committee periodically in its meetings.

(iii) Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. A.N. Kukreja of M/s. A. N. Kukreja & Co., to conduct the Secretarial Audit of the company for the financial year 2017-2018. The Report of the Secretarial Audit in Form MR-3 is annexed as "Annexure- I".

Observation(s) made by the Secretarial Auditor:

- The Company does not have a Managing Director or Chief Executive Officer or Manager and in their absence, a Whole-time Director, as required under Section 203 of the Companies Act, 2013.

Director's Comment: The management is searching for a suitable candidate for the post of Whole Time Director/ Chief Executive Officer of the Company.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Board has constituted a Corporate Social Responsibility Committee pursuant to Section 135 of the Companies Act, 2013. The Company has incurred average net loss for immediately preceding three financial years, hence the Company is not required to spend any amount towards CSR activities during financial year 2017-2018. The CSR Policy has been uploaded on the website of the Company - www.hbestate.com, Web link- www.hbestate.com/Investorcentre/CSR and is annexed as "Annexure - II" and forms part of the Director's Report.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of Annual Return in Form MGT-9 as per section 92(3) of the Companies Act, 2013 and Rule 12 of the companies (Management and Administration) Rules, 2014, is marked as "Annexure - IV" which is annexed hereto and forms part of the Director's Report.

ACKNOWLEDGMENTS

Your Directors wish to thank and acknowledge the co-operation, assistance and support extended by the Company's associates, Bankers. Your Directors also wish to thank all the employees at all levels of the organization for the contribution and the trust and confidence reposed by the shareholders in the management of the company.

**FOR AND ON BEHALF OF THE BOARD
HB ESTATE DEVELOPERS LIMITED**

**Sd/-
LALIT BHASIN
(Chairman)
(DIN: 00002114)**

**Place : Gurugram
Date : 29.05.2018**