

We
can!



tough times don't last, tough people **do.**



An axiom that best represents the temperament of people in situations that are beyond their control.

The ongoing economic slowdown represents one such crisis situation. A global meltdown of such proportions, it's possibly the worst the world has seen in decades. Fear of recession, depression and even precipitating bankruptcy affected developed economies of world.

For a while it was thought that India remained insulated from this global crisis.

Some sectors have been hit far more than others; the real estate industry being part of it!

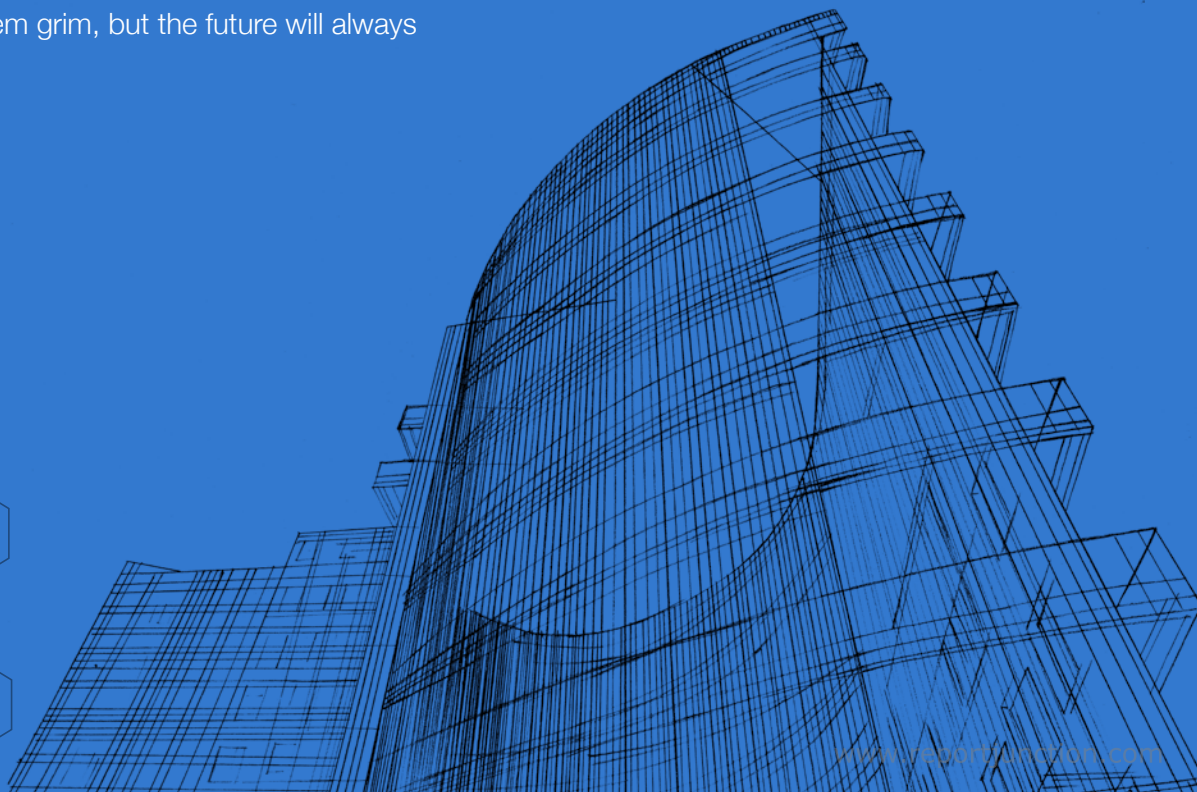
At **HDIL**, those virtues have been encapsulated in a **single, solid credo:**

We can!

Whatever the situation, whatever the crisis, we will emerge stronger.

The present may seem grim, but the future will always remain promising.

We can. We will!



We **can!**

drive growth

Given India's inherent strengths and economies of scale, the country will emerge as one of the stronger and leading economies with things getting better. The priorities, however, will have to be defined.

Real estate is an internally-led consumption sector. The rudimentary fact is that people will always first need homes to live in and better places to work and shop. A focus on real estate development will lay the foundations for a more stable India. One where the citizen feels sufficiently empowered.

As one of India's leading real estate developers, with a solid reputation for successful completion of residential, commercial and slum rehabilitation projects, HDIL has an important role to play in this empowerment.

Real estate development will be
fundamental to the revival of the
economy.



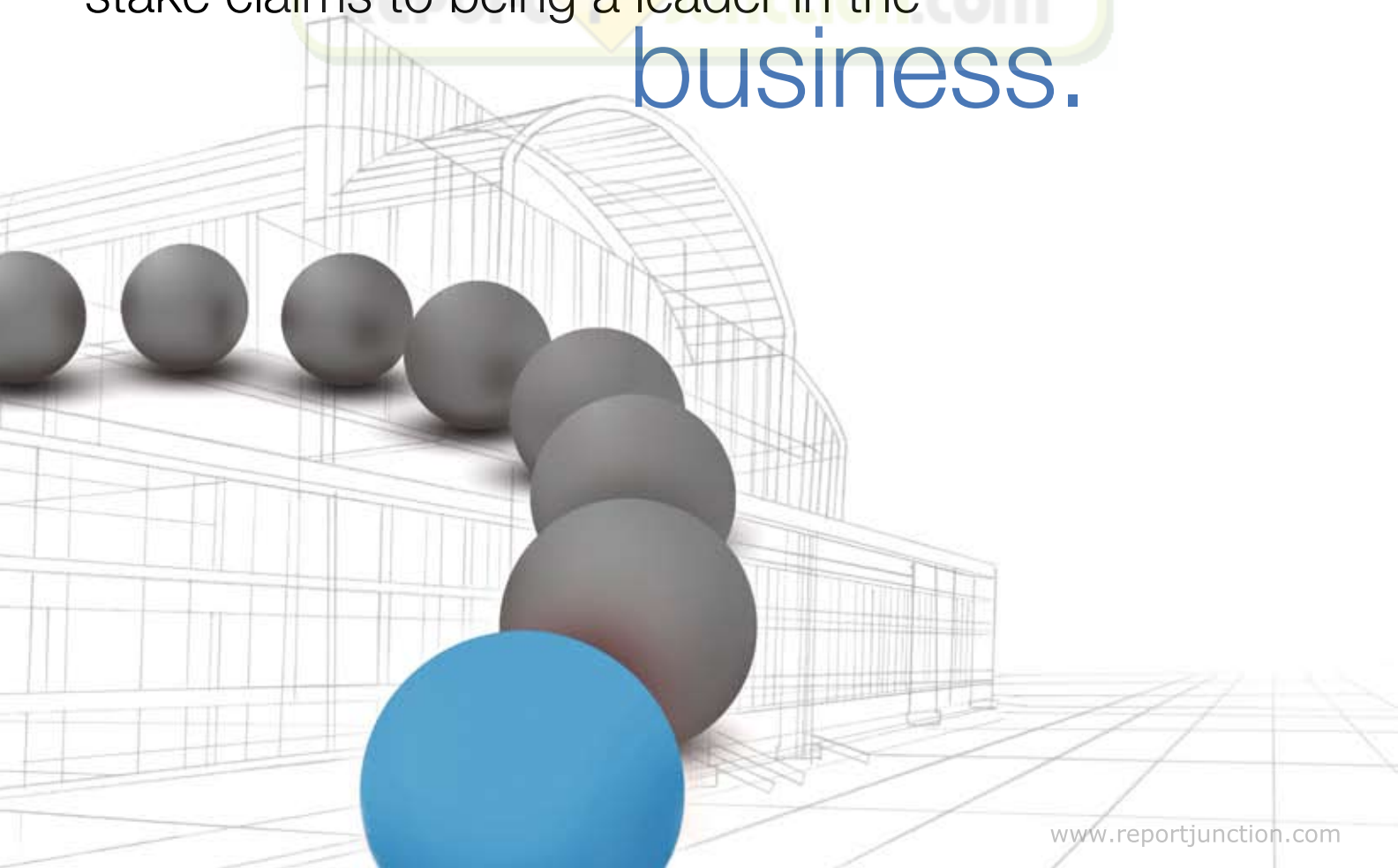
We can!

target greater things

If amidst the slump, green shoots are beginning to appear in Mumbai's real estate market, HDIL can claim credit for the revival. The launch of three projects – Premier Residency, Metropolis and Project Galaxy – has met with extremely heartening response. Impressed by HDIL's value propositions of quality construction, ergonomic layouts and realistic pricing, buyers have returned strongly. Giving the company's pursuit of leadership status a big boost.

In the past, HDIL was already named the fastest growing real estate company in India by Construction World-NICMAR. The current global slowdown remains, but company's focus on execution will remain. We will get there. Not because we must, but because we can!

In leading a real estate revival, we can
stake claims to being a leader in the
business.



We've revived Mumbai Real Estate Market



project: **premier residency**

915 flats

approximate **9.00 lacs sq. ft.**

date of launch: **06/03/09**



project: **metropolis**

414 flats

approximate **6.50 lacs sq. ft.**

date of launch: **20/03/09**



project: **galaxy**

480 flats

approximate **4.00 lacs sq. ft.**

date of launch: **10/04/09**

We can!

redefine cityscapes

The proof is in the numbers. The 32 projects we have completed in 13 years have helped redefine the landscape of Mumbai. 55% of the city's population currently lives in slums. As HDIL ramps up its rehabilitation efforts, slums will give way to more aesthetic looking houses, in effect drastically enhancing Mumbai's skyline.

HDIL is the largest slum rehabilitation company in the country. It's a title we are proud of, for the fact that what we do is for a better nation. As part of the Mumbai Airport Expansion and Modernisation plan, we started execution of Phase I of Mumbai Airport Slum Rehabilitation project – one of the largest urban renewal projects in the entire country. An assignment that will be critical in maintaining the status of Mumbai as India's economic hub.

Playing a part in
making Mumbai a world-class
economic hub.



at
present



for the
future

Report

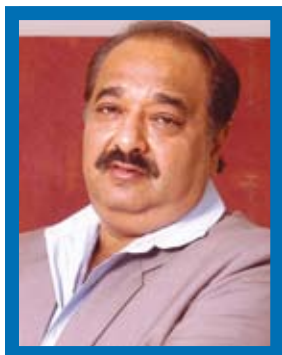


Junction

Changing lives of Millions.

**Mumbai's airport Slum Rehabilitation
Project in progress.**

chairman's message



Dear Shareholder,

The year 2008-2009 was exceptionally challenging and historical year in the world economy, and will be remembered for the crisis that affected the global financial systems and engulfed most countries of the world. The deterioration in the global outlook that started in September 2008 and the knock on effects of the financial crisis, economic slowdown and commodity prices affected the Indian economy in several ways. The Government and Central Banks around the world responded to the crisis through both conventional and monetary measures.

The Central Government through Fiscal Stimulus packages and policy changes during this period mitigated the effects of the financial crisis to the Indian Economy, which grew by 6.7% in 2008-2009 against the growth of 9% in 2007-2008. The large domestic demand bolstered by Government consumption, adequate cuts in policy rates, sound banking sector and well functioning markets helped the Indian economy from the worst impact of the financial crisis. The pace of recession in advance economies has slowed and we are seeing green shoots of stabilization and recovery. The Real Estate and Housing Sector saw an increase in credit by 52% which helped companies survive the economic downturn.

The Central Government continues to work on effective changes in policies and providing stimulus packages to ensure revival of the Indian Economy.

In the backdrop of the falling global financial market and difficult scenario for Real Estate companies, your Company under trying circumstances was focused on

execution and demonstrated its capability by launching construction of one of the largest urban rehabilitation scheme in India i.e. MIAL Airport Slum Rehabilitation Project. I am glad to inform you that project is ahead of execution and has received good accolades from investor and financial community worldwide.

Your Company played a pioneer role in reviving Mumbai Real Estate market by launching three residential projects in the month of March & April 2009 at substantial discounts. All three residential projects i.e. Project Premier Residency, Project Metropolis & Project Galaxy received tremendous responses. Our concept of affordable housing paid us rich dividend and led many developers within Mumbai and India to follow our footsteps.

The Company plans to have a mix of residential and commercial launches during the current year. Our emphasis on low cost housing, had led us to projects like MMRDA Rental Housing Scheme in Virar. We are committed to make Mumbai Slum Free and provide affordable housing to various segments of society.

As part of our deleveraging strategy we have recently raised Rs.1688.40 Crores from a Qualified Institutional Placement to reduce the debt and fund the ongoing projects. Further we will keep exploring the various funds raising options for ongoing projects.

Real Estate is internally led consumption industry and going ahead with stable Government and consistent policies and focus on urban housing, your Company is well placed to march ahead with its growth plans.

In the end, I would like to reinforce the uniqueness of our business model and strategy will be to focus on execution, deleveraging the balance sheet and create wealth for shareholders. I would also like to extend our sincere thanks to all the financial institutions that have supported us during the tough times and look forward to the support of all my shareholders for many more years.

Yours sincerely,

Rakesh Kumar Wadhawan
Executive Chairman

corporate information



BOARD OF DIRECTORS

Rakesh Kumar Wadhawan

Executive Chairman

Sarang Wadhawan

Managing Director

Waryam Singh

Director

Ashok Kumar Gupta

Director

Satya Pal Talwar

Independent Director

Lalit Mohan Mehta

Independent Director

Shyam Sunder Dawra

Independent Director

Surinder Kumar Soni

Independent Director

Sunil Behari Mathur

Independent Director

Ramesh Chander Kapoor

Independent Director

Raj Kumar Aggarwal

Independent Director

BOARD COMMITTEES

AUDIT COMMITTEE

Satya Pal Talwar

Ashok Kumar Gupta

Shyam Sunder Dawra

Raj Kumar Aggarwal

REMUNERATION COMMITTEE

Ashok Kumar Gupta

Satya Pal Talwar

INVESTOR GRIEVANCES & SHARE TRANSFER COMMITTEE

Sarang Wadhawan

Waryam Singh

Lalit Mohan Mehta

FINANCE COMMITTEE

Rakesh Kumar Wadhawan

Sarang Wadhawan

Waryam Singh

PROJECT COMMITTEE

Satya Pal Talwar

Sarang Wadhawan

Waryam Singh

COMPANY SECRETARY

Darshan D. Majmudar

AUDITORS

M/s. Thar & Co.

Chartered Accountants

203, Capri, Anant Kanekar Marg,

Station Road, Bandra (East)

Mumbai - 400 051.

BANKERS/FINANCIAL INSTITUTIONS

Axis Bank Limited

Bank of Baroda

Bank of India

Canara Bank

Central Bank of India

Corporation Bank

Dena Bank

HDFC Bank Limited

IDBI Bank Limited

Indian Bank

Indian Overseas Bank

Kotak Mahindra Bank Limited

Oriental Bank of Commerce

Punjab & Maha Co-op. Bank Limited

Punjab National Bank

Punjab & Sind Bank Limited

State Bank of India

Syndicate Bank

The Jammu & Kashmir Bank Limited

UCO Bank

Union Bank of India

United Bank of India

Vijaya Bank

Yes Bank Limited

REGISTERED OFFICE

9-01, Dheeraj Arma,
Anant Kanekar Marg,
Bandra (East), Mumbai - 400 051
Tel.: 022 - 2658 3500
Fax: 022 - 2658 3636
website: www.hdil.in

REGISTRAR & SHARE TRANSFER AGENT

Karvy Computershare Pvt. Ltd.
Plot No. 17 to 24,
Vittalrao Nagar, Madhapur,
Hyderabad - 500 081
Tel.: 040 - 2343 1551
Fax: 040 - 2342 0814
Website: www.karvy.com