

# our time starts now!



### Forward-looking statement

In this Annual Report, we have presented forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion

of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

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During the extended downtrend in the country's residential segment, Poddar Housing strengthened its business through various initiatives.

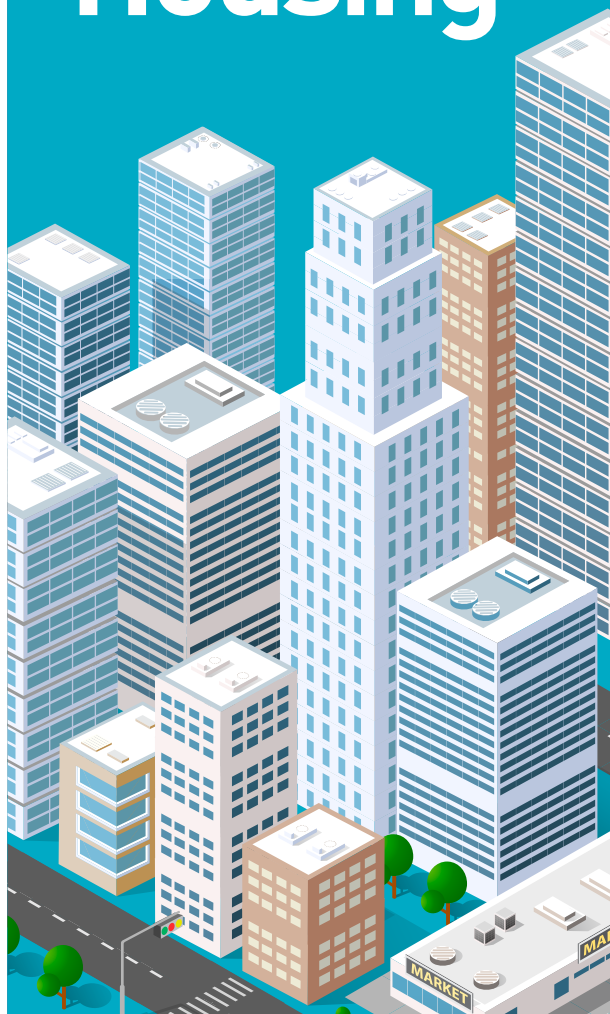
Enlarged its development potentials. Recruited professionals. Strengthened systems. Obtained project approvals.

The result is that Poddar Housing is placed at the right position at the right time with the objective to take its business ahead.

The principal message that we wish to send out to our shareholders is just one.

*Our time starts now!*

# The exciting world of Poddar Housing



## Vision

To be the nation's largest affordable housing development company and being the most trusted brand in the industry. We shall deliver superior value to all stakeholders through extraordinary and imaginative spaces created out of a deep customer focus and insight.

## Mission

To enhance the quality of life of our customers, by providing, high quality, holistic spaces, through a relentless focus on execution and innovation, at affordable prices.

## Values

### Honesty and integrity

We say what we do and we do what we say.

### Communication

We share appropriate information in an honest and open manner.

### Customer satisfaction

We strive to exceed the expectations of our customers (internally and externally) by anticipating, understanding and responding appropriately to their needs.

### Quality

We strive for professional excellence to the highest standards possible consistent with the goals of the project.

### Entrepreneurial

We encourage agility of thought and action, creativity, flexibility, and an innovative approach to our work.

### Attitude

We are positive, enthusiastic, and have a vibrant spirit.

### Teamwork

We encourage and reward teamwork.

### Leadership/Initiative

We lead by example. Our actions speak louder than words.

### Professional development and personal skills

We advance our talents and skills to their fullest potential (as individuals, as professionals and as managers of others).

### Accountability and environment

We are responsible for our actions and understand their impact on others, including the environment and our footprint.

## Rationale

Poddar Housing is an unusual real estate development company. Over the years, the Company has selected to largely focus on the housing opportunities coming out of MMR region. Instead of focusing on the premium segment, the Company largely focused on the relatively unaddressed lower income housing segment of MMR region, arguably the only listed company with this focus.

## Background

The promoters and senior management of the Group possess a cumulative property development experience of 10 years. The result is that the Company has distinguished itself as one of the most respected players in the affordable segment of the residential property development sector of the Mumbai Metropolitan Region (MMR).

## Listing

The Company is listed on National Stock Exchange (NSE) and Bombay Stock Exchange (BSE), enjoying a market capitalisation of ₹268.02 crores as on 31st March, 2019.

## Footprint

The Company has selected to grow its residential property presence across MMR, with Mumbai accounting for a significant part of the revenues (around 43 percent of the Company's revenues during the year under review).

## Management

The Company is spearheaded by Mr. Dipak Kumar Poddar, a first-generation entrepreneur possessing more than four decades of experience. He is assisted by a capable team of professionals led by Mr. Rohitashwa Poddar.

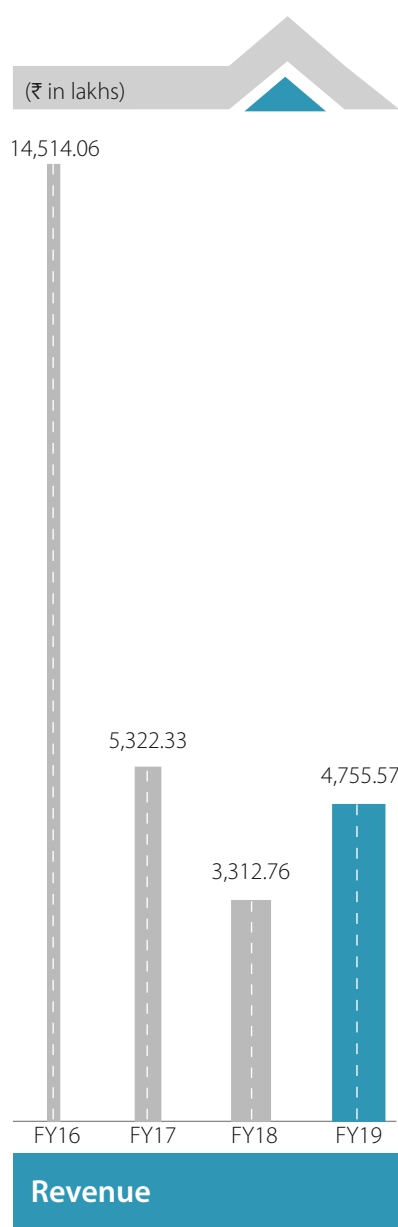
## Track record

The Company had delivered 2.2 mn sq ft of completed residential space to customers across 4 completed projects in Mumbai Metropolitan Region (MMR) as on 31st March, 2019.

## Quality

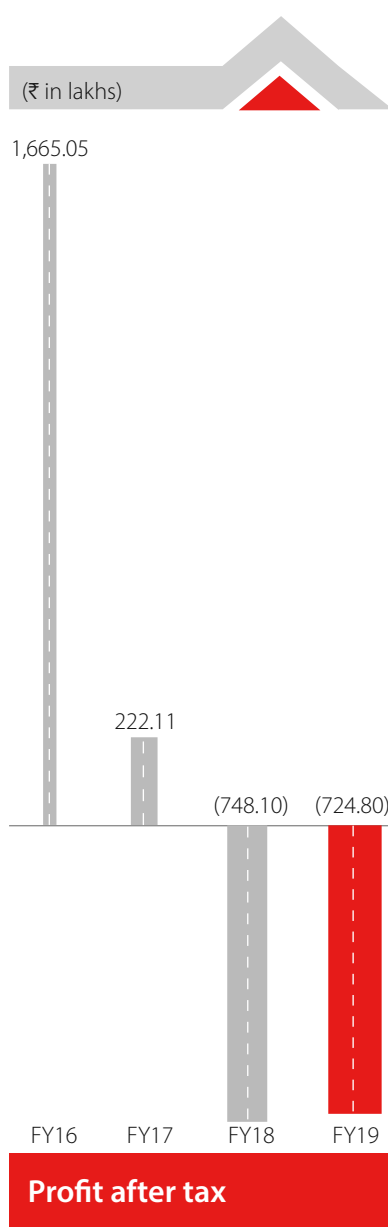
The Company is a respected quality-driven player in the segment of its presence. The Company's quality standards have been validated through ISO 9001:2008 accreditation, indicating process consistency.

# Financial performance over the years



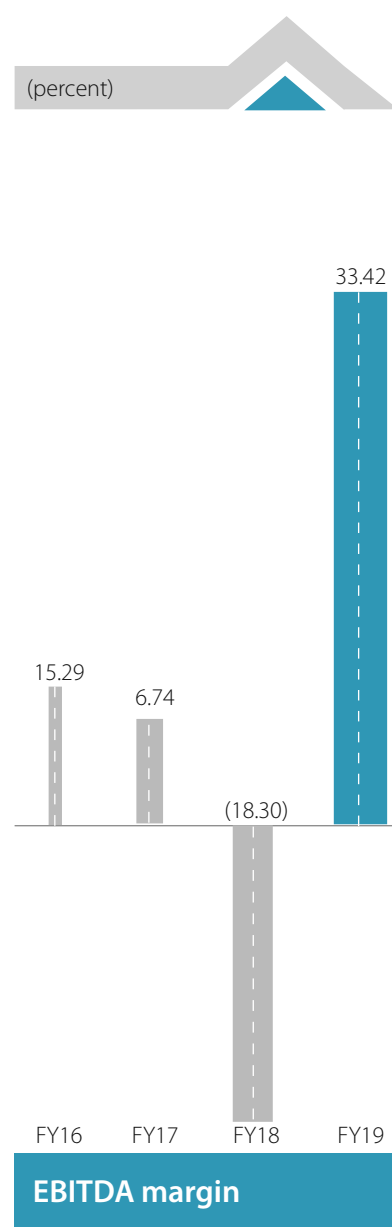
## Performance

Aggregate revenues generated by the Company increased by 43.5 percent to ₹4,755.57 lakhs in 2018-19.



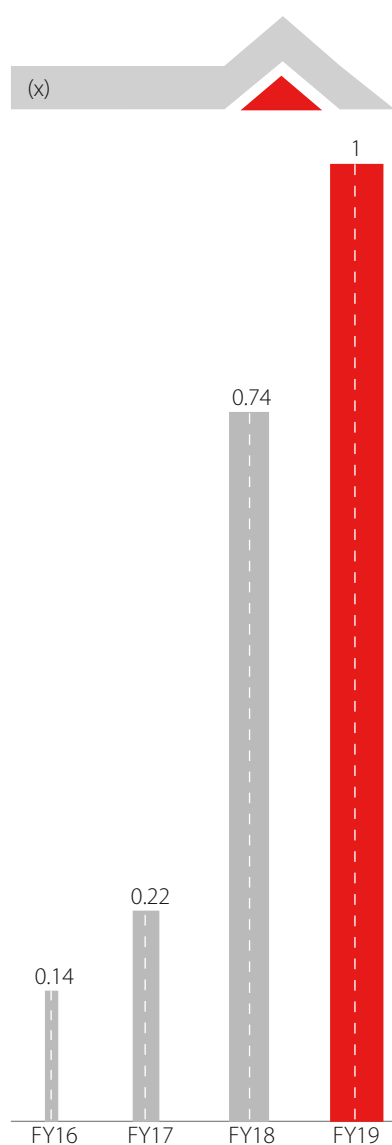
## Performance

Loss after tax of the Company stood at ₹724.80 in 2018-19.

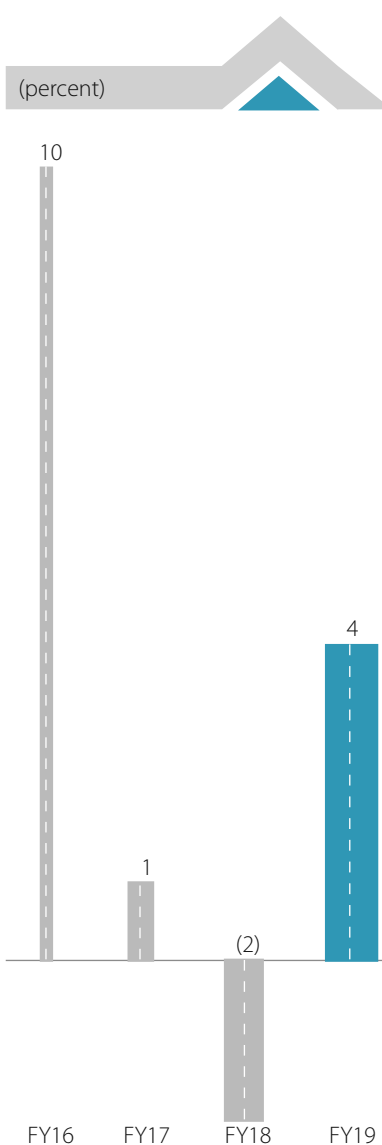


## Performance

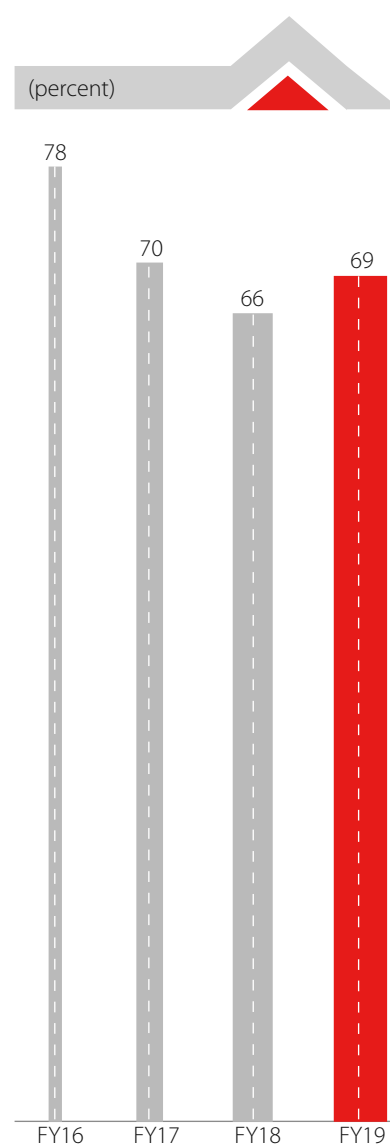
The Company's EBITDA margin increased by a whopping 5,172 bps and stood at 33.42 percent for the year under review.

**Debt-equity ratio****Performance**

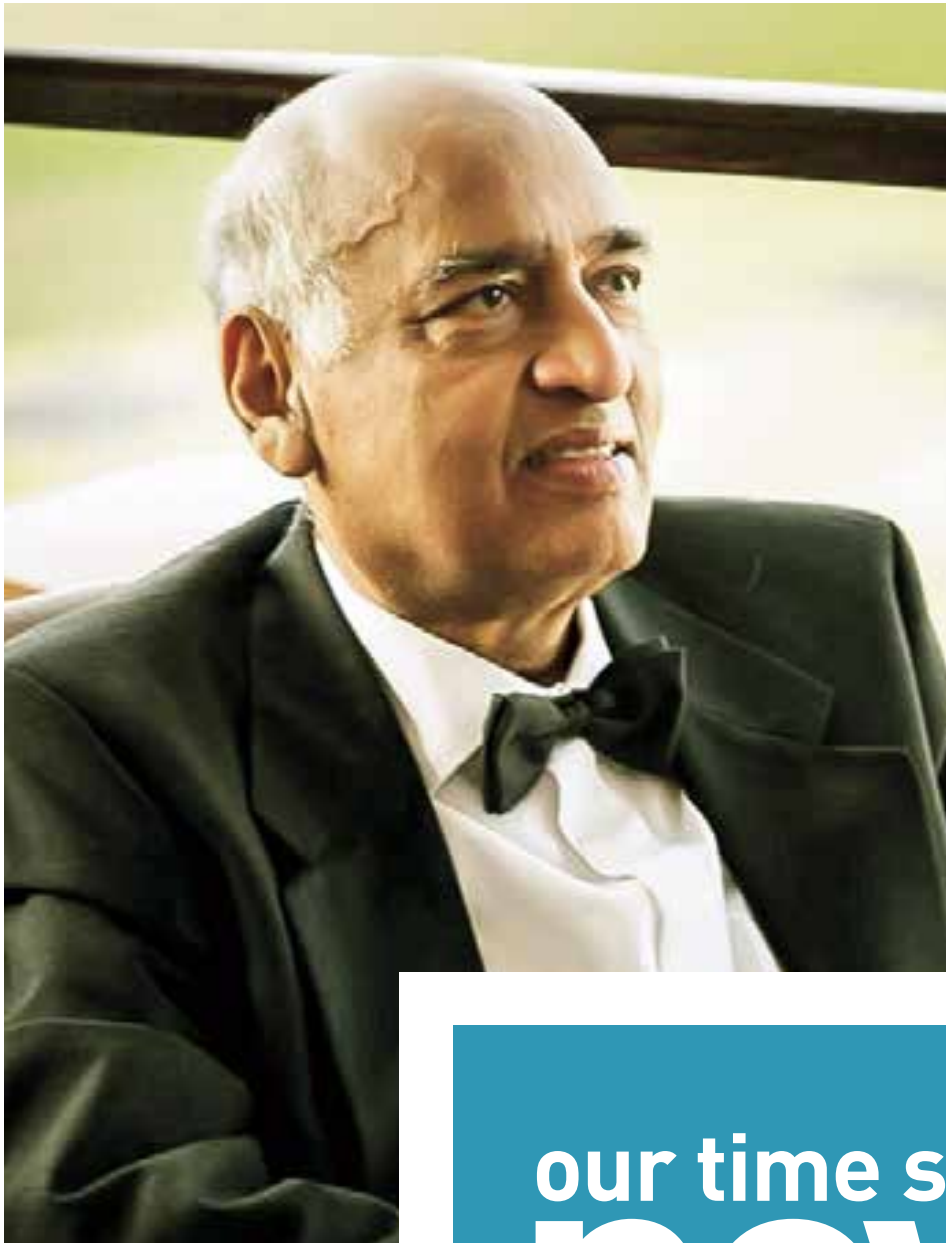
The Company's gearing for 2018-19 stood at 1x.

**RoCE****Performance**

The Company's RoCE for the year under review stood at 4 percent.

**Construction cost as percentage of revenues****Performance**

The Company moderated its construction cost as a percentage of revenue from 78 percent in 2015-16 to 69 percent in 2018-19.



I present our performance for the year under review.

Your Company recorded a 43.5 percent growth in revenues against a backdrop of sluggishness in the Indian economy and real estate sector. Besides, the Company worked on obtaining various approvals for its upcoming projects.

our time starts  
**now!**



During the year under review, the Indian non-banking finance institution sector was affected by the default of a prominent sectoral player, which, in turn, affected credit expansion, financial markets and consumer sentiment.

During the later course of the year under review, credit availability became a growing challenge, affecting the prospects of the country's real estate sector. During the last quarter, India yielded its position as the fastest-growing economy to China owing to a 20-quarter GDP growth low of 5.8 percent during Q4 2018-19.

Owing to this slowdown, the country's estimated GDP growth rate in 2018-19 stood at 6.8 percent compared to 7.2 percent during the previous fiscal. Looking ahead, the sluggishness is expected to sustain through 2019-20 before recovering on account of a projected increase in incomes, aspirations and consumption.

Given this economic slowdown, the country's real estate sector is expected to remain sluggish as well during the current year. However, the residential segment is expected to recover on the back of increased investments in the affordable housing segment. As an indication, nearly 78 percent of all new residential launches during the first half of 2019 were under the ticket size of ₹1 crore. It would be relevant to indicate that even as Mumbai's residential sector reported an increase in unsold apartment inventories from 1,19,526 units in the first half of 2018 to 1,36,525 units in first half of 2019, there was a 22 percent addition in new launches during this period, indicating that perhaps the sector may be on recovery.

At Poddar Housing, we have reinvented ourselves in line with the relatively improved sentiment. The Company extended its presence from Mumbai suburbs to the city during the year under review; the Company sustained its interest in deepening its engagement in

Pune, widening its geographic risk. The Company launched a project comprising 1800 apartments during the year under review, which should translate into increased revenues across the foreseeable future.

### Focused

The Company is focused on the affordable housing segment. The affordability is to the relevant geographical area and segment. The average ticket size per Mumbai apartment

25-storey structures, warranting deeper competence. We provided our target audience with the value of lifestyle-centric gated residential living, probably the first ever time for this consuming audience.

### Outlook

The Company is optimistic of prospects over the foreseeable future on account of a revival in the prospects of the Indian residential sector. Within this large sectoral space, we have selected to be present in a relatively insulated niche.

OWING TO THIS SLOWDOWN, THE COUNTRY'S ESTIMATED GDP GROWTH RATE IN 2018-19 STOOD AT 6.8 PERCENT COMPARED TO 7.2 PERCENT DURING THE PREVIOUS FISCAL. LOOKING AHEAD, THE SLUGGISHNESS IS EXPECTED TO SUSTAIN THROUGH 2019-20 BEFORE RECOVERING ON ACCOUNT OF A PROJECTED INCREASE IN INCOMES, ASPIRATIONS AND CONSUMPTION.

of ₹1 crore indicates high affordability, widening the value of condominium living provided by an organised player across a larger number. Besides, during the year under review, the affordability of the end product provided by the Company increased, following a GST rate cut from 8 percent to 1 percent, strengthening long-term prospects, through the project cost being increased due to non availability of credit.

### Positioning

The Company is optimistic of prospects on account of the long-term attractiveness of the Mumbai and Pune residential markets on the one hand and the sustained relevance of the affordable segment on the other.

Over the years, we established our competence in building four-storey structures extending to 20 to

During the year under review, the Company launched its first affordable housing project under Pradhan Mantri Awas Yojana called 'Poddar Wondercity' at Badlapur East, which is expected to kickstart a virtuous cycle of sales, revenues and profit growth commencing with 2019-20.

We believe that our long-term has been secured by access to a MMRD region land bank of 92.49 acres, and longstanding relationships with the larger ecosystem of service providers.

In view of these realities, we believe that our Company is perched at the cusp of positive change.

Our times starts now!

**Dipak Poddar**, *Chairman*

# Our showpiece projects



## Poddar Wondercity

Situated in Badlapur East. Affordable housing township; the first of its kind by Poddar. Marked by holistic living in a pollution-free zone. Offers residents amenities like Poddar Brio International School, multi-speciality critical care hospital, multiple sports, recreational facilities and retail and entertainment options. To comprise ~1800 units. Use of imported aluminium formwork building technology to enhance world-class construction standards.