

## COMPANY INFORMATION

### BOARD OF DIRECTORS

Mr. R. K. Mittal	Chairman cum Managing Director
Mr. Gaurav Mittal	Whole Time Director
Mr. M. P. Goel	Directors
Mr. Manav Jain	Directors
Mr. Pran Nath	Directors
Mr. M. S. Kapur*	Additional Director

\*w.e.f. 1st October, 2008

### CHIEF FINANCIAL OFFICER CUM COMPLIANCE OFFICER

Mr. Vishal Rajpal

### COMPANY SECRETARY

Ms. Ritu Goyal\*

\*w.e.f. 8th July, 2009

### REGISTERED OFFICE

SF-16-17, 1st floor,  
Madame Bhikaji Cama Bhawan  
Bhikaji Cama Place, New Delhi-110066  
Ph. No: 011-26109200-9500  
Fax: 011-26109600  
Web: [www.chddevelopers.com](http://www.chddevelopers.com)  
Email: [investorservices@chddevelopers.com](mailto:investorservices@chddevelopers.com)

### TEQUILA (RESTAURANT)

Plot No. 19-20, 1<sup>st</sup> Floor, G-Block,  
Community Centre, Vikas Puri,  
New Delhi-110018

### AUDITORS

M/s Mohan & Mohan  
Chartered Accountants  
F-31, D. B. Gupta Market,  
Karol Bagh, New Delhi-110005

### SUBSIDIARIES

Divine Townships Private Limited  
Golden Infracon Private Limited  
Horizon Realtech Private Limited  
CHD Facility Management Private Limited  
CHD Retirement Townships Private Limited

### PRINCIPAL BANKERS/ FINANCIAL INSTITUTIONS

Axis Bank Limited  
Bank of Baroda  
HUDCO

### REGISTRAR & SHARE TRANSFER AGENTS

Skyline Financial Services Pvt. Ltd  
246, 1<sup>st</sup> Floor, Sant Nagar, East of Kailash  
New Delhi-110 065. Ph: 011-26292682

# CHD Developers Ltd.

## NOTICE

Notice is hereby given that the Nineteenth Annual General Meeting of the Members of CHD Developers Limited will be held at Aadyant School, Plot No. 10-11, Nelson Mandela Road, Vasant Kunj, New Delhi-110070 on Saturday, 26<sup>th</sup> September, 2009 at 10.00 a.m. to transact the following businesses :

### Ordinary Business

1. To receive, consider and adopt the Balance Sheet as at 31<sup>st</sup> March, 2009 and the Profit & Loss Account for the year ending on that date and report of Board of Directors' & Auditors' Report thereon.
2. To appoint a Director in place of Mr. Pran Nath, who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider and if thought fit, to pass with or without modification(s), the following resolution as an ordinary resolution:

“RESOLVED THAT M/s Mohan & Mohan, Chartered Accountants, the retiring auditors of the Company be and are hereby re-appointed as the auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting on a remuneration as may be fixed by Board of Directors of the Company.”

M/s Mohan & Mohan, Chartered Accountants have furnished a Certificate to the effect that their reappointment, if made, shall be within the limits set out in section 224(1B) of the Companies Act, 1956.

### Special Business

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as an ordinary resolution:

“RESOLVED THAT Mr. M. S. Kapur, who was appointed as an additional director of the Company, on 01.10.2008 and whose term of office expires at this Annual General Meeting and in respect of whom Company has received a notice in writing from a member under Section 257 of the Companies Act, 1956 proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company.

RESOLVED FURTHER THAT Mr. R. K. Mittal and Mr. Gaurav Mittal, Directors of the Company be and are hereby authorized to file e Form 32 with Registrar of Companies, NCT of Delhi.”

**By order of the Board of Directors  
For CHD Developers Limited**

Place: New Delhi  
Date: 30<sup>th</sup> July, 2009

**R.K. Mittal**  
(Chairman cum Managing Director)

## NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY (IES) TO ATTEND AND VOTE INSTEAD OF HIM SELF/ HER SELF AND THE PROXY (IES) NEED NOT BE A MEMBER OF THE COMPANY. PROXY (IES) IN ORDER TO BE EFFECTIVE MUST BE SIGNED, STAMPED AND DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 (FORTY EIGHT) HOURS BEFORE THE COMMENCEMENT OF THE MEETING. BLANK PROXY FORM IS ANNEXED HERETO.

2. The Register of Members and the Share Transfer Books of the Company shall remain closed from Monday, 21<sup>st</sup> September, 2009 to Saturday, 26<sup>th</sup> September, 2009 (both days inclusive).

3. Members are requested to notify any changes in their address etc. quoting their folio no.(s) to the Registrar & Share Transfer Agents at the following address, at the earliest to avoid inconvenience at a later stage :

**Skyline Financial Services Private Limited**

246, 1<sup>st</sup> Floor, Sant Nagar,  
East of Kailash,  
New Delhi- 110065.

4. Members are requested to bring their copy of the Annual Report to the venue of the meeting.

5. Members desiring any information on accounts of the Company are requested to write to the Company at least one week before the meeting so as to enable the management to keep the information ready. Replies will be provided only at the meeting.

6. Shareholders are eligible to file their nominations against their Shareholding. Nomination form(s) are available at the Registered Office of the Company at SF-16-17, 1<sup>st</sup> Floor, Madame Bhikaji Cama Bhawan, 11, Bhikaji Cama Place, New Delhi-110066. Those interested in getting the facility of Nomination may write to the Company Secretary of the Company for a copy of the prescribed nomination form.

7. As required under clause 49 of the Listing Agreement, given below are the details of the Director(s) who retire by rotation and is/are eligible for re-appointment/appointment of Directors

**i) Director being re-appointed retiring by rotation (Resolution at Item No. 2)**

Mr. Pran Nath s/o Shri Brij Lal Gupta, is a Director of the Company since 2003. He is 72 years old and is Graduate in Civil Engineering. Besides expertise in the field of engineering, he is proficient in Finance and Accounts. He is not a Director in any other Company. He is on the following Committee(s) formed by the Board of Directors.

Committee Membership

- Audit Committee
- Shareholders Grievance Committee
- Remuneration Committee

Other than the foregoing he is not a member of any other Committee.

None of the Directors except Mr. Pran Nath, being the appointee, is interested or concerned in the above said resolution.

# CHD Developers Ltd.

## EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

### Item No. 4

Mr. M. S. Kapur s/o Late Sardar Balwant Singh Kapur is an additional director of the Company since 01.10.2008 and his term of office expires at this Annual General Meeting. We have received a notice in writing from a member under Section 257 of the Companies Act, 1956 proposing his candidature for the office of Director.

He is B. Sc. Graduate from Punjab University and also Post Graduate in M.A. from the same University. He is 63 years old and retired as Chairman & Managing Director of Vijaya Bank, Bangalore in March 2006. His main field of interest is Banking Industry and he has served this industry for more than 37 years.

The Directors, now, recommend passing of the resolution as set out at item No.4 of the Notice.

None of the Directors except Mr. M. S. Kapur, being the appointee, is interested or concerned in the above said resolution.

**By order of the Board of Directors  
For CHD Developers Limited**

Place: New Delhi  
Date: 30<sup>th</sup> July, 2009

**R. K. Mittal**  
(Chairman cum Managing Director)

**CEO/CFO certification, issued in terms of clause 49 (V)  
of the listing Agreement**

To,

The Board of Directors,  
**CHD Developers Limited**

Sub: CEO/CFO Certificate

Dear Sirs,

1. We have reviewed financial statements (Consolidated and unconsolidated) read with cash flow statement for the year ended 31<sup>st</sup> March, 2009 and certify that to the best of our knowledge and belief:
  - (a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading:
  - (b) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. We further certify that, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
3. We accept the responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have:
  - a) Designed such internal control over financial reporting or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.
  - b) Evaluated the effectiveness of the Company's disclosure, controls and procedures.
  - c) Disclosed in the report any changes in the Company's internal control over financial reporting that occurred during the Company's most recent fiscal year that has materially affected or is reasonable likely or materially affect the Company's internal control over financial reporting.
4. We have disclosed based on our most recent evaluation, wherever applicable, to the Company's auditors and the audit committee of the Company's Board of Directors (and persons performing the equivalent functions).
  - a) All deficiencies in the design or operation of internal controls, which could adversely affect the Company's ability to record, process, summarize and report financial data and have identified for the Company's auditors any material weaknesses in internal controls over financial reporting including any corrective actions with regard to deficiencies.
  - b) Significant changes in internal controls, if any, during the year covered by this report.
  - c) All significant changes in accounting policies during the year, if any, and that the same have been disclosed in the notes to the financial statements.
  - d) Instances of significant fraud of which we are aware that involve management or other employees who have a significant role in the Company's internal control system.
5. We further declare that all Board members and senior management personnels have affirmed compliances with the code of conduct for current year.

Place: New Delhi  
Dated: 30<sup>th</sup> July, 2009

**Vishal Rajpal**  
Chief Financial officer

**R. K. Mittal**  
Chairman cum Managing Director

# CHD Developers Ltd.

## DIRECTORS' REPORT

To,  
The Members,  
**CHD Developers Limited**

Your Directors are pleased to present their Nineteenth Annual Report together with the Audited Accounts and Financial Statements for the year ended 31<sup>st</sup> March, 2009.

### 1. FINANCIAL RESULTS

The summarized financial results of the Company for the year ended 31<sup>st</sup> March, 2009 are as follows: (Amount in Rs.Lacs)

	Current Year ended 31.03.2009	Previous Year Ended 31.03.2008
Gross receipts	4050.33	7586.59
Profit before Tax, Depreciation and Interest	455.32	2123.66
Interest	365.18	122.93
Depreciation	45.79	41.03
Profit before Tax	44.35	1959.70
Profit after Tax	12.69	1369.61

### 2. DIVIDEND

Keeping in view need to conserve resources, your Directors are constrained not to recommend any dividend for the year under review.

### 3. PERFORMANCE

Due to recession prevalent in the real estate industry there was a slight downfall in the turnover of the Company. The turnover of the Company was Rs. 4050.33 Lacs as compared to previous year turnover of Rs. 7586.59 Lacs.

But as the economy is regaining up its strength now, we hope to regain our growth rate. Moreover your Company has been making continuous efforts to avail profitable business opportunities to improve overall profitability of the Company.

### 4. PROJECTS

Currently the Company is continuing with its two executing projects, namely:

- i) **Sri Krishnalok at Vrindavan:** The 1st phase has been fully constructed & possession handed over to the flat buyers. Development and construction of 2nd phase is also completed and Company has started giving possession to the buyers.
- ii) **CHD City, Karnal:** It is a 128 acre world class integrated township consisting of plotted land, luxury villas, commercial plots, shopping complexes, commercial complexes, affordable floors and institutional spaces.

During the year your Company introduced various sub-projects with in the CHD City like Karnal Business Centre (KBC), commercial SCO plots, which had been totally sold out, luxury villas by the name of Silver Country, for which the Company has received tremendous response and lately your Company has introduced affordable flats by the name of Lifestyle Floors, for which the Company has received an un-precedented response. Your Company has started to give possession of residential plots of phase I at CHD City in July, 2009.

Going forward your Company has a vision to concentrate on the affordable segments in residential built up spaces in tier 2 and tier 3 mainly in the Northern and Central part of India.

### 5. DIRECTORS

- In accordance with the provisions of the Companies Act, 1956 and Articles of Association of the

Company, Mr. Pran Nath, Director of your Company retire by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment subject to the approval of Shareholders of the Company.

- In accordance with the provisions of the Companies Act, 1956 and Articles of Association of the Company, Mr. M. S. Kapur, Director of our Company, who was appointed as additional director of the Company on 01.10.2008 and whose term of office expires at this Annual General Meeting being eligible, offer himself for re-appointment subject to the approval of Shareholders of the Company. Company has received a Notice in writing from a member under Section 257 of the Companies Act, 1956 proposing his candidature for the office of Director.

## 6. AUDITORS

M/s. Mohan & Mohan Chartered Accountants, the Auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting.

The Auditors have forwarded a certificate under section 224(1B) of the Companies Act, 1956, to the effect that their re-appointment, if made, would be within the limits specified in the said section.

The Directors recommend their re-appointment. The report of the Auditors is self-explanatory and does not call for any comment.

## 7. CORPORATE GOVERNANCE

Corporate Governance and Management Discussion and Analysis report are given in Annexure A & B.

## 8. DIRECTORS' RESPONSIBILITY STATEMENT

As required by the provisions of section 217 (2AA) of the Companies Act, 1956, the Directors confirm that:

- In the preparation of the annual accounts, the applicable accounting standards have been followed.
- The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review.
- The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- The Directors have prepared the annual accounts on a going concern basis.

## 9. SUBSIDIARIES OF THE COMPANY

As on 31<sup>st</sup> March, 2009, the Company had following subsidiaries:

S. No.	Name of the Company	% Holding
1.	Golden Infracon Private Limited	100
2.	Horizon Realtech Private Limited	100
3.	Divine Townships Private Limited	100
4.	CHD Facility Management Private Limited	100
5.	CHD Retirement Townships Private Limited	100

## 10. FIXED DEPOSITS

Fixed Deposits from the public, shareholders and employees of the Company as on 31<sup>st</sup> March, 2009 stood at 494.52 Lacs as against 391.77 Lacs at the close of the preceding financial year. There were unclaimed deposits aggregating Rs. 19,000/- pertaining to 2 depositors as on that date.

## 11. PERSONNEL

The employees at all levels continued to put sincere efforts in the growth of the Company. The Employee relations continued to be cordial.

During the year under review details of employees, whose particulars are required to be furnished as required under section 217(2A) of the Companies Act, 1956, read with Companies (Particulars of the Employees) Rules, 1975, as amended, is as follows:

S. No.	Name	Relationship	Remuneration	Total Payments	No. of Shares Held
1.	R. K. Mittal	Managing Director	2,00,000 P.M. (from June 08 onwards)	20,80,000/-	21583550

### Employee Benefits:

#### a. Short-term employee benefits

Short-term employee benefits are recognized in the period during which the services have been rendered.

#### b. Long-term employee benefits

##### (i) Defined Contribution plan

Contributions to provident fund are deposited with the appropriate authorities and charged to the Profit and Loss Account on accrual basis.

##### (ii) Defined benefit plan

Gratuity – The Company provides for the Gratuity based on actuarial valuation as per the Projected Unit Credit method in accordance with Accounting Standard 15 (revised) related to employee benefits.

## 12. OTHER INFORMATION

A Statement pursuant to the provisions of Section 217(1) (e) of the Companies Act, 1956 read together with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 is annexed hereto and forms part of this Report in Annexure C.

## 13. LISTING AT STOCK EXCHANGE

The Equity Shares of the Company continue to be listed on the Bombay Stock Exchange. The annual listing fees for the year 2009-2010 have been paid to the Bombay Stock Exchange.

## 14. EMPLOYEE STOCK OPTION PLAN-ESOP 2007

The Company has adopted an ESOP Scheme i.e. CHD ESOP 2007 scheme for benefit of permanent employees of the Company.

The options granted under the scheme would vest over a period of four years and the year under consideration was its 2<sup>nd</sup> year. No employee or director of the Company has been granted options in excess of 1% of the issued equity share capital of the Company.

Complete details of ESOP Scheme implemented during the year is attached to this report as Annexure 'A-I'.

## 15. CHANGES IN THE PAID UP SHARE CAPITAL OF THE COMPANY

During the year your Company made an allotment of 1,14,847 equity shares of Rs. 2/- each, at par under CHD ESOP 2007 Scheme.

The paid up capital after taking the effect of changes as above, stood at Rs. 19,39,27,914/- as on 31<sup>st</sup> March, 2009 as against Rs. 19,36,97,500/- as on 31<sup>st</sup> March 2008.



**16. PARTICULARS REQUIRED AS PER SECTION 212 OF THE COMPANIES ACT, 1956**

The Company had filed the necessary application for the approval of Ministry of Corporate Affairs, Government of India dispensing with the requirements to attach various documents in respect of subsidiary companies, as set out in sub-section (1) of Section 212 of the Companies Act, 1956 and approval thereof has been received for the year ended on 31.03.2009. Accordingly, the Balance Sheet, Profit & Loss Account and other documents of the subsidiary Companies of the Company are not required to be attached with the Balance Sheet of the Company. A statement containing brief financial details of the Company's subsidiaries for the year ended as on March 31, 2008 is included in the Annual Report. The Company will make available the audited annual accounts and related information of the subsidiary companies, on request by any member of the Company. These documents will also be available for inspection during business hours at our Registered Office.

**17. SIGNING OF NOTICE, BALANCE SHEET, PROFIT AND LOSS A/C AND DIRECTORS REPORT ETC.**

This is to inform you that the Company had approved and authenticated its Audited Financial Results for the year ended 31<sup>st</sup> March 2009 in the Board meeting duly held on 30.06.2009, which was well within the statutory time limits as prescribed in the Companies Act, 1956 and Listing Agreement entered by the Company with Bombay Stock Exchange, Mumbai.

**18. ACKNOWLEDGEMENTS**

Your Directors place on record their appreciation of the support extended by its Bankers, Customers and various Government Agencies. The Board also wishes to thank the shareholders for their unstinted support.

**By order of the Board of Directors  
For CHD Developers Limited**

Place: New Delhi  
Date: 30<sup>th</sup> July, 2009

**R. K. Mittal**  
(Chairman cum Managing Director)

ANNEXURE-"A"

## CORPORATE GOVERNANCE REPORT

### 1. The Corporate Governance Code

The Company recognizes the importance of Good Corporate Governance, which is the tool of building strong and everlasting beneficial relationship with customers, suppliers, bankers and more importantly with the investors. During the year, the Company has adopted the revised clause 49 of the listing agreement.

### 2. Board of Directors ("Board")

The strength of the Board on signing of the report comprises of Six Directors. The Board of Directors comprises of Executive and Non Executive Directors. There are four Non Executive Directors and two Executive Directors. The Chairman of the Board is Executive Director. The Directors are eminently qualified and experienced in business, finance and corporate management.

#### • Constitution of the Board

S. No.	Name of Director	Status
1.	Mr. R. K. Mittal	Executive, Chairman and Managing Director
2.	Mr. Gaurav Mittal	Executive, Whole Time Director
3.	Mr. M. P. Goel	Non-Executive Director
4.	Mr. Manav Jain	Non-Executive Director
5.	Mr. Pran Nath	Non-Executive Director
6.	Mr. M. S. Kapur*	Non Executive Additional Director

\* Up-to 26<sup>th</sup> Sept., 2009

#### Board Meetings

The meetings of Board of Directors were held at the Registered Office of the Company. The functions performed by the Board include review of Minutes of Audit Committee Meetings and other Committees of the Board, adoption of Quarterly results of the Company and review of Company's Operation & Performance. The Board meets at least once a quarter to review the quarterly performance and financial results of the Company.

#### • Number of Board Meetings

During the Financial year from 1<sup>st</sup> April, 2008 to 31<sup>st</sup> March, 2009 the Board of Directors met 13 times on the following dates:

S. No.	Date of Meetings	Board Strength	No. of Directors Present
1.	26th April, 2008	5	5
2.	20th May, 2008	5	5
3.	2nd June, 2008	5	5
4.	28th June, 2008	5	5
5.	30th July, 2008	5	5
6.	5th September, 2008	5	5
7.	1st October, 2008	5	5
8.	31st October, 2008	6	6
9.	25th November, 2008	6	6
10.	5th December, 2008	6	6
11.	6th January, 2009	6	6
12.	31st Jaunary, 2009	6	6
13.	19th March, 2009	6	6

**Attendance of Directors**

S. No.	Name of the Directors	No. of Board Meetings held	No. of Board Meetings attended	Attendance at the last AGM held on Sept 27, 2008	No. of Directorships in other Board as on 31st March, 2009	No. of Memberships in all committees of the Board as on 31st March, 2009
1.	Mr. R.K. Mittal	13	13	Present	7	2
2.	Mr. Gaurav Mittal	13	13	Present	7	1
3.	Mr. M.S. Kapur	06	06	-	6	-
4.	Mr. M.P. Goel	13	13	-	1	3
5.	Mr. Manav Jain	13	13	-	1	2
6.	Mr. Pran Nath	13	13	Present	-	3

- Code of Conduct**

A declaration regarding Compliance by Board Members and Senior Management with the Code of Conduct is annexed herewith as Annexure-A-II.

- 3. Committees of the Board**

Non-Executive Directors including the Chairman provide guidance on policy matters as well as in the monitoring actions of operating management.

In conformity to the requirements of clause 49 of the Listing Agreement with the Stock Exchanges and Companies Act, 1956, the Board has constituted and reconstituted the required committees. The composition of these Committees is as under :

S.No.	Name of Members	Various Committees		
		Audit Committee	Shareholders Grievances Committee	Remuneration Committee
1.	Mr. R. K. Mittal, Exe. Director	No	Yes	No
2.	Mr. Gaurav Mittal Exe. Director	No	No	No
3.	Mr. M. S. Kapur Non-Exe. Director	No	No	No
4.	Mr. Pran Nath Non-Exe. Director	Yes	Yes	Yes
5.	Mr. Manav Jain Non-Exe. Director	Yes	No	Yes
6.	Mr. M. P. Goel Non-Exe. Director	Yes	Yes	Yes

The Company also has a Share Transfer Committee which comprises of Mr. R. K. Mittal & Mr. Gaurav Mittal as its member.

**Audit Committee Membership:**

In Conformity with the requirements of Clause 49 of the Listing Agreement read with Section 292 A of the Companies Act, 1956 the strength of the Board as also of the Audit Committee was augmented by inducting non-executive directors as is indicated in the above paras.

- Broad Terms of Reference of the Audit Committee**

The main function of the Audit Committee is to assess and ensure that the financial statements of

## CHD Developers Ltd.

the Company are correct. It also interacts with the Statutory Auditors before finalization of Annual Financial Accounts and Reports focusing primarily on Accounting Policies, Compliance of Accounting Standards etc. It also reviews the adequacy of internal control system on any matter in connection with review of financial reporting systems and control procedures.

During the year from 1<sup>st</sup> April, 2008 to 31<sup>st</sup> March, 2009, the Audit Committee met four times on 28<sup>th</sup> June 2008, 30<sup>th</sup> July 2008, 31<sup>st</sup> October 2008 and 31<sup>st</sup> January, 2009.

### Attendance of the Directors in the Audit Committee Meeting:

S.No.	Name of Directors	No. of meetings attended
1.	Mr. Pran Nath	4
2.	Mr. M. P. Goel	4
3.	Mr. Manav Jain	4

### 4. Shareholders Grievances Committee

The Committee comprising of the following members of the Board to review Shareholders Complaints and resolving of the same by Mr. Vishal Rajpal, Compliance Officer of the Company.

1.	Mr. Pran Nath	Chairman
2.	Mr. R. K. Mittal	Member
3.	Mr. M. P. Goel	Member

### Attendance of Directors in the Shareholders Grievance Committee meetings :

The Shareholders' Grievance Committee met twice during the year ended 31<sup>st</sup> March, 2009. The attendance for the meetings are as stated below :

S.No.	Name of Directors	No. of meetings held	No. of meetings attended
1.	Mr. Pran Nath	2	2
2.	Mr. R. K. Mittal	2	2
3.	Mr. M. P. Goel	2	2

### Details of Investors/Shareholders Complaint received during the year ended 31<sup>st</sup> March 2009:

S. No	Nature of Complaints	Received	Disposed	Pending
1.	Non-receipt of dividend warrant(s)	Nil	Nil	Nil
2.	Non-receipt of Share Certificates after transfer/exchange/sub-division/consolidation	Nil	Nil	Nil
	Total	Nil	Nil	Nil

### Number of Shares pending for transfer:

No Share(s) was pending for transfer as on 31<sup>st</sup> March, 2009.

### 5. Remuneration Committee

#### Membership:

S.No.	Name of Directors	No. of Meeting held	No. of meeting attended
1	Mr. Pran Nath	2	2
2	Mr. M. P. Goel	2	2
3	Mr. Manav Jain	2	2

### Remuneration Policy:

The Company follows a market linked policy, which is aimed at enabling the Company to attract and

retain the best talent. Compensation is also linked to individual and team performance as they support the achievement of Corporate Goals. The Company has also adopted an Employee Stock Option Plan.

The Company doesn't pay any remuneration to the Non-Executive Directors of the Company. The Company only paid to Mr. R. K. Mittal, Managing Director of the Company, Salary of Rs 2,00,000/- p.a. since June 2008 and to Mr. Gaurav Mittal, a monthly salary of Rs. 80,000/- and benefits (key man Insurance Policy) which amounts to Rs 162,851/- p.a.

**Sitting Fees :**

No Sitting Fees was paid to Non -Executive Directors for attending the Board Meeting.

**6. Particulars of Past three AGMs**

The details of past three Annual General Meetings of the Company are given below :

AGM No.	Year	Venue	Date	Time
16	2006	Anand Niketan Club, Anand Niketan, New Delhi-110021	22 <sup>nd</sup> Aug. 2006	11.00 A.M
17	2007	Plot No. 10-11, Adayant School, Vasant Kunj, New Delhi-110070	29 <sup>th</sup> Sept., 2007	11.00 A.M
18	2008	Plot No. 10-11, Adayant School, Vasant Kunj, New Delhi-110070	27 <sup>th</sup> Sept., 2008	10.00 A.M

**7. Disclosures**

There were no transactions of material nature with promoters, directors, management, subsidiaries or relatives etc. that may have potential conflict with the interest of the Company at large. The relevant disclosures have been given in schedules to the Accounts. No penalties have been imposed on the Company by the Stock Exchange or SEBI or any statutory authority on any matter related to Capital markets for non-compliances by the Company.

**8. Means of Communication**

- The Company publishes quarterly, half-yearly and annual results as required under the Listing Agreement in the prescribed format. The results are normally published in the Financial Express (Eng.), Jansatta (Hindi) and in Economics Times. The results are also sent to the Stock Exchanges for general information and for putting on their web site. The notice of the AGM is sent to the shareholders well in advance of the AGM. The gist of the notice is also published in newspapers.
- Company has not made any presentations to any institutional investors/analyst during the year.
- Management Discussion and Analysis Report forms part of this Annual Report.

**9. General Shareholders' Information**

**Annual General Meeting:**

Day & Date 19<sup>th</sup> Annual General Meeting  
Saturday, the 26<sup>th</sup> September, 2009  
Time 10.00 A.M.  
Venue At Adayant School, Vasant Kunj,  
New Delhi.

**Financial Calendar (Tentative):**

- Financial Reporting for the Quarter ended 30<sup>th</sup> June, 2008 Last Week of July, 2008
- Financial Reporting for the Quarter ended 30<sup>th</sup> September, 2008 Last Week of Oct, 2008

## CHD Developers Ltd.

- Financial Reporting for the Quarter ended 31<sup>st</sup> December, 2008 Last Week of Jan, 2009
- Financial Reporting for the Quarter ended 31<sup>st</sup> March, 2009 Last Week of June, 2009

**Date of Book closure:** Monday 21<sup>st</sup> Sept., 2009 to Saturday, 26<sup>th</sup> Sept., 2009 (both days inclusive).

### **Listing on Stock Exchanges:**

The Equity Shares of the Company as on the date are listed on the Bombay Stock Exchange. The Company confirms that it has paid annual listing fees to the Bombay Stock Exchange.

### **Name of the Stock Exchange**

Bombay Stock Exchange,  
Phiroz Jee Bhoy Towers,  
Dalal Street, Mumbai-400001  
Ph: 022-22721234, 22721233  
Fax: 022-22721919

### **Stock Code of the Company**

Electronic Mode: INE659B01021  
Scrip Name: CHD Developers Limited  
Scrip Code : 526917

### **Market Price Data : (As obtained from BSE Website)**

Month & Year	High	Low	Close
Apr 2008	17.98	13.45	16.96
May 2008	17.80	13.70	13.85
Jun 2008	14.20	10.18	10.18
July 2008	11.50	9.00	10.50
Aug 2008	11.88	8.81	9.05
Sep 2008	9.53	5.80	6.68
Oct 2008	7.17	4.37	4.73
Nov 2008	5.43	3.25	3.87
Dec 2008	5.27	3.51	4.89
Jan 2009	5.42	3.85	3.96
Feb 2009	4.24	3.43	3.65
Mar 2009	4.65	3.35	4.18

### **Registrar and Share Transfer Agents :**

Skyline Financial Services Pvt. Ltd.  
246, 1<sup>st</sup> Floor, Sant Nagar, East of  
Kailash, New Delhi-110065  
Phones: 011-26292682/ 26292681

### **Share Transfer System:**

The turn around time for completion of transfer of shares in physical mode is generally less than 15 days if the documents are clear in all respects. Shares under demat mode are transferred by the Registrar for this purpose normally within 15 days.

The under noted official of the Company has been designated for speedy redressal of Shareholder's Investor's requests/queries.

### **Compliance Officer:**

Mr. Vishal Rajpal (Chief Financial Officer)

**Categories of Shareholding as on 31<sup>st</sup> March 2009**

S.No	Category	No. of Shares held	% of Shareholding
A	Promoters	63895700	65.90
B	Non Promoters Holding		
	a) Mutual Funds & UTI Banks	46500	0.05
	b) Financial Institutions, Insurance Companies (Central/State Govt. Institutions/Non Govt. Institutions) FIs	–	–
C	Others		
	a) Private Corporate Bodies	11762579	12.13
	b) Indian Public	20780606	21.43
	c) Any other (NRI/OCBs )	478212	0.49
	<b>Total</b>	<b>96963597</b>	<b>100</b>

**Distribution of Company's shareholding as on 31<sup>st</sup> March 2009**

Range (No. of shares)	No. of Shareholders	% of Shareholders	Total Shares in the ranges	% of Shares
1-500	12252	65.08	3110927	3.21
501-1000	3298	17.52	2983133	3.08
1001-2000	1579	8.39	2610121	2.69
2001-3000	576	3.06	1536093	1.58
3001-4000	223	1.18	816598	0.84
4001-5000	279	1.48	1350587	1.39
5001-10000	340	1.81	2599192	2.68
10001 & above	280	1.49	81956946	84.52
Total	18827	100	96963597	100

**Dematerialisation of Shares**

At present 98.84% of the Company's shares are held in electronic form. The table herein below gives the break up of the shares in physical and de-mat form as at 31<sup>st</sup> March, 2009.

No. of Shares in the Physical Segment	1129172	1.16%
No. of Shares in the De-mat Segment	95834425	98.84%

**Address for Correspondence :**

SF-16-17, 1<sup>st</sup> Floor,  
Madame Bhikaji Cama Bhawan, 11, Bhikaji Cama Place,  
New Delhi-110066  
Ph.: 011-26109200/9500 Fax: 011-26109600

**Compliance of non-mandatory requirements**

The Company has adopted the following non-mandatory requirements relating to:

- ❖ Remuneration Committee
- ❖ EDIFAR Filing

**10. Compliance Certificate from the Auditors**

A Certificate has been obtained from the Statutory Auditors of the Company regarding compliance of conditions of Corporate Governance and is attached to this report.

**By order of the Board of Directors  
For CHD Developers Limited**

Place: New Delhi  
Date: 30<sup>th</sup> July, 2009

**R. K. Mittal**  
(Chairman cum Managing Director)

# CHD Developers Ltd.

## ANNEXURE “A1”

Disclosure pursuant to the provisions of Securities and Exchange Board of India, (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999.

### Employee Stock Option Scheme

a)	Total Options offered	The Company had offered 13,02,737 stock options during last year which are to be granted over a period of four years. All the options will have vesting period of one year from the date of granting of the options, respectively.
b)	Options granted	The Company granted 2,93,116 Stock Options during the year (each Option carrying entitlement for one equity shares) at a price of Rs. 2/- face value plus FBT (as per applicable)
c)	The Pricing formula	Rs. 2/- face value of equity shares
d)	Options vested	2,27,979
e)	Options exercised	1,14,847
f)	Total No. of Shares arising as a result of	1,14,847
g)	Options lapsed	1,13,132
h)	Variation of terms of Options	Nil
i)	Money realized by exercisable Options	2,06,725/-
j)	Total No. of Options in force	2,93,116

★ The Company has received advance against employee stock options equivalent to 10% of the face value (Rs. 2/- per share) from all the employees to whom options have been granted.

## ANNEXURE “A-II”

### DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT WITH THE CODE OF CONDUCT

The Board has adopted the Code of Conduct for Board and Senior Management as recommended by the Corporate Governance. This Code is a comprehensive code applicable to all Directors, Executive as well as Non Executive members of Senior Management.

A copy of the Code has been put on the Company's website [www.chddevelopers.com](http://www.chddevelopers.com)

The code has been circulated to all the members of the Board and Senior Management and the compliance of the same has been affirmed by them. A declaration signed by the Chairman cum Managing Director is given below:

#### I hereby confirm that:

The Company has obtained from all the members of the Board and senior management, affirmation that they have complied with the code of conduct for Board of Directors and Senior Management in respect of the financial year 2008-2009.

**By order of the Board of Directors  
For CHD Developers Limited**

Place: New Delhi  
Date: 30<sup>th</sup> July, 2009

**R. K. Mittal**  
(Chairman cum Managing Director)



## ANNEXURE “B”

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

## ECONOMIC OVERVIEW

Favourable Government policies on globalisation and liberalisation have put India on the fast track. In fact, today India is the second fastest-growing economy in the world and is the centre of attraction globally. With greater quantum of domestic and international capital flowing into various sectors of the economy growth is likely to continue. However, it has become imperative for India to modernise and expand its infrastructure not only to sustain but bank on the existing growth speed.

The ripples of crumbling USA market and global crisis can be witnessed all over the world. Whatever happened in America, its impact can be felt way beyond the United States. Indian economy is no exception to this rule. But India is far more fortunate because worst impact of this global crisis is less on Indian economy as compared to economies of other Nations.

## INDUSTRY OVERVIEW

The Indian real estate sector plays a significant role in the country's economy. The real estate sector is second only to agriculture in terms of employment generation and contributes heavily towards the gross domestic product (GDP).

Moreover, the real estate sector is also responsible for the development of over 250 ancillary industries such as cement, steel, paints etc. A study by rating agency ICRA shows that the construction industry ranks 3rd among the 14 major sectors in terms of direct, indirect and induced effects in all sectors of the economy. A unit increase in expenditure in this sector has a multiplier effect and the capacity to generate income as high as five times.

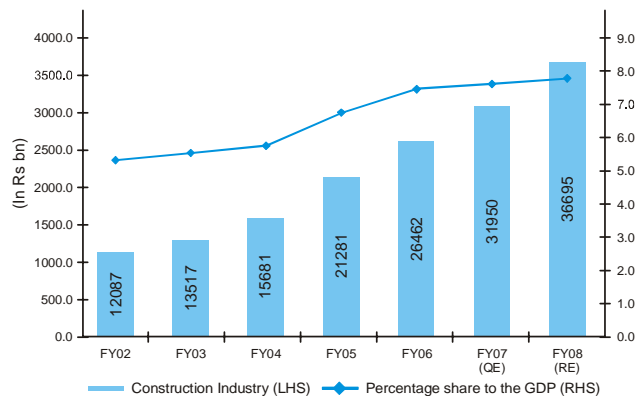
In order to get the exact overview of the Industry it is necessary to study the history of real estate market in India.

## GROWTH PHASE

Year 2004-05 to 2007-08 had been a golden period for the real estate industry with a growth rate of nearly 40%-45% per annum. India's economic performance had provided strong impetus to the real estate sector, which had witnessed heightened activity in the last 4-5 years. Large scale investment in infrastructure and rapid urbanisation contributed to the growth trajectory of the Indian real estate sector which was evident with urban centres such as Delhi, Mumbai and Bengalur acquiring global character and recognition.

The Indian construction industry, which is a crucial segment of real estate industry, had been playing a vital role in overall economic development, as its contribution to GDP at current market prices has gone up from 5.3% in FY02 to around 7.8% during FY08. In fact, during FY02-FY08, the sector grew at CAGR of 20.3%.

The Indian Construction Sector and share to GDP



## ECONOMIC MELTDOWN

The reality sector boomed but could not sustain the momentum for long as the impact of recession in US economy has badly hit Indian real estate market. The meltdown being witnessed around the world is having a significant effect on the state's real estate business. Till October 2008 the real estate industry was a very booming industry in India. But the downturn produced shocking waves in the real estate market. The result was unavoidable. Many development projects are on the verge of collapse due to the economic meltdown. Many giants developers are running short of liquidity.

Two factors are being attributed to the slowdown affecting property demand. Firstly, the IT and ITES sectors, which contributed most to the real estate growth, have cut down jobs due to which there are fewer takers for real estate. Secondly, the age factor – younger people are not easily accepting real estate offers, while middle-age/income groups are opting for easily affordable ones. Either ways, it has led real estate developers to think and strategise ways of overcoming the slump.

#### **GOVERNMENT INITIATIVES**

The government has introduced many progressive reform measures to unlock the potential of the sector and also meet increasing demand levels. The stimulus package announced by the government, coupled with the Reserve Bank of India's (RBI) move allowing Banks to provide special treatment to the real estate sector, is likely to impact the Indian real estate sector in a positive way. RBI had decided to extend exceptional concessional treatment to the commercial real estate exposure and restructured it to June 30, 2009.

- ❖ 100% FDI allowed in realty projects through the automatic route.
- ❖ In case of integrated townships, the minimum area to be developed has been brought down to 25 acres from 100 acres.
- ❖ Urban Land (Ceiling and Regulation) Act, 1976 (ULCRA) repealed by increasingly larger number of states.
- ❖ Minimum capital investment for wholly-owned subsidiaries and joint ventures stands at US\$ 10 million and US\$ 5 million, respectively.
- ❖ Full repatriation of original investment after three years.
- ❖ 51% FDI allowed in single-brand retail outlets and 100% in cash-and-carry through the automatic route.

Besides the above measures, the Government has recently announced an economic stimulus package keeping in mind the impact of the global slowdown on the Indian real estate sector. Public Sector Banks and Private Sector Banks have announced a package for home loan borrowers in various categories. This is expected to increase borrowing for homes and in turn give a boost to the realty sector. Moreover, excise duty cuts on cement and steel will bring down construction costs.

The real estate sector is also likely to get a boost from Real Estate Mutual Funds (REMFs) and Real Estate Investment Trusts (REITs). In fact, according to a CRISIL paper, the REITs would have the potential to hold at least 5 per cent share of the total global real estate market by 2010, the size of which would turn to US\$ 1400 billion in the next 3 years. The paper titled, 'Indian REITs; Are We Prepared', says that by 2010, REITs alone would hold a market size of US\$ 70 billion of the total real estate market as its concept is gaining ground in countries like India and other developing nations.

#### **FUTURE OUTLOOK**

Due to international market crunch, the market in India was also affected. But now the worst time is over especially for Real Estate. Year 2009 has started giving positive results and we hope to see the brighter part very soon. Overall the coming years should be fruitful for Real Estate.

There is no doubt that the Govt. has taken preventive measures and is planning very attractive scheme for different sectors. NHB has also played a great role. The cut in rate of interest in the recent past has a welcome note. Such kind of lucrative and beneficial schemes can prove wonders to the real estate industry. The rate cuts have made entire real estate industry attractive investment. However the Government steps alone can't revive the sector to the heights it saw in previous years. The builders too have to pitch in a big way, cutting the prices but not compromising in quality. With sales down, many realtors have cut down the price, but the quality of homes has also come down with that.

***This is where a good builder separates from rest and your Company is striving to provide best quality, affordable and facilitative homes at the cheapest prices.***

**By order of the Board of Directors  
For CHD Developers Limited**

Place: New Delhi  
Date: 30<sup>th</sup> July, 2009

**R. K. Mittal**  
(Chairman cum Managing Director)

**ANNEXURE “C”****DISCLOSURE UNDER SECTION 217(1)(e) OF THE COMPANIES ACT, 1956 READ WITH COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF THE BOARD OF DIRECTORS) RULES, 1988****1. CONSERVATION OF ENERGY**

- A. Energy conservation measures taken  
The Company continuously endeavors to economise the use of energy and fuel and the Company has taken steps to install energy efficient equipments.
- B. Additional investments and proposals, if any, being implemented for reduction of consumption of energy.  
The Company continuously endeavors to economise the use of energy and fuel. However no specific proposals are being implemented.
- C. Impact of measures at (a) and (b) above for reduction of energy consumption and consequently impact on the cost of production of goods.  
Sincere efforts to conserve energy are a continuous exercise the impact thereof has not been quantified.
- D. Total energy consumption and energy consumption per unit of production as per Form A of Annexure in respect of industries specified in schedule thereto.  
Your Company continuously strives to economise the use of energy and fuel. Necessary particulars as required by rules in respect of energy consumption at Restaurant cum Bar are given in Form A.

**2. TECHNOLOGY ABSORPTION**

- A. Research and Development  
In view of the nature of business of the Company, the required information in the prescribed format is considered to be not applicable to the Company.
- B. Technology Absorption: Nil

**3. FOREIGN EXCHANGE**

- EARNING - NIL  
OUTGO - Rs.2,00,964/-

**Form A****A. POWER & FUEL CONSUMPTION**

1. Purchase	Current year	Previous year
a) Electricity		
Units	286792	185484
Total Amount (Rs.)	1603167	912268
Rate per unit (Rs.)	5.59/- unit	4.92/- unit
b) Coal (Charcoal)		
Quantity (in Kg)	34128	23994
Total Cost (Rs.)	580189	400998
Average Rate (Rs.)	17.00/- kg	16.71/- kg
c) Others (LPG)		
Quantity (No. of Cylinder)	462	414
Total Cost (Rs.)	380330	341840
Average Rate (Rs.)	811.20/- cylinder	825.70/- cylinder

**By order of the Board of Directors  
For CHD Developers Limited**

Place: New Delhi  
Date: 30<sup>th</sup> July, 2009

**R. K. Mittal**  
(Chairman cum Managing Director)

# CHD Developers Ltd.

## AUDITORS' REPORT ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To

The Members,  
**CHD Developers Limited,**  
New Delhi-110066

We have examined the compliance of conditions of Corporate Governance by CHD Developers Limited, for the year ended 31<sup>st</sup> March, 2009, as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The Compliance of Conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the company.

We have conducted review on the basis of the relevant records and documents maintained by the company and furnished to us for review and the information and explanations given to us by the company, the representations made by the Directors and the Management. Based on such review, in our opinion, the Company has complied with the conditions of Clause 49 of the above mentioned Listing Agreement.

We state that in respect of investor grievances received during the year ended 31<sup>st</sup> March, 2009 no investor grievance is pending against the Company for a period exceeding one month, as per the records placed before the shareholder/Investor Grievance Committee.

We further state that such Compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Mohan & Mohan**  
Chartered Accountants

**CA. Adarsh Mohan**  
Partner  
Membership No. 81491

Place: New Delhi  
Dated: 30<sup>th</sup> June, 2009

## AUDITOR'S REPORT

Mohan & Mohan  
Chartered Accountants  
F-31, D. B. Gupta Market,  
Karol Bagh, New Delhi -110005

To

The Members of  
**CHD Developers Limited,**  
New Delhi - 110066

We have audited the attached Balance Sheet of CHD Developers Limited, as at 31<sup>st</sup> March, 2009, Profit and Loss Account and cash flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order to the extent applicable.

Further to our comments in the Annexure referred to in paragraph (3) above, we report that:

- (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audits,
- (ii) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books,
- (iii) The Balance Sheet, Profit and Loss Account and cash flow statement dealt with by this report are in agreement with the books of accounts,
- (iv) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement comply with the Mandatory accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956,
- (v) On the basis of written representations received from the directors, as on 31<sup>st</sup> March, 2009 and taken on record by the Board of Directors we report that none of the directors is disqualified as on 31<sup>st</sup> March, 2009 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956,
- (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the Significant Accounting Policies and other notes thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
  - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2009,
  - (b) in the case of the Profit and Loss Account, of the profit for the year ended on that date and
  - (c) in the case of Cash Flow Statement of the Cash Flow of the Company for the year ended on that date.

For **Mohan & Mohan**  
Chartered Accountants

**CA. Adarsh Mohan**  
Partner  
Membership No. 81491

Place: New Delhi  
Dated: 30<sup>th</sup> June, 2009

## ANNEXURE

### STATEMENT REFERRED TO IN PARAGRAPH ABOVE OF OUR REPORT OF EVEN DATE

#### i. In respect of its fixed assets:

- a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of information available.
- b) According to the information and explanations given to us, the fixed assets have been physically verified by the Management during the year in a phased periodical manner which, in our opinion, is reasonable, having regard to the size of the Company and nature of the assets. No material discrepancies were noticed on such verification.
- c) In our opinion, the Company has not disposed off substantial part of fixed assets during the year and the going concern status of the Company is not affected.

#### ii. In respect of its Inventories:

- a) As explained to us, the inventories have been physically verified by the Management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable having regard to the size of the Company and the nature of its business.
- b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c) The Company has maintained proper records of inventory. As explained to us, there were no material discrepancies noticed on physical verification of stocks, as compared to book records.

#### iii. In respect of loans, secured or unsecured, granted or taken by the company to/from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act 1956:

- a) The company has granted Unsecured Loan to five parties. At the year end the outstanding balance of such loan granted was Rs.109.49 lacs and the maximum amount involved during the year was Rs.248.98 lacs.
  - b) In our opinion and according to the information and explanations given to us, the rate of interest, wherever applicable and other the terms and conditions are not prima-facie prejudicial to the interest of the company.
  - c) The loan granted by the Company is interest free and the principal amount is repayable on demand
  - d) Since the loans granted by the Company are repayable on demand, no question of overdue amounts arises.
  - e) The Company has taken Unsecured Loans from three parties. At the year end the outstanding balance of such loans taken was 17.24 lacs and the maximum amount involved during the year was Rs.17.38 Lacs.
  - f) In our opinion and according to the information and explanations given to us, the rate of interest, wherever applicable and other the terms and conditions are not prima-facie prejudicial to the interest of the Company
  - g) In respect of loans taken by the Company, the interest payment, wherever applicable is regular and the principal amount is repayable on demand.
- iv. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and fixed assets and with regard for the sale of goods. Further in our opinion, there is no continuing failure to correct major weaknesses in the internal control.
- v. a) In our opinion and according to the information and explanations given to us, the transaction made in pursuance of such contracts or arrangements, that needed to be entered in the register maintained U/s 301 of the Companies Act, 1956 has been so entered.
- b) In our opinion and according to the information and explanations given to us, the transaction made in pursuance of such contracts or arrangements has been made at the price which are reasonable having regard to prevailing market price at the relevant time where such prices are available.
- vi. In our opinion, and according to the information and explanations given to us the Company has complied with the provisions of Sections 58 A, 58 AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the public.
- vii. In our opinion, the Company has an internal Audit system commensurate with the size and the nature of its business.
- viii. According to information and explanations given to us, The Company is not required to maintain cost records prescribed by Central Government under clause (d) of sub section (1) of section 209 of the Companies Act, 1956.

- ix. a) According to the information and explanations given to us and the books and records examined by us, the Company has been regular in depositing undisputed statutory dues including Provident Fund, Employee State Insurance, Income Tax, Sales Tax, Fringe Benefit Tax, Service Tax, Excise Duty, Cess and any other statutory dues applicable to it with the appropriate authorities.
- b) According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employee State Insurance, Income Tax, Sales Tax, Fringe benefit Tax, Service Tax, Excise Duty, Cess and any other statutory dues were outstanding at the year ended for a period of more than six month from the date they became payable.
- c) According to records of the Company there are no dues outstanding of sales tax, income tax, custom duty, wealth tax, service Tax ,excise duty and Cess on account of any dispute, other than the following:

Name of the Statute	Nature of the dues	Amount (Rs.) in Lacs	From where dispute is pending
Central Sales Tax Act, 1956	Additional demand for the Asst.Yr. 1996 –97	Rs. 0.52	Asst. Commissioner, Sales Tax Deptt.

- x. The Company does not have accumulated losses as at the end of the year and the Company has not incurred any cash loss during the year.
- xi. Based on our audit procedures and on the basis of information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institution or any bank or to Debenture holders during the year.
- xii. In our opinion and according to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii. According to the information and explanations given to us, the Company is not a Chit fund, Nidhi or mutual benefit Society. Hence the requirements of item (xiii) of paragraph 4 of the Order are not applicable to the Company.
- xiv. According to the information and explanations given to us, the Company is not dealing or trading in shares or other securities except the investment made in the equity shares of the subsidiary Companies. All the shares are held by the Company in its own name.
- xv. According to the information and explanations given to us, the Company has given corporate guarantee to the extents of Rs. 595 Lacs for loan taken by others, from banks and financial institutions and the terms and conditions are not prime facie prejudicial to the interest of the Company.
- xvi. To the best of our knowledge and belief and according to the information and explanations given to us, in our opinion term loans availed by the Company have been prima-facie applied during the year for the purpose for which the loans were obtained.
- xvii. According to the information and explanations given to us, there are no fund raised on a short-term basis which has been used for long term investment.
- xviii. According to the information and explanations given to us, the Company has not made any conversion of warrants into equity shares during the year.
- xix. The Company has not issued any debentures. Hence the requirements of clause (xix) of paragraph 4 of the Order are not applicable to the Company.
- xx. The Company has not raised any Capital through public issue during the year. However the Company has issued 1,14,847 Equity Shares through Employee Stock Option Scheme, the end use of which has been disclosed. According to the information and explanations given to us, the amount has been prima-facie used for the purpose for which it was raised.
- xxi. According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

For **Mohan & Mohan**  
Chartered Accountants

**CA. Adarsh Mohan**

Partner

Membership No. 81491

Place: New Delhi

Dated: 30<sup>th</sup> June, 2009

# CHD Developers Ltd.

## Balance-Sheet as at 31.03.2009

(Amount in Rs.)

Particulars	Schedule	As at 31.03.2009	As at 31.03.2008
<b>Sources of Funds</b>			
<b>Share Holders' Fund</b>			
Share Capital	A	237,519,101	233,743,096
Reserve & Surplus	B	<u>411,728,457</u>	<u>408,509,785</u>
		649,247,558	642,252,881
<b>Loan Funds</b>			
	C		
Secured Loans		495,845,922	457,033,051
Unsecured Loans		<u>51,351,330</u>	<u>39,887,000</u>
		547,197,252	496,920,051
Deferred Tax		3,282,465	3,437,203
<b>Total</b>		<b><u>1,199,727,275</u></b>	<b><u>1,142,610,135</u></b>
<b>Application of Funds</b>			
<b>Fixed Assets</b>			
	D		
Gross Block		167,135,457	308,985,936
<b>Less : Depreciation</b>		<u>16,883,617</u>	<u>12,304,801</u>
Net Block		150,251,840	296,681,135
<b>Investments</b>	E	6,295,000	8,695,000
<b>Current Assets, Loans &amp; Advances</b>			
	F		
Inventories		788,468,372	343,416,229
Sundry Debtors		244,637,166	505,082,654
Cash & Bank Balances		35,844,510	46,745,044
Loans & Advances		<u>108,681,172</u>	<u>120,402,824</u>
		1,177,631,220	1,015,646,751
<b>Current Liabilities &amp; Provisions</b>			
	G		
Current Liabilities		130,608,151	118,645,558
Provisions		<u>4,086,883</u>	<u>60,092,857</u>
		134,695,034	178,738,415
<b>Net Current Assets</b>		1,042,936,186	836,908,336
<b>Miscellaneous Expenses</b>			
	H		
(To the extent not W/off or adjusted)		244,249	325,664
<b>Total</b>		<b><u>1,199,727,275</u></b>	<b><u>1,142,610,135</u></b>
Significant Accounting Policies	N	-	
Notes on Account	O		

Note : The Schedules referred to above are integral part of Balance Sheet.

As per our report of even date attached

**For Mohan & Mohan**  
Chartered Accountants

**For and on behalf of Board of Directors**

**CA. Adarsh Mohan**  
Partner  
Membership No. 81491

**R. K. Mittal**  
Chairman cum Managing Director

**Gaurav Mittal**  
Director

Place: New Delhi  
Date: 30.06.2009

**Vishal Rajpal**  
Chief Financial Officer



## Profit &amp; Loss for the year ending 31.03.2009

(Amount in Rs.)

Particulars	Schedule	As on 31.03.2009	As on 31.03.2008
<b>Income</b>			
Sale & Other Receipts	I	399,937,217	753,298,758
Wine & liquor		5,096,046	5,314,107
Increase/(Decrease) in Stock		–	46,458
<b>Total Income (A)</b>		<b>405,033,263</b>	<b>758,659,323</b>
<b>Expenditure</b>			
Construction Expenses		262,099,988	490,992,662
Consumption of provisions,	J	7,315,437	7,304,803
Administrative & Other Expenses	K	43,628,389	38,088,650
Selling Expenses	L	43,335,812	9,175,306
Financial Expenses	M	36,518,616	12,293,261
Director Remuneration		3,040,000	650,000
Depreciation		4,578,816	4,102,785
Miscellaneous Exp. W/off		81,416	81,416
<b>Total Expenditure(B)</b>		<b>400,598,474</b>	<b>562,688,883</b>
Profit before Tax (A - B)		4,434,789	195,970,440
Provision for Taxation		2,509,774	58,870,891
Provision for FBT		811,101	526,641
Provision for Deferred Tax Assets		(154,738)	(388,040)
Net Profit/Loss after Dep. & Tax		<b>1,268,652</b>	<b>136,960,948</b>
Balance Brought Forward		254,209,490	117,248,542
Profit available for appropriation		255,478,142	254,209,490
Balance Carried to Balance sheet		<b>255,478,142</b>	<b>254,209,490</b>
<b>Earning Per Share</b>			
Basic		0.01	1.79
Diluted		0.01	1.60

Significant Accounting Policies N -

Notes on Account O

Note : The Schedules referred to above are integral part of Profit &amp; Loss A/c

As per our report of even date attached

**For Mohan & Mohan**  
Chartered Accountants

**For and on behalf of Board of Directors**

**CA. Adarsh Mohan**  
Partner  
Membership No. 81491

**R. K. Mittal**  
Chairman cum Managing Director

**Gaurav Mittal**  
Director

Place: New Delhi  
Date: 30.06.2009

**Vishal Rajpal**  
Chief Financial Officer

# CHD Developers Ltd.

## Schedules

(Amount in Rs.)

Particulars	As at 31.03.2009	As at 31.03.2008
<b>(I) Schedule A : Share Capital</b>		
<b>Authorised</b>		
117500000 Equity Shares (Pr. Yr. 117500000) of Rs. 2/- each	235,000,000	235,000,000
<b>(II) Issued, Subscribed &amp; Paid-Up</b>		
(96963597 Equity Shares (Pr. Yr. 96848750) of Rs. 2/- each fully paidup.)	193,927,194	193,697,500
<b>Convertible Warrants</b>		
10% Money received against 1 Crore warrants of Rs. 40/- each convertible into equivalent no. of equity shares of Rs. 2/- each at a premium of Rs. 38/- each	40,000,000	40,000,000
Advance received against preferential warrants	3,500,000	-
Advance against Employees Stock Options (Refer Note No. 18 in Schedule O)	91,907	45,596
<b>Total</b>	<b>237,519,101</b>	<b>233,743,096</b>

### Schedule B : Reserves & Surplus

General Reserve	50,000	50,000
Capital Reserve	34,871,155	34,871,155
Profit & loss A/c		
Opening Balance	254,209,490	117,248,542
Add: Profit During the Year	1,268,652	136,960,948
Share premium A/c		
Opening Balance	117,693,750	28,177,500
Add: During the Year ( ESOP)	1,857,143	89,516,250
Employees Stock Options Outstanding	3,324,056	3,387,596
Less: Deferred Employee Compensation	(1,545,789)	(1,702,206)
<b>Total</b>	<b>411,728,457</b>	<b>408,509,785</b>

(Amount in Rs.)

Particulars	As at 31.03.2009	As at 31.03.2008
<b>Schedule C :</b>		
<b>Loan Funds</b>		
<b>A. Secured Loans</b>		
Loan & Advances From Banks		
<b>a) Secured against Vehicles</b>	2,370,531	3,251,697
<b>b) i. Bank of Baroda Term Loan</b>	74,376,000	85,000,000
(Secured by equitable mortgage of Land and Building situated at Vrindavan, UP)		
<b>ii. HUDCO Term Loan</b>	322,767,624	281,049,500
(Secured against equitable mortgage of land and building and hypothication of moveables situated at Sector-45, Karnal, Haryana)		
<b>iii. Term Loans/ Overdraft from Axis Bank Ltd.</b>	96,331,767	87,731,854
(Secured by equitable mortgage of Land & Building at Vikaspuri, New Delhi)		
<b>Total</b>	<b>495,845,922</b>	<b>457,033,051</b>
<b>B. Unsecured Loans</b>		
1. Fixed deposit (Public)	49,452,000	39,177,000
2. Other Loans & Advances	1,899,330	710,000
<b>Total</b>	<b>51,351,330</b>	<b>39,887,000</b>

**Schedule D :****DEPRECIATION AS PER COMPANIES ACT  
Statement of Fixed Assets as on 31/03/2009**

(Amount in Rs.)

Name of The Fixed Assets	Gross Block				Depreciation				Net Block	
	As on 01.04.08	Addn. during the year	Sale/ Adjust. during the year	As on 31.03.09	Dep As on 01.04.08	for the Period	Sale/Adj. during the year	As on 31.03.09	As on 31.03.09	AS on 31.03.08
Plant & Machinery	8,407,906	776,200	0	9,184,106	2,919,042	417,147		3,336,189	5,847,917	5,488,864
Furniture & Fixture	10,241,297	510,858	0	10,752,155	2,482,196	581,597		3,063,793	7,688,362	7,759,100
Vehicles	13,099,036	2,203,621	0	15,302,657	3,840,446	1,445,094	0	5,285,540	10,017,117	9,258,590
Office Equipment & Machinery	5,042,655	1,640,751	0	6,683,406	1,051,454	718,337		1,769,791	4,913,614	3755241
Building	181,611,193	0	57,000,000	124,611,193	1,977,073	1,297,662	0	3,274,735	121,336,458	179,634,120
Intangible Assets	201,940	400,000		601,940	34,590	118,978		153,568	448,372	403310
Land CHD CITY (Karnal)	90,381,910		90,381,910							90381910
<b>Grand Total</b>	<b>308,985,937</b>	<b>5,531,430</b>	<b>147,381,910</b>	<b>167,135,457</b>	<b>12,304,801</b>	<b>4,578,816</b>	<b>0</b>	<b>16,883,617</b>	<b>150,251,840</b>	<b>296,681,135</b>
<b>Previous Year</b>	<b>296,403,139</b>	<b>201,615,410</b>	<b>189,032,613</b>	<b>308,985,936</b>	<b>8,964,014</b>	<b>4,102,885</b>	<b>762,098</b>	<b>12,304,801</b>	<b>296,681,135</b>	<b>287,439,125</b>

# CHD Developers Ltd.

(Amount in Rs.)

Particulars	As at 31.03.2009	As at 31.03.2008
<b>Schedule E</b>		
<b>Investment (at Cost)</b>		
<b>Long term, Unquoted and Trade Investments</b>		
<b>Subsidiary Companies:</b>		
CHD Facility Management Pvt Ltd.	100,000	100,000
CHD Retirement Townships Pvt Ltd.	100,000	—
Divine Townships Pvt Ltd.	100,000	100,000
Golden Infracon Pvt Ltd.	100,000	100,000
Horizon Realtech Pvt Ltd.	100,000	100,000
(Equity Shares of Rs. 10/- each fully paid up)		
<b>Current unquoted investments</b>		
Share Application Money		
Capital Institute of Competition Training Pvt Ltd. (A Company under the same management)	2,295,000	4,795,000
Parul Rubber Product Pvt Ltd.	1,000,000	1,000,000
TST Pipes Pvt Ltd.	2,500,000	2,500,000
<b>Total</b>	<b>6,295,000</b>	<b>8,695,000</b>
<b>Schedule F</b>		
<b>A. Current Assets, Loans &amp; Advances</b>		
1. Inventories	13,981,400	14,756,400
2. Work in Progress (Vrindavan)	108,516,869	62,989,984
3. Work in Progress (Karnal Project) (Land & Other Exp.)	665,970,103	265,669,845
<b>Total (A)</b>	<b>788,468,372</b>	<b>343,416,229</b>
4. Sundry Debtors : Debts considered good for which Co. holds no security other than the personal security of the debtors		
a) Debts outstanding for more than Six Months	130,854,662	175,122,461
b) Other Debts	113,782,504	329,960,193
<b>Total (B)</b>	<b>244,637,166</b>	<b>505,082,654</b>
5. Cash & Bank Balances		
a) Cash in Hand	2,883,942	3,783,754
b) Balances with scheduled Banks		
i) In Current Accounts	5,624,899	12,868,923
ii) In Fixed Deposit Accounts (including interest Accrued on FDR)	27,335,669	30,092,367
<b>Total (C)</b>	<b>35,844,510</b>	<b>46,745,044</b>
<b>B. Loans &amp; Advances</b>		
1. a) Loans to Subsidiary Companies	9,449,983	9,350,000
b) Other Loan & Advances	88,554,568	102,538,407
2. Advance Recoverable in Cash/Kind for the value to be received.	10,676,621	8,514,417
<b>Total (D)</b>	<b>108,681,172</b>	<b>120,402,824</b>
<b>Total (A + B + C + D)</b>	<b>1,177,631,220</b>	<b>1,015,646,751</b>

(Amount in Rs.)

Particulars	As at 31.03.2009	As at 31.03.2008
<b>Schedule G</b>		
<b>Current Liabilities &amp; Provisions</b>		
<b>A. Current Liabilities</b>		
1) Sundry Creditors	38,390,200	56,085,371
2) Expenses Payable	8,522,408	4,225,920
3) Security Deposits (Refundable)	21,035,767	26,247,989
4) Interest Accrued on FDR but not Due	1,894,453	1,453,407
5) Advance against Projects	24,519,597	30,632,871
6) Payable for cancellation of booking	36,245,725	—
	<b>130,608,151</b>	<b>118,645,558</b>
<b>B. Provisions</b>		
1) For Income Tax	2,509,774	58,870,891
2) For Gratuity	766,009	695,325
3) For Fringe Benefit Tax	811,100	526,641
<b>Total</b>	<b>4,086,883</b>	<b>60,092,857</b>

**Schedule H****Miscellaneous Expenditure**

(To the extent not W/off or adjusted)

Balance Brought forward	325,665	407,080
Less: Written off during the year	(81,416)	(81,416)
<b>Total</b>	<b>244,249</b>	<b>325,664</b>

**Schedule I****Sales & Other Receipts**

1) Sales	386,803,804	742,089,608
2) Wine & liquor	5,096,046	5,314,107
3) Other Receipts	13,133,413	11,209,150
<b>Total</b>	<b>405,033,263</b>	<b>758,612,865</b>

**Schedule J****Consumption of provisions**

1) Provisions, Beverages and Smokes	5,329,768	5,273,151
2) Wine & Liquor	1,985,669	2,031,652
	<b>7,315,437</b>	<b>7,304,803</b>

# CHD Developers Ltd.

(Amount in Rs.)

Particulars	As at 31.03.2009	As at 31.03.2008
<b>Schedule K</b>		
<b>Administrative &amp; other Expenses</b>		
Salaries, Bonus & Other Perquisites	21,965,462	12,878,542
Employee Welfare	921,037	479,871
Employee Compensation Exp.	1,950,020	1,685,390
Donation	11,752	6,522,600
Rent, Rates & Taxes	4,659,516	4,682,594
General Expenses	1,209,293	777,076
Restaurant & Misc. exp.	731,106	578,391
News Paper & Periodicals	48,635	56,582
Licence Fee(Excise Duty)	622,862	575,534
Legal & Professional Expenses	873,666	2,611,992
<b>Repair &amp; Maintenance :</b>		
Plant & Machinery	738,049	469,143
Others	178,552	162,780
Internal Audit Fee	297,810	269,664
Auditor Remuneration	30,000	30,000
Travelling and Conveyance	1,204,973	477,367
Loss on Sale of Fixed Assets	–	197,112
Postage & Telephone Charges	2,840,147	2,154,992
Power Fuel & Water	1,603,167	1,339,099
Membership & Subscription	134,413	101,188
Printing & Stationery	2,188,417	724,155
Vehicle Repair & Maintainance	1,419,513	1,314,578
<b>Total</b>	<b>43,628,389</b>	<b>38,088,650</b>
<b>Schedule L</b>		
<b>Selling Expenses</b>		
Advertisement	30,685,180	3,495,921
Sales Promotion	3,422,395	521,332
Booking & Selling Expenses	9,228,237	5,158,053
<b>Total</b>	<b>43,335,812</b>	<b>9,175,306</b>
<b>Schedule M</b>		
<b>Financial Expenses</b>		
Bank Interest & collection Charges	26,255,353	5,108,728
Interest on Others	10,263,263	7,184,533
<b>Total</b>	<b>36,518,616</b>	<b>12,293,261</b>

## Schedule - N

### Significant Accounting Policies

#### 1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The Financial Statements have been prepared under the historical cost convention on the basis of going concern and in accordance with the Generally Accepted Accounting Principles ("GAAP") and accepted Accounting Standard notified under Section 211(3c) of the Companies Act, 1956 in India. A Summary of Significant Accounting policies that have been applied consistently is set out below. The Financial Statements have also been prepared in accordance with the relevant provisions of the companies Act, 1956.

#### 2. Fixed Assets

##### a) Valuation

Fixed assets are stated at cost (Gross Block) less accumulated depreciation. Depreciation on fixed assets is provided at the rates and in the manner prescribed in schedule XIV of the Companies Act, 1956.

##### b) Depreciation

Depreciation on fixed assets has been provided on the basis of straight line method as per provision of section 205(2)(b) and applying the rates as prescribed in schedule XIV of the Companies Act, 1956.

#### 3. Inventory

Inventories are valued as under :

- |  |                                      |
|--|--------------------------------------|
| a) Building material & stores          | at cost                              |
| b) Flats (unsold)                      | at lower of the cost or market price |
| c) Projects/contracts work in progress | at cost                              |

#### 4. Recognition of Income & Expenses

- a) The revenue is recognised on the basis of actual receipts and instalments fallen due during the year towards booking of properties, subject to final adjustment on the completion of respective projects. Further interest on delayed payments, if any, is accounted for on realisation due to uncertainties in recovery.

Cost of construction is determined in proportionate to the actual cost incurred as against the total estimated cost of the project or revised estimated cost, if any.

- b) Interest and direct expenditure attributable to specific projects are capitalized in the cost of project, other interest and indirect costs are treated as 'Period Cost' and charged to Profit & Loss account in the year in which it is incurred.
- c) Brokerage paid/ fallen due on Fixed Deposits is accounted during the year.
- d) Municipal Taxes & Leave Encashment are accounted for in the year of payment.
- e) All other incomes and expenditures except mentioned above are accounted for on accrual basis.

#### 5. Retirement Benefits to employees

Company's contribution to Provident Fund, Family Pension and ESIC charged to profit and loss account on the actual liability basis.

Provision for gratuity is determined on the actuarial valuation carried out at the balance sheet date

#### 6. Provision for Current and Deferred Tax

Provision for Income Tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961. Deferred tax resulting from timing difference between the book and the taxable profits is accounted for, using the tax rates and law that are enacted or substantively enacted as on the Balance Sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the asset can be realised in the future. However there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is virtual certainty of realisation of such assets. Deferred tax assets/liabilities are reviewed at each balance sheet date.

#### 7. Investments

Long term investments are stated at cost. However provision for diminution is made to recognize any decline, other than temporary, in the value of investments. Current investments are stated at lower of cost or market value.

#### 8. Intangible Assets

Intangible assets are amortized over the period of four years.

## **9. Impairment of Assets**

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset or the recoverable amount of cash generating unit to which the assets belongs is less than its carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Profit and Loss Account. If at the Balance Sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

## **10. Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation if:

The Company has present obligation as a result of past event.

A probable outflow of resources is expected to settle the obligation and the amount of obligation can be reliably estimated.

Reimbursement expected in respect of expenditure required to settle a provision is recognized only when it is virtually certain that the reimbursement will be received.

Contingent Liability is disclosed in the case of: —

a) A Present obligation arising from the past event, when it is not probable that an outflow of resources will be required to settle the obligation.

b) A Possible obligation, unless the probability of outflow of resources is remote.

Contingent Assets are neither recognized nor disclosed.

## **11. Employee stock compensation cost**

In respect of stock options granted by the Company, the intrinsic value of the options (excess of market price of the shares over the exercise price of the option) is treated as deferred employee compensation cost and is amortized over the vesting period.

## **12. Leases**

Lease rentals in respect of operating lease arrangement are recognized as Business income/expense in the profit and loss account, when due as per terms of the related agreement.

## **13. Earning per share**

Basic Earning per share are calculated by dividing the next profit or loss for the year attributable to equity shareholders after tax by the weighted average no. of equity share.

## **14. Segment Reporting**

Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses, which relate to the enterprise as a whole and are not allocable to segments on a reasonable basis, have been included under unallocated corporate expenditure.

## **15. Amalgamation expenses**

Amalgamation expenses arising due to merger of Capital Homes Limited with the Company are being amortized over the period of Five years.



## Schedule O

### Notes on Accounts

1. a) The Number of employees employed throughout the period, who were in receipt of or were entitled to receive remuneration aggregating to Rs.24,00,000/- (Rupees Twenty Four Lacs only) or more per annum were nil.
- b) The number of employees employed for part of the year who were receipt of or were entitled to receive remunerations aggregating to Rs.2,00,000/- (Rupees Two Lacs only) or more per month, detail is as follows :

S. No.	Name	Relationship	Remuneration	Total Payments
1.	R. K. Mittal	Managing Director	Rs. 2,00,000/- P.M. (from June, 08 onwards)	Rs. 20,80,000/-

2. In the opinion of the Board, the value on realisation of current assets, loans & advances in the ordinary course of business will not be less than the amount at which they are stated in the Balance Sheet.

### 3. Segment Information :

Company is operating in two segments, but is not giving segment-wise results because there is no reportable segment which has revenue/assets of more than required limit as per Accounting Standard (AS-17) on Segment Reporting.

### 4. Related Party Disclosures :

As per the requirement of Accounting Standard "AS – 18" issued by the Institute of Chartered Accountants of India the following are the list of and relationship with related parties with whom transactions have taken place during the year ended 31.03.2009 (Rs. in Lacs)

Related Party	Nature of Relationship	Nature of Transaction	Opening	Received/ Credited	Payment	Closing
Divine Townships Pvt. Ltd	100% Subsidiary	Investment	1.00	-	-	1.00
Golden Infracon Pvt. Ltd	100% Subsidiary	Investment Loan	1.00 74.50	- .01	- 1.51	1.00 76.00
Horizon Realtech Pvt. Ltd	100% Subsidiary	Investment Loan	1.00 17.00	- 0.01	- 1.11	1.00 18.10
CHD Facility Management Pvt. Ltd	100% Subsidiary	Investment Loan	1.00 2.00	53.71	51.71	1.00 Nil
CHD Retirement Townships Pvt. Ltd	100% Subsidiary	Investment Loan	Nil	Nil	1.00 0.39	1.00 0.39
Manohar Memorial Educational Society	Associate	Unsecured loan	72.34	147.47	90.12	15.00
R. K. Mittal	Key Managerial Personnel	Unsecured Loan Salary	Nil	0.11 20.80	0.11 20.80	Nil
Gaurav Mittal	Key Managerial Personnel	Unsecured Loan Salary	Nil	25.00 9.60	25.00 9.60	Nil
Vishal Rajpal	Key Managerial Personnel	Salary	-	-	9.84	-
Vishal Rajpal(HUF)	Relative of Key Managerial Personnel	Professional Fees	Nil	0.80	0.80	Nil

### 5. Foreign Currency Transaction :

There is no transaction involving foreign currency except directors tour related to business promotion amounting to Rs. 2,00,964/- (P.Y. Rs. 5,16,700/-).

## CHD Developers Ltd.

### 6. Auditors' Remuneration :

Payment made to Auditors has been as below:

(Amount in Rs.)

S. No.	Particulars	31.03.2009	31.03.2008
a)	Audit Fee	Rs. 30,000/-	Rs.30,000/-
b)	Income Tax matters	NIL	NIL
c)	Out of pocket expenses	NIL	NIL

### 7. Contingent Liabilities

	31.03.2009	31.03.2008
a) Contracts remaining to be executed on Capital Account (Net of advance and not provide for Rupees) to be executed on capital Account	—	—
b)		(Rs. In Lacs)

S. No	Particulars	31.03.2009	31.03.2008
1.	Claims against the Company not acknowledged as debt	191.37	103.76
2.	Guarantee issued by the Banks on behalf of the company	715.91	231.39
3.	Corporate guarantee given to Bank for providing secured loans to third party	595.00	595.00

8. A demand of Rs. 51,790/- is raised by the Sales Tax Authority for the Assessment year 1996-97 which is disputed and a case relating to the said Assessment Year is still pending before the Appellate Authority.

### 9. Earning Per Share :

S. No.	Particulars	31.03.2009	31.03.2008
<b>A.</b>	<b>Basic</b>		
1.	Net Profit after Tax	12.69	1369.60
2.	Weighted average of number of Equity Shares considered for calculation of EPS	968.75	766.48
3.	Basic earning per equity shares of Rs.2/- each	0.01	1.79
<b>B.</b>	<b>Diluted</b>		
1.	Weighted average of number of Equity Shares considered for calculation of diluted EPS	978.75	857.74
2.	Diluted earning per equity shares of Rs.2/- each	0.01	1.60

### 10. Deferred Tax :

The Accumulated net deferred tax liability is Rs. 32,82,465/- as on 31<sup>st</sup> March 2009. Provision for deferred tax assets for the year ended 31.03.2009 amounting Rs.1,54,738/- has been credited to Profit & Loss Account. The deferred tax Liabilities/assets arise due to timing difference on account of Depreciation on Fixed Assets. Deferred tax liabilities/Assets are reviewed as at each Balance Sheet date.

11. No provision has been made in respect of Municipal/Corporation tax for owned Properties/Flats in hand as assessment proceeding has not yet been finalised. The Municipal tax will be accounted for in the year of payment.

12. Some of the balance of Debtors, Creditors, Advances and Loans are subject to confirmation/reconciliation.

13. **Directors' Remuneration:** During the year company has paid Rs.30.40 lacs to the Managing & Whole time Directors' Remuneration details as follow : (Amt.In Rs.)

S. No.	Name of Directors	Nature	31.03.2009	31.03.2008
1.	R. K. Mittal	Remuneration	20,80,000	4,50,000
2.	Gaurav Mittal	Remuneration	9,60,000	2,00,000
3.	Gaurav Mittal	Key man Insurance Policy	1,62,851	1,62,851

14. Quantitative details of material consumed/bought & sold as required by schedule VI of the Companies Act 1956

(a) **Construction Division :** There are so many items of different quantities like Cement, Bricks, steel, Badarpur & Rodi etc., details of which are as follows as on 31<sup>st</sup> March 2009. Information pursuant to Part II of schedule VI of Companies Act, 1956.

**Consumption of Building Material :**

S. No.	Particulars	As at 31.03.2009		As at 31.03.2008	
		Quantity	Value(Rs.)	Quantity	Value(Rs.)
1.	Bricks (Nos.)	5,77,810	13,89,302	6,11,018	15,44,043
2.	Cement (Bag)	8,861	20,82,890	61,213	1,29,99,872
3.	Steel (MT)	22.96	9,94,407	485	2,05,12,151
4.	Grit(MT)	15,390	2,91,884	1,23,341	23,43,479
5.	Sand, Rodi & Badarpur(QF)	76,108	13,66,966	4,13,360	74,40,472

(b) **Restaurant Division** : There are too many items of food stuff eatable, provisions, beverages etc. details of which are not practically available. The Company has got exemption U/s 211(4) Of the Companies Act, 1956 vide certificate no. 46/39/2007 CL-III dated 8<sup>th</sup> March, 2007 valid upto 31.03.2009, from Ministry of Company affairs, Shashtri Bhawan , New Delhi. Further for the extension .

15. In respect of allotment of warrants of Rs. 40/- each, to be converted into equivalent Number of shares of Rs. 2/- each at a premium of Rs. 38/- per share. The allottees have not applied to get the warrants converted into equity shares. After giving due notice to the allottees, the Company has cancelled the allotment and forfeited 10% money already paid by the allottees of warrants.
16. The Company has received a License from The Director, Town & Country Planning for the total area of 123.875 acres for development of an integrated Township namely CHD City at Sector-45 Karnal. 37.812 Acres of land out of the 123.875 acres is not in the name of the company. However, the company holds all the rights relating to developing/selling of the said land.

**17. SUBSIDIARIES OF THE COMPANY**

As on 31<sup>st</sup> March, 2009, the Company has following subsidiaries:

S. No.	Name of the Company	% Holding
1.	Golden Infracon Pvt. Ltd	100
2.	Horizon Realtech Pvt. Ltd	100
3.	Divine Townships Pvt. Ltd	100
4.	CHD Facility Management Pvt. Ltd.	100
5.	CHD Retirement Township Pvt. Ltd.	100

**18. Employee Stock Option Scheme**

The Securities and Exchange Board of India (SEBI) has issued the (Employees Stock Options Scheme and Employees Stock Purchase Scheme) Guidelines, 1999. In accordance with these guidelines, the excess of the market price of the underlying equity shares as on the date of the grant of the options over the exercise price of the option, including upfront payments, if any is to be recognized as an expense and amortized on a straight line basis over the vesting period.

Details of options offered, granted, lapsed, vested and exercised are given below :

a) Total options offered	The company had offered 13,02,737 stock options during the last Year which will be granted over the period of four years. All the options will have vesting period of one year from the date of granting of the options respectively.
b) Options granted	The Company has granted 2,93,116 Stock Options during the year (each Option carrying entitlement for one equity shares) at a price of Rs. 2 (face value) plus FBT (as applicable)
c) The Pricing formula	Rs. 2/- face value of equity shares
d) Options vested	2,27,979
e) Options exercised	1,14,847
f) Total No. of shares arising as a result of exercise of Options	1,14,847
g) Options lapsed	1,13,132
h) Variation of terms of Options	Nil
i) Money realized by exercisable Options (Amt. in Rs.)	2,06,725/-
j) Total No. of Options in force	2,93,116

\* The Company has received advance against employee stock options equivalent to ten percent of the face value (Rs. 2/- per share) from all the employees to whom options have been granted.

## CHD Developers Ltd.

### 19. Micro, Small and Medium Enterprises

The Company has not received any information from its suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006. Hence disclosures, if any, relating to amounts unpaid as on 31<sup>st</sup> March, 2009 together with interest paid/payable as required under Micro, Small and Medium Enterprises Development Act, 2006 is not given.

### 20. Operating Lease:

The break up of the total minimal Lease Rental Expense /Income as per "AS-19 Lease" at 31<sup>st</sup> March, 2009 is as follows:

#### A. Lease Rental Expenses: (Amt. in Rs.)

S.No.	Particulars	As at 31 <sup>st</sup> March, 2009	As at 31 <sup>st</sup> March, 2008
A)	Not later than one year	18,43,544	50,57,541
B)	Later than One year but not later than Five years	1,03,28,241	2,26,17,807
C)	Later than Five Years	5,76,031	1,67,88,096
	<b>Total</b>	<b>1,27,47,816</b>	<b>4,44,63,444</b>

#### B. Lease Rental Incomes: (Amt. in Rs.)

S.No.	Particulars	As at 31 <sup>st</sup> March, 2009	As at 31 <sup>st</sup> March, 2008
A)	Not later than one year	74,37,225	75,36,300
B)	Later than One year but not later than Five years	4,09,09,532	3,50,43,144
C)	Later than Five Years	5,38,41,962	5,87,19,397
	<b>Total</b>	<b>10,21,88,719</b>	<b>10,12,98,841</b>

21. There is no qualified company secretary after 20th June, 2009 and the appointment procedure for Company Secretary is in process.
22. Balance Sheet abstract and Company's General business profile is attached, as per our report also even date attached.
23. Previous year's figures have been regrouped/rearranged wherever necessary to confirm this year's classifications.

**For Mohan & Mohan**  
Chartered Accountants

**For and on behalf of Board of Directors**

**CA. Adarsh Mohan**  
Partner  
Membership No. 81491

**R. K. Mittal**  
Chairman cum Managing Director

**Gaurav Mittal**  
Director

Place: New Delhi  
Date: 30.06.2009

**Vishal Rajpal**  
Chief Financial Officer

## Cash Flow statement for the period ending 31st March 2009

Particulars	31.03.2009 Amount(Rs.)	31.03.2008 Amount(Rs.)
<b>A. Cash Flow From Operating Activities</b>		
Net Profit Before Tax & extraordinary Items	4,434,789	195,970,440
Adjustment to Depreciation	4,578,816	4,102,785
Loss on sale of Fixed Assets	-	197,112
Profit on sale of assets	-	(510,367)
Interest Paid	36,518,616	12,293,261
Interest Received	(3,501,434)	1,685,390
ESOP	1,778,256	(2,612,004)
Miscellaneous Expenditure W/off	81,416	81,416
	39,455,670	15,237,593
	43,890,459	211,208,033
Operating Profit before Working Capital Changes		
<b>Adjustment For :</b>		
Trade & Other Receivables	(260,445,488)	(466,166,908)
Loans & Advances	(11,721,652)	(54,846,597)
Inventories	446,996,609	28,785,414
Trade Payables	(44,043,381)	(32,544,624)
Cash Generation From Operations	(174,982,391)	(313,564,682)
Taxes on Expenses	(3,015,480)	(59,397,532)
Net Cash From Operating Activities	(177,997,871)	(372,962,214)
<b>B. Cash Flow From Investing Activities</b>		
Interest Received	3,501,434	2,612,004
Purchase of Investment	2,400,000	(400,000)
Purchase of Fixed Assets	(5,531,430)	(221,645,175)
Sale of Fixed Assets	147,381,910	208,613,635
	147,751,914	(10,819,536)
	(30,245,957)	(383,781,750)
<b>C. Cash Flow From Financing Activities</b>		
Long Term Borrowings	50,277,201	227,139,391
Interest Paid	(36,518,616)	(12,293,261)
Amalgamation adjustment	-	(407,080)
Preferential Convertible Warrants	-	29,293,375
Equity Shares and Warrants	3,729,694	47,595,596
Share Premium A/c	1,857,143	89,516,250
Net Increase/Decrease in Cash/Cash Equivalents	(10,900,535)	(2,937,479)
Cash/Cash Equivalents as at 01.04.2008 (Opening Balance)	46,745,044	49,682,523
Cash/Cash Equivalents as at 31.03.2009 (Closing Balance)	35,844,510	46,745,044

As per our report of even date attached

**For Mohan & Mohan**  
Chartered Accountants

**CA. Adarsh Mohan**  
Partner  
Membership No. 81491

Place: New Delhi  
Date: 30.06.2009

**For and on behalf of Board of Directors**

**R. K. Mittal**  
Chairman cum Managing Director

**Gaurav Mittal**  
Director

**Vishal Rajpal**  
Chief Financial Officer

# CHD Developers Ltd.

## Balance Sheet Abstract and Company's General Business Profile

### I. Registrartion Details

Registration No.	4 1 1 8 8		
Balance Seet	31. 03. 2009	State Code	5 5

### II. Capital raised during the year (Amount in Thousand)

Public Issue :	–	Right Issue :	–
Bonus Issue :	–	Private Placement* :	230

\* Conversion of warrants and allotment of shares

### III. Position of Mobilisation & Deployment of Funds (Amount in Thousand)

Total Liabilities :	1,199,727	Total Assets :	1,199,727
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#### Sources of Funds

Paid - Up Capital** :	237,519	Reserve & Surplus*** :	411,728
Secured Loans :	495,846	Unsecured Loans :	51,351

\*\* includes Funds Raised by way of allotment of Convertible Warrants

\*\*\* Reserve & Surplus includes deferred tax liability of Rs.32,82,465/-

#### Application of Funds

Net Fixed Assets :	150,252	Investments :	6,295
Net Current Assets :	1,042,936	Misc.Expenditure :	244

### IV.

#### Performance of Company( Amount in Thousand)

Turnover :	405,033	Total Expenditure :	400,598
Profit Before Tax :	4,435	Profit After Tax :	1,269

### V.

Earning Per Share (Basic) :	0.01	Earning Per Share (Diluted) :	0.01
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Generic Names of Three Principal products/services of Company (as per monetary term)

Item code No.	–	Product Description :	Construction
Item Code No.	–	Product Description :	Eatable House

**For Mohan & Mohan**  
Chartered Accountants

**For and on behalf of Board of Directors**

**CA. Adarsh Mohan**  
Partner  
Membership No. 81491

**R. K. Mittal**  
Chairman cum Managing Director

**Gaurav Mittal**  
Director

Place: New Delhi  
Date: 30.06.2009

**Vishal Rajpal**  
Chief Financial Officer

## AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To

The Board of Directors of  
**CHD Developers Limited,**  
New Delhi-110066

We have audited the attached Consolidated Balance Sheet of CHD Developers Limited and its subsidiaries as at 31<sup>st</sup> March, 2009 and also the Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management and have been prepared by the management on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall consolidated financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We report that the Consolidated Financial Statements have been prepared by the Company's management in accordance with the requirements of Accounting Standard (AS) 21- Consolidated Financial Statements, notified by Companies (Accounting Standard) Rules, 2006, and on the basis of the separate Audited Financial Statements of the Company and its subsidiaries.

On the basis of the information and explanations given to us and on the consideration of the separate audit reports on individual Audited Financial Statements of the Company and its subsidiaries, we are of the opinion that the attached Consolidated Financial Statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31<sup>st</sup> March, 2009.
- (b) in the case of the Consolidated Profit and Loss Account, of the profit of the Group for the year ended on that date; and
- (c) in the case of Consolidated Cash Flow Statement, of the Cash Flows of the Group for the year ended on that date.

**For & On behalf of Mohan & Mohan**  
Chartered Accountants

**CA. Adarsh Mohan**  
Partner

Membership No. 81491

Place: New Delhi  
Date: 30<sup>th</sup> June, 2009

# CHD Developers Ltd.

## Consolidated Balance Sheet as on 31st March, 2009

(Amount in Rs.)

Particular	Schedule	As at 31.03.2009		As at 31.03.2008	
<b>Sources of Funds</b>					
<b>Share Holder's Fund</b>					
Share Capital	A	237,519,101		233,743,096	
Reserve & Surplus	B	410,840,672	648,359,773	408,368,982	642,112,078
Deferred Tax			3,311,072		3,437,203
<b>Loan Funds</b>					
Secured Loan	C	495,845,923		457,033,051	
Unsecured Loan		51,426,330	547,272,253	49,357,300	506,390,351
<b>Total</b>			<b>1,198,943,098</b>		<b>1,151,939,632</b>
<b>Application of Funds</b>					
<b>Fixed Assets</b>					
Gross Block	D	168,156,477		308,985,936	
Less : Depreciation		16,926,282		12,304,802	
Net Block			151,230,195		296,681,134
Investments	E		10,795,000		8,295,000
<b>Current Assets Loans &amp; Advances</b>					
Inventories	F	791,853,381		365,498,687	
Sundry Debtors		246,783,740		505,082,654	
Cash & Bank Balances		37,095,270		47,574,975	
Loans & Advances		107,985,462		107,597,126	
			1,183,717,853		1,025,753,442
<b>Less: Current Liabilities &amp; Provisions</b>					
Current Liabilities	G	143,047,031		119,107,629	
Provisions		4,092,972	147,140,003	60,092,857	179,200,486
Net Current Assets			1,036,577,850		846,552,956
Miscellaneous Expenses (To The extent not W/off or adjusted)	H		340,053		410,542
<b>Total</b>			<b>1,198,943,098</b>		<b>1,151,939,632</b>

Significant Accounting Policies N -

Notes on Account O

Note: The Schedules referred to above are integral part of consolidated financial statements.

This is the consolidated Balance Sheet referred to in our report of even date .

**For Mohan & Mohan**  
Chartered Accountants

**For and on behalf of Board of Directors**

**CA. Adarsh Mohan**  
Partner  
Membership No. 81491

**R. K. Mittal**  
Chairman cum Managing Director

**Gaurav Mittal**  
Director

Place: New Delhi  
Date: 30.06.2009

**Vishal Rajpal**  
Chief Financial Officer



## Consolidated Profit and Loss Account for the year ended on 31st March, 2009

(Amount in Rs.)

Particulars	Schedules	As at 31.03.2009	As at 31.03.2008
<b>Income</b>			
Sale & Other Receipts	I	404,592,896	753,298,758
Wine & liquor		5,096,045	5,314,107
Increase/(Decrease) in Stock		—	46,458
<b>Total Income (A)</b>		<b>409,688,941</b>	<b>758,659,323</b>
<b>Expenditure</b>			
Construction Expenses		262,099,988	490,992,662
Consumption of provisions,	J	7,315,437	7,304,803
Administrative & Other Expenses	K	48,898,287	38,201,030
Promotion Expenses	L	43,335,812	9,175,306
Financial Expenses	M	36,545,571	12,300,395
Director Remuneration		3,040,000	650,000
Depreciation		4,621,481	4,102,785
Miscellaneous Exp. W/off		109,863	99,404
<b>Total Expenditure (B)</b>		<b>405,966,439</b>	<b>562,826,385</b>
<b>Profit before Tax (A - B)</b>		<b>3,722,502</b>	<b>195,832,938</b>
Provision for Taxation		2,509,774	58,870,891
Provision for FBT		817,190	526,641
Provision for Deferred Tax Assets		(126,131)	(388,040)
Net Profit after Dep. & Tax		521,669	136,823,446
Balance Brought Forward		254,068,688	117,245,242
Profit available for appropriation		254,590,357	254,068,688
Balance Carried forward to Balance Sheet		254,590,357	254,068,688
<b>Earning Per Share</b>			
Basic		0.01	1.79
Diluted		0.01	1.60

Significant Accounting Policies N -

Notes on Account O

Note: The Schedules referred to above are integral part of consolidated financial statements.

This is the consolidated Profit &amp; Loss Accounts referred to in our report of even date .

**For Mohan & Mohan**  
Chartered Accountants

**For and on behalf of Board of Directors**

**CA. Adarsh Mohan**  
Partner  
Membership No. 81491

**R. K. Mittal**  
Chairman cum Managing Director

**Gaurav Mittal**  
Director

Place: New Delhi  
Date: 30.06.2009

**Vishal Rajpal**  
Chief Financial Officer

# CHD Developers Ltd.

## Schedules forming part of the Consolidated Financial Statements

For the Year Ended 31st March, 2009

(Amount In Rs.)

Particulars	As at 31.03.2009	As at 31.03.2008
<b>Schedule A</b>		
<b>Share Capital</b>		
<b>Authorised</b>		
117,500,000 Equity Shares (Pr.Yr.117500000) of Rs.2/-each	235,000,000	235,000,000
<b>I) Issued Subscribed &amp; Paidup</b>		
(96963597 Equity shares (Pr.Yr.96848750) of Rs. 2/- Each fully paidup.)	193,927,194	193,697,500
<b>II) Convertible Warrants</b>		
a) 10% Money received against 1 Crore warrants of Rs.40/- each convertible into equivalent no. of equity shares of Rs. 2/- each at a premium of Rs. 38/- each	40,000,000	40,000,000
b) Advance received against Preferential warrants	3,500,000	—
III) Advance against Employees Stock Options	91,907	45,596
<b>Total</b>	<b>237,519,101</b>	<b>233,743,096</b>
<b>Schedule B</b>		
Reserve & Surplus		
General Reserve	50,000	50,000
Capital Reserve	34,871,155	34,871,155
Profit & loss A/c	254,590,357	254,068,687
Share premium A/c	119,550,893	117,693,750
Employee Stock Options outstanding	3,324,056	3,387,596
Less: Deferred Employee Compensation	(1,545,789)	(1,702,206)
<b>Total</b>	<b>410,840,672</b>	<b>408,368,982</b>
<b>Schedule C</b>		
A. Secured Loans		
Loan & Advances From Banks		
a.) Secured against Vehicles	2,370,531	3,251,697
b.) <b>i. Bank of Baroda Term Loan</b>	74,376,000	85,000,000
(Secured by equitable mortgage of Land and Buildings situated at Vrindavan, UP)		
<b>ii. HUDCO Term Loan</b>	322,767,624	281,049,500
(Secured against equitable mortgage of land and building and hypothication of moveables assets situated at Sector-45, Karnal Haryana)		
<b>iii. Term Loans/ Overdraft from Axis Bank Ltd.</b>	96,331,768	87,731,854
(Secured against equitable mortgage of Land & Buildings at Vikaspuri, New Delhi)		
(All Loans are also guaranted by Promoters & Directors)		
<b>Total</b>	<b>495,845,923</b>	<b>457,033,051</b>
<b>Unsecured Loans</b>		
1. Fixed Deposit (Public)	49,452,000	39,177,000
2. Other Loans & Advances	1,899,330	10,105,300
3. Loan from Directors		
Gaurav Mittal	75,000	75,000
<b>Total</b>	<b>51,426,330</b>	<b>49,357,300</b>

## Schedule D

## DEPRECIATION AS PER COMPANIES ACT 1956

## Statement of Fixed Assets as on 31st March, 2009

(Amount In Rs.)

Name of The Fixed Assets	Gross Block				Depreciation				Net Block	
	As on 01.04.2008	Addn.during the year	Sale/Adjust. during the year	As on 31/3/2009	Dep As on 01.04.2008	for the Period	Sale/Adj. during the yr	As on 31/3/2009	As on 31/3/2009	As on 31/03/2008
Plant & Machinery	8,574,144	1,547,344	0	10,121,488	2,919,042	450,932		3,369,974	6,751,514	5,488,864
Furniture & Fixture	10,258,745	510,858	0	10,769,603	2,482,196	582,698		3,064,894	7,704,709	7,759,101
Vehicles	13,099,036	2,203,621	0	15,302,657	3,840,446	1,445,094		5,285,540	10,017,117	9,258,590
Office Equipment & Machinery	5,042,655	1,652,981	0	6,695,636	1,051,454	718,418		1,769,872	4,925,764	3,508,230
Building	181,611,193	0	57,000,000	124,611,193	1,977,073	1,297,662		3,274,735	121,336,458	179,634,120
Intangible Assets	201,940	400,000		601,940	34,590	118,978		153,568	448,372	167,350
Land CHD CITY (Karnal)	90,381,910		90,381,910							
Computers		53,960		53,960		7,698		7,698	46,262	
Grand Total	309,169,623	6,368,764	147,381,910	168,156,477	12,304,801	4,621,481		16,926,282	151,230,195	205,816,255
Previous Year	296,403,139	201,615,410	189,032,613	308,985,936	8,964,014	4,102,885	762,098	12,304,801	296,681,135	287,439,125

## Schedule E

## Investment (at Cost)

## Long term, Unquoted and Trade Investments

Share Application Money	5,000,000	—
Capital Institute of Competition Training Pvt Ltd. (A Company under the same management)	2,295,000	4,795,000
Parul Rubber Product Pvt.Ltd.	1,000,000	1,000,000
TST Pipes Pvt Ltd.	2,500,000	2,500,000
<b>Total</b>	<b>10,795,000</b>	<b>8,295,000</b>

## Schedule F

## Current Assets Loans &amp; Advances

1. Inventories	17,366,410	18,141,410
2. Work-in-Progress ( Vrindavan)	108,516,869	62,989,984
3. Work-in-Progress (Karnal)	665,970,102	265,669,845
<b>Total (A)</b>	<b>791,853,381</b>	<b>346,801,239</b>
4. Sundry debtors: (Debts considered good for which Co. holds no Security other than the personal security of the dtrs.)		
a) Sundry Debtors outstading more than six month	133,001,236	175,122,461
b) Other debts	113,782,504	329,960,193
<b>Total (B)</b>	<b>246,783,740</b>	<b>505,082,654</b>
5. Cash & Bank Balances		
a) Cash in Hand	3,194,290	4,093,819
b) Balances with scheduled banks		
I) In Current Accounts	6,565,311	13,388,789
II) In Fixed Deposit Accounts	27,335,669	30,092,367
<b>Total (C)</b>	<b>37,095,270</b>	<b>47,574,975</b>
B. Loan & Advances		
1. Loans	102,011,712	113,730,157
2. Advance recoverable in cash /kind for the value to be received	5,973,750	12,564,417
<b>Total (D)</b>	<b>107,985,462</b>	<b>126,294,574</b>
<b>Total (A+B+C+D)</b>	<b>1,183,717,853</b>	<b>1,025,753,442</b>

# CHD Developers Ltd.

(Amount In Rs.)

Particulars	As at 31.03.2009	As at 31.03.2008
<b>Schedule-G</b>		
<b>Current Liabilities &amp; Provisions</b>		
<b>A. Current Liabilities</b>		
1) Sundry Creditors	38,968,795	56,085,371
2) Expenses Payable	8,687,793	4,284,391
3) Security Deposit (Refundable)	32,730,667	26,651,589
4) Interest Accrued on FDR but not Due	1,894,453	1,453,407
5) Advance against Projects	24,519,597	30,632,871
6) Payable for cancellation of booking	36,245,726	—
<b>Total</b>	<b>143,047,031</b>	<b>119,107,629</b>
<b>B. Provisions</b>		
1) For Income Tax	2,509,774	58,870,891
2) For Gratuity	766,009	695,325
3) For Fringe Benefit Tax	817,189	526,641
<b>Total</b>	<b>4,092,972</b>	<b>60,092,857</b>
<b>Schedule H</b>		
<b>Miscellaneous Expenditure (To the extent not W/off or adjusted)</b>		
Balance Brought forward	449,914	509,946
Less: Written/off during the year	(109,863)	(99,404)
<b>Total</b>	<b>340,051</b>	<b>410,542</b>
<b>Schedule I</b>		
<b>Sales &amp; Other Receipts</b>		
Sales	391,459,482	742,089,608
Wine & Liquor	5,096,045	5,314,107
other Receipts	13,133,414	11,209,150
<b>Total</b>	<b>409,688,941</b>	<b>758,612,865</b>
<b>Schedule J</b>		
<b>Consumption Of Provision</b>		
Provisions of Beverages & Smokes	5,329,768	5,273,151
Wine & Liquor	1,985,669	2,031,652
<b>Total</b>	<b>7,315,437</b>	<b>7,304,803</b>

(Amount In Rs.)

Particulars	As at 31.03.2009	As at 31.03.2008
<b>Schedule K</b>		
<b>Administrative &amp; other Expenses</b>		
Salary & Other perquisites	23,358,280	12,978,302
Employee Welfare	1,019,016	479,871
Employee Compensation Exp.	1,950,020	1,685,390
Donation	11,952	6,522,600
Rent Rates & Taxes	4,732,619	4,682,594
General Expenses	1,364,904	784,136
Restaurant Expenses	731,106	578,391
News Paper & Periodicals	53,346	56,582
Licence Fee	622,862	575,534
Legal & Professional Expenses	897,580	2,611,992
<b>Repair &amp; Maintenance :</b>	–	–
Building	99,469	–
Plant & Machinery	902,615	469,142
Vehicles	1,425,212	1,314,578
Others	556,385	162,780
Audit Remuneration	337,210	302,964
Travelling Expenses	1,237,038	477,367
Loss on sale of fixed Assets	–	197,112
Postage & Telephone Charges	2,905,618	2,154,992
Power Fuel & Water	3,051,592	1,339,099
Membership & Subscription	134,413	101,188
Printing & Stationery	2,204,625	726,415
House keeping Expenses	1,302,425	–
<b>Total</b>	<b>48,898,287</b>	<b>38,201,029</b>
<b>Schedule L</b>		
<b>Promotion Expenses</b>		
Advertisement & Publicity	30,685,180	3,495,921
Sales Promotion	3,422,395	521,332
Booking & Selling Expenses	9,228,237	5,158,053
<b>Total</b>	<b>43,335,812</b>	<b>9,175,306</b>
<b>Schedule M</b>		
<b>Financial Expenses</b>		
Bank Charges	26,282,202	5,115,862
Bank Interest	10,263,369	7,184,533
<b>Total</b>	<b>36,545,571</b>	<b>12,300,395</b>

## NOTES FORMING PART OF CONSOLIDATED SUMMARY STATEMENTS

### Schedule N

#### Significant Accounting Policies on the consolidated financial results

1. **a) Basis for preparation of Financial Statements**

The financial statements are prepared on historical cost basis to comply in all material aspects with applicable Accounting Principles India and comply with the Accounting Standards issued by the Institute of Chartered Accountants of India ('ICAI') and provisions of the Companies Act, 1956 to the extent applicable.
- b) Use of estimates**

The preparation of financial statements is in conformity with the Generally Accepted Accounting Principles which requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities is recognized prospectively in current and future periods.
2. **Principles of Consolidation**

The financial statements of the subsidiary Companies used in the consolidation are drawn up to the same reporting date as of the Company. The Consolidated Financial Statements have been prepared on the following basis:

  - a) the financial statements of the Company and its subsidiary companies are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating the intra-group balances, intra-group transactions and the resulting unrealized profits or losses unless the cost cannot be recovered in full in accordance with Accounting Standard (AS) 21- "Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India.
  - b) The difference between the costs of investment in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognized in the financial statements as Goodwill or Capital Reserve as the case may be.
  - c) The difference between the proceeds from disposal of investment in a subsidiary and the carrying amount of its assets less liabilities as on the date of disposal is recognized in the Consolidated Statement of Profit and Loss account as exceptional item being the profit or loss on disposal of investment in subsidiary.
  - d) Minority interest's shares in the net income of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company.
  - e) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transaction and other events in similar circumstances and are presented, in the same manner as the Company's separate financial statements to the extent applicable.
3. **Fixed Assets**
  - a) Valuation**

Fixed assets are stated at cost (Gross Block) less accumulated depreciation. Cost includes purchase price and all other attributable cost to bring the assets to its working condition for the intended use.
  - b) Depreciation**

Depreciation on fixed assets is on the basis of straight line method as per rates prescribed in schedule XIV of the Companies Act, 1956.
4. **Recognition of Income & Expenses :**
  - a) The revenue is recognised on the basis of actual receipts and instalments fallen due during the year towards booking of properties, subject to final adjustment on the completion of respective projects. Further interest on delayed payments, if any is accounted for on realisation due to uncertainties in recovery.
  - b) Cost of construction is determined in proportionate to the actual cost incurred as against the total estimated cost of the project or revised estimated cost, if any.
  - c) Interest and other expenditure attributable to projects are capitalized in the cost of project. However, interest not attributable to the projects and indirect costs are treated as 'Period Cost' and charged to Profit & Loss account in the year in which it is incurred.
  - d) Brokerage paid/ fallen due on Fixed Deposits is written off during the year.
  - e) All other incomes and expenditures except mentioned above are accounted for on accrual basis.

5. Municipal Taxes & Leave Encashment are accounted for in the year of payment.
6. **Retirement Benefits to employees**  
Company's contribution to Provident Fund, Family Pension and ESIC charged to profit and loss account on the actual liability basis.  
Provision for gratuity is determined on the actuarial valuation carried out at the balance sheet date in accordance with transitional provision of revised AS-15.
7. **Employee stock compensation cost**  
In respect of stock options granted by the Company, the intrinsic value of the options (excess of market price of the shares over the exercise price of the option) is treated as deferred employee compensation cost and is amortized over the vesting period.
8. **Provision for Current and Deferred Tax**  
Provision for Income Tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961. Deferred tax resulting from timing difference between the book and the taxable profits is accounted for, using the tax rates and law that are enacted or substantively enacted as on the Balance Sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the asset can be realised in the future. However there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is virtual certainty of realisation of such assets. Deferred tax assets/liabilities are reviewed at each Balance Sheet date.
9. **Investments**  
Long term investments are stated at cost. However provision for diminution is made to recognize any decline, other than temporary, in the value of investments. Current investments are stated at lower of cost or market value.
10. **Intangible Assets**  
Intangible assets are amortized over the period of four years.
11. **Impairment of Assets**  
An impairment occurs where the carrying value exceed the present value of future cash flows expected to arise from the continuing use of the assets and its eventual disposal. The impairment loss to be expensed is determined as the excess of the carrying amount over the higher of the asset's net sale price or present value as determined above.
12. **Provisions, Contingent Liabilities and Contingent Assets**  
Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation if :  
The company has present obligation as a result of past event. A probable outflow resource is expected to settle the obligation and the amount of obligation can be reliably estimated. Reimbursement expected in respect of expenditure required to settle a provision is recognized only when it is virtually certain that the reimbursement will be received.  
Contingent Liability is disclosed in the case of :
  - a) A Present obligation arising from the past event, when it is not probable that an outflow of resources will be required to settle the obligation.
  - b) A Possible obligation, unless the probability of outflow of resources is remote. Contingent Assets are neither recognized nor disclosed.
13. **Leases**  
Lease rentals in respect of operating lease arrangement are recognized as business income/expense in the profit and loss account, when due as per terms of the related agreement.
14. **Earning Per share**  
Basic Earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders after tax by the weighted average number of Equity Shares
15. **Cash Flow Statement**  
Cash flows are reported using the indirect method, whereby net profits before tax is adjusted for the effect of transaction of non-cash nature and deferrals of accruals of past or future cash receipts or payments. The cash flows from regular generating, investing and financing activities are segregated.
16. **Miscellaneous Expenses**  
Miscellaneous Expenses are amortized over a period of five years.

# CHD Developers Ltd.

## Schedule O

### Notes on Accounts on Consolidated Financial Results

1. a) The Number of employees employed throughout the period, who were in receipt of or were entitled to receive remuneration aggregating to Rs.24,00,000/- (Rupees Twenty Four Lacs only) or more per annum were nil.
- b) The number of employees employed for part of the year who were receipt of or were entitled to receive remunerations aggregating to Rs.2,00,000/- (Rupees Two Lacs only) or more per month were as follows

S. No.	Name	Relationship	Remuneration	Total Payments
1.	R. K. Mittal	Managing Director	Rs.2,00,000/- P.M. (from June,08 onwards)	Rs.20,80,000/-

2. The Subsidiary companies considered in the consolidated financial statements are :

S. No.	Name of the Company	% Holding	Year ended
1.	Golden Infracon Pvt Ltd	100	31 <sup>st</sup> March, 2009
2.	Horizon Realtech Pvt. Ltd	100	31 <sup>st</sup> March, 2009
3.	Divine Townships Pvt. Ltd	100	31 <sup>st</sup> March, 2009
4.	CHD Facility Management Pvt. Ltd	100	31 <sup>st</sup> March, 2009
5.	CHD Retirement Townships Pvt. Ltd	100	31 <sup>st</sup> March, 2009

### 3. Related Party Disclosures

As per the requirement of Accounting Standard "AS – 18" issued by the Institute of Chartered Accountants of India the following are the list of and relationship with related Parties with whom transactions have taken place during the year ended 31.03.2009 : (Rs. in Lacs)

Related Party	Nature of Relationship	Nature of Transaction	Opening	Received/ Credited	Payment	Closing
Manohar Memorial Educational Society	Associate	Unsecured loan	72.34	147.47	90.12	15.00
Divine Townships Pvt. Ltd	100% Subsidiary	Investment	1.00	-	-	1.00
Golden Infracon Pvt. Ltd	100% Subsidiary	Investment Loan	1.00 74.50	- .01	- 1.51	1.00 76.00
Horizon Realtech Pvt. Ltd	100% Subsidiary	Investment Loan	1.00 17.00	- 0.01	- 1.11	1.00 18.10
CHD Facility Management Pvt. Ltd	100% Subsidiary	Investment Loan	1.00 2.00	53.71	51.71	1.00 Nil
CHD Retirement Township Pvt. Ltd	100% Subsidiary	Investment Loan	Nil	Nil	1.00	1.00
R. K. Mittal	Key Managerial Personnel	Unsecured Loan Salary	Nil	.11 20.80	.11 20.80	Nil
Gaurav Mittal	Key Managerial Personnel	Unsecured Loan Salary	Nil	25.00 9.60	25.00 9.60	Nil
Vishal Rajpal	Key Managerial Personnel	Salary	-	-	9.84	-
Vishal Rajpal(HUF)	Relative of Key Managerial Personnel	Professional Fees	Nil	.80	.80	Nil

### 4. Commitment and Contingencies :

	31.03.2009	31.03.2008
a) Contracts remaining to be executed on Capital Account (Net of advance and not provide for Rupees) to be executed on capital Account	-	-



(Rs. In Lacs)

S. No	Particulars	31.03.2009	31.03.2008
1.	Claims against the company not acknowledged as debt	191.37	103.76
2.	Guarantee issued by the banks on behalf of the company	715.91	231.39
3.	Corporate guarantee given to bank for providing secured loans to third party	595.00	595.00

**5. Earning Per Share :**

(Rs. In Lacs)

S. No.	Particulars	31.03.2009	31.03.2008
<b>A</b>	<b>Basic</b>		
1	Net Profit after Tax	5.21	1368.23
2	Weighted average of number of Equity Shares considered for calculation of EPS	968.75	766.48
3	Basic earning per equity shares of Rs. 2/- each	.01	1.79
<b>B</b>	<b>Diluted</b>		
1	Weighted average of number of Equity Shares considered for calculation of diluted EPS	978.75	857.74
2	Diluted earning per equity shares of Rs. 2/- each	.01	1.60

**6. Employee Stock Option Scheme**

The Securities and Exchange Board of India (SEBI) has issued the (Employees Stock Options Scheme and Employees Stock Purchase Scheme) guidelines, 1999. In accordance with these guidelines, the excess of the market price of the underlying equity shares as on the date of the grant of the options over the exercise price of the option, including upfront payments, if any is to be recognized as an expense and amortized on a straight line basis over the vesting period.

Details of options offered, granted, lapsed, vested and exercised are given below :

<b>a) Total options offered</b>	<b>The company had offered 13,02,737 stock options during the last Year which will be granted over the period of four years. All the options will have vesting period of one year from the date of granting of the options respectively.</b>
b) Options granted	The Company has granted 2,93,116 Stock Options during the year (each Option carrying entitlement for one equity shares) at a price of Rs. 2 (face value) plus FBT (as applicable)
c) The Pricing formula	Rs. 2/- face value of equity shares
d) Options vested	2,27,979
e) Options exercised	1,14,847
f) Total No. of shares arising as a result of exercise of Options	1,14,847
g) Options lapsed	1,13,132
h) Variation of terms of Options	Nil
i) Money realized by exercisable Options (Amt. in Rs.)	2,06,725/-
j) Total No. of Options in force	2,93,116

\* The company has received advance against employee stock options equivalent to ten percent of the face value (Rs. 2/- per share) from all the employees to whom options have been granted.

**7. Micro, Small and Medium Enterprises**

The Company has not received any information from its suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006. Hence disclosures, if any, relating to amounts unpaid as on 31<sup>st</sup> March, 2009 together with interest paid/payable as required under Micro, Small and Medium Enterprises Development Act, 2006 is not given.

**8. Foreign Currency Transaction :**

There is no transaction involving foreign currency except Directors tour related to business promotion amounting to Rs. 2,00,964/- (P.Y. Rs. 5,16,700/-)

## CHD Developers Ltd.

### 9. Auditors' Remuneration :

Payment made to Auditors has been as below :

(Amount in Rs.)

S. No.	Particulars	31.03.2009	31.03.2008
a)	Audit Fee	Rs. 39,400/-	Rs.33,300/-
b)	Income Tax matters	NIL	NIL
c)	Out of pocket expenses	NIL	NIL

10. In the opinion of the Board, the value on realisation of current assets, loans & advances in the ordinary course of business will not be less than the amount at which they are stated in the Balance Sheet.

11. No provision has been made in respect of Municipal/Corporation tax for owned Properties/Flats in hand as assessment proceeding has not yet been finalised. The Municipal tax will be accounted for in the year of payment.

### 12. Directors' Remuneration:

During the year company has paid Rs. 30.40 lacs to the Managing & Whole time Directors' Remuneration details as follow:

(Amount in Rs.)

S. No	Name of Directors	Nature of Payments	31.03.2009	31.03.2008
1.	R. K. Mittal	Remuneration	20,80,000	4,50,000
2.	Gaurav Mittal	Remuneration	9,60,000	2,00,000
3.	Gaurav Mittal	Key man Insurance Policy	1,62,851	1,62,851

### 13. Operating Lease:

The break up of the total minimal Lease Rental Expense /Income as per "AS-19 Lease" at 31st March, 2009 is as under:

#### A. Lease Rental Expenses:

(Amount in Rs.)

S. No.	Particulars	As at 31 <sup>st</sup> March, 2009	As at 31 <sup>st</sup> March, 2008
A)	Not later than one year	18,43,544	50,57,541
B)	Later than One year but not later than Five years	1,03,28,241	2,26,17,807
C)	Later than Five Years	5,76,031	1,67,88,096
	Total	1,27,47,816	4,44,63,444

#### B. Lease Rental Incomes:

(Amount in Rs.)

S. No.	Particulars	As at 31 <sup>st</sup> March, 2009	As at 31 <sup>st</sup> March, 2008
A)	Not later than one year	74,37,225	75,36,300
B)	Later than One year but not later than Five years	4,09,09,532	3,50,43,144
C)	Later than Five Years	5,38,41,962	5,87,19,397
	Total	10,21,88,719	10,12,98,841

14. Some of the balance of Debtors, Creditors, Advances and Loans are subject to confirmation /Reconciliation.

### 15. Reclassification

Previous year's figures have been regrouped /rearranged wherever necessary to confirm This year's classifications

**For Mohan & Mohan**  
Chartered Accountants

**For and on behalf of Board of Directors**

**CA. Adarsh Mohan**  
Partner  
Membership No. 81491

**R. K. Mittal**  
Chairman cum Managing Director

**Gaurav Mittal**  
Director

Place: New Delhi  
Date: 30.06.2009

**Vishal Rajpal**  
Chief Financial Officer

**Statement Pursuant to Section 212 of the Companies Act, 1956 regarding financial details of Subsidiary Companies for the year ended on 31<sup>st</sup> March, 2009**

S. No	Name of the subsidiary Companies	CHD Facility Management Pvt. Ltd.	Golden Infracon Pvt. Ltd.	Divine Townships Pvt. Ltd.	Horizon Realtech Pvt. Ltd.	CHD Retirement Townships Pvt. Ltd.
1.	No. of shares held in the subsidiary Company by CHD Developers Ltd. As at 31.03.2009	10,000	10,000	10,000	10,000	10,000
2.	Face value of the shares	Rs.10/-	Rs.10/-	Rs.10/-	Rs.10/-	Rs.10/-
3.	Percentage of holding in the subsidiary Company	100%	100%	100%	100%	100%
4.	Financial Year of the Subsidiary ended on	31.03.2009	31.03.2009	31.03.2009	31.03.2009	31.03.2009
5	Net aggregate amount of Profit/loss of the subsidiary so far as these concern members of the Company	-	-	-	-	-
5a.	Dealt within the accounts of the Company for the period 31 <sup>st</sup> March, 2009	-	-	-	-	-
	i) For the financial year of the subsidiary	-	-	-	-	-
	ii) For the previous financial year of the subsidiary since this become subsidiary of CHD Developers Ltd.	-	-	-	-	-
b	Not Dealt within the accounts of the Company for the period ended 31 <sup>st</sup> March, 2009	-	-	-	-	-
	i) For the Financial year of the subsidiary	(7,01,347)	(12,426)	(11,562)	(11,562)	(10,086)
	ii) or the previous financial years of the subsidiary since this become subsidiary of CHD Developers Ltd	(99894)	(17016)	(12346)	(11546)	-

For & on behalf of Board of Director's

**R. K. Mittal**  
Chairman cum Managing Director

**Gaurav Mittal**  
Director

**Vishal Rajpal**  
Chief Financial Officer

Place: New Delhi  
Date: 30.06.2009

# CHD Developers Ltd.

## Cash Flow statement for the period ending 31st March 2009

Particulars	31.03.2009 Amount(Rs.)	31.03.2008 Amount(Rs.)
<b>A. Cash Flow From Operating Activities</b>		
Net Profit Before Tax & extraordinary Items	3,722,502	195,829,638
Adjustment to Depreciation	4,621,481	4,102,785
Loss on sale of Fixed Assets	-	197,112
Profit on sales of assets	-	(510,367)
Interest Paid	36,545,571	12,300,395
Interest Received	(3,501,434)	(2,612,004)
ESOP	92,877	1,685,390
Miscellaneous Expenditure W/off	109,863	99,404
	37,868,358	15,262,715
	41,590,860	211,092,353
Operating Profit before Working Capital Changes		
<b>Adjustment For :</b>		
Trade & Other Receivables	258,298,914	(466,166,908)
Loans & Advances	(18,309,112)	(60,738,347)
Inventories	(464,782,995)	25,400,404
Trade Paybles	23,939,402	(32,082,553)
	(200,853,791)	(533,587,404)
Cash Generation From Operations	(159,262,931)	(322,495,051)
Taxes on Expenses	(3,200,833)	(59,397,532)
	(3,200,833)	(59,397,532)
Net Cash From Operating Activities	(162,463,764)	(381,892,583)
<b>B. Cash Flow From Investing Activities</b>		
Interest Received	3,501,434	2,612,004
Purchase of Investment	(2,500,000)	
Purchase of Fixed Assets	(6,368,764)	(221,645,175)
Sale of Fixed Assets	147,381,910	208,613,636
	142,014,580	(10,419,535)
<b>C. Cash Flow From Financing Activities</b>	(20,449,184)	(392,312,118)
Long Term Borrowings	40,881,902	236,609,691
Interest Paid	(36,545,571)	(12,300,395)
Amalgamation adjustment	-	(509,946)
Preferential Convertible Warrants	3,500,000	29,293,374
Equity Shares and Warrants	276,005	47,595,596
Share Premium A/c	1,857,143	89,516,250
390,204,570	9,969,479	89,516,250
Net Increase/Decrease in Cash/Cash Equivalents	(10,479,705)	(2,107,548)
Cash/Cash Equivalents as at 01.04.2008 (Opening Balance)	47,574,975	49,682,523
Cash/Cash Equivalents as at 31.03.2009 (Closing Balance)	37,095,270	47,574,975

As per our report of even date attached

**For Mohan & Mohan**  
Chartered Accountants

**For and on behalf of Board of Directors**

**CA. Adarsh Mohan**  
Partner  
Membership No. 81491

**R. K. Mittal**  
Chairman cum Managing Director

**Gaurav Mittal**  
Director

Place: New Delhi  
Date: 30.06.2009

**Vishal Rajpal**  
Chief Financial Officer

## Balance Sheet Abstract and Company's General Business Profile

### I. Registration Details

Registration No.	4 1 1 8 8		
Balance Sheet	31. 03. 2009	State Code	5 5

### II. Capital Rised during the year (Amount in Thousand)

Public Issue :	–	Right Issue :	–
Bonus Issue :	–	Private Placement* :	230

\* Conversion of warrants and allotment of shares

### III. Position of Mobilisation & Deployment of Funds (Amount in Thousand)

Total Liabilities :	147,140	Total Assets :	1,183,718
---------------------	---------	----------------	-----------

#### Sources of Funds

Paid - Up Capital** :	237,519	Reserve & Surplus*** :	410,841
Secured Loans :	495,846	Unsecured Loans :	51,426

\*\* includes Funds Raised by way of allotment of Convertible Warrants

\*\*\* Reserve & Surplus includes deferred tax liability of Rs. 33,11,072/-

#### Application of Funds

Net Fixed Assets :	151,230	Investments :	8,295
Net Current Assets :	1,036,578	Misc. Expenditure :	340

### IV.

#### Performance of Company( Amount in Thousand)

Turnover :	409,689	Total Expenditure :	405,966
Profit Before Tax :	3,723	Profit After Tax :	522

### V.

Earning Per Share (Basic) :	0.01	Earning Per Share (Diluted) :	0.01
-----------------------------	------	-------------------------------	------

Generic Names of Three Principal products/services of Company (as per monetary term)

Item code No.	–	Product Description :	Construction
Item Code No.	–	Product Description :	Eatable House

**For Mohan & Mohan**  
Chartered Accountants

**CA. Adarsh Mohan**  
Partner  
Membership No. 81491

Place: New Delhi  
Date: 30.06.2009

**For and on behalf of Board of Directors**

**R. K. Mittal**  
Chairman cum Managing Director

**Gaurav Mittal**  
Director

**Vishal Rajpal**  
Chief Financial Officer

**CHD DEVELOPERS LIMITED**

Regd.Office : SF 16-17, FF, Madame Bhikaji Cama Bhawan, Bhikaji Cama Place , ND-66

**ATTENDANCE SLIP**

DP ID\* ..... L.F. No. ....  
Client ID\* ..... No. of Shares held .....

Please complete this attendance slip and hand it over at the entrance of the meeting hall.

Name(s) in full	Father/husband's Name	Address as Registered With the Company
1.....	.....	.....
2.....	.....	.....

I/We hereby record my/our presence at the 19<sup>th</sup> Annual General Meeting of the Company to be held on Saturday the 26<sup>th</sup> September, 2009 at 10.00 A.M. at Aadyant School. Plot No. 10-11, Nelson Mandela Road, Vasant Kunj, New Delhi – 110 070

Signature of the shareholder(s)  
1..... 2.....

Note : Attendance Slip in original should be complete in all respect.

----- TEAR HERE -----

**CHD DEVELOPERS LIMITED**

Regd.Office : SF 16-17, FF, Madame Bhikaji Cama Bhawan, Bhikaji Cama Place , ND-66

**FORM OF PROXY**

DP ID\* ..... L.F. No. ....  
Client ID\* ..... No. of Shares held .....

Name(s) in full	Father/Husband's Name	Address as Registered With the Company
1.....	.....	.....
2.....	.....	.....

Being a member/member(s) of CHD Developers Limited hereby appoint..... or failing him/her ..... as my/our proxy to vote for me/us and on my/ our behalf at the 19<sup>th</sup> Annual General Meeting of the Company to be held on Saturday, the 26<sup>th</sup> September, 2009 at 10.00 A.M. at Aadyant School. Plot No. 10-11, Nelson Mandela Road, Vasant Kunj, New Delhi – 110 070 and at any adjournment thereof.

Signature of the shareholder(s)  
1..... 2.....

Dated : / /2009

Note: The Proxy Form must be returned so as to reach the Registered Office of the Company not less than 48 hours before the time for the aforesaid Meeting. The proxy need not be a member of the Company.

**IMPORTANT**

**NO GIFTS/COUPONS WOULD BE GIVEN TO THE SHAREHOLDERS FOR ATTENDING THE ANNUAL GENERAL MEETING**

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