

West Pioneer Properties (India) Private Limited  
Statutory Audit for the year ended March 31, 2016

**INDEPENDENT AUDITOR'S REPORT****To the Members of West Pioneer Properties (India) Private Limited****Report on the Financial Statements**

We have audited the accompanying financial statements of West Pioneer Properties (India) Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

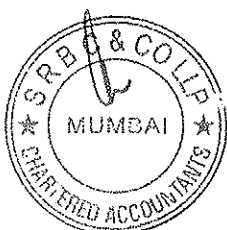
**Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the financial statements.



## **Basis for qualified opinion**

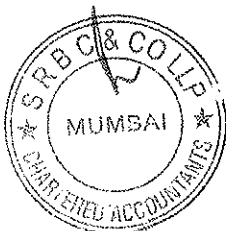
We report that revenue from Sales - Property Development continues to be recognized on construction work executed on commercial plaza based on execution of application forms by the buyers, over and above duly signed agreement. Such executed application forms are taken into consideration for the purpose of arriving at threshold limit for initiation revenue recognition. This is not in accordance with Guidance note issued on Accounting for Real Estate Transactions (Revised 2012), issued by the Institute of Chartered Accountants of India. Consequent to the policy adopted by the company, revenue from sales property development disclosed in Note 20 is higher by Rs. 37,001,955, cost of construction disclosed in Note 22 is higher by 29,526,578 and loss for the year is lower by 7,475,377. Further, cumulatively as on March 31, 2016, Revenue from sales property development and cost of construction of properties is overstated by Rs. 105,888,002 and Rs. 77,641,649 respectively, advance from customer disclosed in Note 10 is overstated by Rs.3,986,988, Trade receivables in Note 15 is overstated by Rs. 32,151,183 and reserves and surplus disclosed in Note 4 is overstated by Rs. 28,246,353. Our audit opinion on the financial statements for the previous year also was qualified in respect of the above matter.

## **Qualified opinion**

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter(s) described in the Basis for Qualified Opinion paragraph above, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016, of its loss and its cash flows for the year ended on that date.

## **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 1 a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - (b) 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;
  - (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - (d) Except for the effects of the matter(s) described in the Basis for Qualified Opinion paragraph above, In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - (e) On the basis of written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of section 164 (2) of the Companies Act, 2013;

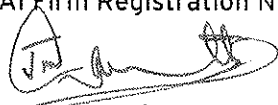


# **S R B C & CO LLP**

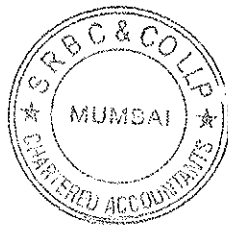
Chartered Accountants

- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 35 and 36 to the financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **S R B C & CO LLP**  
Chartered Accountants  
ICAI Firm Registration Number: 324982E/E300003



**Jayesh Gandhi**  
Partner  
Membership Number: 37924



Place of Signature: Mumbai  
Date: May 30, 2016

# **S R B C & C O L L P**

Chartered Accountants

**Annexure 1 referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date**

**Re: West Pioneer Properties (India) Private Limited ('the Company')**

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to information and explanations given by the management, the title deeds of immovable properties included in fixed assets are held in the name of the company.
- (ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not advanced loans to directors / to a company in which the Director is interested to which provisions of section 185 of the Companies Act, 2013 apply and hence not commented upon. Further provisions of section 186 of the Companies Act 2013 in respect of loans and advances given and investments made have been complied with by the company.
- (v) The Company has not accepted any deposits from the public.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the construction of residential and commercial properties and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same
- (vii) (a) Undisputed statutory dues including provident fund, income-tax, sales-tax, service tax, value added tax, and other material statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income-tax, , service tax, sales-tax, value added tax and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.



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- (c) According to the records of the Company, there are no dues of income tax, sales tax which have not been deposited on account of any dispute. However, according to the records of the Company, dues outstanding of service tax on account of any dispute are as follows:

Nature of the Statute	Nature of Dues	Amount (Rs.)	Period to which the amount relates	Forum where the dispute is pending
Finance Act, 1994	Service Tax	1,58,50,807	FY 2007-08 to FY 2011-12 (upto September 2011)	Supreme Court
Maharashtra Value Added Tax Act, 2002	Tax/Interest/ Penalty	27,12,956	FY 2007-08 and FY 2008-09	Sales Tax (Appeal) - Mumbai

- (viii) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to a financial institution and bank. The Company did not have any outstanding dues in respect of debenture holders or government during the year.
- (ix) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management and on an overall examination of the balance sheet, we report that monies raised by way of term loans were applied for the purposes for which those were raised.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or on the company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the provisions of section 197 read with Schedule V of the Act is not applicable to the company and hence reporting under clause 3(xi) are not applicable and hence not commented upon.
- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, transactions with the related parties are in compliance with section 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of sec 177 are not applicable to the company and accordingly reporting under clause 3(xiii) insofar as it relates to section 177 of the Act is not applicable to the Company and hence not commented upon.



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- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.
- (xv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For S R B C & CO LLP  
Chartered Accountants  
Firm registration number: 324982E/E300003



**Jayesh Gandhi**  
Partner  
Membership No.:37924



Place: Mumbai  
Date: May 30, 2016

## **ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF WEST PIONEER PROPERTIES (INDIA) PRIVATE LIMITED**

### **Report on the Internal Financial Controls under Clause (I) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of West Pioneer Properties (India) Private Limited ("the Company") as of March 31, 2016, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditor's Responsibility**

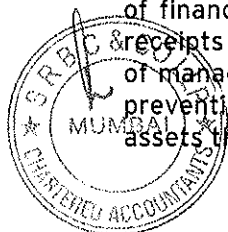
Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

An audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the internal financial controls over financial reporting.

#### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed 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. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.





# **S R B C & CO LLP**

Chartered Accountants

## **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## **Qualified Opinion**

According to the information and explanations given to us and based on our audit, the following material weakness has been identified as at March 31, 2016:

The Company did not have an appropriate internal control system for recognition of Revenue as per Guidance note on Accounting for Real Estate Transactions (Revised 2012), issued by the Institute of Chartered Accountants of India since Sales-Property Development on construction work executed on Commercial Plaza is recognised as revenue considering executed application forms by the buyers, instead of duly signed agreements. Such executed application forms are taken into consideration for the purpose of arriving at a threshold limit for initiation of revenue recognition, which is not in accordance with Guidance note on Accounting for Real Estate Transactions (Revised 2012), issued by the Institute of Chartered Accountants of India.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the effect of the material weakness described above on the achievement of the objective of the control criteria, the Company has, in all material respects, maintained adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of March 31, 2016, based on the internal control over financial reporting criteria established by Company considering components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by Institute of Chartered Accountants of India.

## **Explanatory paragraph**

We also have audited, in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act, the standalone financial statements of West Pioneer Properties (India) Private Limited, which comprise the Balance Sheet as at March 31, 2016, and the related Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information. This material weakness was considered in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2016 standalone financial statements of the Company and this report has affected our report dated May 30, 2016, in which we have expressed a qualified opinion on those financial statements.

For **S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003



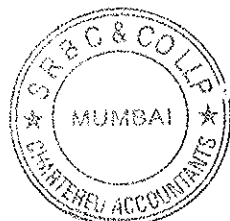
per **Jayesh Gandhi**

Partner

Membership Number: 37924

Place of Signature: Mumbai

Date: May 30, 2016



West Pioneer Properties (India) Private Limited  
Balance Sheet as at 31st March, 2016

	Notes	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
<b>Equity and Liabilities</b>			
<b>Shareholders' Funds</b>			
Share Capital	3	26,81,39,210	26,81,39,210
Reserves and Surplus	4	1,04,62,12,767	1,07,71,13,517
		<u>1,31,43,51,977</u>	<u>1,34,52,52,727</u>
<b>Non-current Liabilities</b>			
Long-term Borrowings	5	92,89,28,381	78,00,00,000
Other long-term Liabilities	7	7,43,22,309	6,74,76,142
Long-term Provisions	8	15,59,814	18,76,830
		<u>1,00,48,10,504</u>	<u>84,93,52,972</u>
<b>Current liabilities</b>			
Short-term Borrowings	9	1,79,00,000	5,38,00,000
Trade Payables	10	5,34,34,559	5,72,65,801
Other Current Liabilities	10	46,56,17,330	45,61,74,060
Short-term Provisions	8	83,494	83,557
		<u>53,70,35,383</u>	<u>56,73,23,418</u>
<b>TOTAL</b>		<u><u>2,85,61,97,864</u></u>	<u><u>2,76,19,29,117</u></u>
<b>Assets</b>			
<b>Non-current assets</b>			
<b>Fixed assets</b>			
Property, Plant and Equipment	11	1,02,47,53,893	1,04,11,72,387
Intangible Assets	12	4,62,409	3,10,565
Capital work-in-progress	31	13,94,62,480	10,63,12,110
Non-Current Investments	13	26,04,76,879	-
Deferred tax assets (net)	6	-	-
Loans and Advances	14	7,77,74,518	5,66,57,846
Other non-current assets	16	79,00,313	2,51,66,373
		<u>1,51,08,30,492</u>	<u>1,22,96,19,281</u>
<b>Current assets</b>			
Inventories	17	1,15,71,65,581	1,27,76,64,870
Trade Receivables	15	10,28,48,937	13,58,67,803
Current Investments	18	22	45,47,159
Cash and Bank balances	19	3,08,79,614	1,81,00,032
Loans and Advances	14	3,09,41,045	8,46,30,194
Other current assets	16	2,35,32,173	1,14,99,778
		<u>1,34,53,67,372</u>	<u>1,53,23,09,836</u>
<b>TOTAL</b>		<u><u>2,85,61,97,864</u></u>	<u><u>2,76,19,29,117</u></u>

Summary of significant accounting policies 2.1

The accompanying notes are an integral part of the financial statements

As per our report of even date

For SRBC & CO LLP

Chartered Accountants

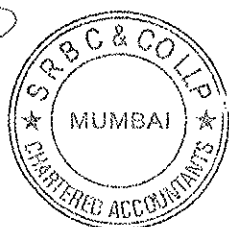
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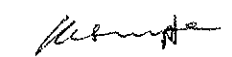
per Jayesh Gandhi

Partner


Membership No.: 37924



For and on behalf of the Board of Directors

  
Dr. Shatadru Sengupta  
Director  
DIN No. 00291695

  
Sundeep Kumar  
CFO

  
Sanjay Soni  
Director  
DIN No. 01048644

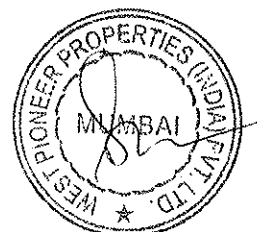
  
Minal Kardile  
Company Secretary

Place: Mumbai

Date : May 30, 2016

Place: Mumbai

Date : May 30, 2016



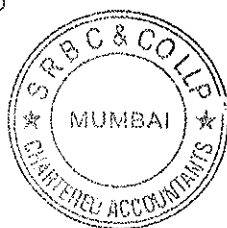
**West Pioneer Properties (India) Private Limited**  
**Statement of Profit and Loss for the year ended 31st March, 2016**

	Notes	For the year ended 31st March, 2016 ₹	For the year ended 31st March, 2015 ₹
<b>Income</b>			
Revenue from operations	20	64,12,73,782	48,76,18,036
Other income	21	1,69,93,306	63,52,976
<b>Total revenue (I)</b>		<b>65,82,67,088</b>	<b>49,39,71,012</b>
<b>Expenses</b>			
Cost of construction of properties	22	30,87,23,419	18,89,72,296
Employee benefits expense	23	3,63,40,448	5,19,81,163
Other expenses	24	21,52,52,689	19,57,95,894
<b>Total (II)</b>		<b>56,03,16,556</b>	<b>43,67,49,353</b>
<b>Earnings before Finance cost, tax, depreciation and amortization (EBITDA) (I) - (II)</b>		<b>9,79,50,532</b>	<b>5,72,21,659</b>
Depreciation and amortization expense	25	5,75,92,411	5,49,96,365
Finance costs	26	7,12,58,871	8,57,89,595
<b>(Loss) for the year</b>		<b>(3,09,00,750)</b>	<b>(8,35,64,301)</b>
<b>Earnings per equity share[nominal value of share ₹10 (31st March 2015: ₹10)]</b>	27		
Basic		(13.00)	(24.95)
Diluted		(13.00)	(24.95)

Summary of significant accounting policies 2.1  
The accompanying notes are an integral part of the financial statements  
As per our report of even date

**For SRBC & CO LLP**  
Chartered Accountants  
ICAI Firm Registration No.: 324982E/E300003

per **Jayesh Gandhi**  
Partner  
Membership No.: 37924



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

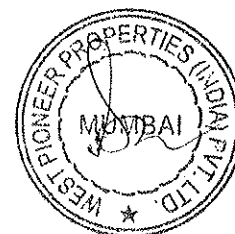
**Dr. Shatadru Sengupta**  
Director  
DIN No. 00291695

**Sundeep Kumar**  
CFO

Place: Mumbai  
Date : May 30, 2016

**Sanjay Soni**  
Director  
DIN No. 01048644

**Minal Kardile**  
Company Secretary



	For the year ended 31st March, 2016 ₹	For the year ended 31st March, 2015 ₹
<b>Cash flow from operating activities</b>		
(Loss) before tax	(3,09,00,750)	(8,35,64,301)
<b>Adjustments to reconcile loss before tax to net cash flows</b>		
Depreciation/ amortization	5,75,92,411	5,49,96,365
Profit on sale of fixed assets	(11,589)	-
Assets written off	-	1,21,53,643
Provision for doubtful debt/bad debt write off	57,90,529	(1,02,25,662)
Write back of balances	(4,46,216)	(143)
Interest expense	7,12,58,871	8,57,89,595
Interest (income)	(1,29,88,691)	(42,89,108)
Interest received on Income Tax refund	(74,737)	-
Dividend (income)	(7,94,582)	(6,23,507)
<b>Operating profit before working capital changes</b>	<b>8,94,25,246</b>	<b>5,42,36,882</b>
<b>Movements in working capital:</b>		
(Decrease)/Increase in trade payables	(33,85,026)	58,12,293
(Decrease)/Increase in provisions	(3,17,079)	5,71,593
(Decrease) in other current liabilities	(9,05,21,205)	(15,32,64,571)
Increase in other long-term liabilities	68,46,167	71,82,404
Decrease/(Increase) in trade receivables	67,50,325	(1,99,32,997)
Decrease/(Increase) in inventories	16,87,20,755	(4,12,99,938)
(Increase) in long-term loans and advances	(8,00,663)	(25,07,315)
Decrease/(Increase) in short-term loans and advances	5,36,89,149	(4,19,51,197)
Decrease/(Increase) in other current assets	31,83,670	(2,30,944)
Cash generated (used in) operations	23,35,91,338	(19,13,83,790)
Direct taxes paid (net of refunds)	1,62,003	-
<b>Net cash flow (used in) operating activities (A)</b>	<b>23,37,53,342</b>	<b>(19,13,83,790)</b>
<b>Cash flows from investing activities</b>		
Proceeds from sale of fixed assets	83,743	-
Purchase of fixed assets, including CWIP and capital advances	(6,14,05,538)	(5,65,21,563)
Purchase of current and non current investments	(57,23,76,879)	(20,57,50,000)
Dividend received	7,94,582	6,23,507
Proceeds from sale/maturity of current investments	31,64,47,137	23,46,52,863
Bank deposit (having original maturity of more than three months)	56,65,891	(19,23,877)
Interest received	1,18,78,561	8,29,382
Interest received on Income Tax refund	74,737	-
<b>Net cash flow (used in) investing activities (B)</b>	<b>(29,88,37,766)</b>	<b>(2,80,89,688)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issuance of preference share capital	-	26,99,64,950
Proceeds from long-term borrowings	33,50,02,951	1,02,22,00,000
Repayment of long-term borrowings	(8,45,35,560)	(95,50,19,771)
Proceeds from short-term borrowings	7,35,00,000	73,61,00,000
Repayment of short-term borrowings	(10,94,00,000)	(72,96,00,000)
Interest paid	(13,10,37,494)	(13,17,32,414)
<b>Net cash flow from financing activities (C)</b>	<b>8,35,29,897</b>	<b>21,19,12,765</b>
<b>Net increase/(decrease) in cash and cash equivalents (A + B + C)</b>	<b>1,84,45,473</b>	<b>(75,60,713)</b>
Cash and cash equivalents at the beginning of the year	99,34,141	1,74,94,854
<b>Cash and cash equivalents at the end of the year</b>	<b>2,83,79,614</b>	<b>99,34,141</b>

**Components of cash and cash equivalents**

Cash on hand	5,36,143	5,16,854
With banks- on current account	2,78,43,471	94,17,287
With banks – in Bank deposit restricted (Refer Note 18)	1,74,05,435	2,24,12,276
Total cash and bank balance	4,57,85,049	3,23,46,417
Less: Fixed deposits not considered as cash equivalents	1,74,05,435	2,24,12,276
<b>Cash and cash equivalents in cash flow statement</b>	<b>2,83,79,614</b>	<b>99,34,141</b>

Summary of significant accounting policies (Refer Note 2.1)

As per our report of even date

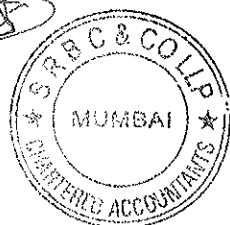
For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration No.: 324982E/E300003

per Jayesh Gandhi  
Partner

Membership No.: 37924



For and on behalf of the Board of Directors

Dr. Shatadru Sengupta  
Director  
DIN No. 00291695

Sanjay Soni  
Director  
DIN No. 01048644

Sundeep Kumar  
CFO

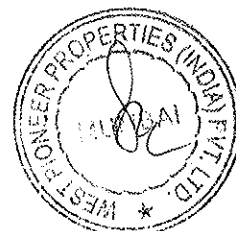
Minal Kardile  
Company Secretary

Place: Mumbai

Date: May 30, 2016

Place: Mumbai

Date: May 30, 2016



1 Corporate information

West Pioneer Properties (India) Private Limited is engaged in construction and management of shopping malls, development and sale of residential property and intends to develop mixed use property in India.

2 Basis of Preparation

The financial statements of the Company are prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company prepares these financial statements to comply in all material respects with the Accounting Standards notified under Section 133 of the Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention.

The accounting policies adopted in preparation of the financial statements are consistent with those of the previous year, except for changes disclosed separately if any.

2.1 Summary of significant accounting policies

(a) Use of estimates

Preparation of financial statements in conformity with Indian GAAP requires management to make judgments, estimates and assumptions that affect reported amounts of revenue, expenses, assets and liabilities and disclosure of contingent liabilities at end of the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring material adjustment to the carrying amounts of assets or liabilities in future periods.

(b) Presentation and disclosure of financial statements

Assets and liabilities are classified as Current and Non Current as per the Company's normal operating cycle and other criteria set out in Schedule III of the Companies Act 2013. Based on nature of activity carried out by the Company and the period between the procurement and realisation in cash and cash equivalents, the Company ascertains its operating cycle as 12 months for the purpose of Current-Non Current classification of assets and liabilities.

(c) Property, Plant and Equipment

Property, plant and equipment, capital work in progress are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Financing costs relating to acquisition/construction of fixed assets are also included to the extent they relate to the period till such assets are ready to be put to use. Financing costs not relating to acquisition/construction of fixed assets are charged to the Statement of Profit and Loss.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to Statement of Profit and Loss for the year during which such expenses are incurred.

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

(d) Depreciation on Property, Plant and Equipment

Leasehold land is amortized on a straight line basis over the period of lease, i.e., 63 years.

Depreciation is calculated on a straight-line basis using the rates specified in Schedule II of the Companies Act 2013, except on below mentioned assets. The useful lives of the following assets are estimated on basis of technical evaluation by the management.

Asset type	Useful life estimated by the management (years)
Mall Fit outs	10
Building	30

(e) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

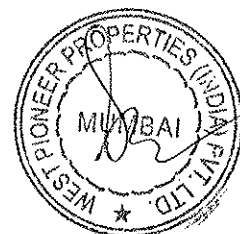
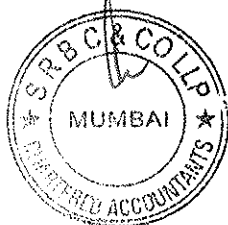
Intangible assets are amortized on a straight line basis over their estimated useful economic life. The Company uses a rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use. If persuasive evidence exists to the effect that useful life of an intangible asset exceeds ten years, the Company amortizes the intangible asset over the best estimate of its useful life. Such intangible assets and intangible assets not yet available for use are tested for impairment annually, either individually or at the cash-generating unit level. All other intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

A summary of amortization policies applied to the Company's intangible assets is as below:

Computer software

6 years



(f) **Impairment of Property, plant and equipment and intangible assets**

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

(g) **Leases**

*Where the Company is the lessee*

Leases where lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

*Where the Company is the lessor*

Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income is recognized in the Statement of Profit and Loss account on a straight-line basis over the non-cancellable period of the lease term. Costs, including depreciation are recognized as an expense in the Statement of Profit and Loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the Statement of Profit and Loss.

(h) **Investments**

Investments which are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of such investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

(i) **Inventories**

Inventories are valued at lower of cost and net realisable value. Cost comprising of cost of construction/development and of materials is determined on FIFO basis.

Direct expenditure relating to development activities of properties under construction is inventorised. Indirect expenditure (including borrowing costs) during the construction period is inventorised to the extent the expenditure is directly related to construction. Other indirect expenditure (including borrowing costs) incurred during the year not related to the construction activity is charged to the statement of profit and loss. Cost incurred/ items purchased specifically for projects are taken as consumed as and when incurred/ received. Inventories include construction work in progress. Construction work in progress is valued at cost, which comprises of cost of land, materials, services and other overheads related to projects under construction.

Raw materials, components, stores and spares are valued at lower of cost and net realisable value. Cost is determined on FIFO basis.

(j) **Revenue recognition**

Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

License Fee arising from operating leases is accounted for on a straight line basis over the non cancellable period of the lease term. Straight Line lease rentals are shown in Revenue from Operations. These are unbilled receivables under other current assets and advances. Turnover based rents are recorded as income in the year in which they are earned. Common Area Maintenance recoveries from tenants are recognized as income in the year in which the related costs are incurred.

Revenue from properties under construction for sale is recognised on the "percentage of completion method". Sale consideration as per duly executed agreements to sell / application forms (containing salient terms of agreement to sell) is recognised as revenue based on the percentage of actual project costs incurred thereon to total estimated project cost. Estimated project cost includes cost of land/ development rights, borrowing costs, overheads, estimated construction and development cost of such properties. Estimates of saleable area and costs are reviewed periodically and effect of any changes in such estimates is recognised in the period in which such changes are determined. However, when the total project cost is estimated to exceed total revenues from the project, loss is recognised immediately.

All other revenues are recognized on an accrual basis.

*Interest*

Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable. Interest income is included under the head 'other income' in the statement of profit and loss.

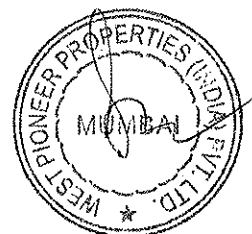
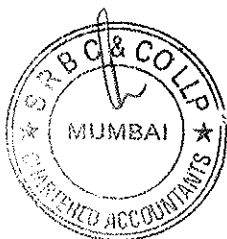
*Dividends*

Revenue is recognised when the shareholders' right to receive payment is established by the balance sheet date.

(k) **Borrowing Costs**

Borrowing costs consist of interest and amortization of ancillary costs incurred in connection with arrangement of borrowings.

Borrowing costs directly attributable to acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of cost of the respective asset. All other borrowing costs are expensed in the period they are incurred.



(l) **Foreign currency translation**

*Foreign currency transactions*

*(i) Initial Recognition*

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

*(ii) Conversion*

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

*(iii) Exchange Differences*

Exchange differences arising on the settlement of monetary items or on reporting Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expense in the year in which they arise.

(m) **Retirement and other employee benefits**

Retirement benefit in the form of Provident Fund is a defined contribution scheme and contributions thereto are charged to the Statement of Profit and Loss of the year when the contributions to the fund are due. There are no other obligations other than contribution payable to the fund.

Gratuity liability is a defined benefit plan towards retirement benefits, covering substantially all employees. The benefit is unfunded. Cost of providing benefits under the defined benefit plan is determined using the projected unit credit actuarial valuation method.

Actuarial gains / losses are immediately taken to Statement of Profit and Loss and are not deferred.

(n) **Income taxes**

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred income tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on tax rates and tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

At each balance sheet date, the Company re-assesses its unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Carrying amounts of deferred tax assets are reviewed at each balance sheet date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

(o) **Expenditure on new projects and substantial expansion**

Expenditure directly relating to construction activity is capitalized. Indirect expenditure incurred during construction period is capitalized as part of indirect construction cost to the extent to which the expenditure is indirectly related to construction or is incidental thereto. Other indirect expenditure (including borrowing costs) incurred during the construction period which is not related to the construction activity nor is incidental thereto is charged to the Statement of Profit and Loss. Income earned during construction period is deducted from the total of the indirect expenditure.

All direct capital expenditure on expansion is capitalized. As regards indirect expenditure on expansion, only that portion is capitalized which represents the marginal increase in such expenditure involved as a result of capital expansion. Both direct and indirect expenditure are capitalized only if they increase the value of the asset beyond its original standard of performance.

(p) **Segmental reporting policy**

*Identification of segments :*

The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. Analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

*Inter segment Transfers :*

The Company generally accounts for intersegment sales and transfers as if the sales or transfers were to third parties at current market prices.

*Allocation of common costs :*

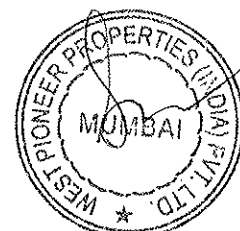
Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

*Unallocated items :*

Includes general corporate income and expense items which are not allocated to any business segment.

*Segment Policy :*

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.



(q) **Earnings per share**

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders after deducting preference dividend and attributable taxes by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

(r) **Provisions**

A provision is recognised for a present obligation as a result of past event; if it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best estimated amount required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect current best estimates.

(s) **Cash and cash equivalents**

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

(t) **Contingent Liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

(u) **Measurement of EBITDA**

As permitted by the Schedule III to the Companies Act 2013, the Company has opted to present earnings before finance cost, tax, depreciation and amortization (EBITDA) as a separate line item on the face of the statement of profit and loss. The Company measures EBITDA on the basis of profit / (loss) from continuing operations. In its measurement, the Company does not include depreciation and amortization expense, finance costs and tax expense but includes other income.

3 **Share Capital**

	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
<b>Authorised</b>		
44,55,476 (31st March, 2015: 44,55,476) Equity Shares of ₹10 each	4,45,54,760	4,45,54,760
2,20,88,345 (31st March, 2015: 2,20,88,345) Optionally Convertible Cumulative Redeemable Preference Shares (OCCRPS) of ₹10 each	22,08,83,450	22,08,83,450
2,70,100 (31st March, 2015: 2,70,100) Redeemable Preference Shares of ₹10 each	27,01,000	27,01,000
36,96,079 (31st March, 2015: 36,96,079) Unclassified Shares of ₹10 each	3,69,60,790	3,69,60,790
	<u>30,51,00,000</u>	<u>30,51,00,000</u>
<b>Issued, subscribed and paid-up</b>		
44,55,476 (31st March, 2015: 44,55,476) Equity Shares of ₹10 each fully paid up	4,45,54,760	4,45,54,760
2,20,88,345 (31st March, 2015: 2,20,88,345) OCCRPS of ₹10 each fully paid up [carrying dividend at the rate of bank rate plus 2%, refer Note 3 (c)]	22,08,83,450	22,08,83,450
2,70,100 (31st March, 2015: 2,70,100) Redeemable Preference Shares of ₹10 each fully paid up [carrying dividend at nil rate, refer Note 3 (d)]	27,01,000	27,01,000
<b>Total issued, subscribed and paid-up capital</b>	<u>26,81,39,210</u>	<u>26,81,39,210</u>

(a) **Reconciliation of shares outstanding at beginning and at end of the reporting year**

*Equity shares*

	31st March, 2016		31st March, 2015	
	No.	₹	No.	₹
At beginning of the year	44,55,476	4,45,54,760	44,55,476	4,45,54,760
Issued during the year	-	-	-	-
<b>Outstanding at end of the year</b>	<u>44,55,476</u>	<u>4,45,54,760</u>	<u>44,55,476</u>	<u>4,45,54,760</u>

*Preference shares- OCCRPS*

	31st March, 2016		31st March, 2015	
	No.	₹	No.	₹
At beginning of the year	2,20,88,345	22,08,83,450	2,20,88,345	22,08,83,450
Issued during the year	-	-	-	-
<b>Outstanding at end of the year</b>	<u>2,20,88,345</u>	<u>22,08,83,450</u>	<u>2,20,88,345</u>	<u>22,08,83,450</u>

*Redeemable Preference shares*

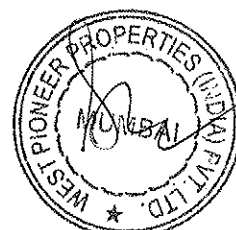
	31st March, 2016		31st March, 2015	
	No.	₹	No.	₹
At beginning of the year	2,70,100	27,01,000	2,70,100	1,35,050.00
Amount received during the year	-	-	-	25,65,950
<b>Outstanding at end of the year</b>	<u>2,70,100</u>	<u>27,01,000</u>	<u>2,70,100</u>	<u>27,01,000</u>

(b) **Terms/ rights attached to equity shares**

The Company has only one class of equity shares having par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting.

During the year ended 31st March, 2016, no dividend was paid to the equity shareholders (31st March, 2015: ₹ Nil).

In the event of liquidation of the Company, holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.





**(c) Terms of conversion/ redemption of OCCRPS**

The Company has issued 2,20,88,345 OCCRPS of ₹10 each. As per terms of the allotment, the Company shall declare and pay dividends and all unpaid dividends, if any, subject to the Company having distributable profits in accordance with provisions of Section 123 of the Companies Act, 2013. The dividend rate shall be subject to revision every year on basis of the Bank rate prevailing as on 31st March, immediately preceding the date of meeting of the Company's Board of Directors at which the Balance Sheet and Statement of Profit and Loss pertaining to the relevant financial year are approved by the Board. The rate of dividend will be such Bank Rate plus 2%, provided that in no case the dividend rate shall exceed 10% p.a. The dividend rate is 9.75% for the year ended March, 2016 (31st March, 2015 : 10%).

Each holder of OCCRPS can opt to convert its preference shares into equity shares on a date not being beyond expiry of the 19<sup>th</sup> anniversary of the respective date of Issue i.e. 30<sup>th</sup> April 2007 and 19<sup>th</sup> December 2010. If a holder exercises the conversion option, the Company will issue 1 equity shares for each preference share held.

If OCCRPS holders do not exercise their conversion option, all preference shares are redeemable at the end of 19<sup>th</sup> anniversary from the date of issue. In event of liquidation of the Company before conversion/ redemption of OCCRPS, holders of OCCRPS will have priority over equity shares in the payment of dividend and repayment of capital.

**(d) Terms of conversion/ redemption of Redeemable Preference shares**

The Company has issued 2,70,100 Preference shares of ₹10 each.

The preference shares do not carry right to dividend. Also, they carry right to vote only in accordance with provisions of section 47 of the Companies Act, 2013.

**Redemption of Redeemable Preference Shares:**

**i. At the option of the Company:**

The Preference shares would be redeemable at any time within 20 years from the date of issue at the option of the Company by giving a 48 hours prior written notice to the holder(s) at the redemption price calculated based on Internal Rate of Return (IRR) of 11% compounded annually from the date of receipt of the last call money till the date of redemption.

**ii. At the option of the Preference Shareholders:**

The Preference shares would be redeemable at any time within 20 years from the date of issue at the option of the holders by giving a 15 days prior written notice to the Company at a redemption price as per the specified rates compounded annually from the date of receipt of last call money till the date of redemption.

**(e) Shares held by holding company**

Out of the equity and preference shares issued by the Company, the shares held by its holding company are as below:

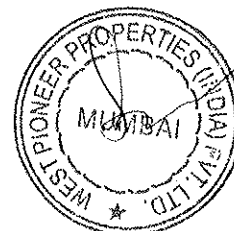
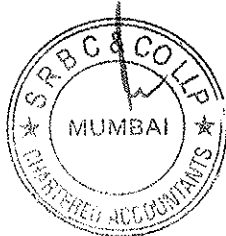
	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
<b>Winmore Leasing and Holdings Limited, the holding company</b>		
44,55,476 (31st March, 2015: 44,55,476) Equity Shares of ₹10 each	4,45,54,760	4,45,54,760
2,20,88,333 (31st March, 2015: 2,20,88,333) OCCRPS of ₹10 each	22,08,83,330	22,08,83,330
	26,54,38,090	26,54,38,090

The holding company has 100% shareholding including 50 shares representing 0.01% held by individuals as nominee holders.

**(f) Details of shareholders holding more than 5% shares in the company**

	31st March, 2016		31st March, 2015	
	No.	% holding in the class	No.	% holding in the class
(i) Equity Shares of ₹10 each				
Winmore Leasing and Holdings Limited (holding company)	44,55,476	100.00%	44,55,476	100.00%
(ii) OCCRPS of ₹10 each fully paid				
Winmore Leasing and Holdings Limited (holding company)	2,20,88,333	99.99%	2,20,88,333	99.99%
(iii) Redeemable Preference Shares of ₹10 each				
Amit Jatia (HUF)	64,000	23.7%	64,500	23.9%
Surendra Kumar Mohatta	55,000	20.4%	55,000	20.4%
Gaurav Mohatta	35,100	13.0%	40,100	14.8%
Madhu Mohatta	-	-	50,000	18.5%
Ishita Mohatta	20,000	7.4%	20,000	7.4%
West Leisure Resorts Limited	25,000	9.3%	15,000	5.6%
Hawcoplast Investments & Trading Ltd	-	-	16,000	5.9%
Usha Devi Jatia jointly with Banwarilal Jatia	16,500	6.1%	-	-
Smita Jatia jointly with Amit Jatia	25,000	9.3%	-	-

As per records of the Company including its register of shareholders/members and other declarations received from share holders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.



4 Reserves and Surplus

	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
<b>Securities Premium</b>		
Balance as per last financial statements	1,77,75,06,313	1,51,01,07,313
Amount received during the year	-	26,73,99,000
<b>Closing Balance</b>	<b>1,77,75,06,313</b>	<b>1,77,75,06,313</b>
<b>Surplus / (Deficit) in Statement of Profit and Loss</b>		
Balance as per last financial statements	(70,03,92,796)	(61,68,28,495)
(Loss) for the year	(3,09,00,750)	(8,35,64,301)
<b>Net Deficit in the statement of profit and loss</b>	<b>(73,12,93,546)</b>	<b>(70,03,92,796)</b>
<b>Total Reserves and Surplus</b>	<b>1,04,62,12,767</b>	<b>1,07,71,13,517</b>

5 Long-term Borrowings

	Non current portion As at		Current Maturities As at	
	31st March, 2016 ₹	31st March, 2015 ₹	31st March, 2016 ₹	31st March, 2015 ₹
<b>Term Loans</b>				
Indian rupee loan from banks (secured) (Refer (i)(ii)(iii) below)	66,81,28,381	78,00,00,000	27,02,89,010	16,87,50,000
<b>Other Loans and Advances</b>				
Loan (Unsecured) (Refer (iv) below)	26,08,00,000	-	-	-
	<b>92,89,28,381</b>	<b>78,00,00,000</b>	<b>27,02,89,010</b>	<b>16,87,50,000</b>
<b>The above amount includes</b>				
Secured Borrowings (Refer (i),(ii),(iii) below)	66,81,28,381	78,00,00,000	27,02,89,010	16,87,50,000
Unsecured Borrowings (Refer (iv) below)	26,08,00,000	-	-	-
Amount disclosed under the head 'other current liabilities' (Refer Note 10)	-	-	(27,02,89,010)	(16,87,50,000)
<b>Net amount</b>	<b>92,89,28,381</b>	<b>78,00,00,000</b>	<b>-</b>	<b>-</b>

Term loans balance as at March 31, 2016 represents:

- (i) Term loan - Lease Rental Discounting availed by the Company in September 2014 at rate of interest equivalent to base rate of the bank plus 1.6%. As at 31st March, 2016 the rate of interest was 12.25%. The loan is secured by a first charge on the Kalyan Shopping Mall and hypothecation of Lease Receivables from the said property. The loan is repayable from October 2014 to September 2024.

Schedule of Repayment of Loan :

	31st March, 2016 ₹	31st March, 2015 ₹
Not later than one year	4,25,00,000	2,87,50,000
Later than one year but not later than five years	25,00,00,000	21,87,50,000
Later than 5 years	41,75,00,000	49,12,50,000
	<b>71,00,00,000</b>	<b>73,87,50,000</b>

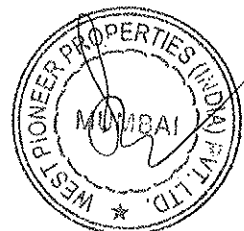
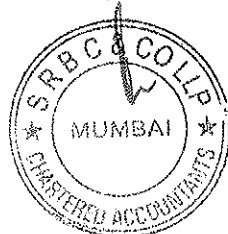
- (ii) Term loan taken in September 2014 at rate of interest equivalent to base rate of the bank plus 2.75%. As at 31st March, 2016 the rate of interest was 13.40%. The loan is secured by a first charge on the land, building and hypothecation of entire movable fixed assets of commercial plaza at Kalyan and extension of the first charge on the Kalyan Shopping Mall. The loan is repayable from March, 2016 to March, 2017 in five equal quarterly installments.

Schedule of Repayment of Loan :

	31st March, 2016 ₹	31st March, 2015 ₹
Not later than one year	22,74,00,000	14,00,00,000
Later than one year but not later than five years	-	7,00,00,000
Later than 5 years	-	-
	<b>22,74,00,000</b>	<b>21,00,00,000</b>
<b>Total</b>	<b>93,74,00,000</b>	<b>94,87,50,000</b>

The Company does not have any continuing defaults in repayment of the loans and interest as at the reporting date.

- (iii) Indian rupee loan from banks includes Loan from Kotak Mahindra amounting to ₹ 10,17,391 (31st March, 2015 : NIL) which is secured by an exclusive charge by way of hypothecation of vehicle and is repayable in 35 equated monthly instalments.
- (iv) Other loans and advances balance as at 31st March, 2016 represents Unsecured Loan taken in January 2016. The loan is interest free and is repayable after 2 years.



6 Deferred Taxes

	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
<b>Deferred Tax Liabilities</b>		
Differences between book and tax depreciation	11,87,76,351	10,95,99,789
Lease rentals taxable on receipt basis	6,48,808	18,36,209
	<u>11,94,25,159</u>	<u>11,14,35,998</u>
<b>Deferred Tax Assets</b>		
Provision for doubtful debts	86,86,713	97,69,713
Unabsorbed depreciation	11,87,76,351	10,95,99,789
Unabsorbed capital loss	15,71,34,127	15,71,34,127
Expenditure deductible on actual payment	5,07,782	6,05,760
	<u>28,51,04,973</u>	<u>27,71,09,389</u>
<b>Deferred Tax Assets (net)</b>	<u>16,56,79,814</u>	<u>16,56,73,391</u>
Deferred tax assets/(liability) recognized	-	-

The projects of the Company being capital intensive may not generate reasonable profits in the foreseeable future and hence Deferred Tax assets on carry forward losses have not been recognised.

7 Other Long-Term Liabilities

	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
Retention Monies	55,41,333	70,22,183
Others		
Security Deposits Received	6,87,80,976	6,04,53,959
	<u>7,43,22,309</u>	<u>6,74,76,142</u>

8 Provisions

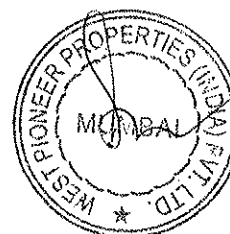
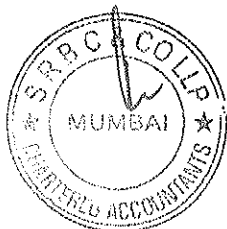
	As at 31st March, 2016		As at 31st March, 2015	
	Long term ₹	Short term ₹	Long term ₹	Short term ₹
<b>Provision for Employee Benefits</b>				
Provision for Gratuity ( Refer note 33)	15,59,814	83,494	18,76,830	83,557
	<u>15,59,814</u>	<u>83,494</u>	<u>18,76,830</u>	<u>83,557</u>

9 Short Term Borrowings

	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
Interest @ 11.50 % (31st March, 2015 - 12.50%) on unsecured Loan repayable on demand	1,79,00,000	5,38,00,000
	<u>1,79,00,000</u>	<u>5,38,00,000</u>

10 Other Current Liabilities

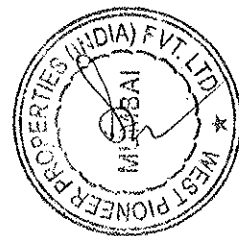
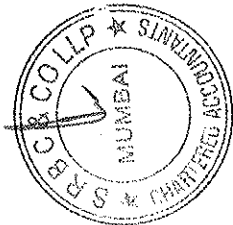
	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
Trade payables (Refer note 37 for details of dues to Micro and Small Enterprises)	5,34,34,559	5,72,65,801
<b>Other liabilities</b>		
Current maturities of long-term borrowings (Refer note 5)	27,02,89,010	16,87,50,000
Overdrawn bank balance - book debts	21,54,177	1,05,75,095
Capital creditors	40,25,697	15,36,644
Interest accrued but not due on borrowings	45,557	16,20,092
Security deposits received	57,43,523	48,66,136
Retention money	1,87,45,590	1,74,04,464
Revenue billed in advance	15,14,549	1,54,795
Advances from customers and clients	5,39,12,281	3,89,60,956
Statutory dues payable	1,86,00,998	42,02,060
Salary payable	56,93,072	42,88,554
Other payables (Incl. facility money collected from customers and clients)	1,25,10,594	65,28,442
Advance towards Sale of Leasehold land	-	9,00,00,000
Amount due to customers - unearned revenue on sale of property	7,23,82,282	10,72,86,822
	<u>46,56,17,330</u>	<u>45,61,74,060</u>
	<u>51,90,51,889</u>	<u>51,34,39,861</u>



**West Pioneer Properties (India) Private Limited**  
Notes to financial statements for the year ended 31st March, 2016

**11 Property, Plant and Equipment**

	Computer Equipment	Office Equipment	Furniture & Fixtures	Freehold Land	Leasehold Land	Mail fittings	Building	Vehicles	Plant & Machinery	Total
<b>Cost or valuation</b>										
At 1st April 2014	53,61,975	33,78,736	9,46,26,794	4,83,31,179	4,95,46,905	82,98,21,532	-	24,21,41,258	1,27,34,08,379	
Additions	1,47,263	3,13,625	9,30,374	-	45,73,299	1,97,83,226	13,59,755	2,17,59,926	4,88,67,468	
Transfer from Inventory to Asset	-	-	-	1,60,67,924	-	-	-	-	1,60,67,924	
Disposals	-	-	-	-	-	(1,33,91,891)	-	-	(1,33,91,891)	
<b>At 31 March, 2015</b>	<b>57,49,238</b>	<b>36,92,361</b>	<b>9,55,57,168</b>	<b>4,83,31,179</b>	<b>5,41,20,204</b>	<b>83,62,12,867</b>	<b>13,59,755</b>	<b>26,39,01,184</b>	<b>1,32,49,51,880</b>	
Additions	1,53,800	2,03,489	-	-	2,78,95,572	92,42,221	17,55,180	19,18,232	4,11,68,494	
Transfer from Inventory to Asset	-	-	-	-	-	-	-	-	-	
Disposals	(1,25,500)	-	-	-	-	-	-	-	(1,25,500)	
<b>At 31st Mar, 2016</b>	<b>57,37,538</b>	<b>38,95,850</b>	<b>9,55,57,168</b>	<b>4,83,31,179</b>	<b>8,20,15,776</b>	<b>84,54,55,088</b>	<b>31,14,935</b>	<b>26,58,19,416</b>	<b>1,36,59,94,874</b>	
<b>Depreciation</b>										
At 1st April 2014	37,74,093	23,04,645	8,73,72,308	-	28,63,629	7,76,15,152	-	5,59,23,636	22,98,53,463	
Charge for the year	11,47,543	3,45,089	4,54,999	-	50,86,503	2,92,22,996	13,714	1,86,38,388	5,51,64,278	
Disposals	-	-	-	-	-	(12,38,248)	-	-	(12,38,248)	
<b>At 31 March, 2015</b>	<b>49,21,636</b>	<b>26,49,734</b>	<b>8,78,27,307</b>	-	<b>79,50,132</b>	<b>10,55,99,900</b>	<b>13,714</b>	<b>7,45,62,024</b>	<b>28,37,79,493</b>	
Charge for the year	5,43,836	3,46,232	5,23,731	-	64,60,092	3,00,79,538	2,69,839	1,90,36,520	5,75,14,834	
Disposals	(53,346)	-	-	-	-	-	-	-	(53,346)	
<b>At 31st Mar, 2016</b>	<b>54,12,126</b>	<b>29,95,966</b>	<b>8,83,51,038</b>	-	<b>1,44,10,224</b>	<b>13,56,79,438</b>	<b>2,83,553</b>	<b>9,35,98,544</b>	<b>34,12,40,981</b>	
<b>Net Block</b>										
At 31 March, 2015	7,87,602	10,42,627	77,29,861	4,83,31,179	1,58,12,878	73,06,12,967	13,46,041	18,93,39,160	1,04,11,72,387	
At 31st Mar, 2016	3,25,412	8,99,884	72,06,130	4,83,31,179	1,55,57,832	70,97,75,650	28,31,382	17,22,20,872	1,02,47,53,893	
<b>Depreciation/Amortisation during the year ended 31st Mar, 2016 comprises</b>										
Charged to Statement of Profit & Loss	5,43,836	3,46,232	5,23,731	-	2,55,046	3,00,79,538	2,69,839	1,90,36,520	5,75,14,834	
Capitalized to Capital Work in Progress	-	-	-	-	-	-	-	-	-	
<b>Total</b>	<b>5,43,836</b>	<b>3,46,232</b>	<b>5,23,731</b>	-	<b>2,55,046</b>	<b>3,00,79,538</b>	<b>2,69,839</b>	<b>1,90,36,520</b>	<b>5,75,14,834</b>	



12 Intangible Assets

	Computer software ₹	Total ₹
<b>Gross block</b>		
At 1st April 2014	18,73,130	18,73,130
Additions	2,85,169	2,85,169
At 31st March, 2015	21,58,299	21,58,299
Additions	2,29,421	2,29,421
At 31st March, 2016	23,87,720	23,87,720
<b>Amortization</b>		
At 1st April 2014	18,28,380	18,28,380
Charge for the year	19,354	19,354
At 31st March, 2015	18,47,734	18,47,734
Charge for the year	77,577	77,577
At 31st March, 2016	19,25,311	19,25,311
<b>Net block</b>		
At 31st March, 2015	3,10,565	3,10,565
At 31st March, 2016	4,62,409	4,62,409

13 Non-current investments

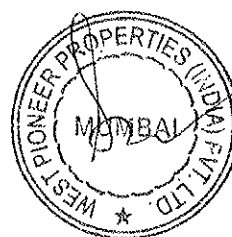
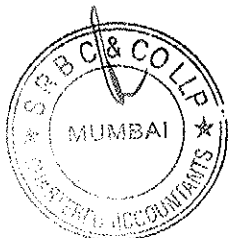
	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
<b>Trade investments (valued at cost unless stated otherwise)</b>		
<i>Unquoted equity instruments</i>		
Investment in subsidiary		
59,05,166 (31st March, 2015 : Nil) Equity shares of ₹ 10 each fully paid up of Westfield Entertainment Pvt Ltd	26,04,76,879	-
	26,04,76,879	-

14 Loans and Advances

	Non current As at		Current As at	
	31st March, 2016 ₹	31st March, 2015 ₹	31st March, 2016 ₹	31st March, 2015 ₹
<b>Security Deposits</b>				
Unsecured, considered good	1,55,98,993	1,54,17,630	9,648	9,648
<b>Total</b>	1,55,98,993	1,54,17,630	9,648	9,648
<b>Loans and Advances to related parties (Refer Note 29)</b>				
Unsecured, considered good	33,83,810	26,83,810	-	-
<b>Total</b>	33,83,810	26,83,810	-	-
<b>Advances Recoverable in cash or kind</b>				
Unsecured, considered good	-	-	2,90,13,234	8,33,64,917
<b>Total</b>	-	-	2,90,13,234	8,33,64,917
<b>Other Loans and Advances – Unsecured considered good</b>				
Advance Tax paid (net of provision of ₹ Nil (31st March, 2015 ₹ Nil))	5,86,03,007	3,82,86,998	-	-
Balances with statutory/government authorities	-	-	62,079	62,042
Prepaid Expenses	1,88,708	2,69,408	18,56,084	11,93,587
<b>Total</b>	5,87,91,715	3,85,56,406	19,18,163	12,55,629
<b>Total</b>	7,77,74,518	5,66,57,846	3,09,41,045	8,46,30,194

15 Trade Receivables

	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
<b>Outstanding for a period exceeding six months from the date they became due for payment</b>		
Secured, considered good	1,03,94,233	28,62,527
Unsecured, considered good	4,65,30,493	5,44,30,284
Doubtful	2,13,99,866	2,80,47,496
<b>Total</b>	7,83,24,592	8,53,40,307
Provision for Doubtful Receivables	(2,13,99,866)	(2,80,47,496)
<b>Total (A)</b>	5,69,24,726	5,72,92,811
<b>Other Receivables</b>		
Secured, considered good	1,98,97,633	2,63,63,753
Unsecured, considered good	2,60,26,579	5,22,11,239
Doubtful	67,12,474	35,69,698
<b>Total</b>	5,26,36,686	8,21,44,690
Provision for Doubtful Receivables	(67,12,474)	(35,69,698)
<b>Total (B)</b>	4,59,24,212	7,85,74,992
<b>Total (A) + (B)</b>	10,28,48,937	13,58,67,803



16

Other Assets

	Non current As at		Current As at	
	31st March, 2016 ₹	31st March, 2015 ₹	31st March, 2016 ₹	31st March, 2015 ₹
Unsecured considered good unless stated otherwise				
Fixed Deposits (refer note 19)	-	1,42,46,385	1,49,05,435	-
Unamortised Expenditure				
Unamortised Ancillary Borrowing Cost	79,00,313	1,09,19,988	30,19,675	31,60,125
Others				
Accrued Income	-	-	20,99,704	59,42,424
Interest accrued on fixed deposits	-	-	-	2,15,291
Others* (Refer note 29)	-	-	35,07,359	21,81,938
<b>Total</b>	<b>79,00,313</b>	<b>2,51,66,373</b>	<b>2,35,32,173</b>	<b>1,14,99,778</b>

\*Others include interest of ₹ 5,07,358 (31st March, 2015 : ₹1,54,890) accrued on Loans and Advances to related party.

17

Inventories

	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
	Construction Material	19,03,028
Construction Work in Progress	1,15,45,75,006	1,27,25,24,827
Stores and Spares	6,87,547	4,24,535
<b>Total</b>	<b>1,15,71,65,581</b>	<b>1,27,76,64,870</b>

18

Current Investments

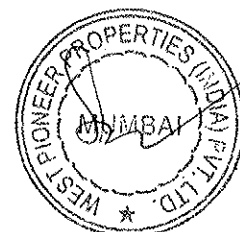
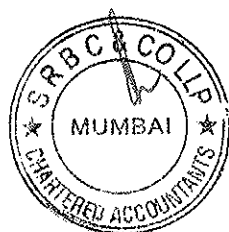
	As at 31st March, 2016 ₹	As at 31st March, 2015 ₹
	<i>Current investments (valued at lower of cost and fair value, unless stated otherwise)</i>	
<i>Unquoted Equity Instruments</i>		
1 (31st March, 2015 : 1) share of ₹ 10 each fully paid up in Hawcoplast Investments and Trading Limited	22	22
<i>Unquoted Mutual Fund Units</i>		
Nil (31st March, 2015 : 1452.32) units having NAV of ₹ 100.195 each in Birla Sun Life Cash Plus	-	1,45,515
Nil (31st March, 2015 : 4386.77) units having NAV of ₹ 1003.385 each in UTI Money Market Fund	-	44,01,622
	<b>22</b>	<b>45,47,159</b>

19

Cash and Bank Balances

	Non current As at		Current As at	
	31st March, 2016 ₹	31st March, 2015 ₹	31st March, 2016 ₹	31st March, 2015 ₹
<b>Cash and Cash Equivalents</b>				
Cash on hand	-	-	5,36,143	5,16,854
<i>Balances with banks:</i>				
- On current accounts	-	-	2,78,43,471	94,17,287
			<b>2,83,79,614</b>	<b>99,34,141</b>
<b>Other bank balances</b>				
- Deposits with remaining maturity for more than 12 months *		1,42,46,385	-	-
- Deposits with remaining maturity for less than 12 months *	-	-	1,49,05,435	-
- Margin money deposit **	-	-	25,00,000	81,65,891
		<b>1,42,46,385</b>	<b>1,74,05,435</b>	<b>81,65,891</b>
Amount disclosed under current assets (Refer note 16)	-	(1,42,46,385)	(1,49,05,435)	-
<b>Balance</b>			<b>25,00,000</b>	<b>81,65,891</b>
<b>Total</b>			<b>3,08,79,614</b>	<b>1,81,00,032</b>

\* The fixed deposits are created for the DSR amount. As per terms of the Term Loan agreement, the Company shall maintain DSRA amount equivalent to 2 months interest.



**\*\*Margin money deposits given as security**

Margin money deposits with a carrying amount of ₹10,00,000 (31st March, 2015: ₹10,00,000) are subject to lien with Maharashtra Pollution Control Board, Kalyan

Margin money deposits with a carrying amount of ₹Nil (31st March, 2015: ₹56,65,891) are subject to lien with Chief Fire officer, Aurangabad

Margin money deposits with a carrying amount of ₹5,00,000 (31st March, 2015: ₹5,00,000) are subject to lien with Maharashtra Pollution Control Board for Kalyan Mall

Margin money deposits with a carrying amount of ₹10,00,000 (31st March, 2015: ₹10,00,000) are subject to lien with Maharashtra Pollution Control Board, Aurangabad

**20 Revenue from Operations**

	For year ended 31st March, 2016	For year ended 31st March, 2015
	₹	₹
Sales- Property Development - (Refer Note 32)	32,10,75,287	18,67,61,162
Lease revenue	6,54,84,958	4,97,09,257
Lease straightlining	(38,42,720)	(5,29,811)
Revenue share	9,91,93,007	9,15,73,592
Other operating income *	15,93,63,249	16,01,03,836
<b>Total</b>	<b>64,12,73,782</b>	<b>48,76,18,036</b>

\* Other operating income includes property tax recovered amounting to ₹ 60,83,584 (31st March, 2015: 15,02,347) towards Kalyan Mall

**21 Other Income**

	For year ended 31st March, 2016	For year ended 31st March, 2015
	₹	₹
Interest on		
-- bank deposits	16,27,606	18,64,733
-- others	1,13,61,085	35,40,470
Dividend income on investments	7,94,582	6,23,507
Other income	32,10,033	3,24,266
<b>Total</b>	<b>1,69,93,306</b>	<b>63,52,976</b>

**22 Cost of Construction of Properties**

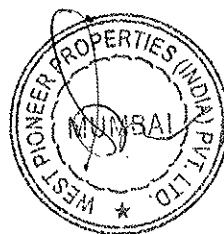
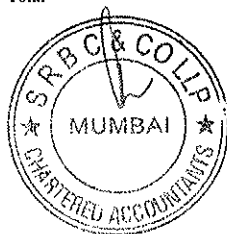
	For year ended 31st March, 2016	For year ended 31st March, 2015
	₹	₹
Inventory at beginning of the year	1,27,72,40,335	1,20,95,80,679
Add: Project related expenses	18,79,61,118	25,66,31,952
	1,46,52,01,453	1,46,62,12,631
Less: Inventory at end of the year	1,15,64,78,034	1,27,72,40,335
<b>Cost of construction of properties</b>	<b>30,87,23,419</b>	<b>18,89,72,296</b>

**Details of cost of construction of properties**

Development costs	10,54,52,690	1,30,89,468
Consultancy & Architect fees	27,28,741	65,61,205
Civil Work & Expenses to contractors	13,49,05,737	12,51,96,779
Miscellaneous expenses	6,56,36,251	4,41,24,844
<b>Total</b>	<b>30,87,23,419</b>	<b>18,89,72,296</b>

**23 Employee Benefits Expense**

	For year ended 31st March, 2016	For year ended 31st March, 2015
	₹	₹
Salaries, wages and bonus (net of capitalization and inventorised ₹ 2,78,83,015 Previous year : ₹ 2,21,62,330)	3,41,34,288	4,88,42,480
Contribution to Provident and other Funds	11,31,769	15,53,292
Gratuity Expense (Refer note 33)	4,75,961	10,27,753
Staff Welfare Expenses	5,98,430	5,57,638
<b>Total</b>	<b>3,63,40,448</b>	<b>5,19,81,163</b>



24 Other Expenses

	For year ended 31st March, 2016	For year ended 31st March, 2015
	₹	₹
Power and fuel	11,24,17,531	11,33,06,946
Water charges	10,52,806	8,82,083
Rent	97,53,020	95,72,304
Rates and taxes *	1,04,94,028	1,06,35,312
Insurance	17,03,374	13,61,956
Repairs and maintenance	2,03,61,810	2,19,88,546
Advertising and sales promotion	1,67,61,717	75,57,678
Brokerage and discounts	9,31,400	8,32,430
Travelling and conveyance	23,55,278	34,22,961
Communication costs	8,36,402	7,28,239
Printing and stationery	7,22,744	6,66,253
Legal and professional fees	96,63,157	28,71,065
Payment to auditors (Refer Note 37)	9,43,173	8,41,036
Utility management service charges	52,20,796	53,33,658
Security charges	1,35,55,550	1,00,83,339
Provision for doubtful debts (net)	57,90,529	(1,02,25,662)
Loss on sale of fixed assets	-	-
Assets written off	-	1,21,53,643
Miscellaneous expenses	26,89,374	37,84,107
<b>Total</b>	<b>21,52,52,689</b>	<b>19,57,95,894</b>

\* Rates and taxes includes property tax paid amounting to ₹ 1,04,32,060 (31st March, 2015: 1,01,58,199) towards Kalyan Mall

25 Depreciation and Amortization Expense

	For year ended 31st March, 2016	For year ended 31st March, 2015
	₹	₹
Depreciation of tangible assets	5,75,14,834	5,49,77,011
Amortization of intangible assets	77,577	19,354
<b>Total</b>	<b>5,75,92,411</b>	<b>5,49,96,365</b>

26 Finance Costs

	For year ended 31st March, 2016	For year ended 31st March, 2015
	₹	₹
Interest Expense *	6,80,14,233	7,45,68,434
Bank charges	84,513	8,46,438
Amortization of ancillary costs	31,60,125	1,03,74,723
<b>Total</b>	<b>7,12,58,871</b>	<b>8,57,89,595</b>

\* Net of capitalisation ₹ 6,13,64,213 (31st March, 2015: ₹ 4,93,93,208)

27 Earnings Per Share

	31st March, 2016	31st March, 2015
Loss after tax ₹	(3,09,00,750)	(8,35,64,301)
Less: Preference share dividend and dividend distribution taxes ₹	2,70,41,037	2,76,08,401
Loss attributable to equity shareholders ₹	(5,79,41,788)	(11,11,72,702)
Weighted average number of shares	44,55,476	44,55,476
Basic and diluted earnings per share ₹	(13.00)	(24.95)

28 Segment Information

*Business Segments :*

The Company is involved in construction of shopping malls and leasing commercial space therein in India.

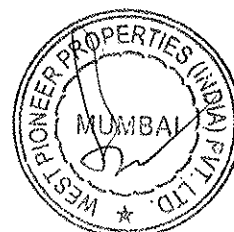
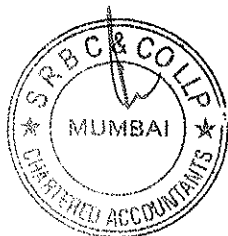
The Company has defined its operations into four major businesses: Retail, Residential and Office Developments for Sale and Warehousing Development. Particulars of the type of products and services provided by each reportable segment are as follows:

Retail Segment includes activities related to construction and leasing of shopping malls and related services,

Residential Segment includes activities related to construction and sale of residential premises,

Office Segment includes activities related to construction and sale of commercial premises,

Warehousing Development Segment includes construction and sale of warehousing premises.





**West Pioneer Properties (India) Private Limited**

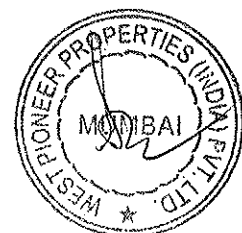
Notes to financial statements for the year ended 31st March, 2016

**Year ended 31st March, 2016**

	Retail	Inventory held for sale			Un allocable	Total
		Residential	Office	Warehousing		
<b>REVENUE</b>						
External sales	32,01,98,495	9,75,73,332	3,70,01,955	18,65,00,000	-	64,12,73,782
<b>Total revenue</b>	<b>32,01,98,495</b>	<b>9,75,73,332</b>	<b>3,70,01,955</b>	<b>18,65,00,000</b>	-	<b>64,12,73,782</b>
<b>RESULT</b>						
Segment result	8,97,14,221	(1,52,89,420)	66,73,365	45,78,388	-	8,56,76,554
Unallocated corporate expenses	-	-	-	-	6,23,11,739	6,23,11,739
<b>Operating profit</b>	<b>8,97,14,221</b>	<b>(1,52,89,420)</b>	<b>66,73,365</b>	<b>45,78,388</b>	<b>(6,23,11,739)</b>	<b>2,33,64,815</b>
Finance costs	5,13,64,883	-	21,06,750	1,76,84,552	1,02,686	7,12,58,871
Other Income	11,03,150	2,00,000	-	-	1,56,90,156	1,69,93,306
Income taxes	-	-	-	-	-	-
Profit after tax from ordinary activities	3,94,52,488	(1,50,89,420)	45,66,615	(1,31,06,164)	(4,67,24,269)	(3,09,00,750)
Extraordinary item, net	-	-	-	-	-	-
Net profit	3,94,52,488	(1,50,89,420)	45,66,615	(1,31,06,164)	(4,67,24,269)	(3,09,00,750)
<b>OTHER INFORMATION</b>						
Segment assets	1,25,80,84,666	49,29,10,996	17,74,40,532	62,46,93,943	-	2,55,31,30,137
Unallocated corporate assets	-	-	-	-	30,30,67,727	30,30,67,727
<b>Total assets</b>	<b>1,25,80,84,666</b>	<b>49,29,10,996</b>	<b>17,74,40,532</b>	<b>62,46,93,943</b>	<b>30,30,67,727</b>	<b>2,85,61,97,864</b>
Segment liabilities	59,38,84,574	38,53,06,856	14,69,36,960	13,84,21,319	-	1,26,45,49,710
Unallocated corporate liabilities	-	-	-	-	27,72,96,177	27,72,96,177
<b>Total liabilities</b>	<b>59,38,84,574</b>	<b>38,53,06,856</b>	<b>14,69,36,960</b>	<b>13,84,21,319</b>	<b>27,72,96,177</b>	<b>1,54,18,45,887</b>
Capital expenditures	-	-	-	-	-	-
Tangible assets	3,92,59,514	55,650	-	-	18,53,330	4,11,68,494
Intangible assets	-	-	-	-	2,29,421	2,29,421
Depreciation	5,54,23,263	6,39,356	-	7,89,979	7,39,814	5,75,92,411

**Year ended 31st March, 2015**

	Retail	Inventory held for sale			Un allocable	Total
		Residential	Office	Warehousing		
<b>REVENUE</b>						
External sales	30,10,80,996	18,89,20,043	(20,58,882)	-	-	48,79,42,157
<b>Total revenue</b>	<b>30,10,80,996</b>	<b>18,89,20,043</b>	<b>(20,58,882)</b>	-	-	<b>48,79,42,157</b>
<b>RESULT</b>						
Segment result	7,93,18,752	(20,70,834)	(34,49,152)	(13,76,504)	-	7,24,22,262
Unallocated corporate expenses	-	-	-	-	7,62,25,823	7,62,25,823
<b>Operating profit</b>	<b>7,93,18,752</b>	<b>(20,70,834)</b>	<b>(34,49,152)</b>	<b>(13,76,504)</b>	<b>(7,62,25,823)</b>	<b>(38,03,561)</b>
Finance costs	4,74,68,651	-	9,83,150	1,10,72,828	2,62,64,966	8,57,89,595
Other Income	11,16,239	-	-	-	49,12,616	60,28,855
Income taxes	-	-	-	-	-	-
Profit after tax from ordinary activities	3,29,66,340	(20,70,834)	(44,32,302)	(1,24,49,332)	(9,75,78,173)	(8,35,64,301)
Extraordinary item, net	-	-	-	-	-	-
Net profit	3,29,66,340	(20,70,834)	(44,32,302)	(1,24,49,332)	(9,75,78,173)	(8,35,64,301)
<b>OTHER INFORMATION</b>						
Segment assets	1,23,14,98,280	50,87,35,072	14,18,38,445	79,78,50,741	-	2,67,99,22,538
Unallocated corporate assets	-	-	-	-	8,20,06,579	8,20,06,579
<b>Total assets</b>	<b>1,23,14,98,280</b>	<b>50,87,35,072</b>	<b>14,18,38,445</b>	<b>79,78,50,741</b>	<b>8,20,06,579</b>	<b>2,76,19,29,117</b>
Segment liabilities	51,72,36,934	33,21,71,549	12,41,56,546	25,19,60,046	-	1,22,55,25,075
Unallocated corporate liabilities	-	-	-	-	19,11,51,315	19,11,51,315
<b>Total liabilities</b>	<b>51,72,36,934</b>	<b>33,21,71,549</b>	<b>12,41,56,546</b>	<b>25,19,60,046</b>	<b>19,11,51,315</b>	<b>1,41,66,76,390</b>
Capital expenditures	-	-	-	-	-	-
Tangible assets	3,27,45,105	2,75,138	-	3,05,36,994	13,78,155	6,49,35,392
Intangible assets	-	-	-	-	2,85,169	2,85,169
Depreciation	5,32,95,396	6,17,189	-	2,09,551	8,74,229	5,49,96,365



29 Related party disclosures

Related Parties: Names of related parties and relationships:

A Enterprise where control exists

Holding company	Winmore Leasing and Holdings Ltd.
Subsidiary	Westfield Entertainment (P) Ltd. (w.e.f. 15th January 2016)

B Key Management Personnel

Ajay Gupta – Chief Executive Officer (CEO)  
(upto 30th April 2015)  
Gaurang Agrawal – Chief Executive Officer (CEO)  
(w.e.f. 26th October 2015)

Disclosure of transactions between the Company and related parties and outstanding balances as at the year end.

	31st March, 2016 ₹	31st March, 2015 ₹
<b>A. Enterprise where control exists</b>		
<b>Westfield Entertainment Private Limited</b>		
Interest Income	2,08,388	1,72,101
Loan Given	-	15,70,000
Amount due from related party (Refer Note No. 14 and 16)	38,91,168	28,38,701
<b>B. Key Management Personnel</b>		
<b>Remuneration</b>		
Mr. Ajay Gupta	6,53,549	97,42,480
Amount due to related party	(20,00,000)	(20,00,000)
Mr. Gaurang Agrawal	17,29,176	-

30 Leases

Company as Lessee

The Company has entered into operating lease arrangement in respect of its office premises. The leases for the office premises are for a total period of 9 years. These leases have non-cancellable lease terms of 3 years and include a clause to enable upward revision of the rental charge every 3 years, if the lease is renewed. The lease term has been renewed on 14th October 2015 for a further period of 2 years with revision in lease terms.

Future minimum rentals payable under non cancellable operating leases at 31st March, 2016 are as follows:

	31st March, 2016 ₹	31st March, 2015 ₹
Not later than one year	-	2,55,807
Later than one years but not later than five years	-	-
Later than 5 years	-	-
<b>Total future minimum payments</b>	<b>-</b>	<b>2,55,807</b>

Company as Lessor

The Company has entered into agreed Heads of Terms and registered agreements with retailers in respect of its mall at Kalyan. These leases have non-cancellable lease terms of 3 years and include a clause to enable upward revision of the rental charge every 3 years, if the lease is renewed.

The future minimum lease incomes in respect of the non cancellable period in those leases are as follows:

	31st March, 2016 ₹	31st March, 2015 ₹
Not later than one year	3,20,20,598	3,96,34,876
Later than one years but not later than five years	1,03,39,110	2,32,59,272
Later than 5 years	-	-
<b>Total future minimum payments</b>	<b>4,23,59,708</b>	<b>6,28,94,148</b>

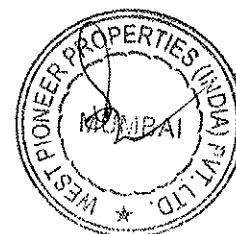
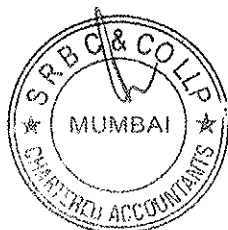
31 Capital work in progress

Capital work in progress includes expenditure incurred during the implementation period for bringing the project in the condition of its intended use. Capitalisation is done in the ratio of phased implementation. The following expenditure is carried forward as capital work in progress.

	31st March, 2016 ₹	31st March, 2015 ₹
Civil work(including Material)	7,51,69,067	6,08,37,342
Consultancy	42,73,925	21,88,673
Other costs directly related to construction	89,93,527	71,24,989
Employee costs	1,42,32,201	1,08,31,521
Land/development cost	39,45,484	39,45,484
Other overheads	3,28,48,276	2,13,84,101
	<b>13,94,62,480</b>	<b>10,63,12,110</b>

Capitalized Borrowing Costs

The borrowing cost capitalized during the year ended 31st March, 2016 was ₹ 1,11,45,409 (31st March, 2015: ₹ 69,97,230 ) and is part of capital work-in-progress and property, plant and equipment.



32 Disclosure in terms of Accounting Standards 7 – Construction contracts:

	31st March, 2016	31st March, 2015
	₹	₹
Contract Revenue recognised during the year	32,10,75,287	18,67,61,162
Aggregate cost incurred and recognized profits (less recognized losses) up to the reporting date	1,44,09,12,919	1,30,63,37,633
Amount of customer advances outstanding for contracts in progress	3,69,42,695	2,14,46,995
Due to customers / clients	7,23,82,282	10,72,86,822

33 Gratuity and other post-employment benefit plans:

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. This benefit is unfunded. The following tables summarise the components of net benefit expense recognized in the Statement of Profit and Loss and the funded status and amounts recognized in the balance sheet for the respective plans.

Statement of Profit and Loss

Net employee benefit expense recognised in employee cost

	31st March, 2016	31st March, 2015
	₹	₹
Current service cost	5,33,112	4,20,922
Interest cost	1,55,263	1,29,297
Net actuarial (gain) / loss to be recognized	(2,12,414)	4,77,534
Expense recognised in the Statement of Profit & Loss (Refer note 23)	4,75,961	10,27,753

Balance Sheet

Benefit liability

Present Value of defined benefit obligation

Benefit liability	16,43,308	19,60,387
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Changes in the present value of the defined benefit obligation are as follows:

Opening defined benefit obligation	19,60,387	13,88,794
Interest cost	1,55,263	1,29,297
Current service cost	5,33,112	4,20,922
Benefits paid	(7,93,040)	(4,56,160)
Actuarial (gain) / loss on obligation	(2,12,414)	4,77,534
Closing defined benefit obligation	16,43,308	19,60,387

The assumptions used in accounting for the gratuity plan are set out as below:

	2015-16	2014-15
Discount rate	7.86%	7.92%
Future salary increases	5.00%	5.00%
Employee turnover	5.00%	5.00%
Expected return on Plan Assets	0%	0%

The Company evaluates these assumptions annually based on its long-term plans of growth and industry standards. The unrecognized net actuarial (gain) / loss at 31st March, 2016 is (₹. 2,12,414/-); 31st March, 2015 ₹. 4,77,534/-.

Amounts for the current and previous four years are as follows:

	2016	2015	2014	2013	2012
<b>Gratuity</b>					
Defined benefit obligation	16,43,308	19,60,387	13,88,794	12,34,275	25,32,127
Experience adjustment on plan liabilities	(2,20,893)	1,31,588	(37,446)	19,575	1,42,549
Experience adjustment on plan assets	-	-	-	-	-

34 Revenue from Sales Property Development

Revenue from Sales Property Development continued to be recognized after considering commitments from the Buyers and on execution of application forms apart from duly signed agreements.

35 Service Tax

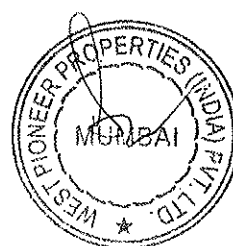
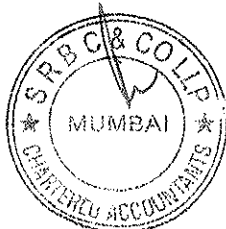
Cenvat credit

Cenvat credit amounting to ₹ 54,678,414 claimed in Service tax return, pending set off, has been included in the fixed assets. Upon a favourable judgement by the Supreme Court, the Company may be allowed to set off the Cenvat Credit and this may result in reduction of the fixed assets and reversal of depreciation to this extent.

Service Tax Liability

1. The Retailers Association of India (RAI) and other retailers have filed a writ petition with the Honourable Supreme Court of India challenging the levy of Service Tax on rental income by the Government. The Supreme Court by its order dated 14th October 2011 was pleased to grant a stay on the recovery of arrears of Service tax due on or before 30th September-2011 on the following conditions:

a. The members of RAI/Petitioners deposit 50% of the arrears of service tax amount due as on 30th September 2011 within 6 months in three equated installments.



b. For the balance 50%, the petitioners/each member of RAI is to furnish surety to the satisfaction of the jurisdiction commissioner and also file an individual affidavit in the Supreme Court undertaking to pay the balance arrears of service tax.

c. The successful party shall be entitled to interest on the amount stayed by the Court at the rate as may be directed at the time of final disposal of the matter.

The Company had issued notices to its licensee/retailers asking them to either submit documentary proof of compliance of the Supreme Court's order or to clear the outstanding service tax amount due as on 30th September 2011. Most of the retailers have complied with the order. All service tax dues from 1st October 2011 are being paid by all retailers and the Company is discharging the obligation towards the service tax liability. In respect of retailers who have not complied with the order, the Company has sufficient deposits from these retailers.

Two retailers viz. Bata India Ltd. and Metro Shoes Limited, of Metro Junction Mall, filed separate Appeals in the Supreme Court of India challenging the order dated 4th August 2011 passed by a Division Bench of Bombay High court in respect of levying service tax on rental income by the Government. Both the cases will be heard along with the appeal filed by Retailers Association of India challenging the said levy of service tax.

WPPiPL has been made a formal party in those cases but does not believe that the proceedings will have a material adverse impact on the financials.

The dues outstanding of service tax on account of any dispute are as follows:

Amount (₹)	Period to which the amount relates
1,58,50,807	FY 2007-08 to FY 2011-12 (upto September 2011)

36 Contingencies and Capital commitments

Contingencies

a. Contingent Liabilities not provided for

Claims against company not acknowledged as debts

31st March, 2016  
₹

20,00,000

31st March, 2015  
₹

20,00,000

A suit for injunction was filed before the Delhi High Court against the Company praying inter alia for injunction restraining it from using the word "METRO". The Company has filed an application under Order 7 Rule 11 for rejection of the suit.

The Company is contesting the claim and does not believe that the proceedings will have a material adverse impact on the Company.

b. Other claims

i) 12 persons, claiming to be legal heirs ('petitioners') of a tenant on Company's Kalyan Land prior to 1950, have filed a lawsuit against Hardcastle and Waud Mfg. Co. Ltd. (HAWCO) to then owner of the land in a Kalyan court for injunction that no construction activities should be carried on the Kalyan Land. Though the person was a tenant in respect of the land parcels at Netivli Kalyan, his tenancy rights had been surrendered and accordingly the revenue authorities deleted his name from the land records on 17<sup>th</sup> May 1956. The said deletion of the tenant had not been contested. However, in the year 2010, the petitioners have filed a case, challenging the said deletion of name, before the Sub-divisional Officer (SDO) at Thane. The SDO has rejected their case as barred by the law of limitation.

The petitioners appeal before the appellate authority has also been dismissed. The petitioners then filed a lawsuit in Kalyan Court against the appellate order. Since HAWCO had granted leasehold rights in respect of Kalyan Land in favour of the Company, it has been made a party in the said lawsuit. The suit is pending. There is no injunction against the Company in the matter.

Company has now purchased this land, which was initially leased from HAWCO, a related party. No outflow is expected and based on legal advice received, the Company does not expect an adverse outcome in this matter.

ii) The Company is developing a commercial complex called Metro Plaza at Netivli Kalyan. A group of clients of Metro Plaza units have filed 6 consumer cases against the Company before the State Consumer Forum inter alia disputing the areas of the units as well as the % of loading to be charged on each unit. The Company has filed its written statements in the matter and the matters are now kept for filing affidavits of evidence.

iii) One of the customers of the Residential complex developed by the Company has filed a consumer case against the Company asking for parking spaces for his two flats in Tower B of the Metro Residency. However he did not opt for any parking at the time of registration of the related ownership agreement. The Company has filed its written statement and now the matter is kept for filing affidavit of evidence.

The Company is contesting this claim and does not believe that the proceedings will have a material adverse impact on it.

c. The Company has received Notice of Demand from Maharashtra Value Added Tax department amounting to ₹ 11,06,386 and ₹ 22,30,415.13 for the Financial Year 2007-08 and Financial Year 2008-09 respectively. The company has already paid Value Added Tax to the vendors, and thus has gone in appeal by paying the amount of ₹ 4,00,804 and ₹ 2,23,041 respectively.

The Company is contesting this claim and does not believe that the proceedings will have a material adverse impact on it.

d. Accumulated Preference Dividend Arrears

Accumulated Preference Dividend Arrears

31st March, 2016  
₹

17,98,81,925

31st March, 2015  
₹

15,83,45,788

e. Capital Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for

31st March, 2016  
₹

87,44,597

31st March, 2015  
₹

1,31,29,043

Other commitments\*

10,03,32,872

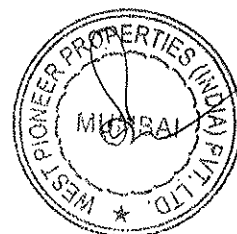
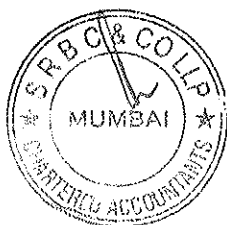
11,83,37,820

Total

10,90,77,469

13,14,66,863

\*Other commitments includes development and construction cost towards mixed use properties to be incurred in future.



37 Supplementary Statutory Information

	31st March, 2016	31st March, 2015
<b>37.1 Expenditure in foreign currency (Accrual Basis)</b>	₹	₹
Travelling Expenses	1,59,567	-
Professional Fees	3,76,483	19,10,655
<b>37.2 Payments to Auditors:</b>		
a) As Auditors (excluding Service Tax)	9,00,000	8,00,000
b) As Advisor, or in any capacity, in respect of		
i) taxation matters	-	-
ii) company law matters	-	-
iii) management services and	-	-
c) In any other manner - Out of pocket expenses	43,173	41,036
<b>Total</b>	<b>9,43,173</b>	<b>8,41,036</b>

38 Micro, Small and medium Enterprises Development Act, 2006

Based on the information available with the Company, no dues are outstanding to Micro, Small and Medium enterprises as on 31<sup>st</sup> March, 2016.

39 Previous Year Comparatives

The Company has regrouped, reclassified and restated previous year figures to conform to this year's classification.

As per our report of even date

For S R B C & CO LLP  
Chartered Accountants  
ICAI Firm Registration No.: 324982E/E300003

per Jayesh Gandhi  
Partner  
Membership No.: 37924

For and on behalf of the Board of Directors

Dr. Shatadru Sengupta  
Director  
DIN No. 00291695

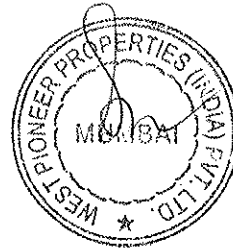
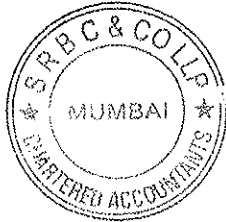
Sundeep Kumar  
CFO

Sanjay Soni  
Director  
DIN No. 01048644

Minal Kardile  
Company Secretary

Place: Mumbai  
Date: May 30, 2016

Place: Mumbai  
Date: May 30, 2016





# Rajendra K Gupta & Associates

CHARTERED ACCOUNTANTS

CA Rajendra Kumar Gupta  
B.Com, F.C.A.

Room No.3, Kshipra Society,  
Akurli Cross Road No.1,  
Kandivali (East),

CA Sunita Sandeep Gupta  
B.Com, F.C.A.

Mumbai : 400101.

Tel : (022) 28874879.

CA Rajesh Parasnath Tiwari  
B.Com, A.C.A.

Email: rkgassociates2009@gmail.com

## AUDITORS' REPORT

**TO MEMBERS OF  
WESTFEILD ENTERTAINMENT PRIVATE LIMITED,**

We have audited the accompanying financial statements of **WESTFEILD ENTERTAINMENT PRIVATE LIMITED** ("the company") which comprise Balance Sheet as at 31st March, 2016, Statement of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

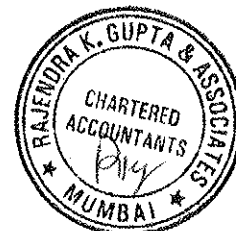
The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to preparation of the financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with provision of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies, making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of



audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating appropriateness of accounting policies used and reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;

- a) in case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2016;
- b) in case of the Statement of Profit and Loss, of the Loss for the year ended on that date; and
- c) in case of the Cash Flow Statement, of the cash flows for the year ended on that date.

### **Report on other Legal and Regulatory Requirements**

1. As required by 'the Companies (Auditor's Report) Order 2016, issued by the Central Government of India in terms of sub section (11) of Section 143 of the Act (hereinafter referred to as the "Order") and on basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in Annexure A a statement on matters specified in the Paragraph 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) 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;
  - c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of written representations received from the directors as on 31 March, 2016, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2016, from being appointed as a director in terms of Section 164(2) of the Act.

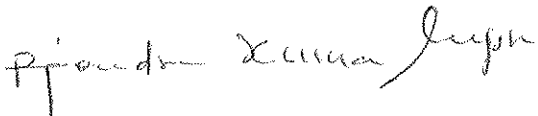


f) With respect to adequacy of the internal financial controls over financial reporting of the Company and operating effectiveness of such controls, refer to our separate Report in Annexure B.

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has a pending litigation in the Bombay High Court. In case, the ultimate outcome of the pending litigation is adverse to the Company, it may lose a sizeable part of the litigation land for an unascertainable amount- Refer Note 22 annexed to the Financial Statements;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- iii. No amount was required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31<sup>st</sup> March, 2016.

**FOR RAJENDRA K. GUPTA & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**  
**Regd. No. 108373W**



**RAJENDRA K. GUPTA**  
**PARTNER**  
**Membership No. 009939**



Place: Mumbai

Date: 27<sup>th</sup> May, 2016



## **ANNEXURE 'A' TO AUDITOR'S REPORT**

Annexure referred to in Paragraph 1 of Report on Other Legal And Regulatory Requirements in our report to members of WESTFEILD ENTERTAINMENT PRIVATE LIMITED ("the Company") the Company for the year ended 31st March, 2016.

We report that:

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
  - (b) Fixed assets have been physically verified by the management at reasonable intervals. According to information and explanations given to us, no material discrepancies were noticed on such verification. In our opinion, having regard to size of the Company and nature of its assets the periodicity of verification of fixed assets of the Company is reasonable;
  - (c) According to information and explanations given to us and on basis of our examination of records of the Company, title deeds of Immovable properties as disclosed in Note 8 on Fixed Assets are held in name of the Company;
- ii. The Company is engaged in real estate business, and does not hold any inventory; hence, the requirement under paragraph 3 (ii) of the Companies (Auditor's Report) Order, 2016 ("Order") is not applicable;
- iii. The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act 2013 ('the Act'), hence paragraph 3 (iii) of the Order is not applicable;
- iv. The Company has not granted any loans or made any investments, or provided any guarantee or security to parties covered under section 185 and 186 of the Act, hence paragraph 3 (iv) of the Order is not applicable;
- v. In our opinion and according to information and explanations given to us, the Company has not accepted any deposits from public during the year, and hence paragraph 3 (v) of the Order is not applicable;
- vi. The Company has not been specified by the Central Government under sub-section (1) of section 148 of the Act to maintain cost records and hence paragraph 3 (vi) of the Order is not applicable;
- vii. (a) According to information and explanations given to us and according to records of the Company, the Company is generally regular in depositing undisputed statutory dues including income-tax, service tax, profession tax, cess and any other statutory dues applicable to It with the appropriate authorities;
  - (b) There were no disputed/ undisputed amounts in respect of the statutory dues mentioned above as on 31st March, 2016 outstanding for a period of more than six months from the date they became payable
- viii. The Company has not borrowed any money from any financial institution or bank or through debentures, hence paragraph 3 (viii) of the Order is not applicable;
- ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans, hence paragraph 3 (ix) of the Order is not applicable;



- x. During the course of our examination of the books and records of the Company, carried out in accordance with generally accepted auditing practices in India, and according to information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the management.
- xi. The Company has not given any managerial Remuneration covered by the provisions of section 197 read with Schedule V to the Act, hence paragraph 3 (xi) of the Order is not applicable;
- xii. The Company is not a nidhi company and the Nidhi Rules, 2014 are not applicable to the Company, hence paragraph 3 (xii) of the Order is not applicable
- xiii. According to information and explanations given to us by the Management, we report that all transactions with related parties are in compliance with sections 177 and 188 of the Act and details have been disclosed in the Financial Statements.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence paragraph 3 (xiv) of the Order is not applicable;
- xv. According to information and explanations given to us by the Management, the Company has not entered into any non-cash transactions with the directors or persons connected with him and hence paragraph 3 (xv) of the Order is not applicable;
- xvi. The Company is not required to be registered under section 451A of Reserve Bank of India Act, 1934 and hence paragraph 3 (xvi) of the Order is not applicable.

**FOR RAJENDRA K. GUPTA & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**  
**Regd. No. 108373W**

*Rajendra K. Gupta*

**RAJENDRA K. GUPTA**  
**PARTNER**  
**Membership No. 009939**



Place: Mumbai

Date: 27<sup>th</sup> May, 2016

## **ANNEXURE 'B' TO AUDITOR'S REPORT**

Annexure referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' our report to members of **WESTFEILD ENTERTAINMENT PRIVATE LIMITED**, ('the Company') for the year ended on March 31, 2016.

### **Report on Internal Financial Control under Section 143(3)(i) of the Companies Act , 2013 ('the Act')**

We have audited internal financial control over financial reporting of WESTFEILD ENTERTAINMENT PRIVATE LIMITED ("the Company") as of March 31, 2016 in conjunction with our audit of financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Control**

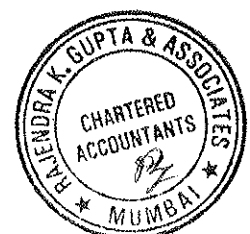
The Company's management is responsible for establishing and maintaining internal financial control based on internal control over financial reporting criteria established by the Company considering essential components of internal control stated in Guidance Note on Audit of Internal Financial Control over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities includes design, implementation and maintenance of adequate internal financial control that was operating effectively for ensuring orderly and efficient conduct of business, including adherence to Company's policies, safeguarding of assets, prevention and detection of frauds and errors, accuracy and completeness of accounting records, and timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on Company's internal financial control over financial reporting based on our audit. We conducted our audit in accordance with Guidance Note on Audit of Internal Financial Control over Financial Reporting ('the Guidance Note') and Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial control, both applicable to an audit of internal financial control and both issued by the ICAI. Those Standards and Guidance note require that we comply with ethical requirements and plan and perform audit to obtain reasonable assurance about whether adequate internal financial control over financial reporting was established and maintained and if such control operated effectively in all material respects.

Our audit involves performing procedure to obtain audit evidence about adequacy of the internal financial control system over financial reporting and its operating effectiveness. Our audit of internal financial control over financial reporting included obtaining an understanding of the internal financial control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



## Meaning of Internal Financial Control over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide a reasonable assurance regarding reliability of financial reporting and preparation of financial statements for external purpose in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that:

1. Pertain to maintenance of records that, in reasonable detail, accurately and fairly reflect transactions and dispositions of the assets of the Company;
2. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and
3. Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

## Inherent Limitations of Internal Financial Control over Financial Reporting

Because of inherent limitations of internal financial control over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial control over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

## Opinion

In our opinion, the Company has, in all material aspects, an adequate internal financial control system over financial reporting and such internal financial control over financial reporting was operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering essential components of internal control stated in Guidance Note on Audit of Internal Financial Control over Financial Reporting issued by the Institute of Chartered Accountants of India.

**FOR RAJENDRA K. GUPTA & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**  
**Regd. No. 108373W**

*Rajendra Kumar Gupta*

**RAJENDRA K. GUPTA**  
**PARTNER**  
**Membership No. 009939**

Place: Mumbai

Date: 27<sup>th</sup> May, 2016



**Westfield Entertainment Private Limited**  
**Balance Sheet as at March 31, 2016**

	Notes	As at March 31, 2016 ₹	As at March 31, 2015 ₹
<b>Equity and Liabilities</b>			
<b>Shareholders' Funds</b>			
Share Capital	3	92,737,860	92,737,860
Reserves and Surplus	4	621,900,692	622,033,446
		<b>714,638,552</b>	<b>714,771,306</b>
<b>Non-current Liabilities</b>			
Long-term borrowings	5	3,383,810	2,683,810
Other Long-Term Liabilities	6	2,260	2,260
		<b>3,386,070</b>	<b>2,686,070</b>
<b>Current Liabilities</b>			
Trade Payables	7	371,997	357,838
Other Current Liabilities	7	1,588,965	558,333
		<b>1,960,962</b>	<b>916,171</b>
<b>TOTAL</b>		<b>719,985,584</b>	<b>718,373,547</b>
<b>Assets</b>			
<b>Non-current Assets</b>			
<b>Fixed Assets</b>			
<b>Tangible Assets</b>			
Tangible Assets	8	588,627,025	598,219,604
Capital work-in-progress		131,268,391	120,011,096
Long-term Loans and Advances	9	78,950	78,950
Non-current investments	10	22	22
		<b>719,974,388</b>	<b>718,309,672</b>
<b>Current Assets</b>			
Cash and Bank Balances	11	11,196	63,875
<b>TOTAL</b>		<b>719,985,584</b>	<b>718,373,547</b>

Summary of significant accounting policies 2

The accompanying Notes form an integral part of the financial statements

As per our report of even date

**For Rajendra K. Gupta & Associates**

Chartered Accountants

Firm Registration No.: 108373W

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

*Rajendra Kumar Gupta*

**Rajendra Kumar Gupta**

Partner

Membership No.: 9939

Place: Mumbai

Date : 27th May 2016

*Gaurang Agrawal*

(Gaurang Agrawal)

Director

DIN No.00021665

Place: Mumbai

Date : 27th May 2016

*Dharmendra Agarwal*

(Dharmendra Agarwal)

Director

DIN No.06406889



**Westfield Entertainment Private Limited**  
**Statement of Profit and Loss for the year ended March 31, 2016**

	Notes	For the year ended March 31, 2016 ₹	For the year ended March 31, 2015 ₹
<b>Income</b>	12	3,555	-
<b>Total Revenue</b>		<u>3,555</u>	<u>-</u>
<b>Expenses</b>			
Other Expenses	13	119,172	820,868
Depreciation and Amortization Expense		17,137	18,001
Finance costs		-	-
<b>Total</b>		<u>136,309</u>	<u>838,869</u>
<b>(Loss) for the year</b>		<u>(132,754)</u>	<u>(838,869)</u>
<b>Tax Adjustments of Prior Years</b>			
<b>(Loss) for the year</b>		<u>(132,754)</u>	<u>(838,869)</u>
<b>Earnings per equity share of nominal value Rs 10</b>	14		
Basic and Diluted Earnings per Share		(0.02)	(0.14)
Summary of significant accounting policies	2		
The accompanying notes form an integral part of the financial statements			

As per our report of even date

**For Rajendra K. Gupta & Associates**

Chartered Accountants

Firm Registration No.: 108373W

*Rajendra Kumar Gupta*

**Rajendra Kumar Gupta**

Partner

Membership No.: 9939

Place: Mumbai

Date : 27th May 2016



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

*Gaurang Agrawal*

(Gaurang Agrawal)

Director

DIN No.00021665

Place: Mumbai

Date : 27th May 2016

*Dharmendra Agarwal*

(Dharmendra Agarwal)

Director

DIN No.06406889



**Westfield Entertainment Private Limited**

Cash Flow Statement for the year ended March 31, 2016

	For the year ended March 31, 2016 ₹	For the year ended March 31, 2015 ₹
<b>Operating Activities</b>		
(Loss) before tax	(132,754)	(838,869)
<b>Adjustments to reconcile profit before tax to net cash flows</b>		
Depreciation	17,137	18,001
Increase/(Decrease) in Current Liabilities	1,044,791	1,604,097
<b>Net Cash Flow from/(used in) Operating Activities</b>	<b>929,174</b>	<b>783,229</b>
<b>Investing Activities</b>		
Construction Costs incurred	(1,681,853)	(2,031,997)
Purchase of Investment	-	(22)
<b>Net cash flow used in investing activities</b>	<b>(1,681,853)</b>	<b>(2,032,019)</b>
<b>Financing Activities</b>		
Proceeds from Issuance of Preference Share Capital	-	23,488,250
Proceeds from Issuance of 8% Non Cumulative Redeemable Pref Shares	-	33,451,200
Repayment of Non Cumulative Redeemable Pref Shares	-	(33,451,200)
Unsecured Loan (paid)/received	700,000	(22,280,540)
<b>Net cash flows from financing activities</b>	<b>700,000</b>	<b>1,207,710</b>
<b>Net (decrease) in cash and cash equivalents</b>	<b>(52,679)</b>	<b>(41,080)</b>
Cash and cash equivalents at the beginning of the year	63,875	104,955
<b>Cash and cash equivalents at the end of the year</b>	<b>11,196</b>	<b>63,875</b>

The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard AS-3 issued by the Institute of Chartered Accountants of India.

Summary of significant accounting policies (Refer Note 2)

As per our report of even date

**For Rajendra K. Gupta & Associates**

Chartered Accountants

Firm Registration No.: 108373W

*Rajendra Kumar Gupta*

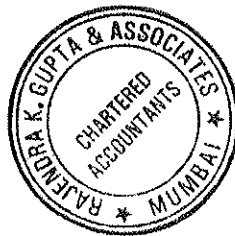
**Rajendra Kumar Gupta**

Partner

Membership No.: 9939

Place: Mumbai

Date : 27th May 2016



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

*Gaurang Agrawal*      *Dharmendra Agarwal*

(Gaurang Agrawal)

(Dharmendra Agarwal)

Director

Director

DIN No.00021665

DIN No.06406889

Place: Mumbai

Date : 27th May 2016



1 Corporate Information

Westfield Entertainment Private Limited is involved in development, construction and management of mixed use property in India.

2 Basis of Preparation

The Financial Statements of the Company are prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company prepares these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, (the Act) read together with para 7 of the Companies (Accounts) Rules 2014. The financial statement have been prepared on an accrual basis and under the historical cost convention.

2.1 Significant Accounting Policies

(a) Presentation and Disclosure of Financial Statements

Assets and liabilities are classified as Current and Non Current as per the Company's normal operating cycle and other criteria setout in Schedule III of the Act. Based on the nature of activity carried out by the Company and the period between the procurement and realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of Current-Non Current classification of assets and liabilities.

(b) Use of Estimates

Preparation of Financial Statements in conformity with Indian GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

(c) Tangible Fixed Assets

Fixed assets are stated at cost less accumulated depreciation and impairment losses if any. Cost comprises the cost of acquisition and any attributable cost of bringing the asset to its working condition for its intended use. Value of leasehold land is amortised over the respective residual lease period.

(d) Depreciation on Tangible Fixed Assets

Depreciation is provided using the straight line method as prescribed under schedule II of the Act based on useful life of an asset as specified therein and in case the schedule II opinion lives do not fairly reflect such useful life, on the basis of technical evaluation made by the management.

(e) Depreciation on assets costing less than ₹ 5,000

To comply with the requirement of Schedule II to the Act, the Company has changed its accounting policy for depreciation of assets costing less than ₹5,000/-. As per the revised policy, the Company is depreciating such assets over their useful lives as assessed by the management. The management has decided to apply the revised accounting policy prospectively from the accounting periods commencing on or after 1st April 2014.

(f) Investments

Long term Investments are valued at cost. Provision for any permanent diminution in value of such investments is made, if necessary. Current investments are stated at cost or market value whichever is lower.

(g) Leases

Where the Company is the lessee

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased asset, are classified as operating leases.

(h) Revenue Recognition

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Interest

Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividends

Revenue is recognised when the shareholders' right to receive payment is established by the balance sheet date.

(i) Miscellaneous Expenditure

Costs incurred in raising funds are amortized equally over the period for which the funds are acquired. Where such period is not practically determinable cost is amortized equally over a period of 5 years.





(j) **Income Taxes**

Tax expense comprises of current and deferred taxes. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. Deferred income tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date.

At each balance sheet date the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain or virtually certain that sufficient future taxable income will be available against which such deferred tax assets can be realized.

(k) **Expenditure on New Projects and Substantial Expansion**

Expenditure directly relating to construction activity is capitalized. Indirect expenditure incurred during construction period is capitalized as part of the indirect construction cost to the extent such expenditure is indirectly related to construction or is incidental thereto. Other indirect expenditure (including borrowing cost incurred) which is not related to the construction activity nor is incidental thereto is charged to the Statement of Profit and Loss.

All direct capital expenditure on expansion is capitalized. As regards indirect expenditure on expansion, only that portion is capitalized which represents the marginal increase in such expenditure involved as a result of capital expansion. Both direct and indirect expenditures are capitalized only if they increase the value of the asset beyond its original standard of performance.

(l) **Earnings Per Share**

Basic earnings per share is calculated by dividing the after tax net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the reporting period. Weighted average number of equity shares outstanding during the period is adjusted for event like bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects, of all dilutive potential equity shares.

(m) **Provisions**

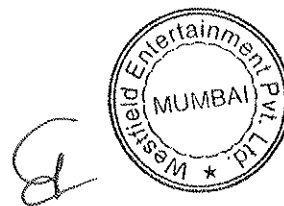
A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best estimates required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

(n) **Cash and Cash Equivalents**

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

(o) **Contingent Liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.



3 Share Capital

	31st March 2016 ₹	31st March 2015 ₹
<b>Authorised Share Capital</b>		
59,05,200 (2015: 59,05,200) Equity Shares of Rs 10 each	59,052,000	59,052,000
6,85,200 (2015: 6,85,200), Preference Shares of Rs 100 each	<u>68,520,000</u>	<u>68,520,000</u>
	<u>127,572,000</u>	<u>127,572,000</u>
<b>Issued, Subscribed and Paid-up Share Capital</b>		
<b>Fully paid up</b>		
59,05,166 (2015: 59,05,166) Equity Shares of Rs 10 each fully paid up	59,051,660	59,051,660
3,34,512 (2015:3,34,512) 8% Non - Cumulative Redeemable Preference Shares of Rs 100 each, fully paid up	33,451,200	33,451,200
2,350 (2015:2,350) Redeemable Preference Shares of Rs 100 each fully paid up	<u>235,000</u>	<u>235,000</u>
<b>Total</b>	<u>92,737,860</u>	<u>92,737,860</u>

(a) Reconciliation of shares outstanding at beginning and at end of the reporting period  
Equity shares

	31st March 2016		31st March 2015	
	Nos	₹	Nos	₹
At beginning of the year	5,905,166	59,051,660	5,905,166	59,051,660
Outstanding at end of the year	<u>5,905,166</u>	<u>59,051,660</u>	<u>5,905,166</u>	<u>59,051,660</u>

Non-Cumulative Redeemable Preference shares

	31st March 2016		31st March 2015	
	Nos	₹	Nos	₹
At beginning of the year	-	-	-	-
Redeemed during the year	-	-	334,512	33,451,200
Outstanding at end of the year	<u>-</u>	<u>-</u>	<u>334,512</u>	<u>33,451,200</u>

8% Non-Cumulative Redeemable Preference shares

	31st March 2016		31st March 2015	
	Nos	₹	Nos	₹
At beginning of the year	334,512	33,451,200	-	-
Issued during the year	-	-	334,512	33,451,200
Outstanding at end of the year	<u>334,512</u>	<u>33,451,200</u>	<u>334,512</u>	<u>33,451,200</u>

Redeemable Preference shares

	31st March 2016		31st March 2015	
	Nos	₹	Nos	₹
At beginning of the year	2,350	235,000	-	-
Amount received during the year	-	-	-	11,750
Outstanding at end of the year	<u>2,350</u>	<u>235,000</u>	<u>-</u>	<u>223,250</u>

(b) Terms/ rights attached to Equity Shares

The Company has only one class of equity shares having par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting.

During the year ended 31 March 2016, the amount of per share dividend recognized as distributions to equity shareholders was 'Nil' (31 March 2015: 'Nil').

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) Terms and conditions of 8% Non-Cumulative Redeemable Preference Shares

(i) The shares carry a preferential right to a non-cumulative dividend calculated @ 8% p.a.

(ii) Holders of the shares shall have a right to vote only on resolutions directly affecting the rights attached to their respective preference shares.

(iii) The shares shall be compulsorily redeemable on the expiry of 20 years from the date of issue. However, the Company may redeem the preference shares earlier also at any time at the Company's option by giving a notice of a period not less than 48 (forty eight) hours, by repayment of the amount paid up thereon including premium or such amount as the Board of Directors of the Company may decide.

(iv) In a winding up, the holders of the said shares shall be entitled to a preferential right of return of the amounts paid up on the shares but shall not have any further right or claim over the surplus assets of the Company.



(d) Terms and Conditions of Redeemable Preference Shares

- (i) The Company had issued 2,350 number of Preference shares of Rs 100 each carrying a premium of Rs. 9,900 per share.  
(ii) The shares carry no right to dividend.

(iii) The Preference shares carry right to vote only in accordance with provisions of Section 47 of the Companies Act, 2013 or any re-enactment thereof.

(iv) Redemption of Redeemable Preference Shares (Refer Note 23):

a. At the option of the Issuer Company:

These shares would be redeemable at any time within 20 years from the date of issue at the option of the Issuer Company by giving a 48 - hours prior written notice to the holder(s) at the redemption price calculated based on Internal Rate of Return (IRR) of 11% compounded annually from the date of receipt of last call money till date of redemption of the Preference Shares.

b. At the option of the Preference Shareholders:

The Preference shares would be redeemable at any time within 20 years from the date of issue at the option of the Preference Shareholders by giving a 15 days prior written notice to the Issuer Company at the redemption price consisting of the Issue Price of the share plus an amount calculated based on IRR at the rates stated in Column 2 of the Table (appearing below) compounded annually from the date of receipt of last call money till the date of redemption of the Shares.

Table 1  
Applicable Internal Rate of Return if Redemption is at option of the Holder

Column 1	Column 2	Column 1	Column 2
After completion (number) of years from the date of receipt of last call money	Applicable IRR (per annum)	After completion (number) of years from the date of receipt of last call money	Applicable IRR (per annum)
1	0%	11	6%
2	0%	12	7%
3	0%	13	7%
4	3%	14	8%
5	3%	15	8%
6	4%	16	9%
7	4%	17	9%
8	5%	18	10%
9	5%	19	11%
10	6%		

(e) Shares held by holding/ ultimate holding company and/ or their subsidiaries/ associates

Out of equity and preference shares issued by the Company, shares held by its holding company, and their subsidiaries/ associates are as below:

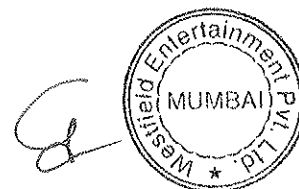
	31st March 2016	31st March 2015
	₹	₹
<b>West Pioneer Properties (India) Private Limited, a subsidiary of the ultimate holding company</b>		
5,905,166 (2015: Nil) Equity Shares of Rs. 10 each	59,051,660	-
<b>West Brick Investment Limited, a subsidiary of the ultimate holding company</b>		
NIL (2015: 5,905,166) Equity Shares of Rs. 10 each	-	59,051,660

The holding company has 100% shareholding with 150 shares held jointly by Mr. Banwarilal Jatia, Mr. Sandeep Kumar, Ms. Minni Kardite, Mr. Gaurang Agarwal, Mr. Anil Gupta, Mr. O.P. Adukia as nominee and on behalf of the Company.

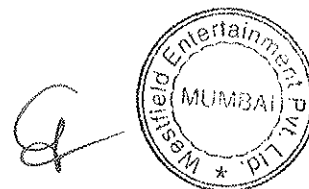
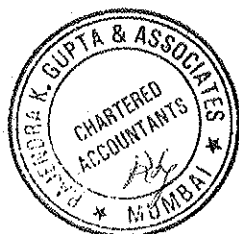
(f) Details of shareholders holding more than 5% shares in the Company

Name of shareholder	31st March 2016		31st March 2015	
	Nos	% holding in the class	Nos	% holding in the class
<b>Equity shares of Rs 10 each fully paid</b>				
West Pioneer Properties (India) Private Limited	5,905,166	100.00%	-	-
West Brick Investment Limited	-	-	5,905,166	100.00%
<b>8% Non-Cumulative Redeemable Preference Shares of Rs 100 each</b>				
Anand Veena Twisters Private Limited	234,400	70.07%	234,400	70.07%
West Leisure Resorts Ltd	100,000	29.89%	100,000	29.89%
<b>Redeemable Preference shares of Rs 100 each</b>				
West Leisure Resorts Ltd	2,350	100.00%	2,350	100.00%

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of the shares.



		31st March 2016	31st March 2015
		₹	₹
4	<b>Reserves and Surplus</b>		
	<b>Securities Premium Account</b>		
	Balance as per last financial statements	619,081,600	595,816,600
	Addition during the year	-	23,265,000
	Closing Balance	619,081,600	619,081,600
	<b>Surplus in Statement of Profit and Loss</b>		
	Balance as per last financial statements	2,951,846	3,790,715
	Loss for the year	(132,754)	(838,869)
	Net Surplus in Statement of Profit and Loss	2,819,092	2,951,846
	<b>Total Reserves and Surplus</b>	621,900,692	622,033,446
5	<b>Long-term Borrowings</b>		
	<b>Other Loans and Advances</b>		
	Unsecured	3,383,810	2,683,810
	Note : There is no default in repayment of Loans & Interest thereon	3,383,810	2,683,810
6	<b>Other Long-term Liabilities</b>		
	<b>Retention Monies</b>		
		2,260	2,260
		2,260	2,260
7	<b>Current Liabilities</b>		
	<b>Trade Payables</b>		
	-- Outstanding dues of Micro and Small Enterprises	-	-
	-- Outstanding dues of creditors other than Micro and Small Enterprises	371,997	357,838
		371,997	357,838
	<b>Other Current Liabilities</b>		
	Overdrawn bank balance - Book Debts	274,158	-
	TDS Payable	39,163	25,122
	Interest accrued but not due on borrowings	507,358	154,890
	Expenses Payable	768,286	378,321
		1,588,965	558,333
		1,960,962	916,171
9	<b>Long Term Loans and Advances</b>		
	<u>Unsecured considered good</u>		
	Security Deposits	78,950	78,950
		78,950	78,950
10	<b>Non Current Investments</b>		
	Investment in Hawcoplast Investments and Trading Limited - I (Previous Year - I) equity share of Rs. 10 fully paid up	22	22
		22	22
11	<b>Cash and Bank Balances</b>		
	<b>Cash and Cash Equivalents</b>		
	Cash on hand	-	-
	<b>Balances with Banks:</b>		
	-- On current accounts	11,196	63,875
		11,196	63,875
12	<b>Income</b>		
	<b>Other Income</b>		
	Sundry balances written back	3,555	-
		3,555	-



Other Expenses

	Year Ended 31st March 2016 ₹	Year Ended 31st March 2015 ₹
Lease Rent	3	3
Travelling and Conveyance	11,263	12,746
Printing and Stationery	2,010	2,836
Legal and Professional Fees	65,040	91,942
Audit fees	38,550	30,000
Advertising and Sales Promotion	-	3,35,654
Filing Fees	-	3,45,748
Miscellaneous Expenses	2,306	1,939
	<b>1,19,172</b>	<b>8,20,868</b>

14 Earnings Per Share

	31st March 2016	31st March 2015
Loss after Tax (Rs)	(1,32,754)	(8,38,869)
Weighted Average Number of Shares (Nos)	59,05,166	59,05,166
Basic & Diluted Earnings per Share (Rs)	(0.02)	(0.14)

15 Segmental Reporting

The Company is engaged in a single segment business of development, construction and management of mixed use property in India.

16 Related Party Disclosures

Names of Related Parties and Relationships:

A Control :

Holding Company West Brick Investment Limited, Mauritius (uptil 14th January 2016)  
West Pioneer Properties (India) Private Limited (w.e.f. 15th January 2016)

Ultimate Holding Company West Pioneer Properties Limited, BVI (uptil 14th January 2016)  
Winmore Leasing and Holdings Limited (w.e.f. 15th January 2016)

B Key Management Personnel

Mr. Dharmendra Agarwal - Director  
Mr. Gaurang Agarwal - Director  
Minal Kardile - Company Secretary (w.e.f. 08-02-16)

Transactions with related parties

	31st March 2016 ₹	31st March 2015 ₹
<b>West Pioneer Properties (India) Private Limited</b>		
Interest Capitalized	2,08,388	
Amount due to related party	38,91,168	

17 Capital Commitments Rs Nil (Previous Year Rs Nil)

18 Commitments and Contingent Liabilities:

(a) Guarantees

The Company has not provided any guarantees.

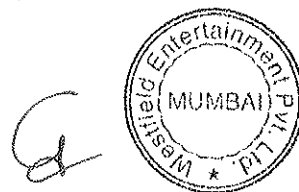
(b) Leases

The Company has acquired land from MIDC at Satpur, Nashik under a non cancellable operating lease.

Future rentals payable under the non cancellable operating lease are as follows.

	31st March 2016 ₹	31st March 2015 ₹
Not later than one year	3	3
Later than one year but not later than five year	12	12
Later than 5 years	152	155
	<b>167</b>	<b>170</b>

(c) Redemption of Redeemable Preference Shares - Liability cannot be measured reliably since date of redemption is uncertain.



19 Amortisation and Depreciation

An amount of Rs 95,75,442 (P.Y. Rs 95,75,442) has been amortised during the year and debited to Capital Work-in-Progress, out of cost of leasehold land.

20 Expenditure in foreign currency Nil (Previous Year Nil)

21 Micro, Small and Medium Enterprises Development Act, 2006

To the best of knowledge of the Company, none of the creditors is a 'Small Enterprise' within the meaning of the Micro, Small and Medium Enterprises Development Act, 2006 and therefore principal amount, interest paid/payable or accrued to such enterprises is Nil.

22 The Company has received a notice from MIDC Nashik, requiring the Company to return a part of its leasehold land at Nashik and other reliefs. On the basis of independent legal advice, the Company has filed a writ petition in Bombay High Court seeking cancellation of the notice issued by MIDC.

The Hon'ble Court has stayed the MIDC notice. The matter continues to await disposal by the Court.

In case, the ultimate outcome of the pending litigation is adverse to the Company, it may lose a sizeable part of the litigated land for an unascertainable amount.

23 Previous Year Comparatives

Previous year's figures have been regrouped / reclassified where necessary to conform to this year's presentation.

As per our report of even date

For Rajendra K. Gupta & Associates  
Chartered Accountants  
Firm Registration No.: 108373W

*Rajendra Kumar Gupta*  
Rajendra Kumar Gupta  
Partner  
Membership No.: 9939  
Place: Mumbai  
Date: 27th May 2016

For and on behalf of the Board of Directors

*Gaurang Agrawal*  
(Gaurang Agrawal)  
Director  
DIN No.00021665  
Place: Mumbai  
Date: 27th May 2016

*Dharmendra Agarwal*  
(Dharmendra Agarwal)  
Director  
DIN No.06406889

