# Ravi A Shah & Associates
## Chartered Accountants

10, Shriniket Apts, 23, Bajaj Road,
Vile Parle West, Mumbai – 400056
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## INDEPENDENT AUDITOR'S REPORT

To the Members of
**WEST PIONEER PROPERTIES (INDIA) PRIVATE LIMITED**

### Qualified opinion

We have audited the standalone financial statements of WEST PIONEER PROPERTIES (INDIA) PRIVATE LIMITED ("the Company"), which comprise the balance sheet as at March 31, 2019, and the statement of Profit and Loss, statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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 of qualified opinion paragraph below, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 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, 2019, its loss and its cash flows for the year ended on that date.

### Basis for qualified opinion

We report that revenue from Sales - Property Development is recognized on construction work executed on Residential Tower A and Tower B and 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 the threshold limit for initiation of revenue recognition. This is not in accordance with Guidance note on Accounting for Real Estate Transactions (Revised 2012), issued by Institute of Chartered Accountants of India and Accounting Standard 9 "Revenue recognition", since all significant risks and rewards of ownership cannot be considered to be transferred to buyer on execution of application forms.

Consequent to the policy adopted by the company and consequent to reduction in the percentage of work completed computed for revenue recognition as per ICAI Guidance note referred above,

a. Revenue from Sales - Property Development for the current year (as disclosed in Note 20) is lower by Rs. 2,12,113/- (previous year higher by Rs.1,31,71,519/-);

b. Cost of Construction for the current year (as disclosed in Note 22) is lower by Rs. 1,68,658/- (previous year higher by Rs. 95,68,758/-);

c. Consequently, loss for the year is higher by Rs. 43,455/- (previous year lower by Rs. 36,02,761/-) and

d. Debit balance in Profit and Loss Account under Reserves and Surplus (as disclosed in Note 4) is lower by Rs. 27,23,964/- (previous year lower by Rs.1,62,71,367/-).

### Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the financial statements and our auditor's report thereon.

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Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Management's responsibility for the financial statements**

The Company's board of directors are responsible for the matters stated in section 134 (5) of 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 the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. 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 design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The board of directors are also responsible for overseeing the Company's financial reporting process.

**Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls

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M. No. 116667
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Chartered Accountants

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern.If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

**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, the Statement of Profit and Loss and the 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 and the Companies (Accounting Standards) Amendment Rules, 2016;
   e) On the basis of written representations received from the directors as on March 31, 2019, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019, from being appointed as a director in terms of section 164(2) of the Companies Act, 2013.
   f) With respect to the adequacy to 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 included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to our best of our information and according to the explanations given to us :

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i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 34 to the financial statements;

ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses

iii. There were no amount which were required to be transferred to the Investor Education and Protection Fund by the Company

***for RAVI A. SHAH & ASSOCIATES***
***Chartered Accountants***

***Ravi A. Shah & Associates***
***Membership No. 116667***
***Firm Reg. No.: 125079W***
***MUMBAI: May 20, 2019***

RAVI A. SHAH & ASSOCIATES
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## Chartered Accountants

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**Annexure 1 referred to in paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' of the Our Report of even date to the members of WEST PIONEER PROPERTIES (INDIA) PRIVATE LIMITED on the accounts of the company for the year ended March 31, 2019.**

**On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:**

i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
(b) All the fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification
(c) Based on the audit procedures performed by us and based on the information and explanations provided to us by the management, the title deeds of the immovable properties, 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 by the company.

v. In our opinion and according to the information and explanations given to us the Company has not accepted any deposits from the public in accordance with the provision of Section 73 and 76 and the rules framed there under.

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.

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vii. (a) Undisputed statutory dues including provident fund, income tax, sales tax, service tax, value added tax, goods and service tax, cesses and other material statutory dues have generally been regularly deposited with the appropriate authorities though there has been slight delays in few cases.

(b) According to the information and explanations given to us, no undisputed statutory amounts payable in respect of provident fund, income tax, sales tax, service tax, value added tax, goods and service tax, cesses and other material statutory dues were outstanding at the year end, for a period of more than six months from the date when they became payable.

(c) According to the records of the Company, the dues outstanding of Service tax and Value Added Tax, which have not been deposited on account any dispute are as follows:

| Name of the Statue | Nature of dues | Amount under dispute (Rs.in lacs) | Period to which the amount relates | Forum where the dispute is pending |
|---|---|---|---|---|
| Maharashtra Value Added Tax Act, 2002 | Tax/Interest/Penalty | 40,08,224 | FY 2012-13 | The company has filed application for cancellation of assessment order with Assistant Commissioner Sales Tax Mumbai |

According to the information and explanations given to us, there are no disputes of income tax, service tax, goods and service tax and cess which have not been paid on account of any dispute.

viii. Based upon the audit procedures performed for the purpose of reporting 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, bank. The Company did not have any outstanding dues in respect of debenture holders or government during the year.

ix. Based upon the audit procedures performed for the purpose of reporting true and fair view of the financial statements and according to 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 purpose for which they were raised. The company has not raised any money by way of initial public offer, further public offer and debt instruments.

x. Based upon the audit procedures performed for the purpose of reporting true and fair view of the financial statements and according to information and explanations given by the management, we report that no fraud on or by the officers and employees of the Company has been noticed or reported during the year.

xi. Based upon the audit procedures performed for the purpose of reporting true and fair view of the financial statements and according to information and explanations given by the management, the

RAVI A. SHAH & ASSOCIATES MUMBAI M. No. 116867 FRN 125079W Chartered Accountants 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, hence reporting under clause 3(xii) are not applicable and not commented upon.

xiii. Based upon the audit procedures performed for the purpose of reporting true and fair view of the financial statements and according to information and explanations given by the management, transactions with related parties are in compliance with section 188 of Companies Act 2013 where applicable and details have been disclosed in the notes to the financial statements, as required by the applicable accounting standard. The provisions of section 177 are not applicable to the company and accordingly reporting under clause 3(xiii) in so far as it relates section 177 of the Act is not applicable and hence not commented upon.

xiv. According to the information and explanations given to us and on overall examination of balance sheet, the company has not made preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review, accordingly, paragraph 3 (xiv) of the Order, 2016 is not applicable and hence not commented upon.

xv. Based upon the audit procedures performed for the purpose of reporting true and fair view of the financial statements and according to the information and explanations given to us 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 RAVI A. SHAH & ASSOCIATES*
*Chartered Accountants*

*Ravi A. Shah & Associates*
*Membership No. 116667*
*Firm Reg. No.: 125079W*
*MUMBAI: May 20, 2019*

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**Annexure 2 referred to in paragraph 2(f) under the heading 'Report on Other Legal and Regulatory Requirements' of the Our Report of even date to the members of WEST PIONEER PROPERTIES (INDIA) PRIVATE LIMITED on the accounts of the company for the year ended March 31, 2019.**

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

**To the Members of WEST PIONEER PROPERTIES (INDIA) PRIVATE LIMITED**

We have audited the internal financial controls over financial reporting WEST PIONEER PROPERTIES (INDIA) PRIVATE LIMITED ("the Company") as of March 31, 2019 in conjunction with our audit of the 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 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.

**Auditors' 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 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.

Our 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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FRN 125079W
Chartered Accountants

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 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.

**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 information and explanations given to us and based on our audit, the following material weakness has been identified as at March 31, 2019:

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 Institute of Chartered Accountants of India and Accounting Standard 9 "Revenue recognition" since Sales - Property Development is recognized on construction work executed on Residential Tower A and Tower B and Commercial Plaza is recognised as revenue considering executed application forms by the buyers, instead of duly signed agreements.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial controls 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, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

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**Explanatory paragraph**

We also have audited, in accordance with the Standard on Auditing issued by the Institute of Chartered Accountants of India, as specified under section 143(10) of the Act, the financial statements of WEST PIONEER PROPERTIES (INDIA) PRIVATE LIMITED ("the company"), which comprise the Balance Sheet as at March 31 2019, 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. The material weakness was considered in determining the nature, timing and extent of audit tests applied in our audit of the March 31, 2019 standalone financial statements of the Company and this report has affected our report dated May 20, 2019, in which we have expressed a qualified opinion on those financial statements.

***for RAVI A. SHAH & ASSOCIATES***
***Chartered Accountants***

RAVI A. SHAH & ASSOCIATES
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M. No. 116667
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Chartered Accountants

***Ravi A. Shah & Associates***
***Membership No. 116667***
***Firm Reg. No.: .125079W***
***MUMBAI: May 20, 2019***

**West Pioneer Properties (India) Private Limited**
**Balance Sheet as at 31st March 2019**

| | Notes | As at 31st March 2019 ₹ | As at 31st March, 2018 ₹ |
|---|---|---|---|
| **Equity and Liabilities** | | | |
| **Shareholders' Funds** | | | |
| Share Capital | 3 | 28,63,87,490 | 28,63,87,490 |
| Reserves and Surplus | 4 | 1,18,64,60,164 | 1,27,46,00,515 |
| | | **1,47,28,47,654** | **1,56,09,88,005** |
| **Non-current Liabilities** | | | |
| Long-term Borrowings | 5 | 1,53,60,37,615 | 1,31,75,69,569 |
| Other long-term Liabilities | 7 | 8,17,80,031 | 7,33,99,887 |
| Long-term Provisions | 8 | 24,51,197 | 18,70,255 |
| | | **1,62,02,68,843** | **1,39,28,39,711** |
| **Current liabilities** | | | |
| Short-term Borrowings | 9 | 11,24,23,822 | 9,91,79,847 |
| Trade Payables | | | |
| Due to Micro and Small Enterprises | 10 | 1,18,14,009 | - |
| Due to Others | 10 | 6,19,51,704 | 6,84,41,391 |
| Other Current Liabilities | 10 | 46,89,02,587 | 35,12,81,872 |
| Short-term Provisions | 8 | 2,84,751 | 94,199 |
| | | **65,53,76,873** | **51,89,97,309** |
| TOTAL | | **3,74,84,93,370** | **3,47,28,25,025** |
| **Assets** | | | |
| **Non-current assets** | | | |
| Fixed assets | | | |
| Property, Plant and Equipment | 11 | 1,07,52,56,924 | 97,28,44,483 |
| Intangible Assets | 12 | 36,98,922 | 33,87,107 |
| Capital work-in-progress | 31 | 2,29,64,007 | 16,64,29,661 |
| Non-Current Investments | 13 | 32,89,51,879 | 32,89,51,879 |
| Deferred tax assets (net) | 6 | - | - |
| Loans and Advances | 14 | 8,51,18,414 | 7,98,40,047 |
| Other non-current assets | 16 | 58,17,833 | 77,60,833 |
| | | **1,52,18,07,979** | **1,55,92,14,010** |
| **Current assets** | | | |
| Inventories | 17 | 2,08,43,56,943 | 1,72,50,51,545 |
| Trade Receivables | 15 | 8,69,46,619 | 13,06,46,085 |
| Current Investments | 18 | 21,25,518 | 1,22,48,542 |
| Cash and Cash Equivalents | 19 | 82,00,302 | 2,00,16,004 |
| Loans and Advances | 14 | 3,36,93,986 | 1,79,92,897 |
| Other current assets | 16 | 1,13,62,023 | 76,55,942 |
| | | **2,22,66,85,391** | **1,91,36,11,015** |
| TOTAL | | **3,74,84,93,370** | **3,47,28,25,025** |
| 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 Ravi A Shah & Associates**
Chartered Accountants
ICAI Firm Registration No.: 125079W

Ravi Shah

**Ravi Shah**
Proprietor
Membership No.: 116667

RAVI A. SHAH & ASSOCIATES MUMBAI M. No. 116667 FRN 125079W Chartered Accountants

Place: Mumbai
Date : 20th May 2019

**For and on behalf of the Board of Directors of**
**West Pioneer Properties (India) Private Limited**

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

**Sunil Trivedi**
Director
DIN No. 00387797

**Sundeep Kumar**
CFO

Minal

**Minal Kardile**
Company Secretary

Place: Mumbai
Date : 20th May 2019

WEST PIONEER PROPERTIES (INDIA) PVT. LTD. MUMBAI

**West Pioneer Properties (India) Private Limited**
**Statement of Profit and Loss for the year ended 31st March 2019**

| | Notes | For the year ended 31st March 2019 ₹ | For the year ended 31st March, 2018 ₹ |
|---|---|---|---|
| **Income** | | | |
| Revenue from operations | 20 | 33,42,26,425 | 39,07,41,822 |
| Other income | 21 | 1,23,22,828 | 55,87,547 |
| **Total revenue (I)** | | **34,65,49,253** | **39,63,29,369** |
| **Expenses** | | | |
| Cost of construction of properties | 22 | 2,78,26,628 | 5,50,97,958 |
| Employee benefits expense | 23 | 4,91,46,779 | 4,83,33,761 |
| Other expenses | 24 | 20,98,01,339 | 18,99,45,522 |
| **Total (II)** | | **28,67,74,746** | **29,33,77,241** |
| **Earnings before Finance cost, tax, depreciation and amortization (EBITDA) (I) - (II)** | | **5,97,74,507** | **10,29,52,128** |
| Depreciation and amortization expense | 25 | 7,12,09,568 | 6,69,07,199 |
| Finance costs | 26 | 7,67,05,290 | 5,92,22,916 |
| **(Loss) for the year** | | **(8,81,40,351)** | **(2,31,77,987)** |
| **Earnings per equity share[nominal value of share ₹10 (31st March 2018: ₹10)]** | 27 | | |
| Basic | | (3.10) | (1.52) |
| Diluted | | (3.10) | (1.52) |
| 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 Ravi A Shah & Associates**
Chartered Accountants
ICAI Firm Registration No.: 125079W

**Ravi Shah**
Proprietor
Membership No.: 116667

RAVI A. SHAH & ASSOCIATES MUMBAI M. No. 116667 FRN 125079W Chartered Accountants

Place: Mumbai
Date : 20th May 2019

**For and on behalf of the Board of Directors of West Pioneer Properties (India) Private Limited**

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

**Sunil Trivedi**
Director
DIN No. 00387797

**Sundeep Kumar**
CFO

**Minal Kardile**
Company Secretary

Place: Mumbai
Date : 20th May 2019

WEST PIONEER PROPERTIES (INDIA) PVT. LTD. MUMBAI

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

Cash flow statement for the year ended 31st March 2019

| | For the year ended **31st March 2019** ₹ | For the year ended **31st March, 2018** ₹ |
|---|---|---|
| **Cash flow from operating activities** | | |
| (Loss) before tax | (8,81,40,351) | (2,31,77,987) |
| Adjustments to reconcile loss before tax to net cash flows | | |
| Depreciation/ amortization | 7,12,09,568 | 6,69,07,199 |
| Profit on sale of fixed assets | (12,400) | - |
| Assets written off | 8,53,424 | 67,47,959 |
| Net gain on sale of current investment | (7,64,017) | (97,146) |
| Provision for doubtful debt/bad debt write off | 72,22,900 | 78,21,042 |
| Write back of balances | (56,92,474) | - |
| Interest expense | 7,67,05,290 | 5,92,22,916 |
| Interest (income) | (18,57,356) | (12,16,702) |
| Interest received on Income Tax refund | (25,83,924) | (1,51,364) |
| Dividend (income) | - | (2,22,735) |
| **Operating profit before working capital changes** | **5,69,40,660** | **11,58,33,182** |
| **Movements in working capital :** | | |
| Increase in trade payables | 1,10,16,796 | 1,61,75,821 |
| Increase in provisions | 7,71,494 | 1,77,729 |
| Increase in other current liabilities | 11,02,69,543 | 8,72,74,057 |
| Increase/(Decrease) in other long-term liabilities | 83,80,144 | (25,27,143) |
| Decrease/(Increase) in trade receivables | 3,64,76,566 | (4,11,10,323) |
| (Increase) in inventories | (28,50,05,151) | (19,05,90,364) |
| (Increase) in long-term loans and advances | (44,25,861) | (4,01,571) |
| (Increase)/Decrease in short-term loans and advances | (1,57,01,089) | 48,94,152 |
| (Increase) in other current assets | (36,95,489) | (34,30,022) |
| Cash (used in) operations | (8,49,72,387) | (1,37,04,482) |
| Direct taxes (paid) net of refunds | (8,52,506) | (1,91,12,017) |
| **Net cash flow (used in) operating activities (A)** | **(8,58,24,893)** | **(3,28,16,499)** |
| **Cash flows from investing activities** | | |
| Proceeds from sale of fixed assets | 12,400 | - |
| Purchase of fixed assets, including CWIP and capital advances | (3,09,18,213) | (3,48,56,823) |
| Purchase of current and non current investments | (12,70,00,000) | (23,44,25,000) |
| Dividend received | - | 2,22,735 |
| Proceeds from sale/maturity of current investments | 13,78,87,041 | 15,82,98,625 |
| Bank deposit (having original maturity of more than three months) | (65,536) | - |
| Interest received | 18,46,764 | 5,38,392 |
| Interest received on Income Tax refund | 25,83,924 | 1,51,364 |
| **Net cash flow (used in) investing activities (B)** | **(1,56,53,620)** | **(11,00,70,707)** |
| **Cash flows from financing activities** | | |
| Proceeds from issuance of preference share capital | - | - |
| Proceeds from long-term borrowings | 24,64,00,000 | 13,50,00,000 |
| Repayment of long-term borrowings | (2,05,80,782) | (23,98,43,395) |
| Proceeds from issue of Equity shares | - | 36,55,91,460 |
| Redemption of Prefernce share capital | - | (7,50,35,750) |
| Proceeds from short-term borrowings | 2,82,43,975 | 9,91,79,847 |
| Repayment of short-term borrowings | (1,50,00,000) | - |
| Interest paid | (14,94,65,918) | (13,29,60,297) |
| **Net cash flow from financing activities (C)** | **8,95,97,275** | **15,19,31,865** |
| **Net (decrease)/increase in cash and cash equivalents (A + B + C)** | **(1,18,81,238)** | **90,44,659** |
| Cash and cash equivalents at the beginning of the year | 1,75,16,004 | 84,71,345 |
| **Cash and cash equivalents at the end of the year** | **56,34,766** | **1,75,16,004** |
| **Components of cash and cash equivalents** | | |
| Cash on hand | 6,07,570 | 7,24,180 |
| With banks- on current account | 50,27,196 | 1,67,91,824 |
| With banks – in Bank deposit restricted (Refer Note 19) | 81,17,627 | 40,93,219 |
| Total cash and bank balance | 1,37,52,393 | 2,16,09,223 |
| Less: Fixed deposits not considered as cash equivalents | 81,17,627 | 40,93,219 |
| **Cash and cash equivalents in cash flow statement *** | **56,34,766** | **1,75,16,004** |

* Excluding Fixed Deposit not treated as Cash and Cash equivalents

Summary of significant accounting policies (Refer Note 2.1)

As per our report of even date

**For Ravi A Shah & Associates**
Chartered Accountants
ICAI Firm Registration No.: 125079W

**Ravi Shah**
Proprietor
Membership No.: 116667

RAVI A. SHAH & ASSOCIATES MUMBAI M. No. 116667 FRN 125079W Chartered Accountants

Place: Mumbai
Date : 20th May 2019

**For and on behalf of the Board of Directors of West Pioneer Properties (India) Private Limited**

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

**Sunil Trivedi**
Director
DIN No. 00387797

**Sundeep Kumar**
CFO

**Minal Kardile**
Company Secretary

WEST PIONEER PROPERTIES (INDIA) PVT. LTD. MUMBAI

Place: Mumbai
Date : 20th May 2019

**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 is developing mixed use property in India. The Company is also engaged in the business of operating Family Entertainment Centers (Game Zone) under brand name as "Zingeria". While Westfield Entertainment Private Limited is a wholly owned subsidiary of the Company, majority of its own equity capital is held by Winmore Leasing and Holdings Limited (Holding Company).

**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 has prepared 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 and Companies (Accounting Standards) Amendment Rules, 2016. 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 adjustment to the carrying amounts of assets or liabilities in future periods.

**(b) Presentation of and Disclosure in 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 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 and 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.Any trade discounts and rebates are deducted in arriving at the purchase price. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.

All other repair and maintenance costs are recognised in profit or loss as incurred. Items of stores and spares that meet the definition of property, plant and equipment are capitalized at cost and depreciated over their useful lives. In other cases, such items are classified as inventories.

Gains or losses arising from disposal of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset disposed and are recognized in the statement of profit and loss.

**(d) Depreciation on Property, Plant and Equipment**

Leasehold land is amortized on a straight line basis over the period of lease.

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

| Asset type | Useful life estimated by the management (years) |
|---|---|
| Mall Fit outs | 10 |
| Building | 30 |
| Plant & Machinery (Gaming Equipments) | 5 |

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

**(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 the expenditure is reflected in the Statement of Profit and Loss in the year in which the expenditure is incurred.

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Intangible assets are amortized on a straight line basis over their estimated useful economic lives. 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. 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:

| Asset type | Useful life |
|---|---|
| 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 on a straight-line basis over the non-cancellable period of the lease term. Costs, including depreciation are recognized as 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. Costs 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.

Lease revenue arising from operating leases is accounted for on a straight line basis over the non cancellable period of the lease term. Straight Lined lease rentals are shown in Revenue from Operations. These are included 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 Licensees 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 and 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.

Revenue for Game zone is recognised when it is earned and no significant uncertainty exists as to its realization or collection.

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 Company's 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 Translations**

Foreign currency transactions are accounted for at prevailing rates on the respective date of transaction. Liabilities remained unsettled at the year end are translated at year end rates. Differences in transactions of assets and liabilities and realised gains and losses on foreign currency transactions are recognised in the Profit and Loss Account.

**(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.

Gratuity liability is a defined benefit plan towards retirement benefits, covering substantially all employees. Liability for 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 taxes. 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 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 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 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 that sufficient future taxable income will be available.

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**(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 construction activity nor is incidental thereto is charged to the Statement of Profit and Loss. Income earned during construction period is deducted from 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 marginal increase in such expenditure involved as a result of capital expansion. Both direct and indirect expenditure are capitalized only if they increase value of the asset beyond its original standard of performance.

**(p) Segment 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 inter segment 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 :***

Include 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 financial statements of the Company as a whole.

**(q) Earnings per share**
Basic earnings per share is calculated by dividing 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 events 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 purpose 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 Guidance note on 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.

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## 3 Share Capital

| | As at 31st March, 2019 ₹ | As at 31st March, 2018 ₹ |
|---|---|---|
| **Authorised** | | |
| 3,02,39,888 (31st March, 2018: 3,02,39,888) Equity Shares of ₹10 each | 30,23,98,880 | 30,23,98,880 |
| 12 (31st March, 2018: 12) Optionally Convertible Cumulative Redeemable Preference Shares (OCCRPS) of ₹10 each | 120 | 120 |
| 2,70,100 (31st March, 2018: 2,70,100) Redeemable Preference Shares of ₹10 each | 27,01,000 | 27,01,000 |
| | 30,51,00,000 | 30,51,00,000 |
| **Issued, subscribed and paid-up** | | |
| 2,84,18,637 (31st March, 2018: 2,84,18,637) Equity Shares of ₹10 each fully paid up | 28,41,86,370 | 28,41,86,370 |
| 12 (31st March, 2018: 12) OCCRPS of ₹10 each fully paid up [carrying dividend at the rate of bank rate plus 2%, refer Note 3 (c)] | 120 | 120 |
| 2,20,100 (31st March, 2018: 2,20,100) Redeemable Preference Shares of ₹10 each fully paid up [carrying dividend at nil rate, refer Note 3 (d)] | 22,01,000 | 22,01,000 |
| **Total Issued, Subscribed and Paid-up Capital** | **28,63,87,490** | **28,63,87,490** |

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

***Equity shares***

| | 31st March, 2019 | | 31st March, 2018 | |
|---|---|---|---|---|
| | No. | ₹ | No. | ₹ |
| At beginning of the year | 2,84,18,637 | 28,41,86,370 | 44,55,476 | 4,45,54,760 |
| Conversion of OCCRPS into Equity | - | - | 2,20,88,333 | 22,08,83,330 |
| Issued during the year | - | - | 18,74,828 | 1,87,48,280 |
| **Outstanding at end of the year** | **2,84,18,637** | **28,41,86,370** | **2,84,18,637** | **28,41,86,370** |

***Preference shares- OCCRPS***

| | 31st March, 2019 | | 31st March, 2018 | |
|---|---|---|---|---|
| | No. | ₹ | No. | ₹ |
| At beginning of the year | 12 | 120 | 2,20,88,345 | 22,08,83,450 |
| Converted into equity shares during the year | - | | (2,20,88,333) | (22,08,83,330) |
| **Outstanding at end of the year** | **12** | **120** | **12** | **120** |

***Redeemable Preference shares***

| | 31st March, 2019 | | 31st March, 2018 | |
|---|---|---|---|---|
| | No. | ₹ | No. | ₹ |
| At beginning of the year | 2,20,100 | 22,01,000 | 2,70,100 | 27,01,000 |
| Redeemed during the year at option of the Company as per terms mentioned in 3 (d) i. | - | - | (50,000) | (5,00,000) |
| **Outstanding at end of the year** | **2,20,100** | **22,01,000** | **2,20,100** | **22,01,000** |

**(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.

For the year ended 31st March, 2019, no dividend is proposed to be paid to the equity shareholders (31st March, 2018: 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**

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. Dividend rate shall be subject to revision every year on basis of 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 8.50% for the year ended March, 2019 (31st March, 2018 : 8.25%).

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Each holder of OCCRPS can opt to convert its preference shares into equity shares on a date not being beyond expiry of the 19th anniversary from the Date of Issue i.e.19th December 2010. If a holder exercises the conversion option, the Company will issue 1 equity share for each preference share held.

If OCCRPS holders do not exercise their conversion option, all preference shares will be redeemable at end of the 19th 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 payment of dividend and repayment of capital.

**(d) Terms of Conversion/ Redemption of Redeemable Preference Shares**

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 option of the Company:**
The preference shares would be redeemable at any time within 20 years from the date of issue at 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 option of the Preference Shareholders:**
The preference shares would be redeemable at any time within 20 years from the date of issue at 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, 2019 ₹ | As at 31st March, 2018 ₹ |
|---|---|---|
| **Winmore Leasing and Holdings Limited, the holding company** | | |
| 2,65,43,809 (31st March, 2018: 2,65,43,809) Equity Shares of ₹10 each | 26,54,38,090 | 26,54,38,090 |
| | **26,54,38,090** | **26,54,38,090** |

The holding company has 93.40% shareholding including 40 shares representing 0.00% held by individuals as nominee holders.

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

| | 31st March, 2019 | | 31st March, 2018 | |
|---|---|---|---|---|
| | **No.** | **% holding in the class** | **No.** | **% holding in the class** |
| (i) Equity Shares of ₹10 each | | | | |
| Winmore Leasing and Holdings Limited (Holding Company) | 2,65,43,809 | 93.40% | 2,65,43,809 | 93.40% |
| (ii) OCCRPS of ₹10 each fully paid | | | | |
| Lalita Devi Jatia Jointly with Banwari Lal Jatia | 1 | 8.3% | 1 | 8.3% |
| Usha Devi Jatia Jointly with Banwari Lal Jatia | 8 | 66.7% | 8 | 66.7% |
| Banwari Lal Jatia HUF | 1 | 8.3% | 1 | 8.3% |
| Smita Jatia Jointly with Amit Jatia | 1 | 8.3% | 1 | 8.3% |
| Amit Jatia HUF | 1 | 8.3% | 1 | 8.3% |
| (iii) Redeemable Preference Shares of ₹10 each | | | | |
| Amit Jatia (HUF) | 64,000 | 29.1% | 64,000 | 29.1% |
| Surendra Kumar Mohatta | 40,000 | 18.2% | 40,000 | 18.2% |
| Gaurav Mohatta | 15,000 | 6.8% | 15,000 | 6.8% |
| Usha Devi Jatia jointly with Banwarilal Jatia | 18,000 | 8.2% | 18,000 | 8.2% |
| Banwarilal Jatia jointly with Ushadevi Jatia | 35,000 | 15.9% | 35,000 | 15.9% |

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 ownership of shares.

**4 Reserves and Surplus**

| | As at 31st March, 2019 ₹ | As at 31st March, 2018 ₹ |
|---|---|---|
| **Securities Premium** | | |
| Balance as per last financial statements | 2,04,98,13,743 | 1,77,75,06,313 |
| Add : Premium on issue of Equity shares | - | 34,68,43,180 |
| Less : Utilised on Redemption of Preference shares | - | (7,45,35,750) |
| **Closing Balance** | **2,04,98,13,743** | **2,04,98,13,743** |
| **Surplus / (Deficit) in Statement of Profit and Loss** | | |
| Balance as per last Financial Statements | (77,52,13,228) | (75,20,35,241.00) |
| (Loss) for the year | (8,81,40,351) | (2,31,77,987.00) |
| **Net Deficit in the Statement of Profit and Loss** | **(86,33,53,579)** | **(77,52,13,228.00)** |
| **Total Reserves and Surplus** | **1,18,64,60,164** | **1,27,46,00,515.00** |

**5 Long-term Borrowings**

| | Non-current Portion As at 31st March, 2019 ₹ | Non-current Portion As at 31st March, 2018 ₹ | Current Maturities As at 31st March, 2019 ₹ | Current Maturities As at 31st March, 2018 ₹ |
|---|---|---|---|---|
| **Term Loans** | | | | |
| Indian Rupee Loan from Banks (secured) (Refer (i) (ii) (iii) (iv) below) | 1,50,54,37,615 | 1,28,69,69,569 | 2,77,98,325 | 2,04,47,153 |
| **Other Loans and Advances** | | | | |
| Loan (Unsecured) (Refer (v) below) | 3,06,00,000 | 3,06,00,000 | - | - |
| | **1,53,60,37,615** | **1,31,75,69,569** | **2,77,98,325** | **2,04,47,153** |
| **The above amount includes** | | | | |
| Secured Borrowings (Refer (i)(ii)(iii)(vi)) below | 1,50,54,37,615 | 1,28,69,69,569 | 2,77,98,325 | 2,04,47,153 |
| Unsecured Borrowings (Refer (v)) below | 3,06,00,000 | 3,06,00,000 | | |
| Amount disclosed under the head 'other current liabilities' (Refer Note 10) | - | - | (2,77,98,325) | (2,04,47,153) |
| **Net amount** | **1,53,60,37,615** | **1,31,75,69,569** | - | - |

**Term loans balance as at March 31, 2019 represents:**

(i) Term loan - Lease Rental Discounting availed by the Company in June 2016 at rate of interest equivalent to one year MCLR of the bank. The loan is secured by first charge by way of equitable mortgage on Metro Mall Land and Building of the company and hypothecation of Lease Receivables from the said property. The loan is repayable from July 2016 to June 2028.

**Schedule of Repayment of Loan :**

| | 31st March, 2019 ₹ | 31st March, 2018 ₹ |
|---|---|---|
| Not later than one year | 2,77,98,325 | 2,02,52,233 |
| Later than one year but not later than five years | 24,11,52,361 | 18,35,96,599 |
| Later than 5 years | 79,67,26,008 | 85,48,13,724 |
| | **1,06,56,76,694** | **1,05,86,62,556** |

(ii) Term loan taken in March 2017 and during the year at rate of interest equivalent to Six Month MCLR of the bank plus 1.45%. The loan is secured by a first charge on the land, buildings and hypothecation of current assets including receivables of Metro Grande at Kalyan .The loan is repayable from June 2020 to March, 2022 in eight equal quarterly installments

**Schedule of Repayment of Loan :**

| | 31st March, 2019 ₹ | 31st March, 2018 ₹ |
|---|---|---|
| Not later than one year | - | - |
| Later than one year but not later than five years | 44,25,59,246 | 24,85,59,246 |
| Later than 5 years | - | - |
| | **44,25,59,246** | **24,85,59,246** |

(iii) Indian Rupee Loan from Banks includes Loan from Kotak Mahindra amounting to ₹ Nil (31st March, 2018 : 1,94,920) which is secured by an exclusive charge by way of hypothecation of a vehicle and is repayable in 35 equated monthly instalments.

**Schedule of Repayment of Loan :**

| | 31st March, 2019 ₹ | 31st March, 2018 ₹ |
|---|---|---|
| Not later than one year | - | 1,94,920 |
| Later than one year but not later than five years | - | - |
| Later than 5 years | - | - |
| | - | **1,94,920** |

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(iv) Term loan taken in February 2019 and during the year at rate of interest equivalent to One year MCLR of the bank plus 0.75%. The loan is secured by first charge by way of equitable mortgage on Metro Mall Land and Building of the Company and hypothecation of Lease Receivables from the said property. The loan is repayable from April 2020 to June 2028.

**Schedule of Repayment of Loan :**

| | 31st March, 2019 ₹ | 31st March, 2018 ₹ |
|---|---|---|
| Not later than one year | - | - |
| Later than one year but not later than five years | 90,62,500 | - |
| Later than 5 years | 1,59,37,500 | - |
| | **2,50,00,000** | - |
| **Total** | **1,53,32,35,940** | **1,30,74,16,722** |

(v) Other loans and advances balance as at 31st March, 2019 represents Unsecured Loan taken in January 2016. The loan is interest-free and is repayable after March 2020.

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

6 **Deferred Taxes**

| | As at 31st March, 2019 ₹ | As at 31st March, 2018 ₹ |
|---|---|---|
| **Deferred Tax Liabilities** | | |
| Differences between book and tax depreciation | 7,01,12,599 | 6,98,26,399 |
| Lease rentals taxable on receipt basis | 4,76,828 | 5,58,954 |
| | 7,05,89,427 | 7,03,85,353 |
| **Deferred Tax Assets** | | |
| Provision for doubtful debts | 39,81,895 | 38,59,887 |
| Unabsorbed depreciation | 7,01,12,599 | 6,98,26,399 |
| Unabsorbed capital loss | 12,71,31,171 | 13,09,45,106 |
| Expenditure deductible on actual payment | 6,83,987 | 5,05,847 |
| | 20,19,09,652 | 20,51,37,239 |
| **Deferred Tax Assets (net)** | **13,13,20,225** | **13,47,51,886** |
| 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, 2019 ₹ | As at 31st March, 2018 ₹ |
|---|---|---|
| Retention Monies | 67,61,365 | 19,57,242 |
| Others | | |
| Security Deposits Received | 7,50,18,666 | 7,14,42,645 |
| | **8,17,80,031** | **7,33,99,887** |

8 **Provisions**

| | As at 31st March, 2019 Long term ₹ | Short term ₹ | As at 31st March, 2018 Long term ₹ | Short term |
|---|---|---|---|---|
| **Provision for Employee Benefits** | | | | |
| Provision for Gratuity ( Refer note 33) | 24,51,197 | 2,84,751 | 18,70,255 | 94,199 |
| | **24,51,197** | **2,84,751** | **18,70,255** | **94,199** |

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## 9 Short Term Borrowings

| | As at 31st March, 2019 ₹ | As at 31st March, 2018 ₹ |
|---|---|---|
| Secured Cash Credit facility repayable on demand | 11,24,23,822 | 9,91,79,847 |
| | **11,24,23,822** | **9,91,79,847** |

Cash Credit facility is availed at rate of interest equivalent to One year MCLR of the bank plus 1.45%. The loan is secured by a first charge on the land, buildings and hypothecation of receivables of Metro Grande at Kalyan .The loan is repayable from June 2020 to March, 2022 in eight equal quarterly installments

## 10 Other Current Liabilities

| | As at 31st March, 2019 ₹ | As at 31st March, 2018 ₹ |
|---|---|---|
| Trade Payables (Refer note 36 for details of dues to Micro and Small Enterprises) | 7,37,65,713 | 6,84,41,391 |
| **Other Liabilities** | | |
| Current Maturities of Long-Term Borrowings (Refer note 5) | 2,77,98,325 | 2,04,47,153 |
| Capital Creditors | 36,05,012 | 76,48,421 |
| Security Deposits Received | 93,93,771 | 40,83,625 |
| Retention Money | 1,85,29,645 | 1,68,07,166 |
| Revenue Billed in advance | 8,51,145 | 11,29,244 |
| Advances from Customers and Clients | 1,32,88,303 | 1,52,72,067 |
| Statutory Dues Payable | 28,71,903 | 2,24,90,533 |
| Salary Payable | 60,09,065 | 61,90,765 |
| Other Payables | 41,13,881 | 2,56,06,150 |
| Amount from customers (Unearned revenue on sale of property) | 38,24,41,537 | 23,16,06,748 |
| | 46,89,02,587 | 35,12,81,872 |
| | **54,26,68,300** | **41,97,23,263** |

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## 11 Property, Plant and Equipment

| | Computer | Office Equipment | Furniture & Fixtures | Freehold Land | Leasehold Land | Mall fitouts | Building | Vehicles | Plant & Machinery | Total ₹ |
|---|---|---|---|---|---|---|---|---|---|---|
| **Cost or valuation** | | | | | | | | | | |
| **At 1st April 2017** | 68,65,124 | 39,83,367 | 10,13,65,833 | 4,83,31,179 | 1,60,67,924 | 8,31,89,986 | 85,47,10,534 | 31,14,935 | 30,70,08,525 | 1,42,46,37,407 |
| Additions | 9,86,759 | 9,66,111 | 34,94,994 | | | 79,135 | | | 1,78,02,284 | 2,33,29,283 |
| Disposals | | | | | | | (75,94,541) | | | (75,94,541) |
| **At 31 March, 2018** | **78,51,883** | **49,49,478** | **10,48,60,827** | **4,83,31,179** | **1,60,67,924** | **8,32,69,121** | **84,71,15,993** | **31,14,935** | **32,48,10,809** | **1,44,03,72,149** |
| Additions | 17,80,702 | | 1,25,99,712 | | | | 14,98,31,629 | | 95,10,573 | 17,37,22,616 |
| Disposals | (9,03,559) | | (20,91,929) | | | | | | | (29,95,488) |
| **At 31st March 2019** | **87,29,026** | **49,49,478** | **11,53,68,610** | **4,83,31,179** | **1,60,67,924** | **8,32,69,121** | **99,69,47,622** | **31,14,935** | **33,43,21,382** | **1,61,10,99,277** |
| **Depreciation** | | | | | | | | | | |
| **At 1st April 2017** | **56,35,447** | **32,94,600** | **8,90,27,330** | - | **7,65,138** | **2,22,34,401** | **16,60,32,923** | **6,53,452** | **11,42,41,633** | **40,18,84,924** |
| Charge for the year | 6,75,073 | 4,06,873 | 13,37,015 | | 2,55,046 | 79,06,386 | 3,02,60,845 | 3,69,899 | 2,52,78,186 | 6,64,89,323 |
| Disposals | | | | | | | (8,46,582) | | | (8,46,582) |
| **At 31 March, 2018** | **63,10,520** | **37,01,473** | **9,03,64,345** | - | **10,20,184** | **3,01,40,787** | **19,54,47,186** | **10,23,351** | **13,95,19,819** | **46,75,27,665** |
| Charge for the year | 9,26,404 | 2,96,839 | 16,97,598 | | 2,55,046 | 79,10,566 | 3,17,19,113 | 3,69,899 | 2,72,81,286 | 7,04,56,751 |
| Disposals | (9,03,559) | | (12,38,504) | | | | | | | (21,42,063) |
| **At 31st March 2019** | **63,33,365** | **39,98,312** | **9,08,23,439** | - | **12,75,230** | **3,80,51,353** | **22,71,66,299** | **13,93,250** | **16,68,01,105** | **53,58,42,353** |
| **Net Block** | | | | | | | | | | |
| **At 31 March, 2018** | **15,41,363** | **12,48,005** | **1,44,96,482** | **4,83,31,179** | **1,50,47,740** | **5,31,28,334** | **65,16,68,807** | **20,91,584** | **18,52,90,990** | **97,28,44,484** |
| **At 31st March 2019** | **23,95,661** | **9,51,166** | **2,45,45,171** | **4,83,31,179** | **1,47,92,694** | **4,52,17,768** | **76,97,81,323** | **17,21,685** | **16,75,20,277** | **1,07,52,56,924** |

Depreciation/Amortisation during the year ended 31st March 2019 comprises

| | Computer | Office Equipment | Furniture & Fixtures | Freehold Land | Leasehold Land | Mall fitouts | Building | Vehicles | Plant & Machinery | Total ₹ |
|---|---|---|---|---|---|---|---|---|---|---|
| Charged to Statement of Profit & Loss | 9,26,404 | 2,96,839 | 16,97,598 | - | 2,55,046 | 79,10,566 | 3,17,19,113 | 3,69,899 | 2,72,81,286 | 7,04,56,751 |
| **Total** | **9,26,404** | **2,96,839** | **16,97,598** | - | **2,55,046** | **79,10,566** | **3,17,19,113** | **3,69,899** | **2,72,81,286** | **7,04,56,751** |

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## 12 Intangible Assets

| | Computer software ₹ | Total ₹ |
|---|---|---|
| **Gross Block** | | |
| **At 1st April 2017** | **44,51,843** | **44,51,843** |
| Additions | 14,46,995 | 14,46,995 |
| **At 31st March, 2018** | **58,98,838** | **58,98,838** |
| Additions | 10,64,632 | 10,64,632 |
| **At 31st March, 2019** | **69,63,470** | **69,63,470** |
| **Amortization** | | |
| **At 1st April 2017** | **20,93,855** | **20,93,855** |
| Charge for the year | 4,17,876 | 4,17,876 |
| **At 31st March, 2018** | **25,11,731** | **25,11,731** |
| Charge for the year | 7,52,817 | 7,52,817 |
| **At 31st March, 2019** | **32,64,548** | **32,64,548** |
| **Net block** | | |
| **At 31st March, 2018** | **33,87,107** | **33,87,107** |
| **At 31st March, 2019** | **36,98,922** | **36,98,922** |

## 13 Non-current Investments

| | As at 31st March, 2019 ₹ | As at 31st March, 2018 ₹ |
|---|---|---|
| **Trade investments (valued at cost unless stated otherwise)** | | |
| *Unquoted equity instruments* | | |
| **Investment in Subsidiary** | | |
| 65,27,666 (31st March, 2018 : 65,27,666) Equity shares of ₹ 10 each fully paid up of Westfield Entertainment Pvt Ltd | 32,89,51,879 | 32,89,51,879 |
| | **32,89,51,879** | **32,89,51,879** |

## 14 Loans and Advances

| | Non-current As at 31st March, 2019 ₹ | Non-current As at 31st March, 2018 ₹ | Current As at 31st March, 2019 ₹ | Current As at 31st March, 2018 ₹ |
|---|---|---|---|---|
| **Security Deposits** | | | | |
| Unsecured, considered good | 1,06,58,453 | 1,06,53,453 | 9,648 | 9,648 |
| **Total** | **1,06,58,453** | **1,06,53,453** | **9,648** | **9,648** |
| **Loans and Advances to Related Parties (Refer Note 29)** | | | | |
| Unsecured, considered good * | 1,04,63,996 | 83,60,439 | - | - |
| **Total** | **1,04,63,996** | **83,60,439** | - | - |
| **Advances Recoverable in cash or in kind** | | | | |
| Capital Advance | 28,08,829 | 19,463 | - | - |
| Unsecured, considered good | - | - | 2,25,49,005 | 1,58,41,405 |
| **Total** | **28,08,829** | **19,463** | **2,25,49,005** | **1,58,41,405** |
| **Other Loans and Advances** – Unsecured considered good | | | | |
| Taxes paid (net of provision of ₹ Nil (31st March, 2018 ₹ Nil)) | 6,11,73,427 | 6,03,20,921 | - | - |
| Balances with statutory/government authorities | - | - | 96,73,812 | 1,04,921 |
| Prepaid Expenses | 13,709 | 4,85,771 | 14,61,521 | 20,36,923 |
| **Total** | **6,11,87,136** | **6,08,06,692** | **1,11,35,333** | **21,41,844** |
| **Total** | **8,51,18,414** | **7,98,40,047** | **3,36,93,986** | **1,79,92,897** |

*Loans and Advances to Related Parties include accrued interest of ₹ 25,80,186 (31st March, 2018 : ₹ 17,26,629)

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## 15 Trade Receivables

| | As at 31st March, 2019 ₹ | As at 31st March, 2018 ₹ |
|---|---|---|
| **Outstanding for a period exceeding six months from the date they became due for payment** | | |
| Secured, considered good | 1,95,105 | 41,40,918 |
| Unsecured, considered good | 3,14,63,585 | 4,39,98,400 |
| Doubtful | 1,01,54,742 | 1,12,44,722 |
| **Total** | **4,18,13,432** | **5,93,84,040** |
| Provision for Doubtful Receivables | (1,01,54,742) | (1,12,44,722) |
| **Total (A)** | **3,16,58,690** | **4,81,39,318** |
| **Other Receivables** | | |
| Secured, considered good | 1,74,62,319 | 1,47,88,196 |
| Unsecured, considered good | 3,78,25,610 | 6,77,18,571 |
| Doubtful | 57,72,836 | 37,45,132 |
| **Total** | **6,10,60,765** | **8,62,51,899** |
| Provision for Doubtful Receivables | (57,72,836) | (37,45,132) |
| **Total (B)** | **5,52,87,929** | **8,25,06,767** |
| **Total (A) + (B)** | **8,69,46,619** | **13,06,46,085** |

## 16 Other Assets

| | Non-current As at | | Current As at | |
|---|---|---|---|---|
| | 31st March, 2019 ₹ | 31st March, 2018 ₹ | 31st March, 2019 ₹ | 31st March, 2018 ₹ |
| **Unsecured, considered good unless stated** | | | | |
| **Fixed Deposits** | - | - | 55,52,091 | 15,93,219 |
| **Unamortised Expenditure** | | | | |
| Unamortised Anciliary Borrowing Cost | 58,17,833 | 77,60,833 | 19,43,000 | 19,43,000 |
| **Others** | | | | |
| Accrued Income | - | - | 38,33,891 | 40,97,274 |
| Others | - | - | 33,041 | 22,449 |
| **Total** | **58,17,833** | **77,60,833** | **1,13,62,023** | **76,55,942** |

## 17 Inventories

| | As at 31st March, 2019 ₹ | As at 31st March, 2018 ₹ |
|---|---|---|
| Construction Material | 1,94,42,661 | 88,47,815 |
| Construction Work-in-Progress | 2,06,29,36,287 | 1,71,43,51,704 |
| Stores and Spares | 19,77,995 | 18,52,026 |
| **Total** | **2,08,43,56,943** | **1,72,50,51,545** |

## 18 Current Investments

| | As at 31st March, 2019 ₹ | As at 31st March, 2018 ₹ |
|---|---|---|
| Current Investments *(valued at lower of cost and fair value)* | | |
| *Unquoted Equity Instruments* | | |
| 1 (31st March, 2018 : 1) share of ₹ 10 fully paid up in Hawcoplast Investments and Trading Limited | 22 | 22 |
| 992.347 (31st March, 2018 : 1683.815) units having NAV of ₹ 2112.5538 (previous year ₹ 1949.7447) each in UTI Money Market Fund - Growth Plan | 21,25,496 | 32,65,967 |
| Nil (31st March, 2018 : 32509.204) units having NAV of ₹ Nil each in Birla Sun Life Cash Plus - Growth Plan | - | 89,82,553 |
| | **21,25,518** | **1,22,48,542** |

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## 19 Cash and Cash Equivalents

| | Non current As at 31st March, 2019 ₹ | Non current As at 31st March, 2018 ₹ | Current As at 31st March, 2019 ₹ | Current As at 31st March, 2018 ₹ |
|---|---|---|---|---|
| Cash on hand | - | - | 6,07,570 | 7,24,180 |
| *Balances with banks:* | | | | |
| – On current accounts | - | - | 50,27,196 | 1,67,91,824 |
| | - | - | **56,34,766** | **1,75,16,004** |
| **Other bank balances** | | | | |
| – Deposits with remaining maturity of more than 12 months * | | | - | - |
| – Deposits with remaining maturity of less than 12 months * | - | - | 55,52,091 | 15,93,219 |
| – Margin money deposit ** | - | - | 25,65,536 | 25,00,000 |
| | - | - | **81,17,627** | **40,93,219** |
| Amount disclosed under current assets (Refer note 16) | - | - | (55,52,091) | (15,93,219) |
| **Balance** | | | **25,65,536** | **25,00,000** |
| **Total** | - | - | **82,00,302** | **2,00,16,004** |

* The fixed deposits are created for the Debt Service Reserve Account. As per terms of Term Loan Agreement, the Company shall maintain Debt Service Reserve Account amount equivalent to 1 months interest.

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

Margin money deposits with a carrying amount of ₹10,48,772 (31st March, 2018: ₹10,00,000) are subject to lien with Maharashtra Pollution Control Board, Kalyan

Margin money deposits with a carrying amount of ₹5,16,764 (31st March, 2018: ₹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, 2018: ₹10,00,000) are subject to lien with Maharashtra Pollution Control Board, Aurangabad

## 20 Revenue from Operations

| | For year ended 31st March, 2019 ₹ | For year ended 31st March, 2018 ₹ |
|---|---|---|
| Sales- Property Development - (Refer Note 32) | 1,13,32,283 | 5,20,11,995 |
| Lease Revenue | 6,15,21,072 | 8,06,42,336 |
| Lease Straightlining | (2,63,383) | 16,38,834 |
| Revenue Share | 13,54,31,183 | 11,36,24,002 |
| Other Operating Income * | 11,01,36,885 | 12,07,02,740 |
| Sales - Game zone ** | 1,60,68,385 | 2,21,21,915 |
| **Total** | **33,42,26,425** | **39,07,41,822** |

* Other operating income includes property tax amounting to ₹ 22,15,966 (31st March, 2018: 18,36,537) recovered towards Kalyan Mall
** Sales - Game zone is net of taxes

## 21 Other Income

| | For year ended 31st March, 2019 ₹ | For year ended 31st March, 2018 ₹ |
|---|---|---|
| **Interest on** | | |
| -- bank deposits | 14,39,187 | 2,74,158 |
| -- others | 4,18,169 | 9,42,544 |
| Dividend income on investments | - | 2,22,735 |
| Other income * | 1,04,65,472 | 41,48,110 |
| **Total** | **1,23,22,828** | **55,87,547** |

* Other Income includes Interest on Income Tax Refund of ₹ 25,83,924 (31st March, 2018: 1,51,364)

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## 22 Cost of Construction of Properties

| | For year ended 31st March, 2019 ₹ | For year ended 31st March, 2018 ₹ |
|---|---|---|
| Inventory at Beginning of the year | 1,72,31,99,519 | 1,46,72,87,384 |
| Add: Project Related Expenses | 38,70,06,057 | 31,10,10,093 |
| | 2,11,02,05,576 | 1,77,82,97,477 |
| Less: Inventory at end of the year | 2,08,23,78,948 | 1,72,31,99,519 |
| **Cost of Construction of Properties** | **2,78,26,628** | **5,50,97,958** |
| **Details of Cost of Construction of Properties** | | |
| Development Costs | 11,61,399 | 17,63,367 |
| Consultancy & Architect Fees | 1,38,571 | 1,85,249 |
| Civil Work & Expenses to Contractors | 1,95,70,967 | 3,29,46,709 |
| Miscellaneous Expenses | 69,55,691 | 2,02,02,633 |
| **Total** | **2,78,26,628** | **5,50,97,958** |

## 23 Employee Benefits Expense

| | For year ended 31st March, 2019 ₹ | For year ended 31st March, 2018 ₹ |
|---|---|---|
| Salaries, wages and bonus (net of capitalization and inventorised ₹ 2,55,12,389 (Previous year : ₹ 2,81,74,830) | 4,53,77,860 | 4,54,62,129 |
| Contribution to Provident and other Funds | 18,05,265 | 16,33,300 |
| Gratuity Expense (Refer note 33) | 8,35,513 | 5,04,367 |
| Staff Welfare Expenses | 11,28,141 | 7,33,965 |
| **Total** | **4,91,46,779** | **4,83,33,761** |

## 24 Other Expenses

| | For year ended 31st March, 2019 ₹ | For year ended 31st March, 2018 ₹ |
|---|---|---|
| Power and Fuel | 5,69,63,606 | 6,11,95,883 |
| Water Charges | 14,65,669 | 19,35,384 |
| Rent | 98,04,658 | 99,37,165 |
| Rates and Taxes * | 1,15,59,120 | 1,17,48,672 |
| Insurance | 14,86,671 | 14,11,148 |
| Repairs and Maintenance | 4,63,69,753 | 2,13,26,329 |
| Advertising and Sales Promotion | 1,19,16,617 | 1,49,95,331 |
| Brokerage and Discounts | 4,66,500 | - |
| Travelling and Conveyance | 36,51,168 | 44,47,535 |
| Communication Costs | 11,26,207 | 8,89,177 |
| Printing and Stationery | 7,18,822 | 7,71,939 |
| Legal and Professional Fees | 3,09,55,649 | 1,74,68,576 |
| Payment to Auditors (Refer Note 36) | 3,75,000 | 5,41,882 |
| Utility Management Service Charges | 54,88,390 | 66,86,512 |
| Security Charges | 1,50,19,933 | 1,41,95,999 |
| Provision for Doubtful Debts | 72,22,900 | 78,21,042 |
| Assets written off | 8,53,424 | 67,47,959 |
| Miscellaneous Expenses ** | 43,57,252 | 78,24,989 |
| **Total** | **20,98,01,339** | **18,99,45,522** |

* Rates and Taxes include property tax paid amounting to ₹ 1,06,23,120 (31st March, 2018: 1,03,04,433) towards Kalyan Mall

** Miscellaneous Expenses is net off ₹ Nil (31st March, 2018: 19,26,579) being adjustment towards short recognition of straight lining lease rentals in previous years.

## 25 Depreciation and Amortization Expense

| | For year ended 31st March, 2019 ₹ | For year ended 31st March, 2018 ₹ |
|---|---|---|
| Depreciation of Tangible Assets | 7,04,56,751 | 6,64,89,323 |
| Amortization of Intangible Assets | 7,52,817 | 4,17,876 |
| **Total** | **7,12,09,568** | **6,69,07,199** |

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MUMBAI
M. No. 116667
FRN 125079W
Chartered Accountants

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## 26 Finance Costs

| | For year ended 31st March, 2019 ₹ | For year ended 31st March, 2018 ₹ |
|---|---|---|
| Interest Expense * | 7,55,63,341 | 5,81,57,645 |
| Bank Charges | 1,30,170 | 1,93,365 |
| Amortization of Ancillary Costs | 10,11,779 | 8,71,906 |
| **Total** | **7,67,05,290** | **5,92,22,916** |

* Net of Capitalisation and Inventorised ₹ 7,37,71,016 (31st March, 2018: ₹ 7,22,11,192)

## 27 Earnings Per Share

| | 31st March, 2019 | 31st March, 2018 |
|---|---|---|
| Loss after Tax ₹ | (8,81,40,351) | (2,31,77,987) |
| Less: Preference share Dividend and dividend distribution tax ₹ | 12 | 12 |
| Loss attributable to Equity Shareholders ₹ | (8,81,40,363) | (2,31,77,999) |
| Weighted average number of Shares | 2,84,18,637 | 1,52,25,005 |
| Basic and Diluted Earnings per share ₹ | (3.10) | (1.52) |

## 28 Segment Information

*Business Segments :*

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

The Company has defined its operations into five major businesses: Retail, Residential and Office Developments for Sale and Warehousing Development and Family Entertainment Centre (FEC). 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.

Family Entertainment Centre (FEC) segment includes activity related to Game Zone for Family Entertainment.

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.

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Chartered Accountants

WEST PIONEER PROPERTIES (INDIA) PVT. LTD.
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**West Pioneer Properties (India) Private Limited**

Notes to Financial Statements for the year ended 31st March, 2019

**Year ended 31st March, 2019**

| | Retail | Residential | Office | Warehousing | FEC | Un allocable | Total ₹ |
|---|---|---|---|---|---|---|---|
| **REVENUE** | | | | | | | |
| External Sales | 30,66,45,044 | (52,37,895) | 1,65,70,178 | - | 1,62,49,098 | | 33,42,26,425 |
| **Total Revenue** | **30,66,45,044** | **(52,37,895)** | **1,65,70,178** | - | **1,62,49,098** | - | **33,42,26,425** |
| **RESULT** | | | | | | | |
| Segment Result | **9,27,38,399** | **(2,17,89,235)** | **(29,89,215)** | **(28,29,906)** | **42,79,507** | | **6,94,09,550** |
| Unallocated Corporate Expenses | | | | | | **9,31,67,439** | 9,31,67,439 |
| **Operating Profit** | **9,27,38,399** | **(2,17,89,235)** | **(29,89,215)** | **(28,29,906)** | **42,79,507** | **(9,31,67,439)** | **(2,37,57,889)** |
| Finance Costs | 5,08,59,373 | 21,90,131 | 1,31,64,490 | 77,51,674 | 23,87,012 | 3,52,610 | 7,67,05,290 |
| Other Income | 14,07,485 | 46,00,600 | 2,54,778 | | 4,980 | 60,54,985 | 1,23,22,828 |
| Income taxes | - | - | | | | | - |
| Profit after Tax from ordinary Activities | 4,32,86,511 | (1,93,78,766) | (1,58,98,927) | (1,05,81,580) | 18,97,475 | (8,74,65,064) | (8,81,40,351) |
| Extraordinary Item, net | - | - | | | | - | - |
| Net Profit | **4,32,86,511** | **(1,93,78,766)** | **(1,58,98,927)** | **(1,05,81,580)** | **18,97,475** | **(8,74,65,064)** | **(8,81,40,351)** |
| Segment Assets | **1,08,84,63,188** | **1,49,89,91,366** | **14,88,61,925** | **60,22,35,496** | **3,15,77,694** | | **3,37,01,29,669** |
| Unallocated Corporate Assets | | | | | | 37,83,63,701 | 37,83,63,701 |
| **Total Assets** | **1,08,84,63,188** | **1,49,89,91,366** | **14,88,61,925** | **60,22,35,496** | **3,15,77,694** | **37,83,63,701** | **3,74,84,93,370** |
| Segment Liabilities | 66,84,82,396 | 1,28,53,20,145 | 16,23,95,586 | 8,64,44,264 | 2,44,91,609 | | 2,22,71,34,000 |
| Unallocated Corporate Liabilities | | | | | | 4,85,11,716 | 4,85,11,716 |
| **Total Liabilities** | **66,84,82,396** | **1,28,53,20,145** | **16,23,95,586** | **8,64,44,264** | **2,44,91,609** | **4,85,11,716** | **2,27,56,45,716** |
| Capital Expenditures | | | | | | | |
| Tangible Assets | 17,14,65,914 | 4,76,000 | | | | 17,80,702 | 17,37,22,616 |
| Intangible Assets | | | | | | 10,64,632 | 10,64,632 |
| Depreciation | 6,02,08,200 | 7,25,981 | | 8,39,869 | 78,07,080 | 16,28,438 | 7,12,09,568 |

**Year ended 31st March, 2018**

| | Retail | Residential | Office | Warehousing | FEC | Un allocable | Total ₹ |
|---|---|---|---|---|---|---|---|
| **REVENUE** | | | | | | | |
| External Sales | 31,66,07,911 | 1,64,08,130 | 3,56,03,866 | | 2,21,21,915 | | 39,07,41,822 |
| **Total Revenue** | **31,66,07,911** | **1,64,08,130** | **3,56,03,866** | - | **2,21,21,915** | - | **39,07,41,822** |
| **RESULT** | | | | | | | |
| Segment Result | **12,90,07,529** | **(1,78,08,053)** | **51,35,115** | **(27,94,985)** | **67,90,888** | - | **12,03,30,494** |
| Unallocated Corporate Expenses | | | | | | 8,98,73,112 | 8,98,73,112 |
| **Operating Profit** | **12,90,07,529** | **(1,78,08,053)** | **51,35,115** | **(27,94,985)** | **67,90,888** | **(8,98,73,112)** | **3,04,57,382** |
| Finance Costs | 4,20,53,269 | 8,58,863 | 53,43,231 | 79,21,275 | 29,80,139 | 66,139 | 5,92,22,916 |
| Other Income | 20,48,154 | 5,81,654 | | | | 29,57,739 | 55,87,547 |
| Income taxes | - | - | | | | | - |
| Profit after Tax from ordinary Activities | 8,90,02,414 | (1,80,85,262) | (2,08,116) | (1,07,16,260) | 38,10,749 | (8,69,81,512) | (2,31,77,987) |
| Extraordinary Item, net | - | - | | | | - | - |
| Net Profit | **8,90,02,414** | **(1,80,85,262)** | **(2,08,116)** | **(1,07,16,260)** | **38,10,749** | **(8,69,81,512)** | **(2,31,77,987)** |
| Segment Assets | **1,17,27,66,880** | **1,12,23,37,418** | **16,58,03,005** | **60,30,30,181** | **4,27,07,079** | - | **3,10,66,44,563** |
| Unallocated Corporate Assets | | | | | | 36,61,80,462 | 36,61,80,462 |
| **Total Assets** | **1,17,27,66,880** | **1,12,23,37,418** | **16,58,03,005** | **60,30,30,181** | **4,27,07,079** | **36,61,80,462** | **3,47,28,25,025** |
| Segment Liabilities | 64,89,57,233 | 93,62,61,702 | 16,51,98,833 | 8,64,82,160 | 3,02,39,766 | - | 1,86,71,39,694 |
| Unallocated Corporate Liabilities | | | | | | 4,46,97,326 | 4,46,97,326 |
| **Total Liabilities** | **64,89,57,233** | **93,62,61,702** | **16,51,98,833** | **8,64,82,160** | **3,02,39,766** | **4,46,97,326** | **1,91,18,37,020** |
| Capital Expenditures | | | | | | | |
| Tangible Assets | 1,43,05,360 | - | - | - | 83,32,216 | 6,91,707 | 2,33,29,283 |
| Intangible Assets | - | - | - | - | - | 14,46,995 | 14,46,995 |
| Depreciation | 5,77,94,397 | 5,12,856 | - | 8,39,869 | 67,17,980 | 10,42,095 | 6,69,07,199 |

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. |

B Key Management Personnel

Gaurang Agrawal – Chief Executive Officer (CEO)
Sundeep Kumar – Chief Financial Officer (CFO)
Minal Kardile - Company Secretary

**Disclosure of Transactions between the Company and Related Parties and Outstanding Balances as at the year end.**

| | 31st March, 2019 ₹ | 31st March, 2018 ₹ |
|---|---|---|
| **A. Enterprise where Control Exists** | | |
| **i) Westfield Entertainment Private Limited** | | |
| Interest Income | 9,48,397 | 7,56,897 |
| **Amount due from related party (Refer Note No. 14)** | **1,04,63,996** | **83,60,439** |
| **ii) Hardcastle Petrofer Private Limited** | | |
| Car Rent Income | 4,03,200 | - |
| Car Maintenance reimbursement | 94,892 | - |
| **Amount due to related party** | **(61,292)** | - |
| **B. Key Management Personnel** | | |
| **Remuneration** | | |
| Amount paid to related party | 1,20,75,227 | 1,15,15,622 |

30 **Leases**

**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, 2019 ₹ | 31st March, 2018 ₹ |
|---|---|---|
| Not later than one year | 1,97,67,842 | 2,10,86,184 |
| Later than one years but not later than five years | 70,58,933 | 2,68,47,315 |
| Later than 5 years | - | - |
| **Total future minimum payments receivables** | **2,68,26,775** | **4,79,33,499** |

31 **Capital work-in-progress**

Capital work-in-progress includes expenditure incurred during the implementation period for bringing a 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, 2019 ₹ | 31st March, 2018 ₹ |
|---|---|---|
| Civil work (including Material) | 1,83,47,196 | 7,71,88,976 |
| Consultancy | 23,59,340 | 16,96,317 |
| Other costs directly related to construction | 3,96,809 | 1,65,98,522 |
| Employee costs | 13,79,551 | 1,74,69,188 |
| Land/development cost | 1,87,267 | 39,45,484 |
| Other overheads | 2,93,844 | 4,95,31,173 |
| | **2,29,64,007** | **16,64,29,661** |

**Capitalized Borrowing Costs**

The borrowing cost capitalized during the year ended 31st March, 2019 was ₹ 2,92,693 (31st March, 2018: ₹ 63,82,164) and is part of capital work-in-progress and property, plant and equipment.

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Chartered Accountants

WEST PIONEER PROPERTIES (INDIA) PVT. LTD.
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**32 Disclosure in terms of Accounting Standards 7 – Construction Contracts:**

| | 31st March, 2019 ₹ | 31st March, 2018 ₹ |
|---|---|---|
| Contract Revenue recognised during the year | 1,13,32,283 | 5,20,11,995 |
| Aggregate Cost incurred and recognized profits (less recognized losses) up to the reporting date | 1,57,71,62,626 | 1,56,58,30,343 |
| Amount of customer advances outstanding for contracts-in-progress | 57,32,660 | 59,33,408 |
| Due to customers / clients | 4,96,42,628 | 4,04,17,467 |

**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 continuous 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, 2019 ₹ | 31st March, 2018 ₹ |
|---|---|---|
| Current service cost | 5,43,197 | 5,87,515 |
| Interest cost | 1,54,799 | 1,29,895 |
| Net actuarial loss / (gain) to be recognized | 1,37,517 | (2,13,043) |
| **Expense recognised in the Statement of Profit & Loss (Refer note 23)** | **8,35,513** | **5,04,367** |

**Balance Sheet**

| | | |
|---|---|---|
| **Benefit liability** | | |
| Present Value of defined benefit obligation | 27,35,948 | 19,64,454 |
| **Benefit liability** | **27,35,948** | **19,64,454** |

| | | |
|---|---|---|
| **Changes in present value of defined benefit obligation :** | | |
| Opening Defined benefit obligation | 19,64,454 | 17,86,725 |
| Interest Cost | 1,54,799 | 1,29,895 |
| Current Service Cost | 5,43,197 | 5,87,515 |
| Benefits Paid | (64,019) | (3,26,638) |
| Actuarial (gain) / loss on obligation | 1,37,517 | (2,13,043) |
| Closing defined benefit obligation | **27,35,948** | **19,64,454** |

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

| | 2018-19 | 2017-18 |
|---|---|---|
| Discount Rate | 7.69% | 7.88% |
| 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 loss / (gain) at 31st March, 2019 is ₹.1,37,517/- : 31st March, 2018 (₹. 2,13,043/-)

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

| | 2019 | 2018 | 2017 | 2016 | 2015 |
|---|---|---|---|---|---|
| **Gratuity** | | | | | |
| Defined benefit obligation | 27,35,948 | 19,64,454 | 17,86,725 | 16,43,308 | 19,60,387 |
| Experience adjustment on plan liabilities | 92,916 | (1,01,183) | 1,60,357 | (2,20,893) | 1,31,588 |
| Experience adjustment on plan assets | - | - | - | - | - |

RAWLA & ASSOCIATES MUMBAI M. No. 116667 FRN 125079W Chartered Accountants

WEST PIONEER PROPERTIES (INDIA) PVT. LTD. MUMBAI

34 **Contingencies and Capital commitments**

a. A suit for injunction was filed before the Delhi High Court seeking injunction against the Company from using the word 'Metro'.
The amount of claim against the company (not acknowledged as debt) is Rs. 20 lacs (previous year Rs. 20 lacs)

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

b. **Other claims**

i) Six consumer cases have been filed by purchasers of units in a property developed by the Company in State Consumer Forum alleging shortfall in area of tenements given and the percentage of loading charged. The matters are pending disposal.

ii) A law suit in a Kalyan Court against, inter alia, the Company by some persons claiming to be successors to a tenant of the Company's Kalyan land against rejection of their plea by a lower court on ground of limitation is pending disposal.

iii) A Writ in the Bombay High Court challenging order of a Kalyan Court in favour of the Company is pending. The matter concerns 2900 sq.ft Land area in possession of the Company.

iv) An occupant in the Residential Complex developed by the Company has filed a suit in a Kalyan Court asking for space for parking.

v) Some occupants of the Residential Complex have filed complaints against the Company before the Consumer Forum alleging deficiency of service and delay in giving possession.

The Company is contesting these claims 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 ₹40,08,224 for the Financial Year 2012-13. The Company has filed appeal against the assessment order.

The Company is contesting the aforesaid matters and is advised and believes that the proceedings will have no adverse effect on its financials.

d. **Accumulated Preference Dividend Arrears**

| | 31st March, 2019<br>₹ | 31st March, 2018<br>₹ |
|---|---|---|
| Accumulated Preference Dividend Arrears | 106 | 83 |

e. **Capital Commitments**

| | 31st March, 2019<br>₹ | 31st March, 2018<br>₹ |
|---|---|---|
| Estimated amount of contracts remaining to be executed on capital account and not provided for | 94,41,385 | 89,50,000 |
| Other commitments* | 35,83,13,271 | 44,48,83,811 |
| **Total** | **36,77,54,657** | **45,38,33,811** |

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

35 **Supplementary Statutory Information**

| | 31st March, 2019<br>₹ | 31st March, 2018<br>₹ |
|---|---|---|
| **35.1 Expenditure in foreign currency (Accrual Basis)** | | |
| Travelling Expenses | 4,36,429 | 19,71,894 |
| Professional Fees | 3,64,936 | 2,99,359 |
| **35.2 Value of Imports** | | |
| Capital Goods | - | 18,90,186 |
| Other Material | 21,564 | - |
| **35.3 Payments to Auditors:** | | |
| a) As Auditors (excluding taxes) | 3,75,000 | 4,75,000 |
| b) In other capacity | - | - |
| c) Out of pocket expenses | - | 66,882 |
| **Total** | **3,75,000** | **5,41,882** |

36 **Disclosure under the Micro,Small and Medium Enterprises Development Act 2006 to the extent the Company has received intimation from parties under the Act.**

| | 31st March, 2019 | 31st March, 2018 |
|---|---|---|
| | ₹ | ₹ |
| (i) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year | | |
| Principal amount due to Micro and small enterprises | 1,18,14,009 | - |
| Interest due on above but not claimed by the parties | 1,28,965 | - |
| (ii) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year | - | - |
| (iii)The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006. | - | - |
| (iv)The amount of interest accrued and remaining unpaid at the end of each accounting year. | - | - |
| (v)The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006 | - | - |

Dues to Micro and Small Enterprises have been determined to the extent such parties have been indentified on the basis of information collected by Management.This has been relied upon by Auditors.

37 **Previous Year Comparatives**

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

As per our report of even date

**For Ravi A Shah & Associates**
Chartered Accountants
ICAI Firm Registration No.: 125079W

**Ravi Shah**
Proprietor
Membership No.: 116667

RAVI A. SHAH & ASSOCIATES
MUMBAI
M. No. 116667
FRN 125079W
Chartered Accountants

Place: Mumbai
Date : 20th May 2019

**For and on behalf of the Board of Directors of**
**West Pioneer Properties (India) Private Limited**

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

**Sunil Trivedi**
Director
DIN No. 00387797

**Sundeep Kumar**
CFO

**Minal Kardile**
Company Secretary

Place: Mumbai
Date : 20th May 2019

WEST PIONEER PROPERTIES (INDIA) PVT. LTD.
MUMBAI

Rajendra K Gupta & Associates
CHARTERED ACCOUNTANTS

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

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

CA Rajesh Parasnath Tiwari
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# INDEPENDENT AUDITORS' REPORT

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

## *Report on the Audit of Financial Statements*

### *Opinion*

We have audited the financial statements of **WESTFEILD ENTERTAINMENT PRIVATE LIMITED** , (hereinafter referred to as "the Company"), which comprise the balance sheet as at 31st March 2019 and the statement of Profit & Loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (collectively referred to as 'Financial Statements').

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 Companies Act, 2013 (hereinafter referred to as "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 (financial position) of the Company as at March 31, 2019, its loss (financial performance) and cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Other Information

The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

(Cont..2)

RAJENDRA K. GUPTA & ASSOCIATES
CHARTERED ACCOUNTANTS
MUMBAI

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statement or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report the fact. We have nothing to report in this regard.

**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 Act with respect to the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. 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 design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

(Cont..3)

RAJENDRA K. GUPTA & ASSOCIATES
CHARTERED ACCOUNTANTS
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As a part of an audit in accordance with its SAs,we exercise professional judgement and maintain professional skepticism throughout the audit.We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

(Cont..4)

RAJENDRA K. GUPTA & ASSOCIATES
CHARTERED ACCOUNTANTS
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***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 Companies Act, 2013, we give in the Annexure "A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
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 and the Statement of Profit and Loss dealt with by this report are in agreement with the books of account;

   d) In our opinion the aforesaid Financial Statement comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014and Companies(Accounting Standards) Amendment Rules,2016;

   e) On the basis of written representations received from the directors as on March 31, 2019, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019, 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 ;

(Cont..5)

RAJENDRA K. GUPTA & ASSOCIATES * MUMBAI * CHARTERED ACCOUNTANTS

g) With respect to the other matters to be included in the Auditor's Report in accordance with the 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, we report that:

   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 31st March, 2019.

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

RAJENDRA K. GUPTA & ASSOCIATES CHARTERED ACCOUNTANTS MUMBAI

Rajendra Kumar Gupta

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

Place: Mumbai

Date: 20/05/2019

**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, 2019.

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, 2019 outstanding for a period of more than six months from the date they became payable;

RAJENDRA K. GUPTA & ASSOCIATES
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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 45IA 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 Kumar Gupta

RAJENDRA K. GUPTA & ASSOCIATES
CHARTERED ACCOUNTANTS
MUMBAI

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

Place: Mumbai

Date : 20/05/2019

**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, 2019.

**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, 2019 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

RAJENDRA K. GUPTA & ASSOCIATES
CHARTERED ACCOUNTANTS
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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, 2019, 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 K. GUPTA & ASSOCIATES CHARTERED ACCOUNTANTS MUMBAI

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

Place: Mumbai
Date: 20/05/2019

**Westfield Entertainment Private Limited**
**Balance Sheet as at March 31, 2019**

| | Notes | As at March 31, 2019 ₹ | As at March 31, 2018 ₹ |
|---|---|---|---|
| **Equity and Liabilities** | | | |
| **Shareholders' Funds** | | | |
| Share Capital | 3 | 6,52,76,660 | 6,52,76,660 |
| Reserves and Surplus | 4 | 64,91,01,296 | 64,92,03,633 |
| | | **71,43,77,956** | **71,44,80,293** |
| **Non-current Liabilities** | | | |
| Long-term borrowings | 5 | 1,04,63,996 | 83,60,439 |
| Other Long-Term Liabilities | 6 | - | 2,260 |
| | | **1,04,63,996** | **83,62,699** |
| **Current Liabilities** | | | |
| Trade Payables | 7 | - | - |
| Other Current Liabilities | 7 | 8,76,105 | 9,05,077 |
| | | **8,76,105** | **9,05,077** |
| **TOTAL** | | **72,57,18,057** | **72,37,48,069** |
| **Assets** | | | |
| **Non-current Assets** | | | |
| Fixed Assets | | | |
| Tangible Assets | 8 | 55,98,49,429 | 56,94,41,961 |
| Capital work-in-progress | | 16,57,78,142 | 15,41,17,916 |
| Long-term Loans and Advances | 9 | 78,950 | 78,950 |
| Non-current investments | 10 | 22 | 22 |
| | | **72,57,06,543** | **72,36,38,849** |
| **Current Assets** | | | |
| Cash and Bank Balances | 11 | 11,514 | 1,09,220 |
| **TOTAL** | | **72,57,18,057** | **72,37,48,069** |

Summary of significant accounting policies 2.1
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

RAJENDRA K. GUPTA & ASSOCIATES CHARTERED ACCOUNTANTS MUMBAI

Place: Mumbai
Date : 20th May 2019

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

Gaurang Agrawal

(Gaurang Agrawal)
Director
DIN No.00021665

(Sunil Kantilal Trivedi)
Director
DIN No.00387797

Minal

Minal Kardile
Company Secretary

Place: Mumbai
Date : 20th May 2019

Westfield Entertainment Pvt. Ltd. MUMBAI

**Westfield Entertainment Private Limited**
**Statement of Profit and Loss for the year ended March 31, 2019**

| | Notes | For the year ended March 31, 2019 ₹ | For the year ended March 31, 2018 ₹ |
|---|---|---|---|
| **Income** | 12 | 2,260 | - |
| **Total Revenue** | | **2,260** | **-** |
| **Expenses** | | | |
| Sundry Expenses | 13 | 87,507 | 1,36,948 |
| Depreciation | | 17,090 | 17,090 |
| Finance costs | | - | - |
| **Total** | | **1,04,597** | **1,54,038** |
| **(Loss) for the year** | | **(1,02,337)** | **(1,54,038)** |
| **Earnings per equity share of nominal value Rs 10** | | | |
| Basic and Diluted Earnings per Share | 14 | (0.02) | (0.03) |

Summary of significant accounting policies 2.1
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

RAJENDRA K. GUPTA & ASSOCIATES CHARTERED ACCOUNTANTS MUMBAI

Place: Mumbai
Date : 20th May 2019

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

Gaurang Agrawal

(Gaurang Agrawal)
Director
DIN No.00021665

(Sunil Kantilal Trivedi)
Director
DIN No.00387797

Minal

Minal Kardile
Company Secretary

Place: Mumbai
Date : 20th May 2019

Westfield Entertainment Pvt. Ltd. MUMBAI

**Westfield Entertainment Private Limited**
**Cash Flow Statement for the year ended March 31, 2019**

| | For the year ended March 31, 2019 ₹ | For the year ended March 31, 2018 ₹ |
|---|---|---|
| **Operating Activities** | | |
| (Loss) before tax | (1,02,337) | (1,54,038) |
| **Adjustments to reconcile profit before tax to net cash flows** | | |
| Depreciation | 17,090 | 17,090 |
| Increase/(Decrease) in Current Liabilities | (31,232) | 8,20,218 |
| **Net Cash Flow (used in)/from Operating Activities** | **(1,16,479)** | **6,83,270** |
| | | |
| **Investing Activities** | | |
| Construction Costs incurred (CWIP) | (20,84,784) | (19,10,833) |
| **Net cash flow used in investing activities** | **(20,84,784)** | **(19,10,833)** |
| | | |
| **Financing Activities** | | |
| Proceeds from Issuance of Equity Share Capital | - | 6,84,75,000 |
| Redemption of 8% Non Cumulative Redeemable Pref Shares | - | (3,34,51,200) |
| Redemption of Redeemable Pref Shares | - | (3,49,48,213) |
| Unsecured Loan received | 21,03,557 | 12,50,000 |
| **Net cash flows from financing activities** | 21,03,557 | 13,25,587 |
| **Net (decrease) in cash and cash equivalents** | (97,706) | 98,024 |
| Cash and cash equivalents at the beginning of the year | 1,09,220 | 11,196 |
| **Cash and cash equivalents at the end of the year** | **11,514** | **1,09,220** |

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 2.1)

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

RAJENDRA K. GUPTA & ASSOCIATES CHARTERED ACCOUNTANTS MUMBAI

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

Gaurang Agrawal

(Gaurang Agrawal)
Director
DIN No.00021665

(Sunil Kantilal Trivedi)
Director
DIN No.00387797

Minal

Minal Kardile
Company Secretary

Place: Mumbai
Date : 20th May 2019

Place: Mumbai
Date : 20th May 2019

Westfield Entertainment PVT. Ltd. MUMBAI

**Westfield Entertainment Private Limited**
Notes to Financial Statements for the year ended 31st March, 2019

**1 Corporate Information**

Westfield Entertainment Private Limited is involved in development, construction and management of mixed use property in India. It is 100% subsidiary of West Pioneer Properties (India) Private Limited.

**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 statements are 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 provisions 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**

The Company depreciates assets costing less than ₹ 5,000 over their useful lives.

**(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**

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.

RAJENDRA K. GUPTA & ASSOCIATES CHARTERED ACCOUNTANTS MUMBAI

Westfield Entertainment Pvt. Ltd. MUMBAI

**(i) 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 by 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 that sufficient future taxable income will be available against which such deferred tax assets can be realized.

**(j) 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 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.

**(k) 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 events like bonus issue, bonus element in a rights issues to existing shareholders, share splits and reverse share splits (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.

**(l) 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.

**(m) 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.

**(n) 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 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 2019<br>₹ | 31st March 2018<br>₹ |
|---|---|---|
| **Authorised Share Capital** | | |
| 93,88,580 (2018: 93,88,580) Equity Shares of ₹ 10 each | 9,38,85,800 | 9,38,85,800 |
| 3,36,862 (2018: 3,36,862), Preference Shares of ₹ 100 each | 3,36,86,200 | 3,36,86,200 |
| | 12,75,72,000 | 12,75,72,000 |
| **Issued, Subscribed and Paid-up Share Capital** | | |
| **Fully paid up** | | |
| 65,27,666 (2018: 65,27,666) Equity Shares of ₹ 10 each | 6,52,76,660 | 6,52,76,660 |
| **Total** | **6,52,76,660** | **6,52,76,660** |

RAJENDRA K. GUPTA & ASSOCIATES CHARTERED ACCOUNTANTS MUMBAI

Westfield Entertainment Pvt. Ltd. MUMBAI

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

| | 31st March 2019 | | 31st March 2018 | |
|---|---|---|---|---|
| | Nos | ₹ | Nos | ₹ |
| At beginning of the year | 65,27,666 | 6,52,76,660 | 59,05,166 | 5,90,51,660 |
| Issued during the year | - | - | 6,22,500 | 62,25,000 |
| **Outstanding at end of the year** | 65,27,666 | 6,52,76,660 | 65,27,666 | 6,52,76,660 |

**(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. Dividends proposed by the Board of Directors subject to approval of shareholders in the ensuing Annual General Meeting.

During the year ended 31 March 2019, the amount of per share dividend recognized as distributions to equity shareholders was `Nil (31 March 2018: `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) Shares held by holding company**

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

| | 31st March 2019 | 31st March 2018 |
|---|---|---|
| | ₹ | ₹ |
| **West Pioneer Properties (India) Private Limited, holding company** | | |
| 65,27,666 (2018: 65,27,666) Equity Shares of ₹.10 each | 6,52,76,660 | 6,52,76,660 |

The holding company has 100% shareholding with 150 shares held jointly with Mr. Banwarilal Jatia, Mr. Sundeep Kumar, Ms. Minal Kardile, Mr. Gaurang Agrawal, Mr. Anil Gupta and Mr. O.P.Adukia as nominee on behalf of the Company.

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

| Name of shareholder | 31st March 2019 | | 31st March 2018 | |
|---|---|---|---|---|
| | Nos | % holding | Nos | % holding |
| ***Equity shares of ₹ 10 each fully paid*** | | | | |
| West Pioneer Properties (India) Private Limited | 65,27,666 | 100.00% | 65,27,666 | 100.00% |

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

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Notes to Financial Statements for the year ended 31st March, 2019

## 4 Reserves and Surplus

| | 31st March 2019 ₹ | 31st March 2018 ₹ |
|---|---|---|
| **Securities Premium Account** | | |
| Balance as per last financial statements | 64,66,18,387 | 61,90,81,600 |
| Add : Premium on issue of Equity shares | - | 6,22,50,000 |
| Less : Utilised on Redemption of Preference shares | - | (3,47,13,213) |
| **Closing Balance** | **64,66,18,387** | **64,66,18,387** |
| **Surplus in Statement of Profit and Loss** | | |
| Balance as per last financial statements | 25,85,246 | 27,39,284 |
| Loss for the year | (1,02,337) | (1,54,038) |
| **Net Surplus in Statement of Profit and Loss** | **24,82,909** | **25,85,246** |
| **Total Reserves and Surplus** | **64,91,01,296** | **64,92,03,633** |

## 5 Long-term Borrowings

| | 31st March 2019 ₹ | 31st March 2018 ₹ |
|---|---|---|
| **Other Loans and Advances** | | |
| Unsecured Loans from related party (Refer Note 16) | 1,04,63,996 | 83,60,439 |
| Note : There are no terms for repayment | **1,04,63,996** | **83,60,439** |

## 6 Other Long-term Liabilities

| | 31st March 2019 ₹ | 31st March 2018 ₹ |
|---|---|---|
| Retention Monies | - | 2,260 |
| | **-** | **2,260** |

## 7 Current Liabilities

| | 31st March 2019 ₹ | 31st March 2018 ₹ |
|---|---|---|
| **Trade Payables** | - | - |
| | - | - |
| **Other Current Liabilities** | | |
| TDS Payable | 97,960 | 81,929 |
| Expenses Payable | 7,78,145 | 8,23,148 |
| | 8,76,105 | 9,05,077 |
| | **8,76,105** | **9,05,077** |

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**8. Tangible fixed assets (Refer Note:22)**

(Amounts in Rupees)

| | Gross Block | | | | Depreciation / Amortisation | | | Net Block | |
|---|---|---|---|---|---|---|---|---|---|
| | As on 1st April 2018 | Additions | (Deletions) | As on 31st March 2019 | As on 1st April 2018 | Charge for the Year | As on 31st March 2019 | As on 31st March 2019 | As on 31st Mar 2018 |
| Leasehold Land | 65,77,46,789 | - | - | 65,77,46,789 | 10,52,71,467 | 95,75,442 | 11,48,46,909 | 54,28,99,880 | 55,24,75,322 |
| Building | 1,59,27,522 | - | - | 1,59,27,522 | - | - | - | 1,59,27,522 | 1,59,27,522 |
| Compound Wall | 11,36,200 | - | - | 11,36,200 | 97,083 | 17,090 | 1,14,173 | 10,22,027 | 10,39,117 |
| **Total** | **67,48,10,511** | - | - | **67,48,10,511** | **10,53,68,550** | **95,92,532** | **11,49,61,082** | **55,98,49,429** | **56,94,41,961** |
| Previous Year | **67,48,10,511** | | | **67,48,10,511** | **9,57,76,018** | **95,92,532** | **10,53,68,550** | **56,94,41,961** | |

No depreciation is provided on Building as the same has not been put to use.

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**9 Long Term Loans and Advances**

| | 31st March 2019 ₹ | 31st March 2018 ₹ |
|---|---|---|
| **Unsecured considered good** | | |
| Security Deposits | 78,950 | 78,950 |
| | **78,950** | **78,950** |

**10 Non Current Investments**

| | 31st March 2019 ₹ | 31st March 2018 ₹ |
|---|---|---|
| Investment in Hawcoplast Investments and Trading Limited - 1 (Previous Year - 1) equity share of ₹. 10 fully paid up | 22 | 22 |
| | **22** | **22** |

**11 Cash and Bank Balances**

| | Year Ended 31st March 2019 ₹ | Year Ended 31st March 2018 ₹ |
|---|---|---|
| **Cash and Cash Equivalents** | | |
| Cash on hand | - | - |
| *Balances with Banks:* | | |
| – On current accounts | 11,514 | 1,09,220 |
| | **11,514** | **1,09,220** |

**12 Income**

| | Year Ended 31st March 2019 ₹ | Year Ended 31st March 2018 ₹ |
|---|---|---|
| **Other Income** | | |
| Sundry balances written back | 2,260 | - |
| | **2,260** | **-** |

**13 Sundry Expenses**

| | Year Ended 31st March 2019 ₹ | Year Ended 31st March 2018 ₹ |
|---|---|---|
| Lease Rent | 3 | 3 |
| Legal and Professional Fees | 33,400 | 30,060 |
| Audit fees | 35,400 | 35,400 |
| Filing Fees | 17,400 | 68,475 |
| Miscellaneous Expenses | 1,304 | 3,010 |
| | **87,507** | **1,36,948** |

**14 Earnings Per Share**

| | 31st March 2019 | 31st March 2018 |
|---|---|---|
| Loss after Tax (₹) | (1,02,337) | (1,54,038) |
| Weighted Average Number of Shares (Nos) | 65,27,666 | 59,23,926 |
| Basic & Diluted Earnings per Share (₹) | (0.02) | (0.03) |

**15 Segmental Reporting**

The Company is engaged in a single Business segment 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 Pioneer Properties (India) Private Limited |
| Ultimate Holding Company | Winmore Leasing and Holdings Limited |

**B** Key Management Personnel

Mr. Gaurang Agarwal - Director
Mr. Sunil Kantilal Trivedi - Director
Minal Kardile - Company Secretary

**Transactions with related parties**

| | 31st March 2019 ₹ | 31st March 2018 ₹ |
|---|---|---|
| **West Pioneer Properties (India) Private Limited** | | |
| Interest Capitalized | 9,48,397 | 7,56,897 |
| **Amount due to related party** | **1,04,63,996** | **83,60,439** |

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**17 Capital Commitments ₹ Nil (Previous Year ₹ 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 2019 | 31st March 2018 |
|---|---|---|
| | ₹ | ₹ |
| Not later than one year | 3 | 3 |
| Later than one year but not later than five years | 12 | 12 |
| Later than 5 years | 143 | 146 |
| | **158** | **161** |

**19 Amortisation and Depreciation**

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

**20 Expenditure in foreign currency Nil (Previous Year Nil)**

**21 Disclosure under the Micro,Small and Medium Enterprises Development Act 2006 to the extent intimation from parties has been received**

| | 31st March, 2019 | 31st March, 2018 |
|---|---|---|
| | ₹ | ₹ |
| (i) The principal amount and the interest due thereon remaining unpaid | | |
| Principal amount due to Micro and small enterprises | 2,71,434 | - |
| Interest due on above but not claimed by the parties | 8,349 | - |
| (ii) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to thesupplier beyond the appointed day during each accounting year | - | - |
| (iii)The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006. | - | - |
| (iv)The amount of interest accrued and remaining unpaid at the end of each accounting year. | - | - |
| (v)The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006 | - | - |

Dues to Micro and small Enterprises have been determined to the extent such parties have been indentified on the basis of information collected by Management.This has been relied upon by Auditors.

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

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.

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**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**
Partner
Membership No.: 9939

Place: Mumbai
Date : 20th May 2019

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

(Gaurang Agrawal)
Director
DIN No.00021665

(Sunil Kantilal Trivedi)
Director
DIN No.00387797

Minal Kardile
Company Secretary

Place: Mumbai
Date : 20th May 2019

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