

**INDEPENDENT AUDITOR'S REPORT**

To the Members of West Pioneer Properties (India) Private Limited

**Report on the Financial Statements**

We have audited the accompanying financial statements of West Pioneer Properties (India) Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

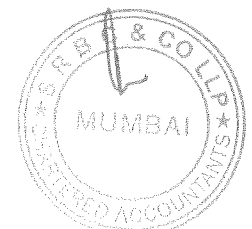
The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in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

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.



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## **Basis of Qualified Opinion**

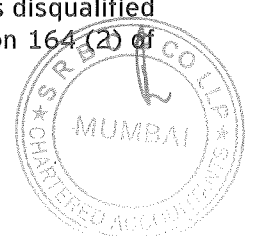
We report that revenue from Sales - Property Development continues to be recognized on construction work executed on commercial plaza based on execution of application forms by the Buyers, over and above duly signed agreement. Such executed application forms are taken into consideration for the purpose of arriving at threshold limit for initiating revenue recognition. This is not in accordance with Guidance note issued on Accounting for Real Estate Transactions (Revised 2012), issued by the Institute of Chartered Accountants of India. Further, reference is drawn to Note 33 of the financial statements in respect of recognition of revenue and its reversal amounting to Rs. 17,417,328 and Rs. 19,476,208 respectively for the year under audit. Consequent to the policy adopted by the Company and reversal of revenue, Revenue from Sales - Property Development is lower by Rs. 2,058,880, Cost of Construction of Properties is higher by Rs. 53,763 and loss for the year is higher by Rs. 2,112,643. Further, cumulatively as on March 31, 2015, Revenue from Sales - Property Development and Cost of Construction of Properties is overstated by Rs. 68,886,226 and Rs. 48,115,249 respectively, Advances from Customers disclosed in Note 10 is understated by Rs. 3,265,446. Construction work in Progress disclosed in Note 16 is understated by Rs. 48,115,249 and Reserves and Surplus is overstated by Rs. 20,770,977. Our audit opinion on the financial statements for the previous year was also qualified in respect of the above matter.

## **Qualified Opinion**

In our opinion and to the best of our information and according to the explanations given to us, except for the matter described in the Basis of Qualified Opinion paragraph above, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at March 31, 2015, its loss, and its cash flows for the year ended on that date.

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

1. As required by the Companies (Auditor's report) Order, 2015 ("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 it appears from our examination of those books;
  - (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - (e) On the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of section 164 (2) of the Act;



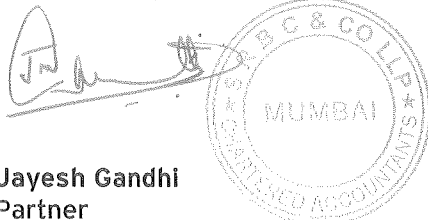
# **S R B C & CO LLP**

Chartered Accountants

West Pioneer Properties (India) Private Limited  
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- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 34 & 35 to the financial statements;
  - ii. The Company did not have any long term contracts, including derivative contracts, for which there were any material foreseeable losses;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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



**Jayesh Gandhi**  
Partner  
Membership Number: 37924  
Place: Mumbai  
Date: 29<sup>th</sup> May 2015

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

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

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year.
  - (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
  - (c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on 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 or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a) and (b) 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, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the rendering of services. The activities of the Company do not involve sale of goods. During the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in the internal control system of the Company in respect of these areas.
- (v) The Company has not accepted any deposits from the public.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the processing activities which includes construction of residential property, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii) (a) Undisputed statutory dues including provident fund, income-tax, sales-tax, service tax, customs duty and other material statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases. The provisions relating to investor education and protection fund, employees' state insurance, wealth tax, customs duty and excise duty are not applicable to the Company.



West Pioneer Properties (India) Private Limited


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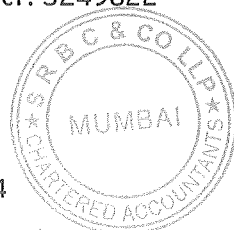
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, , income-tax, service tax, sales-tax, and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (c) According to the records of the Company, there are no dues of income tax, sales tax which have not been deposited on account of any dispute. However, according to the records of the Company, dues outstanding of service tax on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs)	Period to which the amount relates	Forum where dispute is pending
Finance Act, 1994	Service Tax	1,58,50,807	FY 2007-08 to FY 2011-12 upto September 2011	Supreme Court

- (d) According to the information and explanations given to us, the provisions Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder are not applicable to the Company.
- (viii) The Company's accumulated losses at the end of the financial year are less than fifty per cent of its net worth. The Company has incurred cash loss in the current financial year. In the immediately preceding year, the Company had not incurred cash loss.
- (ix) Based on our audit procedures and as per the 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 or debenture holders.
- (x) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xi) Based on information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- (xii) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit

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

  
**Jayesh Gandhi**  
Partner  
Membership No.:37924  
Place: Mumbai  
Date: 29<sup>th</sup> May 2015



**West Pioneer Properties (India) Private Limited**  
**Balance Sheet as at 31st March, 2015**

	Notes	As at 31st March, 2015 ₹	As at 31st March, 2014 ₹
<b>Equity and liabilities</b>			
<b>Shareholders' funds</b>			
Share capital	3	26,81,39,210	26,55,73,260
Reserves and Surplus	4	1,07,71,13,517	89,32,78,818
		<u>1,34,52,52,727</u>	<u>1,15,88,52,078</u>
<b>Non-current liabilities</b>			
Long-term borrowings	5	78,00,00,000	72,45,27,857
Other long-term liabilities	7	6,74,76,142	6,02,93,738
Long-term provisions	8	18,76,830	13,61,617
		<u>84,93,52,972</u>	<u>78,61,83,212</u>
<b>Current liabilities</b>			
Short-term borrowings	9	5,38,00,000	4,73,00,000
Trade payables	10	5,72,65,801	5,14,53,509
Other current liabilities	10	45,61,74,060	59,61,10,452
Short-term provisions	8	83,557	27,177
		<u>56,73,23,418</u>	<u>69,48,91,138</u>
<b>TOTAL</b>		<u><u>2,76,19,29,117</u></u>	<u><u>2,63,99,26,428</u></u>
<b>Assets</b>			
<b>Non-current assets</b>			
<b>Fixed assets</b>			
Tangible assets	11	1,04,11,72,387	1,04,35,54,916
Intangible assets	12	3,10,565	44,750
Capital work-in-progress	30	10,63,12,110	9,58,65,977
Deferred tax assets (net)	6	-	-
Loans and advances	13	5,66,57,846	3,68,54,702
Other non-current assets	15	2,51,66,373	1,86,29,218
		<u>1,22,96,19,281</u>	<u>1,19,49,49,563</u>
<b>Current assets</b>			
Inventories	16	1,27,76,64,870	1,21,01,42,627
Trade receivables	14	13,58,67,803	12,27,41,154
Current Investments	17	45,47,159	3,34,50,000
Cash and bank balances	18	1,81,00,032	2,49,94,854
Loans and advances	13	8,46,30,194	4,26,78,997
Other current assets	15	1,14,99,778	1,09,69,233
		<u>1,53,23,09,836</u>	<u>1,44,49,76,865</u>
<b>TOTAL</b>		<u><u>2,76,19,29,117</u></u>	<u><u>2,63,99,26,428</u></u>

Summary of significant accounting policies 2.1

The accompanying notes are an integral part of the financial statements

As per our report of even date

**For SRBC & CO LLP**

Chartered Accountants

Firm Registration No.: 324982E



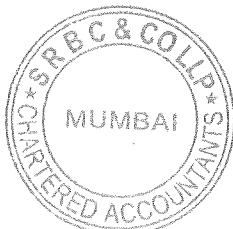
per Jayesh Gandhi

Partner

Membership No.: 37924

Place: Mumbai

Date : 29th May 2015



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

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



OP Adukia

Director

DIN No. 00017001

Place: Mumbai

Date: 29th May 2015



Anil Gupta

Director

DIN No. 00060720



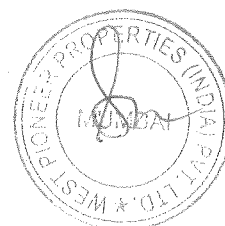
Sundeep Kumar

CFO



Forum Desai

CS



**West Pioneer Properties (India) Private Limited**  
**Statement of Profit and Loss for the year ended 31st March, 2015**

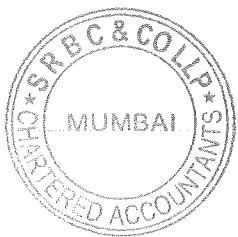
	Notes	For the year ended 31st March, 2015 ₹	For the year ended 31st March, 2014 ₹
<b>Income</b>			
Revenue from operations	19	48,76,18,036	48,24,43,315
Other income	20	63,52,976	88,23,531
<b>Total revenue (I)</b>		<b>49,39,71,012</b>	<b>49,12,66,846</b>
<b>Expenses</b>			
Cost of construction of properties	21	18,89,72,296	19,54,21,928
Employee benefits expense	22	5,19,81,163	4,79,47,919
Other expenses	23	19,57,95,894	17,63,07,683
<b>Total (II)</b>		<b>43,67,49,353</b>	<b>41,96,77,530</b>
<b>Earnings before interest, tax, depreciation and amortization (EBITDA) (I) - (II)</b>		<b>5,72,21,659</b>	<b>7,15,89,316</b>
Depreciation and amortization expense	24	5,49,96,365	4,64,72,885
Finance costs	25	8,57,89,595	5,97,66,085
<b>(Loss) before exceptional item &amp; tax</b>		<b>(8,35,64,301)</b>	<b>(3,46,49,654)</b>
Exceptional item		-	30,10,50,000
<b>(Loss) before tax</b>		<b>(8,35,64,301)</b>	<b>(33,56,99,654)</b>
<b>Tax expenses</b>			
Current tax		-	-
Deferred tax (credit)		-	-
<b>Total tax expense</b>		<b>-</b>	<b>-</b>
<b>(Loss) for the year from operations</b>		<b>(8,35,64,301)</b>	<b>(33,56,99,654)</b>
<b>Earnings per equity share [nominal value of share ₹10 (31st March 2014: ₹10)]</b>	26		
Basic		(24.95)	(81.07)
Diluted		(24.95)	(81.07)

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 S R B C & CO LLP**  
Chartered Accountants  
Firm Registration No.: 324982E





per Jayesh Gandhi  
Partner  
Membership No.: 37924  
Place: Mumbai  
Date : 29th May 2015




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

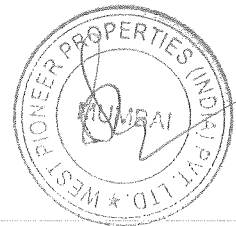
 **O P Adukia**  
Director  
DIN No. 00017001

 **Anil Gupta**  
Director  
DIN No. 00060720

 **Sundeep Kumar**  
CFO

 **Foram Desai**  
CS

Place: Mumbai  
Date: 29th May 2015



West Pioneer Properties (India) Private Limited  
Cash flow statement for the year ended 31st March, 2015

	For the year ended 31st March, 2015 ₹	For the year ended 31st March, 2014 ₹
<b>Cash flow from operating activities</b>		
(Loss) before tax	(8,35,64,301)	(33,56,99,654)
<b>Non-cash adjustment to reconcile loss before tax to net cash flows</b>		
Depreciation/ amortization	5,49,96,365	4,64,72,885
Loss on sale of fixed assets	-	5,56,742
Assets written off	1,21,53,643	-
Loss on preference shares	-	30,10,50,000
Net loss/(gain) on sale of current investment	-	(83,742)
Provision for doubtful debt/bad debt write off	(1,02,25,662)	50,53,098
Write back of balances	(143)	(33,02,322)
Interest expense	8,57,89,595	5,97,66,085
Interest (income)	(42,89,108)	(19,87,549)
Dividend (income)	(6,23,507)	(8,67,382)
<b>Operating profit before working capital changes</b>	<b>5,42,36,882</b>	<b>7,09,58,161</b>
<b>Movements in working capital :</b>		
Increase/(Decrease) in trade payables	58,12,293	(1,84,49,710)
Increase in provisions	5,71,593	1,54,519
(Decrease)/Increase in other current liabilities	(15,32,64,571)	3,13,27,928
Increase in other long-term liabilities	71,82,404	1,05,49,119
(Increase) in trade receivables	(1,99,32,997)	(1,36,50,001)
(Increase) in inventories	(4,12,99,938)	(18,40,31,297)
(Increase) in long-term loans and advances	(25,07,315)	(1,50,000)
(Increase)/Decrease in short-term loans and advances	(4,19,51,197)	7,09,31,184
Decrease/(Increase) in other current assets	(2,30,944)	(50,35,117)
Cash generated (used in) operations	(19,13,83,790)	(3,73,95,214)
Direct taxes paid (net of refunds)	-	54,24,380
<b>Net cash flow (used in) operating activities (A)</b>	<b>(19,13,83,790)</b>	<b>(3,19,70,834)</b>
<b>Cash flows from investing activities</b>		
Proceeds from sale of fixed assets	-	11,12,320
Purchase of fixed assets, including CWIP and capital advances	(5,65,21,563)	(7,63,46,879)
Purchase of current investments	(20,57,50,000)	(27,98,00,000)
Dividend received	6,23,507	8,67,384
Proceeds from sale/maturity of current investments	23,46,52,863	27,98,83,740
Bank deposit (having original maturity of more than three months)	(19,23,877)	(1,28,04,149)
Interest received	8,29,382	10,16,158
<b>Net cash flow (used in) investing activities (B)</b>	<b>(2,80,89,688)</b>	<b>(8,60,71,426)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issuance of preference share capital	26,99,64,950	1,35,050
Proceeds from long-term borrowings	1,02,22,00,000	26,02,00,000
Repayment of long-term borrowings	(95,50,19,771)	(7,92,19,986)
Proceeds from short-term borrowings	73,61,00,000	15,48,00,000
Repayment of short-term borrowings	(72,96,00,000)	(10,75,00,000)
Interest paid	(13,17,32,414)	(12,48,02,646)
<b>Net cash flow from financing activities (C)</b>	<b>21,19,12,765</b>	<b>10,36,12,418</b>
<b>Net (decrease)/increase in cash and cash equivalents (A + B + C)</b>	<b>(75,60,713)</b>	<b>(1,44,29,842)</b>
Cash and cash equivalents at the beginning of the year	1,74,94,854	3,19,24,696
<b>Cash and cash equivalents at the end of the year</b>	<b>99,34,141</b>	<b>1,74,94,854</b>
<b>Components of cash and cash equivalents</b>		
Cash on hand	5,16,854	2,15,734
With banks- on current account	94,17,287	1,72,79,120
With banks – in Bank deposit restricted (Refer Note 18)	2,24,12,276	2,04,88,399
Total cash and bank balance	3,23,46,417	3,79,83,253
Less: Fixed deposits not considered as cash equivalents	2,24,12,276	2,04,88,399
<b>Cash and cash equivalents in cash flow statement</b>	<b>99,34,141</b>	<b>1,74,94,854</b>

Summary of significant accounting policies (Refer Note 2)

As per our report of even date

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

per Jayesh Gandhi  
Partner  
Membership No.: 37924  
Place: Mumbai  
Date : 29th May 2015

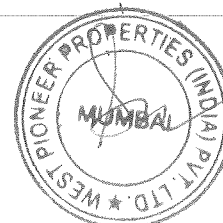
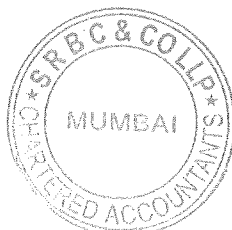
For and on behalf of the Board of Directors  
West Pioneer Properties (India) Private Limited

O P Adukia  
Director  
DIN No. 00017001  
Place: Mumbai  
Date: 29th May 2015

Anil Gupta  
Director  
DIN No. 00060720

Sundeep Kumar  
CFO

Foram Desai  
CS





**1 Corporate information**

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

**2 Basis of Preparation**

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

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

**2.1 Summary of significant accounting policies**

**(a) Change in estimates**

**Depreciation on fixed assets**

Till the year ended 31st March 2014, depreciation was provided using the straight line method as per the useful lives of the assets estimated by the management, or at the rates prescribed under schedule XIV of the Companies Act, 1956 whichever is higher. From the current year, Schedule XIV has been replaced by Schedule II of the Companies Act, 2013. The applicability of Schedule II has resulted in the following changes related to depreciation of fixed assets. Unless stated otherwise, impact mentioned for the current year is likely to hold good for future years also.

**(i) Useful lives / depreciation rates :**

Till the year end 31st March 2014, depreciation rates prescribed under schedule XIV were treated as minimum rates and company was not allowed to charge depreciation at lower rates even if such lower rates were justified by the estimated useful life of the asset. Schedule II to the Companies Act 2013 prescribes useful lives for fixed assets which, in many cases are different from lives prescribed under the erstwhile Schedule XIV. However, Schedule II allows companies to use higher/lower useful lives and residual values if such useful lives and residual values can be technically supported and justification for difference is disclosed in the financial statements.

Considering the applicability of Schedule II, on the basis of technical evaluation the management has re-estimated useful lives and residual values of all its fixed assets. The management believes that depreciation rates currently used fairly reflect its estimate of the useful lives and residual values of fixed assets, though these rates in certain cases are different from lives prescribed under Schedule II. Consequently, the depreciation charge for the current year is higher by ₹ 2,29,99,557. Had the company continued to use the earlier depreciation rate, the loss for the year would have been lower and reserves and surplus would have been higher by ₹ 2,29,99,557.

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

Till year ended 31st March 2014, to comply with the requirements of Schedule XIV to the Companies Act, 1956, the company was charging 100% depreciation on assets costing less than ₹5,000/- in the year of purchase. However, Schedule II to the Companies Act 2013, applicable from the current year, does not recognize such practice. Hence, to comply with the requirement of Schedule II to the Companies Act, 2013, the company has changed its accounting policy for depreciations of assets costing less than ₹5,000/-. As per the revised policy, the company is depreciating such assets over their useful life as assessed by the management. The management has decided to apply the revised accounting policy prospectively from accounting periods commencing on or after 1st April 2014.

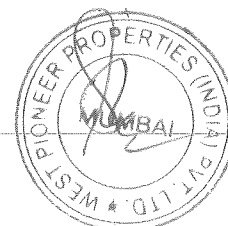
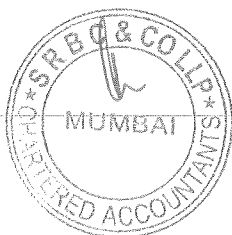
The change in accounting for depreciation of assets costing less than ₹5,000/- did not have any material impact on financial statements of the company for the current year.

**(b) Use of estimates**

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and the disclosure of contingent liabilities at the 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 a material adjustment to the carrying amounts of assets or liabilities in future periods.

**(c) Presentation and disclosure of financial statements**

Assets and liabilities have been classified as Current and Non Current as per the Company's normal operating cycle and other criteria setout in the Schedule III of the Companies Act 2013. 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.



(d) **Tangible fixed assets**

Fixed assets are stated at cost less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Financing costs relating to construction of fixed assets are also included to the extent they relate to the period till such assets are ready to be put to use. Financing costs not relating to construction of fixed assets are charged to the Statement of profit and loss.

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

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

(e) **Depreciation on tangible fixed assets**

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

Depreciation on fixed assets is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management. The company has used the following lives to provide depreciation on its fixed assets.

Asset type	Useful life estimated by the management (years)
Office equipments	5
Computers	3
Furniture and fittings	10
Vehicles	8
Mall Fit outs	10
Building	30
Plant & Machinery	15

The management has evaluated, based on technical estimates, the useful lives of the following types of assets.

- The useful life of Mall Fit outs has been estimated as 10 years.
- Buildings are depreciated over the estimated useful life of 30 years which is lower than that indicated in Schedule II.

(f) **Intangible assets**

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

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

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

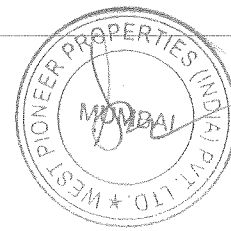
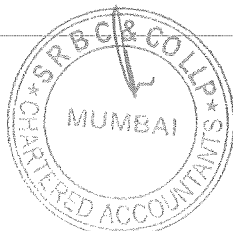
A summary of amortization policies applied to the company's intangible assets is as below:

Computer software	Rates (SLM)
	25%

(g) **Impairment of tangible 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. The recoverable amount is the 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.



(h) **Leases**

*Where the Company is the lessee*

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

*Where the Company is the lessor*

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

(i) **Investments**

Investments that 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 the investments.

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

(j) **Inventories**

Inventories comprise of cost of construction/development material are valued at lower of cost and net realisable value. Cost is determined on a 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 account. Cost incurred/ items purchased specifically for projects are taken as consumed as and when incurred/ received. Inventories included construction work in progress. Construction work in progress is valued at cost, which comprised 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 a FIFO basis.

(k) **Revenue recognition**

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

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

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

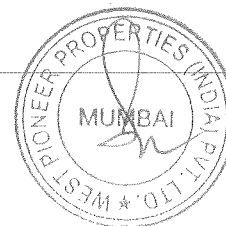
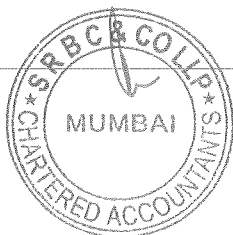
All other revenues are recognized on an accrual basis.

*Interest*

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

*Dividends*

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



**(l) Borrowing Costs**

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

Borrowing costs directly attributable to the 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 the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

**(m) Foreign currency translation**

*Foreign currency transactions*

**(i) Initial Recognition**

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

**(ii) Conversion**

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

**(iii) Exchange Differences**

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

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

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

Gratuity liability is a defined benefit plan towards retirement benefits, covering substantially all employees. The benefit is unfunded. The 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.

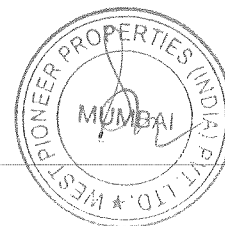
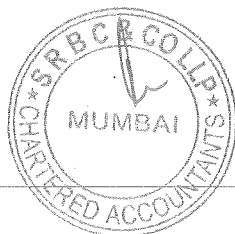
**(o) Income taxes**

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

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

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

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



(p) **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 to which the expenditure is indirectly related to construction or is incidental thereto. Other indirect expenditure (including borrowing costs) incurred during the construction period which is not related to the construction activity nor is incidental thereto is charged to the Statement of Profit and Loss account. Income earned during construction period is deducted from the total of the indirect expenditure.

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

(q) **Segmental reporting policies**

*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. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

*Inter segment Transfers :*

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

*Allocation of common costs :*

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

*Unallocated items :*

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

*Segment Policies :*

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

(r) **Earnings per share**

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

(s) **Provisions**

A provision is recognised when an enterprise has a present obligation as a result of past event; 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 its present value and are determined based on best estimate 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.

(t) **Cash and Bank equivalents**

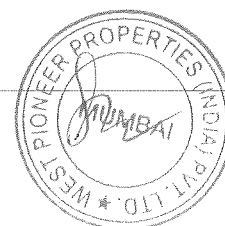
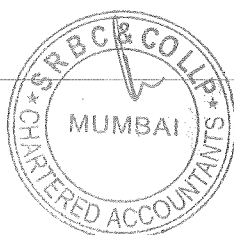
Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

(u) **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.

(v) **Measurement of EBITDA**

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



3 Share Capital

	As at 31st March 2015 ₹	As at 31st March 2014 ₹
<b>Authorised shares</b>		
44,55,476 (31st March 2014: 44,55,476) Equity Shares of ₹10 each	4,45,54,760	4,45,54,760
2,20,88,345 (31st March 2014: 2,20,88,345) Optionally Convertible Cumulative Redeemable Preference Shares (OCCRPS) of ₹10 each [carrying dividend at the rate of bank rate plus 2%, refer Note 3 (c)]	22,08,83,450	22,08,83,450
2,70,100 (31st March 2014: 2,70,100) Redeemable preference shares of ₹10 each [carrying dividend at nil rate, refer Note 3 (d)]	27,01,000	27,01,000
36,96,079 (31st March 2014: 36,96,079) unclassified shares of ₹10 each	3,69,60,790	3,69,60,790
	30,51,00,000	30,51,00,000
<b>Issued, subscribed and fully paid-up shares</b>		
4,45,476 (31st March 2014: 4,45,476) Equity Shares of ₹10 each	4,45,54,760	4,45,54,760
22,088,345 (31st March 2014: 22,088,345) OCCRPS of ₹10 each, [carrying dividend at the rate of bank rate plus 2%, refer Note 3 (c)]	22,08,83,450	22,08,83,450
2,70,100 (31st March 2014: 2,70,100) Redeemable Preference Shares of ₹10 each, [carrying dividend at nil rate, refer Note 3 (d)]	27,01,000	1,35,050
<b>Total issued, subscribed and fully paid-up share capital</b>	26,81,39,210	26,55,73,260

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

*Equity shares*

	31st March 2015		31st March 2014	
	No.	₹	No.	₹
At the beginning of the year	44,55,476	4,45,54,760	44,55,476	4,45,54,760
Issued during the year	-	-	-	-
<b>Outstanding at the end of the year</b>	44,55,476	4,45,54,760	44,55,476	4,45,54,760

*Preference shares- OCCRPS*

	31st March 2015		31st March 2014	
	No.	₹	No.	₹
At the beginning of the year	2,20,88,345	22,08,83,450	2,20,88,345	22,08,83,450
Issued during the year	-	-	-	-
<b>Outstanding at the end of the year</b>	2,20,88,345	22,08,83,450	2,20,88,345	22,08,83,450

*Redeemable Preference shares*

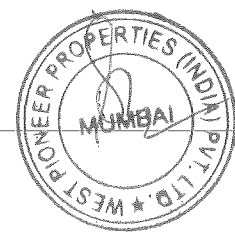
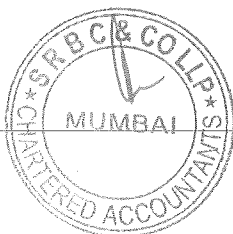
	31st March 2015		31st March 2014	
	No.	₹	No.	₹
At the beginning of the year	2,70,100	1,35,050	-	-
Amount received during the year	-	25,65,950	2,70,100	1,35,050
<b>Outstanding at the end of the year</b>	2,70,100	27,01,000	2,70,100	1,35,050

(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 the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended 31st March 2015, no dividend was paid to the equity shareholders (31st March 2014: ₹Nil).

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



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

The Company had issued 22,088,345 OCCRPS of ₹10 each. As per the terms of the allotment, the Company shall declare and pay the dividends and all unpaid dividends, if any, subject to the Company having distributable profits in accordance with the provisions of Section 123 of the Companies Act. The dividend rate shall be subject to revision every year on the basis of the Bank rate prevailing as on 31st March immediately preceding the date of meeting of the Company's Board of Directors at which the Balance Sheet and Statement of Profit and Loss pertaining to the relevant financial year are approved by the Board. The rate of dividend will be such Bank Rate plus 2%, provided that in no case the dividend rate shall exceed 10% p.a. The Dividend rate is 10% for the year ended March 2015 (31st March 2014 : 10%).

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

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

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

The company had issued 2,70,100 preference shares of ₹10 each.

As per the terms of the resolution, the preference share shall carry no right to dividend. Also the Preference shares shall carry right to vote only in accordance with the provisions of section 47 of the Companies Act, 2013 or any re-enactment thereof.

**Redemption of Redeemable Preference Shares:**

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

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

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

The Preference shares would be redeemable at any time within 20 years from the date of issue at the option of the Preference Shareholders by giving a 15 days prior written notice to the Issuer Company at the redemption price calculated based on Internal Rate of Return (IRR) as per the rates agreed compounded annually from the date of receipt of last call money till the date of redemption of the Preference Shares

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

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

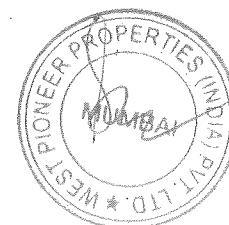
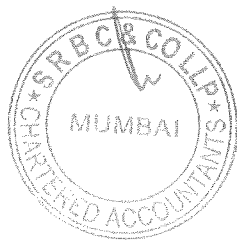
	As at 31st March 2015 ₹	As at 31st March 2014 ₹
<b>Winmore Leasing and Holdings Limited, the holding company</b>		
44,55,476 (31st March 2014: 44,55,476) Equity Shares of ₹10 each	4,45,54,760	4,45,54,760
2,20,88,333 (31st March 2014: 2,20,88,333) OCCRPS of ₹10 each	22,08,83,330	22,08,83,330
	<b>26,54,38,090</b>	<b>26,54,38,090</b>

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

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

	31st March 2015		31st March 2014	
	No.	% holding in the class	No.	% holding in the class
(i) Equity Shares of ₹10 each				
<b>Winmore Leasing and Holdings Limited, the holding company</b>	44,55,476	100.00%	44,55,476	100.00%
(ii) OCCRPS of ₹10 each fully paid				
<b>Winmore Leasing and Holdings Limited, the holding company</b>	2,20,88,333	99.99%	2,20,88,333	99.99%
(iii) Redeemable Preference Shares of ₹10 each				
<b>Banwarilal Jatia</b>	-	-	1,05,000	38.9%
<b>Amit Jatia (HUF)</b>	64,500	23.9%	-	-
<b>Surendra Kumar Mohatta</b>	55,000	20.4%	55,000	20.4%
<b>Gaurav Mohatta</b>	40,100	14.8%	40,100	14.8%
<b>Madhu Mohatta</b>	50,000	18.5%	50,000	18.5%
<b>Ishita Mohatta</b>	20,000	7.4%	20,000	7.4%
<b>West Leisure Resorts Limited</b>	15,000	5.6%	-	-
<b>Hawcoplast Investments &amp; Trading Ltd</b>	16,000	5.9%	-	-

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



4 Reserves and Surplus

	As at 31st March 2015 ₹	As at 31st March 2014 ₹
<b>Securities Premium</b>		
Balance as per the last financial statements	1,51,01,07,313	1,51,01,07,313
Amount received during the year	26,73,99,000	-
<b>Closing Balance</b>	<b>1,77,75,06,313</b>	<b>1,51,01,07,313</b>
<b>(Deficit) in the Statement of Profit and Loss</b>		
Balance as per last financial statements	(61,68,28,495)	(28,11,28,841)
(Loss) for the year	(8,35,64,301)	(33,56,99,654)
<b>Net (Deficit) in the statement of profit and loss</b>	<b>(70,03,92,796)</b>	<b>(61,68,28,495)</b>
<b>Total reserves and surplus</b>	<b>1,07,71,13,517</b>	<b>89,32,78,818</b>

5 Long-term borrowings

	As at Non current portion		As at Current Maturities	
	31st March 2015 ₹	31st March 2014 ₹	31st March 2015 ₹	31st March 2014 ₹
<b>Term loans</b>				
Indian rupee loan from banks (secured)	78,00,00,000	72,45,27,857	16,87,50,000	15,70,41,914
	<b>78,00,00,000</b>	<b>72,45,27,857</b>	<b>16,87,50,000</b>	<b>15,70,41,914</b>
<b>The above amount includes</b>				
Secured borrowings	78,00,00,000	72,45,27,857	16,87,50,000	15,70,41,914
Unsecured borrowings	-	-	-	-
Amount disclosed under the heads 'other current liabilities', (Refer Note 10)	-	-	(16,87,50,000)	(15,70,41,914)
<b>Net amount</b>	<b>78,00,00,000</b>	<b>72,45,27,857</b>	<b>-</b>	<b>-</b>

Term loans balance as at March 31, 2015 represents:

- (i) Term loan - Lease rental discounting (LRD) taken by the Company in September 2014. The rate of interest payable on this loan is equivalent to the base rate of the bank plus 1.6%. As at 31<sup>st</sup> March 2015 the rate of interest was 12.6%. The loan is secured by a first charge on the Kalyan shopping mall and hypothecation of lease receivables from said property. The loan is repayable from September 2014 to September 2024.

Schedule of repayment of loan is as under:

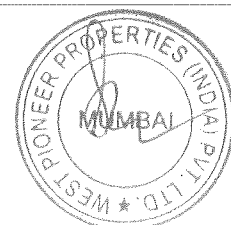
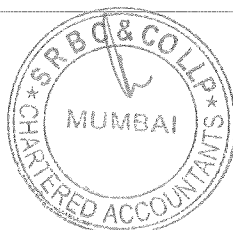
	31st March 2015 ₹	31st March 2014 ₹
Not later than one year	2,87,50,000	3,20,81,914
Later than one year but not later than five years	21,87,50,000	20,54,82,088
Later than 5 years	49,12,50,000	15,74,53,291
	<b>73,87,50,000</b>	<b>39,50,17,293</b>

- (ii) Term loan taken by the Company in September 2014. The rate of interest payable on this loan is equivalent to the base rate of the bank plus 2.75%. As at 31<sup>st</sup> March 2015 the rate of interest was 13.75%. The loan is secured by a first charge on the land, building and hypothecation of entire movable fixed assets of commercial plaza. Additionally an extension of first charge on Kalyan shopping mall. The loan is repayable from December 2015 to December 2016 in five equal quarterly installments.

Schedule of repayment of loan is as under:

	31st March 2015 ₹	31st March 2014 ₹
Not later than one year	14,00,00,000	12,49,60,000
Later than one year but not later than five years	7,00,00,000	36,15,92,478
Later than 5 years	-	-
	<b>21,00,00,000</b>	<b>48,65,52,478</b>
<b>Total</b>	<b>94,87,50,000</b>	<b>88,15,69,771</b>

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





6 Deferred taxes

	As at 31st March 2015 ₹	As at 31st March 2014 ₹
<b>Deferred tax liabilities</b>		
Differences between book and tax depreciation	10,95,99,789	10,15,52,009
Lease rentals taxable on receipt basis	18,36,209	19,99,920
	<u>11,14,35,998</u>	<u>10,35,51,929</u>
<b>Deferred tax assets</b>		
Provision for doubtful debts	97,69,713	1,29,29,443
Unabsorbed depreciation	10,95,99,789	10,15,52,009
Expenditure deductible on actual payment	6,05,760	4,29,137
	<u>11,99,75,262</u>	<u>11,49,10,589</u>
<b>Deferred tax assets</b>	<u>85,39,264</u>	<u>1,13,58,660</u>
Deferred tax assets/(liability) recognized	-	-

The projects of the Company are capital intensive and may not generate reasonable profits in the foreseeable future and hence the Company has not recognized Deferred Tax assets on carry forward losses.

7 Other long-term liabilities

	As at 31st March 2015 ₹	As at 31st March 2014 ₹
Retention Monies	70,22,183	67,36,566
<b>Others</b>		
Security deposits received	6,04,53,959	5,35,57,172
<b>Total</b>	<u>6,74,76,142</u>	<u>6,02,93,738</u>

8 Provisions

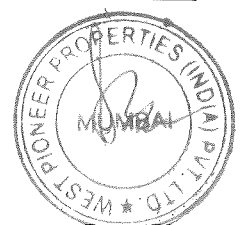
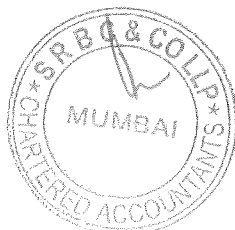
	As at 31st March 2015		As at 31st March 2014	
	Long term ₹	Short term ₹	Long term ₹	Short term ₹
<b>Provision for employee benefits</b>				
Provision for gratuity (Refer note 32)	18,76,830	83,557	13,61,617	27,177
	<u>18,76,830</u>	<u>83,557</u>	<u>13,61,617</u>	<u>27,177</u>

9 Short Term borrowings

	As at 31st March 2015 ₹	As at 31st March 2014 ₹
Interest @ 12.50 % (31st March 2014 - 15%) Loan from related parties repayable on demand (unsecured) (refer note 28)	5,38,00,000	4,73,00,000
	<u>5,38,00,000</u>	<u>4,73,00,000</u>

10 Other Current Liabilities

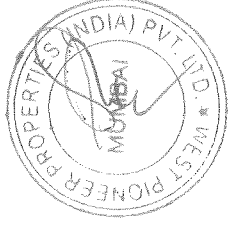
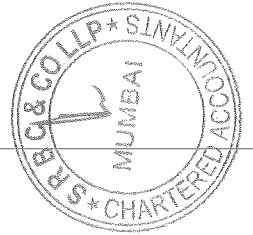
	As at 31st March 2015 ₹	As at 31st March 2014 ₹
Trade payables (Refer note 37 for details of dues to micro and small enterprises)	5,72,65,801	5,14,53,509
<b>Other liabilities</b>		
Current maturities of long-term borrowings (Refer note 5)	16,87,50,000	15,70,41,914
Amount payable to related party- Hardcastle & Waud Manufacturing Co. Ltd	-	17,00,00,000
Overdrawn bank balance - book debts	1,05,75,095	6,30,52,179
Capital creditors	15,36,644	14,80,680
Interest accrued but not due on borrowings	16,20,092	16,22,736
Security deposits received	48,66,136	1,70,52,593
Retention money	1,74,04,464	1,17,00,486
Revenue billed in advance	1,54,795	4,07,732
Advance from customer	3,89,60,956	3,03,39,061
Statutory dues payable	42,02,060	62,80,556
Salary Payable	42,88,554	26,99,301
Other payable (Mainly incl. facility money collected from the customers)	65,28,442	27,02,036
Advance towards Sale of Leasehold land	9,00,00,000	
Amount due to customer – unearned revenue on sale of property	10,72,86,822	13,17,31,178
	<u>45,61,74,060</u>	<u>59,61,10,452</u>
	<u>51,34,39,861</u>	<u>64,75,63,961</u>



West Pioneer Properties (India) Private Limited  
Notes to financial statements for the year ended 31st March, 2015

11 Tangible assets

	Computer	Office Equipment	Furniture & Fixtures	Freehold Land	Leasehold Land	Mall fitouts	Building	Vehicles	Plant & Machinery	Total
<b>Cost or valuation</b>										
At 1st April 2013	54,20,075	31,10,385	9,16,57,208	4,83,31,179	-	-	82,18,96,141	10,29,641	21,42,58,267	1,18,57,02,896
Additions	3,04,300	2,68,351	29,69,586	-	-	4,95,46,905	79,25,391	-	3,00,22,482	9,10,37,015
Disposals	(1,62,400)	-	-	-	-	-	-	(10,29,641)	(21,39,491)	(33,31,532)
At 31 March 2014	55,61,975	33,78,736	9,46,26,794	4,83,31,179	-	4,95,46,905	82,98,21,532	-	24,21,41,258	1,27,34,08,379
Additions	1,47,263	3,13,625	9,30,374	-	-	45,73,299	1,97,83,226	13,59,755	2,17,59,926	4,88,67,468
Transfer from Inventory to Asset	-	-	-	-	1,60,67,924	-	-	-	-	1,60,67,924
Disposals	-	-	-	-	-	-	(1,33,91,891)	-	-	(1,33,91,891)
At 31st March 2015	57,09,238	36,92,361	9,55,57,168	4,83,31,179	1,60,67,924	5,41,20,204	83,62,12,867	13,59,755	26,39,01,184	1,32,49,51,880
<b>Depreciation</b>										
At 1st April 2013	33,04,345	19,54,448	7,23,44,522	-	-	-	6,03,20,873	9,78,159	4,61,79,658	18,50,82,005
Charge for the year	6,32,148	3,50,197	1,50,27,786	-	-	28,63,629	1,72,94,279	-	1,02,65,889	4,64,33,928
Disposals	(1,62,400)	-	-	-	-	-	-	(9,78,159)	(5,21,911)	(16,62,470)
At 31 March 2014	37,74,093	23,04,645	8,73,72,308	-	-	28,63,629	7,76,15,152	-	5,59,23,636	22,98,53,463
Charge for the year	11,47,543	3,45,089	4,54,999	-	2,55,046	50,86,503	2,92,22,996	13,714	1,86,38,388	5,51,64,278
Disposals	-	-	-	-	-	-	(12,38,248)	-	-	(12,38,248)
At 31st March 2015	49,21,636	26,49,734	8,78,27,307	-	2,55,046	79,50,132	10,55,99,900	13,714	7,45,62,024	28,37,79,493
<b>Net Block</b>										
At 31 March 2014	17,87,882	10,74,091	72,54,486	4,83,31,179	-	4,66,83,276	75,22,06,380	-	18,62,17,622	1,04,35,54,916
At 31st March 2015	7,87,602	10,42,627	77,29,861	4,83,31,179	1,58,12,878	4,61,70,072	73,06,12,967	13,46,041	18,93,39,160	1,04,11,72,387
<b>Depreciation/Amortisation during the year ended 31st March, 2015 comprises</b>										
Charged to Statement of Profit & Loss	11,47,543	3,45,089	4,54,999	-	67,779	50,86,503	2,92,22,996	13,714	1,86,38,388	5,49,77,011
Capitalized to Capital Work in Progress	-	-	-	1,87,267	-	-	-	-	-	1,87,267
<b>Total</b>	11,47,543	3,45,089	4,54,999	1,87,267	2,55,046	50,86,503	2,92,22,996	13,714	1,86,38,388	5,51,64,278

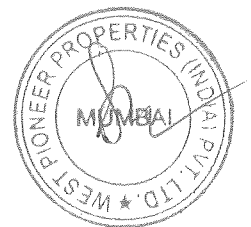
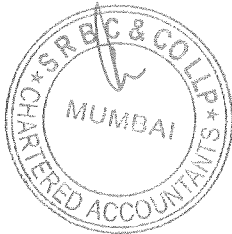


12 Intangible assets

	Computer software ₹	Total ₹
<b>Gross block</b>		
At 1st April 2013		
At 31st March 2014	18,73,130	18,73,130
Additions	18,73,130	18,73,130
At 31st March 2015	2,85,169	2,85,169
<b>Amortization</b>		
At 1st April 2013		
Charge for the year	17,89,423	17,89,423
At 31st March 2014	38,957	38,957
Charge for the year	18,28,380	18,28,380
At 31st March 2015	19,354	19,354
	18,47,734	18,47,734
<b>Net block</b>		
At 31st March 2014	44,750	44,750
At 31st March 2015	3,10,565	3,10,565

13 Loans and advances

	As at Non current		As at Current	
	31st March 2015 ₹	31st March 2014 ₹	31st March 2015 ₹	31st March 2014 ₹
<b>Security deposit</b>				
Unsecured, considered good	1,54,17,630	1,44,80,315	9,648	9,648
<b>Total</b>	<b>1,54,17,630</b>	<b>1,44,80,315</b>	<b>9,648</b>	<b>9,648</b>
<b>Loan and advances to related parties (Refer note 28)</b>				
Unsecured, considered good	26,83,810	11,13,810	-	-
<b>Total</b>	<b>26,83,810</b>	<b>11,13,810</b>	<b>-</b>	<b>-</b>
<b>Advances recoverable in cash or kind</b>				
Unsecured considered good	-	-	8,33,64,917	2,67,08,927
<b>Total</b>	<b>-</b>	<b>-</b>	<b>8,33,64,917</b>	<b>2,67,08,927</b>
<b>Other loans and advances – Unsecured considered good</b>				
Advance tax paid (net of provision of ₹ Nil (31st March 2014 ₹ Nil))	3,82,86,998	2,12,60,577	-	-
Balances with statutory/government authorities	-	-	62,042	1,41,96,519
Prepaid expenses	2,69,408	-	11,93,587	17,63,903
<b>Total</b>	<b>3,85,56,406</b>	<b>2,12,60,577</b>	<b>12,55,629</b>	<b>1,59,60,422</b>
<b>Total</b>	<b>5,66,57,846</b>	<b>3,68,54,702</b>	<b>8,46,30,194</b>	<b>4,26,78,997</b>



14 Trade Receivables

	As at 31st March 2015 ₹	As at 31st March 2014 ₹
<b>Current</b>		
<b>Outstanding for a period exceeding six months from the date they are due for payment</b>		
Secured, considered good	28,62,527	1,30,74,433
Unsecured, considered good	5,44,30,284	6,13,74,669
Doubtful	2,80,47,496	3,80,36,392
<b>Total</b>	<b>8,53,40,307</b>	<b>11,24,85,494</b>
Provision for doubtful receivables	(2,80,47,496)	(3,80,36,392)
<b>Total (A)</b>	<b>5,72,92,811</b>	<b>7,44,49,102</b>
<b>Other receivables</b>		
Secured, considered good	2,63,63,753	2,03,10,373
Unsecured, considered good	5,22,11,239	2,79,81,680
Doubtful	35,69,698	38,06,463
<b>Total</b>	<b>8,21,44,690</b>	<b>5,20,98,516</b>
Provision for doubtful receivables	(35,69,698)	(38,06,464)
<b>Total (B)</b>	<b>7,85,74,992</b>	<b>4,82,92,052</b>
<b>Total (A) + (B)</b>	<b>13,58,67,803</b>	<b>12,27,41,154</b>

Trade receivables include:

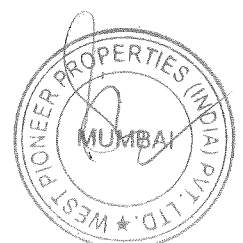
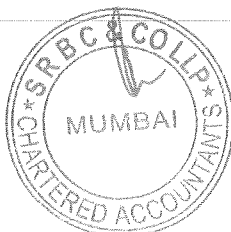
	Current 31st March 2015 ₹	31st March 2014 ₹
Dues from Hardcastle Restaurant Private Limited in which the Company's director is a director	30,89,444	53,74,547

15 Other Assets

	As at Non current		As at Current	
	31st March 2015 ₹	31st March 2014 ₹	31st March 2015 ₹	31st March 2014 ₹
<b>Unsecured considered good unless stated otherwise</b>				
<b>Fixed deposits (refer note 18)</b>	1,42,46,385	1,29,88,399	-	-
<b>Unamortised expenditure</b>				
Unamortised Ancillary borrowing cost	1,09,19,988	56,40,819	31,60,125	30,83,617
<b>Others</b>				
Accrued Income	-	-	59,42,424	64,72,235
Interest accrued on fixed deposits	-	-	2,15,291	11,03,817
Others	-	-	21,81,938	3,09,564
<b>Total</b>	<b>2,51,66,373</b>	<b>1,86,29,218</b>	<b>1,14,99,778</b>	<b>1,09,69,233</b>

16 Inventories

	As at 31st March 2015 ₹	As at 31st March 2014 ₹
Construction material	47,15,508	44,52,303
Construction work in progress	1,27,25,24,827	1,20,51,28,376
Stores and spares	4,24,535	5,61,948
<b>Total</b>	<b>1,27,76,64,870</b>	<b>1,21,01,42,627</b>



17 Current Investments

	As at 31st March 2015 ₹	As at 31st March 2014 ₹
<u>Current portion of long term investments (valued at cost unless stated otherwise)</u>		
<u>Investment in preference shares (unquoted)</u>		
Nil (31st March 2014: 334,500)		
Less: Written off	-	33,45,00,000
Investment in Hawcoplast Investments and Trading Limited - 1 equity share purchased	22	(30,10,50,000)
Birla Sun Life Cash Plus	1,45,515	-
UTI Money Market Fund	44,01,622	-
	<b>45,47,159</b>	<b>3,34,50,000</b>

18 Cash and bank balances

	As at Non current		As at Current	
	31st March 2015 ₹	31st March 2014 ₹	31st March 2015 ₹	31st March 2014 ₹
<b>Cash and cash equivalents</b>				
Cash on hand		-	5,16,854	2,15,734
<i>Balances with banks:</i>				
- On current accounts		-	94,17,287	1,72,79,120
		-	<b>99,34,141</b>	<b>1,74,94,854</b>
<b>Other bank balances</b>				
- Deposits with original maturity for more than 12 months *	1,42,46,385	1,29,88,399	-	-
- Margin money deposit **		-	81,65,891	75,00,000
	<b>1,42,46,385</b>	<b>1,29,88,399</b>	<b>81,65,891</b>	<b>75,00,000</b>
Amount disclosed under non current assets (Refer note 15)	(1,42,46,385)	(1,29,88,399)	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>1,81,00,032</b>	<b>2,49,94,854</b>

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

\*\*Margin money deposits given as security

Margin money deposits with a carrying amount of ₹10,00,000 (31st March 2014: ₹10,00,000) are subject to lien with Kalyan Dombivali Municipal Corporation.

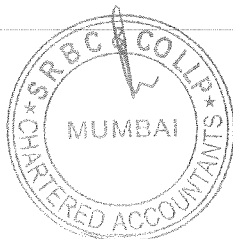
Margin money deposits with a carrying amount of ₹56,65,891 (31st March 2014: ₹50,00,000) are subject to lien with Chief Fire officer Aurangabad

Margin money deposits with a carrying amount of ₹5,00,000 (31st March 2014: ₹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 2014: ₹10,00,000) are subject to lien with Maharashtra Pollution Control Board, Aurangabad

19 Revenue from operations

	For the year ended 31st March 2015 ₹	For the year ended 31st March 2014 ₹
Sales- Property Development - (Refer Note 33)	18,67,61,162	23,52,35,654
Lease revenue	4,97,09,257	4,13,74,584
Lease straightlining	(5,29,811)	51,44,202
Revenue share	9,15,73,592	7,60,34,731
Other operating income	16,01,03,836	12,46,54,144
<b>Total</b>	<b>48,76,18,036</b>	<b>48,24,43,315</b>



20 Other Income

	For the year ended 31st March 2015	For the year ended 31st March 2014
	₹	₹
<b>Interest on</b>		
-- bank deposits	42,89,108	19,87,549
-- others	11,16,095	3,20,788
Dividend income on current investments	6,23,507	8,67,382
Other income	3,24,266	56,47,812
<b>Total</b>	<b>63,52,976</b>	<b>88,23,531</b>

21 Cost of construction of properties

	For the year ended 31st March 2015	For the year ended 31st March 2014
	₹	₹
Inventory at the beginning of the year	1,20,95,80,679	96,93,66,601
Add: Project related expenses	25,66,31,952	43,56,36,006
	1,46,62,12,631	1,40,50,02,607
Less: Inventory at the end of the year	1,27,72,40,335	1,20,95,80,679
<b>Cost of construction of properties</b>	<b>18,89,72,296</b>	<b>19,54,21,928</b>

**Details of cost of construction of properties**

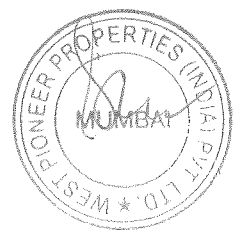
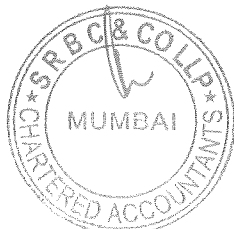
Development costs	1,30,89,468	96,78,040
Consultancy & Architect fees	65,61,205	80,39,209
Civil Work & Expenses to contractors	12,51,96,779	13,59,86,630
Miscellaneous expenses	4,41,24,844	4,17,18,049
<b>Total</b>	<b>18,89,72,296</b>	<b>19,54,21,928</b>

22 Employee benefits expense

	For the year ended 31st March 2015	For the year ended 31st March 2014
	₹	₹
Salaries, wages and bonus (net of capitalization and inventorised of ₹2,21,62,330 Previous year : ₹2,41,64,953)	4,88,42,480	4,55,48,366
Contribution to provident and other funds	15,53,292	14,90,239
Gratuity expense (Refer note 32)	10,27,753	3,64,791
Staff welfare expenses	5,57,638	5,44,523
<b>Total</b>	<b>5,19,81,163</b>	<b>4,79,47,919</b>

23 Other expenses

	For the year ended 31st March 2015	For the year ended 31st March 2014
	₹	₹
Power and fuel	11,33,06,946	8,99,95,779
Water charges	8,82,083	12,19,608
Rent	95,72,304	96,12,300
Rates and taxes	1,06,35,312	1,08,45,570
Insurance	13,61,956	18,51,353
Repairs and maintenance	2,19,88,546	1,66,93,991
Advertising and sales promotion	75,57,678	1,17,25,701
Brokerage and discounts	8,32,430	13,59,095
Travelling and conveyance	34,22,961	36,71,041
Communication costs	7,28,239	10,36,038
Printing and stationery	6,66,253	5,33,962
Legal and professional fees	28,71,065	28,74,250
Payment to auditors (Refer Note 36)	8,41,036	13,64,546
Utility management service charges	53,33,658	44,79,808
Security charges	1,00,83,339	97,05,604
Provision for doubtful debts (net)	(1,02,25,662)	50,53,098
Loss on sale of fixed assets	-	5,56,742
Assets written off	1,21,53,643	-
Miscellaneous expenses	37,84,107	37,29,197
<b>Total</b>	<b>19,57,95,894</b>	<b>17,63,07,683</b>



24 Depreciation and amortization expense

	For the year ended 31st March 2015	For the year ended 31st March 2014
	₹	₹
Depreciation of tangible assets	5,49,77,011	4,64,33,928
Amortization of intangible assets	19,354	38,957
<b>Total</b>	<b>5,49,96,365</b>	<b>4,64,72,885</b>

25 Finance costs

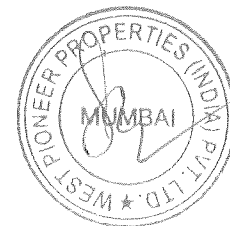
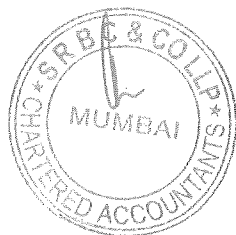
	For the year ended 31st March 2015	For the year ended 31st March 2014
	₹	₹
Interest Expense *	7,45,68,434	5,66,18,643
Bank charges	8,46,438	63,825
Amortization of ancillary costs	1,03,74,723	30,83,617
<b>Total</b>	<b>8,57,89,595</b>	<b>5,97,66,085</b>

\* Net of capitalisation of ₹4,93,93,208 (31st March 2014: ₹6,95,08,265)

26 Earnings Per Share

	31st March 2015	31st March 2014
<b>Total operations for the year</b>		
Loss after tax	(8,35,64,301)	(33,56,99,654)
Less: Preference share dividend and dividend distribution taxes	2,76,08,401	2,55,00,994
Loss attributable to equity shareholders	(11,11,72,702)	(36,12,00,648)
Weighted average number of shares	44,55,476	44,55,476
Basic & diluted earnings per share	(24.95)	(81.07)

Potential equity shares are anti-dilutive as their conversion to equity shares would increase/decrease profit/loss per equity share from continuing ordinary business activities. Therefore the effects of anti-dilutive potential equity shares have been ignored in computing the dilutive earnings per share.



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

Notes to financial statements for the year ended 31st March, 2015

**27 Segment Information**

*Business Segments :*

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

The company has defined its operations into four major businesses: Retail, Residential and office developments for sale and warehousing development. A description of the type of products and services provided by each reportable segment is as follows:

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

Residential segment include activities related to construction and sale of residential premises

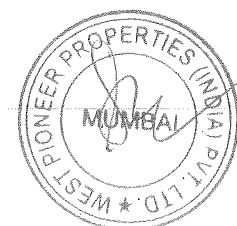
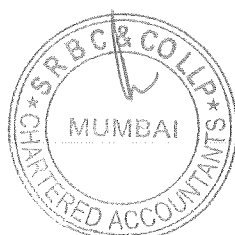
Office segment include activities related to construction and sale of commercial premises

Warehousing segment includes construction and sale of warehousing premises.

**Business Segments**

**Year ended 31st March, 2015**

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



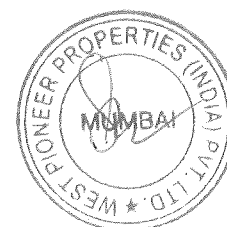
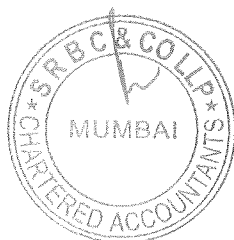


**West Pioneer Properties (India) Private Limited**

Notes to financial statements for the year ended 31st March, 2015

Year ended 31st March, 2014

	Retail	Inventory held for sale			Un allocable	Total
		Residential	Office	Warehousing		
<b>REVENUE</b>						
External sales	24,72,07,661	23,06,34,633	46,01,021			48,24,43,315
<b>Total revenue</b>	<b>24,72,07,661</b>	<b>23,06,34,633</b>	<b>46,01,021</b>			<b>48,24,43,315</b>
<b>RESULT</b>						
Segment result	5,73,51,416	3,53,86,931	(48,56,347)			8,78,82,000
Unallocated corporate expenses					7,15,89,100	7,15,89,100
<b>Operating profit</b>	<b>5,73,51,416</b>	<b>3,53,86,931</b>	<b>(48,56,347)</b>		<b>(7,15,89,100)</b>	<b>1,62,92,900</b>
Finance costs	4,35,60,398				1,62,05,687	5,97,66,085
Other Income	35,94,953	22,32,514			29,96,064	88,23,531
Income taxes						
Profit after tax from ordinary activities	1,73,85,971	3,76,19,445	(48,56,347)		(8,47,98,723)	(3,46,49,654)
Extraordinary item, net						
Net profit after tax	1,73,85,971	3,76,19,445	(48,56,347)		(8,47,98,723)	(3,46,49,654)
<b>OTHER INFORMATION</b>						
Segment assets	1,20,44,22,277	47,81,58,370	12,43,01,728	75,81,51,079		2,56,50,33,454
Unallocated corporate assets					7,48,92,974	7,48,92,974
<b>Total assets</b>	<b>1,20,44,22,277</b>	<b>47,81,58,370</b>	<b>12,43,01,728</b>	<b>75,81,51,079</b>	<b>7,48,92,974</b>	<b>2,63,99,26,428</b>
Segment liabilities	55,94,29,141	43,39,58,905	12,86,91,032	18,94,17,596		1,31,14,96,674
Unallocated corporate liabilities					16,95,77,676	16,95,77,676
<b>Total liabilities</b>	<b>55,94,29,141</b>	<b>43,39,58,905</b>	<b>12,86,91,032</b>	<b>18,94,17,596</b>	<b>16,95,77,676</b>	<b>1,48,10,74,350</b>
Tangible assets	8,04,47,044	1,02,53,721			3,36,250	9,10,37,015
Intangible assets						
Capital expenditures						
Depreciation	4,52,16,353	7,23,749			5,32,783	4,64,72,885
Amortization						



28 Related party disclosures

Related Parties: Names of related parties and relationships:

A Enterprise where control exists

**Holding company** Winmore Leasing and Holdings Ltd.  
Uptill 19th March 2014 -  
Holding company : West Brick Investment Limited, Mauritius  
Ultimate holding company: West Pioneer Properties Limited, BVI

**Fellow Subsidiary** Westfield Entertainment (P) Ltd. (uptill 19th March 2014)

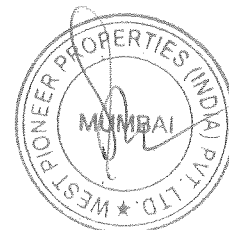
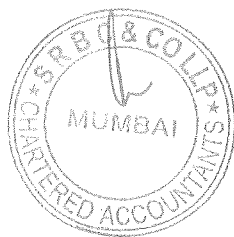
B **Individual exercising control over the Company** Usha Devi Jatia  
Amit Jatia – Chairman of West Pioneer Properties Limited, BVI (uptill 19th March 2014)

Related Parties with whom transactions have taken place during the year

A **Relatives of Individual exercising control over the Company** Banwarilal Jatia, Banwarilal Jatia (HUF), Amit Jatia, Amit Jatia (HUF), Ayush Jatia

B **Companies in which Individual and relatives of Individual exercise control/significant influence** Hardcastle Restaurants Private Limited  
Hardcastle Waud & Manufacturing Co. Limited  
Westpoint Leisurereparks Private Limited - Merged with Westlife Development Limited w.e.f. 23rd July 2013.  
Triple A Foods Private Limited- Merged with Westlife Development Limited w.e.f. 23rd July 2013.  
West Leisure Resorts Limited - Demerged from Westlife Development Limited w.e.f. 23rd July 2013.  
Vishwas Investment & Trading Company Private Limited.  
Westlife Development Limited  
Anand Veena Twisters Private Limited  
Concept Highland Business Private Limited  
Houghton Hardcastle (India) Limited  
Inox Leisure Limited  
Westfield Entertainment Private Limited

C **Key Management Personnel** Ajay Gupta – Chief Executive Officer (CEO)



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

1 Enterprise where control exists

Particulars	West Pioneer Properties Limited, BYI (Esteeble holding company) Up till 19th March 2014	
	2014-15	2013-14
Reimbursement of Expenses (Receipt)	3,09,564	-
Amount due from/(to) related party	-	3,09,564

2 Transactions with individual and relatives of individual exercise control over the Company

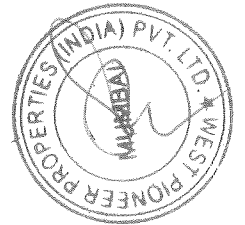
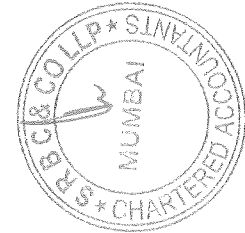
Particulars	Amit Jatin (Son of Usha Devi Jatin)		Banwarilal Jatin (HUF)		Usha Devi Jatin		Ayush Jatin (Son of Amit Jatin)	
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14
Reimbursement of Foreign travel expenses	-	42,776	-	-	-	-	-	-
Loan Given by	-	1,50,00,000	-	-	-	9,03,00,000	-	3,25,00,000
Loan Repaid to	-	1,50,00,000	-	-	-	4,53,00,000	-	3,25,00,000
Interest paid	-	6,53,425	-	-	-	84,042	-	4,40,733
Amount received towards preference shares, fully paid up (Refer note 3)	-	-	10,49,47,500	52,500	-	-	-	-
Payment of Fiat	-	-	-	14,79,042	59,16,168	-	-	-
Amount due from/(to) related party	-	-	3,70,572	(2,25,273)	-	4,59,33,353	-	-

3 Companies in which Individual exercises significant control/significant influence:

Particulars	Concept Highland Business Private Limited		Houghton Hardcastle (India) Limited		Hardcastle Restaurants Private Limited		Hardcastle & Waud Manufacturing Co. Ltd.		Vishwas Investment & Trading Company Private Limited		Westpoint Leisuresparks Private Limited		West Leisure Resort Private Limited		Innox Leisure Limited		Westlife Development Ltd		Triple A Foods Private Limited		Westfield Entertainment Private Limited		
	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	2014-15	2013-14	
Loan Given by	-	-	-	-	-	-	-	-	7,00,000	1,70,00,000	-	-	-	-	-	-	-	-	-	-	-	-	
Loan Repaid to	-	-	-	-	-	-	-	-	27,00,000	1,50,00,000	-	-	-	-	-	-	-	-	-	-	-	-	
Interest expenses	-	-	-	-	-	-	-	-	50,251	10,99,315	-	-	-	-	-	-	-	-	-	-	-	-	
Interest Income	22,52,274	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Loan Given to	4,00,00,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Loan Repaid by	20,00,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Share Application Money-Read	-	-	-	6,00,00,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Share Application Money-Paid	-	-	-	6,00,00,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Receipt of Deposit for premises leased	-	-	41,25,208	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Receipt of license fees for premises leased	-	-	55,52,506	48,83,675	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Common Area maintenance charges for premises leased	-	-	17,21,040	15,99,384	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Reimbursement of Expenses (Payment)	-	-	92,19,769	84,52,581	-	-	-	-	16,19,776	13,32,341	-	-	-	-	-	-	-	-	-	-	-	-	
Provision for doubtful debt expenses for the period	-	-	(10,83,000)	13,16,462	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Provision for doubtful debt as at	-	-	14,94,581	25,27,334	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Expenses - Reimbursement	-	-	42,82,082	25,43,738	-	-	15,40,959	15,07,492	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Payment made towards Land and reversionary right related to existing leasehold land	-	-	-	-	-	-	17,00,00,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Security deposit received	-	-	-	-	-	-	-	-	-	46,33,000	-	-	-	-	-	-	-	-	-	-	-	-	
Purchase of J equity share of Hancock Investment & Trading Limited	-	-	-	-	-	-	-	-	22	-	-	-	-	-	-	-	-	-	-	-	-	-	
Purchase of construction materials	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Procurement of materials	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,25,240	
Amount due from/(to) related party	4,00,27,047	-	(35,35,764)	28,45,396	-	-	(17,00,00,000)	-	-	29,89,383	-	-	-	-	-	-	-	-	-	-	-	14,28,592	
																							28,38,701
																							11,13,810

4 Key Management Personnel

Particulars	Ajay Gupta	
	2014-15	2013-14
Remuneration	97,42,480	1,02,78,476
Advance Received	-	20,00,000
Amount due from/(to) related party	(20,00,000)	(20,00,000)



29 Leases

Company as lessee

The company has entered into operating lease arrangement in respect of office premises. The leases for the office premises are for a total period's of 9 years. These leases have non-cancellable lease terms of 3 years and include a clause to enable upward revision of the rental charge every 3 years, if the lease is renewed.

Future minimum rentals payable under non cancellable operating leases at 31<sup>st</sup> March 2015 are as follows:

	31st March 2015	31st March 2014
	₹	₹
Not later than one year		
Later than one years but not later than five years	2,55,807	61,39,356
Later than 5 years	-	2,55,807
<b>Total future minimum payments</b>	<b>2,55,807</b>	<b>63,95,163</b>

Company as lessor

The Company has entered into agreed Heads of Terms and registered agreements with retailers in respect of its mall in Kalyan. These leases have non-cancellable lease terms of approximately 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 2015	31st March 2014
	₹	₹
Not later than one year		
Later than one years but not later than five years	3,96,34,876	3,15,86,287
Later than 5 years	2,32,59,272	4,55,27,052
<b>Total future minimum payments</b>	<b>6,28,94,148</b>	<b>7,71,13,339</b>

30 Capital work in progress

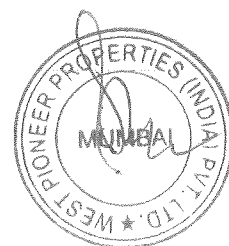
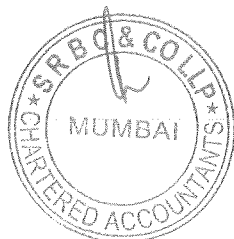
Capital work in progress includes expenditure incurred during the implementation period for bringing the project in the condition of its intended use. Capitalisation is done in the ratio of phased implementation. The following expenditure is carried forward as capital work in progress.

	31st March 2015	31st March 2014
	₹	₹
Civil work(including Material)		
Consultancy	6,08,37,342	6,36,49,057
Other costs directly related to construction	21,88,673	24,07,400
Employee costs	71,24,989	29,59,981
Land/development cost	1,08,31,521	73,41,133
Other overheads	39,45,484	37,58,218
	2,13,84,101	1,57,50,188
<b>Capitalized borrowing costs</b>	<b>10,63,12,110</b>	<b>9,58,65,977</b>

The borrowing cost capitalized during the year ended 31st March 2015 was ₹ 6,997,230 (31st March 2014: ₹ 13,599,773) and is part of capital work-in-progress (CWIP) and fixed assets.

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

	31st March 2015	31st March 2014
	₹	₹
Contract Revenue recognised during the year	18,67,61,162	23,47,27,654
Aggregate cost incurred and recognized profits (less recognized losses) up to the reporting date	1,30,63,37,633	1,11,95,76,471
Amount of customer advances outstanding for contracts in progress	2,14,46,995	1,42,17,353
Due to customers	10,72,86,822	13,17,31,178



32 **Gratuity and other post-employment benefit plans:**

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

**Statement of Profit and Loss**

Net employee benefit expense recognised in employee cost

	31st March 2015	31st March 2014
	₹	₹
Current service cost	4,20,922	4,82,652
Interest cost	1,29,297	1,01,825
Net actuarial loss / (gain) to be recognized	4,77,534	(2,19,686)
<b>Expense recognised in the Statement of Profit &amp; Loss (Refer note 22)</b>	<b>10,27,753</b>	<b>3,64,791</b>

**Balance Sheet**

**Benefit liability**

Present Value of defined benefit obligation

**Benefit liability**

19,60,387	13,88,794
<b>19,60,387</b>	<b>13,88,794</b>

**Changes in the present value of the defined benefit obligation are as follows:**

Opening defined benefit obligation	13,88,794	12,34,275
Interest cost	1,29,297	1,01,825
Current service cost	4,20,922	4,82,652
Benefits paid	(4,56,160)	(2,10,272)
Actuarial loss / (gain) on obligation	4,77,534	(2,19,686)
Closing defined benefit obligation	<b>19,60,387</b>	<b>13,88,794</b>

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

	2015	2014
Discount rate	7.92%	9.31%
Future salary increases	5.00%	5.00%
Employee turnover	5.00%	2.00%
Expected return on Plan Assets	0%	0%

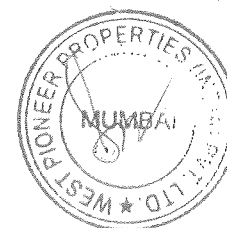
The Company evaluates these assumptions annually based on its long-term plans of growth and industry standards. The unrecognized net actuarial loss / (gain) at 31st March 2015 is ₹4,77,534 : 31st March 2014 ₹(2,19,686).

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

	2015	2014	2013	2012	2011
<b>Gratuity</b>					
Defined benefit obligation	19,60,387	13,88,794	12,34,245	25,32,127	23,56,142
Experience adjustment on plan liabilities	1,31,588	(37,446)	19,575	1,42,549	(2,09,179)
Experience adjustment on plan assets	-	-	-	-	-

33 **Revenue from Sales - Property development**

Revenue from Sales - Property development is continued to be recognized after considering commitment from the Buyers and execution of application forms over and above duly signed agreements. The amounts disclosed in Note 19 are net of reversal of revenue recognized in the earlier years to the extent of ₹ 1,94,76,208 on account of cancellation of commitment by Buyers and includes ₹ 1,74,17,320 on account of revenue during the year. Accordingly, the cost of construction booked in the earlier years has also been reversed to the extent of ₹ 1,32,51,460.



34 **Service Tax**

**Cenvat credit**

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

**Service Tax Liability**

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

- a. The members of RAI/Petitioners deposit 50% of the arrears of service tax amount due as on 30th September 2011 within 6 months in three equated installments.
- b. For the balance 50%, the petitioners/each member of RAI is to furnish surety to the satisfaction of the jurisdiction commissioner and also file an individual affidavit in the Supreme Court undertaking to pay the balance arrears of service tax.
- c. The successful party shall be entitled to interest on the amount stayed by the Court at the rate as may be directed at the time of final disposal of the matter.

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

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

WPPIPL has been made a formal party in those cases and does not believe that the proceedings will have a material adverse impact on the Group.

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

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

35 **Contingencies and Capital commitments**

Contingencies	31st March 2015	31st March 2014
	₹	₹
<b>a. Contingent Liabilities not provided for</b>		
Claims against company not acknowledged as debts	20,00,000	20,00,000
Suit for injunction was filed before the Delhi High Court against WPPIPL inter alia praying for injunction restraining us from using the word "METRO". The company has filed an application under Order 7 Rule 11 for rejection of plaint.		
Company is contesting the claims and does not believe that the proceedings will have a material adverse impact on the company.		

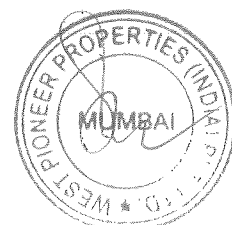
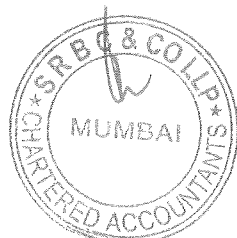
**b. Other claims**

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

Being aggrieved by the aforesaid order of SDO, the petitioners have filed an appeal before the appellate authority (Dy. Collector), Thane. That Appeal has also been dismissed. The petitioners have then filed a lawsuit in Kalyan Court against the appellate order. Since HAWCO had granted leasehold rights in respect of Kalyan Land in favour of company, it has been made a party in the said lawsuit. The said lawsuit is pending and there is no injunction against company in the matter.

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

- ii) WPPIPL is developing a commercial complex called Metro Plaza at Netivali Kalyan. A group of Customers of Metro Plaza units have filed 4 consumer cases against WPPIPL before the State Consumer Forum inter alia disputing the areas of the units as well as the % of loading to be charged on each unit. WPPIPL has filed their written statements in the matter and the matters are now kept for filing affidavits of evidence.



iii) SDR Clothing Co Pvt. Ltd. (Lanos) had taken on Leave and License basis premises at Metro Junction Mall , Kalyan

Disputes arose between the parties and vide its letter dated 26th May 2011, Lanos has shut down its business and terminated the Leave and License agreement. Company demanded outstanding dues of ₹726,985. However, Lanos declined to pay and requested company to refer the matter for arbitration.

The parties have filed consent terms in the Arbitration Petition No. 705 of 2012 and the Hon'ble Bombay High Court vide its order dated 28th January 2015, has disposed off the said Arbitration Petition. Pursuant to which SDR Clothing Co Pvt. Ltd. has handed over vacant possession of the said premises to WPP IPL. As per the said consent terms, parties have agreed to start the arbitration de-novo.

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

c. **Cumulative Preference Dividend Arrears**

	31st March 2015	31st March 2014
Cumulative Preference Dividend Arrears	₹ 15,83,45,788	₹ 13,62,57,440

**Capital Commitments**

**Particulars**

	31st March 2015	31st March 2014
Estimated amount of contracts remaining to be executed on capital account and not provided for	₹ 1,31,29,043	₹ 69,26,733
Other commitments*	11,83,37,820	12,50,92,442
<b>Total</b>	<b>13,14,66,863</b>	<b>13,20,19,175</b>

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

36 **Supplementary Statutory Information**

36.1 **Expenditure in foreign currency (Accrual Basis)**

	31st March 2015	31st March 2014
Travelling Expenses	-	4,29,065

36.2 **Payments to Auditors:**

a) As Auditors (excluding Service Tax)		
b) As Advisor, or in any capacity, in respect of	8,00,000	13,35,000
i) taxation matters		
ii) company law matters		
iii) management services and		
c) In any other manner - Out of pocket expenses	41,036	29,546

**Total**

<b>8,41,036</b>	<b>13,64,546</b>
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37 **Micro, Small and medium Enterprises Development Act, 2006**

Based on the information available with the Company, no dues are outstanding to Micro, Small and Medium enterprises as on 31<sup>st</sup> March, 2015.

38 **Previous Year Comparatives**

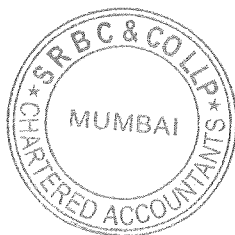
The Company has regrouped and reclassified previous year figures to conform to this year's classification.

As per our report of even date

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



per Jayesh Gandhi  
Partner  
Membership No.: 37924  
Place: Mumbai  
Date : 29th May 2015



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



OP Adukia      Anil Gupta      Sundeep Kumar      Foram Desai  
Director      Director      CFO      CS  
DIN No. 00017001      DIN No. 00060720  
Place: Mumbai  
Date : 29th May 2015

