

Hagwood Commercial Developers Private Limited

Annual Accounts for the Year Ended 31st March, 2015

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2nd Floor, Sahar Road,
Near Andheri Station,
Andheri (East),
Mumbai - 400 069. India

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INDEPENDENT AUDITOR'S REPORT

To the Members of Hagwood Commercial Developers Private Limited,

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

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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 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 the 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 operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the 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.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015, and its profit 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 a statement on the matters specified in the 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 purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (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 26 (A)(iii) 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 G C O & Co.

Chartered Accountants

Firm's Registration No. 112081W

Shyamratan Singrodia

Partner

Mem. No. 49006



Place: Mumbai

Date: 19th May, 2015

Annexure to the Independent Auditors Report

The Annexure referred to in Paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" in our Independent Auditor's Report to the members of the Company for the year ended 31st March, 2015.

As required by the Companies (Auditors Report) Order, 2015 and according to the information and explanations given to us during the course of the audit and on the basis of such checks of the books and records as were considered appropriate we report that:

- (i) a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- b) The Fixed Assets have been physically verified by the management during the year. In our opinion the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies have been noticed on such physical verification.
- (ii) a) The inventories comprises of Construction Work-in-Progress which includes expenses attributable to the Project. Considering the nature of construction work and the manner in which the same is carried out, we are of the opinion that verification of such expenses and records maintained at sites are adequate and proper. The Construction Work-in-Progress is recognised based on such verification. In our opinion, the procedure of continuous verification by the management and the records maintained are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (iii) The Company has not granted any loans to the parties covered in the register maintained under Section 189 of the Act. Hence paragraph 3 (iii) (a) and (b) of the said Order are not applicable to the Company.
- (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 with regard to purchase of inventories and fixed assets and for the sale of goods. We have not observed any major weakness in the internal control system during the course of the audit.
- (v) The Company has not accepted any deposits from the public.
- (vi) As per explanation & information given to us, the Company has maintained the cost record as



prescribed by the Central Government under subsection (1) of Section 148 of the Act. However the same have not been reviewed by us.

- (vii) a) Accordingly to the records of the Company, the undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty and Cess wherever applicable have regularly been deposited with the appropriate authorities except for the slight delays in some cases of TDS and Service tax. There are no undisputed amount payable in respect of such statutory dues which have remained outstanding as at 31st March, 2015 for a period more than six months from the date they became payable except ESIC and Provident Fund amounting to Rs 0.13 Lakhs and Rs 3.01 Lakhs respectively.

- b) According to the records of the Company, Income Tax, Wealth Tax, Sales Tax, Service Tax, Custom Duty, Excise Duty and Cess which have not been deposited on account of any dispute with the relevant authorities are given below:

Name of Statute	Amount (Rs. in lakhs)	Period to which amount relates	Forum where dispute is pending
Income Tax	6.59	2008-09 to 2012-13	ITAT (Appeals)

- c) According to the information and explanations given to us, there is no amount required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder.

- (viii) The Company has no accumulated losses at the end of the financial year and it has not incurred any cash losses during the financial year but has incurred cash losses in the immediately preceding financial year.
- (ix) The Company has no facilities from banks, financial institutions and debenture holders.
- (x) The Company has not given any guarantee for loans taken by others from banks and financial institutions.
- (xi) The Company has not obtained any term loans during the year under report.



SGCO & Co.
Chartered Accountants

- (xii) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of any fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

For S G C O & Co.

Chartered Accountants

Firm's Registration No. 112081W

Shyamratan Singrodia

Partner

Mem. No. 49006



Place : Mumbai

Date: 19th May, 2015

Balance Sheet as at 31st March, 2015

(Rs. in Lakhs)			
Particulars	Notes	As at 31.03.2015	As at 31.03.2014
EQUITY AND LIABILITIES			
Shareholder's Funds			
Share capital	2	1,541.50	1,541.50
Reserves and surplus	3	21,209.91	20,830.35
		22,751.41	22,371.85
Non - current Liabilities			
Long - term Borrowings	4	9.26	13.04
Long - term provisions	5	0.14	-
		9.40	13.04
Current Liabilities			
Short - term borrowings	6	236.09	58.23
Trade payables	7	978.70	477.58
Other current liabilities	8	995.03	1,918.95
Short - term provisions	9	96.81	119.96
		2,306.62	2,574.72
Total		25,067.43	24,959.61
ASSETS			
Non - current assets			
Fixed assets			
Tangible assets	10	8,770.58	5,470.83
Capital work in progress	11	130.22	-
Non - current Investment	12	5,600.00	5,600.00
Deferred tax assets	13	1.92	0.16
Long - term loans and advances	14	758.64	1,642.11
		15,261.36	12,713.10
Current Assets			
Current investments	15	-	54.27
Inventories	16	8,045.47	11,718.82
Trade Receivables	17	500.83	-
Cash and bank balances	18	23.57	31.37
Short - term loans and advances	19	1,236.19	442.05
		9,806.07	12,246.51
Total		25,067.43	24,959.61
Significant Accounting Policies	1		
Accompanying Notes to Accounts	26		

As per our attached report of even date

For S G C O & Co.
Chartered Accountants

Shyamratan Singrodia
Partner
Mem No. 49006



For and on behalf of the Board

Managing Director

Chief Finance Officer

Director

Company Secretary

Place : Mumbai
Date : 19th May, 2015



Place : Mumbai
Date : 19th May, 2015

Hagwood Commercial Developers Private Limited

Statement of Profit & Loss for the year ended 31st March, 2015

(Rs. in Lakhs)			
Particulars	Notes	Year Ended 31.03.2015	Year Ended 31.03.2014
INCOME			
Revenue from operations	20	2,526.55	-
Other income	21	43.37	21.13
Total Revenue		2,569.92	21.13
EXPENSES			
Cost of Residential Project	22	1,974.59	-
Employee benefits expense	23	38.07	10.32
Depreciation	10	11.09	7.57
Other expenses	24	160.83	84.61
Total Expenses		2,184.58	102.50
Profit / (Loss) before tax		385.34	(81.37)
Less : Tax Expense			
Current tax (MAT)		82.85	-
MAT Credit Entitlement		(75.30)	-
Deferred tax liability/ (asset)		(1.76)	(0.35)
Tax of earlier years		-	1.98
		5.79	1.63
Profit / (Loss) for the year		379.55	(83.00)
Earning per equity share	25		
(Nominal value of share Rs. 10 (PY Rs. 10) : Basic		2.46	(0.54)
: Diluted		2.46	(0.54)
Significant Accounting Policies	1		
Accompanying Notes to Accounts	26		

As per our attached report of even date

For S G C O & Co.
Chartered Accountants

Shyamratan Singrodia
Partner
Mem No. 49006

Place : Mumbai
Date : 19th May, 2015


For and on behalf of the Board

Managing Director

Chief Finance Officer

Place : Mumbai
Date : 19th May, 2015

Director

Company Secretary

Cash Flow Statement for the year ended 31st March, 2015

		(Rs. In Lakhs)	
Particulars	Year ended 31.03.2015	Year ended 31.03.2014	
A. Cash Flow from Operating Activities:			
Net Profit/(Loss) before tax and before extraordinary items	385.34	(81.37)	
Adjustments for :			
Depreciation	11.09	7.57	
Dividend income on current investments	(1.33)	(4.06)	
Interest income on short term loans and advances	(41.05)	(16.28)	
Operating profit before working capital changes	354.05	(94.14)	
Movements in Working Capital :			
Increase/(Decrease) in Long term provisions	0.14	(1.55)	
Increase/(Decrease) in Short-term provisions	(99.05)	110.71	
Increase/(Decrease) in Other current liabilities	(923.92)	1,107.30	
Increase/(Decrease) in Trade payables	501.12	132.71	
Decrease/(Increase) in Inventories	232.29	(1,570.39)	
Decrease/(Increase) in Trade Receivables	(500.83)	0	
Decrease/(Increase) in Other receivables and current assets	1,196.95	36.36	
Net Cash from operating activities	760.75	(279.00)	
Direct taxes paid	(6.64)	(2.71)	
Net Cash from operating activities	754.11	(281.71)	
B. Cash Flow from Investing Activities:			
Purchase of fixed assets	-	(31.45)	
Sale of current investments	54.27	246.07	
Movement in loans and advances	(1,032.63)	(28.40)	
Redemption / maturity of bank deposits	(0.84)	(10.71)	
Dividends	1.33	4.06	
Interest income on short term loans and advances	41.05	16.28	
Net Cash used in investment activities	(936.82)	195.85	
C. Cash Flow from Financing Activities:			
Proceeds from short term borrowings	177.86	58.23	
Proceeds/(Repayment) of long term borrowings	(3.78)	13.04	
Net Cash used from financing activities	174.08	71.27	
Net increase in cash and cash equivalents	(8.64)	(14.59)	
Cash and Cash equivalents (Opening)	20.66	35.25	
Cash and Cash equivalents (Closing)	12.02	20.66	



Cash Flow Statement for the year ended 31st March, 2015

(Rs. in Lakhs)

Notes :

- 1 Cash and Cash Equivalents at the end of the year consists of cash in hand and balances with banks are as follows :

Particulars	(Rs. in Lakhs)	
	As at 31.03.2015	As at 31.03.2014
Cash in Hand	1.66	15.76
Balances with Bank	10.36	4.90
	12.02	20.66

- 2 Previous year's figures have been regrouped / rearranged wherever necessary in order to conform to current year's presentation.

As per our report of even date attached

For S G C O & Co.
Chartered Accountants

Shyamratan Singrodia

Shyamratan Singrodia

Partner

Mem No. 49006

Place : Mumbai

Date : 19th May, 2015



For and on behalf of the Board

[Signature]
Managing Director

[Signature]
Chief Finance Officer



Place : Mumbai

Date : 19th May, 2015

[Signature]

Director

[Signature]
Company Secretary

Corporate Information:

Hagwood Commercial Developers Private Limited (the Company) is a company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is engaged in the business of developing, owning and operating of Shopping Malls, Commercial and Residential Premises.

Note 1: Significant Accounting Policies & Notes on Accounts

a) Basis of Accounting:

- i. The Financial Statements have been prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis and in compliance with all the mandatory accounting standards as prescribed under Section 133 of the Companies Act 2013 ('Act') read with Rule 7 of the Companies (Accounts) rules, 2014.
- ii. Financial Statements are based on historical cost convention and are prepared on accrual basis

b) Use of Estimates :

The preparation of financial statements in conformity with Generally Accepted Accounting Principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the financial statements and the reported amounts of revenues and expenses during the reporting period.

Difference between actual results and estimates are recognized in the periods in which the results are known/ materialize.

c) Provisions and Contingent Liabilities:

The Company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.



d) Revenue Recognition:

- i. The Company follows the Percentage of completion method for the accounting of revenue from construction projects. Under this method the Company recognizes revenue in proportion to the actual cost incurred as against the total estimated cost of the project under execution subject to completion of construction work to a certain level depending on the type of the project.
 - Land & TDR cost is not included in computing the Percentage of Project Completion for recognizing revenue.
 - Revenue is recognized either on execution of an agreement or a letter of allotment.
 - The estimates relating to percentage of completion, cost to completion, saleable area, etc being of a technical nature are revised periodically by the management and are considered as change in estimates and accordingly, the effect of such changes in estimates is recognized in the period in which such changes are determined.
- ii. Revenue is recognized when it is earned and no significant uncertainty exists as to its realization or collection.
- iii. Interest is recognised on a time proportion basis as taking in to account the amount outstanding and the rate applicable.
- iv. Dividend income is recognised when the right to receive payment is established.

e) Fixed Assets:

Fixed Assets are stated at cost less accumulated depreciation and impairments loss, if any. Cost comprises the purchase price and any attributable cost of bringing the assets to its working condition for intended use. Indirect preoperative expenses and borrowing costs attributable to construction or acquisition of Fixed Assets for the period up to the completion of construction or acquisition of Fixed Assets are capitalised.

f) Depreciation:

- i. No depreciation is provided on Freehold Land.
- ii. Depreciation on Fixed Assets is provided on 'Written down value method' based on useful life of assets and in the manner specified in the Schedule II of the Companies Act, 2013.



g) Inventories:

Construction work in progress includes cost of land, premium for development rights, construction cost, borrowing cost and other allocated overheads incidental to the projects undertaken by the company.

h) Miscellaneous Expenditure:

Preliminary Expenses are being amortised in the year in which they are incurred.

i) Expenditure during construction period:

- i. Expenditure of capital nature incurred during construction period in respect of a Project being executed by the Company is grouped under Capital work in progress. Such Expenditure would be capitalized upon the commencement of commercial operations of the Project.
- ii. Incidental expenditure during construction period pending allocation included in capital work in progress represents expenditure incurred in connection with the Project which is intended to be capitalized to the Project. Expenditure not attributable to project, are charged to Revenue Account.
- iii. Common Expenditure is allocated to project cost on certain basis as Considered appropriate by the Management.

j) Impairment of Fixed Asset:

As at the end of each year, the Company determines whether a provision should be made for Impairment loss on fixed asset by considering the indication that an impairment loss may have occurred in accordance with Accounting Standard 28 on "Impairment of Assets". Where the recoverable amount of any fixed asset is lower than its carrying amount, a provision for impairment loss on fixed asset is made for the difference.

k) Investments:

Investments that are intended to be held for more than a year, from the date of acquisition, are classified as long term investment and are carried at cost less any provision for diminution in value other than temporary. Investments other than long term investments being current investments are valued at cost or fair value whichever is lower.



l) Borrowing Costs:

Borrowing costs are recognised as expenses in the period in which they are incurred except the borrowing cost attributable to the acquisitions\ constructions of qualifying assets which are capitalised as a part of the cost of the fixed assets, upto the date the assets are ready for its intended use.

m) Retirement Benefits:

- i. Company's contribution to Provident Fund and Other Funds for the year is accounted on accrual basis and charged to the statement of Profit & Loss.
- ii. Liability for Leave Encashment Benefits has been provided on accrual basis.
- iii. Retirement benefits in the form of Gratuity are considered as defined benefit obligations and are provided on the basis of the actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet.

n) Foreign Currency Transactions:

- i. The transactions in foreign currencies on revenue accounts are stated at the rate of exchange prevailing on the date of transaction.
- ii. The difference on account of fluctuation in the rate of exchange, prevailing on the date of transaction and the date of realisation, are recognised in the Profit & Loss Account
- iii. Differences on translation of Current Assets & Current Liabilities remaining unsettled at the year- end are recognised in the Profit & Loss Account.
- iv. The premium in respect of foreign exchange contract is amortised over the life of the contract. The net gain or losses on account of any exchange difference, cancellation or renewal of such forward exchange contract are recognised in the Profit & Loss Account in the reporting period.

o) Accounting for Taxation on Income :

Current Taxes

Provision for current income-tax is recognized in accordance with the provisions of Indian Income- tax Act, 1961 and is made annually based on the tax liability after availing credit for tax allowances and exemptions.



Hagwood Commercial Developers Private Limited

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

Deferred Taxes

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to timing differences that result between the profits offered for income taxes and the profits as per the financial statements. Deferred tax assets and liabilities are measured using the tax rates and the tax laws that have been enacted or substantially enacted at the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in the future. Deferred Tax assets are reviewed as at each Balance Sheet date.



Note 2 : Share capital

(Rs. in Lakhs)

Particulars	As at 31.03.2015	As at 31.03.2014
Authorised Capital 160.00 Lakhs Equity Shares of Rs.10 each	1,600.00	1,600.00
Issued, Subscribed and Fully Paid Up 154.15 Lakhs Equity Shares of Rs.10 each fully paid up	1,541.50	1,541.50
	1,541.50	1,541.50

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

Particulars	As at 31.03.2015		As at 31.03.2014	
	No. in lakhs	Rs. in lakhs	No. in lakhs	Rs. in lakhs
Equity Shares				
At the beginning of the year	154.15	1,541.50	154.15	1,541.50
Issued during the year	-	-	-	-
Outstanding at the end of the year	154.15	1,541.50	154.15	1,541.50

b) Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share.

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

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

Particulars	As at 31.03.2015		As at 31.03.2014	
	No. in lakhs	Rs. in lakhs	No. in lakhs	Rs. in lakhs
Prozone Liberty International Limited, Singapore, Holding company	94.80	948.00	94.80	948.00

d) Details of Shareholders holding more than 5% shares in the company:

Particulars	As at 31.03.2015		As at 31.03.2014	
	No. in lakhs	% holding	No. in lakhs	% holding
Prozone Liberty International Limited, Singapore	94.80	61.50%	94.80	61.50%
Triangle Real Estate India Investments Limited	53.95	35.00%	53.95	35.00%



Note 3 : Reserves and surplus

Particulars	As at 31.03.2015	As at 31.03.2014
Securities Premium		
Balance at the beginning and end of the year	20,964.58	20,964.58
Surplus		
Opening Balance	(134.23)	(51.23)
Add: Profit / (Loss) for the year	379.55	(83.00)
Closing Balance	245.33	(134.23)
	21,209.91	20,830.35

Note 4 : Long - term Borrowings

Particulars	As at 31.03.2015	As at 31.03.2014
Hire Purchase Loans (Secured)	13.04	16.45
Less: Current maturities of Long Term Debt (disclosed under other current liabilities)	3.78	3.41
	9.26	13.04

Hire Purchase Loan represents Rs 13.04 Laks (PY Rs. 16.45 lakhs) in respect of one vehicles which are secured by hypothecation of vehicles financed. The loans carry interest @ 10.40% p.a. The loans are repayable in 59 equal instalments starting from 10th June, 2013.

Note 5 : Long - term provisions

Particulars	As at 31.03.2015	As at 31.03.2014
Provisions for employee benefits		
Provision for Gratuity	0.14	-
	0.14	-

Note 6 : Short - term borrowings

Particulars	As at 31.03.2015	As at 31.03.2014
Loan from related party repayable on demand (Unsecured)	236.09	58.23
	236.09	58.23
Loan from related party represents : - Due to Prozone Intu Properties Limited (Formerly known as Prozone Capital Shopping Centers Limited)- Ultimate Holding Company	236.09	58.23



Note 7 : Trade payables

Particulars	As at 31.03.2015	As at 31.03.2014
- Due to Micro, Small & Medium Enterprises	5.00	-
- Others	973.70	477.58
	978.70	477.58

Company had sought confirmation from the vendors whether they fall in the category of Micro, Small and Medium Enterprises. Based on the information available, the required disclosure for Micro, Small and Medium Enterprises under the above Act is given below :

Particulars	As at March 31, 2015	As at March 31, 2014
The principal amount remaining unpaid to any supplier as at the end of accounting year ;	5.00	-
Interest due thereon remaining unpaid at the end of accounting year;	-	-
The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the due date during each	-	-
The amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid);	-	-
The amount of interest accrued and remaining unpaid at the end of accounting year;	-	-
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-

Note 8 : Other current liabilities

Particulars	As at 31.03.2015	As at 31.03.2014
Current maturities of long term debt	3.78	3.41
Duties & taxes payable	26.89	15.53
Advance from Customers / Realisation under agreement to sell	964.36	1,900.01
	995.03	1,918.95

Note 9 : Short - term provisions

Particulars	As at 31.03.2015	As at 31.03.2014
Provision of Employee Benefits Expense	14.08	22.61
Provision for Gratuity	1.33	1.60
Provision for expenses	5.50	95.75
Provision for Tax (Net of Advance tax & TDS)	75.90	-
	96.81	119.96

Note 11 : Capital work in progress

The Company is planning a retail centre mixed used development project at Nagpur. The expenditure incurred during the construction period is classified as "Capital Work in Progress". Pending Capitalisation such expenditure is included in Capital Work in Progress and will be apportioned to the assets on the completion of the project. Necessary details as per Part II of schedule III of the Companies Act, 2013 have been disclosed below:



Hagwood Commercial Developers Private Limited

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

Note 10 : Tangible assets

Particulars	Gross Block			Depreciation				Net Block	
	As at 01.04.2014	Additions during the year	Deductions / Discarded during the year	As at 31.03.2015	Up to 31.03.2014	Provided for the year	Adjustments during the year	Up to 31.03.2015	As at 31.03.2015
Freehold Land (Refer note (a) below)	5,441.16	3,310.84	-	8,752.00	-	-	-	-	8,752.00
Furniture & Fixtures	5.17	-	-	5.17	0.86	1.62	-	2.48	2.69
Computers	3.27	-	-	3.27	1.41	1.47	-	2.88	0.39
Paintings	2.21	-	-	2.21	1.19	0.03	-	1.22	0.99
Vehicles	27.38	-	-	27.38	5.34	7.67	-	13.01	14.37
Office Equipments	0.63	-	-	0.63	0.19	0.30	-	0.49	0.14
Total	5,479.82	3,310.84	-	8,790.66	8.99	11.09	-	20.08	8,770.58
Previous Year	5,448.37	31.45	-	5,479.82	1.42	7.57	-	8.99	5,470.83

Note :-

(a) During the year, the Company has converted a portion of freehold land from inventory to capital assets due to change in intended use of the said portion of land.

(b) The Company has revised depreciation rates on tangible fixed assets w.e.f. April 01, 2014 as per the useful life specified in the Schedule II of the Companies Act, 2013 or as re-assessed by the Company. As prescribed in Schedule II, depreciation has been calculated based on the remaining useful life of those assets. Had the Company continued with the previously applicable Schedule XIV rates, charge for depreciation for the year ended March 31, 2015 would have been lower and net profit would have been higher by Rs. 3.58 lakhs.



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

(Rs. In Lakhs)

Particulars	As at 31.03.2015	As at 31.03.2014
Opening Balance	-	-
Add: - Transfer from Inventory to Capital Work in Progress (Refer note (a) below)	130.22	
Closing Balance	130.22	-

Note (a) : During the year, certain expenses related to capital assets has been transferred from inventory to capital work in progress.

Note 12 : Non - current investment

Particulars	As at 31.03.2015	As at 31.03.2014
Trade, Unquoted (Valued at cost unless stated otherwise)		
Investments in preference shares Alliance Mall Developers Co Private Limited (Subsidiary of Ultimate Holding Company) (6.89 Lakhs 1% Non-Cumulative, Compulsory Convertible Preference Shares of Rs. 10 each fully paid up)	5,600.00	5,600.00
	5,600.00	5,600.00
Aggregate Book Value of Unquoted Investments	5,600.00	5,600.00

Note 13 : Deferred tax assets

Particulars	As at 31.03.2015	As at 31.03.2014
Fixed Assets : Impact of difference between tax depreciation and depreciation charged for the financial reporting	1.92	0.16
	1.92	0.16

Note 14 : Long - term loans and advances

(Unsecured, Considered Good)

Particulars	As at 31.03.2015	As at 31.03.2014
Security Deposits	40.00	40.00
Mobilisation advances (Refer Note (a) below)		
- to related party	-	1,395.00
- to others	412.00	12.00
	412.00	1,407.00
Other Loans and Advances		
Advance Tax & TDS (Not of provisions)	30.52	30.83
MAT Credit Entitlement	75.30	-
Convat Credit Receivable	200.82	164.28
	758.64	1,642.11
Mobilisation advances to related party represents : Empire Mall Private Limited (Fellow Subsidiary Company)	-	1,395.00

Note (a) : Mobilisation advances of Rs 412.00 Lakhs (PY 1407.00 Lakhs), represents advance reimbursements to be expended by the respective parties in the course of procurement of raw material, procurement of contractors and sub-contractors, etc.



Note 15 : Current Investments

Particulars	As at 31.03.2015	As at 31.03.2014
Unquoted Investments (Valued at lower of cost or fair value)		
Investments in Mutual Funds		
0.54 Lakhs Units (PY 3.00 Lakhs) units ICICI Prudential Liquid Regular Plan	-	54.27
	-	54.27
Aggregate Book Value of Unquoted Investment	-	54.27

Note 16 : Inventories

Valued at Lower of Cost and NRV

Particulars	As at 31.03.2015	As at 31.03.2014
Work in Progress - Residential Project (Refer note 22)	8,045.47	11,718.82
	8,045.47	11,718.82

Note 17 : Trade Receivables

Particulars	As at 31.03.2015	As at 31.03.2014
Trade Receivables (Unsecured and Considered Good)		
- Due for a period exceeding six months from the date they are due for payment	-	-
- Other Debts *	500.83	-
	500.83	-

* Includes unbilled receivables of Rs. 311.78 Lakhs in respect of revenue from sale of properties recognised on percentage completion method.

Note 18 : Cash and bank balances

Particulars	As at 31.03.2015	As at 31.03.2014
Cash and Cash Equivalents		
Balances with Banks:		
In Current Accounts	1.66	15.76
Cash on hand	10.38	4.80
Fixed Deposits	11.55	10.71
	23.57	31.37

Note 19 : Short - term loans and advances

(Unsecured, Considered Good)

Particulars	As at 31.03.2015	As at 31.03.2014
Loans & advances		
Advance to Staff	1,201.52	168.89
Advance Recoverable in cash or kind or for value to be received	1.76	2.10
	32.91	271.06
	1,236.19	442.05



Note 20 : Revenue from operations

Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
Sale of Residential Property		
Revenue Recognised on Percentage Completion Method	2,526.55	-
	2,526.55	-

Note 21 : Other Income

Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
Interest income on fixed deposits	0.92	0.79
Interest on income tax refund	0.07	-
Dividend income on current Investments	1.33	4.06
Interest income on short term loans and advances	41.05	16.28
	43.37	21.13

Note 22 : Cost of Residential Project

Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
Opening Work in Progress - Residential Project	11,718.84	10,148.43
Add:		
Construction Cost	817.00	983.58
Personnel Cost	88.72	126.31
Professional Fees	323.02	377.89
Rates & Taxes	463.71	28.76
Borrowing Cost	15.37	-
Other Expenses	34.46	53.87
	13,461.12	11,718.84
Less:		
Transferred to Capital Work in Progress [Refer note 11(a)]	130.22	-
A portion of freehold land reconverted in to capital assets [Refer note 10(a)]	3,310.84	-
Closing Balance Work in Progress - Residential Project	8,045.47	11,718.84
	1,974.59	-

Note 23 : Employee benefits expense

Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
Salaries, wages and bonus	37.61	9.69
Gratuity expenses	0.30	0.32
Leave encashment	0.16	0.31
	38.07	10.32



Note 24 : Other expenses

Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
Advertisement , Business and Sales Promotion Expenses	51.27	73.96
Management Consultancy Fees	49.56	-
Travelling Expenses	4.32	3.30
Directors Sitting Fees	2.00	-
Communication Expenses	0.41	1.02
Professional Fees	28.77	2.84
Auditors' Remuneration	17.50	1.00
Miscellaneous Expenses	7.04	2.48
	160.83	84.61

Payments to Auditor

Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
Audit Fees	5.00	1.00
Tax Matters	12.50	-
Service Tax	-	0.12
	17.50	1.12

Note 25 : Earning per equity share

Sr. No.	Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
A)	Weighted average number of Equity Shares of Rs. 10 each (No. in lakhs)		
i)	Number of shares at the end of the year	154.15	154.15
ii)	Weighted average number of Equity Shares outstanding during the year	154.15	154.15
iii)	Weighted average number of Potential Equity Shares outstanding during the year	-	-
iv)	Total number of Equity share for calculating Diluted Earning Per Share	154.15	154.15
B)	Net Profit / (Loss) after tax available for equity shareholders. (Rs. in lakhs)	379.55	(83.00)
C)	Basic Earning per share (in Rs.) (B/ iii)	2.46	(0.54)
D)	Diluted Earning per share (in Rs.) (B/ iv)	2.46	(0.54)



Note 26 : Accompanying Notes to Accounts**A) Contingent Liabilities not provided for :**

- i) Guarantee given by Bank on behalf of the Company Rs. 10.00 Lakhs (PY Rs.10.00 Lakhs)
- ii) Estimated amount of contracts remaining to be executed on capital account not provided for (net of advances) Rs.9819.23 lakhs (PY Rs.801.52 lakhs).
- iii) Disputed demands in respect of Income Tax from A.Y. 2008-09 to 2012-13 amounting to Rs 6.59 Lakhs (PY 47.26 Lakhs).

B) In the opinion of the Board, the Current Assets Loans & Advances, are approximately of the value stated and are realisable in the ordinary course of business. Further the provisions for all known liabilities are adequately made and not in excess of the amounts reasonably necessary.

C) Disclosure as per AS 15 "Employee Benefits" :

The principal assumptions used in the actuarial valuation of Gratuity are as follows:-

Discount rate	7.80%	9.10%
Expected rate of withdrawals	10.00%	10.00%
Expected rate of future salary increase	5.10%	5.00%

Changes in present value of obligations :

Particulars	As at 31.03.2015	As at 31.03.2014
Present value of obligation as at the beginning of the year	3.20	1.56
Interest Cost	0.28	0.13
Current Service Cost	1.50	1.48
Benefits paid	-	-
Actuarial (Gain) / Loss on obligations	(1.77)	0.03
Present value of obligation as at the end of the year	3.21	3.20

Liability recognized in the Balance Sheet :

Particulars	As at 31.03.2015	As at 31.03.2014
Present value of obligation as at the end of the year	3.21	3.20
Fair Value of plan assets as at the end of the year	1.75	1.60
Unfunded status	1.47	1.60
Unrecognized Actuarial (Gain)/ loss	-	-
Net (Assets)/ Liability recognized in the Balance Sheet	1.47	1.60
Non Current Liability / (Asset)	0.14	-
Current Liability / (Asset)	1.33	1.60

Expenses recognized in the Profit and Loss Account :

Particulars	Year Ended 31.03.2015	Year Ended 31.03.2014
Current Service Cost	1.50	1.48
Past Service Cost	-	-
Interest Cost	0.28	0.13
Actuarial (Gain) / Loss on obligations	(1.77)	0.03
Actuarial (Gain) / Loss on plan assets	(0.15)	(0.04)
Total Expenses recognized in the Profit and Loss account	(0.14)	1.60
Apportionment of Gratuity expenses :		
Expense recognised in statement of profit & loss	0.30	0.32
Expenses apportioned to capital work in progress	(0.44)	1.28
	(0.14)	1.60



D) Related Party Disclosure:-

As required under Accounting Standard 18 "Related Party Disclosure" (AS-18), following are the details of transactions during the year with the related parties of the Company as defined in AS 18 :

For the year ended 31st March, 2015

i) Key Management Personnel

Mr. Akhil Chaturvedi	Director
Mr. Nigam Patel (Upto 1st August, 2014)	Director
Mr. Sudhanshu Chaturvedi (From 1st August, 2014)	Managing Director (From 30th March, 2015)
Mr. Sagar Gosar (From 30th March, 2015)	Chief Finance Officer
Mrs. Nidhi Chhawchharia (From 1st August, 2014)	Company Secretary

ii) Ultimate Holding Company

Prozone Intu Properties Limited (Formerly known as Prozone Capital Shopping Centres Limited)

iii) Holding Company

Prozone Liberty International Limited, Singapore

iv) Fellow Subsidiary Company

Omni Infrastructure Private Limited

Empire Mall Private Limited

v) Enterprises over which key management personnel and their relatives are able to exercise significant influence

Provogue (India) Limited

Related Party Transactions**a) Sale/Purchase of goods and services**

Particulars	Purchase of Services	Purchase of goods	Amount due to Related Parties
Ultimate Holding Company			
Prozone Intu Properties Limited (Formerly known as Prozone Capital Shopping Centres Limited)	247.78		303.58
Enterprises under significant influence			
Provogue (India) Limited		0.37	



b) Loans taken and repayment thereof

Particulars	Loans Taken	Loan Repaid	Interest	Amount due to Related Parties
Ultimate Holding Company				
Prozone Intu Properties Limited (Formerly known as Prozone Capital Shopping Centres Limited)	230.97	68.48	15.37	236.09

c) Mobilisation advances given & receipt thereof

Particulars	Amount Received
Fellow Subsidiary Company	
Empire Mall Private Limited	1,395

d) Remunerations

Particulars	Employee Benefit Expense	Directors Sitting Fees	Amount due to Related Parties
Key Management Personnel			
Mr. Akhil Chaturvedi	-	1.25	-
Mr. Sudhanshu Chaturvedi (From 1st August, 2014)	-	0.75	-
Mrs. Nidhi Chhawchharia (From 1st August, 2014)	1.02		0.13

For the year ended 31st March, 2014

i) Key Management Personnel

Mr. Akhil Chaturvedi	Director
Mr. Nigam Patel	Director

ii) Ultimate Holding Company

Prozone Intu Properties Limited (Formerly known as Prozone Capital Shopping Centres Limited)

iii) Holding Company

Prozone Liberty International Limited, Singapore

iv) Fellow Subsidiary Company

Omni Infrastructure Private Limited
Empire Mall Private Limited

v) Enterprises under significant influence

Provogue (India) Limited

Related Party Transactions

a) Sale/Purchase of goods and services

Particulars	Purchase of Services	Amount due to Related Parties
Ultimate Holding Company		
Prozone Intu Properties Limited (Formerly known as Prozone Capital Shopping Centres Limited)	273.98	175.33

b) Loans taken and repayment thereof

Particulars	Loans Taken	Loan Repaid	Amount due to Related Parties
Ultimate Holding Company			
Prozone Intu Properties Limited (Formerly known as Prozone Capital Shopping Centres Limited)	162.47	104.24	58.23



c) Mobilisation advances given & receipt thereof

Particulars	Amount due from Related Parties
Fellow Subsidiary Company	
Empire Mall Private Limited	1,395.00

E) The Company is mainly engaged in the business of designing, developing, owning and operating Commercial and Residential Premises. There is no other reportable business segment as per Accounting Standard (AS-17) notified by the Companies (Accounting Standards) Rules, 2006.

F) Disclosure with regards to section 185(4) of the Companies Act, 2013

i) For Investment refer note no. 12.

ii) During the year, the Company had given the unsecured short term loans to certain parties for the General Corporate purpose. The full particulars of the loans given is as below :

Particulars	Rate of Interest (%)	Closing Balance
Aashka Holding Pvt. Ltd.	10	503.60
Uphar Homfin Pvt Ltd	9	59.69
Foremost Marbles Pvt. Ltd.	9	204.97
Suchir Chemicals Pvt Ltd	9	354.93
Samridhi Finvest Advisory Servisory Pvt Ltd	9	75.00
Saraf Chemicals	9	3.34
		1,201.52

G) There is no other additional information pursuant to the provisions of Part II Schedule III of the Companies Act, 2013 requiring disclosure for the Company for the year under report.

H) The Company has re-grouped, reclassified and/or re-arranged previous year's figures, wherever necessary to conform to current year's classification.

For S G C O & Co.
Chartered Accountants

Shyamratan Singrodia
Partner
Mem No. 49006

Place : Mumbai
Date : 19th May, 2015

For and on behalf of the Board

Managing Director

Chief Finance Officer

Place : Mumbai
Date : 19th May, 2015

Director

Company Secretary