

**S G C O & Co. LLP**

Chartered Accountants

# **Hagwood Commercial Developers Private Limited**

## **Annual Report for the Year Ended 31<sup>st</sup> March, 2017**

4A, Kaledonia-HDIL,  
2<sup>nd</sup> Floor, Sahar Road,  
Near Andheri Station,  
Andheri (East),  
Mumbai - 400 069. India

Tel.: +91 22 6625 6363  
Fax: +91 22 6625 6364  
E-mail: [info@sgco.co.in](mailto:info@sgco.co.in)  
[www.sgco.co.in](http://www.sgco.co.in)

# **SGCO & Co. LLP**

Chartered Accountants

## **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, 2017, 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 these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, 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 and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

4A, Kaledonia-HDIL,  
2<sup>nd</sup> Floor, Sahar Road,  
Near Andheri Station,  
Andheri (East),  
Mumbai - 400 069. India

Tel.: +91 22 6625 6363  
Fax: +91 22 6625 6364  
E-mail: [info@sgco.co.in](mailto:info@sgco.co.in)  
[www.sgco.co.in](http://www.sgco.co.in)



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. 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, 2017, 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, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure "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 31<sup>st</sup> March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer our separate report in **Annexure "B"**;
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - (i) The Company has 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.

(iv) The Company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer Note 26G to the financial statements.

**For S G C O & Co. LLP**

Chartered Accountants

**Firm's Registration No. 112081W/W100184**

**Shyamratan Singrodia**

Partner

**Mem. No. 49006**



Place : Mumbai

Date: 16th May, 2017

**Annexure to the Independent Auditors Report**

The **Annexure "A"** 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 31<sup>st</sup> March, 2017.

As required by the Companies (Auditors Report) Order, 2016 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:

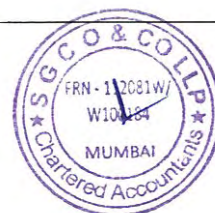
- (i) a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- b) The Fixed Assets have been physically verified by the management during the year. In our opinion the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies have been noticed on such physical verification.
- c) According to the information and explanations given to us and on the basis of our examination of records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) a) The inventories represent Construction Work-in-Progress comprising of cost of acquisition of the plot of land and expenditure incurred for development thereof. The said inventories have been physically verified by management during the year at reasonable intervals. In our opinion, considering the nature of inventories, the procedure of physical verification followed by the management was reasonable and adequate in relation to size of the Company and nature of its business. No material discrepancies were noticed on physical verification of inventory by the management.
- (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), (b) and (c) of the said Order are not applicable to the Company.





- (iv) In our opinion and according to the information and explanation given to us, section 185 of the Act is not applicable, since the Company has not granted any loan and has not provided any guarantees or security to the parties covered under section 185 of the Act. With regards to investments in securities and loans provided to other body corporates, the Company has complied with the provisions of section 186 of the Act.
- (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, Service Tax, duty of Customs, duty of Excise, Value Added Tax, Cess and other statutory dues wherever applicable have regularly been deposited with the appropriate authorities except slight delays in some cases of Professional Tax. There are no undisputed amount payable in respect of such statutory dues which have remained outstanding as at 31<sup>st</sup> March, 2017 for a period more than six months from the date they became payable.
- b) According to the records of the Company, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise and Value Added Tax 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	10.58	2012-13	ITAT restored to AO
Income Tax	6.26	2013-14	CIT (Appeals)
Income Tax	6.73	2014-15	CIT (Appeals)



- (viii) As per the information and explanations given by the management, the Company has not defaulted in repayment of its dues to financial institutions. The Company has no facilities from banks and has not issued debentures.
- (ix) The company did not raise money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the order is not applicable.
- (x) According to the information & explanations given to us, no instances of fraud by the company or on the company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not paid / provided for any managerial remuneration. Accordingly, paragraph 3 (xi) of the order is not applicable
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3 (xii) of the Order is not applicable.
- (xiii) According to the information and explanation given to us and based on our examination of the records of the Company, transactions with related parties are in compliance with of section 177 and 188 of the Act, where applicable. The details of such related party transactions have been disclosed in the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (xiv) According to the information and explanations give to us and based on our examination of the





records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

(xv) According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with the directors or persons connected with him. Accordingly, paragraph 3 (xv) of the Order is not applicable.

(xvi) In our opinion and according to the information and explanation given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For S G C O & Co. LLP**

Chartered Accountants

**Firm's Registration No. 112081W/W100184**

**Shyamratan Singrodia**

Partner

**Mem. No. 49006**



Place : Mumbai

Date: 16th May, 2017

**Annexure “B” to the Independent Auditor’s Report of even date on the financial statements of Hagwood Commercial Developers Private Limited for the year ended 31<sup>st</sup> March 2017.**

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

We have audited the internal financial controls over financial reporting of Hagwood Commercial Developers Private Limited (“the Company”) as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management’s Responsibility for Internal Financial Controls**

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

**Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that We comply with ethical requirements and



plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

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

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

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

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to



error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For S G C O & Co. LLP**

Chartered Accountants

**Firm's Registration No. 112081W/W100184****Shyamratan Singrodia**

Partner

**Mem. No. 49006**

Place : Mumbai

Date: 16th May, 2017

**Haqwood Commercial Developers Private Limited**

**Balance Sheet as at March 31, 2017**

(Rs. in Lakhs)			
Particulars	Notes	As at 31.03.2017	As at 31.03.2016
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholder's Funds</b>			
Share capital	2	1,541.50	1,541.50
Reserves and surplus	3	22,752.15	22,274.45
		<b>24,293.65</b>	<b>23,815.95</b>
<b>Non - current Liabilities</b>			
Long - term Borrowings	4	3.85	13.81
Other Long - Term Liabilities	5	70.28	-
Long - term provisions	6	9.13	6.58
		<b>83.26</b>	<b>20.39</b>
<b>Current Liabilities</b>			
Short - term borrowings	7	31.16	250.39
Trade payables	8	805.15	1,003.70
Other current liabilities	9	752.77	154.61
Short - term provisions	10	124.83	271.86
		<b>1,713.91</b>	<b>1,680.56</b>
<b>Total</b>		<b>26,090.82</b>	<b>25,516.90</b>
<b>ASSETS</b>			
<b>Non - current assets</b>			
Fixed assets			
Tangible assets	11	8,775.97	8,787.10
Capital work in progress	12	201.31	152.23
Non - current Investment	13	5,600.00	5,600.00
Deferred tax assets	14	8.24	2.51
Long - term loans and advances	15	737.05	864.62
		<b>15,322.57</b>	<b>15,406.46</b>
<b>Current Assets</b>			
Inventories	16	7,484.12	6,761.97
Trade Receivables	17	2,231.87	2,312.46
Cash and bank balances	18	76.40	140.16
Short - term loans and advances	19	975.86	895.85
		<b>10,768.25</b>	<b>10,110.44</b>
<b>Total</b>		<b>26,090.82</b>	<b>25,516.90</b>
Significant Accounting Policies	1		
Accompanying Notes to Accounts	26		

As per our attached report of even date

**For S G C O & Co. LLP**  
Chartered Accountants

**Shyamratan Singrodia**  
Partner  
Mem No. 49006

Place : Mumbai  
Date : 16th May, 2017



**For and on behalf of the Board**

**Sudhanshu Chaturvedi**  
Managing Director  
DIN 05151360

**Sagar Gosar**  
Chief Finance Officer

Place : Mumbai  
Date : 16th May, 2017

**Hetal Hakani**  
Director  
DIN 06878540

**Nidhi Chhawchharia**  
Company Secretary



Hagwood Commercial Developers Private Limited

Statement of Profit & Loss for the year ended March 31, 2017

(Rs. in Lakhs)

Particulars	Notes	Year Ended 31.03.2017	Year Ended 31.03.2016
<b>INCOME</b>			
Revenue from operations	20	2,991.89	5,681.00
Other income	21	77.57	110.51
<b>Total Revenue</b>		<b>3,069.46</b>	<b>5,791.51</b>
<b>EXPENSES</b>			
Cost of Residential Project	22	2,162.49	4,276.09
Employee benefits expense	23	53.55	48.66
Depreciation	11	11.52	8.25
Other expenses	24	194.90	184.53
<b>Total Expenses</b>		<b>2,422.46</b>	<b>4,517.53</b>
<b>Profit / (Loss) before tax</b>		<b>647.00</b>	<b>1,273.98</b>
<b>Less : Tax Expense</b>			
Current tax (MAT)		146.45	286.40
MAT Credit Entitlement		28.93	(76.13)
MAT Credit Entitlement of earlier years		(10.47)	-
Deferred tax liability/ (asset)		(5.73)	(0.59)
Tax of earlier years		10.12	(0.24)
		<b>169.30</b>	<b>209.43</b>
<b>Profit / (Loss) for the year</b>		<b>477.70</b>	<b>1,064.55</b>
<b>Earning per equity share</b>	25		
(Nominal value of share Rs. 10 : Basic		3.10	6.91
: Diluted		3.10	6.91
Significant Accounting Policies	1		
Accompanying Notes to Accounts	26		

As per our attached report of even date

For S G C O & Co. LLP  
Chartered Accountants

Shyamatah Singrodia  
Partner  
Mem No. 49006

Place : Mumbai  
Date : 16th May, 2017



For and on behalf of the Board

Sudhanshu Chaturvedi  
Managing Director  
DIN 05151360  
Sagar Gosar  
Chief Finance Officer

Place : Mumbai  
Date : 16th May, 2017

Hetal Hakani  
Director  
DIN 06878540

Nidhi Chhawchharia  
Company Secretary





Hagwood Commercial Developers Private Limited

Cash Flow Statement for the year ended 31st March, 2017

		(Rs. in Lakhs)	
Particulars	Year ended 31.03.2017	Year ended 31.03.2016	
<b>A. Cash Flow from Operating Activities:</b>			
Net Profit \ (Loss) before tax and before extraordinary items	647.00	1,273.98	
Adjustments for :			
Depreciation	11.52	8.25	
Dividend income on current investments	(2.03)	(0.57)	
Interest income on short term loans and advances	(74.78)	(97.22)	
<b>Operating profit before working capital changes</b>	<b>581.71</b>	<b>1,184.44</b>	
Movements in Working Capital :			
Increase/(Decrease) in Long term provisions	2.55	6.44	
Increase/(Decrease) in Short-term provisions	0.59	259.28	
Increase/(Decrease) in Other long-term liabilities	70.28		
Increase/(Decrease) in Other current liabilities	598.16	(852.91)	
Increase/(Decrease) in Trade payables	(198.55)	(239.82)	
Decrease/(Increase) in Inventories	(722.15)	1,283.50	
Decrease/(Increase) in Trade Receivables	80.59	(1,811.63)	
Decrease/(Increase) in Other receivables and current assets	77.19	(66.20)	
<b>Net Cash from operating activities</b>	<b>490.39</b>	<b>(236.88)</b>	
Direct taxes paid	(304.52)	(66.70)	
<b>Net Cash from operating activities</b>	<b>185.87</b>	<b>(303.58)</b>	
<b>B. Cash Flow from Investing Activities:</b>			
Purchase of fixed assets	(0.39)	(24.77)	
Decrease/(Increase) in capital work in progress	(49.08)	(22.01)	
Movement in loans and advances	(47.77)	350.31	
Redemption / maturity of bank deposits	0.99	0.03	
Dividend income on current investments	2.03	0.57	
Interest income on short term loans and advances	74.78	97.22	
<b>Net Cash used in investment activities</b>	<b>(19.44)</b>	<b>401.35</b>	
<b>C. Cash Flow from Financing Activities:</b>			
Proceeds from short term borrowings (net)	(219.23)	14.30	
Proceeds from long term borrowings (net)	(9.96)	4.55	
<b>Net Cash used from financing activities</b>	<b>(229.19)</b>	<b>18.85</b>	
<b>Net increase in cash and cash equivalents</b>	<b>(62.77)</b>	<b>116.62</b>	
Cash and Cash equivalents (Opening)	128.64	12.02	
<b>Cash and Cash equivalents (Closing)</b>	<b>65.87</b>	<b>128.64</b>	



Hagwood Commercial Developers Private Limited

Cash Flow Statement for the year ended 31st March, 2017

(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 31.03.2017	As at 31.03.2016
Cash in Hand	3.41	3.60
Cheques in hand	-	30.11
Balances with Bank	62.46	94.93
	<b>65.87</b>	<b>128.64</b>

- 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. LLP

Chartered Accountants

*Shyamratan Singrodia*

Partner

Mem No. 49006



Place : Mumbai

Date : 16th May, 2017

For and on behalf of the Board

*Sudhanshu Chaturvedi*

Managing Director

DIN 05151360

*Sagar Gosar*

Chief Finance Officer

*Hetal Hakani*

Director

DIN 06878540

*Nidhi Chhawchharia*

Company Secretary



Place : Mumbai

Date : 16th May, 2017

## Hagwood Commercial Developers Private Limited

### Notes to financial statements for the year ended 31st March, 2017

---

#### 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) 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.



## Hagwood Commercial Developers Private Limited

### Notes to financial statements for the year ended 31st March, 2017

---

- 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.

#### d) Tangible and Intangible Assets:

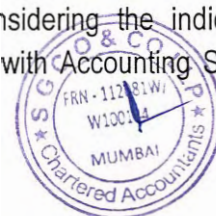
- i. Fixed Assets are stated at cost less accumulated depreciation and impairments loss, if any. Cost comprises the purchase price and any attributable cost of bringing the assets to its working condition for intended use. Indirect preoperative expenses and borrowing costs attributable to construction or acquisition of Fixed Assets for the period up to the completion of construction or acquisition of Fixed Assets are capitalised.
- ii. Intangible assets are recognised only if they are separately identifiable and the Company controls the future economic benefits arising out of them. Intangible assets are stated at cost less accumulated amortisation and impairment.

#### e) 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.

#### f) 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



## Hagwood Commercial Developers Private Limited

### Notes to financial statements for the year ended 31st March, 2017

---

"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.

#### 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) 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.

#### i) 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.

#### j) 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





**Notes to financial statements for the year ended 31st March, 2017**

---

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.

**k) 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 the basis of the actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet.
- 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.

**l) 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.

**m) 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.





**n) 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.

**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.

**Minimum Alternate Tax ('MAT')**

Minimum Alternate Tax ('MAT') credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the Company recognises MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement". The Company reviews the "MAT Credit Entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will be able to utilise the MAT Credit Entitlement within the period specified under the Income-tax Act, 1961.

**o) Earning Per Share:**

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



# Hagwood Commercial Developers Private Limited

## Notes to financial statements for the year ended March 31, 2017

(Rs. in Lakhs)

### Note 2 : Share capital

Particulars	As at 31.03.2017	As at 31.03.2016
<b>Authorised Capital</b> 160.00 Lakhs Equity Shares of Rs.10 each	1,600.00	1,600.00
<b>Issued, Subscribed and Fully Paid Up</b> 154.15 Lakhs Equity Shares of Rs.10 each fully paid up	1,541.50	1,541.50
	<b>1,541.50</b>	<b>1,541.50</b>

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

Particulars	As at 31.03.2017		As at 31.03.2016	
	No. in lakhs	Rs. In lakhs	No. in lakhs	Rs. In lakhs
<b>Equity Shares</b>				
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	<b>154.15</b>	<b>1,541.50</b>	<b>154.15</b>	<b>1,541.50</b>

#### 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 31.03.2017		As at 31.03.2016	
	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 31.03.2017		As at 31.03.2016	
	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%



# Hagwood Commercial Developers Private Limited

Notes to financial statements for the year ended March 31, 2017

(Rs. in Lakhs)

## Note 3 : Reserves and surplus

Particulars	As at 31.03.2017	As at 31.03.2016
<b>Securities Premium</b>		
Balance at the beginning and end of the year	20,964.58	20,964.58
<b>Surplus</b>		
Opening Balance	1,309.07	245.37
Add. Profit / (Loss) for the year	477.70	1,004.55
Closing Balance	1,787.57	1,309.87
	<b>22,752.15</b>	<b>22,274.45</b>

## Note 4 : Long - term Borrowings

Particulars	As at 31.03.2017	As at 31.03.2016
Hire Purchase Loans (Secured)	13.62	22.63
Less: Current maturities of Long Term Debt (disclosed under other current liabilities)	9.77	8.82
	<b>3.85</b>	<b>13.81</b>

Hire Purchase Loan amounting to Rs 4.99 Laks (PY Rs. 9.26 lakhs) in respect of vehicle which is secured by hypothecation of vehicle financed. The loan carry interest @ 10.40% p.a. The loan is repayable in 59 equal instalments starting from 10th June, 2013.

Hire Purchase Loan amounting to Rs 8.63 Lakhs (PY 13.37 Lakhs) in respect of vehicle which is secured by hypothecation of vehicle financed. The loan carry interest @ 10.24% p.a. The loan is repayable in 35 equal instalments starting from 20th January, 2016.

## Note 5 : Other Long- Term Liabilities

Particulars	As at 31.03.2017	As at 31.03.2016
Lease Deposit from Tenants	70.28	-
	<b>70.28</b>	<b>-</b>

## Note 6 : Long - term provisions

Particulars	As at 31.03.2017	As at 31.03.2016
<b>Provisions for employee benefits</b>		
Provision for Gratuity	4.38	2.50
Provision for Leave Encashment	4.75	4.08
	<b>9.13</b>	<b>6.58</b>



Hagwood Commercial Developers Private Limited

Notes to financial statements for the year ended March 31, 2017

(Rs. in Lakhs)

**Note 7 : Short - term borrowings**

Particulars	As at 31.03.2017	As at 31.03.2016
Loan from related party repayable on demand (Unsecured)	31.16	250.39
	<b>31.16</b>	<b>250.39</b>
Loan from related party represents : - Due to Prozone Intu Properties Limited - Ultimate Holding Company	31.16	250.39

**Note 8 : Trade payables**

Particulars	As at 31.03.2017	As at 31.03.2016
- Due to Micro, Small & Medium Enterprises	6.37	6.07
- Others	798.78	997.63
	<b>805.15</b>	<b>1,003.70</b>

The 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 31.03.2017	As at 31.03.2016
The principal amount remaining unpaid to any supplier as at the end of accounting year :	6.37	6.07
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 accounting year;	-	-
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; and	-	-
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.	-	-

\* Interest paid/payable by the Company on the aforesaid principle amount has been waived by the concerned suppliers.

**Note 9 : Other current liabilities**

Particulars	As at 31.03.2017	As at 31.03.2016
Current maturities of long term debt	9.77	8.82
Duties & taxes payable	41.68	50.44
Employee Benefits Expense	14.53	12.49
Advance from Customers / Realisation under agreement to sell	686.79	82.86
	<b>752.77</b>	<b>154.61</b>



**Hagwood Commercial Developers Private Limited**

**Notes to financial statements for the year ended March 31, 2017**

(Rs. in Lakhs)

**Note 10 : Short - term provisions**

Particulars	As at 31.03.2017	As at 31.03.2016
Provision for Leave Encashment	1.06	0.89
Provision for Gratuity	2.40	1.98
Provision for Tax (Net of Advance tax & TDS)	121.37	268.00
	<b>124.83</b>	<b>271.86</b>

**Note 12 : Capital work in progress**

The Company is planning a retail centric mixed used development project at Nagpur. The expenditure incurred during this period is classified as "Capital Work in Progress" and will be apportioned to the asset on the completion of the project. 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:

Particulars	As at 31.03.2017	As at 31.03.2016
Opening Balance	152.23	130.22
Professional Fees	49.08	22.01
Closing Balance	<b>201.31</b>	<b>152.23</b>

**Note 13 : Non - current investment**

Particulars	As at 31.03.2017	As at 31.03.2016
<b>Trade, Unquoted</b> (Valued at cost unless stated otherwise)		
<b>Investments in preference shares</b>		
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
	<b>5,600.00</b>	<b>5,600.00</b>
Aggregate Book Value of Unquoted Investments	5,600.00	5,600.00



Hagwood Commercial Developers Private Limited

Notes to financial statements for the year ended March 31, 2017

Note 11 : Tangible assets

(Rs. in Lakhs)

Particulars	Gross Block				Depreciation				Net Block	
	As at 01.04.2016	Additions during the year	Deductions / Discarded during the year	As at 31.03.2017	Up to 31.03.2016	Provided for the period	Adjustments during the year	Up to 31.03.2017	As at 31.03.2017	As at 31.03.2016
Freehold Land	8,752.00	-	-	8,752.00	-	-	-	-	8,752.00	8,752.00
Furniture & Fixtures	5.17	-	-	5.17	3.35	0.63	-	3.98	1.19	1.82
Computers	5.27	0.39	-	5.66	4.12	0.60	-	4.72	0.94	1.15
Paintings	2.21	-	-	2.21	1.46	0.15	-	1.61	0.60	0.75
Vehicles	50.15	-	-	50.15	18.85	10.11	-	28.96	21.19	31.30
Office Equipments	0.63	-	-	0.63	0.55	0.03	-	0.58	0.05	0.08
<b>Total</b>	<b>8,815.43</b>	<b>0.39</b>	<b>-</b>	<b>8,815.82</b>	<b>28.33</b>	<b>11.52</b>	<b>-</b>	<b>39.85</b>	<b>8,775.97</b>	<b>8,787.10</b>
Previous Year	8,790.66	24.77	-	8,815.43	20.08	8.25	-	28.33	8,787.10	





Hagwood Commercial Developers Private Limited

Notes to financial statements for the year ended March 31, 2017

(Rs. in Lakhs)

**Note 14 : Deferred tax assets**

Particulars	As at 31.03.2017	As at 31.03.2016
Fixed Assets : Impact of difference between tax depreciation and depreciation charged for the financial reporting	4.08	2.51
Impact of Expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	4.16	-
	<b>8.24</b>	<b>2.51</b>

**Note 15 : Long - term loans and advances**  
(Unsecured, Considered Good)

Particulars	As at 31.03.2017	As at 31.03.2016
Security Deposits	40.22	39.50
<u>Mobilisation advances</u>		
Unsecured	412.00	412.00
Advance Tax & TDS (Net of provisions)	4.56	4.23
MAT Credit Entitlement	132.88	151.35
Cenvat Credit Receivable	147.39	257.54
	<b>737.05</b>	<b>864.62</b>

**Note (a) :** Mobilisation advances of Rs 412 Lakhs (PY 412 Lakhs), represents advance reimbursements in respect of the expenditure to be incurred in the course of providing goods and services as project management consultant, procurement of raw material, procurement of contactors and sub-contractors in relation to development of the planned retail centric mixed used development project.

**Note 16 : Inventories**  
(Valued at Lower of Cost and NRV)

Particulars	As at 31.03.2017	As at 31.03.2016
Work in Progress - Residential Project	7,484.12	6,761.97
	<b>7,484.12</b>	<b>6,761.97</b>

**Note 17 : Trade Receivables**  
(Unsecured and Considered Good)

Particulars	As at 31.03.2017	As at 31.03.2016
- Due for a period exceeding six months from the date they are due for payment	1,405.63	348.74
- Other Debts *	826.24	1,963.72
	<b>2,231.87</b>	<b>2,312.46</b>

\* includes unbilled receivables of Rs Nil (PY Rs. 927.33 Lakhs) in respect of revenue from sale of properties recognised on percentage completion method.



## Hagwood Commercial Developers Private Limited

Notes to financial statements for the year ended March 31, 2017

(Rs. in Lakhs)

**Note 18 : Cash and bank balances**

Particulars	As at 31.03.2017	As at 31.03.2016
<b>Cash and Cash Equivalents</b>		
Balances with Banks:		
In Current Accounts	62.46	94.93
Cheques in hand	-	30.11
Cash on hand	3.41	3.60
<b>Other Bank Balances</b>		
Fixed Deposits (Between 3 to 12 months)	10.53	11.52
	<b>76.40</b>	<b>140.16</b>

**Note 19 : Short - term loans and advances**

(Unsecured, Considered Good)

Particulars	As at 31.03.2017	As at 31.03.2016
Loans & advances	898.98	851.21
Advance to Staff	1.95	1.15
Prepaid Expense	20.55	0.08
Advance Recoverable in cash or kind or for value to be received	54.38	43.41
	<b>975.86</b>	<b>895.85</b>

**Note 20 : Revenue from operations**

Particulars	Year Ended 31.03.2017	Year Ended 31.03.2016
<b>Sale of Residential Property</b>		
Revenue from real estate projects	2,991.89	5,681.00
	<b>2,991.89</b>	<b>5,681.00</b>

**Note 21 : Other income**

Particulars	Year Ended 31.03.2017	Year Ended 31.03.2016
Interest income on fixed deposits	0.76	0.93
Interest on income tax refund	-	11.36
Dividend income on current investments	2.03	0.57
Interest income on short term loans and advances	74.78	97.22
	<b>77.57</b>	<b>110.51</b>



Hagwood Commercial Developers Private Limited

Notes to financial statements for the year ended March 31, 2017

(Rs. in Lakhs)

**Note 22 : Cost of Residential Project**

Particulars	Year Ended 31.03.2017	Year Ended 31.03.2016
Opening Work in Progress - Residential Project	6,761.97	8,045.47
<b>Add:</b>		
Construction Cost	2,437.50	2,573.55
Personnel Cost	125.54	114.64
Professional Fees	276.73	253.78
Borrowing Cost	16.11	22.20
Other Expenses	28.76	28.42
	9,646.61	11,038.06
<b>Less:</b>		
Closing Balance Work in Progress - Residential Project	7,484.12	6,761.97
	<b>2,162.49</b>	<b>4,276.09</b>

**Note 23 : Employee benefits expense**

Particulars	Year Ended 31.03.2017	Year Ended 31.03.2016
Salaries, wages and bonus	52.21	47.08
Contribution to Provident Funds and Other Fund	1.03	0.92
Leave encashment	0.31	0.66
	<b>53.55</b>	<b>48.66</b>

**Note 24 : Other expenses**

Particulars	Year Ended 31.03.2017	Year Ended 31.03.2016
Advertisement , Business and Sales Promotion Expenses	66.94	42.14
Brokerage	37.16	37.06
Management Consultancy Fees	52.49	51.94
Travelling Expenses	5.27	5.51
Directors Sitting Fees	3.25	4.55
Communication Expenses	1.17	0.86
Professional Fees	14.38	20.24
Auditors' Remuneration	13.15	14.25
Miscellaneous Expenses	1.09	7.97
	<b>194.90</b>	<b>184.53</b>

**Payments to Auditor**

Particulars	Year Ended 31.03.2017	Year Ended 31.03.2016
Audit Fees	7.90	7.90
Tax audit Fees	3.00	3.00
Tax Matters	2.25	3.35
	<b>13.15</b>	<b>14.25</b>



Hagwood Commercial Developers Private Limited

Notes to financial statements for the year ended March 31, 2017

(Rs. in Lakhs)

Note 25 : Earning per equity share

Particulars	Year Ended 31.03.2017	Year Ended 31.03.2016
Weighted average number of Equity Shares of Rs. 10 each (No. in lakhs)		
Number of shares at the end of the year	154.15	154.15
Weighted average number of Equity Shares outstanding during the year	154.15	154.15
Weighted average number of Potential Equity Shares outstanding during the year	-	-
Total number of Equity share for calculating Diluted Earning Per Share	154.15	154.15
Net Profit / (Loss) after tax available for equity shareholders. (Rs. in lakhs)	477.70	1,064.55
Basic Earning per share (in Rs.) ( B/ iii )	3.10	6.91
Diluted Earning per share (in Rs.) ( B/ iv)	3.10	6.91



# Hagwood Commercial Developers Private Limited

## Notes to financial statements for the year ended March 31, 2017

(Rs. in Lakhs)

### Note 26 : Accompanying Notes to Accounts

#### A) Capital Commitment :

- i) Estimated amount of contracts remaining to be executed on capital account not provided for (net of advances) Rs 6286.57 lakhs (PY Rs.7629.95 lakhs ).
- ii) Guarantee given by Bank on behalf of the Company Rs. 10 Lakhs (PY Rs. Rs. 10 Lakhs).
- iii) Disputed demands in respect of Income Tax -

Assessment Year	Year Ended 31.03.2017	Year Ended 31.03.2016
2012-13	10.58	43.14
2013-14	6.26	6.26
2014-15	6.73	-
	<b>23.57</b>	<b>49.40</b>

- 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) The Company is required to spend Rs 10.52 towards Corporate Social Responsibility (CSR) as per section 135 of Companies Act, 2013 read with schdule VII thereof. However the amount is yet to be spend.

#### D) Disclosure as per AS 15 "Employee Benefits" :

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

Particulars	Year Ended 31.03.2017	Year Ended 31.03.2016	Year Ended 31.03.2017	Year Ended 31.03.2016
	<b>Gratuity</b>		<b>Leave Encashment</b>	
Discount rate	7.00%	7.80%	7.00%	7.80%
Expected rate of withdrawals	10.00%	10.00%	10.00%	10.00%
Expected rate of future salary increase	5.10%	5.10%	5.10%	5.10%
<b>Changes in present value of obligations :</b>				
Present value of obligation as at the beginning of the year	5.95	3.21	4.97	2.79
Interest Cost	0.45	0.25	0.35	0.22
Current Service Cost	1.98	1.50	1.70	1.57
Transfer In	-	0.62		
Benefits paid	-	(1.56)	(0.20)	(0.01)
Actuarial (Gain) / Loss on obligations	(0.01)	1.93	(1.01)	0.40
Present value of obligation as at the end of the year	8.37	5.95	5.81	4.97



Hagwood Commercial Developers Private Limited

Notes to financial statements for the year ended March 31, 2017

(Rs. in Lakhs)

<b>Liability recognized in the Balance Sheet :</b>				
Particulars	Year Ended 31.03.2017	Year Ended 31.03.2016	Year Ended 31.03.2016	Year Ended 31.03.2017
Present value of obligation as at the end of the year	8.37	5.95	5.81	4.97
Fair Value of plan assets as at the end of the year	1.59	1.47	-	-
Unfunded status	6.78	4.48	5.81	4.97
Unrecognized Actuarial (Gain)/ loss	-	-	-	-
Net (Assets)/ Liability recognized in the Balance Sheet	6.78	4.48	5.81	4.97
Non Current Liability / (Asset)	4.38	2.50	4.75	4.08
Current Liability / (Asset)	2.40	1.98	1.06	0.89
<b>Expenses recognized in the Profit and Loss Account :</b>				
Current Service Cost	1.98	1.50	1.70	1.57
Past Service Cost	-	-	-	-
Interest Cost	0.45	0.25	0.35	0.22
Actuarial (Gain) / Loss on obligations	(0.01)	1.93	(1.01)	0.40
Actuarial (Gain) / Loss on plan assets	0.06	0.08	-	-
Expected return on Plan Assets	(0.18)	(0.23)	-	-
	2.30	3.53	1.04	2.19
Total Expenses recognized in the Profit and Loss account				
<b>Apportionment of Gratuity expenses :</b>				
Expense recognised in statement of profit & loss	0.69	1.24	0.31	0.66
Expenses apportioned to capital work in progress	1.61	2.29	0.73	1.37
	2.30	3.53	1.04	2.19

Note : - The Company has taken actuarial valuation for leave encashment from the FY 2015-16, hence previous year figures are not available.

Amounts of Gratuity for the current and previous four year are as follows:

<b>Gratuity</b>					
Particulars	Year Ended 31.03.2017	Year Ended 31.03.2016	Year Ended 31.03.2015	Year Ended 31.03.2014	Year Ended 31.03.2013
Defined benefit obligation	8.37	5.95	3.21	3.22	1.56
Plan assets	1.59	1.47	1.75	1.60	-
Surplus/(deficit)	6.78	4.48	1.47	1.62	1.56
Experience adjustments on plan liabilities	(0.43)	1.83	(2.06)	0.19	(0.28)
Experience adjustments on plan assets	0.06	0.08	0.07	0.04	-
Actuarial gain/(loss) due to change in assumption	0.42	0.10	0.29	(0.15)	(0.02)





# Hagwood Commercial Developers Private Limited

Notes to financial statements for the year ended March 31, 2017

(Rs. in Lakhs)

## E) Related Party Disclosure:-

As required under Accounting Standard 18 "Related Party Disclosures" (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 31<sup>st</sup> March, 2017

### i) Key Management Personnel

Mr. Sudhanshu Chaturvedi	Managing Director
Mr. Sagar Gosar	CFO
Mrs. Snehal Bansode (Up to 4th March, 2017)	Company Secretary

### ii) Ultimate Holding Company

Prozone Intu Properties Limited

### iii) Holding Company

Prozone Liberty International Limited, Singapore

## Related Party Transactions

### a) Sale/Purchase of goods and services

(Rs. in lakhs)

Particulars	Purchase of Services	Directors Sitting Fees	Purchase of goods	Amount due to Related Parties
Ultimate Holding Company				
Prozone Intu Properties Limited	262.47	-	-	28.91

### b) Loans taken and repayment thereof

(Rs. in lakhs)

Particulars	Loans Taken	Loan Repaid	Interest	Amount due to Related Parties
Ultimate Holding Company				
Prozone Intu Properties Limited	48.83	282.24	14.18	31.16

### c) Remunerations

(Rs. in lakhs)

Particulars	Employee Benefit Expense	Directors Sitting Fees	Amount due to Related Parties
Key Management Personnel			
Mr. Sagar Gosar	10.06		0.80
Mrs. Snehal Bansode	6.06	-	-



# Hagwood Commercial Developers Private Limited

Notes to financial statements for the year ended March 31, 2017

(Rs. in Lakhs)

For the year ended 31<sup>st</sup> March, 2016

## i) Key Management Personnel

Mr. Sudhanshu Chaturvedi	Managing Director
Mr. Sagar Gosar	CFO
Mrs. Nidhi Chhawchharia (Up to 1st December, 2015)	Company Secretary
Mrs. Snehal Bansode (From 1st December, 2015)	Company Secretary

## ii) Ultimate Holding Company

Prozone Intu Properties Limited

## iii) Holding Company

Prozone Liberty International Limited, Singapore

## Related Party Transactions

### a) Sale/Purchase of goods and services

(Rs. in lakhs)

Particulars	Purchase of Services	Directors Sitting Fees	Purchase of goods	Amount due to Related Parties
Ultimate Holding Company				
Prozone Intu Properties Limited	259.70	-	-	458.53

### b) Loans taken and repayment thereof

(Rs. in lakhs)

Particulars	Loans Taken	Loan Repaid	Interest	Amount due to Related Parties
Ultimate Holding Company				
Prozone Intu Properties Limited	267.25	273.63	20.68	250.39

### c) Remunerations

(Rs. in lakhs)

Particulars	Employee Benefit Expense	Directors Sitting Fees	Amount due to Related Parties
Key Management Personnel			
Mr. Sagar Gosar	8.91	-	0.66
Mrs. Nidhi Chhawchharia	1.03	-	-
Mrs. Snehal Bansode	1.86	-	0.47

Note: Related Parties are as disclosed by the Management and relied upon by the auditors.



# Hagwood Commercial Developers Private Limited

## Notes to financial statements for the year ended March 31, 2017

(Rs. in Lakhs)

### F) Disclosure with regards to section 188(4) of the Companies Act, 2013

- i) For Investment refer note no. 13.
- ii) 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	As at 31.03.2017	As at 31.03.2016
Inter-Corporate Deposits	9%	898.98	851.21

- G) Details of Specified Bank Notes (SBN) and other denomination notes held and transacted during the period from November 8, 2016 to December, 30 2016 as required by the MCA notification G.S.R. 308(E) dated March 31, 2017 is as below:

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	-	1.76	1.76
(+) Permitted receipts	-	4.01	4.01
(-) Permitted payments	-	2.65	2.65
(-) Amount deposited in Banks	-	-	-
Closing cash in hand as on 30.12.2016	-	3.12	3.12

- H) The Company is mainly engaged in the business of designing, developing, owning and operating Residential and Commercial Premises. There is no other reportable business segment as per Accounting Standard (AS-17).
- I) 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.
- J) 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. LLP  
Chartered Accountants

Shyamratan Singrodia  
Partner  
Mem No. 49006

Place : Mumbai  
Date : 16th May, 2017



For and on behalf of the Board

Sudhanshu Chaturvedi  
Managing Director  
DIN 05151360

Sagar Goswami  
Chief Finance Officer

Place : Mumbai  
Date : 16th May, 2017

Hetal Hakani  
Director  
DIN 06878540

Nidhi Chhauhan  
Company Secretary

