

PROSPERITA HOTEL VENTURES LIMITED

ANNUAL REPORT 2014-2015

Prosperita Hotel Ventures Limited

NOTICE

Notice is hereby given that the Third Annual General Meeting of **Prosperita Hotel Ventures Limited** will be held at 3.00 p.m. on Wednesday, 23rd September, 2015 at the No.110, Old SRP Tools, Rajiv Gandhi Salai, OMR Road, Thiruvanniyur, Chennai - 600041 to transact the following business:


ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet and Audited Profit and Loss Account for the financial year ended 31st March, 2015 and the reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Vineet Verma, who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139 read with Rule 3 of the Companies (Audit and Auditors) Rules, and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) and based on the recommendations of the Board, approval of the Shareholders be and is hereby accorded to appoint of M/s. Narayanan, Patil and Ramesh, Chartered Accountants (ICAI Firm Registration 002395S) as Statutory Auditors of the Company from the conclusion of this Third Annual General Meeting until the conclusion of Eighth Annual General Meeting subject to annual ratification by the members at every Annual General Meeting and authorizing the Board of Directors of the Company to fix the remuneration of the Statutory Auditors in consultation with them."

Place: Bangalore
Date: 23rd July, 2015

By order of the Board
For Prosperita Hotel Ventures Limited


Vineet Verma
Director
DIN: 06362115

Registered Office
110, Old SRP Tools, Rajiv Gandhi salai,
OMR Road, Thiruvanniyur,
Chennai- 600041

Prosperita Hotel Ventures Limited

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER.
2. Proxies in order to be effective must be received at the Registered Office of the Company not less than forty eight hours before this Annual General Meeting.

Prosperita Hotel Ventures Limited

BOARD'S REPORT

Dear Members

We have pleasure in presenting the Third Annual Report on business and operations of the Company together with the Audited Statement of Accounts for the financial year ended 31st March, 2015.

FINANCIAL HIGHLIGHTS:

(Rupees)		
Particulars	2014-2015	2013-2014
Other Income	83,840	-
Other Expenses	17,45,348	-
Profit/(Loss) before tax	(16,61,508)	-
Provision for : Current Tax	-	-
Net Profit/(Loss) after Tax	(16,61,508)	-
Balance in Profit & Loss Account brought forward from previous year	-	-
Balance carried to Balance Sheet	-	-

FINANCIAL & OPERATIONAL OVERVIEW:

Your Company is undertaking the construction of 5 star Hotel at a prime location in Chennai. The Intercontinental Hotel Group will be the operator under the "Holiday Inn" brand. The hotel is in the advanced stage of construction. During the year your Company had other income amounting to Rs.83,840 and incurred a loss of Rs.16,61,508.

SUBSIDIARIES/ JOINT VENTURES AND ASSOCIATES:

The Company -is a subsidiary of Brigade Enterprises Limited. There are no subsidiaries / associates during the year.

SCHEME OF ARRANGEMENT:

Subramanian Engineering Limited owns the land in which the construction of the hotel project is being undertaken by the Company based on the agreement entered with Brigade Enterprises Limited. Subramanian Engineering Limited demerged the assets and associated liabilities pertaining to the land on which the Hotel Project is being undertaken by your Company. The same will be merged with your Company. The Shareholders of the Subramanian Engineering Company Limited will be entitled to one equity share of your Company for every three equity shares in Subramanian Engineering Limited. The appointed date for the scheme is 1st October, 2013. The final hearing on this scheme of arrangement is scheduled shortly by the Honorable High Court of Madras.

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TRANSFER TO RESERVES & DIVIDEND:

There are no profits in the Company either to recommend dividend or transfer profits to reserves.

FIXED DEPOSITS:

The Company has not accepted any deposits in terms of Chapter V of the Companies Act, 2013 read with the Companies (Acceptance of Deposit) Rules, 2014, during the year and accordingly, no amount is outstanding as on the balance sheet date.

SHARE CAPITAL:

During the year the Authorised Share Capital was increased from the Existing Rs.5,00,000/- (Rupees Five Lakhs Only) divided into 50,000 (Fifty Thousand) Equity Shares of Rs.10/- (Rupees Ten) each to Rs.50,00,000/- (Rupees Fifty Lakhs Only) divided into 5,00,000 (Five Lakhs) Equity Shares of Rs.10/- (Rupees Ten Only) Each.

There is no change in the Paid up Share Capital of the Company.

DEBENTURES:

During the year under review, the Company has not issued any Debentures. As on date, the Company does not have any outstanding Debentures.

BOARD OF DIRECTORS:

The Board of Directors of the Company comprises of three Non-Executive Directors.

In accordance with the Articles of Association of the Company and the provisions of Section 152(6)(e) of the Companies Act, 2013, Mr. Vineet Verma (DIN: 06362115), Director of the Company will retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for reappointment.

None of the Directors of the Company are disqualified under Section 164(2) of the Companies Act, 2013.

BOARD MEETINGS:

During the year under review, the Board of Directors of the Company met 5 times and the details of the same is as tabled below:

Prosperita Hotel Ventures Limited

Dates on which Board Meetings were Held	Total Strength of the Board	No of Directors Present
18 th April, 2014	3 (Three)	3 (Three)
2 nd June, 2014	3 (Three)	3 (Three)
24 th July, 2014	3 (Three)	3 (Three)
23 rd October, 2014	3 (Three)	3 (Three)
17 th January, 2015	3 (Three)	3 (Three)

ATTENDANCE OF DIRECTORS AT BOARD MEETINGS AND ANNUAL GENERAL MEETING:

The Board of Directors of the Company have attended the following meetings of the Board & Annual General Meeting:

Name of the Director	Board meetings attended in the financial year 2014-2015	Attendance in the 2 nd Annual General Meeting held on 4 th August, 2014
Mr. M.R. Jaishankar	5 (Five)	Yes
Ms. Nirupa Shankar	5 (Five)	Yes
Mr. Vineet Verma	5 (Five)	Yes

POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION:

The Directors of the Company are appointed by the members at annual general meetings in accordance with the provisions of the Companies Act, 2013 and the rules made thereunder.

There is no remuneration paid to any directors and the directors are not entitled for any sitting fees for attending the meetings of the Board.

DIRECTORS' RESPONSIBILITY STATEMENT:

The Board of Directors hereby confirms that:

- in the preparation of the annual financial statements for the year ended 31st March, 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

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- c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the annual financial statements have been prepared on a going concern basis;
- e) there are proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

PARTICULARS OF EMPLOYEES:

There are no employees in the Company who are in receipt of remuneration in excess of the limits prescribed in section 134 of the companies Act, 2013 read with the Rule 5(2) & 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 during the year.

STATUTORY AUDITORS:

M/s. Narayanan, Patil and Ramesh Chartered Accountants (Firm Registration No. 0023955) have provided their willingness and eligibility to be appointed as Statutory Auditors of the Company for a period of 5 years till the conclusion of Eighth Annual General Meeting, subject to annual ratification by the members of the Company in terms of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014. Your directors recommend their appointment as Statutory Auditors.

There are no qualifications or adverse remarks in the Statutory Auditors' Report on financial statements for the year ended 31st March, 2015 which require any explanation from the Board of Directors.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

The related party transactions undertaken during the financial year 2014-15 as detailed in Notes to Accounts of the financial Statements.

EXTRACT OF ANNUAL RETURN:

In terms of Section 92 (3) of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, the extract of the Annual Return of the Company for the financial year 2014-15 in Form No. MGT-9 is appended as **Annexure-1** to this Report

Prosperita Hotel Ventures Limited

MATERIAL CHANGES AND COMMITMENTS:

There were no material changes and commitments for the period under review, which significantly affects the financial position of the Company.

SIGNIFICANT OR MATERIAL ORDER:

During the financial year under review, no significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in the future.

INTERNAL FINANCIAL CONTROL SYSTEMS:

The Company has adequate internal financial control systems in place with reference to the financial statements.

During the year under review, these controls were evaluated and no significant weakness was identified either in the design or operation of the controls.

RISK MANAGEMENT:

The Board of Directors have been entrusted with the responsibility for establishing policies to monitor and evaluate risk management systems of the Company.

The business risks identified are reviewed and a detailed action plan to mitigate identified risks is drawn up and its implementation monitored. The key risks and mitigation actions will also be placed before the Board of Directors of the Company on a periodic basis.

CORPORATE SOCIAL RESPONSIBILITY:

The provisions relating to Corporate Social Responsibility are not applicable to the Company as on 31st March, 2015.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

A. CONSERVATION OF ENERGY:

The Company is engaged in service sector, has limited scope for energy conservation. Emphasis is being laid on employing techniques which result in conservation of energy. At work place, emphasis is more on installation of energy efficient lights and using natural light to a maximum extent.

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B. TECHNOLOGY ABSORPTION: NIL

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

The details of Earnings and expenditure from foreign exchange during the year as follows:

Particulars	2014-15	2013-14
Expenditure in Foreign Currency :		
Legal and professional Fees	18,49,129	50,304
Advertisement and Sales promotions	-	-
Others	-	-
Total	18,49,129	50,304

HUMAN RESOURCES:

Many initiatives have been taken to support business through organizational efficiency, process change support and various employee engagement programmes, your Company has currently 6 employees. A significant effort has also been undertaken to develop leadership as well as technical/ functional capabilities in order to meet future talent requirement.

Brigade Enterprises Limited, the Holding Company has framed a policy for Prevention of Sexual Harassment in the organization. The policy is applicable for all Companies in the Group. The "Complaints Redressal Committee" for prevention and redressal of complaints on sexual harassment of women at work place in accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013 and relevant rules thereunder. During the period under review, there were no such instances reported in the Company.

ACKNOWLEDGEMENTS:

The Directors wish to place on record their appreciation and sincere thanks to all the stakeholders for the continued support and patronage. We look forward to your support and co-operation as the Company is entering the next league of growth.

By Order of the Board
For Prosperita Hotel Ventures Limited

Place: Bangalore
Date: 17th April, 2015


M R Jaishankar

Director
DIN: 00191267


Vineet Verma

Director
DIN: 06362115

ANNEXURE-1
FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended on 31.03.2015

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:		
1	CIN	U55101TN2012PLC087733
2	Registration Date	20th September, 2012
3	Name of the Company	Prosperita Hotel Ventures Limited
4	Category/Sub-category of the Company	Company Limited by Shares Indian Non - Government Company
5	Address of the Registered office & contact details	110, Old SRP Tools, Rajiv Gandhi Salai, Omr Road, Thiruvanniyur, Chennai, Tamil Nadu-600041 Tel: 080 40438000 Email: omprakash@brigadegroup.com
6	Whether listed company	No
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	NA

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY			
(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)			
S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
	Real Estate	681	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES				
Name and Address of the company	CIN/GLN	Holding /Subsidiary/Associate	% of Shares held	Applicable Section
Brigade Enterprises Limited 29th & 30th Flr, World Trade Center, 26/1, Brigade Gateway, Dr. Rajkumar Road, Malleswaram-Rajajinagar, Bangalore- 560 055	L85110KA1995PLC019126	Holding Company	100%	2(46)

IV. SHAREHOLDING PATTERN									
(Equity share capital breakup as percentage of total equity)									

(i) Category-wise Share Holding									
Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF		-	-	0.00%		-	-	0.00%	0.00%
b) Central Govt		-	-	0.00%		-	-	0.00%	0.00%
c) State Govt(s)		-	-	0.00%		-	-	0.00%	0.00%
d) Bodies Corp.		50,000	50,000	100.00%		50,000	50,000	100.00%	0.00%
e) Banks / FI		-	-	0.00%		-	-	0.00%	0.00%
f) Any other		-	-	0.00%		-	-	0.00%	0.00%
Sub Total (A) (1)		50,000	50,000	100.00%		50,000	50,000	100.00%	0.00%
(2) Foreign									
a) NRI Individuals		-	-	0.00%		-	-	0.00%	0.00%
b) Other Individuals		-	-	0.00%		-	-	0.00%	0.00%
c) Bodies Corp.		-	-	0.00%		-	-	0.00%	0.00%
d) Any other		-	-	0.00%		-	-	0.00%	0.00%
Sub Total (A) (2)		-	-	0.00%		-	-	0.00%	0.00%
TOTAL (A)		50,000	50,000	100.00%		50,000	50,000	100.00%	0.00%
B. Public Shareholding									
1. Institutions									
a) Mutual Funds			-	0.00%			-	0.00%	0.00%
b) Banks / FI			-	0.00%			-	0.00%	0.00%
c) Central Govt			-	0.00%			-	0.00%	0.00%
d) State Govt(s)			-	0.00%			-	0.00%	0.00%
e) Venture Capital Funds			-	0.00%			-	0.00%	0.00%
f) Insurance Companies			-	0.00%			-	0.00%	0.00%
g) FIs			-	0.00%			-	0.00%	0.00%
h) Foreign Venture Capital Funds			-	0.00%			-	0.00%	0.00%
i) Others (specify)			-	0.00%			-	0.00%	0.00%
Sub-total (B)(1):-		-	-	0.00%		-	-	0.00%	0.00%

2. Non-Institutions									
a) Bodies Corp.		-	-	0.00%	-	-	-	0.00%	
i) Indian				0.00%				0.00%	0.00%
ii) Overseas			-	0.00%			-	0.00%	0.00%
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh								0.00%	0.00%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh								0.00%	0.00%
c) Others (specify)									
Directors									0.00%
Non Resident Indians				0.00%				0.00%	0.00%
Overseas Corporate Bodies			-	0.00%			-	0.00%	0.00%
Foreign Nationals			-	0.00%			-	0.00%	0.00%
Clearing Members				0.00%				0.00%	0.00%
Employees				0.00%	-	-	-	-	-
HUF				0.00%	-	-	-	-	-
Trusts				0.00%			-	0.00%	0.00%
Foreign Bodies - D R			-	0.00%			-	0.00%	0.00%
Sub-total (B)(2):-	-	-	-	0.00%	-	-	-	0.00%	0.00%
Total Public (B)	-	-	-	0.00%	-	-	-	0.00%	0.00%
C. Shares held by Custodian for GDRs & ADRs			-	0.00%				0.00%	0.00%
Grand Total (A+B+C)	-	50,000	50,000	100.00%	-	50,000	50,000	100.00%	0.00%

(ii) Shareholding of Promoter- NIL

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Brigade Enterprises Ltd.	49400	98.80%	-	49400	98.80%	-	0.00%
2	Mr. Suresh Yadwad (Registered Holder)*	100	0.20%	-	100	0.20%	-	0.00%
3	Ms. Nirupa Shankar (Registered Holder)*	100	0.20%	-	100	0.20%	-	0.00%
4	Mr. Vineet Verma (Registered Holder)*	100	0.20%	-	100	0.20%	-	0.00%
5	Mr. Suresh Krishnamoorthy (Registered Holder)*	100	0.20%	-	100	0.20%	-	0.00%
6	Mr. Pradyumna Krishna Kumar (Registered Holder)*	100	0.20%	-	100	0.20%	-	0.00%
7	Mr. P. Omprakash (Registered Holder)*	100	0.20%	-	100	0.20%	-	0.00%

Beneficial Interest is held by M/s. Brigade Enterprises Limited

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

SN	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
	At the beginning of the year	01.04.2014		50,000	100.00%		
	Changes during the year		No Change		0.00%		
	At the end of the year	31.03.2015		50,000	100.00%	50,000	100.00%

(iv) Shareholding Pattern of top ten Shareholders : NIL

(Other than Directors, Promoters and Holders of GDRs and ADRs)

(v) Shareholding of Directors and Key Managerial Personnel

SN	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1							
	At the beginning of the year				0.00%	-	-
	Changes during the year						
	At the end of the year				0.00%	-	0.00%

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(Amt. Rs./Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount		48,46,52,238.00	-	48,46,52,238.00
ii) Interest due but not paid	-			
iii) Interest accrued but not due	-	-		-
Total (i+ii+iii)		48,46,52,238.00	-	48,46,52,238.00
Change in Indebtedness during the financial year				
* Addition		26,69,20,079.00	-	26,69,20,079.00
* Reduction	-	-	-	-
Net Change		26,69,20,079.00	-	26,69,20,079.00
Indebtedness at the end of the financial year				
i) Principal Amount		75,15,72,317.00	-	75,15,72,317.00
ii) Interest due but not paid	-			-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)		75,15,72,317.00		75,15,72,317.00

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: NIL

B. Remuneration to other Directors: NIL

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD: NIL

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

INDEPENDENT AUDITORS' REPORT

To the Members of PROSPERITA HOTEL VENTURES LIMITED,

Report on the Financial Statements

We have audited the accompanying financial statements of **PROSPERITA HOTEL VENTURES LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date annexed thereto, 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 the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give 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 operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by 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 financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2015;
- (b) in the case of the Statement of Profit and Loss, of the profit of the Company for the period ended on that date.
- (c) 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 Companies Act, 2013, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c) In our opinion, 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 accounts and returns.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of written representations received from the directors as on 31 March, 2015, taken on record by the Board of Directors, none of the directors are disqualified as on 31 March, 2015, from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the other matters referred in Rule 11 of Companies (Audit and auditors), 2014, and according to the information and explanations given to us, to the best of our knowledge :
 - i. The Company does not have any pending litigations which would impact its financial position.



- ii. The Company did not have any long-term contracts including derivatives contracts, for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Narayanan, Patil and Ramesh
Chartered Accountants
Firm Reg. No. 002395S


L R Narayanan
Partner
Membership No: 200/25588



Place: Bangalore
Date: 17th April, 2015

ANNEXURE TO AUDITORS' REPORT

Annexure referred to in paragraph 1 under **Report on Other Legal and Regulatory Requirements** of the Auditors' Report to the members of **PROSPERITA HOTEL VENTURES LIMITED** on the accounts for the period ended 31st March 2015.

According to the information and explanation given to us during the course of our audit, we report that:

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) Fixed Assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- ii. (a) The management has conducted physical verification of inventory at reasonable intervals during the year

(b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.

(c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
- iii. The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act.
- iv. The company has an adequate internal control system commensurate with its size and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.
- v. The company has not accepted any deposits from the public during the year.
- vi. To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under sub-section (I) of section 148 of the Companies Act, for the products/ services of the company.
- vii. (a) The company is regular in depositing undisputed statutory dues including income-tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax cess and other statutory dues with the appropriate authorities.



(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, wealth-tax, service-tax, sales-tax, customs duty, excise duty, value added tax, cess and other material statutory dues were outstanding at the year end, for a period of more than six months from the date they become payable


(c) According to the information and explanations given to us, there are no dues of income tax, sales tax, wealth tax, service tax, customs duty, excise duty, value added tax and cess which have not been deposited on account of any dispute.

(d) There are no amounts that were required to be transferred to Investor Education and Protection Fund by the Company

- viii. The company has been registered for a period of less than five years and hence we are not required to comment on whether or not the accumulated losses at the end of the financial year are not less than fifty percent of its net worth and whether it has incurred cash losses in such financial year and in the immediately preceding financial year.
- ix. According to the information and explanations given to us, the company does not have any outstanding dues to a financial institution or bank or debenture holders at any point of time during the year.
- x. According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from bank or financial institutions, the terms and conditions whereof are prejudicial to the interest of the company.
- xi. The company has not obtained any term loan during the year.
- xii. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the year.

For **Narayanan, Patil and Ramesh**
Chartered Accountants

FRN: 002395S


L. R. Narayanan
Partner
Membership No.200/25588



Place: Bangalore
Date: 17th April, 2015

PROSPERITA HOTEL VENTURES LIMITED

Balance Sheet as at 31st March, 2015

Particulars	Note No.	Amount in Rs.	Amount in Rs.
		As at 31st March , 2015	As at 31st March , 2014
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	5,00,000	5,00,000
Reserves and surplus	4	(16,61,508)	-
Non-current liabilities			
Long term borrowings	5	75,15,72,317	48,46,52,238
Long Term Provisions	6	1,07,278	1,36,236
Current liabilities			
Trade Payables	7	1,89,60,656	4,55,32,542
Other current liabilities	8	15,66,203	15,02,880
Short Term Provisions	9	98,459	1,45,147
Total		77,11,43,404	53,24,69,043
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	10	12,63,347	11,35,330
Capital work-in-progress		69,26,02,606	47,44,81,077
Non-current investments	11	5,000	5,000
Long-term loans and advances	12	2,80,90,680	2,80,90,680
Current assets			
Inventories	13	13,56,689	80,54,356
Cash and bank balances	14	2,89,75,731	21,56,242
Short-term loans and advances	15	1,87,65,510	1,85,04,652
Other Current Assets	16	83,840	41,706
Total		77,11,43,404	53,24,69,043

Summary of significant accounting policies & Notes to Accounts

1 & 2

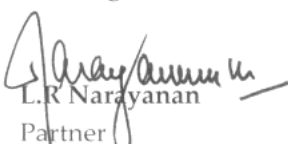
The accompanying notes are an integral part of the financial statements

As per our report of even date

For NARAYANAN, PATIL & RAMESH

Chartered Accountants

Firm Reg. No. 002395S


L.R. Narayanan
Partner

Membership No.200/25588



**For and on behalf of the board of directors of
PROSPERITA HOTEL VENTURES LIMITED**


M.K. Jaishankar
Director


Vineet Verma
Director

Place: Bangalore

Date: 17th APRIL 2015

PROSPERITA HOTEL VENTURES LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED MARCH 31, 2015

Particulars	Note No.	31st March 2015 Rs.	31st March 2014 Rs.
Revenue from Operations		-	-
Other Income	17	83,840	-
Total revenue (I + II)		83,840	-
Expenses			
Cost of materials consumed		-	-
Purchases of stock in trade		-	-
Changes in inventories		-	-
Employee benefits expense		-	-
Finance costs		-	-
Depreciation and amortization expense		-	-
Other expenses	18	17,45,348	-
Total Expenses		17,45,348	-
Profit/(Loss) before prior period items and tax (III-IV)		(16,61,508)	-
Prior period items (net)			
Profit/(Loss) before extraordinary items and tax (V+VI)		(16,61,508)	-
Extraordinary Items			
Profit/(Loss) before tax (III - IV)		(16,61,508)	-
Tax expense:			
(1) Current tax		-	-
(2) Prior year tax		-	-
(3) Deferred tax (credit)/ charge		-	-
Profit for the year (V - VI)		(16,61,508)	-
Earning per equity share:			
Basic & Diluted			

Summary of significant accounting policies & Notes to Accounts 1 & 2

The accompanying notes are an integral part of the financial statements

As per our report of even date

For NARAYANAN, PATIL & RAMESH

Chartered Accountants

Firm Reg. No. 002395S

L.R. Narayanan

Partner

Membership No.200/25588



For and on behalf of the board of directors of
PROSPERITA HOTEL VENTURES LIMITED

[Signature]
M R Jaishankar
Director

[Signature]
Vineet Verma
Director

Place: Bangalore

Date: 17th April 2015

PROSPERITA HOTEL VENTURES LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED March 31, 2015

Particulars	As on 31.03.2015 In Rs.	As on 31.03.2014 In Rs.
Cash flows from operating activities		
Profit before taxation	(16,61,508)	-
Adjustments for:		
Depreciation	5,82,772	1,78,719
	(10,78,736)	1,78,719
Adjustments for:		
Increase/ (decrease) in Other Long-term liabilities	26,69,20,079	20,80,05,079
Increase/ (decrease) in Long-term Provisions	(28,958)	2,42,045
Increase/ (decrease) in Trade Payables	(2,65,71,887)	1,65,31,355
Increase/ (decrease) in Current Liabilities	63,323	92,52,145
Increase/ (decrease) in Short term Provisions	(46,688)	39,338
(Increase)/ decrease in Long-term loans and advances	-	-
(Increase)/ decrease in Inventories	66,97,667	(29,50,514)
(Increase)/ decrease in Short-term loans and advances	(2,60,858)	(25,71,538)
(Increase)/ decrease in Other Current Assets	(42,134)	48,994
(Increase)/ decrease in Trade Receivable	-	-
	24,67,30,544	22,85,96,904
Income taxes paid/(refund)	-	-
Net cash from operating activities	24,56,51,808	22,87,75,623
Cash flows from investing activities		
Investment in National Savings Certificate		
Investment in Fixed Assets	(7,10,789)	(98,165)
Increase in Capital work-in-progress	(21,81,21,530)	(22,71,76,139)
Net cash from investing activities	(21,88,32,319)	(22,72,74,304)
Cash flows from financing activities		
Proceeds from Issue of share capital		
Net cash from financing activities	-	-
Net increase/(decrease) in cash and cash equivalents	2,68,19,489	15,01,319
Cash and cash equivalents at beginning of reporting period	21,56,242	6,54,923
Cash and cash equivalents at end of reporting period	2,89,75,731	21,56,242

Summary of significant accounting policies & Notes to Accounts

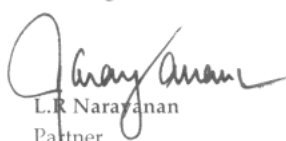
The accompanying notes are an integral part of the financial statements

As per our report of even date

For NARAYANAN, PATIL & RAMESH

Chartered Accountants

Firm Reg. No. 0023955


L.R. Narayanan
Partner

Membership No.200/25588





Place: Bangalore

Date: 17th April 2015

For and on behalf of
the board of directors
of

PROSPERITA HOTEL

 
M.R. Jaishankar Vineet Verma
Director Director

Prosperita Hotel Ventures Limited

Notes to the Financial Statement

Note - 3 - Share capital

Amount in Rs.

Particulars	As at 31st March, 2015	As at 31st March, 2014
Authorised 5,00,000 Equity shares (50,000 Equity Shares as at March 31, 2014) of Rs. 10/- each	50,00,000	5,00,000
Issued , Subscribed & Paid Up 50,000 Equity shares (50,000 Equity Shares as at March 31,2014) of Rs. 10/- each	5,00,000	5,00,000
Total	5,00,000	5,00,000

Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity shares

Particulars	March 31, 2015		March 31, 2014	
	-	-	-	-
Shares outstanding at the beginning of the year	-	-	-	-
Shares issued during the year- 50000 shares @ Rs. 10/-	5,00,000	5,00,000	5,00,000	5,00,000
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	5,00,000	5,00,000	5,00,000	5,00,000

Details of shareholders' holding equity shares more than 5% in the company

Name of the shareholder	As at 31st March, 2015		As at 31st March, 2014	
	No. of shares held	% of holding	No. of shares held	% of holding
Brigade Enterprises Ltd	50,000	100%	50,000	100%
Total	50,000		50,000	

Note - 4 - Reserves and surplus

Amount in Rs.

Particulars	As at 31st March, 2015	As at 31st March, 2014
Surplus/(defecit) in the statement of profit and loss		
Balance as per last financial statements	-	-
Profit for the year	(16,61,508)	-
Total	(16,61,508)	-

Note - 5 - Long term borrowings

Amount in Rs.

Particulars	As at 31st March, 2015	As at 31st March, 2014
Loans and advances from related parties (unsecured)	75,15,72,317	48,46,52,238
	75,15,72,317	48,46,52,238

Note - 6 - Long Term Provisions

Amount in Rs.

Particulars	As at 31st March, 2015	As at 31st March, 2014
Provision for Gratuity	1,07,278	1,36,236
Total	1,07,278	1,36,236



Note - 7 - Trade Payables

Amount in Rs.

Particulars	As at 31st March, 2015	As at 31st March, 2014
Payable to contractors	1,36,47,457	3,46,53,078
Others -Electricity expenses	-	3,76,366
Outstanding Liabilities	10,91,321	15,17,046
Supplier Retention	42,21,877	89,86,052
Total	1,89,60,656	4,55,32,542

Note - 8 - Other current liabilities

Amount in Rs.

Particulars	As at 31st March, 2015	As at 31st March, 2014
Statutory dues payable	15,66,203	15,02,880
Total	15,66,203	15,02,880

Note - 9 - Short Term Provisions

Amount in Rs.

Particulars	As at 31st March, 2015	As at 31st March, 2014
Provision for Gratuity	280	10,768
Provision for Leave Benefits	98,179	1,34,379
Total	98,459	1,45,147

Note - 11 - Non-current investments

Amount in Rs.

Particulars	As at 31st March, 2015	As at 31st March, 2014
Government and trust securities		
Investment in Government Securities	5,000	5,000
Total	5,000	5,000

Note: the above NSC is taken as a security for Municipal Corporation of Chennai.

Note - 12 - Long-term loans and advances

Amount in Rs.

Particulars	As at 31st March, 2015	As at 31st March, 2014
Security deposit	5,90,680	5,90,680
Land advance	2,75,00,000	2,75,00,000
Total	2,80,90,680	2,80,90,680

Note - 13 - Inventories (valued at lower of cost and net realisable value)

Amount in Rs.

Particulars	As at 31st March, 2015	As at 31st March, 2014
Raw Materials, components and stores	13,56,689	80,54,356
Total	13,56,689	80,54,356



Note - 10 - Fixed Assets

Amount in Rs.

	GROSS BLOCK			DEPRECIATION VALUE				Net Block	
	As At	Additions	Deletions	As At	For the	Amount	Total	W.D.V	W.D.V
	1-Apr-14			31-Mar-15	period	written	Amount	As At	As At
					ending	back	as at		
Prosperita Hotel Ventures Ltd					31-Mar-15		31-Mar-15	31-Mar-15	31-Mar-14
TANGIBLE ASSETS									
1. Furniture & Fixtures & Interiors	13,29,040		-	13,29,040	3,94,702	-	6,05,628	7,23,412	11,18,114
2. Office Equipment, Plant & Machinery	-	1,94,216	-	1,94,216	72,904	-	72,904	1,21,312	-
3. Electrical & Electronics	26,940	5,16,573		5,43,513	1,15,166		1,24,890	4,18,623	17,216
CAPITAL WORK IN PROGRESS	47,44,81,077	21,81,21,530	-	69,26,02,606	-	-	-	69,26,02,606	47,44,81,077
	47,58,37,057	21,88,32,319	-	69,46,69,375	5,82,772	-	8,03,422	69,38,65,954	47,56,16,407

Capital work-in-progress ('CWIP')

Particulars	March 31, 2015	March 31, 2014
Opening Balance		
- Additions during the year	47,44,81,077	24,73,04,938
- Capitalised during the year	21,81,21,530	22,71,76,139
Closing Balance	69,26,02,606	47,44,81,077

Note: Additions to CWIP include the following expenses of

	March 31, 2015	March 31, 2014
Materials consumed	1,45,79,235	(44,54,794)
Construction cost	19,22,84,857	21,40,68,684
Salaries, wages and bonus	78,97,385	1,27,70,826
Rent	-	5,77,224
Architect and consultancy fees	6,26,454	5,12,048
Rates and taxes	-	2,507
Miscellaneous expenses	4,96,840	10,86,769
Interest costs	16,53,987	23,96,724
Others	5,82,772	2,16,151
Depreciation	21,81,21,530	22,71,76,139
	-	-



Note - 14 - Cash and bank balances

Amount in Rs.

Particulars	As at 31st March, 2015	As at 31st March, 2014
a. Balances with banks On current accounts	13,65,050	21,43,495
b. Cash on hand	2,681	12,747
c. Other bank balances Margin Money deposit	2,76,08,000	-
Total	2,89,75,731	21,56,242

Note -15 - Short-term Loan & Advances (Unsecured, considered good)

Amount in Rs.

Particulars	As at 31st March, 2015	As at 31st March, 2014
Advance to suppliers	1,21,58,591	1,30,66,837
Balances with statutory/government authorities	65,77,111	45,14,231
Prepaid expenses	29,809	9,23,584
Total	1,87,65,510	1,85,04,652

Note -16 - Other Current Assets

Amount in Rs.

Particulars	As at 31st March, 2015	As at 31st March, 2014
Accrued Interest	83,840	-
Preliminary Expenses (to the extent not written off)	-	41,706
Total	83,840	41,706

Note -17 - Other Income

Amount in Rs.

Particulars	As at 31st March, 2015	As at 31st March, 2014
Accrued Interest	83,840	-
Total	83,840	-

Note -18 - Other Expenses

Amount in Rs.

Particulars	As at 31st March, 2015	As at 31st March, 2014
Audit Fee	1,28,000	-
Preliminary expenses Written off	41,706	-
Legal and professional fees	12,63,232	-
Rates and taxes	1,45,359	-
Miscellaneous Expenses	1,67,052	-
Total	17,45,348	-



PROSPERITA HOTEL VENTURES LIMITED

NOTES TO FINANCIALS STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2015

1. Company overview:

Prosperita Hotel Ventures Limited ("the Company") was incorporated on 20th September, 2012, with the object of carrying on the business of running and managing hotels. The company is currently in the process of constructing a hotel in Chennai.

2. Significant Accounting Policies & Additional Notes to Financial Statements:

I. SIGNIFICANT ACCOUNTING POLICIES:

a. Basis for preparation of Financial Statements:

The Financial Statements are prepared under the historical cost convention, on the accrual basis of accounting and in accordance with generally accepted accounting principles in India and comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

b. Use of estimates:

Preparation of Financial Statements in conformity with Generally Accepted Accounting Principles requires Company Management to make estimates and assumptions that affect reported balance of assets & liabilities and disclosures relating to contingent assets & liabilities as of the date of Financials and reported amounts of income & expenses during the period. Examples of such estimate include Revenues, expenses and Profits expected to be earned on business carried on by the Company. Actual results could differ from these estimates. Differences, if any, between the actual results and estimates are recognized in the period in which the results are known or materialized.

c. Revenue recognition:

The company has not yet commenced its commercial operations as the proposed hotel in Chennai is still under Construction. Hence revenue recognition from operations does not arise.



d. Expenditure:

Expenses are accounted on the accrual basis and provisions are made for all known losses and liabilities.

e. Valuation of Inventories:

Valuation of Inventories, representing stock of materials at project site/with contractors, has been done after providing for obsolescence, if any, at lower of Cost or Net Realizable Value. These stocks represent the items that are held for the purpose of constructing the hotel in Chennai.

f. Cash flow statement:

Cash Flows are reported using the indirect method, the cash flows from financing and investing activities of the Company are segregated.

g. Events occurring after the date of Balance Sheet:

Material events occurring after the date of Balance Sheet are taken into cognizance.

h. Depreciation:

Till the year ended March 31, 2014, Schedule XIV to the Companies Act, 1956 ('Schedule XIV'), prescribed requirements concerning depreciation of fixed assets. From the current year, Schedule XIV has been replaced by Schedule II to the Companies Act, 2013 ('Schedule II'). The applicability of Schedule II has resulted in the following changes related to depreciation of fixed assets. Unless stated otherwise, the impact mentioned for the current year is likely to hold good for future years also.

Useful lives/ depreciation rates

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

Considering the applicability of Schedule II, the management has re-estimated useful lives and residual values of all its fixed assets. Accordingly, the carrying amount as at April 1, 2014 is being depreciated over the revised remaining useful life of the asset. Further, the impact on account of the above change in depreciation rates is immaterial.



i. Tangible fixed assets:

Fixed assets are stated at cost of acquisition including directly attributable costs for bringing the asset into use, less accumulated depreciation and impairment losses, if any.

The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

j. Capital Work-In-Progress:

Capital work in progress comprises the cost of fixed assets under construction and not yet ready for their intended use. Capital work in progress is carried at cost, comprising direct cost, related incidental expenses. .

Indirect expenditure incurred during construction period is capitalized to the extent to which the expenditure is indirectly related to construction or is incidental thereto. Other indirect expenditure (including borrowing costs) incurred during the construction period which is not related to the construction activity nor is incidental thereto is charged to the statement of profit and loss.

k. Employee Benefits:

Short Term Employee Benefits:

The employee benefits payable only within 12 months of rendering the services are classified as Short Term Employee Benefits. Benefits such as salaries leave travel allowance, short term compensated absences, etc., and the expected costs of bonus are recognized in the period in which the employee renders the related services.

Post-Employment Benefits:

Defined Contribution Plans:

The Company has contributed to state governed Provident Fund Scheme, Employee State Insurance Scheme, and Employee Pension Scheme which are Defined Contribution Plans. Contribution paid or payable under the Schemes is recognized during the period in which employee renders the related service.



Defined Benefit Plans:

The Employees' Gratuity is a Defined Benefit Plan. The present value of the obligation under such plan is determined based on the actuarial valuation using the projected unit credit method which recognizes each period of service as giving rise to an additional unit of employee benefit entitlement and measures each unit separately to build up the financial obligation. Actuarial gains or losses are charged to Profit and Loss Account. Liability in respect of leave encashment is provided for on actuarial basis using the projected unit credit method same as above.

l. Impairment of assets:

At the end of each year, the Company determines whether a provision should be made for impairment loss on fixed assets by considering the indications that an impairment loss may have occurred in accordance with Accounting Standard-28 "Impairment of Assets" prescribed under the Companies (Accounting Standards) Rules 2006, where the recoverable amount of any fixed asset is lower than its carrying amount, a provision for impairment loss on fixed assets is made for the difference.

m. Amortization of miscellaneous expenditure:

Expenses incurred in connection with the incorporation of the company have been treated as Preliminary expenses, and carried to the Balance Sheet under Other Current Assets amortised and will be written off over a period of five years from the year of starting of the operations.

n. Provisions & Contingencies:

Provision is recognized when an enterprise has a present obligation as a result of past event and is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are determined based on management estimates required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimate.

o. Foreign Currency Transaction:

Foreign currency translations are recorded in reporting currency at exchange rates prevailing on the date of transactions. Exchange gain or loss arising on settlement is adjusted to the statement of profit and loss. All monetary items denominated in foreign currency are converted at the rates prevailing on the date of the Financial Statement.



II. ADDITIONAL NOTES:

a. Related Party Disclosure:

Related party disclosures, as required by AS-18, "Related Party Disclosures" are given below:

Holding Company	Brigade Enterprises Ltd.
Fellow Subsidiaries	Brigade Hospitality Services Ltd., Brigade Tetrarch Pvt Ltd., Brigade Estates and Projects Pvt Ltd., Brigade Properties Pvt Ltd., Brigade Infrastructure and Power Pvt Ltd., WTC Trades and Projects Pvt Ltd., Orion Mall Management Company Ltd., Celebrations Catering and Events LLP
Associates	Tandem Allied Services Pvt Ltd
Joint Ventures	BCV Developers Pvt Ltd CV Properties Pvt Ltd. BCV Estates Pvt Ltd

The following transactions were carried out with related parties in the ordinary course of business: (Amount in Rs.)

Party	Holding company 2014-15	Holding company 2013-14	Fellow subsidiary 2014-15	Fellow subsidiary 2013-14
Investment in shares during the year	NIL	NIL	NIL	NIL
Purchase of goods/services	NIL	NIL	NIL*	3250*
Purchase of goods/services	NIL	NIL	420**	3150**
Purchase of goods/services	NIL	NIL	4128***	7244***
Capital advances received during the year	26,24,00,000	20,01,14,254	NIL	NIL
Reimbursement of expenses charged by	45,83,743	78,94,453	NIL	NIL
Reimbursement of expenses charged to	63,664	3,628	NIL	NIL
Outstanding payables	75,15,72,317****	48,46,52,238****	NIL	NIL

*Represents amount paid to M/s BHSL towards reimbursement of travel expenses.

** Represents amount paid to M/s Celebration Catering & Events LLP towards reimbursement of food expenses.

*** Represents amount paid to M/s WTC Trades & Projects Private Limited towards reimbursement of power & fuel expenses.

****Represents amount payable to BEL towards construction & other expenses.



b. Gratuity Plan:

The following table spells out the status of the gratuity plan as required under AS -15 (revised).

Particulars	As at 31 March 2015	As at 31 March 2014
Obligations at the beginning of the year	1,47,004	-
Service cost	42,586	1,47,004
Interest cost	11,408	-
Benefits settled	-	-
Actuarial (gain)/loss	-93,439	-
Obligations at the end of the year	107,558	1,47,004
Change in plan assets	-	-
Plan assets at the beginning of the year, at fair value	-	-
Expected return on plan assets	-	-
Contributions	-	-
Benefits settled	-	-
Actuarial (gain)/loss	-	-
Plan assets at the end of the year, at fair value	-	-
Reconciliations of present value of the obligation and the fair value of the plan assets		
Present value of the defined benefit obligation at the end of the year	1,07,558	-
Fair value of the plan assets at the beginning of the year	0	-
Assets/(liability) recognised in the Balance Sheet	-1,07,558	1,47,004
Gratuity cost for the year	1,47,007	1,47,004
Service cost	42,586	-
Interest cost	11,408	-
Expected return on plan assets	-	-
Actuarial (gain)/loss	-93,438	-
Net gratuity cost	1,07,558	1,47,004
Assumptions		
Interest rate	7.76%	9.12%
Salary Escalation	6.00%	6.00%

c. Remuneration Payable to Statutory Auditors:

(Amount in Rs.)

Particulars	2014-15	2013-14
Statutory Audit fees	1,00,000*	1,00,000*

*The above excludes the applicable service tax on the fees.



d. Contingent Liabilities:

At March 31, 2015, the estimated amount of contract remaining to be executed on capital account not provided for was Rs. 110,93,04,040 (March 31, 2014: Rs. 132,71,60,362)
(Rupees in Lakhs)

Particulars	As at 31 st March 2015	As at 31 st March 2014
(i) Contingent Liability		
a. Claims from government department not acknowledged as debt	NIL	Nil
b. Claims from government department not acknowledged as debt paid under protest and under appeal	NIL	Nil
(ii) Commitments		
a. Towards letter of credit and Bank Guarantees	2,49,53,190	Nil

- e. Based on the information available with the Company, there are no suppliers who are registered as micro, small or medium enterprises under "The Micro, Small and Medium Enterprises Development Act, 2006".

f. Expenditure in foreign currency (accrual basis)

Expenditure in foreign currency (accrual basis)	March 31, 2015	March 31, 2014
Legal and professional fees	18,49,129	50,304
Advertisement and sales promotion	Nil	Nil
Others	Nil	Nil

The CIF value of imports and payments for the year ended 31 March 2015, is Rs. 14.18 Lakhs (previous year 38.32 lakhs)



g. Balances of Creditors and Loans and Advances are subject to reconciliation and Confirmation

h. Previous Year Amounts:

The figures of the previous year have been regrouped, reclassified and restated wherever necessary.

For and on behalf of the Board of Directors


M.R. Jaishankar
Director


Vineet Verma
Director

Place: Bangalore
Date: 17th April 2015

As per our Report of even date
For Narayanan, Patil & Ramesh
Chartered Accountants
Firm Regn. No. 002395S


L.R. Narayanan
Partner
Membership No.200/25588

