

# Windflower Properties Private Limited

ANNUAL REPORT  
F.Y. 2013-14



*Anand Mehta & Associates*  
CHARTERED ACCOUNTANTS

**MUMBAI**

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Gram: MASTERPLAN ↔ MATSERPLAY



# Anand Mehta & Associates

CHARTERED ACCOUNTANTS

Mulratna, 1st Floor,

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## INDEPENDENT AUDITORS REPORT

### To the Members of Windflower Properties Private Limited

#### Report on the Financial Statements

1. We have audited the accompanying financial statements of Windflower Properties Private Limited (the "Company"), which comprises the Balance Sheet as at 31<sup>st</sup> March, 2014 and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information, which we have signed under reference to this report.

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

2. The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial performance and cash flows of the company in accordance with the accounting standard notified under the Companies (Accounting Standards) Rules, 2006 as per sub-section (3C) of section 211 of the Companies Act, 1956 of India (the Act) read with the General Circular 15/2013 dated 13<sup>th</sup> September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from financial misstatements, whether due to fraud or error.

#### Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. These 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 misstatements.
4. 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 risks assessments, the auditors consider internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also include evaluating the appropriateness of accounting policies used and reasonableness of the accounting estimates made by management as well as evaluating the overall presentation of the financial statements
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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## Opinion

6. In our opinion, and to the best of our information and according to the explanation given to us the accompanying 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 and in accordance with the accounting standards referred to in section 211(3C) of the said Act:
- In the case of the Balance Sheet, of the state of affairs of the company as at 31<sup>st</sup> March, 2014;
  - In the case of the Statement of Profit and Loss, loss for the year ended on that date; and
  - In case of the Cash Flow Statement, of the cash flows for the year ended on that date

## Report on Other Legal and Regulatory Requirements

7. As required by the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act (hereinafter referred to as the "Order"), the provisions of the said order are not applicable in case of the Company and hence the particulars thereof are not given.
8. **As required by section 227(3) of the Act, we report that:**
- We have obtained all the information and explanation which, to the best of our knowledge and belief, were necessary for the purpose of our audit;
  - In our opinion, proper books of accounts as required by laws have been kept by the company so far as appears from our examination of those books.
  - The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Act read with the General Circular 15/2013 dated 13<sup>th</sup> September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013;
  - On the basis of written representation received from the directors as on 31<sup>st</sup> March, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

For *Anand Mehta & Associates*

CHARTERED ACCOUNTANTS

F.R No. 127305W

*Kulin V. Mehta*

Kulin V. Mehta

Partner

M. No. 38440



Pune; 16<sup>th</sup> May, 2014

**WIND FLOWER PROPERTIES PRIVATE LIMITED**  
Balance sheet as at March 31, 2014

Currency Indian Rupees

Particulars	Note	March 31, 2014	March 31, 2013
<b>Equity and Liabilities</b>			
<b>Shareholder's Funds</b>			
Share Capital	3	100,000	100,000
Reserves and Surplus	4	501,787	419,660
		601,787	519,660
<b>Non-Current Liabilities</b>			
Other Long term liabilities	5	5,756,280	12,935,744
		5,756,280	12,935,744
<b>Current Liabilities</b>			
Trade payables	6	3,459,980	1,265,689
Other current liabilities	7	181,219	62,631
		3,641,199	1,328,320
		<b>9,999,266</b>	<b>14,783,724</b>
<b>Assets</b>			
<b>Non-current assets</b>			
Other non-current assets	8	913,595	704,265
		913,595	704,265
<b>Current assets</b>			
Trade receivables	9	5,217,844	6,817,332
Cash and bank balances	10	1,311,469	5,747,093
Other current assets	11	2,556,357	1,515,034
		9,085,670	14,079,459
		<b>9,999,266</b>	<b>14,783,724</b>
Summary of Significant Accounting Policies	2		
Notes to the financial statements	3-22		

The notes referred to above form an integral part of these financial statements.

As per our report of even date  
For *Anand Mehta & Associates*  
Chartered Accountants  
Firm Registration No. 127305W

*Kulin V Mehta*

Kulin V Mehta  
Partner  
Membership No. 38440  
Pune; Dated



For and on behalf of Board of Directors

*D. Santhanam*

D. Santhanam  
Director

Pune; Dated

*M. Krishnamurthi*

M. Krishnamurthi  
Director

16 MAY 2014

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**WIND FLOWER PROPERTIES PRIVATE LIMITED**  
**Statement of Profit and Loss for the year ended March 31, 2014**

Currency Indian Rupees

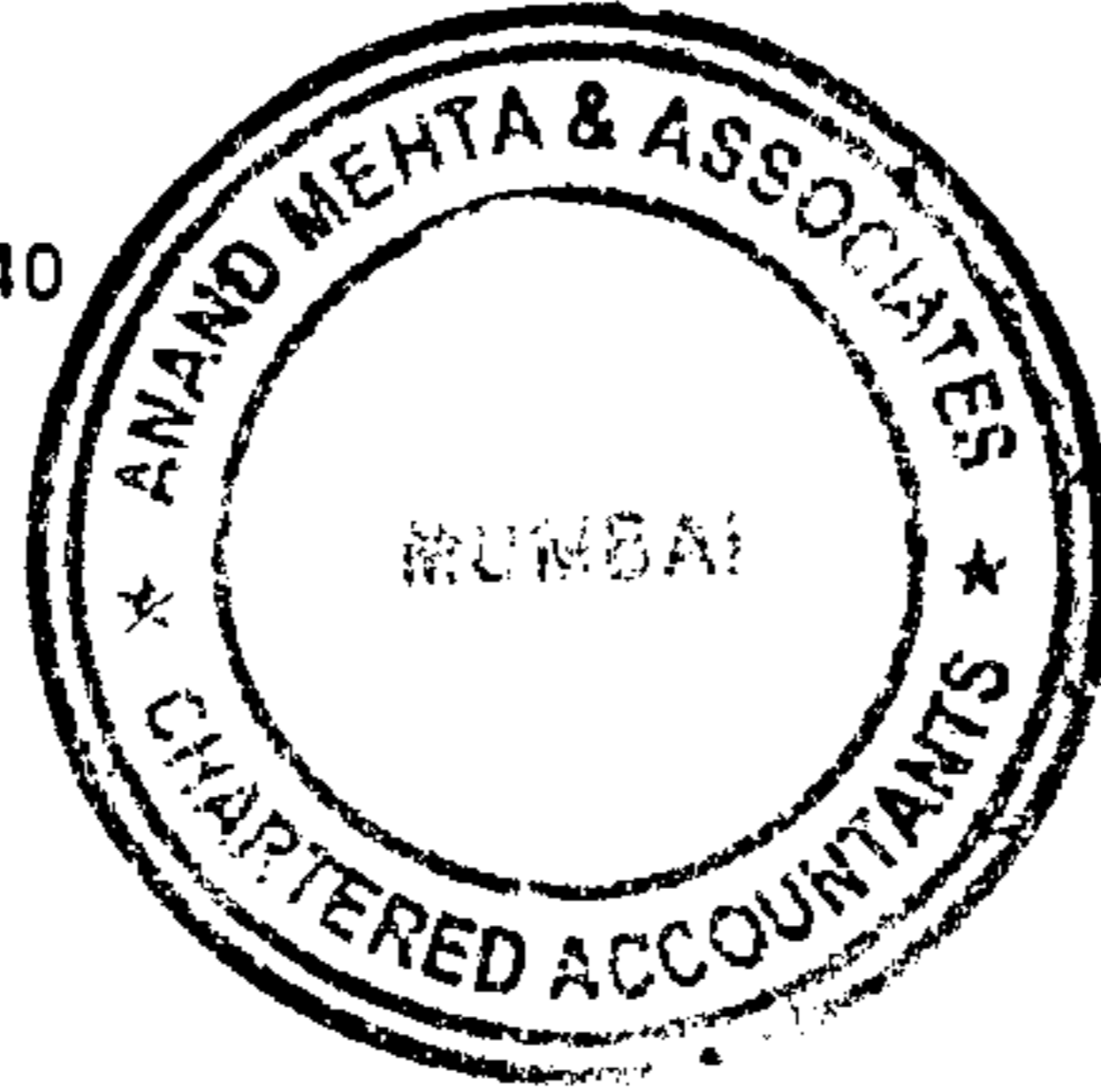
Particulars	Note	March 31, 2014	March 31, 2013
Revenue from operations	12	6,306,912	297,752,704
Other Income	13	273,651	201,353
<b>Total Revenue</b>		<b>6,580,563</b>	<b>297,954,057</b>
Cost of materials consumed	14	-	303,510,602
Other expenses	15	6,555,175	2,267,049
<b>Total Expenses</b>		<b>6,555,175</b>	<b>305,777,651</b>
Profit/(Loss) before Prior Period Adjustments & Tax		25,388	(7,823,594)
Prior Period Items	16	(76,079)	(25,177)
Profit/(Loss) before tax		101,467	(7,798,417)
Tax expenses		-	-
Current tax		19,341	-
Profit/(Loss) for the year		<b>82,126</b>	<b>(7,798,417)</b>
Earning per equity share:(Nominal value Rs. 10/- each)	17		
(1) Basic		8.21	(779.84)
(2) Diluted		8.21	(779.84)
Summary of Significant Accounting Policies	2		
Notes to the financial statements	3-22		

The notes referred to above form an integral part of these financial statements.

As per our report of even date  
 For *Anand Mehta & Associates*  
**Chartered Accountants**  
 Firm Registration No. 127305W

*Kulin V Mehta*

Kulin V Mehta  
 Partner  
 Membership No. 38440  
 Pune; Dated



For and on behalf of Board of Directors

*D. Santhanam*      *M. Krishnamurthi*  
 D. Santhanam      M. Krishnamurthi  
 Director              Director

Pune; Dated

**16 MAY 2014**

16 MAY 2014

*Bhmedha*

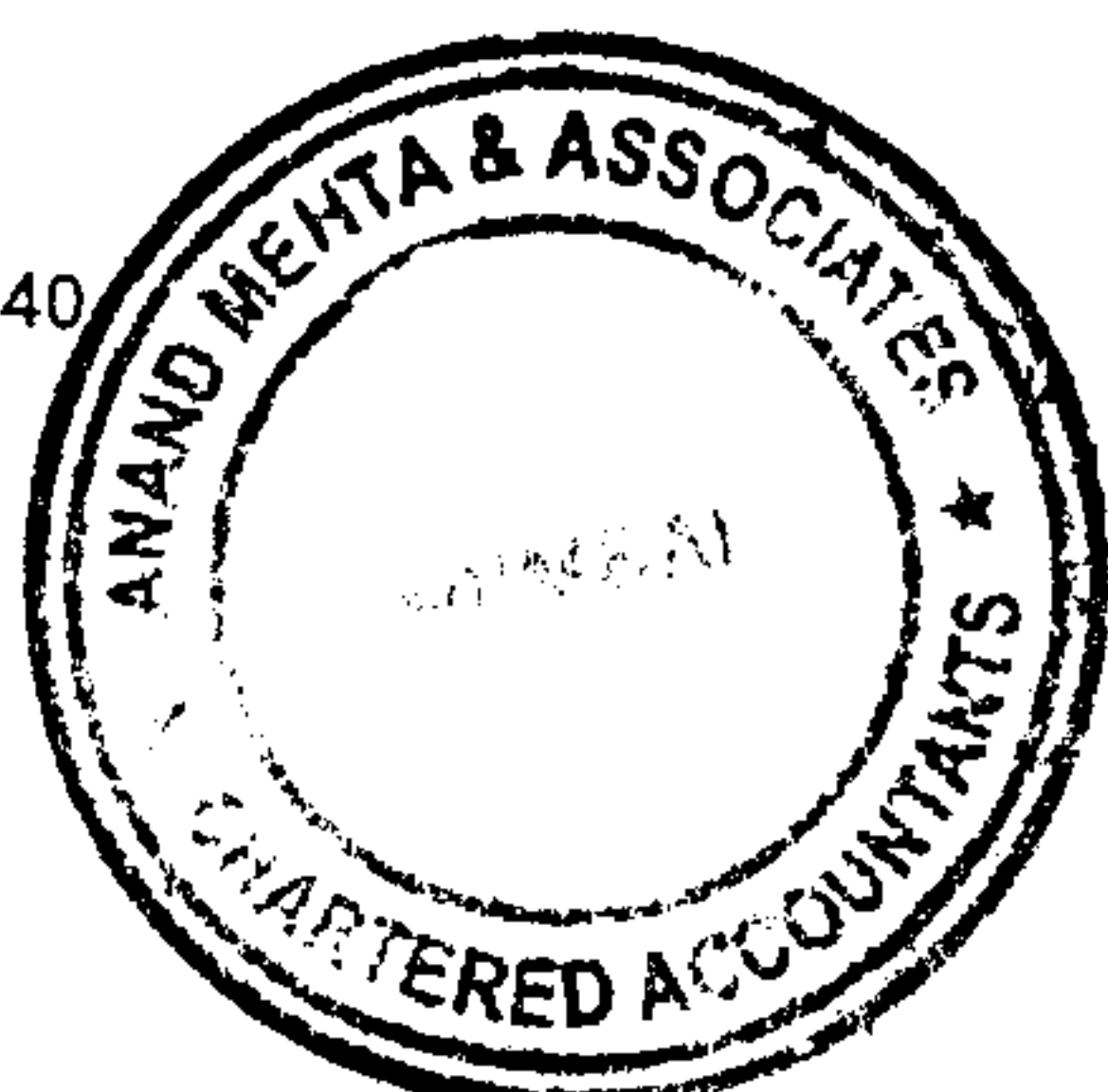
**WIND FLOWER PROPERTIES PRIVATE LIMITED**  
Cash Flow Statement for the year ended March 31, 2014

Particulars	Currency Indian Rupees	
	March 31, 2014	March 31, 2013
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation and prior period adjustments	25,388	(7,823,594)
Adjustments:		
Add / (Less) :		
Interest income	(243,912)	(194,933)
Expenses written off	(29,739)	-
Operating Profit before working capital changes	(248,263)	(8,018,527)
Income Taxes paid during the year	-	(191,632)
Prior Year Income / (expenses)	76,079	25,177
<u>Changes in working capital</u>		
Decrease / (Increase) in Inventories	-	303,510,602
Decrease / (Increase) in Trade Receivables	1,629,227	(6,235,750)
Decrease / (Increase) in Other Non-Current Assets	(228,671)	-
Decrease / (Increase) in Other Current Assets	(1,041,322)	(356,022)
Increase / (Decrease) in Trade Payables	2,194,291	(246,418)
Increase / (Decrease) in Other Current Liabilities	118,588	(24,384,883)
<b>A NET CASH GENERATED FROM OPERATING ACTIVITIES</b>	2,499,929	264,102,547
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<b>B NET CASH GENERATED/(USED) IN INVESTING ACTIVITIES</b>	-	-
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Increase / (Decrease) in Unsecured Loans	-	(271,535,470)
Increase / (Decrease) in Other long term liabilities	(7,179,464)	12,935,744
Interest income	243,912	194,933
<b>C NET CASH GENERATED / (USED) IN FINANCING ACTIVITIES</b>	(6,935,552)	(258,404,793)
<b>D NET CASH INFLOW (OUTFLOW) (A+B+C)</b>	(4,435,624)	5,697,753
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR.</b>		
a) Balances with banks in current accounts	5,744,492	44,110
b) Cash on hand	2,601	5,230
<b>Sub-total</b>	5,747,093	49,340
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR.</b>		
a) Balances with banks in current accounts	1,311,434	5,744,492
b) Cash on hand	35	2,601
<b>Sub-total</b>	1,311,469	5,747,093
<b>Net (decrease) / increase in cash and cash equivalents during the year</b>	(4,435,624)	5,697,753

As per our report of even date  
For Anand Mehta & Associates  
Chartered Accountants  
Firm Registration No. 127305W

*Kulin V Mehta*

Kulin V Mehta  
Partner  
Membership No. 38440  
Pune; Dated



For and on behalf of Board of Directors

*D. Santhanam*

D. Santhanam  
Director

*M. Krishnamurthi*

M. Krishnamurthi  
Director

Pune; Dated

16 MAY 2014

*Shreelha*

## WIND FLOWER PROPERTIES PRIVATE LIMITED

Notes to the financial statements for the year ended March 31, 2014

### 1 The Company overview:

Wind Flower Properties Private Limited (Company) was incorporated on August 11, 2006 and having C U45209PN2006PTC128883. The company is engaged in the business of development of real estate. The company has developed a project called "Almonte" in Kharadi, Pune.

### 2 Summary of Significant Accounting Policies:

#### Basis of Preparation of Financial Statements

The financial statements are prepared under historical cost convention, in accordance with the Indian Generally Accepted Accounting Principles ("GAAP") comprising the mandatory accounting standards issued by the Institute of Chartered Accountants of India and the provisions of the Companies Act, 1956, on accrual basis, as adopted consistently by the Company.

#### Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) requires Management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent liabilities on the date of financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

#### Recognition of Revenue

**Sale** - Revenue from sale of units is recognised as and when the underlying significant risk and rewards of ownership are transferred to the purchaser and when there is no uncertainty of the amount of consideration that will be derived and it is not unreasonable to expect ultimate collection.

**Rental Income** - Income from letting-out of property is accounted on accrual basis- as per the terms of agreement and the right to receive the rent is established.

**Interest Income** - Interest income is recognized on time proportion basis taking into account the amounts invested and at the rate of interest.

**Other Operating Income** - The revenue from Maintenance are recognised as and when the services are provided to the customers.

#### Inventories

##### Development Work

"The development work in progress represents progressive cost of work remaining incomplete/unsold as at close of the year, valued at lower of cost or net realisable value on the basis of technical estimate certified by the Managing Director. Finished goods comprising of constructed units ready for sale are valued at lower of cost and net realisable value."

#### Contingent Liabilities

Contingent liabilities, if any, have been disclosed by way of note to balance sheet. Provision has been made in respect of those, which have materialised after the year-end but before finalisation of accounts and have material effect on balance sheet date.

#### Taxes on Income

Taxes on Income are accounted in accordance with AS - 22 " Taxes on Income". Taxes on Income comprise both current tax and deferred tax.

Provision for current tax for the year is determined considering the disallowance, exemptions and deductions and liabilities / credits and set off available as laid down by the tax law and interpreted by various authorities.

Deferred tax being the tax effect of timing difference representing the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. This is measured using substantively enacted tax rate and tax regulation.

#### Earnings Per Share

The company reports Basic Earnings Per Share in accordance with accounting standard 20 "Earning per Share". Basic earnings per share are computed by dividing the net profit or loss after tax for the period by the weighted average number of equity shares outstanding during the period.

**WIND FLOWER PROPERTIES PRIVATE LIMITED**

Notes to the financial statements for the year ended March 31, 2014

Currency Indian Rupees

Particulars	March 31, 2014	March 31, 2013
<b>NOTE NO. 3</b>		
<b>Share Capital</b>	<b>Amount</b>	<b>Amount</b>
<b>A Authorised</b>		
50,000 (50,000) Equity Shares of Rs. 10/- each	500,000	500,000
	<u>500,000</u>	<u>500,000</u>
<b>Issued,Subscribed &amp; Paid up</b>		
10,000 (10,000) Equity Shares of Rs.10/-each fully paid up	100,000	100,000
<b>Total</b>	<u>100,000</u>	<u>100,000</u>

The Company has only one class of shares referred to as equity shares having a par value of Rs. 10/- per share. Each holder of the equity share, as reflected in the records of the Company as of the date of the shareholder meeting, is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after discharge of liabilities & distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

**Reconciliation of the Number of shares**

B	Particulars	Number	Amount	Number	Amount
	Shares outstanding at the beginning of the year	10,000	100,000	10,000	100,000
	Shares Issued during the year	-	-	-	-
	Shares bought back during the year	-	-	-	-
	Shares outstanding at the end of the year	<u>10,000</u>	<u>100,000</u>	<u>10,000</u>	<u>100,000</u>

**C Disclosure for shareholding more than 5%**

Name of Shareholder	March 31, 2014		March 31, 2013	
	No. of shares	% of Holding	No. of shares	% of Holding
Vascon Engineers Limited- Holding Company	10,000	100	10,000	100

**NOTE NO. 4**

**Reserves and Surplus**

Surplus / (Deficit) in statement of Profit and Loss		
At the commencement of the year	419,660	8,218,077
Add:Net Profit/(Loss) for the year	82,126	(7,798,417)
Net Surplus / (Deficit) in statement of Profit and Loss	<u>501,787</u>	<u>419,660</u>



## WIND FLOWER PROPERTIES PRIVATE LIMITED

Notes to the financial statements for the year ended March 31, 2014

Currency Indian Rupees

Particulars	March 31, 2014	March 31, 2013
<b>NOTE NO. 5</b>		
<b>Other Long Term Liabilities</b>		
Project Advances		
IT City Infopark Private Limited: Fellow Subsidiary	5,756,280	12,935,744
	<u>5,756,280</u>	<u>12,935,744</u>
<b>NOTE NO. 6</b>		
<b>Trade Payable</b>		
Trade Payables (Refer Note No. 20)	3,459,980	1,265,689
	<u>3,459,980</u>	<u>1,265,689</u>
<b>NOTE NO. 7</b>		
<b>Other Current Liabilities</b>		
Duties and Taxes	42,470	62,631
Advance from Customer	138,749	-
	<u>181,219</u>	<u>62,631</u>
<b>NOTE NO. 8</b>		
<b>Other Non Current Assets</b>		
Deposits	16,081	16,081
Advance Tax and TDS	897,514	688,184
	<u>913,595</u>	<u>704,265</u>
<b>NOTE NO. 9</b>		
<b>Trade receivables</b>		
Unsecured-Considered Good		
Outstanding for more than six months	5,010,000	581,582
Others	207,844	6,235,750
	<u>5,217,844</u>	<u>6,817,332</u>
<b>NOTE NO. 10</b>		
<b>Cash and Bank Balances</b>		
<b>Cash and Cash Equivalents</b>		
Balances with banks in current accounts	1,311,434	5,744,492
Cash on hand	35	2,601
	<u>1,311,469</u>	<u>5,747,093</u>
<b>NOTE NO. 11</b>		
<b>Other Current Assets</b>		
Prepaid Expenses	296,139	139,363
Other receivables	2,000,166	1,282,331
Other Tax receivable	260,052	93,340
	<u>2,556,357</u>	<u>1,515,034</u>

WIND FLOWER PROPERTIES PRIVATE LIMITED  
Notes to the financial statements for the year ended March 31, 2014

Particulars	Currency Indian Rupees	
	March 31, 2014	March 31, 2013
<b>NOTE NO. 12</b>		
<b>Revenue from Operations</b>		
Sale of units	-	293,858,939
Maintenance receipts	6,306,912	3,893,765
	<u>6,306,912</u>	<u>297,752,704</u>
<b>NOTE NO. 13</b>		
<b>Other Income</b>		
Interest Income	243,912	194,933
Difference Write off	29,739	6,420
	<u>273,651</u>	<u>201,353</u>
<b>NOTE NO. 14</b>		
<b>Changes in inventories of Development</b>		
Opening Stock of Developments	-	303,510,602
Closing Stock of Developments	-	-
	<u>-</u>	<u>303,510,602</u>
<b>NOTE NO. 15</b>		
<b>Other Expenses</b>		
Statutory Audit Fees	28,090	28,090
Bank Charges	1,352	917
Insurance	100,274	-
Other Expenses	308,641	4,655
Printing and Stationery	4,992	7,161
Rates and Taxes	10,390	21,889
Repairs, Renovation and Maintenance (Net)	2,425,979	2,148,697
Service charges/professional fees/retainers	3,675,457	55,640
	<u>6,555,175</u>	<u>2,267,049</u>
<b>NOTE NO. 16</b>		
<b>Prior Period Items</b>		
Prior period (Income)/ Expenses	(76,079)	(25,177)
	<u>(76,079)</u>	<u>(25,177)</u>
<b>NOTE NO. 17</b>		
<b>Earnings Per Share</b>		
a) Net Profit/(Loss) available for equity share holders	82,126	(7,798,417)
b) Weighted average number of equity shares for Basic EPS	10,000	10,000
c) Face Value per share	10	10
d) Basic EPS	8.21	(779.84)
e) Weighted average number of shares outstanding for Diluted EPS	10,000	10,000
f) Earning Per Share - Diluted	8.21	(779.84)

- 18 The related parties as defined by accounting standard 18 Related party disclosure issued by the institute of Chartered Accountants of India, in respect of which the disclosures have been made, have been identified on the basis of disclosures made by the key managerial persons taken on record by the Board.

**Name of related parties****1. Holding Company**

- Vascon Engineers Limited

**2. Fellow Subsidiaries**

- Marvel Housing Private Limited
- Grey Stone Premises Private Limited
- Vascon Dwellings Private Limited
- IT CITi Info Park Private Limited
- GMP Technical Solution Private Limited
- Floriona Properties Private Limited
- Vascon Pricol Infrastructure Limited
- Vascon Renaissance EPC Limited Liability Partnership
- Almet Corporation Limited
- Marathawada Realtors Private Limited
- Just Homes India Private Limited

**3. Step Down Fellow Subsidiaries**

- Caspia Hotels Private Limited
- GMP Technical Solutions Middle East (FZE)

**4. Key Management Personnel**

- D. Santhanam
- M. Krishnamurthy

Name of the related party	Nature of relations	Type of transactions	Amount
Vascon Engineers Limited	Holding Company	Loan Taken	5,7,37,588 (5,6,50,000)
Voscon Engineers Limited	Holding Company	Loan Repaid	57,37,588 (27,71,85,470)
Vascon Engineers Limited	Holding Company	Purchases	NIL (NIL)
Vascon Engineers Limited	Holding Company	Expenses Reimbursement	13,79,978 (5,67,924)
Vascon Engineers Limited	Holding Company	Services	12,00,000 (1,37,347)
IT-City Infopark Private Limited	Fellow Subsidiary	Interest Paid	NIL (NIL)
IT-City Infopark Private Limited	Fellow Subsidiary	Project Advances	NIL (1,29,35,744)
IT-City Infopark Private Limited	Fellow Subsidiary	Loan repaid	72,37,588 (1,29,35,744)

Name of the related party	Nature of relations	Due to company	Due by company
Vascon Engineers Limited	Holding Company	-	12,00,000 (NIL)
IT-City Infopark Private Limited	Fellow Subsidiary	-	57,56,280 (12,935,744)
Vascon Engineers Limited	Holding Company	-	90,000 (90,000)

**WIND FLOWER PROPERTIES PRIVATE LIMITED**  
**Notes to the financial statements for the year ended March 31, 2014**

19 In absence of virtual certainty of taxable income in subsequent years no provision for deferred tax assets in respect of carried forward business losses has been made.

	March 31, 2014	March 31, 2013
Components of deferred tax assets are as follows:		
On account of Accumulated business loss	11,049,947	11,065,567
<b>Net deferred tax asset</b>	<b>11,049,947</b>	<b>11,065,567</b>

20 The disclosure pursuant to Micro, Small and Medium Enterprises Development Act, 2006, [MSMED Act] is as

Particulars	March 31, 2014	March 31, 2013
Principal amount payable to suppliers at the year end	-	-
Amount of interest paid by the Company in terms of Section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	-	-
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the specified under the MSMED	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting year	-	-

21 Details of Earnings and Expenditure In Foreign Currency

	March 31, 2014	March 31, 2013
Earnings	-	-
Expenditure	-	-

22 Corresponding figures of the previous year have been shown in the bracket and regrouped, renamed or rearranged wherever necessary.

As per our report of even date  
 For *Anand Mehta & Associates*  
 Chartered Accountants  
 Firm Registration No. 127305W

*Kulin V Mehta*

Kulin V Mehta  
 Partner  
 Membership No. 38440  
 Pune; Dated



16 MAY 2014

For and on behalf of Board of Directors

*D. Santhanam*

D. Santhanam  
 Director

*M. Krishnamurthi*

M. Krishnamurthi  
 Director

Pune; Dated

16 MAY 2014

*OS Mehta*