



WESTLIFE DEVELOPMENT LIMITED | [ANNUAL REPORT 2011-12](#)



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# MANAGEMENT

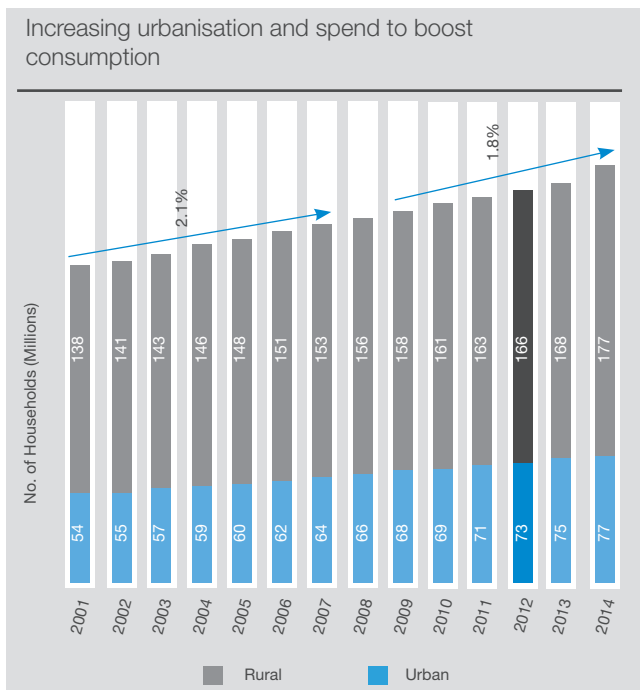
# DISCUSSION AND ANALYSIS

## INDIA ECONOMIC REVIEW

Despite the slowdown in global economies, India remained relatively unaffected due to its financial discipline, high savings rate, investment by foreign investors and the legacy of strong entrepreneurship. With a GDP of US\$ 1.83 trillion (2011), India is today one of the world's leading economies. In terms of purchasing power parity, it is already the fourth largest economy globally. The long term prospects for India remain strong and it is poised for growth (measured at factor cost).

### India's Consumption Growth Story

Considering the sheer size and scale of its population base, India is one of the largest consumer markets in the world. Urbanisation, growing aspirations, rising affordability and increasing propensity to consume is driving India's domestic consumption story. Estimated discretionary spending by the middle class in India is set to more than double to US\$ 442 billion by 2015 from US\$ 215 billion in 2010. (Source: CLSA Report)



Source: Planning Commission

## FOOD SERVICE INDUSTRY OVERVIEW

The food service industry is one of the largest in India estimated to be worth ₹ 43,000 Crore, of which the organised sector comprises 16% to 20%. The industry landscape is dominated by full-service restaurants (fine-dining and casual) and Quick Service Restaurants (QSR). The aggregate size of Informal Eating Out (IEO) space stood at US\$ 86.2 Billion. Of this, the QSR segment accounted for US\$ 15.1 Billion, and is likely to grow by 14%.

(Source: Euromonitor Report)

### Organised Food Service Industry

The QSR industry in India is growing at a rapid pace, characterised by sound accounting systems, supply chain (with quality control and sourcing norms) and multiple outlets. The organised QSR business in India is estimated to be over ₹ 20 Billion, growing at a CAGR of around 40%. The share of this segment is expected to double from 16-20% of the Indian food services industry to 45% by 2015. (Source: Euromonitor Report)

### Growth Drivers

- India's urbanisation rate for 2009 stood at 29%, increasing by about 1% per annum. Urbanisation will be a major driver for domestic consumption growth
- With India adding to its labour force over 2010-20, a wage growth of 12-15% CAGR is likely to be another driver of domestic consumption
- Growing aspirations and rising affordability in India's middle class segment, due to rising wages and price deflation, bode well for consumption growth

## OPPORTUNITIES

### Favourable demographics

India is witnessing a changing demographic profile with more people willing to eat at restaurants, due to an increasing number of working class and youngsters. India's middle class group stands at a strong 300 Millions. With 60% of India's population below the age of 35, more customers can be tapped from this base.

### Changing Consumer Preferences

The emergence of India as a leading economic hub has resulted in Indians moving beyond traditional food and getting exposed to exotic global cuisines. A constant increase in high density locations, such as shopping malls and commercial complexes, has resulted in rising opportunities for QSRs.

### Under-penetrated Indian market

The Indian market is under-penetrated and presents good opportunities for the food retail industry. In addition to consolidating their presence across larger tier-1 cities, QSR players are focusing on expanding their outlet network and emerging prominently in tier-2 and tier-3 cities. The propensity to spend has also been increasing in these cities.

### Greater 'eating out' Propensity

High disposable incomes are contributing towards internationalisation of the Indian palate as well as to the high prevalence of 'eating out'. Around 50% of the total Indian population dines out at least once every three months owing to:

- Greater propensity to spend with rising income levels and growing proportion of younger population
- Need for convenience resulting from increase in nuclear families and number of women in the working forces
- Increasing urbanisation

(Source: Kotak/NRAI Report)

## CHALLENGES

### Food Inflation

There is a continuous increase in the prices of food items in India since 2005 and in the recent years, India has been struggling with high inflation in food items. In the current year these numbers have flared up in the first half of the year. Constant rising commodity prices can impact the food service industry's plans negatively.

### Perfect Real Estate Location

The dynamics of the food service industry relies heavily on the ability to find the perfect location (at the right price), offering great value to customers. A constant increase in real estate prices across cities and the failure to attract customers at some locations can impact the Company's expansion plan and opening up of new restaurants.

## INDUSTRY OUTLOOK

With disposable incomes expected to rise at a CAGR of 10% in India, discretionary consumer spending of the middle class is seen increasing. Despite a temporary slowdown in the Indian economy, the food service industry is likely to continue developing positively. Growth will be driven mainly by way of a growing trend in eating out and competition between players, encouraging consumers to visit our outlets.

## COMPANY OVERVIEW

### WestLife Development Ltd

WestLife Development Pvt. Ltd. (WDL), is a part of the Mumbai-based B.L. Jatia Family.

WDL is an operating-cum-investment Company engaged in the business of –

- a) promotion and operation of quick service restaurants through subsidiaries.
- b) investing, buying, selling, dealing in securities and financing activities.
- c) providing human resources directly and/ or through subsidiaries.

During the year, WDL carried out trading in steel products and undertook civil and electrical works. It is primarily focused on building and developing India's Quick Service Restaurant (QSR) industry through its subsidiary Hardcastle Restaurants Pvt. Ltd (HRPL), which operates McDonald's restaurants in west and south India.

WDL's Profit before exceptional items and tax was substantially higher at ₹ 4.35 Millions as compared to ₹ 0.28 Millions recorded for the previous year. However, due to write-off of Project Expenditure amounting to ₹ 12.74 Millions, the Company has incurred an after tax loss of ₹ 9.94 Millions.

## BUSINESS OVERVIEW

### Description of the Business

#### Hardcastle Restaurants Pvt. Ltd.

Hardcastle Restaurants Pvt. Ltd. (HRPL or 'the Company') is a development licensee which operates McDonald's restaurants in west and south India. Under the developmental licensee arrangement with McDonald's Corporation, the Company is responsible to provide capital for the entire business, including the real estate interest with technical, operational and business support from McDonald's Corporation. HRPL owns or secures long-term leases for all its restaurant sites to ensure long-term occupancy rights and to control related costs.

In our restaurants we continuously develop and refine operating standards, marketing concepts and product and pricing strategies, so that only those that we believe are most beneficial are introduced into the system to deliver a great customer experience and drive profitability.

The Company currently has a restaurant footprint of 148 restaurants across the states of Andhra Pradesh, Gujarat, Karnataka, Madhya Pradesh, Maharashtra and Tamil Nadu. At year end, as on March 31, 2012, HRPL's restaurant footprint stood at 130, a growth of 20.37% over the last year. HRPL has a restaurant unit CAGR of 22.34% over the past three years.

With a strong brand identity, the mission of HRPL is to make McDonald's the preferred restaurant choice for its customers through its Brand Ambition of Good Food, Good People, Good Neighbour.

HRPL continues to focus its management and financial resources on the McDonald's restaurant business as it believes the opportunities for long-term growth remain significant.

### Strategic direction and financial performance

The unique relationship between HRPL and its suppliers has been the key to its success over the past 16 years in India. This business model enables the Company to play an integral role in the communities it serves and consistently deliver relevant restaurant experiences to customers. In addition, it facilitates HRPL's ability to implement innovative ideas and profitably grow the business across the markets it operates in. Since the implementation of the customer centred 'Plan-to-Win' several years ago, HRPL's focus has been on being better, not just bigger.

The Company's strategic alignment behind this plan has created better McDonald's experiences through the execution of multiple initiatives surrounding the five factors of exceptional customer experiences — people, products, place, price and promotion. While the focus has remained the same, HRPL have adapted and evolved the initiatives based on the changing needs and preferences of its customers.

These multiple initiatives have increased the Company's consumer relevance and contributed to sales and guest counts across our markets in west and south India, consistently increasing year-on-year. As a result, HRPL has met the long term financial targets. The Company believes that its financial targets are realistic and sustainable and enable the management to focus on those opportunities that best optimise long-term shareholder value.

The year under review, HRPL doubled profits (growing 126.36%) and increased its topline by 43.38%. EBITDA as a percentage of sale grew to 12.35%, compared to 10.48% in 2010-11. This revenue growth, above the IEO industry sales average of 15%, was due to a combination of new store openings and an increase in same-store sales. Despite inflationary pressures and an increasingly competitive environment, the strong growth in both the topline and bottom-line shows the enormous brand potential.

In 2011-12, HRPL continued to build on its strong performance by focusing on what consumer insights

indicated as key drivers for the business — convenience, branded affordability, daypart expansion and menu choice. Leveraging its ability to replicate and scale success in these areas, the Company drove comparable sales up 22.36%.

The momentum continued through 2011-12, as HRPL focussed on restaurant footprint expansion. The Company opened 24 new restaurants across west and south India and entered a new city – Lonavala – representing a 20.37% unit growth over the previous year.

HRPL was able to maintain sustained strong sales growth in virtually every market. Same store sales growth was at 22.36% as compared to 17.11% of the previous year. Throughout its markets (west and south India), the Company's success was driven by continued execution along key priorities: upgrading the customer and employee experience, building brand transparency, and enhancing local relevance.

Key initiatives included reimaging of most of its restaurants, actively communicating McDonald's food quality, fresh ingredients and nutrition and implementing 'Made For You', a new kitchen operating system, to enhance operational efficiency and support greater menu variety. In addition, the Company satisfied consumer desire for choice and value with locally-relevant menus that featured a blend of premium sandwiches, classic menu favourites, new products, limited-time food promotions as well as everyday value offerings.

HRPL also continued to deliver value to its customers through branded affordability platforms, offered menu choices and variety with locally-relevant core menu extensions such as McSpicy range, premium desserts like McFlurry and breakfast menu.

Launch of a number of new premium products under the McSpicy range including the McSpicy Paneer Burger, the McSpicy Chicken Burger, the McSpicy Paneer Wrap and the McSpicy Chicken Wrap gave HRPL continued thrust in the market. To enable customers to enjoy their favourite burgers even when inflation was eating away into their disposable income, the McValue Lunch program was launched, that features meals at discounted price points for certain hours. This initiative saw enormous acceptance with customers.

These initiatives, along with longer operating hours and everyday value, resonated with consumers to drive increased customer visits and increased sales despite challenging economies and a contracting Informal Eating Out (IEO) segment in many markets. In addition, the Company invigorated its breakfast business with the launch of breakfast in the city of Hyderabad.

HRPL's efforts to strengthen employee engagement and optimise efficiency in the drive-thru and at breakfast helped the Company to better serve even more customers.

In analysing business trends, management considers a variety of performance and financial measures.

**HARDCASTLE RESTAURANTS PRIVATE LIMITED**  
**Summarised Statement of Profit & Loss for the year ended March 31, 2012**

Particulars	FY 2011-12 (₹ in Millions)	FY 2010-11 (₹ in Millions)
<b>REVENUES</b>		
Sales by company owned restaurants	5,397.83	3,764.65
Other Operating Income	46.47	28.70
<b>TOTAL REVENUES</b>	<b>5,444.60</b>	<b>3,793.35</b>
<b>OPERATING COSTS AND EXPENSES</b>		
Store Operating Cost and Expenses		
Food & Paper	2,436.62	1,637.32
Payroll and Employee benefits	467.18	342.42
Occupancy and other operating expenses	1,615.52	1,157.37
General & Administrative expenses	278.67	279.06
Other operating (income)/expenses, (net)	(25.77)	(20.49)
<b>TOTAL OPERATING COSTS AND EXPENSES</b>	<b>4,772.22</b>	<b>3,395.67</b>
<b>EBITDA</b>	<b>672.38</b>	<b>397.67</b>
Net Financial Expense (Interest & Bank Charges)	0.72	13.76
Depreciation	246.58	196.12
<b>PROFIT BEFORE TAX</b>	<b>425.08</b>	<b>187.79</b>
Income tax	-	-
<b>PROFIT AFTER TAX</b>	<b>425.08</b>	<b>187.79</b>

#### FY 2011-12 Highlights

- Total Company owned store sales increase of 43.38% to ₹ 5,397.83 Millions
- Same Store Sales Growth of 22.36%
- 24 new stores opened in the FY 2011-12
- EBITDA increase of 69.08%
- PAT increase of 126.36%

#### Financial Analysis

##### Sales:

During FY2011-12 the total sales by company owned restaurants grew by 43.38% as against a growth of 37.15% in FY 2010-11.

The robust growth of 43.38% in FY 2011-12 has been achieved through a healthy mix of same store sales growth, opening of new stores, launch of new products to cater to the Indian palate and introduction of additional customer value propositions. The same store sales growth for FY 2011-12 was 22.36% as against 17.11% in FY 2010-11.

##### Costs:

The Food & Paper cost for the FY 2011-12 is ₹ 2436.62 Millions as compared to ₹ 1637.32 Millions for the FY 2010-11, an increase of 48.82%. This has been mainly on account of increase in sales volume and general inflationary conditions prevailing in the economy. The payroll and employee expenses (store related) have gone up by 36.44% to ₹ 467.18

Millions in FY2011-12 from ₹ 342.42 Millions in FY 2010-11, mainly on account of personnel additions in new stores and increase in wage rates.

The Occupancy and other operating expenses mainly consist of rentals, utilities and advertising & publicity. These expenses have gone up by 39.59% to ₹ 1,615.52 Millions in FY 2011-12 from ₹ 1,157.37 Millions in FY 2010-11.

The G&A expenses as a percentage of Sales have dropped from 7.41% in FY 2010-11 to 5.16% in FY 2011-12.

##### EBITDA Margins:

EBITDA Margins have gone up by 187bps in FY2011-12 to 12.35%. EBITDA of FY 2011-12 is at ₹ 672.38 Millions, an increase of 69.08% over FY 2010-11. Increase in EBITDA has been primarily due to same store sale growth and opening of new stores.

##### PAT

PAT for FY 2011-12 has gone up by 126.36% to ₹ 425.08 Millions. This has been on account of higher same store sales which have helped in leveraging the fixed assets better thereby resulting in better profitability.

#### COMPETITIVE ADVANTAGE

During the year, HRPL took various steps to improve the levels of Quality, Service, Cleanliness and Value (QSCV). In the process, it intensified cost optimisation steps for further growth. HRPL's key strengths being:

### World's Largest QSR Brand

Locally owned and operated restaurants maximise brand performance and form the basis of HRPL's competitive advantages. McDonald's is ranked 6th amongst the best brands world-wide. It is ranked 10th in the Fortune Top-50 most-admired companies in the world.

### Quality and Service

HRPL's robust supply chain with backward linkages to farmers, cold chain delivery, minimum storage times, standard recipes and implementation of 'Made For You', a new kitchen operating system, enhances its operational efficiency.

The Company's motto to 'serve with a smile' within 'one minute' measures a single minute of delivery to the customer even during rush hours.

### Indigenous Supply Chain

HRPL's operations are supported by a unique supply chain with a complex web of direct and indirect suppliers. The Company manages this complex system by working with direct suppliers who share its values and vision for sustainable supply. HRPL also partners with its suppliers to identify, understand and address industry-wide sustainability challenges and achieve continuous improvement.

Furthermore, local sourcing of ingredients leads to employment opportunities and adaptation to the local culture. The process enables HRPL to work directly with farmers, eliminating middle men and dealing only in best quality ingredients. In the process, HRPL promotes fair trade practices in the industry.

### Value

Value is the cornerstone of HRPL's strategy. The value initiative at McDonald's is all – pervasive. Our strategy is to achieve best value by enhancing experience (offering best quality), while keeping prices reasonable. This applies to products we serve our customers and to every other aspect of the way we do business. HRPL's success has been built on commitment to the delivery of QSC&V (Quality, Service, Cleanliness and Value) to customers. Getting QS&C consistently and overwhelming appreciation of Value keeps our customers satisfied and maintains our competitive edge.

### FUTURE OUTLOOK

India is under penetrated and growth in the organised retail industry will present a strong platform for food service operators to grow substantially and leverage the opportunities in the QSR segment. In addition to consolidating the presence across larger tier-1 cities, expansion into smaller cities and increasing popularity of western cuisines is expected to offer strong support to the trend.

HRPL will continue to drive success in 2012-13 and beyond by enhancing the customer experience across all elements of its 'Plan-to-Win' strategy. The Company will continue to be energised by the ongoing momentum and significant growth opportunities.

HRPL holds a strong competitive position in the market place, and we intend to further differentiate the brand by striving to become the customers' favourite place and way to eat and

drink. Growing market share will continue to be a focus as the Company executes levers of acceleration: optimising the menu, modernising the customer experience, broadening accessibility and energising the employees.

- The menu efforts will include expanding destination beverages and desserts and thereby enhancing the food image.
- The customer experience efforts will include accelerating the interior and exterior reimagining efforts and providing the restaurant teams with the appropriate tools, training, technology and adequate staffing.
- The accessibility efforts will include increasing the level and variety of conveniences provided to customers through extended operating hours, greater proximity, stronger value platforms and expansion of McDelivery service across the market.
- The Company will continue its efforts to strengthen and energise its employee engagement through its Employee Value Proposition of Fun, Flexibility and Future.

HRPL will execute these priorities to increase McDonald's brand relevance with operational and financial discipline.

HRPL's business plans will be focused on building market share with the right mix of guest counts, average check, strategic restaurant reimagining and expansion.

### Technology & Energy Efficiency

HRPL will leverage service innovations by continuing the deployment of technologies such as updating the point-of-sale system, wi-fi and hand-held order devices to enhance the customer experience and help drive increased transactions and labour efficiency. The Company will also continue working to reduce the impact on the environment with energy management tools that enable HRPL to use green energy across its markets of west and south India.

### Value

Through its initiatives, HRPL will continue its efforts to become the customers' first choice for eating out by continuing to provide robust value platforms and focusing on menu variety, restaurant experience and convenience.

Value will continue to be a key growth driver as the Company will reinforce the affordability of its menu to consumers across all day parts, by building on successful Value platforms and expanding the breakfast offerings.

HRPL will continue offering value across the menu at breakfast and the rest of the day. Opportunities around additional staffing at peak hours during the breakfast and lunch day parts and increasing the number of restaurants that operate 24 hours per day will allow HRPL to broaden accessibility to its customers.

### Growth

HRPL has more than doubled its restaurant footprint since 2008, growing by an average 20 restaurants year-on-year. HRPL will continue to grow its business by opening new restaurants and reimagining its existing restaurants while elevating its focus on service and operations to drive efficiencies.



The Company will focus its resources towards optimisation of restaurant portfolio through restaurant development strategies centred on convenience platforms and brand extensions. The Company will make full-scale deployment on brand extensions such as McDelivery, Drive Thrus, Kiosks and 24x7 Operations

HRPL will expand its major remodel/reimage program to several other existing locations in 2012-13 as it progresses towards its goal of having substantial number of restaurant interiors and exteriors reimaged by the end of the year.

The Company will continue to maintain strong financial discipline by effectively managing spending in order to maximise financial performance. In making capital allocation decisions, HRPL's goal is to make investments that elevate the McDonald's experience and drive sustainable growth in sales and market share while earning strong returns.

WDL is well-positioned to exploit the untapped potential and optimise shareholder value.

### Financial Performance & Analysis

The financial results of WDL are primarily driven by HRPL. The financial results of WDL demonstrate HRPL's focussed approach to achieve a steady growth in sales and margins.

#### WESTLIFE DEVELOPMENT LIMITED Consolidated Summarised Statement of Profit and Loss for the year ended March 31, 2012

Particulars	₹ in Millions	
	For the year ended on March 31, 2012	For the year ended on March 31, 2011
Revenue From Operation	5,474.12	19.26
Total Expenses Excluding Depreciation, Interest and Tax	4,844.99	21.28
EBIDTA	686.33	9.01
Profit/(Loss) for the Year (before adjustment for Minority Interest)	422.76	(20.51)
Less: Share of Profit/(Loss) transferred to Minority Interest	108.81	(6.20)
Profit/(Loss) for the Year (after adjustment for Minority Interest)	313.95	(14.31)

### Risk Management

HRPL has established a holistic risk management framework to identify possible risks and ensures they are well handled and works towards de-risking its business. It monitors business activities to identify, assess and mitigate potential internal or external risks so as to eliminate or minimise its impact. HRPL uses its past experience, understanding of the Indian market and preferences to mitigate these risks. Some potential risks HRPL may face are:

#### a. Economic slowdown

A possible slowdown in the economy can have a dampening impact on the food service industry. It can impact the disposable incomes of consumers and in turn affect sales. However, the Company remains optimistic of the country's economic growth potential.

#### b. Supply chain

Any disruption in the supply chain can negatively impact supply of ingredients to outlets and the freshness of finished products.

#### c. Competition

Competition in the industry may rise further as new players enter the market and investments by foreign investors rise. As the QSR space expands further in India, competition is likely to increase.

#### d. Response in new markets

HRPL has a robust expansion plan in place and is confident of an encouraging response from new markets as well as new towns and cities. However, due to certain circumstances, the response may not be in line with expectations, which may impact its success in those markets.

### Internal Controls and Systems

HRPL's elaborate internal control systems ensure efficient use and protection of resources and compliance with policies, procedures and statutory requirements. The internal control systems comprise well documented guidelines, authorisation and approval procedures, including audit. Intrinsic to the overall governance process, the Company has institutionalised a well-established internal audit framework which covers all aspects of financial and operational controls, covering all units, functions and departments.

The Company has been an integral part of the global system of McDonald's Corporation, USA. As a result, it follows numerous control systems across its store operations that are tried and tested internationally. Apart from the above, it has in place a process for Internal Audit across a number of functions, including General Accounting, Supply Chain, Human Resources, Construction and Real Estate.

Over and above the internal audit by McDonald's Corporation, there is an Internal Audit (IA) Committee comprising the Director-Finance & Accounts & IT and the Director-Legal & Company Secretary, with participation from representatives of Business Operations, the Restaurant Solutions Group and People Resources. The IA Committee is actively engaged in evaluating and improving on an ongoing basis various functions and significant activities of the Company, including store operations, marketing and capital expenditure. The Committee is ably supported by external and independent chartered accountant firms specialised in the domain of IA who perform internal audit of the Company's operations and activities in the field.

### Human Resource Management

Proper emphasis is laid within the Company in getting the 'right people on the bus', i.e. acquiring the right talent – a key player in its success story in India. The Company has a stable leadership team, which has grown with the organisation with an average tenure of 12 years. With its talented workforce, the Company has built a strong business foundation and made huge efforts in building a talent pool through education and training.

# REPORT OF THE BOARD OF DIRECTORS TO MEMBERS

Your Directors are pleased to present their Twenty-Ninth Annual Report and audited Statement of Accounts for the year ended March 31, 2012.

## FINANCIAL STATEMENT

	2011-2012	2010-2011
Profit before Depreciation	43,58,382	2,92,363
Less : Depreciation	9,967	16,404
Profit before Exceptional Items & Tax	43,48,415	2,75,959
Less : Exceptional Items	1,27,43,861	-
Profit / (Loss) before Tax	(83,95,446)	2,75,959
Provision for Taxes	12,63,800	49,000
Deferred Tax Liability / (Asset)	(19,781)	1,730
Tax (including Fringe Benefits Tax) for earlier years	3,01,961	1,101
Profit / (Loss) for the year	(99,41,426)	2,24,128
Add : Balance brought forward	69,21,948	66,97,820
Balance carried forward	(30,19,478)	69,21,948

In view of absence of profit, no dividend is being recommended.

## OPERATING PERFORMANCE

The Company's Profit before exceptional items and tax was substantially higher at ₹ 43.48 lakhs as compared to ₹ 2.76 lakhs recorded last year. However, due to write-off of Project Expenditure amounting to ₹ 127.44 lakhs the Company has incurred after a tax loss of ₹ 99.41 lakhs.

The Company is an operating-cum-investment Company engaged in the business of –

- promotion and operation of quick service restaurants through subsidiaries.
- investing, buying, selling, dealing in securities and financing activities.
- providing human resources directly and/ or through subsidiaries.

During the year, the Company carried out trading in steel products and undertook civil and electrical works.

## SUBSIDIARY COMPANIES

Consolidated financial statements of the Company and its subsidiaries prepared in accordance with applicable accounting standards and duly audited by the Company's statutory auditors are annexed.

The annual accounts of the subsidiaries and the related detailed information shall be made available to the shareholders of the Company and also to the shareholders of the said subsidiary companies seeking such information at any point of time. The annual accounts of the subsidiaries are available for inspection by any shareholder in the head office of the Company and of the subsidiary company concerned.

## DIRECTORS

During the year, Mr. S V Srinivasan was appointed as Additional Director in terms of Section 260 of the Companies Act, 1956. He however resigned on December 5, 2012. Mr. B L Jatia, Mr. Amit Jatia, Mr. P R Barpande and Mr. Dilip J Thakkar were appointed as Additional Directors.

In terms of the said Section 260, they hold office upto the date of the ensuing Annual General Meeting.

Mr. Sunil Hirawat resigned as a director w.e.f. February 13, 2012. Mr. O P Adukia and Mr. G P Goyal, Directors resigned from the Board of Directors w.e.f. December 05, 2012. The Board wishes to place on record its sincere appreciation for the valuable services rendered by the outgoing directors during their respective tenure as director of the Company.

#### SIGNIFICANT EVENTS DURING CURRENT YEAR :

- i) In order to comply with the requirement of minimum 25% public holding in the share capital of listed companies, the Company has declared 1 : 1 bonus for only public holders of the Company's equity shares (the promoters agreeing to forgo their entitlement thereto). The BSE has already accorded its in-principle approval for listing of the proposed bonus shares. The Board has fixed December 11, 2012 for taking record of its shareholders for the purpose. The allotment is likely to be made shortly thereafter.

After the bonus, the share of non-promoters in the equity capital of the Company would go up to 25%.

- ii) The Company also allotted 4,60,000 8% Cumulative Redeemable Preference Shares of ₹ 10 each for cash at a premium of ₹ 50 per share to an entity belonging to the promoter group on a preferential basis.
- iii) The Company's registered office has been changed from 10, Kitab Mahal, 2nd Floor, 192, Dr. D N Road, Fort, Mumbai 400001 to 1001, Tower-3, 10th Floor, Indiabulls Finance Centre, Senapati Bapat Marg, Elphinstone Road, Mumbai 400 013 w.e.f. 1st December, 2012.

#### SCHEME OF ARRANGEMENT

The Company (WDL) has formulated a composite scheme of arrangement with its three subsidiaries viz. Westpoint Leisureparks Pvt. Ltd. (WLPL), Triple A Foods Pvt. Ltd. (TAF) and West Leisure Resorts Pvt. Ltd. (WLR). The Scheme provides for spin off of a part of the Company's business

to WLR and for amalgamation of WLPL and TAF with the Company and the shareholders of the amalgamating companies will be given equity shares in WDL on the basis of share exchange ratios mentioned therein subject to requisite approvals / sanctions. WLR will issue its shares to the shareholders of WDL on the basis of ratios mentioned in the Scheme in lieu of the shares held by WDL in WLR whereupon WLR will cease to be a subsidiary of WDL. The scheme will be presented to the Bombay High Court for sanction after the requisite approvals are received from the concerned authorities.

#### APPOINTMENT OF AUDITORS

M/s. Rajendra K Gupta & Associates, Chartered Accountants the existing Auditors have expressed their unwillingness to be re-appointed as Auditors of the Company. In view thereof, the Audit Committee has recommended appointment of M/s. S R Batliboi & Co., Chartered Accountants as Auditors of the Company at the ensuing annual Meeting. M/s. S R Batliboi & Co. have expressed their willingness to act as Auditors of the Company, if appointed, and have further confirmed that the said appointment would be in conformity with the provisions of Section 224(1B) of the Companies Act, 1956.

#### PUBLIC DEPOSITS

The Company did not accept any deposits during the year.

#### PARTICULARS OF EMPLOYEES

The provisions of Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 are not attracted.

Human relations have been cordial throughout the year.

#### INTERNAL CONTROL SYSTEMS :

The Company has a proper and adequate internal control system commensurate with its size and the nature of its business. No instance of any fraud or misdemeanour has been noticed during the year.

#### DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 217 (2AA) of the Companies Act, 1956, your Directors state that :

- a) in the preparation of the annual accounts, the applicable accounting standards have been followed;
- b) the accounting policies selected and applied are consistent and the judgements and estimates made 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 loss of the Company for that period;
- c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- d) the annual accounts have been prepared on a going concern basis.

#### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS**

Your Company is not engaged in any manufacturing activity and therefore, there are no particulars to be disclosed under the Companies (Disclosure of Particulars in the Report of the

Board of Directors) Rules, 1988, relating to conservation of energy or technology absorption.

During the year under review, the company did not earn/spend any foreign exchange.

#### **CORPORATE GOVERNANCE**

A separate report on Corporate Governance is annexed hereto as part of this Report.

#### **ACKNOWLEDGEMENT**

Your Board places on record its appreciation of the co-operation extended by all concerned.

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For and on Behalf of the Board of Directors

Banwari Lal Jatia  
Chairman

Mumbai

December 7, 2012

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# CORPORATE GOVERNANCE REPORT

(Pursuant to Clause 49 of the Listing agreement with Bombay Stock Exchange)

## COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company is committed to the principles of good corporate governance viz. fairness, transparency and accountability.

## BOARD OF DIRECTORS

- i) The Company's Board had three independent non-executive directors as on March 31, 2012, unrelated to each other and not holding any shares in the Company.
- ii) The Board met 6 times during the year on May 13, 2011, August 12, 2011, November 11, 2011, November 30, 2011, January 16, 2012 and February 13, 2012.

## Attendance of Directors at Meetings

Name	No. of Board Meetings Attended	If present at last AGM	No. of Outside Directorships held		No. of Committees in which Member/ Chairman
			Public	Private	
Mr. Om Prakash Adukia	6	Yes	5	7	-
Mr. Sunil Hirawat	3	No	-	-	-
Mr. Govind Prasad Goyal	4	Yes	2	3	-
Mr. Salem Venkatesan Srinivasan	1	No	2	1	-

The directors did not receive any remuneration or fee from the Company during the year.

## CODE OF CONDUCT

The Company has framed a Code of Conduct for the members of the Board of Directors and its senior managerial personnel. The Code has been posted on the Website of the Company.

A declaration regarding compliance by the Board Members and Senior Managerial Personnel with the provisions of the said Code is given as Annexure I to this Report.

## AUDIT COMMITTEE

The audit committee consisting of Mr. Om Prakash Adukia, Mr. Sunil Hirawat (upto February 13, 2012), Mr. Salem Venkatesan Srinivasan (from February 13, 2012) and Mr. Govind Prasad Goyal constituted by the Board continued to function during the year under report under the Chairmanship of Mr. Om Prakash Adukia.

The terms of reference of the Audit Committee cover the

matters specified for such committees in Section 292A of the Companies Act, 1956 and in Clause 49 of the Listing Agreement.

The Committee duly met 4 times during the year on May 13, 2011, August 12, 2011, November 11, 2011 and February 13, 2012

## GRIEVANCE REDRESSAL

Shareholders/ Investors Grievance Committee of the Company consisted of 2 directors viz. Mr. Om Prakash Adukia and Mr. Govind Prasad Goyal with Mr. Om Prakash Adukia as the Chairman and Mr. P F Fernandes, the Company Secretary as the Compliance Officer. No investor complaints were received during the year.

No complaints are pending.

Dedicated e-mail ID for investors' grievances is available at peterfernandes051212@gmail.com.

## GENERAL BODY MEETINGS

### Annual General Meetings

#### Location, Date and time of last 3 AGMs.

Location	Date	Time	Special Resolution No.
1 Brabourne Stadium 87, Veer Nariman Road Mumbai 400 020	September 29, 2009	2.00 p.m.	Nil
2 Brabourne Stadium 87, Veer Nariman Road Mumbai 400 020	September 29, 2010	2.00 p.m.	Nil
3 Brabourne Stadium 87, Veer Nariman Road Mumbai 400 020	September 28, 2011	2.00 p.m.	Nil

No special resolution was passed through postal ballot during the year.

There is presently no proposal for passing any special resolution through postal ballot. However, if an occasion arises for the same in the future, the same will be decided at the relevant time.

The procedure for postal ballot is as laid down in the Companies (Passing of Resolutions by Postal Ballot) Rules, 2011.

### DISCLOSURES

- i) All related party transactions have been entered into in the ordinary course of business and were placed periodically before the audit committee in summary form. No materially significant related party transactions that might have potential conflict with the interests of the Company at large took place during the year.
- ii) All applicable Accounting Standards mandatorily required have been followed in preparation of the financial statements.
- iii) Risk assessment and its minimisation procedures have been laid down and reviewed by the Board. These

procedures are periodically reviewed to ensure that executive management controls the risks through means of a properly designed framework.

- iv) No money was raised by the Company through public issue, rights issue, preferential issues, etc. during the last financial year.
- v) All pecuniary relationships or transactions of the directors vis-à-vis the Company have been disclosed in the Notes to the Accounts for the year which are being circulated to members along with this report.
- vi) Management Discussion and Analysis forms part of the Annual Report to the shareholders.
- vii) There were no financial/ commercial transactions by the Senior Management Personnel as defined in Clause 49 of the Listing Agreement where they have personal interest that may have a potential conflict with the interests of the Company at large requiring disclosures by them to the Board of Directors of the Company.

- viii) Compliance Reports of applicable laws are periodically reviewed by the Board of Directors. The Company is in compliance with all applicable laws. No penalties or strictures have been imposed on the Company by the Stock Exchange or SEBI or any statutory authority on any matter related to capital markets during the last three years.
- ix) Relevant details of directors proposed to be appointed are furnished in the Notice of the 29th Annual General Meeting being sent along with the Annual Report.

### COMMUNICATION

The Company's periodical financial results are submitted to the Bombay Stock Exchange within the prescribed time-period in a form so as to enable the Exchange to put the same on its own website. The results are also published in Free Press Journal (English) and Navshakti (Marathi) newspapers.

The Company presently does not issue any press releases. No representations have been made to any institutions or analysts.

### GENERAL SHAREHOLDER INFORMATION

**(i) Annual General Meeting to be held**

**Date:** December 31, 2012 (Monday)

**Time:** 12.00 noon

**Venue:** Brabourne Stadium, Gate No. 10  
1st Floor, 87, Veer Nariman Road  
Mumbai 400 020

**(ii) Financial Year**

April – March

**(iii) Date of Book Closure**

December 11, 2012 (for Bonus and for Annual closure)

**(iv) Dividend Payment Date**

No dividend is being recommended

**(v) Company's shares are listed on the Bombay Stock Exchange**

(Stock Code :505533)

**(vi) Monthly Market Price Data:**

Monthly highest and lowest closing quotations of the Company's equity share on the Bombay Stock Exchange during the financial year 2011-12 were as under. Comparative figures of the month-end closing prices of the Company's share and the BSE Sensex are also tabulated alongside.

Month	₹ per share			Sensex High	Sensex Low
	High	Low	Month-end closing		
April, 2011	-	-	-	19811.14	18976.19
May, 2011	-	-	-	19253.87	17786.13
June, 2011	-	-	-	18873.39	17314.38
July, 2011	40.05	39.30	40.05	19131.70	18131.86
August, 2011	40.85	40.85	40.85	18440.07	15765.53
September, 2011	-	-	-	17211.80	15801.01
October, 2011	-	-	-	17908.13	15745.43
November, 2011	-	-	-	17702.26	15478.69
December, 2011	-	-	-	17003.71	15135.86
January, 2012	-	-	-	17258.97	15358.02
February, 2012	44.10	41.65	44.10	18523.78	17061.55
March, 2012	53.45	44.95	53.45	18040.69	16920.61

**vii) Registrars & Transfer Agent :**

Sharepro Services (India) Pvt. Ltd.  
912, Raheja Centre  
Free Press Journal Road  
Nariman Point  
Mumbai 400 021



**viii) Shareholding Pattern as on March 31, 2012 :**

	No. of Holders	No. of Shares held	Percentage of holding
<b>Promoter Group :</b>			
Individuals/ HUF	8	38,31,490	23.95
Bodies Corporate	5	98,82,500	61.76
<b>Non-Promoters :</b>			
Individuals/ HUF	25	20,66,999	12.92
Bodies Corporate	3	2,19,011	1.37
	41	1,60,00,000	100

**Distribution of shareholding as at March 31, 2012:**

Shareholding	No. of Shareholders	No. of Equity Shares	Shareholding Percentage
Upto 500	23	1,246	0.008
501 to 2000	2	3,100	0.019
2001 to 5000	-	-	-
5001 to 10000	4	30,813	0.193
Above 10000	12	1,59,64,841	99.78
	41	1,60,00,000	100

**ix) Dematerialisation of shares :**

As on March 31, 2012, 1,60,00,000 shares comprising 100% of the Company's paid-up capital were held in dematerialised form under ISIN Code INE 274F01012.

**x) The Company has not issued any GDRs/ ADRs/ Warrants or any convertible instruments.****xi) Addresses for Correspondence:**

Shareholders correspondence may be addressed to any of the following addresses :

**1. Sharepro Services (India) Pvt. Ltd.**

912, Raheja Centre  
Free Press Journal Road  
Nariman Point  
Mumbai 400 021

**2. Westlife Development Ltd.**

1001, Tower-3, 10th Floor  
Indiabulls Finance Centre  
Senapati Bapat Marg  
Elphinstone Road  
Mumbai 400 013

- ii) The Company has few employees and no remuneration was paid to the directors. In view of this, no Remuneration Committee has been constituted.
- iii) No communications about periodical financial results of the Company are presently being sent to the shareholders.
- iv) There are no qualifications in the Auditor's Report on the financial statements to the shareholders.
- v) The Company does not have any framed policy at present for training of the Board members as they are experienced professional persons.
- vi) There is no formal mechanism at present for evaluation of performance of the non-executive directors.
- vii) The Company has not established a whistle blower policy. However, all personnel have free access to the audit committee.

**COMPLIANCE CERTIFICATE :**

A certificate from a practicing Company Secretary regarding Compliance with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement is annexed to the report as Annexure II.

**NON-MANDATORY REQUIREMENTS**

- i) The Company did not have any Chairman during the year under report.

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**ANNEXURE – I**

## DECLARATION ABOUT COMPLIANCE WITH CODE OF CONDUCT :

To :  
Westlife Development Ltd.  
**Mumbai**

I hereby declare that all members of the Board and the Senior Management Personnel of the Company have affirmed due observance of the Code of Conduct framed by the Company in so far as it is applicable to them and there is no non-compliance thereof during the year ended March 31, 2012.

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P F Fernandes  
Company Secretary

Mumbai  
December 6, 2012

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**ANNEXURE II**

## COMPLIANCE CERTIFICATE :

To :  
The Members  
Westlife Development Ltd.  
**Mumbai**

We have reviewed the records concerning the Company's compliance of conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement entered into, by the Company, with the Bombay Stock Exchange for the financial year ended March 31, 2012.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures adopted by the Company for ensuring the compliance of conditions of Corporate Governance and implementation thereof. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have conducted our review on the basis of the relevant records and documents maintained by the Company and furnished to us for the review, and the information and explanations given to us by the Company.

Based on such a review, and to the best of our information and according to the explanations given to us, in our opinion, the Company has complied with the conditions of Corporate Governance, as stipulated in Clause 49 of the said Listing Agreement.

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Shailesh A Kachalia  
CP 3888  
Company Secretary

Place : Mumbai  
Date : November 15, 2012

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# CONSOLIDATED AUDITORS' REPORT

## To the Board of Directors of Westlife Development Limited on the Consolidated Financial Statements of Westlife Development Limited and its subsidiaries

1. We have audited the attached Consolidated Balance Sheet of **Westlife Development Limited** ("the Company") and its subsidiaries (collectively referred as 'the Group') as at March 31, 2012, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the period ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. These Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We report that the consolidated financial statements have been prepared by the Company in accordance

with the requirements of the Accounting Standard (AS) 21, 'Consolidated Financial Statements' issued by the Government of India.

4. Based on our audit and to the best of our information and according to the explanations given to us, we are of the opinion that the said consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India :
  - (i) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2012;
  - (ii) in the case of the Consolidated Statement of Profit and Loss, of the profit of the Group for the year ended on that date; and
  - (iii) In the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

For **RAJENDRA K. GUPTA & ASSOCIATES**  
Chartered Accountants  
Regd. No. 108373W

**Rajendra Kumar Gupta**  
Partner  
M.No.009939

Place : Mumbai  
Date : December 7, 2012

## CONSOLIDATED BALANCE SHEET

as at March 31, 2012

	Note No.	₹ in Millions	
		As at 31-03-2012	As at 31-03-2011
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	2	160.00	160.00
Reserves and Surplus	3	1,907.89	1,840.36
		<b>2,067.89</b>	<b>2,000.36</b>
Minority Interest		750.53	549.75
<b>Non-Current Liabilities</b>			
Long Term Provisions	4	8.47	0.06
Other Long Term Liabilities	5	2.72	–
		<b>11.19</b>	<b>0.06</b>
<b>Current Liabilities</b>			
Short Term Borrowings	6	2.50	–
Trade Payables	7	75.35	13.17
Other Current Liabilities	8	216.89	2.50
Short Term Provisions	9	419.88	–
		<b>714.62</b>	<b>15.67</b>
		<b>3,544.25</b>	<b>2,565.84</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Fixed Assets	10		
Tangible Assets		1,849.16	0.03
In-Tangible Assets		238.06	0.00
Capital Work-in-progress		196.05	–
Project Expenditure (pending allocation)		–	12.74
		<b>2,283.27</b>	<b>12.77</b>
Non-Current Investments	11	11.81	2,358.46
Deferred Tax Assets (Net)	12	0.03	0.01
Long Term Loans and Advances	13	388.50	25.00
Other Non-Current Assets	14	1.29	–
		<b>401.63</b>	<b>2,383.47</b>
<b>Current Assets</b>			
Current Investments	15	63.64	–
Inventories	16	150.31	–
Trade Receivables	17	65.43	11.72
Cash and Cash Equivalents	18	328.54	75.96
Short Term Loans and Advances	19	198.20	81.80
Other Current Assets	20	53.23	0.12
		<b>859.35</b>	<b>169.60</b>
		<b>3,544.25</b>	<b>2,565.84</b>
Significant Accounting Policies	1		
The accompanying notes are an integral part of the Financial Statements			

As per our report of even date attached

For and on behalf of

**RAJENDRA K. GUPTA & ASSOCIATES**

Chartered Accountants

Firm Regn. No. 108373W

**Rajendra Kumar Gupta**

Partner

M.No.009939

Place: Mumbai

Date: December 7, 2012

**P. F. Fernandes**

Company Secretary

For and on behalf of the Board of Directors

**Amit Jatia**

Director

**Banwari Lal Jatia**

Director

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2012

	Note No.	₹ in Millions	
		Year Ended 31-03-2012	Year Ended 31-03-2011
<b>INCOME</b>			
Revenue from Operations	21	5,474.12	19.26
Other Income	22	57.20	11.03
		5,531.32	30.29
<b>EXPENDITURE</b>			
Cost of Raw Materials and Component Consumed	23	2,436.62	–
Purchase of Traded Goods	24	20.61	15.72
Employee Benefit Expenses	25	652.54	2.58
Other Expenses	26	1,735.22	2.98
		4,844.99	21.28
<b>Profit/(Loss) before Finance Expenses, Depreciation and Amortisation and Exceptional Items and Tax</b>		686.33	9.01
Finance Expenses	27	0.72	–
Depreciation	28	246.59	0.02
Amortisation	29	0.04	(0.00)
<b>Profit/(Loss) before Exceptional Items and Tax</b>		438.98	8.99
Less: Exceptional Items	30	12.74	28.42
<b>Profit/(Loss) before Tax</b>		426.24	(19.43)
Less: Tax Expenses			
Current Tax		3.20	1.08
Deferred Tax		(0.02)	0.00
Taxes (Including Fringe Benefits Tax) for Earlier Years		0.30	0.00
<b>Profit/(Loss) for the Year (before adjustment for Minority Interest)</b>		422.76	(20.51)
Less: Share of Profit/(Loss) transferred to Minority Interest		108.81	(6.20)
<b>Profit/(Loss) for the Year (after adjustment for Minority Interest)</b>		313.95	(14.31)
Earnings per Equity Share	40		
Basic (₹)		19.62	(0.89)
Diluted (₹)		19.62	(0.89)
Significant Accounting Policies	1		
The accompanying notes are an integral part of the Financial Statements			

As per our report of even date attached

For and on behalf of

**RAJENDRA K. GUPTA & ASSOCIATES**

Chartered Accountants

Firm Regn. No. 108373W

For and on behalf of the Board of Directors

Rajendra Kumar Gupta

Partner

M.No.009939

Place: Mumbai

Date: December 7, 2012

P. F. Fernandes

Company Secretary

Amit Jatia

Director

Banwari Lal Jatia

Director

## CONSOLIDATED CASH FLOW STATEMENT

for the year ended March 31, 2012

	₹ in Millions	
	Current year	Previous year
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit/ (Loss) before Taxation	426.24	(19.44)
Adjustments for :		
Assets written off	8.00	-
(Profit)/Loss on Sale of Fixed Assets, Scrap sold, etc	2.52	-
Income from Investments	(14.91)	-
Interest Received	(37.97)	-
Depreciation	246.59	0.02
Profit on Sale of Investment	(0.00)	-
Write-Back of Provisions	(2.37)	-
Amortisation	0.03	0.01
Project Expenditure	12.74	0.04
Expenses related to Scheme of Arrangement	(0.58)	-
Unrealised (Gain)/Loss	(0.04)	-
<b>Operating Profit before Working Capital changes</b>	<b>640.25</b>	<b>(19.37)</b>
<b>Movements in Working Capital</b>		
Decrease/(Increase) in Inventories	(33.01)	-
Decrease/ (Increase) in Trade Receivables	(16.26)	(28.09)
Decrease/ (Increase) in Loans and Advances	(34.77)	-
(Decrease)/Increase in Trade Payables	23.70	14.70
(Decrease)/Increase in Other Current Liabilities	(0.02)	-
(Decrease)/Increase in Provisions	91.66	-
<b>Cash generated from Operations</b>	<b>671.55</b>	<b>(32.76)</b>
Tax Refund received / (Taxes Paid)	1.79	(1.24)
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>673.34</b>	<b>(34.00)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Additions to Fixed Assets	(738.65)	-
Proceeds from Sale of Fixed Assets	1.85	-
(Decrease)/Increase in Creditors for Capital Goods	11.10	-
Income from Investment	14.91	-
Investments made	(1,063.12)	(2,369.05)
Proceeds from Investment sales	1,017.06	-
Investments in Bank Fixed Deposits	224.27	-
Interest Received	37.97	-
(Increase)/Decrease in Long Term Deposits	(54.39)	-
<b>NET CASH FROM INVESTING ACTIVITIES</b>	<b>(549.00)</b>	<b>(2,369.05)</b>

## CONSOLIDATED CASH FLOW STATEMENT

for the year ended on March 31, 2012

	₹ in Millions	
	Current year	Previous year
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Increase in Share Capital	24.71	2,399.99
Inter Corporate Deposits	13.90	-
Repayment of Borrowings	(77.96)	(64.39)
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>(39.35)</b>	<b>2,335.60</b>
<b>Net Increase in Cash and Cash Equivalents</b>	<b>84.99</b>	<b>(67.44)</b>
Cash and Cash Equivalents at the beginning of the year	114.66	143.41
Cash and Cash Equivalents at the end of the year	199.66	75.96
<b>Net Increase in Cash and Cash Equivalents</b>	<b>84.99</b>	<b>(67.44)</b>
<b>Components of Cash and Cash Equivalents as at</b>	<b>31-03-2012</b>	<b>31-03-2011</b>
Cash and bank balances	328.54	75.96
<b>Less: Not considered as cash and cash equivalents</b>		
Fixed deposit with original maturity of more than three months	128.88	-
<b>Total Cash and Cash Equivalent</b>	<b>199.66</b>	<b>75.96</b>

For and on behalf of

**RAJENDRA K. GUPTA & ASSOCIATES**

Chartered Accountants

Firm Regn. No. 108373W

Rajendra Kumar Gupta

Partner

M.No.009939

Place: Mumbai

Date: December 7, 2012

P. F. Fernandes

Company Secretary

Amit Jatia

Director

Banwari Lal Jatia

Director

For and on behalf of the Board of Directors

## NOTES

### to Consolidated Financial Statements

#### NOTE - 1

##### A. BASIS OF CONSOLIDATION:

The Consolidated Financial Statement (CFS) relates to Westlife Development Limited ("the Company") and its subsidiaries, West Leisure Resorts Private Limited, Westpoint Leisurepark Private Limited, Triple A Foods Private Limited and Hardcastle Restaurants Private Limited. (together "the Group").

##### Basis of Accounting

The financial statements of the subsidiaries used in the consolidation are drawn up to the same reporting date of the Company (Triple A Foods Private Limited financials are for the period July 1, 2011 to March 31, 2012). The CFS have been prepared in accordance with Accounting Standard-21 on 'Consolidated Financial Statements'.

##### Principles of Consolidation

The financial statements of the Company and its subsidiary companies have been combined on a line-by-line basis by adding together the book values of like items of assets and liabilities after fully eliminating intra-group balances.

The CFS are presented, to the extent possible, in same format as that adopted by the Company for its stand-alone financial statements. Differences if any, in accounting policies have been disclosed separately.

##### Particulars of Subsidiaries

Sr. No.	Names of the Subsidiaries	Country of Incorporation	Percentage of Voting Power as at 31-03-2012
1	West Leisure Resorts Private Limited	India	87.34%
2	Westpoint Leisureparks Private Limited	India	76.84%
3	Triple A Foods Private Limited (Subsidiary of Westpoint Leisureparks Private Limited)	India	80% held by Westpoint Leisureparks Private Limited
4	Hardcastle Restaurants Private Limited (Subsidiary of Triple A Foods Private Limited)	India	99.89% held by Triple A Foods Private Limited

##### B. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

##### Method of Accounting

The Group follows the mercantile system of accounting and recognises income and expenses on accrual basis, except dividend recorded on cash basis.

##### Sales & Purchases

Shown net of Value Added Tax & Discounts.

##### Fixed Assets and Depreciation

- (i) Fixed Assets are stated at cost less accumulated depreciation and impairment losses (if any). Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of fixed assets which take substantial period of time to get ready for their intended use are also included to the extent they relate to the period till such assets are ready to be put to use. Further contribution received from landlords in respect of leasehold improvements carried out to leasehold premises is deducted from leasehold improvements cost.
- (ii) Depreciation is provided on written down value basis at rates specified in Schedule XIV of the Companies Act, 1956 pro rata from date of acquisition in the Company.
- (iii) Depreciation in Subsidiary Hardcastle Restaurants Private Limited ("HRPL") is provided on Straight Line Method on a pro-rata basis from the date of use. The rates of depreciation are based on technical evaluation of the economic life of assets by the management, which are given below, and are equal to or greater than the corresponding rates prescribed in Schedule XIV of the Companies Act, 1956.

Assets	Economic Life (Years)
Buildings	28
Leasehold Improvements	15
Restaurant Equipments	5-10
Furniture and Fixtures	5-10
Office Equipments	5
Mobile Phones	3
Laptops	3
Computers	5
Motor Vehicles	4

Leasehold Land is amortised over the period of the lease.

Fixed Assets below ₹ 5000 are fully depreciated in the year of purchase.

##### Intangible Assets

Initial Location & License fees in HRPL for stores opened up to May 15, 2010, are amortised on a straight line basis over a period of twenty years. For stores opened after May 15, 2010, Initial Location & License fees are amortised on a straight line basis over the remaining period of the relevant agreements.

Software is depreciated over a period of 5 years.



## NOTES

### to Consolidated Financial Statements

#### Investments

Long term investments are valued at cost. Provision for diminution in market value except considered temporary is debited to Profit & Loss Account. Current Investments are valued at cost or market value, whichever is lower.

#### Inventories

Inventories (comprising of Food, Paper, Toys and Premiums, Stores, Spares and Others) are valued at lower of cost (determined on First-in-First Out basis) or net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

#### Revenue Recognition

Accounts are maintained on accrual basis. Revenue recognition is postponed to a later date when it is not possible to estimate it with reasonable accuracy.

#### Retirement and other employee benefits

Based on the assumption that benefit of gratuity is payable to the employees at the end of the accounting year, provision for gratuity is made for employees who complete the prescribed qualifying period of service for gratuity entitlement.

For the subsidiary HRPL retirement benefit in the form of Provident Fund is a defined contribution scheme and these contributions are charged to the Profit and Loss Account of the year when the contributions are due. There are no other obligations.

However, in view of contractual obligations, provision for gratuity liability has been made on the assumption that the benefit thereof is payable at the end of the accounting year. Gratuity liability is a defined benefit obligation and is provided on the basis of an actuarial valuation done by an independent actuary on the projected unit credit method at the end of each financial year. Except for the subsidiary companies which employ very few persons, accrued liability towards employee benefits has been determined by employing a method based on the assumption that such benefits are payable to the employee at the end of the accounting year.

Short term compensated absences are provided based on details of leave balance and applicable salary rates.

Actuarial gains/losses are immediately taken to profit and loss account and are not deferred.

#### Income Tax

Provision for current taxes is made and retained in the accounts on the basis of estimated tax liability as per applicable provisions of the Income Tax Act, 1961 and considering assessment orders and decisions of appellate authorities.

Deferred Tax for timing difference between tax profits and book profits is accounted for, using tax rates and laws that have been enacted or substantively enacted as of the Balance Sheet date. Deferred Tax Assets are recognised to the extent there is reasonable certainty that these assets can be realised in future.

#### Earnings per Share

The earning considered in ascertaining the Group's EPS comprises Net Profit after Tax and includes the post tax effect of any extraordinary items. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year.

#### Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term are classified as operating leases. Operating lease payments are recognised as an expense in the Profit and Loss account on a straight – line basis over the lease term for fixed rent agreements and as a percentage of revenue for variable rent agreements.

#### Provisions

A provision is recognised when the company has a present obligation as a result of a past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.

Provisions are not discounted to their present value and are determined based on a best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

## NOTES

### to Consolidated Financial Statements

	As at 31-03-2012	₹ in Millions As at 31-03-2011
<b>2. SHARE CAPITAL</b>		
Authorised		
2,00,00,000 Equity Shares of ₹ 10 each	200.00	200.00
	200.00	200.00
Issued, Subscribed and Paid up		
1,60,00,000 Equity Shares of ₹ 10 each, fully paid up	160.00	160.00
	160.00	160.00

#### 2.1 Reconciliation of Shares outstanding at beginning and at end of the Reporting Period

Equity Shares:	Current		Previous	
	No. of Shares	₹ in Millions	No. of Shares	₹ in Millions
At beginning of the year	16,000,000	160.00	1,60,00,000	160.00
At end of the period	16,000,000	160.00	1,60,00,000	160.00

#### 2.2 Terms/Rights attached to equity shares:

The Company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. Dividend proposed by the Board of Directors is subject to approval of the shareholders.

During the year ended March 31, 2012, the amount of dividend per share recognised as distribution to equity shareholders was NIL (March 31, 2011 NIL).

#### 2.3 Aggregate number of shares issued during period of five years immediately preceding the reporting date:

	Nos	Nos
Equity shares allotted as fully paid Bonus Shares by capitalisation of General Reserve, Reserve Fund and Surplus balance of the Profit & Loss Account.	1,58,00,000	1,58,00,000

#### 2.4 Details of shareholders holding more than 5% shares in the Company

Equity Shares:	As at 31-03-2012		As at 31-03-2011	
	No of shares held	% of shares held	No of shares held	% of shares held
Subh Ashish Exim Pvt Ltd	5,347,400	33.42%	5,347,400	33.42%
Horizon Impex Pvt Ltd	4,511,100	28.19%	4,511,100	28.19%
U. D. Jatia	1,028,000	6.43%	1,528,000	9.55%
Amit Jatia	1,000,050	6.25%	50	0.00
A. Jatia	1,028,000	6.43%	1,528,000	9.55%
G. Agarwal	1,435,000	8.97%	-	-
R. Himatsingka	-	-	2,250,000	14.06%

## NOTES

### to Consolidated Financial Statements

		₹ in Millions	
		As at	As at
		31-03-2012	31-03-2011
<b>3.</b>	<b>RESERVES AND SURPLUS</b>		
<b>3.1</b>	<b>Capital Reserve</b>		
	Balance as per last Financial Statements	0.67	0.67
<b>3.2</b>	<b>Share Premium</b>		
	Balance as per last Financial Statements	1,844.03	1,844.03
	Add: Premium received during the year on equity shares	23.69	–
		1,867.72	1,844.03
	Less: Amount utilised towards issue of fully paid bonus shares	23.69	–
		1,844.03	1,844.03
<b>3.3</b>	<b>Surplus / (Deficit) in the Statement of Profit and Loss</b>		
	Balance as per last financial statements	(4.34)	9.97
	Increase in Minority Interest in West Leisure Resorts Private Limited	(1.18)	(0.00)
		(5.52)	9.97
	Add: Profit / (Loss) for the year	313.95	(14.31)
		308.43	(4.34)
	Less: Adjustment on A/c of Subsidiaries included in Consolidation	238.51	–
	Less: Amount utilised towards issue of fully paid bonus shares	6.73	–
	<b>Net surplus</b>	63.19	(4.34)
	<b>TOTAL RESERVES AND SURPLUS</b>	1,907.89	1,840.36

		₹ in Millions	
		As at	As at
		31-03-2012	31-03-2011
<b>4.</b>	<b>LONG-TERM PROVISIONS</b>		
	<b>Provisions for Employee benefits</b>		
	Provision for Gratuity	8.47	0.06
		8.47	0.06

		₹ in Millions	
		As at	As at
		31-03-2012	31-03-2011
<b>5.</b>	<b>OTHER LONG TERM LIABILITIES</b>		
	Deposits (unsecured)	2.72	–
		2.72	–

		₹ in Millions	
		As at	As at
		31-03-2012	31-03-2011
<b>6.</b>	<b>SHORT TERM BORROWINGS</b>		
	Deposits (Unsecured)	2.50	–
		2.50	–

## NOTES

### to Consolidated Financial Statements

		₹ in Millions	
		As at 31-03-2012	As at 31-03-2011
<b>7. TRADE PAYABLES</b>			
Trade payables		75.35	13.17
		75.35	13.17

		₹ in Millions	
		As at 31-03-2012	As at 31-03-2011
<b>8. OTHER CURRENT LIABILITIES</b>			
Deposits		0.26	2.50
Bank Overdrafts		104.36	-
Taxes & Duties Payable		44.68	-
Other Payables		67.59	-
		216.89	2.50

		₹ in Millions	
		As at 31-03-2012	As at 31-03-2011
<b>9. SHORT TERM PROVISIONS</b>			
<b>Provision for Employee Benefits</b>			
Provisions for Leave Benefits		98.80	-
Provision for Expenses		309.39	-
Provision for Gratuity		11.69	-
		419.88	-

		₹ in Millions									
		GROSS BLOCK			DEPRECIATION / AMORTISATION				NET BLOCK		
		Cost as at 01.04.2011	Additions/ Disposals	Other Adjustments	Cost as at 31.03.2012	As at 01.04.2011	For the year	Other Adjustments	Total up to 31.03.2012	As at 31.03.2012	As at 31.03.2011
<b>TANGIBLE ASSETS</b>											
Lease hold Land		-	-	10.50	10.50	-	0.17	1.50	1.67	8.83	-
Buildings		-	0.74	146.10	146.84	-	5.64	59.60	65.24	81.60	-
Leasehold Improvements		-	259.43	919.82	1,179.25	-	73.36	221.64	294.99	884.26	-
Restaurant Equipments		-	293.36	888.49	1,181.85	-	113.62	345.35	458.97	722.88	-
Furniture & Fixtures		-	63.49	189.3	252.92	-	28.13	94.98	123.11	129.81	-
Office Equipments		0.02	0.54	9.45	10.01	0.01	1.65	6.27	7.93	2.07	0.00
Computers		0.07	3.37	19.06	22.50	0.05	2.17	11.56	13.78	8.72	0.03
Motor Vehicles		-	5.99	30.49	36.48	-	6.14	19.35	25.49	10.99	-
		0.09	626.92	2,213.34	2,840.35	0.05	230.88	760.25	991.18	1,849.16	0.03
<b>INTANGIBLE ASSETS</b>											
Goodwill on Consolidation		0.00	11.52	-	11.52	-	-	-	-	11.52	0.00
Initial Location & License Fee		-	52.92	211.56	264.48	-	11.77	37.96	49.73	214.75	-
Computer Software		-	9.01	37.14	46.15	-	3.95	30.42	34.37	11.78	-
		-	73.45	248.70	322.15	-	15.72	68.38	84.10	238.06	0.00
<b>TOTAL</b>		0.09	700.37	2,462.04	3,162.50	0.05	246.60	828.63	1,075.28	2,087.22	0.03
Previous Year		0.09	-	-	0.09	0.05	0.02	-	0.06	0.03	-

## NOTES

## to Consolidated Financial Statements

		₹ in Millions	
		As at 31-03-2012	As at 31-03-2011
<b>11. NON-CURRENT INVESTMENTS</b>			
	<b>Trade Investments (valued at cost)</b>		
	<b>A) Investment in Equity Instruments (Unquoted)</b>		
	21,000 (Previous Year NIL) Equity shares of ₹ 10 each fully paid up in Concept Highland Business Pvt. Ltd.	1.49	–
		1.49	–
	<b>Quoted</b>		
	<b>Investments through Blue Ocean Investment Trust:</b>		
	2,85,715 Equity Shares of Sterling Holidays Resorts (India) Ltd of ₹ 10 each, fully paid up	10.32	10.21
	<b>Trade Investment (Unquoted)</b>		
	NIL (Previous Year 2,34,825) Zero Percent Compulsorily Convertible Warrants of Triple A Foods Pvt Ltd of ₹ 10,000 each fully paid up	–	2,348.25
	<b>Investment in Preference Instrument (Unquoted)</b>		
	10 8% Non-cumulative Preference Shares of ₹ 10 each fully paid up in Vishwas Investment & Trading Co. Pvt. Ltd.	0.00	–
		10.32	2,358.46
		11.81	2,358.46

		₹ in Millions	
		As at 31-03-2012	As at 31-03-2011
<b>12. DEFERRED TAX ASSETS (NET)</b>			
	<b>Deferred Tax Assets</b>		
	Disallowances under the Income Tax Act, 1961	16.14	0.02
	Short Term Capital Losses	0.00	0.00
	Unabsorbed depreciation carried forward	10.18	–
	Preliminary Expenses	0.00	–
	Speculation Business Losses	0.00	0.00
	Deferred Tax Liabilities		
	Related to Fixed Assets	(26.29)	(0.01)
	<b>Net Deferred Tax Asset</b>	0.03	0.01

		₹ in Millions	
		As at 31-03-2012	As at 31-03-2011
<b>13. LONG TERM LOANS AND ADVANCES</b>			
	<b>Others Loans and Advances</b>		
	Advance Income Tax (Net of provision for taxation)	4.95	0.94
	Balances with Government authorities	3.43	0.05
	Share Application Money	–	24.00
	Security Deposit	330.70	–
	Sundry Deposits	13.77	–
	Capital Advances	27.93	–
	Advance to Suppliers	3.70	–
	Loans to Others	0.01	–
	Prepaid Expenses	4.01	0.01
		388.50	25.00

## NOTES

### to Consolidated Financial Statements

		₹ in Millions	
		As at	As at
		31-03-2012	31-03-2011
<b>14.</b>	<b>OTHER NON-CURRENT ASSETS</b>		
	Deposits with Bank (Maturity after 12 Month from the Balance Sheet date)	0.71	-
	Unamortised Expenditure Expenses related to Scheme of Arrangement	0.58	-
		1.29	-

		₹ in Millions	
		As at	As at
		31-03-2012	31-03-2011
<b>15.</b>	<b>CURRENT INVESTMENTS</b>		
	<b>Unquoted Mutual Fund Units (valued at lower of cost or net asset value)</b>		
	194665 Units (Previous Year Nil) of ₹ 100 each in Birla Sunlife Mutual Fund Growth Plan.	35.00	-
	123003.085 Units (Previous Year Nil) of ₹ 10 each in HDFC Cash Management Fund - Treasury Advantage - Retails Growth	2.85	-
	5814.460 Units (Previous Year Nil) of ₹ 10 each in Reliance Money Manager Fund - Retail -Growth Plan	8.39	-
	11,880.596 Units (Previous Year Nil) of ₹ 10 each in Reliance Money Manager Fund - Institutional -Growth Plan	17.40	-
		63.64	-

		₹ in Millions	
		As at	As at
		31-03-2012	31-03-2011
<b>16.</b>	<b>INVENTORIES</b>		
	Food items (Includes goods-in-transit ₹ 0.24 million)	66.66	-
	Paper (Includes goods in transit ₹ 0.03 million)	24.89	-
	Toys & premiums	20.75	-
	Stores and spares	20.52	-
	Other inventories	17.49	-
		150.31	-

		₹ in Millions	
		As at	As at
		31-03-2012	31-03-2011
<b>17.</b>	<b>TRADE RECEIVABLES</b>		
	<b>Outstanding for a period not exceeding six months from due date</b>		
	Unsecured, considered good	6.45	-
	Other receivables	58.98	11.72
		65.43	11.72



## NOTES

### to Consolidated Financial Statements

	₹ in Millions	
	Current year	Previous year
<b>21. REVENUE FROM OPERATIONS</b>		
<b>21.1 Sale of Products</b>		
Traded Goods	20.68	15.75
Sales	5,369.88	–
Birthday Party Revenue	4.09	–
Delivery Charges Revenue	23.86	–
	<u>5,418.51</u>	<u>15.75</u>
<b>21.2 Rent Received</b>	7.26	1.45
<b>21.3 Other Operational Revenue</b>		
Conducting Fees	3.28	–
Franchising Income	9.68	–
Scrap Sales	5.18	–
Space Rental	28.63	–
<b>21.4 Service Charges</b>	1.58	2.07
	<u>55.61</u>	<u>3.52</u>
	<u>5,474.12</u>	<u>19.26</u>

	₹ in Millions	
	Current year	Previous year
<b>22. OTHER INCOME</b>		
22.1 Interest Received	37.97	4.14
22.2 Interest on Income Tax Refunds	0.09	–
22.3 Dividend Income from Mutual Fund Units	5.82	6.75
22.4 Profit on Sale of Mutual Fund Units (Net)	9.09	–
22.5 Other Non-operating Income	4.23	0.13
	<u>57.20</u>	<u>11.03</u>

	₹ in Millions	
	Current year	Previous year
<b>23. RAW MATERIAL CONSUMED</b>		
Stock at commencement of year	89.27	–
Add: Purchases during year	2,459.65	–
	<u>2,548.92</u>	<u>–</u>
Less Stock at close of year	112.30	–
	<u>2,436.62</u>	<u>–</u>

	₹ in Millions	
	Current year	Previous year
<b>24. PURCHASE OF TRADED GOODS</b>		
Purchases	20.61	15.72
	<u>20.61</u>	<u>15.72</u>



## NOTES

### to Consolidated Financial Statements

	₹ in Millions	
	Current year	Previous year
<b>25. EMPLOYEE BENEFIT EXPENSES</b>		
Salaries, Wages and Bonus	583.33	2.55
Contribution to Provident Fund	42.90	
Gratuity Expenses	6.19	0.03
Staff Welfare Expenses	20.12	–
	<b>652.54</b>	<b>2.58</b>

	₹ in Millions	
	Current year	Previous year
<b>26. OTHER EXPENSES</b>		
Rent	25.60	1.41
Conducting Charges	365.26	–
Expenses towards Civil & Electrical Works Contracts	3.33	–
Insurance	6.69	0.00
Payment to Auditor	1.96	0.03
Fees including filing fees	1.04	0.00
Demat Charges	0.00	0.00
Legal & Professional Expenses	84.80	0.02
Loss on Sale of Investments (Net)	0.00	0.06
Electricity, Gas and Other Utilities	438.05	–
Advertising & Promotional Expenses	315.35	–
Royalty Fee	115.37	–
Maintenance & Repairs - Restaurant Equipments	65.33	–
Maintenance & Repairs - Others	60.38	–
Operating Supplies at Stores	61.60	–
Travelling & Conveyance Expenses	34.65	0.01
Asset Write offs	8.00	–
Training and Development Expenses	10.81	–
Telephone Expenses	8.76	0.01
Rates & Taxes	8.65	0.01
Loss on Sale of Assets	2.52	–
Foreign Exchange Differences (Net)	6.78	–
Miscellaneous Expenses	110.28	1.43
	<b>1,735.22</b>	<b>2.98</b>
<b>Payment to Auditors</b>		
As Auditors		
Audit Fees	1.90	0.03
Tax Audit Fees	0.01	0.00
Other Services (Certification Fees)	0.01	–
Out of Pocket Expenses	0.04	–
	<b>1.96</b>	<b>0.03</b>

	₹ in Millions	
	Current year	Previous year
<b>27. FINANCE CHARGES</b>		
Interest	–	–
Finance Charges	0.72	–
	<b>0.72</b>	<b>–</b>

## NOTES

### to Consolidated Financial Statements

	₹ in Millions	
	Current year	Previous year
<b>28. DEPRECIATION</b>		
Depreciation of Tangible Assets	230.87	–
Depreciation of In -Tangible Assets	15.72	0.02
	246.59	0.02

	₹ in Millions	
	Current year	Previous year
<b>29. AMORTISATION EXPENSES</b>		
Preliminary Expenses Written Off	0.01	0.00
Pre-operative Expenses Written Off	0.03	0.00
	0.04	(0.00)

	₹ in Millions	
	Current year	Previous year
<b>30. EXCEPTIONAL ITEMS</b>		
Advisory Fee paid for availing investment facilitation services	–	28.42
Project Expenditure Written Off	12.74	–
	12.74	28.42

### 31. OPERATING LEASES

Stores and Office premises are obtained on operating leases. The rentals for some of the stores are fixed while for the others they are based on a percentage of the revenue generated by the respective store. There are no restrictions imposed by such lease arrangements.

	₹ in Millions	
	For year ended March 31, 2012	For year ended March 31, 2011
Fixed Lease payments for the year	189.35	1.41
Rent based on Percentage of Revenue debited to Profit and Loss Account	201.51	–
<b>TOTAL RENT AND CONDUCTING CHARGES</b>	390.86	1.41

#### Sub-Lease

Group has sub leased its Sigma Mall Store to Golden Kitchen Private Limited on operating lease. The rentals are based on percentage of the revenue generated by the Store. The lease term is for 20 years. There is no escalation clause in the lease agreement. There are no restrictions imposed by the lease arrangement.

Particulars	₹ in Millions
	FY 2011-12
Conducting fees based on Percentage of Revenue credited to Profit and Loss Account	3.28

### 32. DETAILS OF DUES TO MICRO, SMALL AND MEDIUM ENTERPRISES

The Group has not received any information from the concerned entities regarding their status under the Micro, Small & Medium Enterprises & Development Act, 2006 and hence disclosure required under the said Act has not been made.

### 33. CAPITAL COMMITMENTS

Estimated amount of contracts remaining to be executed on capital account, net of advances and not provided for, is ₹ 122.02 Millions.

## NOTES

### to Consolidated Financial Statements

#### 34. SERVICE TAX ON CONDUCTING CHARGES

The Subsidiary Company Hardcastle Restaurants Private Limited (HRPL) had, in accordance with the advice of its lawyers, filed a petition in the Bombay High Court being petition No. 8737 of 2010 challenging the amendment in law pertaining to levy of service tax on renting of immovable property retrospectively from June 1, 2007. The Hon'ble Court had, vide judgement dated August 4, 2011 ("the Judgement") dismissed the petition (along with other similar petitions filed by other retailers) and upheld the constitutional validity of the law pertaining to service tax on renting of immovable property.

Pursuant to the Judgement, the Retailers Association of India (RAI) (of which HRPL is one of the members) had, on behalf of its members, preferred an appeal in the Hon'ble Supreme Court of India (the SCI) being Civil Appeal No. 8390 of 2011 against the Judgement. The appeal is pending disposal by the SCI, However, by an order dated October 14, 2011 ("the Order"), the SCI issued, inter alia, the following directions:

- 1) All the members of RAI to deposit 50% of the arrears due for the period June 1, 2007 through September 30, 2011 with the concerned department in three equated instalments on or before November 1, 2011, January 1, 2012 and March 1, 2012;
- 2) For the balance 50% of the arrears, all the members of RAI are:
  - (a) To file solvent surety to the satisfaction of the jurisdictional Commissioners;
  - (b) To file affidavits in the SCI, within four weeks from the date of the Order, undertaking to pay the balance arrears of service tax, stayed in terms of the Order, as may be directed by the SCI at the time of final disposal of the appeal;
- 3) The successful party in the appeal to be entitled to interest on the amount stayed by the SCI at such rate as may be directed by the SCI at the time of final disposal of the appeal.

For the service tax due from October 1, 2011, no relief in terms of injunction was granted by the SCI.

The Company accordingly, in accordance with the Order:

- (a) Had deposited on or before November 1, 2011, January 1, 2012 and March 1, 2012, with the concerned department, 50% of the arrears of service tax due for the period June 1, 2007 through September 30, 2011 in three equated instalments;
- (b) For the balance 50% of the arrears, had
  - (i) Filed solvent surety to the satisfaction of the jurisdictional Commissioners;
  - (ii) Filed affidavit in the SCI, undertaking to pay the balance arrears of service tax, stayed in terms of the Order.
- (c) Commenced payment of service tax with effect from October 1, 2011 to those parties to whom the Company had contractually agreed to pay the service tax.

As a matter of abundant caution, however, an amount of ₹ 1.21 Millions representing liability has been provided in the financial statement during the year and the balance as at March 31, 2012 is ₹ 36.39 Millions.

#### 35. GRATUITY & POST EMPLOYMENT BENEFIT PLANS

The subsidiary HRPL has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary for each completed year of service subject to a maximum of ₹ 10 lakhs. The scheme is funded with Life Insurance Corporation in the form of a qualifying insurance policy.

In the case of other Companies of the Group, which employ very few persons are not covered by the provision of Gratuity Act. However, in view of contractual obligations provision for gratuity liability has been made on the assumption that the benefit thereof is payable at the end of the accounting year.

## NOTES

### to Consolidated Financial Statements

#### 36. CONTINGENT LIABILITY NOT PROVIDED FOR IN THE ACCOUNTS:

- (a) Claims against the Group not acknowledged as debt:
- i. The subsidiary HRPL has preferred an appeal before the Central Excise and Service Tax Appellate Tribunal against a demand of ₹ 44.26 Millions for earlier years by the Central Excise Department on account of excise duty and penalties, which appeal is pending before the said Tribunal. The Company has deposited a sum of ₹ 1 Millions as pre-deposit in compliance with the order passed by the Appellate Tribunal, which has stayed the recovery of the remaining amount till the matter is finally decided.
  - ii. The subsidiary HRPL has preferred an appeal before the Central Excise and Service Tax Appellate Tribunal against a demand of ₹ 0.05 Millions for earlier years by the Central Excise Department on account of excise duties and penalties. The appeal is pending. HRPL has deposited a sum of ₹ 0.01 Millions as pre-deposit in compliance with the order passed by the Tribunal, which has stayed the recovery of the remaining amount till the matter is finally decided.
  - iii. The subsidiary HRPL has preferred an appeal before the Commissioner (Appeals), Central Excise, Mumbai against demand of ₹ 0.32 Millions made by the Central Excise Department on account of excise duty and penalty. The Commissioner (Appeals), Central Excise passed an order rejecting the appeal. Being aggrieved by the order of the Commissioner (Appeals), Central Excise, HRPL has preferred an appeal before the Central Excise and Service Tax Appellate Tribunal which appeal is pending.
  - iv. The subsidiary HRPL has preferred an appeal before the Joint Commissioner of Sales Tax (Appeal II) against a demand of ₹ 4.06 Millions as per assessment order passed by the VAT assessing officer on account of disallowance of resale sale for the year 2003-04 and 2004-05. HRPL has deposited a sum of ₹ 1.53 Millions as part payment fixed by the said authority. The said appeal is pending.

#### 37. SEGMENT REPORTING

As the Group's main business activity primarily falls within a single business and geographical segment, there are no additional disclosures to be provided under Accounting Standard 17 – "Segment Reporting", other than those already provided in the financial statements.

The Group operates McDonald's chain of restaurants in Western and Southern India and the management considers that these restaurants constitute a single business segment, since the risk and rewards from these are not different from one another.

#### 38. PREVIOUS YEAR FIGURES

Triple A Foods Private Limited and its subsidiary Company HRPL became subsidiary of Westlife Development Limited w.e.f. November 13, 2011 following acquisition of shares of Triple A Foods Private Limited by Westpoint Leisureparks Private Limited a subsidiary of Westlife Development Limited. As such, the figures appearing in these CFS is representing the previous year ended March 31, 2011, represent figures in respect of Westlife Development Limited and its two other subsidiaries viz. Westpoint Leisureparks Private Limited and West Leisure Resorts Private Limited.

#### 39. RELATED PARTY DISCLOSURE: (AS IDENTIFIED BY THE MANAGEMENT AND RELIED BY THE AUDITORS)

##### (1) Control:

Mr. B.L. Jatia (Promoter)

##### (2) Enterprises and other parties which are significantly influenced by the Group with whom transactions have taken place during the year

- (i) Hardcastle & Waud Mfg Co. Limited
- (ii) Vishwas Investment & Trading Co Private Limited
- (iii) WestPioneer Properties (India) Private Limited

## NOTES

### to Consolidated Financial Statements

#### (3) Key Management Personnel :

- (i) Mrs. Smita Jatia, Additional Director from December 22, 2010 to September 25, 2011 & Director w.e.f. September 26, 2011
- (ii) Mr. Amit Jatia, Managing Director up to December 21, 2010 & Executive Director w.e.f. December 22, 2010

#### (4) Associate Firm:

M/s Ganpati Enterprises (Partnership Firm)

#### Transaction with Related Parties

##### B. Material Transactions with Related Parties

Particulars	₹ in Millions	
	2011-12	2010-11
<b>Enterprises &amp; other parties which are significantly influenced by the Group (either individually or with others) with whom transactions have taken place during the year:</b>		
Rent Payments	16.50	–
Electricity Charges Paid	1.40	–
Water Charges Paid	0.03	–
Reimbursement of Expenses	0.01	–
Interest received	0.00	–
Loan Repayment Received	0.01	–
Received towards Sale of Investment	0.00	–
Deposits Received	–	1.00
Rent Received	–	0.15
Share Application Money Received	–	2,372.25
<b>Key Management Personnel :</b>		
Salary & Bonus	20.79	–
Contribution to Provident Fund	1.73	–
<b>Associate Firm:</b>		
Share of Profit/(loss)	–	0.13
Share of Expenses written off	–	1.25
<b>Relatives of Mr. B.L Jatia</b>		
Shares issued including premium	–	26.04

##### C. Outstanding amounts as on Balance Sheet Date

Particulars	₹ in Millions	
	As at 31-03-2012	As at 31-03-2011
<b>Enterprises &amp; other parties which are significantly influenced by the Group with whom transactions have taken place during the year</b>		
Rent Payable	12.25	–
Deposit Received	–	1.00
Loan Given	0.01	–

## NOTES

### to Consolidated Financial Statements

	₹ in Millions	
	Year ended 31-03-2012	Year ended 31-03-2011
<b>40. EARNINGS PER SHARE (AS-20)</b>		
Profit/(Loss) after tax (₹)	313,946,875	(14,309,325)
No. of Equity Shares used in computing Weighted Average EPS	16,000,000	16,000,000
Basic / Diluted EPS (₹)	19.62	(0.89)
Nominal Value Per Share (₹)	10.00	10.00

As per our report of even date attached

For and on behalf of

**RAJENDRA K. GUPTA & ASSOCIATES**

Chartered Accountants

Firm Regn. No. 108373W

For and on behalf of the Board of Directors

**Rajendra Kumar Gupta**

Partner

M.No.009939

Place: Mumbai

Date: December 7,2012

**P. F. Fernandes**

Company Secretary

**Amit Jatia**

Director

**Banwari Lal Jatia**

Director

# AUDITORS' REPORT

## To Members of Westlife Development Ltd

1. We have audited the attached Balance Sheet of WESTLIFE DEVELOPMENT LTD as at March 31, 2012 and the related Statement of Profit & Loss and the Cash Flow Statement of the Company for the year ended on that date, which we have signed under reference to this report. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We have conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003 ('the Order') issued by the Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956 (the 'Act') and on the basis of such checks as we considered appropriate and according to the information and explanations given to us, we set out in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
4. Further to our comments in the Annexure referred to in Paragraph 3 above, we report that :
  - a) We have 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 accounts as required by law have been kept by the Company so far as appears from our examination of those books;
    - c) The Balance Sheet, Statement of Profit & Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;
    - d) In our opinion, the Balance Sheet, Statement of Profit & 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;
    - e) On the basis of written representations received from the directors as on March 31, 2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act;
    - f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts together with the notes thereon and attached thereto give in the prescribed manner the information required by the Act and give a true and fair view in conformity with the accounting principles generally accepted in India :
      - (i) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2012;
      - (ii) in the case of the Statement of Profit & Loss, of the Loss for the year ended on that date; and
      - (iii) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For **RAJENDRA K. GUPTA & ASSOCIATES**  
Chartered Accountants  
Regd. No. 108373W

**Rajendra Kumar Gupta**  
Partner  
M.No.009939

Place : Mumbai  
Date : December 7, 2012

# ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph 3 of the Auditors' Report of even date to the members of WESTLIFE DEVELOPMENT LTD on the accounts for the year ended March 31,2012)

On the basis of such checks as we considered appropriate and in terms of the information and explanations given to us, we state that: -

- i. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.  
The fixed assets of the Company have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.
- ii. Since there is no inventory, paragraph 4(ii) of the Order is not applicable.
- iii.
  - a) The Company has granted interest-free unsecured loans to its two subsidiary companies covered in the register maintained under section 301 of the Act. The year-end balance of such loans was ₹ 8,00,000 (maximum during the year ₹ 14,19,80,000).
  - b) The rate of interest and other terms and conditions of the loans given by the Company are not prima facie prejudicial to the interest of the Company.
  - c) There is no stipulation in regard to repayment of the loans and as such there are no overdue amounts.
  - d) The Company has not taken any loans, secured or unsecured from companies, firms or other parties listed in the register maintained under section 301 of the Act.
- iv. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business for the purchase

of fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct any major weakness in the internal control system.

- v. According to the information and explanations given to us, all transactions that need to be entered in the register maintained under section 301 of the Act have been so entered.
- vi. Since the Company has not accepted deposits from the public during the year, paragraph 4(vi) of the Order is not applicable.
- vii. In our opinion the internal audit system is commensurate with the size and nature of the Company's business.
- viii. Since the Company is not engaged in production of any goods, paragraph 4 (viii) of the Order is not applicable.
- ix.
  - a) According to the information and explanations given to us and according to the records of the Company, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including income tax, tax deducted at source, profession tax, service tax, wealth tax, cess and other statutory dues applicable to it.
  - b) According to the information and explanations given to us, no undisputed amounts in respect of the statutory dues referred to above were outstanding as at March 31, 2012 for a period of more than six months from the date they became payable.
- x. The Company has accumulated losses as at March 31,2012. It has incurred cash loss during the financial year but had not incurred cash loss in the immediately preceding financial year.
- xi. Since the Company has not borrowed any money from any financial institution or bank or through debentures,



paragraph 4(xi) of the Order is not applicable.

- xii. Since the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities, paragraph 4(xii) of the Order is not applicable.
- xiii. As the Company is not a nidhi / mutual benefit fund / society, paragraph 4(xiii) of the Order is not applicable.
- xiv. The Company has maintained proper records of transactions and contracts in respect of shares and other securities dealt with by it and has also made timely entries therein. The shares and other investments are held by the Company in its own name.
- xv. Since the Company has not given any guarantee for loans taken by others from banks or financial institutions, paragraph 4(xv) of the Order is not applicable.
- xvi. Since the Company has not obtained any term loan, paragraph 4(xvi) of the Order is not applicable.
- xvii. The Company has not raised any short term funds during the year.
- xviii. According to the information and explanations given to us, during the period, the Company has not made

preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.

- xix. Since the Company has not issued any debentures, paragraph 4(xix) of the Order is not applicable.
- xx. Since the Company has not raised any money during the period by way of public issue, paragraph 4(xx) of the Order is not applicable.
- xxi. According to the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For **RAJENDRA K. GUPTA & ASSOCIATES**

Chartered Accountants  
Regd. No. 108373W

**Rajendra Kumar Gupta**

Partner

Place : Mumbai  
Date : December 7, 2012

M.No.009939

## BALANCE SHEET

as at March 31, 2012

	Note No.	As at 31-03-2012	As at 31-03-2011
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds:</b>			
Share Capital	2	16,00,00,000	16,00,00,000
Reserves and Surplus	3	(23,49,478)	75,91,948
		15,76,50,522	16,75,91,948
<b>Non-Current Liabilities</b>			
Long Term Provisions	4	92,849	61,773
		92,849	61,773
<b>Current Liabilities</b>			
Short Term Borrowings	5	15,00,000	15,00,000
Trade Payables	6	1,76,575	–
Other Current Liabilities	7	5,79,410	4,44,962
Short Term Provisions	8	28,046	–
		22,84,031	19,44,962
		16,00,27,402	16,95,98,683
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Fixed Assets	9		
Tangible Assets		16,879	26,846
Project Expenditure (pending allocation)		–	1,27,43,861
		16,879	1,27,70,707
Non-Current Investments	10	1,05,23,023	1,04,09,322
Deferred Tax Assets (Net)	11	33,443	13,662
Long Term Loans and Advances	12	3,95,134	10,06,812
Other Non-Current Assets	13	5,83,075	–
		1,15,34,675	1,14,29,796
<b>Current Assets</b>			
Current Investments	14	1,73,96,615	–
Trade Receivables	15	1,83,818	–
Cash and cash equivalents	16	1,15,556	7,20,368
Short Term Loans and Advances	17	13,07,79,859	14,46,77,812
		14,84,75,848	14,53,98,180
		16,00,27,402	16,95,98,683
<b>Significant Accounting Policies</b>			
1			

The accompanying notes are an integral part of the Financial Statements

As per our report of even date attached

For and on behalf of

**RAJENDRA K. GUPTA & ASSOCIATES**

Chartered Accountants

Firm Regn. No. 108373W

For and on behalf of the Board of Directors

Rajendra Kumar Gupta

Partner

M.No.009939

Place: Mumbai

Date: December 7, 2012

P. F. Fernandes

Company Secretary

Amit Jatia

Director

Banwari Lal Jatia

Director

## STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2012

	Note No.	Current year	Previous year
₹			
<b>INCOME</b>			
Revenue from Operations	18	1,22,23,300	12,95,000
Other Income	19	53,05,756	12,28,788
		1,75,29,056	25,23,788
<b>EXPENDITURE</b>			
Purchase of traded goods	20	21,90,225	–
Employee Benefit Expenses	21	8,49,564	7,77,353
Other Expenses	22	1,01,30,885	14,54,072
		1,31,70,674	22,31,425
<b>Profit/(Loss) before Depreciation and Amortisation and Exceptional Items and Tax</b>		43,58,382	2,92,363
Depreciation	23	9,967	16,404
<b>Profit/(Loss) before Exceptional Items and Tax</b>		43,48,415	2,75,959
Less: Exceptional Items	24	1,27,43,861	–
<b>Profit/(Loss) before Tax</b>		(83,95,446)	2,75,959
Less: Tax Expenses			
Current Tax		12,63,800	49,000
Deferred Tax		(19,781)	1,730
Taxes (Including Fringe Benefit Tax) for Earlier years		3,01,961	1,101
<b>Profit/(Loss) for the year</b>		(99,41,426)	2,24,128
Earnings per Equity Share	28		
Basic		(0.62)	0.01
Diluted		(0.62)	0.01
Significant Accounting Policies	1		
The accompanying notes are an integral part of the Financial Statements			

As per our report of even date attached

For and on behalf of

**RAJENDRA K. GUPTA & ASSOCIATES**

Chartered Accountants

Firm Regn. No. 108373W

For and on behalf of the Board of Directors

Rajendra Kumar Gupta

Partner

M.No.009939

Place: Mumbai

Date: December 7, 2012

P. F. Fernandes

Company Secretary

Amit Jatia

Director

Banwari Lal Jatia

Director

## CASH FLOW STATEMENT

for the year ended March 31, 2012

	₹	
	Current Year	Previous Year
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before Tax	(83,95,446)	2,75,959
Adjustments for		
Trade & Other Receivables	(2,44,531)	(15,24,474)
Depreciation	9,967	16,404
Sale / (Purchase) of Investments	(1,75,10,316)	(1,02,832)
Project Expenditure	1,27,43,861	43,533
Expenses related to Scheme of Arrangement	(5,83,075)	-
Unsecured Loan	1,38,97,953	(20,89,812)
Trade & Other Payables	3,70,145	10,41,000
	86,84,004	(26,16,181)
<b>Cash Generated from Operations</b>	2,88,558	(23,40,222)
Direct Taxes (Paid) / Refund (Net)	(8,93,370)	(2,48,749)
Net cash from operating activities	(6,04,812)	(25,88,971)
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Net cash from investing activities	-	-
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Net cash from Financing Activities	-	-
Net increase / (decrease) in cash & cash equivalents (A+B+C)	(6,04,812)	(25,88,971)
Cash & Cash equivalents as at 01.04.2011 (Opening)	7,20,368	33,09,339
Cash & Cash equivalents as at 31.3.2012 (Closing)	1,15,556	7,20,368
Net Cash increase / (decrease)	(6,04,812)	(25,88,971)

As per our report of even date attached

For and on behalf of

**RAJENDRA K. GUPTA & ASSOCIATES**

Chartered Accountants

Firm Regn. No. 108373W

For and on behalf of the Board of Directors

**Rajendra Kumar Gupta**

Partner

M.No.009939

Place: Mumbai

Date: December 7, 2012

**P. F. Fernandes**

Company Secretary

**Amit Jatia**

Director

**Banwari Lal Jatia**

Director

## NOTES

### to Financial Statements

#### 1. SIGNIFICANT ACCOUNTING POLICIES

##### 1.1 Method of Accounting

The Company follows the mercantile system of accounting and recognises income and expenses on accrual basis, except dividend recorded on cash basis.

##### 1.2 Sales & Purchases:

Sales and purchases of traded goods are shown as exclusive of Value Added Tax.

##### 1.3 Fixed Assets:

Fixed Assets are valued at cost of acquisition inclusive of duties, taxes and direct expenses related to the acquisition.

##### 1.4 Depreciation

Depreciation is charged on written down value basis at rates specified in Schedule XIV of the Companies Act, 1956 pro rata from date of acquisition.

##### 1.5 Long Term Investments

Long Term Investments are stated at cost plus expenses related to the acquisition including management charges paid to Investment Manager. Provision for any permanent diminution in value of investments is made, if necessary.

##### 1.6 Current Investments

Current Investments are valued at cost or market value, whichever is lower.

##### 1.7 Deferred Tax

Deferred Tax for timing difference between tax profits and book profits is accounted for, using tax rates and laws that have been enacted or substantively enacted as of the Balance Sheet date.

Deferred Tax Assets are recognised to the extent there is reasonable certainty that these assets can be realised in future.

##### 1.8 Leases

Lease rentals are charged / accounted for in the Profit & Loss Account.

##### 1.9 Contract Work

Revenue for works contract is recognised in the period in which work is performed. Works contract receipts are net of VAT & Service Tax.

Expenses for works contracts recognised in the period in which the work to which expenses relate is performed.

	As at 31-03-2012	As at 31-03-2011
<b>2. SHARE CAPITAL</b>		
Authorised		
2,00,00,000 Equity Shares of ₹ 10 each	20,00,00,000	20,00,00,000
Issued, Subscribed and Paid up		
1,60,00,000 Equity Shares of ₹ 10 each, fully paid up	16,00,00,000	16,00,00,000
	16,00,00,000	16,00,00,000

##### 2.1 Reconciliation of Shares outstanding at beginning and at end of the reporting period

Equity Shares:	Current		Previous	
	No. of Shares	₹	No. of Shares	₹
At beginning of the year	1,60,00,000	16,00,00,000	1,60,00,000	16,00,00,000
At end of the year	1,60,00,000	16,00,00,000	1,60,00,000	16,00,00,000

##### 2.2 Terms/Rights attached to equity shares:

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. Dividend proposed by the Board of Directors is subject to approval of the shareholders.

During the year ended March 31, 2012, the amount of dividend per share recognised as distribution to equity shareholders was NIL (March 31, 2011 NIL).

##### 2.3 Aggregate number of shares issued during period of five years immediately preceding the reporting date:

	Nos	Nos
Equity Shares allotted as fully paid Bonus Shares by capitalisation of General Reserve, Reserve Fund and Surplus balance of the Profit & Loss Account	1,58,00,000	1,58,00,000

## NOTES

### to Financial Statements

#### 2.4 Details of shareholders holding more than 5% shares in the Company

##### Equity Shares:

	As at 31-03-2012		As at 31-03-2011	
	No of shares held	% of shares held	No of shares held	% of shares held
Subh Ashish Exim Pvt Ltd	53,47,400	33.42%	53,47,400	33.42%
Horizon Impex Pvt Ltd	45,11,100	28.19%	45,11,100	28.19%
U. D. Jatia	10,28,000	6.43%	15,28,000	9.55%
Amit Jatia	10,00,050	6.25%	50	0.00
A. Jatia	10,28,000	6.43%	15,28,000	9.55%
G. Agarwal	14,35,000	8.97%	–	–
R. Himatsingka	–	–	22,50,000	14.06%

	₹	
	As at 31-03-2012	As at 31-03-2011
<b>3. RESERVES AND SURPLUS</b>		
<b>3.1 Capital Reserve</b>		
Balance as per last financial statements	6,70,000	6,70,000
<b>3.2 Surplus / (Deficit) in the Statement of Profit and Loss</b>		
Balance as per last financial statements	69,21,948	66,97,820
Profit / (Loss) for the year	(99,41,426)	2,24,128
Net surplus in the Statement of profit and loss	(30,19,478)	69,21,948
Total Reserves and Surplus	(23,49,478)	75,91,948

	₹	
	As at 31-03-2012	As at 31-03-2011
<b>4. LONG-TERM PROVISIONS</b>		
<b>Provisions for Employee benefits</b>		
Provision for Gratuity	92,849	61,773
	92,849	61,773

	₹	
	As at 31-03-2012	As at 31-03-2011
<b>5. SHORT TERM BORROWINGS</b>		
Deposits (unsecured)	15,00,000	15,00,000
	15,00,000	15,00,000

	₹	
	As at 31-03-2012	As at 31-03-2011
<b>6. TRADE PAYABLES</b>		
Trade payables	1,76,575	–
	1,76,575	–

## NOTES

## to Financial Statements

		₹	₹
		As at 31-03-2012	As at 31-03-2011
<b>7. OTHER CURRENT LIABILITIES:</b>			
Other Payables		5,79,410	4,44,962
		5,79,410	4,44,962

		₹	₹
		As at 31-03-2012	As at 31-03-2011
<b>8. SHORT TERM PROVISIONS</b>			
<b>Provision for Employee Benefits</b>			
Provisions for Leave Benefits		28,046	-
		28,046	-

		Gross Block			Depreciation / Amortisation			Net Block			₹
		Cost as at 01.04.2011	Additions/ Disposals	Other Adjustments	Cost as at 31.03.2012	As at 01.04.2011	For the year	Adjustment on Disposals	Total up to 31.03.2012	As at 31.03.2012	As at 31.03.2011
Tangible Assets											
Office Equipments		15,250	-		15,250	12,294	411		12,705	2,545	2,956
Computers		73,000			73,000	49,110	9,556		58,666	14,334	23,890
<b>TOTAL</b>		88,250	-	-	88,250	61,404	9,967	-	71,371	16,879	26,846
Previous Year		88,250	-	-	88,250	45,000	16,404	-	61,404	26,846	-

		₹	₹
		As at 31-03-2012	As at 31-03-2011
<b>10. NON-CURRENT INVESTMENTS</b>			
<b>Trade Investments (valued at cost)</b>			
Investments in Equity Shares of Subsidiary Companies:			
Unquoted			
26,66,670 (Previous year 10,000) Equity Shares of West Leisure Resorts Pvt Ltd of ₹ 10 each, fully paid up		1,00,280	1,00,270
99,000 Equity Shares of West Point Leisureparks Pvt Ltd of ₹ 1 each, fully paid up		99,255	99,255
		1,99,535	1,99,525
<b>Non-trade Investments (valued at cost)</b>			
Quoted			
Investments through Blue Ocean Investment Trust:			
2,85,715 Equity Shares of Sterling Holidays Resorts (India) Ltd of ₹ 10 each, fully paid up		1,03,23,488	1,02,09,797
		1,03,23,488	1,02,09,797
		1,05,23,023	1,04,09,322
Aggregate amount of Unquoted Investments (investments in subsidiaries)		1,99,535	1,99,525
Aggregate amount of Quoted Investments		1,03,23,488	1,02,09,797
Market value of Quoted Investments		2,45,42,919	1,99,42,907

## NOTES

to Financial Statements

	As at 31-03-2012	As at 31-03-2011
<b>11. DEFERRED TAX ASSETS (NET)</b>		
<b>Deferred Tax Assets</b>		
Disallowances under the Income Tax Act, 1961	37,356	19,088
Speculation Business Losses	2	2
<b>Deferred Tax Liabilities</b>		
Related to Fixed Assets	(3,915)	(5,428)
<b>Net Deferred Tax Asset</b>	<b>33,443</b>	<b>13,662</b>

	As at 31-03-2012	As at 31-03-2011
<b>12. LONG TERM LOANS AND ADVANCES</b>		
<b>Others Loans and Advances</b>		
Advance Income Tax (Net of provision for taxation)	2,02,121	9,81,812
Balances with Statutory Government authorities	1,93,013	25,000
	<b>3,95,134</b>	<b>10,06,812</b>

	As at 31-03-2012	As at 31-03-2011
<b>13. OTHER NON-CURRENT ASSETS</b>		
<b>Unamortised Expenditure</b>		
Expenses related to Scheme of Arrangement	5,83,075	-
	<b>5,83,075</b>	<b>-</b>

	As at 31-03-2012	As at 31-03-2011
<b>14. CURRENT INVESTMENTS</b>		
<b>Unquoted Mutual Fund Units (valued at lower of cost or net asset value)</b>		
11,880.596 Units (Previous Year Nil) of ₹ 10 each fully paid up of Reliance Money Manager Fund - Institutional -Growth Plan	1,73,96,615	-
	<b>1,73,96,615</b>	<b>-</b>
Aggregate amount of unquoted investments	1,73,96,615	-
Aggregate Net Asset Value of unquoted investments	1,73,96,615	-

	As at 31-03-2012	As at 31-03-2011
<b>15. TRADE RECEIVABLES</b>		
<b>Outstanding for a period not exceeding six months from date they are due for payment</b>		
Unsecured, considered good (Due from a Subsidiary, Hardcastle Restaurants Pvt Ltd)	1,83,818	-
	<b>1,83,818</b>	<b>-</b>



## NOTES

## to Financial Statements

		₹	
		As at 31-03-2012	As at 31-03-2011
<b>16.</b>	<b>CASH AND CASH EQUIVALENTS</b>		
	<b>Balances with Banks</b>		
	On Current Accounts	1,08,416	7,11,193
	Cash on Hand	7,140	9,175
		<u>1,15,556</u>	<u>7,20,368</u>

		₹	
		As at 31-03-2012	As at 31-03-2011
<b>17.</b>	<b>SHORT TERM LOANS AND ADVANCES</b>		
	<b>17.1 Loans &amp; Advances</b>		
	Unsecured, Considered good		
	<b>Loans to Subsidiaries (Interest Free)</b>		
	West Leisure Resorts Pvt Ltd	–	7,87,80,000
	Westpoint Leisureparks Pvt Ltd	8,00,000	–
	<b>Loans to Others</b>	<u>12,84,71,859</u>	<u>6,43,89,812</u>
		<u>12,92,71,859</u>	<u>14,31,69,812</u>
	<b>17.2 Security Deposits</b>		
	Unsecured, considered good	15,08,000	15,08,000
		<u>15,08,000</u>	<u>15,08,000</u>
		<u>13,07,79,859</u>	<u>14,46,77,812</u>

		₹	
		For year ended March 31, 2012	For year ended March 31, 2011
<b>18.</b>	<b>REVENUE FROM OPERATIONS</b>		
	<b>18.1 Sale of Products</b>		
	Traded Goods (steel pipes)	22,15,400	–
		<u>22,15,400</u>	<u>–</u>
	<b>18.2 Rent Received</b>	<u>66,60,000</u>	<u>12,95,000</u>
		<u>66,60,000</u>	<u>12,95,000</u>
	<b>18.3 Contract Receipts towards Civil &amp; Electrical Works</b>	<u>33,47,900</u>	<u>–</u>
		<u>33,47,900</u>	<u>–</u>
		<u>1,22,23,300</u>	<u>12,95,000</u>

		₹	
		For year ended March 31, 2012	For year ended March 31, 2011
<b>19.</b>	<b>OTHER INCOME</b>		
	19.1 Interest Received	48,96,686	10,59,477
	19.2 Interest on Income Tax received	85,553	–
	19.3 Dividend Income from Units of Mutual Funds	3,23,042	1,43,693
	19.4 Profit on Sale of Mutual Fund Units (Net)	–	25,618
	19.5 Other Non-operating Income	475	–
		<u>53,05,756</u>	<u>12,28,788</u>

## NOTES

### to Financial Statements

	₹	₹
	For year ended March 31, 2012	For year ended March 31, 2011
<b>20. PURCHASE OF TRADED GOODS</b>		
Purchases of Steel Pipes	21,90,225	–
	21,90,225	–

	₹	₹
	For year ended March 31, 2012	For year ended March 31, 2011
<b>21. EMPLOYEE BENEFIT EXPENSES</b>		
Salaries, Wages and Bonus	8,49,564	7,77,353
	8,49,564	7,77,353

	₹	₹
	For year ended March 31, 2012	For year ended March 31, 2011
<b>22. OTHER EXPENSES</b>		
Rent	64,86,000	12,66,000
Expenses towards Civil & Electrical Works Contracts	33,28,906	–
Profession Tax	2,500	2,500
Insurance	33	178
Payment to Auditor	33,500	19,000
Filing Fees	7,500	1,000
Demat Charges	552	1,130
Legal & Professional Expenses	59,066	18,030
Loss on Sale of Investments (Net)	2	–
Miscellaneous Expenses	2,12,826	1,46,234
	1,01,30,885	14,54,072
<b>Payment to Auditor</b>		
<b>As Auditor</b>		
Audit Fees	25,000	19,000
Tax Audit Fees	5,000	–
Other Services (certification fees)	3,500	–
Note : In addition to above ₹ 4,000 paid towards certificates taken in respect of Scheme of Arrangement, which are capitalised		
	33,500	19,000

	₹	₹
	For year ended March 31, 2012	For year ended March 31, 2011
<b>23. DEPRECIATION</b>		
Depreciation of Tangible Assets	9,967	16,404
	9,967	16,404

## NOTES

### to Financial Statements

	₹
	For year ended March 31, 2012
	For year ended March 31, 2011
<b>24. EXCEPTIONAL ITEMS</b>	
Project Expenditure written off	1,27,43,861
	-
	1,27,43,861
	-

### 25. GRATUITY AND OTHER POST EMPLOYMENT BENEFIT PLANS

Since the Company employs very few persons, the accrued liability towards employee benefits has been determined by employing a method based on the assumption that such benefits are payable to the employee at the end of the accounting year. As for post-employment benefits the Company is not covered under the Payment of Gratuity Act, 1972 and the Employees' Provident Funds and Miscellaneous Provisions Act, 1952.

However, in view of contractual obligations provision for gratuity liability has been made on the assumption that the benefit thereof is payable at the end of the accounting year.

	₹
	Current Year
	Previous Year
<b>26. SEGMENT INFORMATION</b>	
<b>Segment Revenue</b>	
a) Job Contracts	33,47,900
b) Trading	22,15,400
c) Leasing	66,60,000
d) Lending	48,96,686
e) Others	4,08,595
<b>TOTAL</b>	1,75,28,581
	25,23,788
<b>Segment Results- Profit before Depreciation &amp; Tax</b>	
a) Job Contracts	18,994
b) Trading	25,175
c) Leasing	1,80,000
d) Lending	48,96,686
e) Others	4,08,041
<b>TOTAL</b>	55,28,896
	12,62,658
Less : Depreciation	9,967
Other un-allocable expenditure (Net)	1,39,14,375
	16,404
	9,70,295
<b>Net Profit Before Tax (Net)</b>	(83,95,446)
	2,75,959
<b>Capital Employed</b>	
a) Job Contracts	7,243
b) Trading	-
c) Leasing	-
d) Lending	12,92,71,859
e) Others	2,83,71,420
<b>TOTAL</b>	15,76,50,522
	14,31,69,812
	2,44,22,136
	16,75,91,948
<b>Secondary Segment Information - Geographical Segments</b>	
Entire Business Activities being in India, there are no reportable Geographical Segments.	

## NOTES

### to Financial Statements

#### 27. RELATED PARTY DISCLOSURES (AS-18)

##### A) Related Parties and Nature of Relationship

- i) Control  
Mr Banwari Lal Jatia (Promoter)
- ii) Subsidiary Companies  
West Leisure Resorts Pvt Ltd, Westpoint Leisureparks Pvt Ltd, Triple A Foods Pvt Ltd and Hardcastle Restaurants Pvt Ltd

##### B) Transactions with related parties during the year

	₹	
	Current Year	Previous Year
<b>26. SEGMENT INFORMATION</b>	Subsidiary Companies	Subsidiary Companies
<b>i) Inter corporate deposits</b>		
a) Given /(repayment received) during the year (net)	(7,79,80,000)	(6,23,00,000)
b) Outstanding at end of the year	8,00,000	7,87,80,000
c) Maximum balance during the year	14,50,30,000	18,77,30,000
<b>ii) Contract Receipts Towards Civil &amp; Electrical Works</b>		
a) Amount Received excluding Taxes	33,47,900	NIL
b) Outstandings at end of the year	1,83,818	NIL

C) There are no other related party transactions as envisaged in Accounting Standard 18 pertaining to Related Parties.

D) The list of related parties is as per information given by the management and relied upon by the auditors.

	₹	
	Current year	Previous year
<b>28. EARNINGS PER SHARE (AS-20)</b>		
Profit/(Loss) after tax (₹)	(99,41,426)	2,24,128
No. of Equity Shares used in computing Weighted Average EPS	1,60,00,000	1,60,00,000
Basic / Diluted EPS (₹)	(0.62)	0.01
Nominal Value Per Share (₹)	10	10

#### 29. CONTINGENT LIABILITIES

There are no contingent liabilities as on the Balance Sheet date.

#### 30. DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES

The Company has not received any information from the concerned entities regarding their status under the Micro, Small & Medium Enterprises & Development Act, 2006 and hence disclosure, required under the said Act has not been made.

31. The Company is a Small and Medium Sized Company (SMC) within the meaning of Rule 2(1) (f) of the Companies (Accounting Standards) Rules 2006 and notified under the relevant provisions of the Companies Act, 1956.

Accordingly, the Company has complied with the Accounting Standards as applicable to a Small and Medium Sized Company prescribed under the above Rules read together with the General Instructions to be followed by a SMC under the above Rules.

32. In the opinion of the Board of Directors, Current Assets and Non-Current Assets have a value on realisation in the normal course of business atleast equal to the values at which they are stated in the Balance Sheet.
33. Debtors, Creditors, Advances and other debit balances are subject to confirmation.
34. The Company has granted unsecured loans carrying 0% interest during the year to West Leisure Resorts Pvt Ltd and Westpoint Leisureparks Pvt Ltd, its subsidiaries, The year-

## NOTES

### to Financial Statements

end balance of the loans was ₹ 8,00,000 (maximum during the year ₹ 14,50,30,000). There is no repayment schedule for the loans. Two of the Company's directors are interested therein being also directors in the loanee companies.

- 35.** There are no shares in unclaimed suspense account.
- 36.** Sales exclude Sales Tax/VAT amounting to ₹ 1,10,770 (Previous year ₹ NIL) collected from customers and paid to the concerned Government.
- 37.** Promoter Group : Mr Banwari Lal Jatia is the promoter of the Company. The persons constituting the promoter group include individuals, HUF and corporate entities. The names of these persons are:
- Achal Exim Pvt. Ltd, Akshay Ayush Impex Pvt. Ltd, Acacia Impex Pvt. Ltd, Anand Veena Twisters Pvt. Ltd, Concept Highland Business Pvt. Ltd, Hardcastle & Waud Mfg Co. Ltd, Hardcastle Petrofer Pvt. Ltd, Hawcoplast Investments & Trading Ltd, Horizon Impex Pvt. Ltd, Houghton Hardcastle (India) Ltd, Hawco Lubricants Ltd, Saubhagya Impex Pvt. Ltd, Shri Ambika Trading Co. Pvt. Ltd, Subh Ashish Exim Pvt. Ltd, Triple A Foods Pvt. Ltd, Vandeeep Tradelinks Pvt. Ltd, Vishwas Investment & Trading Co. Pvt. Ltd, Winmore

Leasing & Holdings Ltd, West Leisure Resorts Pvt. Ltd., Westpoint Leisureparks Pvt. Ltd., Hardcastle Restaurants Pvt. Ltd, Smt Lalita Devi Jatia, Smt Usha Devi Jatia, Shri Amit Jatia, Smt Smita Jatia, Shri Akshay Jatia, Shri Ayush Jatia, Shri Anurag Jatia, Smt Shalini Jatia, Miss Ridhika Jatia, Banwarilal Jatia – HUF, Amit Jatia – HUF and Anurag Jatia - HUF.

**38. Previous year figures**

Till the year ended March 31, 2011, the Company was following pre-revised Schedule VI to the Companies Act, 1956, for preparation and presentation of its financial statements. During the year ended March 31, 2012 the revised Schedule VI notified under the Companies Act, 1956, has become applicable to the Company. The Company has reclassified previous year figures to conform to this year's classification. Except accounting for dividend on investments in subsidiaries, the adoption of revised Schedule VI does not impact recognition and measurement principles followed for preparation of financial statements. However, it significantly impacts presentation and disclosures made in the financial statements, particularly presentation of the balance sheet.

As per our report of even date attached

For and on behalf of

**RAJENDRA K. GUPTA & ASSOCIATES**

Chartered Accountants

Firm Regn. No. 108373W

For and on behalf of the Board of Directors

**Rajendra Kumar Gupta**

Partner

M.No.009939

Place: Mumbai

Date: December 7, 2012

**P. F. Fernandes**

Company Secretary

**Amit Jatia**

Director

**Banwari Lal Jatia**

Director

## SUMMARY OF FINANCIAL INFORMATION OF SUBSIDIARY COMPANIES PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956

Name of Subsidiary Company	(Amounts in ₹)			
	Hardcastle Restaurants Private Limited	Triple A Foods Private Limited	Westpoint Leisureparks Private Limited	West Leisure Resorts Private Limited
<b>The financial year of subsidiary ended on</b>	<b>31-03-2012</b>	<b>31-03-2012</b>	<b>31-03-2012</b>	<b>31-03-2012</b>
Capital	1,235,000,000	126,250,000	128,846	30,533,370
Reserves	(1,004,913,744)	2,407,557,858	2,373,243,472	10,731,273
Total Assets	3,325,218,478	2,533,834,779	2,375,190,894	43,711,286
Total Liabilities	3,095,132,222	26,921	1,818,576	2,446,643
Investments (except investment in subsidiaries)	35,000,000	110	–	1,494,730
Turnover	5,484,827,006	7,094,628	9,710,960	15,506,213
Profit/(Loss) before Tax	425,090,683	(592,809)	94,703	10,046,000
Provision for Tax	–	4,978	29,643	1,905,500
Profit/(Loss) after Tax	425,090,683	(597,787)	65,060	8,140,500
Proposed Divided	–	–	–	–

### Notes:

1. The financial information of Triple A Foods Private Limited is for the period July 1, 2011 to March 31, 2012.
2. In terms of General Circular No. 2/2011 of the Ministry of Corporate Affairs dated February 8, 2011, copies of Balance Sheets, Profit and Loss Accounts, Report of Boards of Directors and auditors of the subsidiary companies have not been attached with the Balance Sheet of the Company.
3. The annual accounts of the subsidiary companies are available for inspection at the Registered Office of the Company.

# NOTICE

Notice is hereby given that the Twenty-Ninth Annual General Meeting of Westlife Development Limited will be held at Brabourne Stadium, Gate No. 10 (1st Floor), 87, Veer Nariman Road, Mumbai 400 020 on Monday December 31, 2012 at 12.00 noon to transact the following business :

## ORDINARY BUSINESS

- To receive, consider and adopt the audited Balance Sheet as at March 31, 2012 and the Profit & Loss Account for the year ended on that date and the reports of the Directors and the Auditors.
- To appoint Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

## SPECIAL BUSINESS

- To consider and if thought fit, to pass the following resolution as an ordinary resolution :  
"RESOLVED THAT Mr. Banwari Lal Jatia be and is hereby appointed as a Director liable to retire by rotation."
- To consider and if thought fit, to pass the following resolution as an ordinary resolution :  
"RESOLVED THAT Mr. Amit Jatia be and is hereby appointed as a Director liable to retire by rotation."
- To consider and if thought fit, to pass the following resolution as an ordinary resolution :  
"RESOLVED THAT Mr. Dilip J Thakkar be and is hereby appointed as a Director liable to retire by rotation."
- To consider and if thought fit, to pass the following resolution as an ordinary resolution :  
"RESOLVED THAT Mr. P R Barpande be and is hereby appointed as a Director liable to retire by rotation."

- To consider and if thought fit to pass the following resolution as a Special resolution :  
"RESOLVED THAT in accordance with the provisions of the Foreign Exchange Management Act, 1999 and Foreign Direct Investment Policy of Government of India and the regulations made thereunder and all other applicable rules, guidelines and laws and subject to any statutory approvals if required, consent of the Company be and is hereby accorded for aggregate investment in the share capital of the Company by Non-Resident Indians in excess of 10% thereof and by Non-Residents including FII's and their approved sub-accounts in excess of 24% thereof but subject to such sectoral limit or cap as may be prescribed from time to time under applicable laws, rules and regulations."

## NOTES

- An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 relating to the items of special business is annexed hereto.
- A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member of the Company. The proxy, in order to be effective, must be deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting.
- The Register of Members and Share Transfer Books of the Company will remain closed on December 11, 2012 for the purpose of issue of Bonus Shares and for annual closure.
- Details of persons proposed for appointment as directors at the forthcoming Annual General Meeting (Pursuant to Clause 49 of the Listing Agreement) are furnished below :

(i) Name of Director	:	Mr. Banwari Lal Jatia
Date of Birth	:	08.12.1943
Date of Appointment	:	24.11.2012
Expertise in Specific Functional areas	:	Possesses about 45 years experience in business management in various industries/ fields.
Qualifications	:	B.Com., LL.B.
Other Public Limited Companies in which Directorship held	:	i) Hardcastle & Waud Mfg. Co. Ltd. ii) Houghton Hardcastle (India) Ltd.

Chairman/ Member of Committees of Boards of other Companies	:	Hardcastle & Waud Mfg. Co. Ltd. (Chairman)
Shares held in the Company	:	-
Relationship with other directors	:	Mr. Amit Jatia (Son)
(ii) Name of Director	:	Mr. Amit Jatia
Date of Birth	:	11.02.1967
Date of Appointment	:	24.11.2012
Expertise in Specific Functional areas	:	General Management
Qualifications	:	B.Com., B.Sc. in Business Administration (Finance)
Other Public Limited Companies in which Directorship held	:	i) Fame India Ltd. ii) Fame Motions Pictures Ltd. iii) Sterling Holiday Resorts (India) Ltd. iv) Inox Leisure Ltd. v) West Pioneer Properties Ltd.
Chairman/ Member of Committees of Boards of other Companies	:	a) Fame India Limited: i) Remuneration Committee-Member; ii) Compensation Committee-Member; iii) Rights Issue Committee-Member; iv) Audit Committee-Chairman b) Inox Leisure Limited: i) Audit Committee-Member; ii) Compensation & Remuneration Committee-Member
Shares held in the Company	:	2,00,050
Relationship with other directors	:	Mr. Banwari Lal Jatia (Father)
(iii) Name of Director	:	Mr. Dilip J Thakkar
Date of Birth	:	01.10.1936
Date of Appointment	:	24.11.2012
Expertise in Specific Functional areas	:	Taxation & Foreign Exchange Regulations
Qualifications	:	Chartered Accountant, B.Com., LL.B.
Other Public Limited Companies in which Directorship held	:	i) Poddar Developers Ltd. ii) Panasonic Energy India Co. Ltd. iii) Essar Oil Limited iv) The Ruby Mills Ltd. v) PAE Ltd. vi) Himatsingka Seide Ltd. vii) Indo Count Industries Ltd. viii) Walchandnagar Industries Ltd. ix) Garware Polyester Ltd. x) Essar Ports Ltd. xi) Modern India Ltd. xii) Premier Ltd. xiii) Magus Estates & Hotels Ltd. xiv) Thirumalai Chemicals Ltd.
Chairman/ Member of Committees of Boards of other Companies	:	a) Panasonic Energy India Co. Ltd. i) Audit Committee-Chairman; ii) Investor Grievances Committee-Member b) Essar Oil Limited i) Audit Committee-Chairman; ii) Investor Relations Committee-Member c) Thirumalai Chemicals Ltd. i) Audit Committee-Chairman; ii) Shares Transfer Committee-Member



_____	:	d) PAE Ltd.
_____	:	i) Audit Committee-Chairman
_____	:	e) Himatsingka Seide Ltd.
_____	:	i) Audit Committee-Chairman
_____	:	f) Walchandnagar Industries Ltd.
_____	:	i) Audit Committee-Member;
_____	:	ii) Shareholder Grievances Committee-Member
Shares held in the Company	:	-
Relationship with other directors	:	-
(iv) Name of Director	:	Mr. P R Barpande
Date of Birth	:	29.11.1947
Date of Appointment	:	24.11.2012
Expertise in Specific Functional areas	:	Possesses over 30 years experience as audit partner of a reputed firm of Chartered Accountants. Addresses seminars conducted by various Institutes and Chambers of Commerce, etc.
Qualifications	:	B.Com, LLB, FCA
Other Public Limited Companies in which Directorship held	:	i) MCX-CX Clearing Corporation Ltd.
_____	:	ii) Financial Technologies Ltd.
_____	:	iii) MCX Stock Exchange Ltd.
_____	:	iv) Blossom Industries Ltd.
_____	:	v) Multi Commodity Exchange of India Ltd.
Chairman/ Member of Committees of Boards of other Companies	:	-
Shares held in the Company	:	-
Relationship with other directors	:	-

By Order of the Board of Directors

Mumbai  
December 7, 2012

**P F Fernandes**  
Company Secretary

## EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

### Item No. 3 :

Mr. Banwari Lal Jatia was appointed as an Additional Director by the Board w.e.f. November 24, 2012 under the provisions of Section 260 of the Companies Act, 1956. He will hold office till the date of the ensuing Annual General Meeting. A notice has been received from a member signifying her intention to propose Mr. Banwari Lal Jatia's candidature for the office of Director.

Except Mr. Banwari Lal Jatia and Mr. Amit Jatia who is a relative of Mr. Banwari Lal Jatia, no other director is interested in the resolution.

### Item No. 4 :

Mr. Amit Jatia was appointed as an Additional Director by the Board w.e.f. November 24, 2012 under the provisions of Section 260 of the Companies Act, 1956. He will hold office till the date of the ensuing Annual General Meeting. A notice has been received from a member signifying her intention to propose Mr. Amit Jatia's candidature for the office of Director.

Except Mr. Amit Jatia and Mr. Banwari Lal Jatia who is a relative of Mr. Amit Jatia, no other director is interested in the resolution.

### Item No. 5 :

Mr. Dilip J Thakkar was appointed as an Additional Director by the Board w.e.f. November 24, 2012 under the provisions of Section 260 of the Companies Act, 1956. He will hold office till the date of the ensuing Annual General Meeting. A notice has been received from a member signifying her intention to propose Mr. Dilip J Thakkar's candidature for the office of Director.

Except Mr. Dilip J Thakkar, no other director is interested in the resolution.

### Item No. 6 :

Mr. P R Barpande was appointed as an Additional Director by the Board w.e.f. November 24, 2012 under the provisions of Section 260 of the Companies Act, 1956. He will hold office till the date of the ensuing Annual General Meeting. A notice has been received from a member signifying her intention to propose Mr. P R Barpande's candidature for the office of Director.

Except Mr. P R Barpande, no other director is interested in the resolution.

### Item No. 7 :

In terms of the Foreign Exchange Management Act, 1999 and Government of India's Foreign Direct Investment Policy, the aggregate investment in the equity share capital of an Indian company by Non-Resident Indians shall not exceed 10% thereof and by all non-residents including Foreign Institutional Investors shall not exceed 24% thereof. It is however provided that the said limits may be further increased upto the sectoral cap/ statutory ceiling, as applicable, by passing a resolution of the Board of Directors of the Company and followed by a Special Resolution to that effect by its members.

The Board has already passed a resolution to this effect subject to approval of the members of the Company.

None of the directors of the Company is, in any way, concerned or interested in the resolution.

The Board commends the resolutions for members' approval.

By Order of the Board of Directors

Mumbai  
December 7, 2012

P F Fernandes  
Company Secretary







# WESTLIFE DEVELOPMENT LTD.

Registered Office : 1001, Tower-3, 10th Floor, Indiabulls Finance Centre, Senapati Bapat Marg, Elphinstone Road, Mumbai 400 013.

## ATTENDANCE SLIP

Regd. Folio no. \_\_\_\_\_

DP I.D. \_\_\_\_\_

Client I.D. \_\_\_\_\_

\_\_\_\_\_

Name(s) of Shareholder/ Joint Holder(s) \_\_\_\_\_

\_\_\_\_\_

I hereby record my presence at the 29th ANNUAL GENERAL MEETING of the Company held at Brabourne Stadium, Gate No. 10 (1st Floor), 87, Veer Nariman Road, Mumbai 400 020 on Monday, December 31, 2012.

\_\_\_\_\_

### Signature of the Shareholder or Proxy

#### NOTES :

1. Share/ Proxy holders are requested to bring the Attendance Slip with them when they come to the meeting and hand it over at the gate after affixing their signatures on it.
2. Share/ Proxy holders who come to attend the meeting are requested to bring their copies of the Notice with them.



# WESTLIFE DEVELOPMENT LTD.

Registered Office : 1001, Tower-3, 10th Floor, Indiabulls Finance Centre, Senapati Bapat Marg, Elphinstone Road, Mumbai 400 013.

## PROXY

Regd. Folio no. \_\_\_\_\_

DP I.D. \_\_\_\_\_

Client I.D. \_\_\_\_\_

\_\_\_\_\_

Name(s) of Shareholder/ Joint Holder(s) \_\_\_\_\_

\_\_\_\_\_

I/We being member(s) of Westlife Development Ltd. hereby appoint \_\_\_\_\_ of \_\_\_\_\_ or failing him/ her \_\_\_\_\_ of \_\_\_\_\_ as my/ our proxy to attend and vote on my/ our behalf at the 29th Annual General Meeting of the Company to be held on Monday, December 31, 2012 at 12.00 noon and at any adjournment thereof.

Signed this \_\_\_\_\_ day of December, 2012

SIGNATURE OF MEMBER(S) \_\_\_\_\_



Note : The Proxy must be returned so as to reach the registered office of the company not less than 48 hours before the time for holding the aforesaid meeting.







## ON THE WINGS OF CREATION

BOOST  
ASCENSION  
BREAK THROUGH  
ELEVATION  
RISE  
INSPIRATION

The symbol for our new identity is an invisible butterfly that gives Westlife wings to fly. Wings that help to constantly rise, elevate, inspire and break through the clutter of similar market propositions. Westlife will constantly strive to take its brand to a higher realm of intent and innovation.

The form of the wings and the logotype are lyrical and flowing, representing the evolution of creative ideas and conveying the notion of metamorphosis. The palette of overlapping colours signify a dynamic corporate tradition.