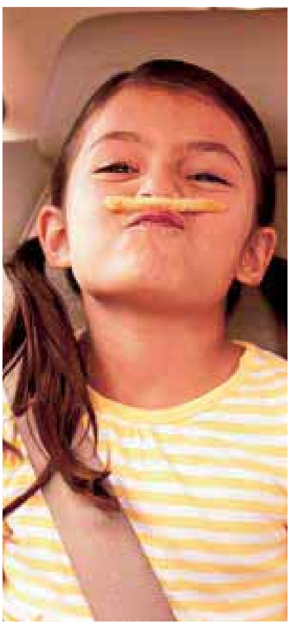
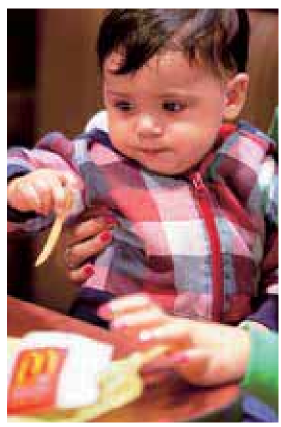
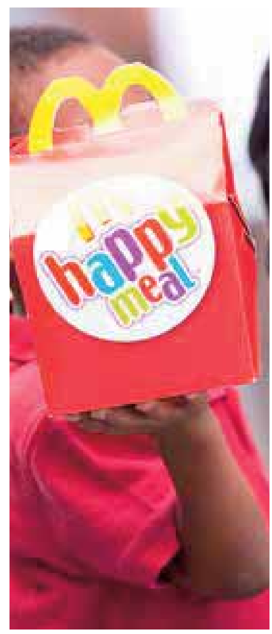
Building an appetite!

One brand. Millions of customers. Immeasurable delight.





WESTLIFE DEVELOPMENT LIMITED
BRAND REPORT 2013-14

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The McDonald's brand successfully passed its moment of truth more than 175 million times in 2013-14.

The distinctive brand experience that we provided in our quick service restaurants – Fun, VFM, Accessible, Trusted, Service-oriented and Friendly – reinforced our enduring relevance across ages, regions and customers.

Delighting customers. Enhancing value.

For the purpose of this report, the discussion related to our performance pertains to our geographic footprint of west and south India

Westlife Development Limited, through its wholly-owned subsidiary, Hardcastle Restaurants Pvt. Ltd., is McDonald's master franchisee for west and south India.

An attractive proxy for the robust QSR growth coming out of some of the fastest growing regions of India.

Vision

Westlife's vision is to become the recognized leader in the QSR industry and the first choice of our customers.

Mission

We will lead the QSR industry in India by creating unmatched value for our customers through our promise of outstanding quality, service, cleanliness and value.

Awards

- Gold Awards in the Reader's Digest Trusted Brand Survey 2014, India in the category 'Restaurant Chains/ Cafes'
- The Customer's Choice Retailer for Food and Beverage Store 2013-2014 for our restaurant at Oberoi Mall, Goregaon, Mumbai
- McDonald's India ranked 1st across the QSR brands and 86th (previously 196th) across various industries as India's Most Trusted Brand 2014 by TRA (formerly Trust Research Advisory)
- McDonald's India ranked 1st among QSR players and 16th across 100 other reputed brands of the 'Most Exciting Brands' survey in the Economic Times Brand Equity report 2014
- Received the Brand Trust Award instituted by TRA-ET Brand Equity
- **2013:** Silver Award at IDMA 2013 for McDonald's Southern Voyage (Coimbatore Store Launch Campaign)
2014: Featured on Facebook Studio for The Adventures of Pop! (Crispy Veggie Pops Product Launch Campaign)

Values

We will drive our mission through unwavering commitment towards customer satisfaction, delivered with a sense of warmth, friendliness, fun, integrity, individual pride and company spirit.

About us

Westlife Development Limited is one of the fastest growing players in India's quick service restaurant (QSR) sector. Westlife, through its wholly-owned subsidiary Hardcastle Restaurants Pvt. Ltd., is McDonald's master franchisee for west and south India.

Westlife's footprint covers Telangana, Gujarat, Karnataka, Maharashtra, Tamil Nadu, Kerala and parts of Madhya Pradesh.

The Company's service formats and brand extensions comprise standalone restaurants, Drive-Thrus, 24x7 restaurants, Breakfast, McDelivery™ (Web order placement, mobile apps) and kiosks at major transit points. McCafé, a popular brand extension, also serves a host of beverages.

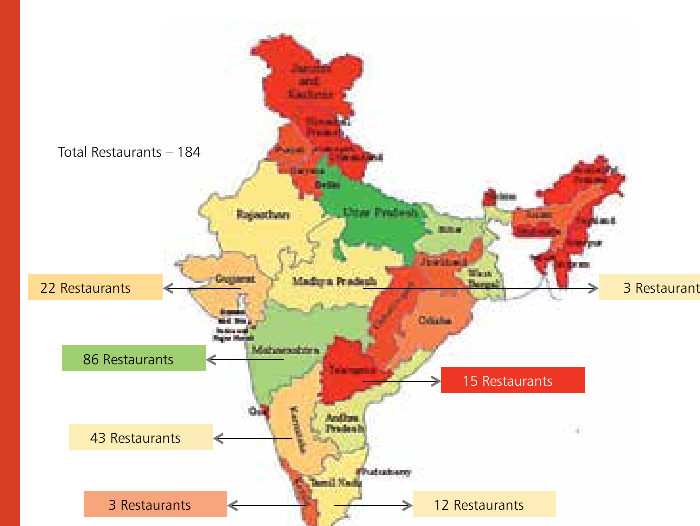
The menu features burgers, finger foods, wraps as well as hot and cold beverages besides a range of desserts.

The Company employs over 7,500 individuals.

Listing and promoter ownership

Westlife is headquartered in Mumbai (India). The Company's shares are listed on the Bombay Stock Exchange (BSE code: 505533) and enjoyed a market capitalization of ₹55,673 million as on 31 March 2014. The promoting Jatia family owned 62.19% of the Company's equity; 19.66% was held by FIIs, 0.87% by DIIs while the rest was held by the public as on 31 March 2014.

Region-wise Presence – FY14



The brand's journey, 1996-2014

1996
First restaurant opened in Bandra, Mumbai

1997
'Happy meals' introduced

2000
Launch of 'Rest of West' market with the first restaurant in Pune

2001
Launched Drive Thru's

2002
Entry into Gujarat (Ahmedabad)

2004
McDelivery™ launched. Happy Price Menu™ introduced

2006
Entry into South India (Bangalore)

2007
Celebrated 50 restaurants

2009
McNuggets™, a popular global menu product, introduced in India

2010
Breakfast brand extension introduced

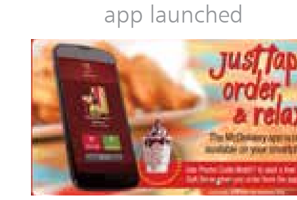
2010
Celebrated 100 restaurants

2012
McValue™ launched for lunch

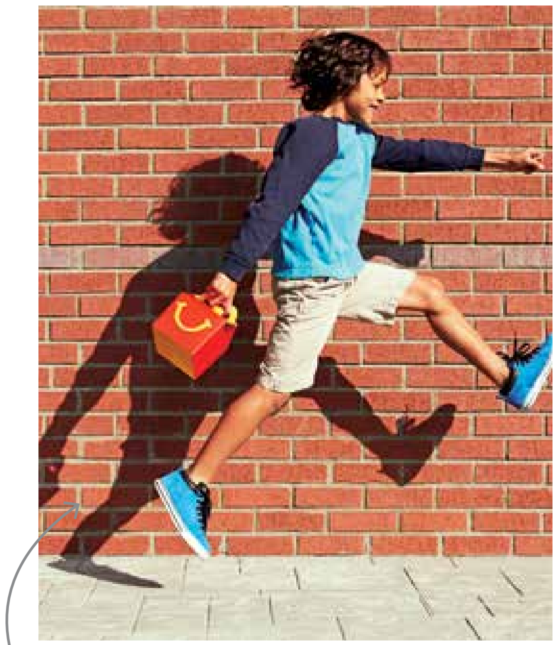
2012
Celebrated 150 restaurants

2013
First McCafé launched in Tardeo, Mumbai;
New web-ordering platform launched

2014
Mobile ordering app launched



How we strengthened **the brand,** 2013-14



Scale

- Established 29 new restaurants, increasing the tally to184 at the close of the year
- Added over 1.2 lac sq. ft of space, increasing our overall portfolio to 6.2 lac sq. ft

Formats

- Launched India's first McCafé in SoBo Central Mall, Mumbai, offering a range of beverages and adding a fresh day-part to the restaurant; established a total of five McCafé's during the year under review
- Increased focus on Drive-Thru to capitalize on customer mobility and build accessibility

Capacity

- Increased key vendors capacity in 2013-14 to cater to prospective growth. Suppliers established new plants across the country to cater to our growing network of restaurants

Menu range

- Introduced menu options across the value, semi-premium and premium ranges
- New introductions comprised Saucy Chipotle wraps, Piri-Piri McNuggets™, Masala Grill™ and Premium Royale Burgers (Grilled Chicken and McPaneer Royale)

Appeal

• Introduced various marketing initiatives (gift festival and smile cards), driving repeat consumer visits

Vice Chairman's review

Lifestyle, country and brand

We expect our proven expertise to continuously improve our operating standards, marketing concepts as well as product and pricing strategies that enhance customer experience, profitability and increase restaurants from 184 to 800+ restaurants over the next few years.

Dear shareholders,

Hardcastle Restaurants Pvt. Ltd. (HRPL) has been a privileged custodian of the McDonald's brand in India since its launch in 1996. Staying true to our ethos of serving a memorable eating-out experience, we offer appetising and affordable food to our consumers, emerging as the largest operator of McDonald's restaurants across Western and Southern India.

Our brand's potential is derived from the reality that not only is India one of the world's largest markets, but also one of the most underpenetrated. This combination - size and scope - makes the country one of the most exciting markets the world over.

Moreover, changing lifestyles are transforming the way Indians eat out, widening the opportunity for first-moving and fast-moving brands like ours. Consider these:

One, the vast Indian middle-class is pressurised by professional commitments, daily commutes, and domestic chores. Result: Increasing frequency of eating out across urban India. However, the average frequency of about eight to nine times a month in metros like Mumbai is a fraction of some ASEAN benchmarks of 17-18 times a month.

Two, a rising number of Indians are becoming increasingly particular about food hygiene. So even as India's IEO market is projected to grow at 11% during 2014, reaching ~USD 107 billion, its QSR component, where we are present, is expected to grow the fastest to ~USD 17 billion at a CAGR of 11-14%. Again, my optimism stems from the significant headroom available when compared globally: India's QSR segment is only ~16% of the overall IEO market whereas the corresponding proportion is higher in countries like China (24%), Hong Kong (21%) and Singapore (19%). Moreover, the branded component of India's QSR market is a mere 1%

Amit Jatia, *McDonald's brand ambassador*

aggregating ~1,800-odd stores, which pales in comparison to a demographically similar country like China with 7,000 units shared between two international QSR brands.

At Hardcastle Restaurants, we proactively addressed this opportunity through aggressive restaurant rollout across Western and Southern India - from 45 in 2007 to 107 in 2011 and 184 in 2014 (year ending 31st March 2014).

Three, sustained food inflation over the past few years prompted more and more consumers to explore experiential value-for-money options. Hardcastle Restaurants responded to this reality by dishing out affordable options that bucked inflationary trends and reinforced our positioning around consistency, palatability and cost-competitiveness. The result: we grew our total sales by 8.2% in 2013-14.

Four, India accounts for the largest 15-34 age population cluster in the world (435 million). This cluster is equivalent to the entire population of Singapore, Hong Kong, Australia, South Africa, Nigeria, Ghana, Angola, Kenya and Zambia (fastest growing QSR markets in Africa) *combined*. At Hardcastle Restaurants, we believe that this cluster comprises young professionals, aspirational citizens, new income earners and students willing to try new cuisines.

Consequent to the sweeping lifestyle changes transpiring pan-India, we embarked on a number of long-term corporate initiatives to capitalise on four growth priorities – broadening accessibility, growing baseline sales, margin expansion and investing in our people.

Broadening accessibility

We broadened the accessibility of our locations by establishing new restaurants, extending hours and widening delivery formats. We built a robust real estate portfolio by engaging in long-term deals with sites/ locations and landholders. A portfolio-based approach ensures long-term competitive advantage along with an emphasis on reinforcing real estate quality. We sustained our momentum through 2013-14, opening 29 restaurants, representing a ~20% unit growth over the previous year. We expect to establish 175-250 new restaurants in the next five years across Western and Southern India.

Growing baseline sales

In 2013-14, we developed new offerings aligned with existing and emerging consumer needs. We built various categories by introducing a variety of wraps, desserts and burgers, providing a wider choice to customers and leveraging existing investments and capacities, thereby gaining incremental market share. We augmented our value platform with a strategic 'Smile' card loyalty programme that encouraged repeat visits. We believe that our approach, centered on 'everyday value', will catalyse base sales and increase guest visit frequency. We advanced value by sustaining the Happy Price Menu™.

Tapping into the US$ 230 million Indian cafe market, HRPL launched McCafé in Mumbai, a new brand extension that serves specialty coffees and desserts, generally located in a separate area inside restaurants. During 2013-14, the Company seeded five McCafé's in Mumbai to accelerate its beverage growth strategy. We expect to add 75-150 McCafé's over the next three to five years, expanding our presence in Western and Southern India.

Margin expansion

During 2013-14, gross margins improved through better menu management, prudent pricing and product mix. We continued to strengthen brand extensions like breakfast, McDelivery™, dessert kiosks and McCafé to enhance day-part utilisation, unit economics and margins.

Investing in our people

We provided quality employment and long-term careers to more than 7,500 youth as on March 31, 2014. For many of our employees, we are their first employer, providing formal jobs opportunities that include benefits, medical coverage, training and flexibility. We believe in nurturing and grooming fresh talent. We make long-term investments in our employees, imparting interpersonal and organisational skills, crucial for effective functioning.

We intend to become the restaurant of choice for our through our brand ambition of 'Good Food, Good People, and Good Neighbour'. Moreover, add-ons like Wi-Fi accessibility and our inimitable 'Made for You' policy allowed us to grab and hold the attention of our customers.

We expect our proven expertise to continuously improve our operating standards, marketing concepts as well as product and pricing strategies that enhance customer experience, profitability and increase restaurants from 184 to 800+ restaurants over the next few years.

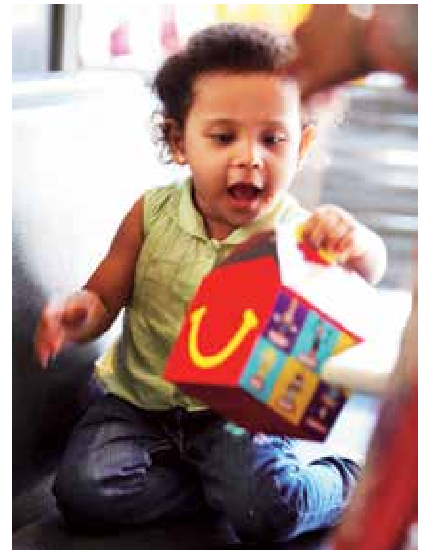
Our appetite for success is literally insatiable.

Bon appétit!

Amit Jatia, *McDonald's brand ambassador (also Vice-Chairman, Westlife Development Limited)*

* Rights owned by Turner Entertainment Networks Asia and Doraemon Animation International (M) Sdn Bhd, respectively

Distributed toys (Doraemon, Disney and Tom & Jerry are our global toys partners) with happy meals, ensuring that children remain engaged through their meals.



Allocated space (generally 350 to 450 sq. ft-plus) for children's birthday parties where we take care of all hosting requirements including food (from the restaurant kitchen), décor and games.

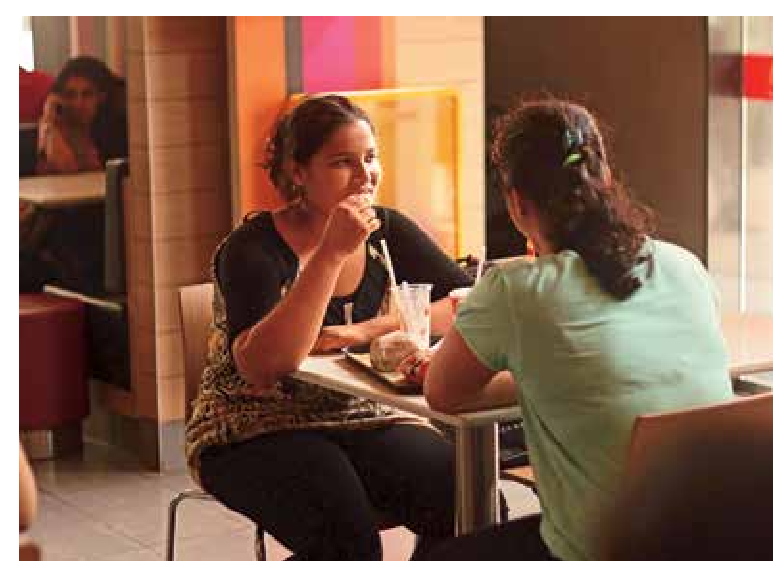
our brand is fun!

Introduced 'Happy Meals', our globally-recognised menu property that stands for happy and wholesome food for kids

Placed a life-size Ronald McDonald on a bench outside our restaurants to attract customers into taking pictures alongside, creating a happy brand touch-point.

"The McDonald's outlet at Fort has become a generic, a part of our lingo and an extension of our college campus. We call it 'FMDF!' which means Fun at McDonald's Fort!" – **Sneha Ulhas,** *a frequent McDonald's visitor at Fort, Mumbai*

Over the years, an interesting reality has emerged. An increasing number of people are coming to McDonald's restaurant for reasons that extend beyond food.



For fun.

At our restaurants, you will find young adults chilling out. Kids comparing their toys. Friends finding it convenient to catch up. Couples finding it convenient to rendezvous. Adults to gossip.

While sipping cola. Munching our world famous fries. Posing for selfies. Or simply bringing the roof down.

Over the years, we engaged in a number of initiatives to draw footfalls around a sense of enjoyment and excitement.

175 million

McDonald's restaurant visits in 2013-14

At McDonald's, we have progressively strengthened our value for money proposition through the following initiatives:

Delivery of fresh, hot and hygienic food.

Distinctive menu 'laddering' (products from ₹25 to ₹175), comprising options at different price points.

Product introductions comprising the McAloo Tikki™ (₹25) and McSpicy™ range (₹89–119)

Extra Value Meals and McValue™ Lunch, emphasising affordability.

Consistency in the quantity of servings through standardized kitchen equipment and process discipline.

Loyalty benefits through McSmile cards.

our brand is VFM!

Until a couple of decades ago, restauranting in India was reserved for the affluent.

Until brands like McDonald's made the Indian restauranting experience inclusive through enhanced visitor experience. This experience is best captured in a much-used acronym.

'VFM'.

At McDonald's, we have successfully extended the 'value for money' proposition to a 'value for many!' reality.

This reality is faithfully showcased in our diverse footfalls. Usual four-member Indian family. Chic young couple. Part-time employee. College students. Well-heeled business executives.

4-5%

Weighted average menu price increase at McDonald's vis-à-vis average all-India food inflation of 8-10% in 2013-14

"Bhel puri: ₹40.

Aloo puri: ₹35. Batata vada: ₹30. Two samosa ₹30.

McDonald's McAloo Tikki™: ₹25! The McDonald's experience in just two words – pocket-friendly!"

Hitakshi Patel, *McAloo Tikki™ fan, Rajkot*

our brand is accessible!

'Wow! We are going to McDonald's!'

"**When a McDonald's outlet** opened in Chennai in 2008, we were among the first to queue up. That's because my children had heard from their cousins in Mumbai about McDonald's and they really wanted to experience the fries and burgers first hand!"

Rajpalayam Narasingha, *lawyer, Chennai*

In this expression of delight in urban India lies the successful reconciliation of two diverse realities - a brand that is affordable at one end and aspirational at the other.

Over the years, the brand has strengthened its customer connect through the following initiatives:

Extended footprint from 130 restaurants (as 31 March 2012) to 161 restaurants (as 31 March 2013) and 184 (as on 31 March 2014) in metro and Tier-I and II locations of west and south India.

Besides, our pocket-friendly image strengthened our consumer appeal.

The launch of premium products like Grilled Chicken Royale and Grilled Paneer Royale widened choice.

Going ahead, we have created a roadmap for adding 175-250 restaurants over the next five years with a significant focus on Tier-I markets.

29

New restaurant additions in 2013-14, taking the total (west and south India) to 184 restaurants

our brand is trusted!

Over the years, the one over-riding recall for the McDonald's brand has been 'safe'.

When people walk into McDonald's, they know they can completely trust our food – anytime, anywhere and across any menu item.

This trust is the result of an enduring vigilance – from farm to fork – that has been reinforced through the following initiatives:

We provide safe food cooked in a hygienic environment and delivered in a clean and appealing restaurant.

We conduct 72 comprehensive checks in each of our restaurants everyday, which ensures just the right cooking standards.

We analyse the use of various inputs and their impact on human health; we reduced the quantum of sodium in our products by 2%; the oil content in our mayonnaise was brought down from 67% to 25% in 2013-14, reinforcing the health index of our product offerings.

We comply with our stringent Code of Conduct related to kitchen hygiene, comprising continuous training, restricted kitchen access for visitors and non-touch food management provisions.

We maintain – and promote – separate kitchens for vegetarian and non-vegetarian cooking.

Our carefully-selected vendor-partners source food inputs directly from farms, following an audit of farmer practices; they also invested in cold chain and distribution infrastructure to protect in-transit food quality and assure timely supplies.

72x
Comprehensive food checks a day

"We gave our three-year-old her first taste of a McDonald's French fry. She completed the entire offering!"

Ranjana Joseph, *homemaker, Kozhikode*

our brand is service-oriented

When a customer walks into a McDonald's restaurant – anywhere – he or she is assured of outstanding service.

60 seconds
Average service delivery tenure (between order placement and delivery) in 2013-14

Fast. Friendly. Functional.

Over the years, McDonald's has reinforced this service delivery through global best practices, extensive empowerment and putting the customer's interest first. This priority has been reflected through the following initiatives:

We value the customer's time; we promise delivery within 29 minutes of the order being placed.

We have widened delivery formats from across-the-counter to home delivery, web orders, Drive Thrus and kiosks in high footfall locations (airports and railway stations, etc).

We leveraged our QSR, forecasting and supply chain competencies to ensure that we were always in stock with all-time all-menu availability

We anticipated what customers would pay based on their order amounts, being ready with loose change.

We equipped employees with life-skills (inter-personal, communication, negotiation, team work and leadership, among others) that enriched beyond the functional and professional.

"As soon as I gave the cash and the change was dispensed, the person at the counter turned the one-minute hour-glass. Just as the last bits of sand were about to go down, I heard, 'Your tray is ready, sir!'" – **Karthik Iyer,** *engineer, Bengaluru*

our brand is friendly!

7,500+

Employee strength at the close of 2013-14

At McDonald's, we are not just another quick service restaurant; we are positioned as an enduring friend.

In a world where realities are ever-transforming, our brand comes across as a comfort-enhancing constant. Over the years, we have reinforced this engagement through the following initiatives:

Standardised restaurant layout, food quality and pricing – across restaurants and locations – enhancing a sense of familiarity.

Widened our engagement from a snack option to a multi-meal appeal across all-day parts (breakfast to after-dinner).

Extended our timings from 7 am right till midnight. Some of our other stores that do not serve breakfast open for business as early as 10 am, running till midnight.

Launched the global McCafé brand in India (October 2013) offering premium beverages and desserts all day long.

"Dinner. Desert. And rounded-off with McCafé coffee. McDonald's helped create the perfect setting for my first date!" – **Prajakta Shukre,** *medical student, Mumbai*

Brand strengths

Location

While launching new restaurants, the Company scouts for attractive locations based on visibility, accessibility, store size, catchment area and prospective footfalls. The Company prefers to tie in locations at stable rentals or revenue-sharing agreements. McDonald's restaurants in malls are generally located on the ground floor with separate entrances so that they can function independent of mall timings.

Rental approach

The Company prefers to tie in locations through various types of lease rental agreements/structures. Overall, rent costs accounted for 8.1% of our revenues in 2013-14 (7.3% in 2012-13), a marginal increase despite the addition of over 1.2 lac sq. ft during the period.

Service

The McDonald's motto is to 'serve with a smile'. As an extension of this philosophy, the Company assures quick service even during rush hours.

Hygiene and cleanliness

The Company adheres to a strict code of conduct covering kitchen and restaurant hygiene. Extensive rules and precautions apply to the staff in terms of protective clothing, restricted kitchen access and infrastructure cleanliness.

Maximising day-parts

The Company serves food across all day parts – breakfast in the morning; snacks, mid-morning; lunch and snacks, mid-afternoon; dinner in the evening and after dinner, desserts/coffee. The Company introduced McCafé to maximize asset and service utilisation. Moreover, a number of the Company's restaurants operate 24x7x365.

Supply chain management

The Company's supply chain is woven around a unique 'farm-to-fresh' model - hub-and-spoke comprising sourcing centers feeding resources into strategically-located distribution and warehousing centres and, in turn, to various restaurants - promising 100% assured supply at all times. Besides, temperature-controlled logistics (cold chains) ensure zero wastage and freshness.

Quality

The Company's processes and practices - across every restaurant - are benchmarked in line with the quality standards of its parent company. The Company sources almost 90% of raw resources directly from farmers, ensuring ingredient integrity. Robust supply chain efficiencies, cold chain, state-of-the-art infrastructure, minimal storage tenure, benchmarked recipes, robust kitchen hygiene and an ongoing audit discipline (twice a day) ensure fresh menu delivery.

Human resources

The Company engages in practices that catalyse the quality of the employee pool, strengthen front-end customer-service practices, improve productivity and chart out career progression. The Company recruits front-end staff from colleges, reinforced by training.

Menu and pricing

The Company's menu is positioned around a value-for-money proposition for all socio-economic classes. So while the Happy Price Menu™ addresses the entry level customer (priced at ₹25), the McRoyale range addresses the top-end (full meal at ₹135). Robust input management helped cap menu price increases within 4-5% in 2013-14, under-performing national food inflation of 10% for the major part of 2013-14.

184
Restaurants across 19 cities and seven states, 2013-14

29
Restaurants added, 2013-14

175
Customers (million)served in west and south India, 2013-14

7,500+
Employees (31 March 2014)

6.2
Sq. ft (lakh) of real estate (restaurants, 31 March 2014)

Profile of our Board of Directors

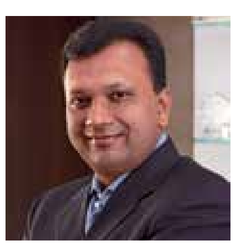
B.L. Jatia

Chairman

Mr. B. L. Jatia has over 45 years of experience in paper, textiles, chemicals, food processing, mining, hospitality, healthcare, investments and finance and retail sectors.

Mr. B. L. Jatia is currently the Chairman and Managing Director of Hardcastle & Waud Mfg. Co. Ltd. The company is engaged in trading / manufacturing of chemical products. Besides, he also holds directorships in a number of other companies and is a trustee of a charitable trust.

Mr. B. L. Jatia holds B.Com and LLB degrees from the University of Mumbai.



Amit Jatia

Vice Chairman

Mr. Amit Jatia has over 25 years of experience in the QSR industry. As Vice-Chairman of Westlife Development Ltd., he has been responsible for all aspects of the establishment and operation of McDonald's restaurants in western and southern India, including site location and acquisition, site development and equipment installation, supply chain management, product development and marketing strategy, among others.

He has been recognised for his achievements with the 'Young Achievers Award', bestowed by the Indo-American Society in 2003, Business World's 'Most Respected Company' award for the Food Sector in 2005, for the third consecutive year, as well as Images 'Retailer of the Year' award in 2004 and 2005.

He holds a B.Sc in Business Administration (Finance) from the University of Southern California. He has completed programmes on Management Control Systems at the Indian Institute of Management and on strategy, leadership and governance at Harvard Business School.

P.R. Barpande

Independent Director

Mr. P.R. Barpande, a Chartered Accountant, has more than 30 years of experience as an audit partner with Deloitte Haskins & Sells. He has served various groups such as Financial Technologies / MCX, Blossom, Reliance, Mafatlal, Lupin, Mahindra, Hexaware, Jet Airways, John Deere, Bridgestone and Tech Mahindra as an audit partner. He was actively involved in reformatting accounts to US GAAP / IFRS for major domestic and multinational companies and some Indian banks.

He is a Fellow of the Institute of Chartered Accountants of India.

Dilip J. Thakkar

Independent Director

Mr. Dilip J. Thakkar is a practicing Chartered Accountant with over 51 years of experience in taxation and foreign exchange regulations. He is associated with several public and private companies as a Director. He is a Fellow of the Institute of Chartered Accountants of India.

Smita Jatia

Director

Ms Smita Jatia comes with two decades of experience in the QSR industry. She has been an active member of the McDonald's India team since the commencement of its operations and over the years, has handled various roles within the organization.

Ms Jatia is responsible for charting out and leading the aggressive growth of McDonald's India operations across West and South India. She has been instrumental in launching, indigenizing and building the McDonald's brand over the last 17 years. She joined Hardcastle Restaurants Pvt. Ltd as Director, Marketing, in 1996 and was the Chief Operating Officer for Hardcastle Restaurants Pvt. Ltd. She currently performs the role of Managing Director, Hardcastle Restaurants.

A commerce graduate from Sydenham College, Mumbai, Ms Jatia has also completed an 18-week executive management program from Harvard Business School, Boston, and has undergone a rigorous Marketing and Restaurant Leadership program at the Hamburger University, USA.

Manish Chokhani

Director

Mr. Manish Chokhani is one of India's most respected investors and financial experts. He is an Advisor to Axis Bank and holds Board positions in various companies including Axis Capital, Enam Holdings and Westlife Development.

He has had a brilliant career, graduating as among the youngest MBAs from the London Business School soon after obtaining his CA certification. He went on to become MD & CEO of Enam Securities and led its US$ 300 million merger with Axis Bank to create Axis Capital Ltd (ACL) one of India's leading investment banks. Mr. Chokhani had co-founded Enam AMC that manages the wealth of some of India's leading business families. He also served as a Director of the US$ 1 billion ZA Capital Fund and Advisor to the US$ 400 mn India Capital Fund.

Mr. Chokhani has served three terms as Co-Chairman of the Capital Markets Committee at the Indian Merchants Chamber. He is an active member of the Young Presidents Organisation and a Fellow of the AIMA. He has served on the International Alumni Board as well as scholarship panels of the London Business School. He has also been a visiting faculty member at the IIM Kolkata and has delivered talks at various other business schools.

Achal Jatia

Director

Mr. Achal Jatia is the Chairman of the Board of Directors of Hardcastle Petrofer Pvt. Ltd, a leading manufacturer of specialty oils and chemicals for the metal working industry.

He has obtained a Bachelor of Science degree in Business Administration from the University of Southern California, Los Angeles. Additionally, he has attended the Owner / President Manager Executive Education program at Harvard Business School, Boston. He is a Life Member of the Golden Key Honor Society, USA, and a Member of the Entrepreneurs Organization (EO) and the Young Presidents' Association (YPO).

Tarun Kataria

Independent Director

Mr. Tarun Kataria was CEO of Religare Capital Markets in India until September 2013. He is currently Independent Director of Mapletree Logistics Trust Ltd, an SGX-listed REIT.

In a career spanning the US, Asia and India, Mr. Kataria has worked in the US with Merrill Lynch's Investment Banking Division and Chase Manhattan Bank's Derivatives Group. He moved to Asia in 1995 as Head of Derivatives, Southeast Asia for Chase Manhattan Bank based in Singapore. He joined HSBC in 1998 as Head of Derivatives, Southeast Asia, and later was appointed Head of Sales, Singapore, HSBC Global Markets.

Mr. Kataria has an MBA in Finance, 1985, from The Wharton School of the University of Pennsylvania. His primary education was at The Cathedral and John Connon School, Bombay, and the Sydenham College of Commerce and Economics, Bombay. He is a Chartered Accountant. He is a Paul Harris Fellow of Rotary International and his interests include contemporary Indian art, golf, yoga and African safaris with his family. His charitable work is directed at educating women and girl children.

MANAGEMENT DISCUSSION AND ANALYSIS

Indian Economic Overview

In a challenging 2013-14, the Indian economy experienced one of its worst slowdowns in a decade on the back of global contractionary headwinds, domestic macroeconomic imbalances and policy reversals. The growth in GDP during the year was estimated at 4.7%, compared with 4.5% in 2012-13 *(Source: CSO)*. This slowdown affected consumer spending across sectors, including the quick service restaurant segment.

India GDP (%)

2010-11	2011-12	2012-13	2013-14	2014-15 (E)	2015-16 (E)
8.4	6.5	4.5	4.7	6.3	6.8

(Source: Euromonitor)

Industry Overview

India's consumption growth story

India's unique demographic advantage (population of 1.2 billion) drives consumption growth. The size of India's middle-class in 1996 was 25 million and is projected to rise to 267 million by 2015, catalyzing discretionary spending on durable goods, automobiles and consumer finance, among others.

One of the positive spinoffs of this phenomenon has been that India's overall food consumption has grown incrementally and is expected to double by 2030. India's GDP is expected to triple over the next 16 years, driving food consumption by an estimated 4% each year – from ₹11 trillion in 2010 to ₹22.5 trillion by 2030, corresponding to a growth in per capita consumption from ₹9,360 to ₹15,390 *(Source: McKinsey)*.

Quick Service Restaurants (QSR) Industry

The Quick Service Restaurant space is a part of the Informal Eating Out industry, consisting of fast food, pizza delivery and coffee shops, representing about US$ 15.6 billion or 18% of the total IEO market in India.

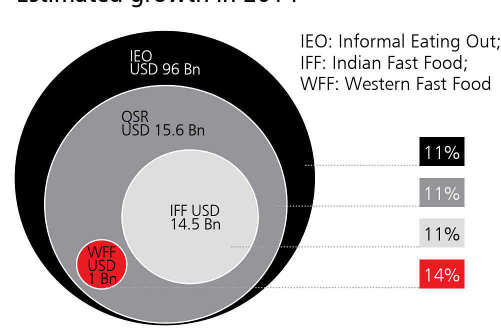
The entry of McDonald's in 1996 revolutionized the QSR business in India, heralding the entry of a number of global brands. Catalysed by the growth in the QSR space, the IEO segment emerged from a US$ 68 billion market in 2010 to US$ 96 billion industry in 2013 and is expected to surge to US$ 1.2 trillion by 2015 *(Source: Euromonitor)*.

Informal Eating Out Industry (IEO)

The industry landscape is dominated by various eating out formats – cafés, quick service restaurants, frozen dessert/ice cream, casual dining, roadside vendors and pubs, bars, clubs and lounges (PBCL). However, this does not include fine dining restaurants.

The IEO market in India was valued at US$ 96.0 billion in 2013 and is expected to touch US$ 106.6 billion by 2014. The industry is expected to grow at 11% by 2014 *(Source: Euromonitor)*.

Estimated growth in 2014



Source: Euromonitor

Western Fast Food (WFF)

WFF is a fast growing part of the QSR industry, representing about US$ 1 billion of the US$ 15.4 billion QSR market. The WFF category has been primarily driven by the entry of global food brands in India since 1996 and is one of the fastest growing segments within IEO.

WFF is gaining wider acceptance from the Indian consumer and has witnessed high growth strides over the past 18 years, driven by a young population. Some of the other factors driving growth in the WFF category are:

Factors catalyzing sectoral growth

- **Favourable demographics:** With a population of 1.2 billion, India is one of the largest consumer markets in the world. The country is a demographic delight with over 50% of its population below 25 years and more than 60% below 30 years. Fuelled by this growth, the country's youth population is bringing about a structural shift in the Indian food service sector, catalyzing its growth potential. Moreover, the size of the country's middle-class, the biggest patron of the food service industry, is expected to grow by 67% over the next fiscal.
- **Growing incomes:** Growing affluence, higher disposable incomes and increasing spending propensities opens up a huge opportunity for the food services sector. With higher disposable incomes, consumers do not vacillate about spending more while eating out.
- **Working women:** Not only has India's working age population risen but the proportion of women among the salaried class has also increased. With the number of working women on the rise, households are expected to enhance eating-out frequency.
- **Urbanization:** India is the fastest urbanizing country in the world. The proportion of Indian population living in urban areas has increased to 31% and is likely to touch 40% by 2030.

Company Overview

Westlife Development Ltd (WDL) is a part of the B. L. Jatia Group and is engaged in developing the country's QSR industry through its wholly-owned subsidiary, Hardcastle Restaurants Pvt. Ltd (HRPL), which operates McDonald's restaurants in west and south India through a master franchisee arrangement with the McDonald's Corporation, USA.

Business Overview

Hardcastle Restaurants Pvt. Ltd. (HRPL or 'the Company') operates in the QSR sub-segment of the Informal Eating Out industry. In India, the fast food segment has benefited from increasing urbanization and a growing young population, as citizens in the metros and urban markets adopt lifestyles that increasingly seek convenience, speed and value.

HRPL is a master franchisee, which operates McDonald's branded restaurants in west and south India. Under the master franchisee arrangement with the McDonald's Corporation, Your Company is responsible for providing capital for all business operations, including the real estate interest. McDonald's Corporation offers technical, operational and business support. HRPL owns or secures long-term leases for all its restaurant sites to ensure long-term occupancy rights and to control related costs. The company generates revenues primarily from sales by company-operated restaurants.

At its restaurants, HRPL continuously develops and refines operating standards, marketing concepts and product and pricing strategies. This is done in a manner so that only those strategies are introduced which are most beneficial into the system to deliver a great customer experience and drive profitable growth. Your Company constantly focuses on customers by managing operations at the local level, including marketing campaigns and special offers, menu management and limited time offers and monitoring customer satisfaction.

In analyzing our performance, the management considered performance-related and financial parameters (including comparable sales and system-wide growth).

- Comparable sales (SSS) represent sales at all restaurants operated by your Company, in operation at least thirteen months, excluding those temporarily closed. Some of the reasons restaurants may be temporarily closed include reimaging or remodeling, rebuilding, road construction and natural disasters. The number of weekdays and weekend days, referred to as the calendar shift/trading day adjustment, can impact comparable sales. In addition, the timing of holidays also can impact comparable sales.
- HRPL reports on a financial year-basis and therefore the comparability of the same month, quarter and year with the corresponding period of the prior year will be impacted by the mix of days. The number of weekdays and weekends in a given timeframe can have a positive or negative impact on comparable sales. Your Company refers to these impacts as calendar shifts/ trading day adjustments. Moreover, the timing of holidays has a considerable impact on comparable sales. These impacts vary geographically due to consumer spending patterns.
- System-wide sales include sales at all restaurants and at the two sub-franchised restaurants.

Strategic Direction and Key Growth Initiatives

McDonald's is the world's leading global food service retailer with over 35,000 locations serving around 70 million customers in over 100 countries each day, with system-wide sales of US$ 28.1 billion. More than 80% of McDonald's restaurants worldwide are franchise owned and operated.

Over the last 18 years, McDonald's India has led the Western Fast Food sector with a network of over 350 restaurants across the country. Every year, over 320 million customers visit McDonald's restaurants in India.

HRPL has been the custodian of the McDonald's brand in west and south India since 1996 with its first restaurant in Bandra, Mumbai. In its markets, HRPL today serves approximately 175 million customers, annually with a consistent focus on QSC&V (quality, service, cleanliness and value). Over the years, HRPL's success has been built on its commitment to the delivery of QSC&V to customers through its proficient restaurant employees. Getting QS&C consistently and the overwhelming appreciation of value keep customers satisfied and sustain our competitive edge.

In India, McDonald's is an example of a global brand that has successfully become locally relevant by building consumer-centric propositions. Following the glocalisation philosophy in the country, HRPL localised the McDonald's menu. The company's understanding of Indian sentiments led it to introduce a number of McDonald's menu items customised to Indian tastes and preferences, many for the first time across its worldwide system, such as the McAloo Tikki™ burger, Veg Pizza McPuff™, Maharaja Mac™ and the Masala Grill (vegetarian and non-vegetarian) besides others. Yet, every product served across its restaurants in India has the stamp of McDonald's uniqueness. Additionally, no McDonald's restaurant in India serves either beef or pork. Moreover, vegetarian and non-vegetarian ingredients are separated from the processing centres to the kitchens.

Value for money has always been McDonald's' greatest pride. The McDonald's menu is priced such that the largest segment of Indian consumers can easily afford it while at the same time, ensuring that quality is not compromised. HRPL serves hygienic and delicious food together with constant efforts to provide more to customers through various new offers and introductions in the menu. The 'Happy Price Menu', the Extra Value Meals and the McValue Lunch give the most affordable food options to customers every time, every day.

Our approach to offer affordable value to our customers is complemented by a focus on driving operating efficiencies, leveraging our scale and supply chain infrastructure and our suppliers' risk management practices to manage costs.

Our robust supply chain serves as a competitive advantage for the brand. Prior to the launch of its first restaurant in 1996, HRPL, along with its suppliers, invested six years to develop its unique cold chain. Several of McDonald's global vendors partnered with local players to set up the supply chain infrastructure, resulting in considerable cost optimization for the brand through local sourcing. Over the years, we worked directly with farmers, eliminating middlemen, dealing only in best quality ingredients and optimizing costs. Integration with farms, increased farm acreage, increased capacity and plant locations nearer to raw material sources help mitigate inflationary impacts. We also remain focused on reviewing our capacities and on increasing productivity at the farms and supplier facilities to help control food inflation. Through our 18-year journey, we, along with our suppliers, invested over USD 150 million to increase capacities and to equip ourselves to meet the growing needs of our consumers in the coming years.

HRPL stepped up brand investments in the right opportunities and on driving operational efficiencies –reduction in food, paper and distribution costs along with increased efficiency in product management and menu pricing – resulting in gross margin expansion of ~195 bps in 2013-14. Your Company continued to advance its efforts around augmenting the eating-out experience, offering the best food and beverage options and delivering exceptional service.

In 2013-14, our unique value platforms, great tasting premium menu selections, locally-relevant menu variety and convenience and service enhancements differentiated the McDonald's experience for our customers.

During the year under report, we continued to focus on customer needs and formulated strategies in line with our growth priorities of:

(a) Broadening accessibility of our brand by opening new restaurants and efficient business unit economics

(b) Growing baseline sales through product innovations, providing value for our customers and offering various conveniences

(c) Expanding margins by leveraging our scale and further improving our supply chain management

(d) Growing by investing in training and development of our people towards building skills for the future. We believe these priorities remain relevant and actionable to our business objectives and will drive long-term sustainable growth.

Despite challenging economies and a relatively flat or declining Informal Eating Out (IEO) segment, in 2013-14, we continued to grow market share amid a more competitive environment and our results demonstrate how we dynamically navigated through the weakened economic scenario.

Initiatives supporting our growth priorities resonated with customers and drove increases in our total sales by 8.2% while system-wide comparable sales (SSSG) for the fiscal stood at (6.4%), against a backdrop of tepid consumer sentiment.

As a result, restaurant operating margin[1] stood at 12.5% in 2013-14 as a percentage of total revenues, as compared with 14.2% in 2012-13, down largely on account of increased occupancy and utility costs. Over 40% of our 184 restaurants form a part of the new restaurant base, which is less than three years old. As these new restaurants mature over the coming years, they are expected to contribute positively to our cash flow.

In 2013-14, cash flow from operations was ₹380.3 million. Our substantial cash flow provides us flexibility to fund capital expenditure. A capex of ₹1,251 million was invested in our business primarily to open new restaurants and increase accessibility.

We were also able to execute our strategies in our markets; however, in 2013-14, we faced top and bottomline pressures, some as a result of planned strategic decisions, and others driven by the external environment.

As on March 31, 2014, HRPL's restaurant footprint stood at 184, a growth of ~20% over the previous year. We have grown the number of restaurants at a CAGR of ~19% over the past three years.

These results were achieved despite a macroeconomic slowdown in the IEO segment and heightened competitive activity. In the second half of the year, we experienced softer performance; therefore, we adjusted our plans to re-energize our all-day, everyday value offerings while providing the menu variety and experience customers expect from McDonald's.

[1]Restaurant Operating Margin represents the total revenue of company operated restaurants less the operating costs of these restaurants (including royalty etc.) before depreciation and corporate overheads; expressed as a percentage of total revenue.

Broadening Accessibility:

We broadened the accessibility of our convenient locations through the addition of new restaurants, extended hours and efficient Drive-Thru service. Furthermore, we increased our accessibility and convenience, initiating the utilization of all day-parts with extended operating hours at our breakfast and highway restaurants, web and mobile ordering through McDelivery™ and dessert kiosks, among others.

We built an efficient real estate portfolio by engaging in structured long-term deals with sites or locations and land owners. A portfolio approach drives us to build long term competitive advantage along with huge focus on quality of real estate. This approach means building a strong diversified portfolio of restaurants by operating in food courts, malls, high street retail and free standing Drive Thru restaurants. We continue to focus our efforts on opening high quality restaurants with long leases and favorable terms while focusing on growing our Drive Thru portfolio, which gives your Company a real estate competitive advantage. We believe that building a balanced portfolio of restaurants is the best long-term growth strategy to capitalize on the opportunity in India.

We continued to pursue our aggressive but sustainable long-term growth approach backed with clear strategies and well-focused execution at the restaurants while continuously driving efficient unit economics. The growth momentum remained unabated through 2013-14 as we added 29 new restaurants, representing a ~20% unit growth over the previous year. We entered cities of Rajkot and Palakkad in the states of Gujarat and Kerala, respectively, with our first restaurant. While new restaurants help us get a larger number of customers into our fold, it also ensures that the brand remains an integral part of community life.

We believe that the key to your Company's growth is through increase in accessibility of brand McDonald's to the Indian consumer through expanding the restaurant base. We will stay the course to open 175 to 250 new restaurants in the next five years across west and south India.

Growing Baseline Sales:

Even when inflation was eating away into disposable incomes, we continued to deliver value to our customers through unique value platforms, great tasting premium menu selections, locally-relevant menu variety and convenience and service enhancements.

During 2013-14, we consistently advanced our strategy on developing newer offerings that can best fulfill existing and emerging consumer needs. We introduced locally relevant menus that featured a blend of premium burgers, classic menu favourites, limited-time offers as well as everyday value offerings. Premium Royale burgers, Masala Grill range and Piri-Piri McNuggets™ and limited time offers including McFloat Twisters™, Doubles and McSpicy™ Feast were added to the menu to increase guest visits and revenues. Your Company also invested in building various categories by introducing a variety of wraps, desserts and premium burgers, thereby providing more choices to customers and leveraging existing investments and capacities.

We continued to gain market share through the value platform. In order to make value more accessible, we augmented our value platform with a strategic 'Smile' card loyalty programme to encourage repeat visits. We believe that our approach around 'everyday value' will help grow base sales and increase the frequency of guest visits. We advanced our value initiatives by sustaining the Happy Price Menu™. The everyday value was further leveraged through the McValue™ lunch and Extra Value Meals that allow customers to buy meals at a discount of over 30%. Furthermore, in order to engage with families, HRPL celebrated the 'Spicy Food' event, a limited time offer, with a range of new product offerings. This range enabled your Company to introduce and embed the spicy range among our customers.

Strategic investments in formats such as Drive-Thru's and brand extensions like McDelivery™ and breakfast platforms have helped your Company create a portfolio that builds brand differentiation and yields long-term results. Brand extensions have provided more accessibility to customers and serves as an important growth lever for HRPL.

Focus continues on further building brand extensions like breakfast, McDelivery™, dessert kiosks and McCafé, maximizing day-part utilization and enhancing restaurant economics.

Tapping into the US$ 230 million Indian cafe market, HRPL launched McCafé in Mumbai, a new brand extension that serves specialty coffees and desserts, generally located in a separate area inside restaurants. During 2013-14, your Company seeded five McCafé's in Mumbai to help accelerate its beverage growth strategy. HRPL plans to add 75-150 McCafé's over the next 3-5 years, expanding its café market presence in west and south India.

To further build on our competitive advantage, we focused on operational excellence initiatives to drive customer satisfaction as we strived to deliver fast, accurate and friendly service with every order.

We strengthened our convenience initiatives through optimizing the delivery business by introducing operational efficiencies with the '29 minute delivery guarantee' and by augmenting our digital engagement capabilities with the launch of web and mobile ordering facilities under McDelivery™. Brand extensions into online delivery has proved to be a success as almost 25% of revenues come from online and web ordering. Additionally, your Company significantly stepped-up investments in digital efforts, launching cashless facilities and free Wi-Fi across all HRPL restaurants.

Our breakfast business has expanded and is offered in over 100 restaurants. We sharpened our focus on the breakfast day-part by building on advances that were made in 2012-13 through the second 'National Breakfast Day'. Dessert continued to play a meaningful role with the addition of more dessert kiosks. These brand extensions will continue to add to baseline sales as your Company's offerings and reach grow in scope and scale.

We continued to modernize the customer experience through our major remodeling initiatives, which provides contemporary restaurant designs and retailing efforts. The enhanced appearance and functionality of our restaurants deliver a more relevant experience to our customers. A significant number of existing restaurants were remodeled during 2013-14 with the majority adding McCafé's capacity to capture additional guest visits.

Interestingly, almost 2,000 birthday parties are celebrated in a year at McDonald's restaurants across west and south India, which reflects the integral nature of the brand with consumer lives and highlights its importance as a fun destination. We also continued to focus on families, tying-up with two large franchises (Tom & Jerry and Doraemon), which catalyzed family footfalls.

Margin Expansion:

We continued to enhance the margin profile by driving the operating leverage and leveraging the cost structure through scale via effective supply chain management. During 2013-14, HRPL's supply chain partners expanded and set up capacities closer to the restaurants location helping in reduction of distribution costs thereby resulting in expansion of gross margins by ~195 bps during the year. However, in the short term, margins would continue to be subdued largely attributed by Company's plans to broadening the accessibility of brand McDonald's through opening new restaurants and continuous investment in people to drive future business growth. While, all these initiatives will impact operating margins in the near term, it would also drive significant operating leverage once the consumer sentiment stabilizes and footfalls and volumes start to grow across restaurants.

During 2013-14, gross margins were impacted positively through the better management of menu price increases and product mix. We continued to advance our strategy of further strengthening brand extensions like breakfast, McDelivery™, dessert kiosks and McCafé to leverage day-part utilization and enhance unit economics. These brand extensions will continue to enhance the company's margin profile as its offerings and reach grow in scope and scale.

Investing in our people:

We are an employer of opportunity, providing quality employment and long-term career prospects to more than 7,500 young people as of March 31, 2014. For many of our employees, we are their first employer, providing formal jobs opportunities that include benefits, medical coverage, training and flexibility. We believe in nurturing and grooming fresh talent. We make a long-term investment in our employees, imparting interpersonal and organizational skills, crucial for effective functioning on any job anywhere else.

Every employee is imparted with the 'Skills for Life' training, a strong foundation to coach them on valuable customer service and leadership skills that can be applied to a wide range of career paths in the future. On-the-job and off-the-job mentoring is provided through international learning programmes that are adapted to local training requirements.

Many of our employees are high school graduates and we encourage them to pursue higher studies. Extensive training is provided at each level to help our employees grow in rank at the organisation and build a secure future. We have developed alliances with educational institutions to provide special courses at discounted fees to employees. These courses include Veta Fluent English course, BBA in Retail and Symbiosis, Welingkars' and Richard Ivey post-graduate courses. Today, there are several examples of people who started out in the organisation as high school graduates and now head multi-crore business verticals.

We have a unique concept of flexible working hours for all. This enables employees to pursue studies while they earn. An employee can choose to come to work between 8 a.m. and 10 a.m., at the head office level. Similarly, at the restaurant level employees can choose to work in a shift that they prefer. Our talent pool continues to thrive and contribute to the growth of the organisation.

Challenges

- **Economic slowdown:** Even as India's GDP grew among the slowest in a decade in 2013-14 at 4.7%, consumer sentiment was significantly affected, impacting your Company's revenues. However to counter this to an extent, we utilized the downtime to introduce new product offerings, engage in cost management and pricing reassessment.
- **Food inflation:** Even as food inflation touched an all-time high of 11.16% in November 2013 (MOSPI), we remained on the path of our long-term blueprint by establishing 29 new restaurants during the year under review. Moreover, despite average inflation of 8-10% right through the course of 2013-14, we increased weighted average menu prices by only 4-5%, helping protect our brand equity of affordability. We made this possible by engaging in effective and multiple cost management practices.
- **High real-estate costs:** We selected to commission restaurants in under-penetrated areas in line with our policy of building unit economics which entail a portfolio approach ensuring balanced investments and entering into moderate rental agreements followed by revenue-sharing formats, leading to win-win prospects.

McDonald's intends to address these challenges through prudently leveraging the parent brand, implementing cost management initiatives, ushering in supply chain efficiencies and introducing new menu offerings, leading to QSR leadership.

Comments on Financial Performance

Results from the year:

- Consolidated revenues increased by 8.2% year-on-year to reach ₹7,403 million
- Consolidated operating EBIDTA stood at ₹531.6 million
- Consolidated profit after tax stood at ₹9.5 million
- Consolidated cash profit stood at ₹487.6 million
- The cumulative base stood at 184 restaurants with gross additions of 29 new restaurants

WESTLIFE DEVELOPMENT LIMITED

Consolidated Financial Performance

₹ in Millions

Particulars	For the year ended March 31, 2014	For the year ended March 31, 2013
REVENUES		
Sales	7,319.0	6,756.3
Other Operating Income	64.9	62.7
Other Trading Revenues	19.1	23.7
TOTAL REVENUES	**7,403.1**	**6,842.7**
OPERATING COSTS AND EXPENSES		
Store Operating Cost and Expenses		
Food & Paper	3,192.6	3,083.1
Payroll and Employee Benefits	662.4	576.0
Royalty	231.9	213.1
Occupancy and Other Operating Expenses	2,388.1	1,997.2
General & Administrative Expenses	**423.9**	**355.8**
Other (Income)/Expenses, (net)	**(41.0)**	**(56.1)**
Other Trading Operating Cost and Expenses	**13.7**	**18.4**
TOTAL OPERATING COSTS AND EXPENSES	**6,871.5**	**6,187.5**
OPERATING EBIDTA	**531.6**	**655.1**
Extra-ordinary Expenses[1]	43.7	2.5
Financial Expense (Interest & Bank Charges)	46.3	5.9
Depreciation	435.0	313.4
PROFIT BEFORE TAX	**6.6**	**333.4**
Taxes	(3.0)	0.8
PROFIT AFTER TAX	**9.5**	**332.5**
CASH PROFIT	**487.6**	**655.4**

[1] One-time expense due to scheme of arrangement and on account of assets written off pertaining to restaurants relocation/closure.

Consolidated Operating Results

Total Revenues

The Company's revenues consist of sales by Company-operated restaurants. In 2013-14, the Company recorded a revenue growth of 8.2% to ₹7,403.0 million, compared with ₹6,842.7 million last year, riding on the restaurant operations of its subsidiary, Hardcastle Restaurants Pvt. Ltd. (HRPL), a master franchisee for west and south India operations of McDonald's Restaurants. The increase in revenue was primarily driven by the establishment of new restaurants. The Company added 29 new restaurants, taking the total restaurant count to 184 restaurants across west and south India. In 2013-14, comparable sales (same-store sales growth) was ~6.4% compared with 6.2% in the previous year, demonstrating a challenging market scenario. Weak comparable sales reflected a muted consumer sentiment across markets amid a sluggish IEO segment. Over the last five years, the company grew total revenues at a 28% CAGR.

Gross Margins

During the review period, food, paper and distribution costs (FPD) increased to ₹3,192.6 million, compared with ₹3,083.1 million in 2012-13. In order to address these rising costs, the Company strengthened its supply chain by expanding the farm acreage and increasing productivity across the supply chain and at the restaurant level. During the year, the Company delivered improvement in gross margins by ~195 bps Y-o-Y, fuelled by efficiencies in supply chain through sourcing network optimization, logistical efficiency through improved utilizations and by other such measures as improvement in energy efficiency, wastage reduction, yield improvement, better product mix and increase in menu prices.

McDonald's menu features burgers, finger foods, wraps and hot and cold beverages besides a wide range of desserts. The Company introduced several new products like the Masala Grill range, McNuggets, Saucy Chipotle Wraps and a few limited time offers like McFloat Twisters, Doubles and McSpicy feast, at multiple price levels, catering to different customer needs. As an extension, the Company launched two large global properties for children – Tom & Jerry and Doraemon, which helped drive footfalls and families into stores, especially during festive occasions like Diwali, Christmas and the New Year.

Restaurant operating Margin (RoM)

Restaurant operating margin represents total revenues from company-operated restaurants less operating cost of these restaurants (including royalty etc) before depreciation and corporate overheads. In 2013-14, the Company reported a RoM of ₹928.2 million, compared with ₹973.2 million in the previous year. Restaurant margin stood at 12.5%, compared with 14.2% in fiscal 2013. This was impacted largely due to inflationary pressures on utility costs and increased employee-related expenses, mainly due to expansion in the restaurant network and increase in wage rates. The company continues to be in an expansion mode, adding 29 restaurants during the year, which lead to higher utility and occupancy expenses in the early years. The company also incurred expenses pertaining to marketing, advertisement and promotions necessary for building and maintaining the brand image.

General & Administrative (G&A) Expenses

Despite a challenging market environment, the company continued to invest in its talent pipeline to ensure smooth management and operations of its business both today and in the future. In 2013-14, general & administrative expenses increased to ₹423.9 million, compared with ₹355.8 million in 2012-13.

General and administrative expenses as a percentage of total revenues stood at 5.7% in 2013-14 and 5.2% in 2012-13. The management believes that analyzing general and administrative expenses as a percentage of total revenues are meaningful because these costs are incurred to support the overall business.

Operating EBITDA

Operating EBITDA is defined as income before interest, depreciation, taxes and extraordinary item (if any). Operating EBITDA stood at ₹531.6 million in fiscal 2014, compared with ₹655.1 million in fiscal 2013.

Operating EBITDA margin is defined as operating EBITDA as a percentage of total revenues. Operating EBITDA margin was 7.2% in fiscal 2014 and 9.6% in fiscal 2013.

Financial Position and Capital Resources

Cash Flows

The Company generates cash from operations and has substantial credit availability and capacity to fund operating spending such as capital expenditure and debt repayment. The company also needs cash primarily to fund various requirements in its restaurants, pay interest and taxes and for other general corporate purposes. In addition to cash and equivalents on hand and cash generated by operations, the Company can meet these capital requirements through a variety of sources including short and long-term lines of credit arrangements and issuance of share capital.

As of March 31, 2014, the Company had cash and cash equivalents of ₹1,707.8 million. This primarily represents cash and balances with banks in India and investments in liquid funds/ FMPs.

Restaurant Development and Capital Expenditure

In 2013-14, the Company expanded its footprint with gross additions of 29 new restaurants and also invested in re-imaging activities relating to building interiors and exteriors to enhance the overall dining experience at its restaurants. For these purposes, the Company invested ₹1,251 million towards capital expenditure. These were largely funded through internal cash accruals and cash reserves with minimal external borrowings. During the year, the company closed/relocated six restaurants across various locations in west and south India.

The Company closes or relocates restaurants for a variety of reasons such as existing sales and profit performance or completion of real estate tenure.

Outlook

We are focused on delivering great-tasting, high-quality and affordable food and beverages and an exceptional experience to our customers. By leveraging our competitive advantages, we are well-positioned to pursue long-term opportunities that exist in the over US$ 95 billion IEO segment.

We remain focused on matters within our control with the customer as our first and central priority. We plan to strengthen our relationship with customers through restaurant expansion and further leveraging consumer insights in our efforts for broader consumer reach.

We will continue to execute our four growth priorities to broaden accessibility to brand McDonald's, grow our baseline sales through expanding our menu and leveraging various product platforms, margin expansion driving gross margins and operating leverage and enabling growth through our people resources.

Even as the external environment remains under the grip of inflation and weak customer sentiment lowering informal eating out (IEO) spends, the company plans to have ~250 restaurants by 2015 along with building everyday value for consumers and rewarding consumer loyalty. Menu changes and introductions will focus on attracting customers and improving margins with a three-year perspective. This is in line with our established policy of evolving with changing cost realities. The Company plans of grow its base by 175-250 stores over the next five years, providing robust revenue growth visibility.

We are optimistic as 60% of the country's population is under 30 years and 74% of McDonald's visitors are drawn from this age segment. We will continue to focus on Drive Thru's, cost optimization and economies-of-scale that will enhance shareholder value.

Furthermore, the company is committed to grow the business sustainably and making a positive difference to the society.

Industry challenges

The challenges faced by the country's food service industry include:

- Economic and market factors such as food cost inflation, a fragmented market scenario and increasing competition
- Operational challenges including the availability of affordable real estate, manpower and disjointed supply chain
- Regulatory concerns such as high taxes, new taxes and over-licensing

Risk review

- **Economic slowdown:** Any slowdown in the economy can impact the food services industry as it can impact disposable income of consumers which, in turn, will affect sales
- **Inflation:** Any rise in inflation can lead to pressure on pricing, which would result in depressing margins
- **Supply chain:** Any disruption in the supply chain can adversely impact the supply of ingredients to outlets and the freshness of finished products
- **Competition:** Any competition in the industry may rise further as new players enter the market and investments from foreign investors rise. As the QSR space expands further in India, competition is likely to increase
- **Response in new markets:** Although there is a robust expansion plan in place, the response may not be in line with expectations in certain markets

Internal controls and systems

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

Westlife Development Limited is 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. We may also consider including audits by McDonald's Corporation.

The Internal Audit (IA) team is of a wholly-owned subsidiary and key members of the Internal Audit (IA) team are also key managerial personnel of Westlife Development Limited (WDL) and keep the WDL Audit Committee and Board apprised of the Internal Audit function.

There is an Internal Audit (IA) Committee comprising senior cross functional members. The Internal Audit Committee is actively engaged in evaluating and improving various functions and activities of the Company including store operations, marketing and capital expenditure. The Committee is ably supported by external and independent chartered accountant firms specialized in the domain of Internal Audit.

Human resource management

The company's human resource agenda for the year was focused on strengthening the following key areas: building a robust and diverse talent pipeline, enhancing individual and organizational capabilities for future readiness, driving greater employee engagement and strengthening employee relations further through progressive people practices at the restaurants.

The company is widely acclaimed for its people development practices and has reinforced its position in this area. This, coupled with the ability to attract the best talent, imparts a competitive edge to the organization.

The aim is to meet the requirements of the current talent pool and to enhance future readiness. In addition to building core capabilities in marketing, sales and distribution, HRPL has also invested in the areas of frontline capabilities to craft a brand to win in the future.

The company has developed comprehensive plans in each of these key areas that are customized to suit present and future business needs.

The company undertook intensive training programmes through a combination of face-to-face and virtual learning approaches.

Report of the Board of Directors to Members

Your Directors are pleased to present their Thirty-First Annual Report and Audited Statement of Accounts for the year ended March 31, 2014.

Consolidated Financial Highlights of Westlife Development Limited:

The consolidated financial highlights of Westlife Development Limited are as follows:

₹ in Millions

	For the year ended March 31, 2014	For the year ended March 31, 2013
REVENUE FROM OPERATIONS	7,403	6,843
Total expenses excluding Depreciation, Interest and Tax	6,972	6,242
EBITDA	488	653
Profit for the year (before adjustment for Minority Interest)	7	333
Less: Share of Profit transferred to Minority Interest	-	120
Profit for the year (after adjustment for Minority Interest)	10	213

Your Directors are pleased to present their Thirty-First Annual Report and audited Statement of Accounts for the year ended March 31, 2014.

STANDALONE FINANCIAL STATEMENT:

₹

	For the year ended March 31, 2014	For the year ended March 31, 2013
Profit before Depreciation	(8,69,363)	2,44,91,301
Less : Depreciation	4,786	6,088
Profit before Exceptional Items & tax	(8,74,149)	2,44,85,213
Less : Exceptional Items	-	-
Profit/ (Loss) before Tax	(8,74,149)	2,44,85,213
Provision for Taxes	-	34,12,400
MAT Credit Entitlement	(20,26,515)	(20,26,515)
Deferred Tax Liability/ (Asset)	(27,30,204)	(6,67,570)
Tax adjustments for earlier years	(22,86,108)	(16,832)
Profit/ (Loss) for the year	21,15,648	2,37,83,730
Add : Balance brought forward	2,05,67,264	(30,19,478)
Less : Appropriations		
- Proposed Dividend on Preference Shares	-	1,68,373
- Tax on Proposed Preference Dividend	-	28,615
- Adjustment pursuant to the composite scheme of arrangement	(4,47,08,474)	-
Balance carried forward	(22,025,562)	2,05,67,264

In order to conserve reserves, no dividend is being recommended.

STANDALONE OPERATING PERFORMANCE:

During the financial year 2013-14, the global economic environment was on a slow growth path. However, despite the prevailing uncertainties, the Company achieved a fairly steady growth and recorded a satisfactory after tax profit of ₹21.16 lakhs as against a profit of ₹2.38 crores last year.

The Company is an operating-cum-investment Company engaged primarily in the business of promotion and operation of Quick Service Restaurants (QSRs) through its subsidiary, which is a Development Licensee/ Master Franchisee of McDonalds' and operates QSRs under the brand name McDonald's.

SUBSIDIARY COMPANY :

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

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

DIRECTORS & MANAGEMENT :

Pursuant to the provisions of Section 152 of the Companies Act, 2013, the office of Mr. Amit Jatia is liable to retire by rotation at the ensuing Annual General Meeting, and being eligible, he offers himself for re-appointment. The Board recommends his re-appointment.

During the year under review, pursuant to the provisions of Section 161 of the Companies Act, 2013, Ms. Smita Jatia and Mr. Manish Chokhani were appointed by the Board as Additional Directors of the Company at its Board meeting held on 18th September, 2013. Subsequently, Mr. Tarun Kataria and Mr. Achal Jatia were appointed as Additional Directors of the Company at its Board meeting held on 1st August, 2014. They each hold office till the date of the ensuing Annual General Meeting of the Company. The Board recommends their appointment as Directors of the Company.

Mr. P. R. Barpande, Mr. Dilip J. Thakkar, Mr. Manish Chokhani and Mr. Tarun Kataria are Independent Directors and would hold office for a term of 5 years in terms of Section 149 of the Companies Act, 2013, as set out in more detail in the Notice of the 31st Annual General Meeting sent to members.

During the year under review, Dr Shatadru Sengupta had been appointed Company Secretary and Compliance Officer of the Company.

Significant events:

Share capital:

a) Preferential issue of shares:

Pursuant to the resolution passed by members of the Company at an Extra Ordinary General Meeting held on 16th August 2013, the Directors of your Company on 27.08.2013 allotted 54,04,593 equity shares of ₹2/- each at an issue price of ₹333.05 per share including a premium of ₹331.05/- per share to Arisaig Fund India Limited by way of preferential issue.

b) Employee Stock Option Scheme:

Pursuant to the resolutions passed by members of the Company at an Extra Ordinary General Meeting held on 30th October, 2013, the Company's Articles of Association were amended to enable grant of Employee Stock Options to employees of the Company and of its subsidiary by way of an Employee Stock Option Scheme (ESOS), and the members also approved the introduction and implementation of an ESOS by the name of "Westlife Development Limited Employee Stock Option Scheme – 2013", with a ceiling on the number of options exercisable into equity shares being upto 1% of the equity shares comprised in the paid-up equity share capital of the Company, at such price and on such terms and conditions as may be fixed or determined by the Board in accordance with the SEBI ESOS Guidelines.

SCHEME OF ARRANGEMENT:

Further to what was reported last year, the Bombay High Court had, vide its order dated 19th July, 2013 approved the Scheme of Arrangement between the Company and its subsidiaries As a result, Hardcastle Restaurants Private Limited became the only and a direct subsidiary of the Company.

AUDITORS :

S R Batliboi & Co LLP, Chartered Accountants, Mumbai, statutory auditors of the Company, hold office till the conclusion of the forthcoming Annual General Meeting. The Company has received communication from them that they are not seeking reappointment.

The Company has received communication from S R B C & CO LLP that they are willing to be appointed as auditors. The Company has received a certificate from them to the effect that their appointment, if made, would be within the prescribed limits under Section 139 (1) of the Companies Act, 2013. The Board recommends their appointment.

Members are requested to appoint auditors 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.

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 remained cordial throughout the year.

INTERNAL CONTROL SYSTEMS :

The Company has a proper and adequate internal audit and 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 profit of the Company for that period;

c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with 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 and technology absorption.

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

CORPORATE GOVERNANCE :

Report on Corporate Governance of the Company for the year under review, as per the requirements of Clause 49 of the Listing Agreement, has been given under a separate section and forms part of this Annual Report.

MANAGEMENT DISCUSSION AND ANALYSIS:

A detailed review of operations, performance and future outlook of the Company and its business, as stipulated under Clause 49 of the Listing Agreement, is presented in a separate section forming part of the Annual Report under the heading 'Management Discussion and Analysis'.

AUDIT COMMITTEE:

In accordance with Clause 49 of the Listing Agreement read with Section 292A of the Companies Act, 1956, the Company had constituted an Audit Committee, which consists of three Independent non-executive directors namely; (1) Mr. P.R. Barpande (Chairman), (2) Mr. Dilip Thakkar (member), (3) Mr. Manish Chokhani (member) and one director namely; Mr. Amit Jatia (member). The Audit Committee functions in terms of the role and powers delegated by the Board of Directors of the Company keeping in view the provisions of Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956 and the corresponding provisions of the Companies Act, 2013.

ACKNOWLEDGEMENT :

The Board of Directors wish to express their gratitude and record sincere appreciation for the dedicated efforts of all employees of the Company. The Board is thankful to the esteemed shareholders for their continued support and confidence reposed in the Company. The Board takes this opportunity to express its gratitude for the valuable assistance and co-operation extended by all stakeholders including Government Authorities, customers, banks, vendors, advisors, and other business partners.

For and on behalf of the Board of Directors

Place: Mumbai	Amit Jatia	Smita Jatia
Date: 1st August, 2014	Director	Director

Corporate Governance Report

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

Company's philosophy on Code of Governance:

The Company's corporate governance philosophy rests on the pillars of integrity, accountability, equity, transparency and environmental responsibilities that conform fully with laws, regulations and guidelines and is intended:

- To ensure adequate control systems to enable the Board to efficiently conduct the business and discharge its responsibilities to shareholders.
- To ensure that the decision making process is fair, transparent and equitable.
- To ensure fullest involvement and commitment of the management for maximization of stakeholders value.
- To imbibe the Company's values in the employees and encourage them in their conduct.
- To ensure that the Company follows globally recognized corporate governance practices.

Board of Directors:

i) The Company's Board has three independent non-executive directors as on March 31, 2014, unrelated to each other and not holding any shares in the Company.

ii) The Board met 13 times during the year on April 22, 2013, May 07, 2013, May 15, 2013, June 03, 2013, July 18, 2013, July 20, 2013, July 23, 2013, August 14, 2013, August 17, 2013, August 27, 2013, September 18, 2013, November 8, 2013, and February 7, 2014.

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	Member	Chairman
Mr. Banwari Lal Jatia	12	Yes	1	11	1	1
Mr. Amit Jatia	13	No	5	12	4	-
Mr. Dilip J Thakkar	1	No	13	10	9	5
Mr. Padmanabh Ramchandra Barpande	9	Yes	2	3	4	3
Ms. Smita Jatia (appointed on 18th September, 2013)	2	No	–	2	–	–
Mr. Manish Chokhani (appointed on 18th September, 2013)	1	No	3	4	3	1

The directors did not receive any remuneration or fee from the Company during the year, except for sitting fee received with effect from 18th September, 2013, for attending meetings of the Board and its Committees.

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:

During the year, the audit committee was reconstituted with Mr. P R Barpande, Mr. Dilip J Thakkar, Mr. Manish Chokhani and Mr. Amit Jatia as members, under the Chairmanship of Mr. P R Barpande.

The terms of reference of the Audit Committee cover the matters specified for such committees in Section 292A of the Companies Act, 1956, in Section 177(4) of the Companies Act, 2013, and in Clause 49 of the Listing Agreement.

The Committee met 3 times during the year, on May 15, 2013, November 8, 2013, and February 7, 2014.

Grievance Redressal :

The Shareholders/ Investors Grievance Committee of the Company consists of 3 directors viz. Mr. B L Jatia, Mr. Amit Jatia and Mr. P R Barpande, with Mr. B L Jatia as the Chairman and Dr. Shatadru Sengupta, Company Secretary and Compliance Officer, as its Secretary. No investor complaints were received during the year.

No complaints are pending.

Dedicated e-mail ID for investors' grievances is available at complianceofficer@westlife.co.in

General Body Meetings :

Annual General Meetings :

Location, Date and time of last 3 AGMs.

	Location	Date	Time	No. of special resolutions
1	Brabourne Stadium 87, Veer Nariman Road, Mumbai 400 020	September 28, 2011	2.00 p.m.	Nil
2	Brabourne Stadium 87, Veer Nariman Road, Mumbai 400 020	December 31, 2012	12.00 noon	Nil
3	Brabourne Stadium 87, Veer Nariman Road, Mumbai 400 020	September 11, 2013	12.00 noon	One

One special resolution was passed through postal ballot during the year, vide notice dated 23rd July, 2013, for altering the objects clause in the Company's Memorandum of Association, the result for which was declared on 30th August, 2013,

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 minimization 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) The Company raised ₹179.99 crores through preferential allotment during the last financial year. There was no money raised through public issue or rights issue.

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) During the year under review, the Company had established a whistle blower policy. No personnel have been denied access to the Audit Committee.

x) Relevant details of directors proposed to be appointed are furnished in the Notice of the 31st 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. In addition, the Company displays such results on its website www.westlife.co.in. The results are also published in Free Press Journal (English) and Navshakti (Marathi) newspapers.

The Company issues press releases as and when the occasion arises. Presentations are available on the Company's website.

General shareholder information :

(i)	Annual General Meeting to be held :	
	Date	26th September, 2014
	Time	3 pm
	Venue	Tower-1, 5th Floor, Indiabulls Finance Centre, Senapati Bapat Marg, Elphinstone Road, Mumbai – 400 013
(ii)	Financial year	1st April – 31st March
(iii)	Date of book closure	26th August, 2014
(iv)	Dividend payment date	No dividend is being recommended,

(i) Company's shares are listed on the Bombay Stock Exchange (Stock/Scrip Code : 505533)

(ii) 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 2013-14 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, 2013	730.85	565.25	730.85	19,622.68	18,144.22
May, 2013	1085.55	745.45	1085.55	20,443.62	19,451.26
June, 2013	1198.35	244.40	269.65	19,860.19	18,467.16
July, 2013	341.70	275.00	341.70	20,351.06	19,126.82
August, 2013	437.50	328.80	344.95	19,569.20	17,448.71
September, 2013	400.65	324.20	400.20	20,739.69	18,166.17
October, 2013	423.80	362.65	385.80	21,205.44	19,264.52
November, 2013	418.60	365.95	390.80	21,321.53	20,137.67
December, 2013	395.00	356.35	372.00	21,483.74	20,568.70
January, 2014	400.00	365.00	377.70	21,409.66	20,343.78
February, 2014	400.00	336.00	367.50	21,140.51	19,963.12
March, 2014	388.90	350.05	357.95	22,467.21	20,920.27

vii) Registrars & Transfer Agent :

Sharepro Services (India) Pvt. Ltd
13 AB, Samhita Warehousing Complex, 2nd Floor, Near Sakinaka Telephone Exchange
Andheri-Kurla Road, Sakinaka, Andheri (E), Mumbai 400 072

viii) Shareholding pattern as on 31st March, 2014:

	No. of holders	No. of shares held	Percentage of holding
Promoter group :			
Individuals/ HUF	10	4046107	2.61
Bodies corporate	7	92681369	59.59
Non-promoters :			
Individuals/ HUF	724	15455707	9.93
Bodies corporate	54	11409166	7.34
Foreign Institutional Investors	43	30584743	19.66
Mutual Fund	4	1356503	0.87
	842	155533595	100

Distribution of shareholding as at March 31, 2014:

Shareholding	No. of shareholders	No. of Equity Shares	Shareholding Percentage
1-2500	745	97305	0.063
2501 to 5000	6	16907	0.011
5001 to 10000	11	70772	0.046
10001 to 15000	5	63608	0.041
15001 to 20000	5	91163	0.059
20001 to 25000	1	20779	0.013
25001 to 50000	17	628683	0.404
50001 to 9999999999	52	154544378	99.364
	842	155533595	100

ix) Dematerialisation of shares :

As on 31st March, 2014, 14,36,51,955 shares comprising 92.36% of the Company's paid-up capital were held in dematerialized form under INE 274F01020.

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
   13 AB, Samhita Warehousing Complex,
   2nd Floor, Near Sakinaka Telephone Exchange
   Andheri-Kurla Road
   Sakinaka, Andheri (E)
   Mumbai 400 072
2. Westlife Development Ltd
   1001, Tower-3, 10th Floor
   Indiabulls Finance Centre
   Senapati Bapat Marg, Elphinstone Road,
   Mumbai 400 013

Non-mandatory requirements :

i) During the year, effective 8th November 2013, Dr Shatadru Sengupta had been appointed Company Secretary and Compliance Officer of the Company.

i) The Company had few employees and no remuneration apart from sitting fees was paid to the directors. In view of this, during the year under review, no Remuneration Committee had been constituted; however, there had been constituted a Compensation Committee of the Board of Directors, consisting of Mr. Manish Chokhani, Mr. P.R. Barpande, and Mr. Amit Jatia, Directors, to administer the Westlife Development Limited Employees Stock Option

Scheme-2013, framed pursuant to the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, for the benefit of the employees of the Company and of its subsidiary.

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) During the year under review, there was no formal mechanism for evaluation of performance of the non-executive directors.

vii) During the year under review, the Company had established a whistle blower policy. No personnel have been denied 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.

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 31st March, 2014.

Mumbai
1st August, 2014

Amit Jatia
Chief Executive Officer

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, 2014.

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.

Place: Mumbai
Date: 1st August, 2014

Shailesh A Kachalia
CP 3888
Company Secretary

INDEPENDENT AUDITOR'S REPORT

To
The Board of Directors
Westlife Development Limited

We have audited the accompanying consolidated financial statements of Westlife Development Limited ("the Company") and its subsidiary, which comprise the consolidated Balance Sheet as at 31 March, 2014 and the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

(a) in the case of the consolidated Balance Sheet, of the state of affairs of the Company as at March 31, 2014;

(b) in the case of the consolidated Statement of Profit and Loss, of the profit for the year ended on that date; and

(c) in the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

EMPHASIS OF MATTER

We draw attention to Note 40 of the financial statements for approval awaited from the Central Government for managerial remuneration paid in excess of the amount specified under Schedule XIII of Companies Act, 1956 aggregating ₹20.77 Millions to two whole time directors of a subsidiary company. Pending receipt of such approval no adjustments are considered necessary in these financial statements. Our opinion is not qualified in respect of this matter.

For S.R. Batliboi & CO. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E

per Ravi Bansal
Partner
Membership Number: 49365

Place of Signature: Mumbai
Date: 9 May, 2014

Consolidated Balance Sheet as at March 31, 2014

(₹ in Millions)

	Note No.	As at March 31, 2014	As at March 31, 2013
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share capital	2	311.07	187.46
Reserves and surplus	3	5,299.24	2,440.29
		5,610.31	**2,627.75**
Minority Interest		-	1,426.31
Non-current liabilities			
Long-term borrowings	4	112.92	-
Other long-term liabilities	5	2.20	3.17
Long-term provisions	6	-	4.41
		115.12	**7.58**
Current liabilities			
Short-term borrowings	7	465.54	106.53
Trade payables	8	589.51	576.73
Other current liabilities	9	548.28	531.18
Short-term provisions	10	47.99	37.01
		1,651.32	**1,251.45**
TOTAL		**7,376.75**	**5,313.09**
ASSETS			
Non-current assets			
Fixed assets	11		
Tangible assets		3,424.50	2,733.46
Intangible assets		813.59	755.16
Capital work-in-progress		176.77	394.96
Non-current investments	12	200.00	1.50
Deferred tax assets (net)	13	3.43	0.70
Long-term loans and advances	14	712.38	590.40
Other non-current assets	15	0.96	0.08
		5,331.63	**4,476.26**
Current assets			
Current investments	16	1,386.31	7.97
Inventories	17	199.47	177.33
Trade receivables	18	64.59	92.52
Cash and bank balances	19	121.44	246.71
Short-term loans and advances	20	104.87	173.97
Other current assets	21	168.44	138.33
		2,045.12	**836.83**
TOTAL		**7,376.75**	**5,313.09**
Summary of significant accounting policies	1.2		

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date
For S.R. Batliboi & Co. LLP
Chartered Accountants
Firm Registration No. 301003E

For and on behalf of the Board of Directors
Westlife Development Limited

per Ravi Bansal
Partner
Membership No. 49365

Amit Jatia — *Vice-Chairman*
Smita Jatia — *Director*
Dr. Shatadru Sengupta — *Company Secretary*

Place :- Mumbai
Date :- May 09,2014

Place :- Mumbai
Date :- May 09,2014

Consolidated Statement of Profit & Loss for the year ended March 31, 2014

(₹ in Millions)

	Note No.	For the year ended March 31, 2014	For the year ended March 31, 2013
INCOME			
Revenue from operations (Net)	22	7,403.05	6,842.65
Other income	23	57.02	72.12
Total Revenue (I)		**7,460.07**	**6,914.77**
EXPENSES			
Cost of raw material consumed	24	3,192.55	3,083.12
Purchase of traded goods	25	13.67	18.36
Employee benefits expense	26	907.75	763.19
Other expenses	27	2,858.20	2,397.47
Total (II)		**6,972.17**	**6,262.14**
Earnings before Interest, Depreciation, Tax and Amortisation (EBIDTA) (I) – (II)		**487.90**	**652.63**
Depreciation and amortisation expense	11	435.03	313.36
Finance costs	28	46.33	5.89
Profit before tax		**6.54**	**333.38**
Consists of :			
Continuing Operations		-	304.84
Discontinuing Operations	39	-	28.54
		-	**333.38**
Less : Tax Expenses			
Current Tax		1.55	30.57
MAT credit entitlement		(1.55)	(29.04)
Deferred tax		(2.73)	(0.67)
Taxes Adjustments for earlier years		(2.29)	(0.02)
MAT credit adjustment pursuant to scheme of arrangement (Refer note - 38)		2.03	-
Total tax expense		**(2.99)**	**0.84**
Profit for the year (before adjustment for Minority Interest)		**9.53**	**332.54**
Consists of :			
Continuing Operations		-	305.95
Discontinuing Operations	39	-	26.59
		-	**332.54**
Less: Minority Interest		-	119.91
Profit for the year		**9.53**	**212.63**
Earning Per Equity Share			
{Face value of ₹2 each (Previous year ₹10 each)}			
Basic Earning per Share (₹)	33	0.07	2.33
Diluted Earning per share (₹)	33	0.07	2.33
Summary of significant accounting policies	1.2		

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date
For S.R. Batliboi & Co. LLP
Chartered Accountants
Firm Registration No. 301003E

For and on behalf of the Board of Directors
Westlife Development Limited

per Ravi Bansal
Partner
Membership No. 49365

Amit Jatia — *Vice-Chairman*
Smita Jatia — *Director*
Dr. Shatadru Sengupta — *Company Secretary*

Place :- Mumbai
Date :- May 09,2014

Place :- Mumbai
Date :- May 09,2014

Consolidated Cash Flow Statement for the year ended March 31, 2014

(₹ in Millions)

	For the year ended March 31, 2014	For the year ended March 31, 2013
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	6.54	333.38
Adjustments for :		
Depreciation and amortisation expense	435.03	313.36
Loss on Sale / write off of fixed assets	46.07	7.50
Interest expense	29.39	1.12
Premium on forward contract amortised	11.19	1.96
Interest Income	(0.30)	(5.44)
Gain on sale of current investment	(34.84)	(23.71)
Dividend Income	(12.47)	(8.45)
Unrealised (gain)/loss on foreign exchange	0.62	0.08
Operating profit before working capital changes	**481.23**	**619.80**
Movements in Working Capital		
Decrease/(Increase) in inventories	(22.15)	(27.02)
Decrease/ (Increase) in trade receivables	18.19	(46.76)
Decrease/ (Increase) in long term loans and advances	(64.83)	(90.49)
Decrease/ (Increase) in short term loans and advances	(3.49)	33.04
Decrease/ (Increase) in other current assets	(3.72)	(59.46)
(Decrease)/Increase in trade payables	19.52	210.81
(Decrease)/Increase in long term liabilities	(4.96)	0.45
(Decrease)/Increase in short term liabilities	(34.32)	84.07
(Decrease)/Increase in provisions	6.78	6.48
Cash generated from operations	392.25	730.92
Taxes paid	(11.96)	(34.05)
NET CASH FLOW FROM OPERATING ACTIVITIES	**380.28**	**696.87**
B CASH FLOW FROM INVESTING ACTIVITIES		
Additions to fixed assets & capital work-in-progress	(1,026.76)	(1,348.61)
Proceeds from sale of fixed assets	5.33	2.10
Interest Income	1.61	8.26
Dividend Income	12.47	8.45
Sales of non current investment	-	25.13
Investments in mutual funds	(3,322.13)	(2,094.67)
Proceeds from sale of mutual funds	1,778.63	2,159.24
Investment in / Proceeds from liquidation of fixed deposits	(0.98)	128.80
(With original maturity of three months or more)		
(Increase)/Decrease in long term deposits	(50.00)	(92.75)
NET CASH USED IN INVESTING ACTIVITIES	**(2,601.82)**	**(1,204.05)**

Consolidated Cash Flow Statement for the year ended March 31, 2014

(₹ in Millions)

	For the year ended March 31, 2014	For the year ended March 31, 2013
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from short term borrowings	414.23	106.70
Repayments of short term borrowings	(106.53)	-
Proceeds from long term borrowings	175.00	-
Repayments of long term borrowings	(3.75)	-
Expenses on issue of shares	(32.45)	-
Increase in share capital in subsidiaries	-	421.25
Proceeds from issue of preference shares	-	27.60
Proceeds from issue of equity shares	1,800.00	-
Interest paid	(21.87)	(2.03)
Premium on forward contract paid	(7.62)	-
NET CASH FLOW FROM FINANCING ACTIVITIES	**2,217.02**	**553.52**
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	**(4.52)**	**46.34**
Cash and cash equivalents at the beginning of the year	246.00	199.66
Less : Cash & Cash equivalents transferred to WLR on demerger	(120.23)	-
Less : Cash & Cash equivalents on cancellation of investment in WLR	(0.62)	-
	125.15	199.66
Cash and cash equivalents at the end of the year	120.63	246.00
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	**(4.52)**	**46.34**
Components of cash and cash equivalents		
Balances with banks:		
– On Current Accounts	14.35	8.75
– Deposits with original maturity of less than three months	-	120.00
Cheques on Hand	-	0.14
Cash on Hand	106.28	117.11
Earmarked for specific purpose* (Refer Note i below)	-	-
Total cash and cash equivalents (refer note - 19.1)	**120.63**	**246.00**
*Denotes amount less than ₹1,000		

Note:

i) These balances are not available for use by the Company as they represent unpaid dividend liabilities.

ii) For cash flow in respect of ordinary activities attributable to discontinued operations refer Note No 39.

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date

For S.R. Batliboi & Co. LLP
Chartered Accountants
Firm Registration No. 301003E

per Ravi Bansal
Partner
Membership No. 49365

Place :- Mumbai
Date :- May 09,2014

For and on behalf of the Board of Directors
Westlife Development Limited

Amit Jatia
Vice-Chairman

Smita Jatia
Director

Dr. Shatadru Sengupta
Company Secretary

Place :- Mumbai
Date :- May 09,2014

Notes to the Consolidated Financial Statements for the year ended March 31, 2014

1.1 CORPORATE INFORMATION

Westlife Development Limited is a public limited company incorporated under the Companies Act, 1956 having its registered office at Mumbai. The Company has interests in trading and in quick service restaurant business through its subsidiaries.

1.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation:

(i) The Consolidated Financial Statements (CFS) are prepared in accordance with Accounting Standard (AS) 21 on Consolidated Financial Statements notified pursuant to the Companies (Accounting Standards) Rules, 2006 (as amended) read with General Circular 8 /2014 dated April 4, 2014 issued by the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. The Consolidated Financial Statements comprise the financial statements of Westlife Development Limited ("the Company") and its subsidiaries. The Company and its subsidiaries constitute the WDL Group. Reference in these notes to the 'Company' or 'WDL' shall mean to include Westlife Development Limited and/or any of its subsidiaries, consolidated in these financial statements unless otherwise stated.

(ii) The list of Companies which are included in consolidation and the Parent Company's holdings therein are as under:

Sr. No	Names of the Company	Percentage Holding 31-03-14	Percentage Holding 31-03-13
1	West Leisure Resorts Private Limited (WLR) (Refer Note 38(c))	-	87.34%
2	Westpoint Leisurepark Private Limited (WLPL) (Refer Note 38(a))	-	75.92%
3	Triple A Foods Private Limited (TAF) (Subsidiary of WLPL) (Refer Note 38(b))	-	80.00%
4	Hardcastle Restaurants Private Limited (HRPL) (Subsidiary of WDL in current year and TAF in previous year) (Refer Note 6 below)	99.99%	99.89%

Notes:

1. Each of the above Companies is incorporated in India and the financial statements thereof are drawn up to the same reporting date as that of the parent Company i.e. March 31, 2014.
2. The Consolidated Financial Statements have been prepared and presented in accordance with Generally Accepted Accounting Principles in India (IGAAP), under historical cost convention on an accrual basis. The Company has prepared these financials statements to comply in all material respect with the Accounting Standards notified by Companies (Accounting Standards) Rules, 2006 (as amended) read with General Circular 8 /2014 dated April 4, 2014 issued by the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.
3. The accounting policies adopted in preparation of financial statements are consistent with those of previous year.
4. The Consolidated Financial Statements of the Company and its Subsidiary Companies have been consolidated on a line-by-line basis by adding together the book value of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealised profits/ losses.
5. The Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Company's separate financial statements.
6. WLPL and TAF have been amalgamated with WDL w.e.f. October 01, 2012, consequent to the same HRPL has now become a direct subsidiary of WDL.
7. The difference between the cost of investment in the subsidiaries, and the Company's share of net assets at the time of acquisition of shares in the subsidiaries is recognised in the Financial Statements as Goodwill or Capital Reserve as the case may be. Goodwill arising on consolidation of financial statements of subsidiaries is not amortised. However the same is tested for impairment at each balance sheet date.
8. Minority Interest in the net assets of consolidated subsidiaries is identified and presented in the consolidated Balance Sheet separately from liabilities and equity of the Company's shareholders.

   Minority interest in the net assets of consolidated subsidiaries consists of:

   (a) The amount of equity attributable to minority at the date on which investment in a subsidiary is made; and

   (b) The minority share of movements in equity since the date parent subsidiary relationship came into existence.
9. Minority Interest's share in Net Profit / (Loss) of consolidated subsidiaries for the year is identified and adjusted against the profit after tax of the group.

(b) Use of estimates

Preparation of financial statements in conformity with Indian GAAP requires the management to make judgement, estimates and assumptions that affect the reported amounts of asset, liabilities and the disclosure of contingent liabilities on the date of balance sheet and reported amounts of revenue and expenses for the period. Although these estimates are based on the

management's best knowledge of current events and actions, actual results could differ from the estimates.

(c) Tangible Fixed Assets and Depreciation

(i) Fixed Assets are stated at cost less accumulated depreciation and impairment losses (if any). Cost comprises purchase price and any attributable cost of bringing the asset to its working condition for its intended 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 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 which is 60 years.

Fixed Assets below ₹5,000 are depreciated at the rate of 100% p.a.

(d) Intangible Assets and amortisation

Intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Initial Location & License fees 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 Master Franchise Agreement.

Software is depreciated over a period of 5 years.

(e) Impairment of tangible and intangible assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

(f) Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of long-term investments.

(g) Inventories

Inventories 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.

(h) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Revenue for food items is recognised when sold to the customer over the counter.

Revenue on sale of other goods is recognised when significant risks and rewards of ownership of goods have passed to the buyer, usually on delivery of the goods.

Royalty income, space rental and conducting fees are recognised on an accrual basis in accordance with terms of relevant agreement.

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividend income is recognised when the Company's right to receive dividend is established by the balance sheet date.

Revenue from services is recognised pro-rata over the period of contracts as and when services are rendered or in accordance with the terms and conditions of such contracts.

(i) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds.

(j) Foreign Currency Transactions

Initial Recognition :-

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount, the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion :-

Foreign currency monetary items are reported using the closing rate.

Exchange Differences :-

Exchange differences arising on settlement of monetary items or on reporting monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expense in the year in which they arise.

Forward Exchange Contracts :-

Premium or discount arising at inception of forward exchange contracts is amortised and recognised as an expense or income over the life of the contract. Exchange differences on such contracts are recognised in the statement of profit and loss in the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contracts is recognised as income or as expense for the period.

(k) Employee benefits

Defined contribution plan

State governed Provident Fund, ESIC and Labour Welfare Fund are considered as defined contribution plan and contributions thereto are charged to the Statement of Profit and Loss for the year as they are incurred. There are no other obligations, other than contribution payable to the respective funds.

Defined benefit plan

Gratuity liability is a defined benefit scheme 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. Actuarial gains/losses are recognised in the Statement of Profit and Loss immediately in the year in which they arise and are not deferred. For the purpose of presentation of defined benefit plan allocation between short term and long term provision is made as determined by an actuary.

Other benefits

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

(l) Income Tax

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961.

Deferred tax reflects the impact of timing difference between taxable and accounting income for the year and reversal of timing difference of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted and subsequently enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

At each balance sheet date the Company re-assesses unrecognised deferred tax assets. It recognizes unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

Carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which the deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and the deferred tax liabilities relate to the same taxable entity and the same taxation authority.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the Statement of Profit and Loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal income tax during the specified period.

(m) Earnings per Share

Basic earnings per share is calculated by dividing net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by weighted average number

of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(n) Operating Leases

Where Company is lessee:

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets are classified as operating leases. Operating lease payments are recognised as an expense in the Statement of Profit and Loss.

Where Company is lessor:

Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the assets are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income on an operating lease is recognised in the Statement of Profit and Loss. Costs, including depreciation are recognised as an expense in the Statement of Profit and Loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognised immediately in the Statement of Profit and Loss.

(o) Provisions

A provision is recognised when the Company has a present obligation as a result of a past event and 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 best estimates required to settle the obligations at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

(p) Contingent Liability

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. The Company does not recognise a contingent liability but discloses its existence in the financial statements.

(q) Cash and Cash Equivalents

Cash and cash equivalents for the purpose of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

(r) Segment Reporting

Identification of Segments

The Company's operating businesses are organised and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. Analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

Allocation of Common Costs

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated Items

Unallocated items include general corporate income and expense items which are not allocated to any business segment.

Segment Accounting Policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

(s) Employee stock compensation cost

The Company measure compensation cost relating to Employee Stock Option using the "intrinsic value" method. Discount on equity shares as compensation expenses under the Employee Stock Option Scheme, is amortised in accordance with the Employee Stock Option Scheme and Employee Stock Purchase Scheme guidelines, 1999 issued by the Securities and Exchange Board of India and the Guidance Note on Accounting for Employee Share-based payments, issued by the Institute of Chartered Accountants of India

(t) Measurement of EBITDA

As permitted by the Guidance Note on the Revised Schedule VI to the Companies Act, 1956, the Company has opted to present earnings before interest, tax, depreciation and amortisation (EBITDA) as a separate line item on the face of the Statement of Profit and Loss. In its measurement, the Company does not include depreciation and amortisation expenses, finance costs and tax expense but includes other income.

Notes to the Consolidated Financial Statements for the year ended March 31, 2014

(₹ in Millions)

	As at March 31, 2014	As at March 31, 2013
2 SHARE CAPITAL		
Authorised Share Capital		
160,925,000 (Previous Year 19,540,000) Equity Shares of ₹2 each (Previous Year ₹10 each)	321.85	195.40
460,000 (Previous Year 460,000) 8% Cumulative Redeemable Preference Shares of ₹10 each	4.60	4.60
	326.45	200.00
Issued, Subscribed and Paid-up Capital		
155,533,595 (Previous Year 18,286,010) Equity Shares of ₹2 each (previous year ₹10 each), fully paid up	311.07	182.86
Nil (Previous Year 460,000) 8 % Cumulative Redeemable Preference Shares of ₹10 each, fully paid up	-	4.60
Total issued, subscribed and paid-up share capital	311.07	187.46

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

Equity shares

Particulars	March 31, 2014		March 31, 2013	
	No. of Shares	(₹ in Millions)	No. of Shares	(₹ in Millions)
At the beginning of the year	18,286,010	182.86	16,000,000	160.00
Issued during the year - Bonus Issue*	-	-	2,286,010	22.86
Total	18,286,010	182.86	18,286,010	182.86
Sub division of shares of ₹10 each into 5 shares of ₹2 each	91,430,050	182.86	-	-
Issued during the year	64,103,545	128.21	-	-
Outstanding at end of the year	155,533,595	311.07	18,286,010	182.86

*Issued to non-promoter shareholders

Preference shares

Particulars	March 31, 2014		March 31, 2013	
	No. of Shares	(₹ in Millions)	No. of Shares	(₹ in Millions)
At the beginning of the year	460,000	4.60	-	-
Issued during the year	-	-	460,000	4.60
Cancelled during the year (pursuant to the scheme of arrangement)	460,000	4.60	-	-
Outstanding at end of the year	-	-	460,000	4.60

During the year, the Company has sub-divided equity shares having face value of ₹10 each into 5 shares having face value of ₹2 each. Consequently the number of shares as at March 31, 2013 is not comparable.

During the year, paid up share capital of the Company increased consequent to the issue of 28,994,852 (previous year Nil) equity shares of ₹2 each on amalgamation of Westpoint Leisureparks Private Limited (WLPL) and 29,704,100 (previous year Nil) equity shares of ₹2 each on amalgamation of Triple A Foods Private Limited (TAF). (Refer Note - 38)

During the year, 5,404,593 equity shares of ₹2 each are issued to Arisaig Partners (Asia) Pte Ltd. A/c Arisaig India Fund Limited at ₹333.05 per share on preferential basis.

ii) Terms/ Rights attached to Equity Shares :

The Company has only one class of Equity Shares having par value of ₹2 (previous year ₹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 the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended 31st March 2014, the amount of dividend per share recognized as distribution to equity shareholders was NIL (previous year NIL).

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

Notes to the Consolidated Financial Statements for the year ended March 31, 2014

iii) Terms/Rights attached to Preference Shares:

In the previous year, the Company had only one class of Preference Shares having par value of ₹10 per share. These shares carried a right to cumulative dividend of 8% p.a. The shares were redeemable at any time within 20 years from the date of issue at the option of the Company by giving a 48 hour prior written notice to the holders at the specified redemption price.

iv) Details of aggregate number of shares issued for consideration other than cash and bonus shares issued during the period of 5 years immediately preceding the reporting date

Equity Shares allotted as	March 31, 2014 *	March 31, 2013**
Fully paid up to the shareholders of WLPL in accordance with the composite scheme of arrangement	28,994,852	-
Fully paid up to the shareholders of TAF in accordance with the composite scheme of arrangement	29,704,100	-
Equity Shares allotted as fully paid Bonus Shares by capitalization of General Reserve, Reserve Fund, Securities Premium and Surplus in Statement of Profit & Loss	11,430,050	18,086,010

* face value of ₹2 each

** face value of ₹10 each

v) Details of Shareholders holding more than 5% shares in the Company

a) Equity Shares of ₹2 each (previous year ₹10 each) fully paid up

Particulars	March 31, 2014		March 31, 2013	
	No. of Shares held	% of shares held	No. of Shares held	% of shares held
Subh Ashish Exim Private Limited	33,233,707	21.37%	5,347,400	29.24%
Horizon Impex Private Limited	47,285,325	30.40%	7,011,910	38.35%
Rajiv Himatsingka Beneficial owners AKSR Corporate Advisors Private Limited,Yuthika Properties Private Limited and Rajiv Himatsingka Partners of M/s Decent Enterprises	12,950,000	8.33%	2,870,000	15.70%
Makino Holdings Limited	11,881,640	7.64%	-	-
Arisaig Partners (Asia) Pte Ltd. A/c Arisaig India Fund Limited	11,565,500	7.44%	-	-

(b) 8 % Cumulative Redeemable Preference Shares of ₹10 each fully paid up:

Particulars	March 31, 2014		March 31, 2013	
	No. of Shares held	% of shares held	No. of Shares held	% of shares held
Anandveena Twisters Private Limited	-	-	460,000	100%

As per records of the Company, including its register of shareholders/ members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of the shares.

vi) Shares reserved for issue under options:

For details of shares reserved for issue under Employee Stock Option Plan of the Company, Refer Note 41

Notes to the Consolidated Financial Statements for the year ended March 31, 2014

(₹ in Millions)

	As at March 31, 2014	As at March 31, 2013
3 RESERVES AND SURPLUS		
a) Capital Reserve		
Balance as per last Financial Statements	0.67	0.67
Less : Adjustment pursuant to cancellation of investment in WLR (Refer Note 38 (c))	(41.75)	-
Less: Adjustment pursuant to transfer of business to WLR (excess of assets over liabilities) (Refer Note 38 (c))	(157.58)	-
Add : Adjustment of Minority Interest in WLPL (Refer Note 38 (a))	674.53	-
Add : Adjustment of Minority Interest in TAF (Refer Note 38 (b))	629.08	-
Add : Adjustment of Minority Interest in WLR (Refer Note 38 (c))	5.30	-
	1,110.25	0.67
b) Securities Premium Account		
Balance as per last financial statements	2,164.00	1,844.03
Add: Premium on issue of Equity Shares	1,789.19	-
Less: Expenses incurred for issue of Equity Shares	(32.45)	-
Add: Premium received during the year on equity / preference shares	-	342.83
Less: Amount utilised towards issue of fully paid bonus shares	-	22.86
	3,920.74	2,164.00
c) Employee Stock Option Outstanding		
Employee Stock Options Outstanding	82.93	-
Less : Deferred Employee Compensation	78.93	-
Outstanding Employee Stock Options	4.00	-
d) Surplus/ (deficit) in the statement of profit and loss		
Balance as per last financial statements	275.62	63.19
Add: Profit for the year	9.53	212.63
Less : Adjustment pursuant to the transfer of business to WLR - Profit for the period October 1, 2012 to March 31, 2013 transferred to WLR (Refer Note 38 (c))	(20.90)	-
Less : Appropriations		
Proposed Dividend on Preference Shares	-	0.17
Tax on Proposed Dividend on Preference Shares	-	0.03
Net surplus in the Statement of Profit and Loss	264.25	275.62
Total	5,299.24	2,440.29

(₹ in Millions)

	As at March 31, 2014	As at March 31, 2013
4 LONG TERM BORROWINGS		
Secured Loan		
Loan from Bank (Refer note i below)	112.92	-
Total	112.92	-

i) During the year, the Company has taken a term loan of ₹175 million from Citi Bank N. A. to finance the capital expenditure. To avail this facility the company has hypothecated i.e. created first exclusive charge on present and future moveable plant, machinery and kitchen equipments that are brought in and stored in any premises of the company including the course of delivery wherever lying and parked. The loan was disbursed in 2 tranches, first tranche of ₹45 million was drawn at an interest rate of 11.50% p.a. and the second tranche of ₹130 million was drawn at an interest rate of 11.20% p.a.. The term loan is repayable in quarterly instalments over a period of 36 months.

The current maturity of the loan taken from Citi Bank N.A. of ₹58.33 million is reported in Note 9 "Other Current Liabilities".

Notes to the Consolidated Financial Statements for the year ended March 31, 2014

(₹ in Millions)

	As at March 31, 2014	As at March 31, 2013
5 OTHER LONG TERM LIABILITIES		
Security Deposits	2.20	3.17
Total	2.20	3.17

(₹ in Millions)

	As at March 31, 2014	As at March 31, 2013
6 LONG TERM PROVISIONS		
Provision for gratuity (Refer Note - 31)	-	4.41
Total	-	4.41

(₹ in Millions)

	As at March 31, 2014	As at March 31, 2013
7 SHORT TERM BORROWING		
Secured		
Loan from Bank - Buyers' Credit (Refer note i below)	125.22	106.53
Loan from Bank (Refer note ii below)	200.00	-
Unsecured		
Bank overdrafts (Refer note iii below)	90.14	-
Inter-Corporate Deposit		
West Leisure Resorts Ltd (Refer note iv below)	50.18	-
Total	465.54	106.53

i) The Company has availed of import financing facility under the buyer's credit scheme of RBI from Citibank. This facility is sanctioned upto ₹250 millions for the purpose of financing capital expenditure w.e.f 3rd October, 2012 for a period of 3 years. To avail this, the Company has hypothecated i.e. created a first exclusive charge on present & future movable plant, machinery, kitchen and other equipments that are brought in or stored in any of the premises of the Company including those in the course of transit or delivery wherever lying or parked. Further, a promissory note of ₹250 millions has been issued as a continuing security. The maximum repayment period is one year from the date of drawdown . The entire facility maybe repayable on demand if the bank gives 7 days notice in advance. Interest is charged @ LIBOR + 2.5% p.a. (3.06% p.a. to 3.39% p.a.) payable monthly. The amount payable denotes the amount outstanding as on March 31, 2014 for the drawdowns that are not yet repaid.

ii) During the year , the Company has availed a revolving short term loan facility of ₹200 million from HDFC Bank Ltd. This facility is sanctioned for the purpose of financial working capital requirements w.e.f January 9, 2014 for a period of 180 days. To avail this, the Company has hypothecated i.e created a first charge on all stock and book debts and also an exclusive charge on the credit / debit card receivables to the extent of ₹400 million by way of hypothecation. Interest is charged at 11.10% p.a. and is payable monthly. The said loan is repayable on maturity.

iii) The Company had availed an overdraft facility of ₹100 million (previous year ₹50 million) with Royal Bank of Scotland with an interest rate of 10.95% p.a. and 18% p.a. if the facility extends beyond ₹100 million. This overdraft facility will be used for financing the working capital requirement and will be repayable on demand.

iv) The Inter Corporate Deposit taken from West Leisure Resorts Ltd carries an interest rate of 11% p.a. and is repayable on demand.

Notes to the Consolidated Financial Statements for the year ended March 31, 2014

(₹ in Millions)

	As at March 31, 2014	As at March 31, 2013
8 TRADE PAYABLES		
Trade payables	589.51	576.73
Total	589.51	576.73

(₹ in Millions)

	As at March 31, 2014	As at March 31, 2013
9 OTHER CURRENT LIABILITIES		
Security Deposits	4.11	2.11
Book overdrafts	104.76	94.53
Statutory Dues	59.36	54.61
Liability for capital expenditure	135.30	183.48
Advance received from supplier	5.00	-
Unearned Revenue	-	21.97
Interest accrued but not due on borrowings	9.92	1.05
Current Maturity of Long Term Borrowings (Refer note i below)	58.33	-
Employee related liabilities	91.25	129.49
Other payables	80.25	43.94
Total	548.28	531.18

i) Current maturity of long term borrowings refer note 4 (i)

(₹ in Millions)

	As at March 31, 2014	As at March 31, 2013
10 SHORT TERM PROVISIONS		
Provision for employee benefits		
Provision for gratuity (Refer Note - 31)	34.11	23.43
Provision for leave benefits	13.88	13.38
Other provisions		
Proposed Dividend on Preference Shares	-	0.17
Tax on Proposed Dividend on Preference Shares	-	0.03
Total	47.99	37.01

Notes to the Consolidated Financial Statements for the year ended March 31, 2014

11 FIXED ASSETS AND DEPRECIATION

(₹ in Millions)

	Gross Block (At cost)				Depreciation / Amortisation				Net Block	
	As on 1st April 2013	Additions	Deductions	As at 31st Mar 2014	As on 1st April 2013	For the year	Deletion	Upto 31st Mar 2014	As at 31st Mar 2014	As at 31 Mar 2013
TANGIBLE ASSETS										
Lease hold Land	10.49	-	-	10.49	1.84	0.17	-	2.01	8.48	8.65
	10.49	-	-	*10.49*	*1.67*	*0.17*	-	*1.84*	*8.65*	*8.82*
Buildings	146.16	-	(0.61)	145.55	70.64	5.50	(0.16)	75.98	69.57	75.52
	146.84	-	*(0.68)*	*146.16*	*65.24*	*5.53*	*(0.13)*	*70.64*	*75.52*	*81.60*
Leasehold Improvements	1,669.82	527.15	(27.91)	2,169.06	374.51	131.87	(19.59)	486.79	1,682.27	1,295.31
	1,152.59	*537.76*	*(20.53)*	*1,669.82*	*289.86*	*99.29*	*(14.64)*	*374.51*	*1,295.31*	*862.73*
Restaurant Equipments	1,673.25	473.13	(29.54)	2,116.84	568.21	203.08	(22.58)	748.71	1.368.13	1,105.04
	1,208.51	*509.70*	*(44.96)*	*1,673.25*	*464.10*	*142.47*	*(38.36)*	*568.21*	*1,105.04*	*744.41*
Furniture & Fixtures	343.93	102.00	(4.99)	440.94	145.16	49.96	(3.30)	191.82	249.12	198.77
	252.92	*104.41*	*(13.40)*	*343.93*	*123.10*	*32.94*	*(10.88)*	*145.16*	*198.77*	*129.82*
Office Equipments	20.14	5.61	(0.02)	25.73	10.56	3.25	(0.02)	13.79	11.94	9.58
	10.01	*10.69*	*(0.56)*	*20.14*	*7.93*	*3.09*	*(0.46)*	*10.56*	*9.58*	*2.08*
Computers	35.38	6.57	(1.62)	40.33	17.37	6.53	(1.62)	22.28	18.05	18.01
	22.50	*13.82*	*(0.94)*	*35.38*	*13.78*	*4.53*	*(0.94)*	*17.37*	*18.01*	*8.72*
Motor Vehicles	52.54	2.87	(6.75)	48.66	29.96	8.50	(6.74)	31.72	16.94	22.58
	36.48	*16.55*	*(0.49)*	*52.54*	*25.49*	*4.96*	*(0.49)*	*29.96*	*22.58*	*10.99*
Sub Total	**3,951.71**	**1,117.33**	**(71.44)**	**4,997.60**	**1,218.25**	**408.86**	**(54.01)**	**1,573.10**	**3,424.50**	**2,733.46**
	2,840.34	*1,192.93*	*(81.56)*	*3,951.71*	*991.17*	*292.98*	*(65.90)*	*1,218.25*	*2,733.46*	*1,849.17*
INTANGIBLE ASSETS										
Goodwill on consolidation	465.97	-	-	465.97	-	-	-	-	465.97	465.97
	11.52	*454.45*	-	*465.97*	-	-	-	-	*465.97*	*11.52*
Initial Location & License Fee	344.32	60.92	-	405.24	64.88	19.71	-	84.59	320.65	279.44
	264.48	*79.84*	-	*344.32*	*49.73*	*15.15*	-	*64.88*	*279.44*	*214.75*
Computer Software	49.35	23.68	-	73.03	39.60	6.46	-	46.06	26.97	9.75
	46.15	*3.20*	-	*49.35*	*34.37*	*5.23*	-	*39.60*	*9.75*	*11.78*
Sub Total	**859.64**	**84.60**	-	**944.24**	**104.48**	**26.17**	-	**130.65**	**813.59**	**755.16**
	322.15	*537.49*	-	*859.64*	*84.10*	*20.38*	-	*104.48*	*755.16*	*238.05*
TOTAL	**4,811.35**	**1,201.93**	**(71.44)**	**5,941.84**	**1,322.73**	**435.03**	**(54.01)**	**1,703.75**	**4,238.09**	**3,488.62**
Previous Year	*3,162.49*	*1,730.42*	*(81.56)*	*4,811.35*	*1,075.27*	*313.36*	*(65.90)*	*1,322.73*	*3,488.62*	

(figures in italics pertain to previous year)

Notes :

The company has created an exclusive charge in favour of ING-Vyasa on immovable fixed assets having area of 1,291.76 sq.m. located at Kalamboli, Navi Mumbai. Further a promissory note of ₹70 millions (previous year ₹70 millions) has been issued as a continuing security. This charge is created to avail the facility of cash credit / short term loan or issuing letter of Credit / Letter of undertaking / Bank guarantees upto ₹70 millions (previous year ₹70 millions). Further this facility also covers hedging of foreign exchange risk or entering into forward / derivatives upto ₹20 million (previous year ₹20 million).

Notes to the Consolidated Financial Statements for the year ended March 31, 2014

(₹ in Millions)

	As at March 31, 2014	As at March 31, 2013
12 NON-CURRENT INVESTMENTS (Valued at Cost)		
Non-trade Investments		
(a) Unquoted Equity Instruments		
Nil (Previous Year 21,000) Equity shares of Concept Highland Business Private Limited of ₹10 each fully paid up	-	1.50
	-	1.50
(b) Unquoted Preference Instruments		
Nil (Previous Year 10) 8% Non-cumulative preference shares of Vishwas Investment & Trading Co. Private Limited of ₹10 each fully paid up*	-	-
	-	-
(c) Investments in Mutual Funds (Fixed term plan)		
Face Value ₹10 each		
1,00,00,000 (Previous year Nil) units of Birla Sunlife Fixed Term Plan-Series IU (527 days)-Growth Regular	100.00	-
50,00,000 (Previous year Nil) units of HDFC FMP 554 Days November 2013-(1) Series 28- Regular Growth	50.00	-
50,00,000 (Previous year Nil) units of Reliance Fixed Horizon Fund XXIV Series-Series 22-Growth Plan	50.00	-
	200.00	-
Total	200.00	-
*Denotes amount less than ₹1000 in previous year		
Aggregate amount of Unquoted Investments	200.00	1.50

(₹ in Millions)

	As at March 31, 2014	As at March 31, 2013
13 DEFERRED TAX ASSETS (Net)		
(A) Deferred Tax Assets		
Provision for Employee benefits	-	0.05
Expenses allowable in Income Tax on payment basis	26.87	20.51
Unabsorbed depreciation and carried forward loss*	32.91	27.82
Total	59.78	48.38
(B) Deferred Tax Liabilities		
Fixed assets: Impact of difference between tax depreciation and depreciation charged for financial reporting	56.35	47.68
Total	56.35	47.68
Net Deferred Tax Asset (A) - (B)	3.43	0.70

* Hardcastle Restaurants Pvt. Ltd., the company's subsidiary has carried forward unabsorbed depreciation upto March 31, 2014, deferred tax assets on unabsorbed carried forward depreciation has been recognised only to the extent of deferred tax liability. The deferred tax assets amounting to ₹75.85 million as at March 31, 2014 has not been recognised and the same will be available to offset tax on future taxable income.

(₹ in Millions)

	As at March 31, 2014	As at March 31, 2013
14 LONG TERM LOANS AND ADVANCES (Unsecured, considered good unless otherwise stated)		
Security deposits to lessors	473.45	423.45
Security deposits - others	28.58	18.98
Capital Advances	11.73	16.89
Balances with Statutory/Government authorities	71.23	11.06
Advances to Suppliers	3.70	3.70
Advance Income tax (net of provisions)	21.22	8.44
MAT Credit Entitlement	28.57	29.04
Loans to Others	68.67	73.37
Prepaid Expenses	5.23	5.47
Total	712.38	590.40

Notes to the Consolidated Financial Statements for the year ended March 31, 2014

(₹ in Millions)

	As at March 31, 2014	As at March 31, 2013
15 OTHER NON CURRENT ASSETS		
Deposits with banks for original maturity more than 12 months	0.96	0.08
Total	0.96	0.08

(₹ in Millions)

	As at March 31, 2014	As at March 31, 2013
16 CURRENT INVESTMENTS (Valued at lower of cost and fair value)		
Investments in Mutual Funds		
Face Value of ₹100 each		
Nil (Previous year 17,735.14) units of Birla Sunlife Mutual Fund Growth Plan	-	5.00
10,62,646.791 (Previous year Nil) units of Birla Sunlife Floating Rate Fund Short Term plan-Growth-Regular Plan	181.08	-
9,67,373.663 (Previous year Nil) units of ICICI Prudential Money Market Fund-Regular Plan- Growth	171.32	-
75,85,439.377 (Previous year Nil) units of HDFC liquid fund- Growth	191.69	-
Face Value of ₹10 each		
Nil (Previous Year 118,508.53) units of HDFC Cash Management Fund -Treasury Advantage - Retail / Growth	-	2.97
39,69,619.159 (Previous year - Nil) Units of HDFC Cash Management Fund-Savings Plan - Direct Plan- Daily Dividend Reinvestment Plan	42.22	
66,34,071 (Previous year - Nil) units of ICICI Interval Fund Annual Return-Plan IV - Regular Plan - Growth	100.00	-
150,00,000 (Previous year Nil) units of Birla Sunlife FTP-Series IL 368 days-Growth Regular	150.00	-
30,00,000 (Previous Year Nil) units of Birla Sunlife FTP-Series IT 367 days-Growth Regular	30.00	-
50,00,000 (Previous year Nil) units of Birla Sunlife FTP-Series IW 368 days-Growth Regular	50.00	-
10,00,000 (Previous year Nil) units of Birla Sunlife FTP-SERIES JA 366 days-Growth regular	10.00	-
50,00,000 (Previous year Nil) units of ICICI FMP-Series 70-367 D Plan N-Regular Plan-Cumulative	50.00	-
70,00,000 (Previous year Nil) units of ICICI FMP-Series 70-369 D Plan O-Regular Plan-Cumulative	70.00	-
20,00,000 (Previous year Nil) units of ICICI FMP-Series 71-366 D Plan C-Regular Plan-Cumulative	20.00	-
20,00,000 (Previous year Nil) units of ICICI FMP-Series 71-369 D Plan F- Regular Plan-Cumulative	20.00	-
70,00,000 (Previous year Nil) units of HDFC FMP 372 Days October 2013 (1) Series 28-regular-Growth	70.00	-
30,00,000 (Previous year Nil) units of HDFC FMP 369 Days December 2013 (1) Series 29-regular-Growth	30.00	-
20,00,000 (Previous year Nil) units of HDFC FMP 371 Days December 2013 (2) Series 29-regular-Growth	20.00	-
20,00,000 (Previous year Nil) units of Reliance Fixed Horizon Fund XXV Series 2-Growth Plan-9WGP	20.00	-
20,00,000 (Previous year Nil) units of Religare Inveso FMP-Series XXI - Plan E (370 days)-Growth	20.00	-
50,00,000 (Previous year Nil) units of IDFC Fixed Term Plan 44 Regular Plan Growth	50.00	-
50,00,000 (Previous year Nil) units of L & T FMP Series 9-Plan D	50.00	-
10,00,000 (Previous year Nil) units of L & T FMP Series 9-Plan G	10.00	-
30,00,000 (Previous year Nil) units of DWS Fixed Maturity Plan Series 43-Regular Plan Growth	30.00	-
Total	1,386.31	7.97
Aggregate amount of Unquoted Investments	1,386.31	7.97

Notes to the Consolidated Financial Statements for the year ended March 31, 2014

(₹ in Millions)

	As at March 31, 2014	As at March 31, 2013
17 INVENTORIES (Valued at lower of cost and net realisable value)		
Food items (Includes goods in transit ₹2.19 million (Previous Year ₹4.76 million))	104.23	88.12
Paper Products (Includes goods in transit ₹0.42 million (Previous Year ₹0.64 million))	40.84	33.08
Toys & Premiums	12.39	20.95
Stores, spares & Consumables (Includes goods in transit ₹0.11 million (Previous year ₹0.09 million))	42.01	35.18
Total	199.47	177.33

(₹ in Millions)

	As at March 31, 2014	As at March 31, 2013
18 TRADE RECEIVABLES		
Unsecured, considered good unless otherwise stated		
Outstanding for a period exceeding six months from the date they are due for payment	1.44	-
Other receivables	63.15	92.52
Total	64.59	92.52

(₹ in Millions)

	As at March 31, 2014	As at March 31, 2013
19 CASH AND BANK BALANCES		
19.1 Cash and Cash Equivalents		
Balances with banks:		
– On Current Accounts	14.35	8.75
– On Unpaid Dividend Account*	-	-
– Deposits with original maturity of less than three months	-	120.00
Cheques on Hand	-	0.14
Cash on Hand	106.28	117.11
	120.63	246.00
19.2 Other Bank Balances		
– Deposits with original maturity of more than 12 months	0.81	0.01
– Deposits with original maturity of more than 3 months but less than 12 months	-	0.70
	0.81	0.71
Total	121.44	246.71

*Denotes amount less than ₹1,000

(₹ in Millions)

	As at March 31, 2014	As at March 31, 2013
20 SHORT TERM LOANS AND ADVANCES (Unsecured, considered good)		
Security deposits to lessors	9.93	7.00
Employee advances	1.82	2.16
Lease hold improvement contributions receivable	18.11	14.69
Balances with Statutory/Government Authorities	27.50	0.11
Advances to suppliers	16.57	52.43
Sundry deposits	5.66	5.66
Loans to others	4.69	77.02
Prepaid expenses	20.59	14.90
Total	104.87	173.97

Notes to the Consolidated Financial Statements for the year ended March 31, 2014

(₹ in Millions)

	As at March 31, 2014	As at March 31, 2013
21 OTHER CURRENT ASSETS		
Other receivables (Unsecured, considered good)	164.74	133.38
Unamortised premium on forward contracts	3.70	4.79
Interest accrued on Fixed Deposits	-	0.16
Total	168.44	138.33

(₹ in Millions)

	For the year ended March 31, 2014	For the year ended March 31, 20143
22 REVENUE FROM OPERATIONS (Net)		
Sales	7,332.77	6,766.16
Other Operating Revenue		
Conducting Fees	3.08	3.92
Rent Received	5.04	6.52
Franchising Income	7.43	9.03
Scrap Sales	9.88	8.34
Space Rentals	44.50	41.39
Interest on Loans and Advances	-	5.62
Service Charges	0.35	1.67
Total	7,403.05	6,842.65

(₹ in Millions)

	For the year ended March 31, 2014	For the year ended March 31, 20143
23 OTHER INCOME		
Interest Income		
- on Bank Deposits	0.13	5.01
- Others	0.18	0.42
Dividend Income on Current Investment	12.47	8.45
Gain on Sale of Current Investment	34.84	8.90
Gain on Sale of Non-Current Investments	-	14.81
Compensation received for closure of stores	-	29.50
Other Non-operating Income	9.40	5.03
Total	57.02	72.12

(₹ in Millions)

	For the year ended March 31, 2014	For the year ended March 31, 20143
24 COST OF RAW MATERIALS CONSUMED		
Inventory at commencement of the year	142.15	112.30
Add: Purchases during the year	3,207.86	3,112.97
	3,350.01	3,225.27
Less: Inventory at end of the year	157.46	142.15
	3,192.55	3,083.12
24.1 - Details of Raw Materials Consumed		
Food	2,724.29	2,612.48
Paper	367.31	357.62
Toys & Premiums	100.95	113.02
Total	3,192.55	3,083.12

Notes to the Consolidated Financial Statements for the year ended March 31, 2014

(₹ in Millions)

	For the year ended March 31, 2014	For the year ended March 31, 20143
25 PURCHASE OF TRADED GOODS		
Purchases	13.67	18.36
Total	13.67	18.36

(₹ in Millions)

	For the year ended March 31, 2014	For the year ended March 31, 20143
26 EMPLOYEE BENEFIT EXPENSES		
Salaries, Wages and Bonus	808.96	675.45
Contribution to Provident Fund and other Funds	64.99	52.93
Gratuity Expenses (Refer Note - 31)	8.47	9.69
Staff Welfare Expenses	25.33	25.12
Total	907.75	763.19

(₹ in Millions)

	For the year ended March 31, 2014	For the year ended March 31, 20143
27 OTHER EXPENSES		
Electricity, Gas and Other Utilities	813.76	629.82
Conducting Charges	598.22	497.53
Advertising & Promotional Expenses	406.15	404.45
Royalty Fee	231.88	213.14
Maintenance & Repairs - Restaurant Equipments	106.08	90.39
Maintenance & Repairs - Others	86.60	67.30
Operating Supplies at Stores	108.24	84.34
Travelling Expenses	46.39	42.21
Consultancy & Professional Fees	76.24	59.61
Rent Expenses	37.17	39.42
Loss on Sale / write off of Fixed Assets	46.07	7.50
Training and Development Expenses	20.00	14.19
Telephone Expenses	15.75	18.75
Rates & Taxes	10.45	11.71
Stamp duty *	10.98	-
Insurance	7.64	7.94
Foreign Exchange Differences (net)	4.52	5.54
Miscellaneous Expenses	232.06	203.63
Total	2,858.20	2,397.47

* Expenses incurred on issue of shares related to scheme of amalgamation

Notes to the Consolidated Financial Statements for the year ended March 31, 2014

(₹ in Millions)

	For the year ended March 31, 2014	For the year ended March 31, 20143
28 FINANCE COSTS		
Interest		
- Buyers' credit	5.40	1.05
- Inter Corporate Deposit	10.09	-
- Bank overdraft	4.80	0.07
- Term Loan	9.10	-
Premium on forward exchange contracts amortised	11.19	1.96
Bank charges	5.75	2.81
Total	46.33	5.89

29 RELATED PARTY DISCLOSURE

Names of Related Parties & Related Party Relationship with whom transactions have taken place during the year

a)	Key Management Personnel	Mr.B L Jatia
		Mr.Amit Jatia
		Mrs.Smita Jatia
b)	Relatives of Key Management Personnel	Mrs.Lalita Devi Jatia (Mother of Mr. B L Jatia)
		Master Hemann Jatia (Grandson of Mr. B L Jatia)
c)	Enterprises over which Key Management Personnel or their relatives is/are able to exercise significant influence	Hardcastle & Waud Manufacturing Company Limited
		Vishwas Investment & Trading Company Private Limited
		West Pioneer Properties (India) Private Limited
		Hardcastle Petrofer Private Limited
		Anand Veena Twisters Private Limited
		Horizon Impex Private Limited
		Winmore Leasing and Holdings Limited
		Concept Highland Business Private Limited
		West Leisure Resorts Limited

Notes to the Consolidated Financial Statements for the year ended March 31, 2014

29 RELATED PARTY DISCLOSURE *(contd.)*

(₹ in Millions)

Particulars	Vishwas Investment & Trading Company Private Limited		West Pioneer Properties (India) Private Limited		Hardcastle Petrofer Private Limited		Hardcastle & Waud Mft. Co. Limited		Anand Veena Twisters Private Limited		Horizon Impex Private Limited		West Leisure Resorts Limited		Winmore Leasing & Holdings Limited		Concept Highland Business Private limited	
	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
Rent Paid	-	2.88	-	-	-	-	4.32	5.76	-	-	-	-	-	-	0.56	0.56	-	-
Conducting Charges Paid	-	-	5.49	5.81	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Electricity Charges Paid	-	0.80	6.61	3.80	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Water Charges Paid	-	0.02	0.16	0.05	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Maintenance Charges Paid	-	-	1.91	1.40	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gas Charges paid	-	-	0.99	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Deposit Returned	-	-	-	-	-	0.50	-	-	-	-	-	-	-	-	-	-	-	-
Other Deposits Refund Received	-	-	-	-	-	-	-	0.50	-	-	-	-	-	-	-	-	-	-
Intercorporate Deposit Given	-	105.90	-	-	-	70.30	-	-	-	-	-	100.30	-	-	-	-	-	60.70
Intercorporate Deposit Repayment Received	-	216.89	-	-	-	87.78	-	-	-	-	-	100.30	-	-	-	-	-	60.70
Advance Given	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	41.35
Advance Repayment Received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	41.35
Sale of Traded Goods	-	-	0.45	15.49	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reimbursement of Expenses	-	-	-	-	-	-	-	0.00	-	-	-	-	-	-	-	-	-	-
Sale of Assets	-	-	-	-	-	0.07	-	-	-	-	-	-	-	-	-	-	-	-
Service Rendered	-	1.15	-	-	-	0.21	-	-	-	-	-	-	-	-	-	-	-	-
Interest Received	-	4.83	-	-	-	0.45	-	-	-	-	-	0.07	-	-	-	-	-	0.16
Allotment of Preference Shares	-	-	-	-	-	-	-	-	-	27.60	-	-	-	-	-	-	-	-
Interest on Inter Corporate Deposit	-	-	-	-	-	-	-	-	-	-	-	-	5.27	-	-	-	-	-
Other Expenses Recovered	-	-	-	1.36	0.01	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous Expenses Paid	-	-	-	3.03	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rent Income	-	-	4.32	1.84	5.04	6.52	-	-	-	-	-	-	-	-	-	-	-	-
Inter Corporate Deposits at end of year	-	-	-	-	-	-	-	-	-	-	-	-	54.92	-	-	-	-	-
Outstanding Balance Included in Other Current Liabilities	-	-	-	-	2.00	1.00	-	-	-	-	-	-	-	-	-	-	-	-
Outstanding Balance included in Loans and Advances	5.25	5.25	2.00	2.00	-	-	1.00	1.00	-	-	-	-	-	-	15.00	-	-	-
Outstanding Balance included in Trade Payables	-	-	0.75	0.03	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Outstanding Balance included in Trade Receivables	-	-	-	9.52	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Outstanding Balance included in Other Receivables	-	-	0.24	1.84	-	0.07	-	-	-	-	-	-	-	-	-	-	-	-

Notes to the Consolidated Financial Statements for the year ended March 31, 2014

29 RELATED PARTY DISCLOSURE *(contd.)*

(₹ in Millions)

Particulars	Key Management Personnel (KMP)						Relatives of KMP			
	B.L.Jatia		Amit Jatia		Smita Jatia		Hemann Jatia		Lalita Devi Jatia	
	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
Remuneration Paid* (Refer note 40)	-	-	19.71	13.86	10.66	7.37	-	-	-	-
Incentive for earlier years written back	-	-	-	(7.89)	-	-	-	-	-	-
Director's sitting fees	0.04	-	1.40	-	0.04	-	-	-	-	-
Deposit received	-	3.22	-	-	-	3.22	-	3.22	-	0.00
Deposit returned	-	3.22	-	-	-	3.22	-	3.22	-	0.00

*Remuneration paid to key managerial personnel does not include provisions made for gratuity as they are determined on an actuarial basis for the Company as a whole.

30 DERIVATIVE INSTRUMENTS AND UNHEDGED FOREIGN CURRENCY EXPOSURE

a) Derivatives outstanding at the balance sheet date

(₹ in Millions)

Particulars	As at March 31, 2014	As at March 31, 2013
Forward contract to buy US $ 2.15 million (Hedge of foreign currency –buyers' credit) (previous year US $ 1.85 million)	138.44	107.44

b) Un-hedged Foreign Currency Exposure as at balance sheet date

(₹ in Millions)

Particulars	As at March 31, 2014	As at March 31, 2013
Import Creditors	1.10 (USD 0.02million @ ₹60.10per USD) & 0.22 (GBP 0.0022million @ ₹99.85per GBP)	11.13 (USD 0.21million @ ₹54.33 per USD)
Advances Receivable in cash/kind	0.69 (USD 0.01million @ ₹60.10per USD)	5.63 (USD 0.10 million @ ₹54.33 per USD)

31 EMPLOYEE BENEFITS

Defined Contribution Plan

Amount recognised and included in Note 26 "Contribution to Provident Fund and other Funds" - ₹64.99 million (Previous Year ₹52.93 million).

Defined Benefit Plan

The Group 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 ₹1 million. The Scheme is funded with Life Insurance Corporation in the form of a qualifying insurance policy.

The following tables summarise the components of net benefit expense recognised in the Statement of Profit and Loss and the funded status and amounts recognised in the Balance Sheet.

I) Expenses recognised in Statement of Profit and Loss

Gratuity expense (₹ in Millions)

Particulars	2013-14	2012-13
Current service cost	7.62	7.48
Interest cost	2.53	2.08
Expected return on plan assets	(0.35)	(0.31)
Net Actuarial (gain) or loss	(1.33)	0.44
Expense recognised in Statement of Profit & Loss	8.47	9.69
Actual return on plan assets	(0.20)	0.16

Notes to the Consolidated Financial Statements for the year ended March 31, 2014

31 EMPLOYEE BENEFITS *(contd.)*

II) Amount recognised in Balance sheet

(₹ in Millions)

Particulars	2013-14	2012-13
Present value of defined benefit obligation	37.50	31.68
Fair value of plan assets	3.39	4.04
Amount recognised in Balance Sheet as (Asset)/ Liability	34.11	27.64

III) Changes in present value of defined benefit obligation

(₹ in Millions)

Particulars	2013-14	2012-13
Opening defined benefit obligation	31.68	23.72
Interest cost	2.53	2.08
Current service cost	7.62	7.48
Benefits paid	(2.45)	(1.91)
Actuarial (gains)/losses	(1.88)	0.31
Closing defined benefit obligation	37.50	31.68

IV) Changes in fair value of plan assets

(₹ in Millions)

Particulars	2013-14	2012-13
Opening fair value of plan assets	4.04	3.66
Expected return on plan assets	0.35	0.31
Contributions by employer	2.00	1.97
Benefits paid	(2.45)	(1.75)
Actuarial gains/(losses)	(0.55)	(0.15)
Closing fair value of plan assets	3.39	4.04

The Company expects to contribute ₹2.80 million (Previous Year ₹2.50 million) to gratuity fund in the next year.

V) Major categories of plan assets as a percentage of fair value of total plan assets

Particulars	2013-14	2012-13
Insurer managed funds	100%	100%

VI) Acturial assumptions used in determining gratuity benefit obligations for the Company's plans

Particulars	2013-14	2012-13
Discount rate	9.14%	8.00%
Expected rate of return on assets	8.70%	8.70%
Salary escalation	7.00%	7.00%
Attrition Rate		
Crew Part time	15.00%	15.00%
Others	10.00%	10.00%
Retirement Age	58 Years	58 Years
Mortality Rate	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate

The estimates of future salary increases considered in actuarial valuation take into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

Notes to the Consolidated Financial Statements for the year ended March 31, 2014

31 EMPLOYEE BENEFITS *(contd.)*

Amounts for current period and previous four years are as follows

(₹ in Millions)

Particulars	2013-14	2012-13	2011-12	2010-11	2009-10
Gratuity					
Defined benefit obligation	37.50	31.68	23.72	19.26	15.50
Plan assets	3.39	4.04	3.66	4.25	4.32
Surplus / (deficit)	(34.11)	(27.64)	(20.06)	(15.01)	(11.18)
Experience adjustments on plan liabilities (gain) / loss	2.24	(3.11)	(5.41)	(2.53)	(1.62)
Experience adjustments on plan assets gain / (loss)	(0.55)	(0.15)	(0.01)	(0.14)	0.03

32 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''.

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.

33 EARNINGS PER SHARE

EARNINGS PER SHARE	Current Year	Previous Year
Profit after tax (₹ million)	9.53	212.63
Less: Dividend on Preference Shares (₹ million)	-	(0.17)
Less: Tax on Dividend (₹ million)	-	(0.03)
Net profit for calculation of EPS (₹ million)	9.53	212.43
Weighted average number of equity shares for computing EPS		
Shares for Basic Earnings per share	1,31,149,115	9,14,30,050
Add : Potential Diluted Equity shares on account of ESOP	43,903	-
No of shares for Diluted Earnings per share	1,31,193,018	9,14,30,050
Earnings per share		
Nominal Value per share	2	10**
Basic * (in ₹)	0.07	2.33
Diluted * (in ₹)	0.07	2.33

* Earnings per share of previous period have been restated to make them comparable due to sub division of share of ₹10 each to 5 shares of ₹2 each

** Considered 5 shares of ₹2 each in calculating EPS

34 CONTINGENT LIABILITIES NOT PROVIDED FOR IN THE ACCOUNTS:

(a) **Claims against the Company not acknowledged as debt:**

i. The Company had preferred an appeal before the Central Excise and Service Tax Appellate Tribunal against a demand of ₹44.26 million (Previous Year: ₹44.26 million) for earlier years by the Central Excise Department on account of excise duty and penalty. Pending appeal before the Tribunal, the Company has deposited a sum of ₹1 million 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.

ii. The Company had preferred an appeal before the Central Excise and Service Tax Appellate Tribunal against a demand of ₹0.49 million (Previous Year: ₹0.49 million) for earlier years by the Central Excise Department on account of excise duty and penalty. Pending appeal before the Tribunal, the Company has deposited a sum of ₹0.01 million 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.

Notes to the Consolidated Financial Statements for the year ended March 31, 2014

34 CONTINGENT LIABILITIES NOT PROVIDED FOR IN THE ACCOUNTS: *(contd.)*

iii. The Company had preferred an appeal before the Commissioner (Appeals), Central Excise, Mumbai against demand of ₹0.32 million (Previous Year ₹0.32 million) made by the Central Excise Department on account of excise duty and penalty. The Commissioner (Appeals), Central Excise passed an order rejecting the appeal of the Company. Being aggrieved by the order of the Commissioner (Appeals), Central Excise, the Company had preferred an appeal before the Central Excise and Service Tax Appellate Tribunal. The Appellate Tribunal has granted a stay in the said appeal.

iv. The Company had preferred an appeal before the Joint Commissioner of Sales Tax (Appeal II) against a demand of ₹4.06 million (Previous Year: 4.06 million) as per assessment order passed by the assessing officer on account of disallowance of resale sale for the years 2003-04 and 2004-05. Pending appeal before the Commissioner of Sales tax, the Company has deposited a sum of ₹1.53 million as part payment as directed by the said authority.

v. During the year, the Company has received demand notices of ₹95.86 million for the years 2007-08 to 2012-13 issued by Assistant Commissioner of Commercial Taxes, Tamil Nadu towards Tamil Nadu Value Added Tax. The Company has preferred an appeal before the Appellate Deputy Commissioner against the aforesaid demand and has paid ₹35.07 million under protest. Based on the advice of external counsel, the Company believes it has good grounds for a successful appeal. Accordingly, no provision is considered necessary in this matter.

vi. During the year, the Company has received a demand notice of ₹412.29 million for the period December, 2008 to July 2013 from the Deputy Commissioner of Commercial Taxes, Karnataka alleging that the Company has obtained capital goods from other states, and therefore is ineligible to continue under composition scheme as contemplated under the Karnataka Value Added Tax, 2003 and liable to pay Value Added Tax under regular rate of tax on the sales turnover. In this regard, the Company has filed two writ petitions before the High Court of Karnataka. The said petitions were admitted and the Company was granted an interim stay in both the petitions. In the process the Company has made payment of ₹37.50 million under protest. Based on the advice of external counsel, the Company believes that in both the writ petitions it has good grounds for quashing the impugned notices. Accordingly, no provision is considered necessary in this matter.

35 CAPITAL AND OTHER COMMITMENTS

Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for is ₹71.70 million (Previous Year ₹76.73 million).

36 SERVICE TAX ON CONDUCTING CHARGES

The Company had, in accordance with the advice of its lawyers, filed a petition in the Bombay High Court 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 dismissed the petition and upheld the constitutional validity of the amendment.

Against the Judgement, the Retailers Association of India (RAI) (of which the Company is a member) had, on behalf of its members, preferred an appeal in the Hon'ble Supreme Court of India (SCI). The appeal is pending disposal by the SCI. However, by an order ("the Order"), the SCI issued, inter alia, the following directions:

1) All members of RAI to deposit 50% of the arrears due for the period 1st June, 2007 through 30th September, 2011 with the concerned department in three equated instalments on or before 1st November, 2011, 1st January, 2012 and 1st March, 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 1st October, 2011, no relief in terms of injunction was granted by the SCI.

In respect of above SCI directions, the Company had deposited 50% of the disputed amount and for the balance 50% provided solvent surety. The amount under dispute has been fully provided in books.

The Company has commenced payment of service tax with effect from 1st October, 2011 to those parties to whom the Company has contractually agreed to pay service tax.

Notes to the Consolidated Financial Statements for the year ended March 31, 2014

37 OPERATING LEASES DISCLOSURE:

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. The leases are generally renewable at the option of the lessee. The lease agreements have an escalation clause and are cancellable in nature.

(₹ in Millions)

Particulars	2013-14	2012-13
Fixed Lease payments for the year	369.36	272.79
Lease payments based on percentage of revenue debited to Statement of Profit and Loss	266.03	264.16
Total	635.39	536.95

Sub Leases

The Company has sub leased premises to others on operating lease. There is no escalation clause in the lease agreement. There are no restrictions imposed by the lease arrangement.

(₹ in Millions)

Particulars	2013-14	2012-13
Rent based on percentage of revenue credited to Statement of Profit and Loss	3.08	3.92
Fixed Lease payments credited to Statement of Profit and Loss	5.04	6.52
Total	8.12	10.44

38 COMPOSITE SCHEME OF ARRANGEMENT

a) **Amalgamation of Westpoint Leisureparks Private Limited (WLPL)**
Pursuant to the composite scheme of arrangement ('the scheme') the erstwhile WLPL has been amalgamated with WDL under section 391 to 394 of the Companies Act, 1956 sanctioned by the Hon'ble High Court of Bombay on July 19, 2013. Consequent to the said scheme WDL has issued 28,994,852 equity shares of ₹2 each to the minority shareholders of WLPL and the excess amount of ₹674.53 million of minority interest in WLPL over the face value of the equity shares issued to them has been credited to Capital Reserve.

b) **Amalgamation of Triple A Foods Private Limited (TAF)**
Pursuant to the composite scheme of arrangement ('the scheme"), the erstwhile TAF has been amalgamated with WDL under section 391 to 394 of the Companies Act, 1956 sanctioned by the Hon'ble High Court of Bombay on July 19, 2013. Consequent to the said scheme WDL has issued 29,704,100 equity shares of ₹2 each to the minority shareholders of TAF and the excess amount of ₹629.08 million of minority interest in TAF over the face value of the equity shares issued to them has been credited to Capital Reserve.

c) **Demerger of Westlife Development Limited**
Pursuant to the composite scheme of arrangement ('the scheme') under section 391 to 394 of the Companies Act, 1956 sanctioned by the Hon'ble High Court of Bombay on July 19, 2013, the trading, lending and investment business (transferred business) is transferred to the resulting company "West Leisure Resorts Private Limited" (WLR) w.e.f. October 1, 2012 (appointed date). Accordingly the scheme has been given effect to in these accounts.

1) All the assets and liabilities of the transferred business of the Company on the appointed date have been transferred to WLR.
2) The excess of assets over liabilities relating to the transferred business amounting to ₹157.58 million have been debited to the Capital Reserve account.
3) The profit of transferred business for the period October 1, 2012 to March 31, 2013 amounting to ₹20.90 million has been deducted from the Statement of Profit and Loss account and transferred to WLR.
4) Net assets of ₹41.75 million of WLR incorporated in the Consolidated Financial Statements has been debited to Capital Reserve on account of discontinuation of WLR as a subsidiary of the Group.
5) Minority Interest of ₹5.30 million in WLR has been credited to Capital Reserve on account of discontinuation of WLR as a Subsidiary of the Group.

Notes to the Consolidated Financial Statements for the year ended March 31, 2014

39 DISCONTINUED OPERATIONS:

The details of Discontinued Operations are as under:

(₹ in Millions)

Particulars	Current Year	Previous Year
Total Revenue	-	40.27
Total Expenses	-	11.73
Profit before tax	-	28.54
Profit after tax	-	26.59
Total Assets	-	189.73
Total Liabilities	-	6.84
Net Cash Flows :		
Operating Activities	-	45.45
Investing Activities	-	50.06
Financing Activities	-	-

40 In the current year, a subsidiary Company has paid managerial remuneration in excess of the amount specified under Schedule XIII of the Companies Act, 1956 aggregating to ₹20.77 millions to two wholetime directors. The Subsidiary Company has applied to the Central Government for approval of such excess remuneration paid and the approval for the same is awaited.

41 EMPLOYEE STOCK OPTION PLAN

During the year, the Company instituted employee stock option scheme for key employees and directors of the Company and its subsidiaries

a) During the year the following scheme was in operation

Particulars	2013-14	2012-13
Date of grant	16-01-2014	-
Date of Board approval	18-09-2013	-
Date of Shareholder's approval	30-10-2013	-
Number of Options granted	362,000	-
Method of settlement (Equity / Cash)	Equity	-
Vesting period from the date of grant	Graded vesting - 20% every year	-
Excerise period from the date of vesting	9.01 years	-
Market Price on the date of grant	382.95	-
Method of accounting	Intrinsic Value	-

b) The details of the activity under the scheme are as below

Particulars	2013-14		2012-13	
	No of Shares	Weighted average excerise price	No of Shares	Weighted average excerise price
Outstanding at the beginning of the year	-	-	-	-
Granted during the year	362,000	153.87	-	-
Forfeited during the year	-	-	-	-
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
Outstanding at the end of the year	362,000	153.87	-	-
Exercisable at the end of the year	362,000	153.87	-	-
Weighted average remaining contractual life (in years)	9.01	-	-	-

The options are not exercised during the year. Hence the weighted average share price on the exercise date is not mentioned (Previous year: not applicable).

Notes to the Consolidated Financial Statements for the year ended March 31, 2014

41 EMPLOYEE STOCK OPTION PLAN *(Contd.)*

c) The details of excerise price for stock options outstanding at the year end.

Employee Stock Option Scheme 2013-14	As at 31-03-2014	As at 31-03-2013
Number of options outstanding	362,000	-
Weighted average remaining contractual life of options (in years)	9.01 years	-
Weighted average excerise price (nominal value of ₹2 each)	153.87	-

d) Effect of employee share based payment plans on the Statement of Profit and Loss and on its financial position.

(₹ in Millions)

Particulars	2013-14	2012-13
Total Employee Compensation Cost pertaining to share based payment plans	4.00	-
Liability for Employee Stock Options Outstanding at year end	4.00	-

e) The weighted average fair value of stock options granted during the year was ₹278.11 (previous year not applicable). The Black Scholes valuation model has been used for computing the weighted average fair value considering the following inputs:

Particulars	March 31, 2014	March 31, 2013
Dividend yield (%)	0%	-
Expected volatility	0%	-
Risk-free interest rate	8.69%	-
Weighted average share price (₹)	278.11	-
Excerise Price	153.87	-
Expected life of options granted in years	4.60	-

The company measures the cost of ESOP using the intrinsic value method. Had the company used the fair value model to determine compensation, its profit after tax and earnings per share as reported would have changed to the amounts indicated below:

(₹ in Millions)

Particulars	March 31, 2014	March 31, 2013
Profit after tax as reported	9.53	-
Add: Group ESOP cost using the intrinsic value method	4.00	-
Less: ESOP cost using the fair value method	(4.85)	-
Proforma profit after tax	8.68	-
Earnings Per Share		
Basic		
- As reported	0.07	-
- Proforma	0.07	-
Diluted		
- As reported	0.07	-
- Proforma	0.07	-

42 PREVIOUS YEAR FIGURES

Previous year's figures have been regrouped /reclassified wherever necessary to make them comparable with current year's figures.

As per our report of even date
For S.R. Batliboi & Co. LLP
Chartered Accountants
Firm Registration No. 301003E

per Ravi Bansal
Partner
Membership No. 49365

Place :- Mumbai
Date :- May 09,2014

For and on behalf of the Board of Directors
Westlife Development Limited

Amit Jatia — *Vice-Chairman*
Smita Jatia — *Director*
Dr. Shatadru Sengupta — *Company Secretary*

Place :- Mumbai
Date :- May 09,2014

Standalone Financial Statements

INDEPENDENT AUDITOR'S REPORT

To
The Members of
Westlife Development Limited

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of Westlife Development Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards notified under the Companies Act, 1956, read with General Circular 8/2014 dated 4 April 2014 issued by the Ministry of Corporate Affairs. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Companies Act, 1956 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

(a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;

(b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and

(c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, 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 purpose of our audit;
   (b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
   (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this report are in agreement with the books of account;
   (d) In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards notified under the Companies Act, 1956, read with General Circular 8/2014 dated 4 April 2014 issued by the Ministry of Corporate Affairs;
   (e) On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For S.R. Batliboi & CO. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E

per Ravi Bansal
Partner
Membership Number: 49365

Place of Signature: Mumbai
Date: 9 May, 2014

Annexure referred to in paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date

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

(b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.

(c) There was no disposal of a substantial part of fixed assets during the year.

(ii) (a) The Company is engaged into trading business and due to the nature of transactions, it does not hold inventory of these items at any point of time, accordingly, the requirements under clause 4(ii) of the Order are not applicable to the Company.

(iii) (a) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4(iii) (a) to (d) of the Order are not applicable to the Company.

(b) According to the information and explanations given to us, the Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly, clauses 4(iii) (e) to (g) of the Order are not applicable to the Company.

(iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any major weakness or continuing failure to correct any major weakness in the internal control system of the Company in respect of these areas.

(v) (a) In our opinion, there are no contracts or arrangements that need to be entered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, the provisions of clause 4(v)(b) of the Order is not applicable to the Company.

(vi) The Company has not accepted any deposits from the public.

(vii) In our opinion, the Company has an internal audit system commensurate with the size of the Company and nature of its business.

(viii) To the best of our knowledge and as explained, the Central Government has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956, for the products of the Company.

(ix) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including investor education and protection fund, income-tax, sales-tax, wealth-tax, service tax, cess and other material statutory dues applicable to it. According to the information and explanation given to us the provisions relating to employees' state insurance, provident fund, customs duty and excise duty are not applicable to the Company.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of investor education and protection fund, income-tax, wealth-tax, service tax, sales-tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

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

(x) The Company's accumulated losses at the end of the financial year are less than fifty per cent of its net worth but it has incurred cash losses in the current year. The Company has not incurred cash losses in the immediately preceding financial year.

(xi) Based on our audit procedures and as per the information and explanations given by the management, the Company has not raised any money by way of loan from any financial institution, bank or debenture holders, accordingly, the requirements under clause 4(xi) of the Order are not applicable to the Company.

(xii) According to the information and explanations given to us and based on the documents and records produced before us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

(xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Order are not applicable to the Company.

(xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Order are not applicable to the Company.

(xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.

(xvi) The Company did not have any term loans outstanding during the year.

(xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.

(xviii) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956.

(xix) The Company did not have any outstanding debentures during the year.

(xx) The Company has not raised money from public issues during the year. Therefore the provisions of clause (xx) of the Order are not applicable to the Company.

(xxi) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

For S.R. Batliboi & CO. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E

per Ravi Bansal
Place of Signature: Mumbai — *Partner*
Date: 9 May, 2014 — Membership Number: 49365

Balance Sheet as at March 31, 2014

(₹)

	Note No.	As at March 31, 2014	As at March 31, 2013
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share capital	2	311,067,190	187,460,100
Reserves and surplus	3	4,444,001,608	21,377,164
		4,755,068,798	**208,837,264**
Non-current liabilities			
Long-term provisions	4	-	194,011
		-	**194,011**
Current liabilities			
Trade payables	5a	392,890	7,078,408
Other current liabilities	5b	2,104,462	1,103,018
Short-term provisions	6	-	307,215
		2,497,352	**8,488,641**
TOTAL		**4,757,566,150**	**217,519,916**
ASSETS			
Non-current assets			
Fixed assets	7		
Tangible assets		7,046	10,791
Intangible assets		15,202	-
Non-current investments	8	575,833,064	199,535
Deferred tax assets (net)	9	3,431,693	701,013
Long-term loans and advances	10	4,128,945,151	2,690,137
		4,708,232,156	**3,601,476**
Current assets			
Current investments	11	42,222,457	-
Trade receivables	12	-	9,520,506
Cash and bank balances	13	612,936	120,367,766
Short-term loans and advances	14	2,503,377	83,872,096
Other current assets	15	3,995,224	158,072
		49,333,994	**213,918,440**
TOTAL		**4,757,566,150**	**217,519,916**
Summary of significant accounting policies	1.2		

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date

For S.R. Batliboi & Co. LLP
Chartered Accountants
Firm Registration No. 301003E

For and on behalf of the Board of Directors
Westlife Development Limited

per Ravi Bansal
Partner
Membership No. 49365

Amit Jatia
Vice-Chairman

Smita Jatia
Director

Dr. Shatadru Sengupta
Company Secretary

Place :- Mumbai
Date :- May 09,2014

Place :- Mumbai
Date :- May 09,2014

Statement of Profit & Loss for the year ended March 31, 2014

(₹)

	Note No.	For the year ended March 31, 2014	For the year ended March 31, 2013
INCOME			
Revenue from operations	16	19,138,656	23,690,927
Other income	17	13,996,148	22,493,303
Total Revenue (I)		**33,134,804**	**46,184,230**
EXPENSES			
Purchase of traded goods	18	13,668,570	11,728,225
Employee benefits expense	19	816,754	872,778
Other expenses	20	19,518,843	9,091,926
Total (II)		**34,004,167**	**21,692,929**
Earnings before Depreciation and Tax (I) – (II)		**(869,363)**	**24,491,301**
Depreciation	7	4,786	6,088
Profit / (loss) before tax		**(874,149)**	**24,485,213**
Consists of :			
Continuing Operations		(874,149)	(157,272)
Discontinuing Operations	28	-	24,642,485
		(874,149)	**24,485,213**
Less : Tax Expenses			
Current Tax		-	3,412,400
MAT credit entitlement		-	(2,026,515)
Deferred tax		(2,730,204)	(667,570)
Taxes Adjustments for earlier years		(2,286,108)	(16,832)
MAT credit adjustment pursuant to scheme of arrangement (Refer Note - 27)		2,026,515	-
Profit for the year		**2,115,648**	**23,783,730**
Consists of :			
Continuing Operations		2,115,648	(2,805,515)
Discontinuing Operations	28	-	26,589,245
		2,115,648	**23,783,730**
Earning Per Equity Share			
{Face value of ₹2 each (Previous year ₹10 each)}			
Basic Earning per Share (₹)	23	0.02	0.26
Diluted Earning per share (₹)	23	0.02	0.26
Summary of significant accounting policies	1.2		

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date

For S.R. Batliboi & Co. LLP
Chartered Accountants
Firm Registration No. 301003E

For and on behalf of the Board of Directors
Westlife Development Limited

per Ravi Bansal
Partner
Membership No. 49365

Amit Jatia
Vice-Chairman

Smita Jatia
Director

Dr. Shatadru Sengupta
Company Secretary

Place :- Mumbai
Date :- May 09,2014

Place :- Mumbai
Date :- May 09,2014

Cash Flow Statement for the year ended March 31, 2014

(₹)

	For the year ended March 31, 2014	For the year ended March 31, 2013
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit/ (Loss) before taxation	(874,149)	24,485,213
Adjustments for :		
Depreciation	4,786	6,088
Prior period adjustments	-	583,075
Gain on sale of non current investments	-	(14,805,913)
Gain on sale of current investments	(109,651)	(55,572)
Dividend income	(12,473,502)	(7,456,256)
Interest income	(1,412,995)	(175,562)
Operating profit before working capital changes	**(14,865,511)**	**2,581,073**
Movements in Working Capital		
Decrease/ (increase) in trade receivables	-	(9,336,688)
Decrease/ (increase) in Short term loans and advances	105,550	46,907,763
Decrease/ (increase) in long term loans and advances	(231,544)	-
Decrease/ (increase) in other current assets	23,203,977	-
(Decrease)/increase in trade payables	(88,705)	6,869,076
(Decrease)/increase in other current liabilities	6,699	(799,609)
(Decrease)/increase in long term provisions	(194,011)	42,326
(Decrease)/increase in short term provisions	(110,227)	13,823
Cash generated from operations	7,826,228	46,277,764
Taxes paid	(515,302)	(3,680,888)
NET CASH FLOW FROM OPERATING ACTIVITIES	**7,310,926**	**42,596,876**
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of preference shares of subsidiary	(420,000,000)	-
Purchase of equity shares of subsidiary	(364)	-
Sale of non current investments	110	25,129,401
Sale of current investments	36,902,019	670,676,465
Purchase of current investments	(76,041,967)	(653,224,278)
Purchase of intangible assets	(16,243)	-
Dividend income received	12,473,502	7,456,256
Interest income received	1,412,995	17,490
ICD given to subsidiary company	(1,860,000,000)	-
Repayment received of ICD given to subsidiary	530,500,000	-
NET CASH USED IN INVESTING ACTIVITIES	**(1,774,769,948)**	**50,055,334**

Cash Flow Statement for the year ended March 31, 2014

(₹)

	For the year ended March 31, 2014	For the year ended March 31, 2013
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of preference shares	-	27,600,000
Expenses on issue of shares	(32,451,213)	-
Proceeds from issue of equity shares	1,799,999,699	-
NET CASH FLOW FROM FINANCING ACTIVITIES	**1,767,548,486**	**27,600,000**
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	**89,464**	**120,252,210**
Cash & Cash Equivalents at Beginning of the Year	120,367,766	115,556
Less : Cash & Cash equivalents transferred to WLR on demerger	(120,228,643)	-
Add : Cash & Cash equivalents transferred from WLPL on amalgamation	400,893	-
Add : Cash & Cash equivalents transferred from TAF on amalgamation	162,384	-
	702,400	115,556
Cash and cash equivalents at the end of the year	612,936	120,367,766
	89,464	**120,252,210**
Components of cash and cash equivalents		
Cash on Hand	196,333	5,802
Balances with Banks-		
On Current Accounts	416,328	222,842
On Deposit Accounts	-	120,000,000
Cheques on hand	-	138,847
Earmarked for specific purpose (Refer Note i below)	275	275
Cash and Cash Equivalent in Cash Flow Statement (refer note - 13)	**612,936**	**120,367,766**

Note:

i) These balances are not available for use by the Company as they represent unpaid dividend liabilities.

ii) For cash flow in respect of ordinary activities attributable to discontinued operations refer Note No 28.

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date
For S.R. Batliboi & Co. LLP
Chartered Accountants
Firm Registration No. 301003E

per Ravi Bansal
Partner
Membership No. 49365

Place :- Mumbai
Date :- May 09,2014

For and on behalf of the Board of Directors
Westlife Development Limited

Amit Jatia, *Vice-Chairman*
Smita Jatia, *Director*
Dr. Shatadru Sengupta, *Company Secretary*

Place :- Mumbai
Date :- May 09,2014

westlife™

1 CORPORATE INFORMATION

Westlife Development Limited is a public limited company incorporated under the Companies Act, 1956 and having its registered office at Mumbai. The Company has interests in trading and in quick service restaurant business through its subsidiaries.

1.1 BASIS OF PREPARATION

The financial statements of the Company have been prepared and presented in accordance with the generally accepted accounting principles in India (Indian GAAP) under the historical cost convention on an accrual basis. The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956 read with General Circular 8 / 2014 dated April 4, 2014, issued by the Ministry of Corporate Affairs in respect of Section 133 of The Companies Act, 2013. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

1.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

(b) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Sale of Goods

Revenue is recognized when significant risks and rewards of ownership of goods have passed to the buyer, usually on delivery of the goods and are shown net of VAT.

Income from Services

Revenues from services are recognised pro-rata over the period of contracts as and when services are rendered or in accordance with the terms and conditions of the contracts.

Interest and Dividend Income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividend income is recognized when the Company's right to receive dividend is established by the balance sheet date.

(c) Tangible Fixed Assets and Depreciation

Fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Depreciation on fixed assets is provided on the written down value method based on useful lives of the assets which coincide with the rates prescribed in Schedule XIV of the Companies Act, 1956.

(d) Intangible Fixed Assets and Amortisation

Intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

Software is depreciated over a period of 5 years.

(e) Impairment of Fixed Assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

(f) Inventory

Inventory of traded goods is valued at lower of cost and net realisable value. Cost includes all expenses incurred to bring the inventory to its present location and condition.

Cost is determined on a First-In-First-Out (FIFO) basis. Net realizable value is the estimated selling price in ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

(g) Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in value of the investments.

Current investments are carried at lower of cost and fair value determined on an individual investment basis.

(h) Foreign Currency Transactions

i) Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount, the exchange rate between the reporting currency and the foreign currency at the date of a transaction.

ii) Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in foreign currency are reported using the exchange rate at the date of the transaction. Non-monetary items which are carried at fair value or other similar valuation denominated in foreign currency are reported using the exchange rates that existed when the values were determined.

iii) Exchange Differences

Exchange differences arising on settlement of monetary items, or on reporting such monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expense in the year in which they arise.

(i) Taxation

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961.

Deferred income tax reflect the impact of current year timing difference between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

At each balance sheet date the Company re-assesses unrecognised deferred tax assets. It recognizes unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

Carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which the deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the Statement of Profit and Loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

(j) Employee Benefits

The Company is not covered under the Payment of Gratuity Act, 1972 and the Employees' Provident Funds and Miscellaneous Provisions Act, 1952. The liability towards employee benefits is provided based on contractual terms with employees.

(k) Leases

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased items, are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

(l) Earnings Per Share

Basic earnings per share is calculated by dividing net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable tax) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

(m) Provisions

A provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on 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.

(n) Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

(o) Cash & Cash Equivalents

Cash and cash equivalents for the purpose of cash flow statement comprise of cash at bank and in hand and short-term investments with an original maturity of three months or less.

(p) Segment Reporting

Identification of Segments

The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. Analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

Allocation of Common Costs

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

Unallocated Items

Unallocated items include general corporate income and expense items which are not allocated to any business segment.

Segment Accounting Policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

q) Employee stock compensation cost

The Company measure compensation cost relating to Employee Stock Option using the "intrinsic value" method. Discount on equity shares as compensation expenses under the Employee Stock Option Scheme, is amortised in accordance with the Employee Stock Option Scheme and Employee Stock Purchase Scheme guidelines, 1999 issued by the Securities and Exchange Board of India and the Guidance Note on Accounting for Employee Share-based payments, issued by the Institute of Chartered Accountants of India.

r) Measurement of EBITDA

As permitted by the Guidance Note on the Revised Schedule VI to the Companies Act, 1956, the Company has opted to present earnings before interest, tax, depreciation and amortisation (EBITDA) as a separate line item on the face of the statement of profit and loss. The Company measures EBITDA on the basis of profit from continuing operations. In its measurement, the Company does not include depreciation and amortisation expenses, finance costs and tax expense but includes other income.

Notes to the Financial Statements for the year ended March 31, 2014

(₹)

	As at March 31, 2014	As at March 31, 2013
2 SHARE CAPITAL		
Authorised Share Capital		
160,925,000 (Previous Year 19,540,000) Equity Shares of ₹2 each (Previous Year ₹10 each)	321,850,000	195,400,000
460,000 (Previous Year 460,000) 8% Cumulative Redeemable Preference Shares of ₹10 each	4,600,000	4,600,000
	326,450,000	200,000,000
Issued, Subscribed and Paid-up Capital		
155,533,595 (Previous Year 18,286,010) Equity Shares of ₹2 each (previous year ₹10 each), fully paid up	311,067,190	182,860,100
Nil (Previous Year 460,000) 8 % Cumulative Redeemable Preference Shares of ₹10 each, fully paid up	-	4,600,000
Total issued, subscribed and paid-up share capital	311,067,190	187,460,100

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

Equity shares	March 31, 2014		March 31, 2013	
	No. of Shares	(₹)	No. of Shares	(₹)
At the beginning of the year	18,286,010	182,860,100	16,000,000	160,000,000
Issued during the year - Bonus Issue*	-	-	2,286,010	22,860,100
Total	18,286,010	182,860,100	18,286,010	182,860,100
Sub division of shares of ₹10 each into 5 shares of ₹2 each	91,430,050	182,860,100	-	-
Issued during the year	64,103,545	128,207,090	-	-
Outstanding at end of the year	155,533,595	311,067,190	18,286,010	182,860,100

*Issued to non-promoter shareholders

Preference shares	March 31, 2014		March 31, 2013	
	No. of Shares	(₹)	No. of Shares	(₹)
At the beginning of the year	460,000	4,600,000	-	-
Issued during the year	-	-	460,000	4,600,000
Cancelled during the year (pursuant to the scheme of arrangement)	460,000	4,600,000	-	-
Outstanding at end of the year	-	-	460,000	4,600,000

During the year, the Company has sub-divided equity shares having face value of ₹10 each into 5 shares having face value of ₹2 each. Consequently the number of shares as at March 31, 2013 is not comparable.

During the year, paid up share capital of the Company increased consequent to the issue of 28,994,852 (previous year Nil) equity shares of ₹2 each on amalgamation of Westpoint Leisureparks Private Limited (WLPL) and 29,704,100 (Previous year Nil) equity shares of ₹2 each on amalgamation of Triple A Foods Private Limited (TAF). (Refer note - 27)

During the year 5,404,593 equity shares of ₹2 each are issued to Arisaig Partners (Asia) Pte Ltd. A/c Arisaig India Fund Limited at ₹333.05 per share on preferential basis.

ii) Terms/ Rights attached to Equity Shares :

The Company has only one class of Equity Shares having par value of ₹2 (previous year ₹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 the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended 31st March 2014, the amount of dividend per share recognized as distribution to equity shareholders was NIL (previous year NIL).

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

Notes to the Financial Statements for the year ended March 31, 2014

iii) **Terms/Rights attached to Preference Shares:**

In the previous year, the Company had only one class of Preference Shares having par value of ₹10 per share. These shares carried a right to cumulative dividend of 8% p.a. The shares were redeemable at any time within 20 years from the date of issue at the option of the Company by giving a 48 hour prior written notice to the holders at the specified redemption price.

iv) **Details of aggregate number of shares issued for consideration other than cash and bonus shares issued during the period of 5 years immediately preceeding the reporting date**

Equity Shares allotted as	March 31, 2014 *	March 31, 2013**
Fully paid up to the shareholders of WLPL in accordance with the composite scheme of arrangement	28,994,852	-
Fully paid up to the shareholders of TAF in accordance with the composite scheme of arrangement	29,704,100	-
Equity Shares allotted as fully paid Bonus Shares by capitalization of General Reserve, Reserve Fund, Securities Premium and Surplus in Statement of Profit & Loss	11,430,050	18,086,010

* face value of ₹2 each

** face value of ₹10 each

v) **Details of Shareholders holding more than 5% shares in the Company**

a) Equity Shares of ₹2 each (previous year ₹10 each) fully paid up

	As at March 31, 2014		As at March 31, 2013	
	No. of Shares held	% of shares held	No. of Shares held	% of shares held
Subh Ashish Exim Private Limited	33,233,707	21.37%	5,347,400	29.24%
Horizon Impex Private Limited	47,285,325	30.40%	7,011,910	38.35%
Rajiv Himatsingka Beneficial owners AKSR Corporate Advisors Private Limited,Yuthika Properties Private Limited and Rajiv Himatsingka Partners of M/s Decent Enterprises	12,950,000	8.33%	2,870,000	15.70%
Makino Holdings Limited	11,881,640	7.64%	-	-
Arisaig Partners (Asia) Pte Ltd. A/c Arisaig India Fund Limited	11,565,500	7.44%	-	-

(b) 8 % Cumulative Redeemable Preference Shares of ₹10 each fully paid up:

	As at March 31, 2014		As at March 31, 2013	
	No. of Shares held	% of shares held	No. of Shares held	% of shares held
Anandveena Twisters Private Limited	-	-	460,000	100%

As per records of the Company, including register of shareholders/members and declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of the shares.

vi) **Shares reserved for issue under options:**

For details of shares reserved for issue under the Employee Stock Option Plan of the Company, Refer Note 30

Notes to the Financial Statements for the year ended March 31, 2014

(₹)

	As at March 31, 2014	As at March 31, 2013
3 RESERVES AND SURPLUS		
a) Capital Reserve		
Balance as per last Financial Statements	670,000	670,000
Less: Adjustment pursuant to transfer of business to West Leisure Resorts Pvt. Ltd. (WLR) (excess of assets over liabilities) (Refer Note 27 (c))	(157,578,402)	-
Less: Adjustment pursuant to Amalagamation of WLPL (Refer Note 27 (a))	(57,958,564)	-
Add: Adjustment puruant to Amalgamation of TAF Refer Note 27 (b))	(2,306,408,200)	-
Add: Adjustment pursuant to Amalagamation of TAF - Balance as on October 1, 2012 (Refer Note 27 (b))	1,667,439	-
	(2,519,607,727)	670,000
b) Securities Premium Account		
Balance as per last financial statements	139,900	-
Add : Adjustment pursuant to Amalagamation of WLPL -Balance as on October 1, 2012 (Refer Note 27 (a))	2,821,210,473	-
Add : Adjustment pursuant to Amalagamation of TAF -Balance as on October 1, 2012 (Refer Note 27 (b))	2,403,550,000	-
Add: Premium on issue of Equity Shares	1,789,190,513	-
Add: Premium on issue of Preference Shares	-	23,000,000
Less: Expenses incurred for issue of Equity Shares	(32,451,213)	-
Less: Amount utilised towards issue of fully paid bonus shares	-	(22,860,100)
	6,981,639,673	139,900
c) Employee Stock Option Outstanding		
Employee Stock Options Outstanding	82,927,900	-
Less : Deferred Employee Compensation	78,932,676	-
Outstanding Employee Stock Options	3,995,224	-
d) Surplus/ (deficit) in the statement of profit and loss		
Balance as per last financial statements	20,567,264	(3,019,478)
Less : Adjustment pursuant to Amalagamation of WLPL - Balance in the Statment of Profit & Loss as on October 1, 2012 {Refer Note 27 (a))	(26,729,150)	-
Add : Adjustment pursuant to Amalagamation of WLPL - Profit for the period October 1, 2012 to March 31, 2013 (Refer Note 27 (a))	395,564	-
Less : Adjustment pursuant to transfer of business to WLR - Profit for the period October 1, 2012 to March 31, 2013 transferred to WLR (Refer Note 27 (c))	(20,898,628)	-
Add: Adjustment pursuant to Amalagamation of TAF. - Balance in Statement of Profit and Loss as on October 1, 2012 (Refer Note 27 (b))	2,431,678	-
Add: Adjustment pursuant to Amalagamation of TAF. - Profit for the period October 1, 2012 to March 31, 2013 (Refer Note 27 (b))	92,062	-
Profit for the year	2,115,648	23,783,730
Less : Appropriations		
Proposed Dividend on Preference Shares		(168,373)
Tax on Proposed Dividend on Preference Shares		(28,615)
Net surplus in the Statement of Profit and Loss	(22,025,562)	20,567,264
Total	4,444,001,608	21,377,164

(₹)

	As at March 31, 2014	As at March 31, 2013
4 LONG TERM PROVISIONS		
Provision for gratuity	-	194,011
Total	-	194,011

(₹)

	As at March 31, 2014	As at March 31, 2013
5a TRADE PAYABLES		
Trade payables (Refer Note : 29)	392,890	7,078,408
Total	392,890	7,078,408

(₹)

	As at March 31, 2014	As at March 31, 2013
5b OTHER CURRENT LIABILITIES		
Security Deposits	2,000,000	1,000,000
Unpaid Dividend (Refer Note i below)	275	275
Statutory Dues Payables	43,250	6,255
Employee Related Expenses	60,937	96,488
Total	2,104,462	1,103,018

i) There are no amount due and outstanding to be credited to Investor Education and Protection Fund as at March 31, 2014

(₹)

	As at March 31, 2014	As at March 31, 2013
6 SHORT TERM PROVISIONS		
Provision for leave benefits	-	110,227
Proposed Dividend on Preference Shares	-	168,373
Tax on Proposed Preference Dividend	-	28,615
Total	-	307,215

7 FIXED ASSETS

(₹)

	Gross Block				Depreciation				Net Block	
	As at 1st April 2013	Additions/ Adjustments	Deductions/ Adjustments	As at 31st Mar 2014	As at 1st April 2013	For the year	Deductions/ Adjustments	As at 31st Mar 2014	As at 31st Mar 2014	As at 31 Mar 2013
TANGIBLE ASSETS										
Office Equipments	15,250	-	-	15,250	13,059	305	-	13,364	1,886	2,191
	15,250	*-*	*-*	*15,250*	*12,705*	*354*	*-*	*13,059*	*2,191*	*2,545*
Computers	73,000	-	-	73,000	64,400	3,440	-	67,840	5,160	8,600
	73,000	*-*	*-*	*73,000*	*58,666*	*5,734*	*-*	*64,400*	*8,600*	*14,334*
Sub Total	**88,250**	**-**	**-**	**88,250**	**77,459**	**3,745**	**-**	**81,204**	**7,046**	**10,791**
	88,250	*-*	*-*	*88,250*	*71,371*	*6,088*	*-*	*77,459*	*10,791*	*16,879*
INTANGIBLE ASSETS										
Computer Software	-	16,243	-	16,243	-	1,041	-	1,041	15,202	-
	-	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*
Sub Total	**-**	**16,243**	**-**	**16,243**	**-**	**1,041**	**-**	**1,041**	**15,202**	**-**
	-	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*
TOTAL	**88,250**	**16,243**	**-**	**104,493**	**77,459**	**4,786**	**-**	**82,245**	**22,248**	**10,791**
Previous Year	*88,250*	*-*	*-*	*88,250*	*71,371*	*6,088*	*-*	*77,459*	*10,791*	

(figures in italics pertain to previous year)

Notes to the Financial Statements for the year ended March 31, 2014

(₹)

	As at March 31, 2014	As at March 31, 2013
8 NON-CURRENT INVESTMENTS		
(A) Trade Investments (valued at cost)		
Unquoted Equity Instruments		
Investments in Subsidiary Companies:		
Nil (Previous Year 2,666,670) Equity Shares of West Leisure Resorts Private Limited of ₹10 each, fully paid up	-	100,280
Nil (Previous Year 99,000) Equity Shares of West Point Leisureparks Private Limited of ₹1 each, fully paid up	-	99,255
13,45,000 (Previous year Nil) Cumulative Redeemable Preference Shares (CRPS) of Hardcastle Restaurants Private Limited of ₹1000/- each fully paid*	420,927,400	-
3,10,000 (Previous year Nil) equity shares of Hardcastle Restaurants Private Limited of ₹1000/- each fully paid up**	154,905,664	-
Total	575,833,064	199,535
* 925,000 CRPS acquired on amalgamation amounting to ₹927,400		
** 309,650 equity shares acquired on amalgamation amounting to ₹15,49,05,300		
Aggregate amount of Unquoted Investments	575,833,064	199,535
Aggregate amount of Quoted Investments	-	-

(₹)

	As at March 31, 2014	As at March 31, 2013
9 DEFERRED TAX ASSETS (Net)		
Deferred Tax Assets		
Provision for Employee Benefits	-	54,707
Expenditure debited in Statement of Profit and Loss but allowed for tax purpose in future years	3,434,143	648,990
Deferred Tax Liabilities		
Impact of difference between tax depreciation and depreciation charged for the financial reporting	(2,450)	(2,684)
Total	3,431,693	701,013

(₹)

	As at March 31, 2014	As at March 31, 2013
10 LONG TERM LOANS AND ADVANCES (Unsecured, considered good unless otherwise stated)		
Balances with Statutory/Government authorities	481,673	193,013
Advance income tax (net of provisions)	3,463,478	470,609
MAT Credit entitlement	-	2,026,515
Inter Corporate Deposits to subsidiary (Interest free) (Refer Note 22)	4,125,000,000	-
Total	4,128,945,151	2,690,137

Notes to the Financial Statements for the year ended March 31, 2014

(₹)

	As at March 31, 2014	As at March 31, 2013
11 CURRENT INVESTMENTS		
(Valued at cost or fair value whichever is lower)		
Unquoted Mutual Funds		
39,69,619.159 (Previous year Nil) Units of ₹10 each in HDFC Cash Management Fund-Savings Plan - Direct Plan- Daily Dividend Reinvestment Plan	42,222,457	-
Total	42,222,457	-

(₹)

	As at March 31, 2014	As at March 31, 2013
12 TRADE RECEIVABLES		
Unsecured, considered good unless otherwise stated		
Outstanding for a period exceeding six months from the date they are due for payment	-	-
Other receivables	-	9,520,506
Total	-	9,520,506

(₹)

	As at March 31, 2014	As at March 31, 2013
13 CASH AND BANK BALANCES		
Cash and cash equivalents		
Balances with banks:		
– On current accounts	416,328	222,842
– Deposits with original maturity of less than three months	-	120,000,000
– Unpaid dividend account	275	275
Cheques on Hand	-	138,847
Cash on Hand	196,333	5,802
Total	612,936	120,367,766

(₹)

	As at March 31, 2014	As at March 31, 2013
14 SHORT TERM LOANS AND ADVANCES (Unsecured, Considered Good)		
Security deposits	2,500,000	1,000,000
Balances with Statutory/Government authorities	-	108,927
Loans to related parties (Refer Note 22)	-	50,176,917
Loans to others	-	32,586,252
Prepaid expenses	3,377	-
Total	2,503,377	83,872,096

Notes to the Financial Statements for the year ended March 31, 2014

(₹)

	As at March 31, 2014	As at March 31, 2013
15 OTHER CURRENT ASSETS		
Other receivables (Unsecured, considered good) (Refer Note 22)	3,995,224	-
Interest accrued on Fixed Deposits	-	158,072
Total	3,995,224	158,072

(₹)

	For the year ended March 31, 2014	For the year ended March 31, 20143
16 REVENUE FROM OPERATIONS		
Sale of Traded Goods (Refer Note 16.1)	13,746,756	11,803,261
Rent received (Refer Note 25 (b))	5,040,000	5,920,000
Service Charges	351,900	-
Interest on Loans and Advances	-	5,967,666
Total	19,138,656	23,690,927
16.1 Details of Sale of Traded Goods		
Steel Products	429,028	6,927,790
Tiles and Ceramics	-	3,558,615
Pumps	-	1,316,856
Textile Materials	13,317,728	-
Total	13,746,756	11,803,261

(₹)

	For the year ended March 31, 2014	For the year ended March 31, 20143
17 OTHER INCOME		
Interest Income		
- on Bank Deposits	-	175,562
- others	3,374	-
Dividend Income on Current Investment (Non Trade)	12,473,502	7,456,256
Interest on Loans & Advances	1,409,621	-
Gain on sale of investments		
On Current Investments	109,651	55,572
On Non-Current Investments	-	14,805,913
Total	13,996,148	22,493,303

Notes to the Financial Statements for the year ended March 31, 2014

(₹)

	For the year ended March 31, 2014	For the year ended March 31, 20143
18 PURCHASE OF TRADED GOODS		
Purchases (Refer Note 18.1)	13,668,570	11,728,225
Total	13,668,570	11,728,225
18.1 Details of Purchases of Traded Goods		
Steel Products	428,040	6,900,412
Tiles and Ceramics	-	3,523,995
Pumps	-	1,303,818
Textile Materials	13,240,530	-
Total	13,668,570	11,728,225

(₹)

	For the year ended March 31, 2014	For the year ended March 31, 20143
19 EMPLOYEE BENEFIT EXPENSES		
Salaries, wages and bonus	816,754	872,778
Total	816,754	872,778

(₹)

	For the year ended March 31, 2014	For the year ended March 31, 20143
20 OTHER EXPENSES		
Rent Expenses (Refer Note : 25 (a))	4,886,400	5,766,000
Payment to auditor (Refer Note 20.1)	552,860	428,750
Consultancy & Professional Fees	890,102	1,729,516
Printing and Stationery	702,622	261,186
Stamp Duty *	10,983,165	-
Director's Sitting Fees	440,000	-
Listing and Membership Fees	507,203	112,360
Miscellaneous Expenses	556,491	794,114
Total	19,518,843	9,091,926
* Expenses incurred on issue of shares related to scheme of amalgamation		
20.1 Payments to Auditors (excluding service tax)		
Statutory Audit fees	525,000	420,000
In other capacity		
Other services (certification fees) (Refer note below)	25,000	8,750
Reimbursement of expenses	2,860	-
Total	552,860	428,750

Note - An amount of ₹75,000 paid towards certification fees has been adjusted in securities premium account.

Notes to the Financial Statements for the year ended March 31, 2014

21 SEGMENT INFORMATION

The Company has considered Business Segments as the primary segment for disclosure. Business Segments have been identified taking into account the nature of the products, the differing risks and returns, the organisation structure and internal reporting system.

Management has identified four reportable segments namely Trading, Leasing, Lending and Services.

Information about Primary Segment:

	Current Year Amounts in ₹			Previous Year Amounts in ₹		
	Continued Operation	Discontinued Operation	Total	Continued Operation	Discontinued Operation	Total
Segment Revenue						
a) Trading	13,746,756	-	13,746,756	-	11,803,261	11,803,261
b) Leasing	5,040,000	-	5,040,000	5,920,000	-	5,920,000
c) Lending	-	-	-	-	5,967,666	5,967,666
d) Services	351,900	-	351,900	-	-	-
Total Revenue	**19,138,656**	-	**19,138,656**	**5,920,000**	**17,770,927**	**23,690,927**
Segment Results						
a) Trading	78,186	-	78,186	-	75,036	75,036
b) Leasing	156,000	-	156,000	160,000	-	160,000
c) Lending	-	-	-	-	5,967,666	5,967,666
d) Services	103,595	-	103,595	-	-	-
Total Segment Results	**337,781**	-	**337,781**	**160,000**	**6,042,702**	**6,202,702**
Other un-allocable expenditure net of un-allocated income	(15,098,427)	-	(15,098,427)	(4,210,792)	14,861,485	10,650,693
Operating Profit	**(14,760,646)**	-	**(14,760,646)**	**(4,050,792)**	**20,904,187**	**16,853,395**
Interst and Dividend Income	13,886,497	-	13,886,497	-	7,631,818	7,631,818
Income Taxes	2,989,797	-	2,989,797	(1,245,277)	1,946,760	701,483
Profit after Tax	**2,115,648**	-	**2,115,648**	**(2,805,515)**	**26,589,245**	**23,783,730**
Segment Assets						
a) Trading	-	-	-	-	9,520,506	9,520,506
b) Leasing	2,500,000	-	2,500,000	1,000,000	-	1,000,000
c) Lending	-	-	-	-	82,763,169	82,763,169
d) Services	-	-	-	-	-	-
e) Unallocated Corporate Assets	4,755,066,150	-	4,755,066,150	26,791,552	97,444,689	124,236,241
Total Assets	**4,757,566,150**	-	**4,757,566,150**	**27,791,552**	**189,728,364**	**217,519,916**
Segment Liabilities						
a) Trading	-	-	-	-	6,636,162	6,636,162
b) Leasing	2,000,000	-	2,000,000	1,000,000	-	1,000,000
c) Lending	-	-	-	-	-	-
d) Services	-	-	-	-	-	-
e) Unallocated Corporate Liabilities	497,352	-	497,352	843,247	203,243	1,046,490
Total Liabilities	**2,497,352**	-	**2,497,352**	**1,843,247**	**6,839,405**	**8,682,652**
Depreciation	4,786	-	4,786	6,088	-	6,088
Other non-cash expenses	-	-	-	583,075	-	583,075
Capital expenditure	16,243	-	16,243	-	-	-

Secondary Segment Information - Geographical Segments

Entire Business Activities being in India, hence there is only one geographical segment.

Trading

The Company is engaged in the business of trading of steel, textile and other materials.

Leasing

The Company provides office premises on operating lease basis.

Lending

The Company provides loan facility to its group companies and others.

Services

The Company is engaged in providing manpower services.

Notes to the Financial Statements for the year ended March 31, 2014

22 RELATED PARTY DISCLOSURE

	Category of related parties	Names of Parties
A	Where control exists-	
	Subsidiary Companies	Hardcastle Restaurants Private Limited (till September 30, 2012 subsidiary of TAF)
		West Leisure Resorts Private Limited (WLR) (shares cancelled w.e.f. October 1, 2012 on account of scheme of arrangement)
		Westpoint Leisure Parks Private Limited (WLPL) (amalgamated with the Company w.e.f. October 1, 2012)
		Triple A Foods Private Limited (TAF) (amalgamted with the Company w.e.f October 1, 2012) (till September 30, 2012 subsidiary of WLPL)
B	Others with whom transactions have taken place during the year	
1	Entities where directors have significant influence	Hardcastle & Waud Manufacturing Company Limited
		Hardcastle Petrofer Private Limited
		Vishwas Investment & Trading Co. Private Limited
		Anand Veena Twisters Private Limited
		Winmore Leasing and Holdings Limited
		West Pioneer Properties (India) Private Limited
2	Key Management Personnel (KMP)	Mr.B L Jatia (Chairman)
		Mr.Amit Jatia (Vice Chairman)
		Mrs.Smita Jatia (Director) (w.e.f. September 18, 2013)
3	Relatives of Key Management Personnel	Mrs.Lalita Devi Jatia (Mother of Mr. B L Jatia)
		Master Hemann Jatia (Grandson of Mr. B L Jatia)

Transactions with related parties during the year

		Current Year	Previous Year
(A)	Transaction with Subsidiary Companies		
(i)	Inter Corporate Deposits Given		
	West Leisure Resorts Private Limited	-	18,800,000
	Westpoint Leisureparks Private Limited	-	2,670,000
	Hardcastle Restaurants Private Limited	1,860,000,000	100,000,000
(ii)	Investments in preference shares		
	Investments in Hardcastle Restaurants Private Limited	420,000,000	-
(iii)	Inter Corporate Deposits Repayment Received		
	West Leisure Resorts Private Limited	-	18,800,000
	Westpoint Leisureparks Private Limited	-	3,470,000
	Hardcastle Restaurants Private Limited	53,05,00,000 *	50,000,000
(iv)	Interest Received		
	West Leisure Resorts Private Limited	-	91,810
	Westpoint Leisureparks Private Limited	-	62,465
	Hardcastle Restaurants Private Limited	1,348,963	196,575
(v)	Recovery of ESOP Compensation expenses		
	Hardcastle Restaurants Private Limited	3,995,224	-
(vi)	Inter Corporate Deposits as at end of the year		
	Hardcastle Restaurants Private Limited	4,12,50,00,000**	5,01,76,917#
(vii)	Outstanding Balance Included in Other Current Assets		
	Hardcastle Restaurants Private Limited	3,995,224	-

* includes ₹42,05,00,000 given by WLPL, taken over by the Company on account of amalgamation

** includes ₹237,50,00,000 given by TAF taken over by the Company on account of amalgamation

\# Transferred to WLR on account of scheme of arrangement

		Current Year	Previous Year
(B)	Transactions with enterprises under common control		
(i)	Inter Corporate Deposits Given		
	Hardcastle Petrofer Private Limited	-	70,300,000
	Vishwas Investment & Trading Co. Private Limited	-	105,900,000
(ii)	Inter Corporate Deposits Repayment Received		
	Hardcastle Petrofer Private Limited	-	87,782,185
	Vishwas Investment & Trading Co. Private Limited	-	216,889,674
(iii)	Other Deposits Given		
	West Leisure Resorts Private Limited	500	-
(iv)	Other Deposits Returned		
	Hardcastle Petrofer Private Limited	-	500,000
(v)	Other Deposits Refund Received		
	Hardcastle & Waud Mfg Co. Limited	-	500,000
	West Leisure Resorts Private Limited	500	-
(vi)	Sale of Traded Goods		
	West Pioneer Properties (India) Private Limited	450,480	12,660,333
(vii)	Interest Received		
	Hardcastle Petrofer Private Limited	-	451,913
	Vishwas Investment & Trading Co. Private Limited	-	4,830,787
(viii)	Rent Received		
	Hardcastle Petrofer Private Limited	5,040,000	5,920,000
(ix)	Rent Paid		
	Hardcastle & Waud Mfg Co. Limited	4,320,000	5,760,000
	Winmore Leasing and Holdings Limited	564,000	-
(x)	Reimbursement of Expenses Paid		
	Hardcastle & Waud Mfg Co. Limited	146	567
(xi)	Allotment of Preference Shares		
	Anand Veena Twisters Private Limited	-	27,600,000
(xii)	Outstanding Balances Included in Other Current Liabilities		
	Hardcastle Petrofer Private Limited	2,000,000	1,000,000
(xiii)	Outstanding Balances Included in Short Term Loans and Advances		
	Hardcastle & Waud Mfg Co. Limited	1,000,000	1,000,000
	Winmore Leasing and Holdings Limited	1,500,000	-
(xiv)	Outstanding Balances Included in Trade Receivables		
	West Pioneer Properties (India) Private Limited	-	9,520,506
(C)	Transactions with KMP		
(i)	Deposits Received		
	Mr.Banwari Lal Jatia	-	3,220,000
	Mrs.Smita Jatia	-	3,220,000
(ii)	Deposits Refund		
	Mr.Banwari Lal Jatia	-	3,220,000
	Mrs.Smita Jatia	-	3,220,000
(iii)	Director's sitting fees		
	Mr.Banwari Lal Jatia	40,000	-
	Mrs. Smita Jatia	40,000	-
	Mr. Amit Jatia	140,000	-
(D)	Transactions with relatives of KMP		
(i)	Deposits Received		
	Master Hemann Jatia	-	3,220,000
	Mrs.Lalita Devi Jatia	-	2,000
(ii)	Deposits Refund		
	Master Hemann Jatia	-	3,220,000
	Mrs.Lalita Devi Jatia	-	2,000

Notes to the Financial Statements for the year ended March 31, 2014

(₹)

	Current Year	Previous Year
23 EARNINGS PER SHARE:		
Profit after tax	2,115,648	23,783,730
Less: Dividend on preference shares	-	(168,373)
Less : Tax on Dividend	-	(28,615)
Net Profit for calculation of EPS	2,115,648	23,586,742
Weighted average number of equity shares for Computing EPS		
Shares for Basic Earnings per share	131,149,115	91,430,050
Add : Potential Diluted Equity shares on account of ESOP	43,903	-
No of shares for Diluted Earnings per share	131,193,018	91,430,050
Earnings per share		
Nominal Value per share	2	10**
Basic *	0.02	0.26
Diluted *	0.02	0.26

* Earnings per share of previous period have been restated to make them comparable due to sub division of share of ₹10 each to 5 shares of ₹2 each

** Considered 5 shares of ₹2 each in calculating EPS

24 CONTINGENT LIABILITIES:

Contingent liabilities as at March 31, 2014 ₹ Nil (Previous Year ₹ Nil).

25 OPERATING LEASES:

a) Operating lease payments recognized in Statement of Profit and Loss is ₹4,886,400 (Previous Year ₹5,766,000).

b) Payments received for sub-leases recognized as Income in Statement of Profit and Loss is ₹5,040,000 (Previous Year ₹5,920,000).

c) General description of leasing arrangements:

(i) Leased Assets: Office premises taken on lease

(ii) At expiry of the lease term, the Company has an option either to return the asset or extend the term by renewing the contract.

(iii) There is no escalation clause in the lease agreement. There are no restrictions imposed by the lease arrangement.

26 LOANS AND ADVANCES IN THE NATURE OF LOANS (as required under clause 32 of listing agreement)

To Subsidiaries: (₹)

Name of the Company	As at March 31 2014	Maximum Balance during the year	As at March 31 2013	Maximum Balance during the year
Hardcastle Restaurants Private Limited	4,125,000,000	4,125,000,000	50,176,917	50,176,917
West Leisure Resorts Private Limited	-	-	-	16,300,000
Westpoint Leisureparks Private Limited	-	-	-	1,800,000

Note: There is no repayment schedule in respect of the above loans

Notes to the Financial Statements for the year ended March 31, 2014

27 COMPOSITE SCHEME OF ARRANGEMENT

a) Amalgamation of Westpoint Leisureparks Private Limited (WLPL)

Pursuant to the composite scheme of arrangement ('the scheme'), the erstwhile WLPL has been amalgamated with the Company under section 391 to 394 of the Companies Act, 1956 sanctioned by the Hon'ble High Court of Bombay on July 19, 2013 and the assets and liabilities of WLPL were transferred and vested in the Company with effect from October 1, 2012. Accordingly, the scheme has been given effect to in these financial statements.

The operations of WLPL include carrying out the business activities of promotion, development, setting up, management of investments in and operation of quick service restaurants, hotels, resorts, leasing of immovable properties, providing human resource, investing in shares and mutual fund units, trading in goods.

The amalgamation has been accounted for under the "pooling of interest" method as prescribed by Accounting Standard-14 "Accounting for amalgamation". Accordingly, the accounting treatment has been given as under

1) The assets, liabilities, reserves and debit balance in the Statement of Profit and Loss account of WLPL as at October 1, 2012 have been incorporated at their book values in the financial statements of the Company.

2) 1,30,395 Equity shares of Re 1 each fully paid up of WLPL stands cancelled. Further investment in 99,000 equity shares of WLPL held by the company stands cancelled and 28,994,852 equity shares of ₹2 each of the Company have been issued to the remaining shareholders of WLPL.

3) The excess amount of ₹57,958,564 of the book value of the investment in the equity share capital of WLPL and consideration given by the Company over the face value of the cancelled shares as referred in note 2 above has been debited in Capital Reserve account.

4) The profit of WLPL for the period October 1, 2012 to March 31, 2013 amounting to ₹395,564 has been added to surplus in Statement of Profit and Loss account.

b) Amalgamation of Triple A Foods Private Limited (TAF)

Pursuant to the composite scheme of arrangement ('the scheme"), the erstwhile TAF has been amalgamated with the Company under section 391 to 394 of the Companies Act, 1956 sanctioned by the Hon'ble High Court of Bombay on July 19, 2013 and the assets and liabilities of TAF were transferred to and vested in the Company with effect from October 1, 2012. Accordingly, the scheme has been given effect to in these financial statements.

The operations of TAF include carrying out the business activities of promotion, development, setting up, management of investments in and operation of quick service restaurants, hotels, resorts, leasing of immovable properties, providing human resource, investing in shares and mutual fund units, trading in goods.

The amalgamation has been accounted for under the "pooling of interest" method as prescribed by Accounting Standard -14 "Accounting for amalgamation". Accordingly, the accounting treatment has been given as under

1) The assets, liabilities, reserves and credit balance in the Statement of Profit and Loss of TAF as at October 1, 2012 have been incorporated at their book values in the financial statements of the Company.

2) 126,250 Equity shares of ₹1000 each fully paid up of TAF stands cancelled. Further investment in 101,000 equity shares of TAF held by WLPL stands cancelled and 29,704,100 equity shares of ₹2 each of the Company have been issued to the remaining shareholders of TAF.

3) The excess amount of ₹2,306,408,200 of the book value of the investment in the equity share capital of TAF and consideration given by the Company over the face value of the cancelled shares as referred in note 2 above has been debited in Capital Reserve account.

4) The profit of TAF for the period October 1, 2012 to March 31, 2013 amounting to ₹92,062 has been added to surplus in Statement of Profit and Loss account.

c) Demerger of Westlife Development Limited

Pursuant to the composite scheme of arrangement ('the scheme'), under section 391 to 394 of the Companies Act, 1956 sanctioned by the Hon'ble High Court of Bombay on July 19, 2013, the trading, lending and investment business (transferred business) is transferred to the resulting company "West Leisure Resorts Private Limited" (WLR) w.e.f. October 1,2012(appointed date). Accordingly the scheme has been given effect to in these financial statements.

1) All the assets and liabilities of the transferred business of the Company on the appointed date have been transferred to WLR.

2) Investment in 2,666,670 equity shares of WLR of ₹10 each fully paid up held by the Company stands cancelled and the excess of assets over liabilities relating to the transferred business amounting to ₹157,578,402 transferred to WLR, have been debited to the Capital Reserve account.

3) The profit of transferred business for the period October 1, 2012 to March 31, 2013 amounting to ₹20,898,628 has been adjusted in "surplus/(deficit) in statement of profit and loss" and transferred to WLR.

Notes to the Financial Statements for the year ended March 31, 2014

28 THE DETAILS OF DISCONTINUED OPERATIONS ARE AS UNDER:

(₹)

Particulars	Current Year	Previous Year
Total Revenue	-	40,264,230
Total Expenses	-	11,728,225
Profit before tax	-	28,536,005
Profit after tax	-	26,589,245
Total Assets	-	189,728,364
Total Liabilities	-	6,839,405
Net Cash Flows :		
Operating Activities	-	45,451,434
Investing Activities	-	50,055,334
Financing Activities	-	-

29 There are no Micro, Small & Medium Enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006 to whom the Company owes dues. This information has been determined on the basis of information available with the Company.

30 EMPLOYEE STOCK OPTION PLAN

During the year, the Company instituted employee stock option scheme for key employees and directors of the Company and its subsidiaries

a) During the year the following scheme was in operation

Particulars	2013-14	2012-13
Date of grant	16-01-2014	-
Date of Board approval	18-09-2013	-
Date of Shareholder's approval	30-10-2013	-
Number of Options granted	362,000	-
Method of settlement (Equity / Cash)	Equity	-
Vesting period from the date of grant	Graded vesting - 20% every year	-
Excerise period from the date of vesting	9.01 years	-
Market Price on the date of grant	382.95	-
Method of accounting	Intrinsic Value	-

b) The details of the activity under the scheme are as below

Particulars	2013-14		2012-13	
	No of Shares	Weighted average excerise price	No of Shares	Weighted average excerise price
Outstanding at the beginning of the year	-	-	-	-
Granted during the year	362,000	153.87	-	-
Forfeited during the year	-	-	-	-
Exercised during the year	-	-	-	-
Expired during the year	-	-	-	-
Outstanding at the end of the year	362,000	153.87	-	-
Exercisable at the end of the year	362,000	153.87	-	-
Weighted average remaining contractual life (in years)	9.01	-	-	-

The options were not exercised during the year, hence the weighted average share price on the date of exercise is not mentioned (Previous year: not applicable)

Notes to the Financial Statements for the year ended March 31, 2014

30 EMPLOYEE STOCK OPTION PLAN *(Contd.)*

c) The details of excerise price for stock options outstanding at the year end.

Employee Stock Option Scheme 2013-14	As at 31-03-2014	As at 31-03-2013
Number of options outstanding	362,000	-
Weighted average remaining contractual life of options (in years)	9.01 years	-
Weighted average excerise price (nominal value of ₹2 each)	153.87	-

d) Effect of employee share based payment plans on the Statement of Profit and Loss and on its financial position.

(₹)

Particulars	2013-14	2012-13
Total Employee Compensation Cost pertaining to share based payment plans	-	-
Liability for Employee Stock Options Outstanding at year end	39,95,224	-

The Company has granted options to the employees of its subsidiary company and the related expenses are recovered from the subsidiary company. Thus the cost included in the Statement of Profit and Loss account of the Company is nil.

e) The weighted average fair value of stock options granted during the year was ₹278.11 (previous year not applicable). The Black Scholes valuation model has been used for computing the weighted average fair value considering the following inputs:

Particulars	March 31, 2014	March 31, 2013
Dividend yield (%)	0%	-
Expected volatility	0%	-
Risk-free interest rate	8.69%	-
Weighted average share price (₹)	278.11	-
Exercise Price	153.87	-
Expected life of options granted in years	4.60	-

The company measures the cost of ESOP using the intrinsic value method. Had the company used the fair value model to determine compensation, its profit after tax and earnings per share as reported would have changed to the amounts indicated below:

(₹)

Particulars	March 31, 2014	March 31, 2013
Profit after tax as reported	2,115,648	-
Add: ESOP cost using the intrinsic value method	3,995,224	-
Less: Recovered from subsidiary, Hardcastle Restaurants Private Limited	(3,995,224)	-
Less: ESOP cost using the fair value method	(4,850,302)	-
Add: Recovered from subsidiary, Hardcastle Restaurants Private Limited	4,850,302	-
Proforma profit after tax	2,115,648	-
Earnings Per Share		
Basic		
- As reported	0.02	-
- Proforma	0.02	-
Diluted		
- As reported	0.02	-
- Proforma	0.02	-

Notes to the Financial Statements for the year ended March 31, 2014

31 The profit for the year is comparatively lower than the last year mainly on account of one time amalgamation costs such as stamp duty etc. (refer note 20) debited in the Statement in the Profit and Loss account. This has resulted into negative earnings before depreciation and tax.

32 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 Private Limited, Akshay Ayush Impex Private Limited, Acacia Impex Private Limited, Anand Veena Twisters Private Limited, Concept Highland Business Private Limited, Hardcastle & Waud Mfg Co. Limited, Hardcastle Petrofer Private Limited, Hawcoplast Investments & Trading Limited, Horizon Impex Private Limited, Houghton Hardcastle (India) Limited, Hawco Lubricants Limited, Saubhagya Impex Private Limited, Shri Ambika Trading Co. Private Limited, Subh Ashish Exim Private Limited, Vandeep Tradelinks Private Limited, Vishwas Investment & Trading Co. Private Limited, Winmore Leasing & Holdings Limited, West Pioneer (India) Private Limited, West Leisure Resorts Limited, Amit BL Properties Private Limited, Ridhhika Properties Private Limited, Hardcastle Restaturants Private Limited, Makino Holdings Limited, J K Speciality Chemicals LLP, Hawco Petrofer LLP, 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.

33 Previous year's figures have been regrouped /reclassified wherever necessary to make them comparable with current year's figures.

As per our report of even date
For S.R. Batliboi & Co. LLP
Chartered Accountants
Firm Registration No. 301003E

per Ravi Bansal
Partner
Membership No. 49365

Place :- Mumbai
Date :- May 09,2014

For and on behalf of the Board of Directors
Westlife Development Limited

Amit Jatia	Smita Jatia	Dr. Shatadru Sengupta
Vice-Chairman	*Director*	*Company Secretary*

Place :- Mumbai
Date :- May 09,2014

westlife™

WESTLIFE DEVELOPMENT LTD.
Regd. Off.: 1001, Tower-3, 10th Floor, Indiabulls Finance Centre, Senapati Bapat Marg, Elphinstone Road, Mumbai 400013
Tel : 022-4913 5000 | Fax : 022-4913 5001
CIN No. : L65990MH1982PLC028593
Website :www.westlife.co.in | E-mail id : shatadru@westlife.co.in

NOTICE

NOTICE IS HEREBY GIVEN, pursuant to Sections 101 and Section 140(4) read with Section 115 of the Companies Act, 2013, that the Thirty-First Annual General Meeting of Westlife Development Limited will be held at Tower-1, 5th Floor, Indiabulls Finance Centre, Senapati Bapat Marg, Elphinstone Road, Mumbai 400 013 on Friday, 26th September, 2014 at 3 pm to transact the following business :

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2014 and the Profit & Loss Account for the year ended on that date and the reports of the Directors and the Auditors.
2. To appoint a Director in place of Mr. Amit Jatia, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Statutory 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, by passing, with or without modification, the following resolution:

   "RESOLVED THAT SRBC & CO LLP, Chartered Accountants, Mumbai (ICAI Firm Registration No. 324982E), who have confirmed that they are qualified to be appointed as statutory auditors of the Company in terms of provisions of Section 141 of the Companies Act, 2013 and their appointment, if made, would be within the prescribed limits under Section 139 (1) of the Companies Act, 2013, be appointed as Statutory Auditors of the Company for the financial year 2014-15, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting, on such remuneration as may be decided between the Board of Directors of the Company."

SPECIAL BUSINESS:

4. To consider and, if thought fit, to pass with or without modification, the following resolution as an ordinary resolution:

   "RESOLVED THAT Mr. Manish Chokhani be and is hereby appointed as an Independent Director of the Company, for a period of five years with effect from 1st April, 2014, not liable to retire by rotation."
5. To consider and, if thought fit, to pass with or without modification, the following resolution as an ordinary resolution:

   "RESOLVED THAT Ms. Smita Jatia be and is hereby appointed as a Director of the Company, liable to retire by rotation."
6. To consider and, if thought fit, to pass with or without modification, the following resolution as an ordinary resolution:

   "RESOLVED THAT Mr. Tarun Kataria be and is hereby appointed as an Independent Director of the Company for a period of five years with effect from 1st August, 2014, not liable to retire by rotation."
7. To consider and, if thought fit, to pass with or without modification, the following resolution as an ordinary resolution:

   "RESOLVED THAT Mr. Achal Jatia be and is hereby appointed as a Director of the Company, not liable to retire by rotation."
8. To consider and, if thought fit, to pass with or without modification, the following resolution as an ordinary resolution:

   "RESOLVED THAT the appointment of Mr. P.R. Barpande as an Independent Director of the Company be confirmed and that such appointment be for a period of five years with effect from 1st April, 2014, not liable to retire by rotation."
9. To consider and, if thought fit, to pass with or without modification, the following resolution as an ordinary resolution:

   "RESOLVED THAT the appointment of Mr. Dilip J. Thakkar as an Independent Director of the Company be confirmed and that such appointment be for a period of five years with effect from 1st April, 2014, not liable to retire by rotation."

NOTES:

1. Annexed hereto are the notice of the resolution pursuant to Section 115 of the Companies Act, 2013 required in respect of the business at Item 3 of this Notice, and the Explanatory Statement pursuant to Section 102 of the Companies Act, 1956 required in respect of the business at Items 4 to 9 of this Notice.

2. 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. A form of proxy is enclosed along with this Notice. 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. Proxies submitted on behalf of companies, societies, etc., must be accompanied with appropriate supporting resolutions / authority, etc., as applicable. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company, provided that a member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.

3. In compliance with Section 91 of the Companies Act, 2013 and Clause 16 of the Listing Agreement entered into by the Company with the Stock Exchange, the Register of Members and Share Transfer Books of the Company will remain closed from 25th September to 26th September, 2014, both days inclusive.

4. In case of joint holders, only the member whose name appears as the first holder in order of names as per the Register of Members of the Company will be entitled to vote.

5. This Notice is being sent to all members of the Company whose names appear in the Register of Members / lists of beneficiaries received from the depositories as on Friday, 22nd August, 2014 (the cut-off date). Voting rights shall be computed with reference to the number of shares held by members in the Company as on such cut-off date.

6. The entry to the meeting venue will be regulated by means of Attendance Slips. For attending the meeting, members, proxies and authorized representatives of members, as the case may be, are requested to bring the enclosed Attendance Slip completed in all respects, including Client ID and DP ID, and signed. Duplicate Attendance Slips will not be issued.

7. Corporate and institutional members intending to send their authorized representatives to attend the meeting are requested to ensure that they carry with them a duly certified copy of the board resolution or power of attorney authorizing them to so attend/ participate in the meeting.

8. In compliance with the SEBI (Employees Stock Option Scheme & Employee Stock Purchase Scheme) Guidelines, 1999, a certificate from the auditors of the Company that the Company's Employees Stock Option Scheme is being implemented in accordance with the said Guidelines, shall be placed at the meeting.

9. This Notice along with the relevant financial statements and annexures thereto are being sent in electronic mode to those members whose email addresses are registered with the depositories, unless any member has requested a physical copy of the same. Physical copies are being sent to other members. All members are requested to support the Green Initiative of the Ministry of Corporate Affairs, Government of India and register their email addresses as aforesaid to receive all these documents electronically from the Company, in accordance with Rule 18 of the Companies (Management & Administration) Rules, 2014 and Rule 11 of the Companies (Accounts) Rules, 2014. All the aforesaid documents have also been uploaded on and are available for download from the Company's website, being www.westlife.co.in. Kindly bring your copy of the Annual Report to the meeting.

10. Rule 3 of the Companies (Management & Administration) Rules, 2014 mandates that the Register of Members of all companies should include details pertaining to e-mail address, Permanent Account Number or CIN, Unique Identification Number, if any; Father's/Mother's/Spouse's name, Occupation, Status, Nationality; in case member is a minor, name of the guardian and the date of birth of the member, and name and address of nominee. All members are requested to update their details as aforesaid with their respective depository.

11. Members are requested to notify any change of address and update bank account details to their respective depository directly.

12. Members may, pursuant to Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014, file nomination in the prescribed Form SH-13 with the respective depository.

13. No gifts shall be provided to members before, during or after the Annual General Meeting.

14. Voting through electronic means ("e-voting"): Pursuant to the provisions of Section 108 of the Companies Act, 2013, Rules 20 and 21 of the Companies (Management And Administration) Rules, 2014 and Clause 35B of the Listing Agreement, the Company provides its members the electronic facility to exercise their right to vote at the Annual General Meeting (AGM). The business at the AGM may be transacted through e-voting services provided by Central Depository Services Limited (CDSL). It is hereby clarified that it is not mandatory for a member to vote using the e-voting facility, and a member may avail of the facility at his/her/its discretion, subject to compliance with the instructions prescribed below.

    The instructions for members voting electronically are as under:-

A. In case of members receiving the Notice of AGM via e-mail:

(i) The voting period begins on 20th September, 2014 at 9 am and ends on 22nd September, 2014 at 6 pm. During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 22nd August, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Log on to the e-voting website www.evotingindia.com

(iii) Click on "Shareholders" tab.

(iv) Now Enter your User ID

  a. For CDSL: 16 digits beneficiary ID,

  b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

  c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(v) Next enter the Image Verification as displayed and Click on Login.

(vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/ folio number in the PAN field. • In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. • Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on the cut off date in the Dividend Bank details field.

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

(xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xvii) If Demat account holder has forgotten the password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) Note for Non-Individual Shareholders and custodians

  • Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and custodians are required to log on to https://www.evotingindia.co.in and register themselves as Corporates.

- They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
- After receiving the login details they have to create a compliance user using the admin login and password who would be able to link the account(s) which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

(xix) In case you have any queries or issues regarding e-voting, you may refer to the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

(xx) Members may alternatively cast their votes using the Ballot Form which is enclosed with this Notice, which is also available on the website of the Company. Please refer to instructions under the heading "C" below for more details.

B. In case of members receiving the physical copy of the Notice of AGM :

Members holding shares in either Demat or physical mode who are in receipt of Notice of AGM in physical form may cast their vote using the Ballot Form. Please refer to instructions "C" below for more details.

Members may alternatively opt for e-voting. Please follow steps from Sl.No.(i) to (xix) under heading "A" above to vote through the e-voting platform.

C. Members who wish to vote using Ballot Form:

In terms of Clause 35B (ii) of the Listing Agreement, members may fill in the Ballot Form and submit the same in a sealed envelope to the Scrutinizer, Shri Shailesh Kachalia, Practising Company Secretary, Unit: Westlife Development Ltd C/o. Sharepro Services (India) Private Limited, 13 AB, 2nd Floor, Samhita Warehousing Complex, Sakinaka, Andheri (E), Mumbai – 400 072, so as to reach there by 6.00 p.m. on 22nd September, 2014. Unsigned, incomplete or incorrectly ticked forms are liable to be rejected and the decision of the Scrutinizer on the validity of the forms will be final.

In the event a member casts his votes through both the processes i.e. e-voting and Ballot Form, the votes in the e-voting system would be considered, and the Ballot Form would be disregarded.

15. Details of Directors seeking re-appointment and details of new Directors to be appointed at the forthcoming AGM (Pursuant to Clause 49 of the Listing Agreement) are furnished below:

(i)	Name of Director	:	Mr Amit Jatia
	Date of Birth	:	11/02/1967
	Date of Appointment	:	21/11/2012
	Expertise in Specific Functional areas	:	General management
	Qualifications	:	B.Sc. in Business Administration (Finance) from the University of Southern California, USA
	Other Companies in which Directorship held	:	Inox Leisure Ltd Hardcastle Restaurants Pvt. Ltd Saubhagya Impex Pvt Ltd Anand Veena Twisters Pvt Ltd Horizon Impex Pvt Ltd Subh Ashish Exim Pvt Ltd Achal Exim Pvt Ltd Vandeep Trade Links Pvt Ltd Acacia Impex Pvt Ltd Akshay Ayush Impex Pvt Ltd Hardcastle Petrofer Pvt Ltd Amit BL Properties Pvt Ltd Ridhika Properties Pvt Ltd
	Chairman/ Member of Committees of Boards of other Companies	:	1. Inox Leisure Ltd i. Audit Committee –Member ii. Compensation&Remuneration Committee-Member 2. Hardcastle Restaurants Pvt. Ltd i. Audit Committee – Member
	Shares held in the Company	:	6,30,000 shares / 0.41%
	Relationship with other directors	:	Mr B.L. Jatia (son) and Ms Smita Jatia (husband) and Mr Achal Jatia (brother)

(ii)	Name of Director	:	Mr Manish Chokhani
	Date of Birth	:	14/10/1966
	Date of Appointment	:	18/09/2013
	Expertise in Specific Functional areas	:	General management
	Qualifications	:	B.Com, MBA, London Business School, Chartered Accountant
	Other Companies in which Directorship held	:	Enam Securities Ltd Axis Capital Ltd Quadrillion Capital Pvt Ltd Sears Securities & Investments P. Ltd Alliance Holdings Pvt Ltd Laxmi Organic Industries Ltd
	Chairman/ Member of Committees of Boards of other Companies	:	1. Laxmi Organic Industries Ltd i. Audit Committee –Chairman
	Shares held in the Company	:	Nil
	Relationship with other directors	:	None

(iii)	Name of Director	:	Ms Smita Jatia
	Date of Birth	:	20/05/1970
	Date of Appointment	:	18/09/2013
	Expertise in Specific Functional areas	:	General management
	Qualifications	:	B.Com, Program for Management Development from Harvard Business School, Boston, USA, and Marketing and Restaurant Leadership Executive Program by the Young Presidents Association at Harvard University, USA
	Other Companies in which Directorship held	:	Hardcastle Restaurants Pvt Ltd Achal Exim Pvt Ltd
	Chairman/ Member of Committees of Boards of other Companies	:	Nil
	Shares held in the Company	:	31,25,250 shares/ 2.01%
	Relationship with other directors	:	Mr Amit Jatia (husband), Mr B L Jatia (father-in-law) and Mr Achal Jatia (member of the same HUF)

(iv)	Name of Director	:	Mr Tarun Kataria
	Date of Birth	:	17/09/1958
	Date of Appointment	:	01/08/2014
	Expertise in Specific Functional areas	:	General management
	Qualifications	:	B.Com, C.A., MBA (Finance), Wharton School, University of Pennsylvania, USA
	Other Companies in which Directorship held	:	Ocean Span Shipping Co Ltd B. D. Kataria & Co (Maritime) Pvt Ltd Mapletree Logistics Trust Ltd
	Chairman/ Member of Committees of Boards of other Companies	:	Nil
	Shares held in the Company	:	Nil
	Relationship with other directors	:	None

(v) Name of Director	:	Mr Achal Jatia
Date of Birth	:	31/01/1971
Date of Appointment	:	01/08/2014
Expertise in Specific Functional areas	:	General management
Qualifications	:	Bachelor of Science in Business Administration, University of Southern California, Los Angeles, California, USA : Owner / President Manager Program, Harvard Business School Boston, Massachusetts, USA
Other Companies in which Directorship held	:	Hardcastle Petrofer Pvt Ltd
Chairman/ Member of Committees of Boards of other Companies	:	Nil
Shares held in the Company	:	Nil
Relationship with other directors	:	Mr Amit Jatia (brother), Mr B L Jatia (father) and Ms Smita Jatia (member of the same HUF)

(vi) Name of Director	:	Mr P R Barpande
Date of Birth	:	29/11/1947
Date of Appointment	:	24/11/2012
Expertise in Specific Functional areas	:	Finance, Accounts and Audit
Qualifications	:	Chartered Accountant (FCA)
Other Companies in which Directorship held	:	Blossom Industries Ltd Sidmak Laboratories (India) Pvt Ltd Hardcastle Restaurants Pvt Ltd Jingo Competitive Consultants P. Ltd
Chairman/ Member of Committees of Boards of other Companies	:	1. Hardcastle Restaurants Pvt. Ltd i. Audit Committee – Chairman 2. Blossom Industries Ltd i. Audit Committee – Chairman ii. Nomination & Remuneration Committee – Member
Shares held in the Company	:	Nil
Relationship with other directors	:	Nil

(vii) Name of Director	:	Mr Dilip J Thakkar
Date of Birth	:	01/10/1936
Date of Appointment	:	24/11/2012
Expertise in Specific Functional areas	:	Finance, Accounts and Audit
Qualifications	:	Chartered Accountant (FCA)
Other Companies in which Directorship held	:	Poddar Developers Ltd Panasonic Energy India Co Ltd Essar Oil Ltd The Ruby Mills Ltd PAE Ltd Himatsingka Seide Indo Count Industries Ltd Walchandnagar Industries Ltd Garware Polyester Ltd Essar Ports Ltd Modern India Ltd Premier Ltd Rajasvi Properties Holdings Pvt Ltd Starrock Investments & Trading P Ltd Blueberry Trading Company Pvt Ltd Township Real Estate Developers Pvt Ltd Hamlet Constructions India (Private) Ltd Windmere Hospitality (India) Pvt Ltd Skidata (India) Pvt Ltd Ameya Logistics Pvt Ltd Universal Trustees Pvt Ltd Magus Estates & Hotels Pvt Ltd
Chairman/ Member of Committees of Boards of other Companies	:	1. Panasonic Energy India Co. Ltd i. Audit Committee – Chairman 2. Essar Oil Ltd i. Audit Committee – Chairman ii. Investor Relations Committee – Member 3. PAE Ltd i. Audit Committee – Chairman 4. Himatsingka Seide Ltd i. Audit Committee – Chairman 5. Walchandnagar Industries Ltd i. Audit Committee – Chairman ii. Shareholder Grievances Committee – Member 6. Premier Ltd i. Audit Committee – Member
Shares held in the Company	:	Nil
Relationship with other directors	:	Nil

By Order of the Board of Directors

Mumbai
1st August, 2014

Dr. Shatadru Sengupta
Company Secretary

ITEM OF BUSINESS REQUIRING NOTICE OF THE RESOLUTION PURSUANT TO SECTION 115 OF THE COMPANIES ACT, 2013, READ WITH RULE 23 OF THE COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014

Item 3 :

The Statutory Auditors of the Company, S.R. Batliboi & Co. LLP, Chartered Accountants, Mumbai (ICAI Firm Registration No. 301003E) hold office till the conclusion of this AGM. The Company had received communication from them that they are not seeking reappointment. Further, the Company had received communication from S R B C & CO LLP (ICAI Firm Registration No. 324982E), that they are willing to be appointed as Auditors, and they have also provided to the Company a certificate to the effect that their appointment, if made, would be within the prescribed limits under Section 139 (1) of the Companies Act, 2013.

The Board commends the resolution at this item for members' approval.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item 4:

Mr. Manish Chokhani had been appointed under Section 161 of the Companies Act, 2013 as an Additional Director of the Company w.e.f. 18th September, 2013 by the Board of Directors in its meeting held on 18th September, 2013.

He is an Independent Director and holds office upto the date of the ensuing AGM.

The Company has received a notice in writing along with deposit of ₹1 Lakh from a member pursuant to Section 160 of the Companies Act, 2013, proposing his candidature for the office of Director of the Company. Pursuant to Section 149(10) of the Companies Act, 2013, an Independent Director shall hold office for a term up to five consecutive years on the Board of a company. Further, pursuant to Section 149(13) of the said Act, an Independent Director is not liable to retire by rotation.

Except for Mr Manish Chokhani, none of the Directors or Key Managerial Personnel of the Company or their relatives are interested in this item of business.

The Board commends the resolution for members' approval.

Item 5:

Ms. Smita Jatia had been appointed under Section 161 of the Companies Act, 2013 as an Additional Director of the Company w.e.f. 18th September, 2013 by the Board of

Directors in its meeting held on 18th September, 2013.

She holds office upto the date of the ensuing AGM.

The Company has received a notice in writing along with deposit of ₹1 Lakh from a member pursuant to Section 160 of the Companies Act, 2013, proposing her candidature for the office of Director of the Company.

Ms Smita Jatia is a relative of Mr B L Jatia, Director, Mr Amit Jatia, Director and Chief Executive Officer of the Company and Mr Achal Jatia, Director, each of whom, but not their relatives or any other Key Managerial Personnel or their relatives, may be considered to be interested in this item of business.

The Board commends the resolution for members' approval.

Item 6:

Mr. Tarun Kataria had been appointed under Section 161 of the Companies Act, 2013 as an Additional Director of the Company w.e.f. 1st August, 2014 by the Board of Directors in its meeting held on 1st August, 2014.

He is an Independent Director and holds office upto the date of the ensuing AGM.

The Company has received a notice in writing along with deposit of ₹1 Lakh from a member pursuant to Section 160 of the Companies Act, 2013, proposing his candidature for the office of Director of the Company, not liable to retire by rotation. Pursuant to Section 149(10) of the Companies Act, 2013, an Independent Director shall hold office for a term up to five consecutive years on the Board of a company. Further, pursuant to Section 149(13) of the said Act, an Independent Director is not liable to retire by rotation.

Except for Mr Tarun Kataria, none of the Directors or Key Managerial Personnel of the Company or their relatives are interested in this item of business.

The Board commends the resolution for members' approval.

Item 7:

Mr. Achal Jatia had been appointed under Section 161 of the Companies Act, 2013 as an Additional Director of the Company w.e.f. 1st August, 2014 by the Board of Directors in its meeting held on 1st August, 2014.

He holds office upto the date of the ensuing AGM.

The Company has received a notice in writing along with deposit of ₹1 Lakh from a member pursuant to Section 160 of the Companies Act, 2013, proposing his candidature for the office of Director of the Company.

Mr Achal Jatia is a relative of Mr B L Jatia, Director, Mr Amit Jatia, Director and Chief Executive Officer and Ms Smita Jatia, Director of the Company, each of whom, but not their relatives or any other Key Managerial Personnel or their relatives, may be considered to be interested in this item of business.

The Board commends the resolution for members' approval.

Item 8 :

Mr P R Barpande had been appointed as a Director of the Company by means of an ordinary resolution passed by members of the Company under the Companies Act, 1956 at the 29th AGM of the Company held on 31st December, 2012. Subsequently, the Companies Act, 2013 ("the New Act") came to be enacted. He is an Independent Director within the meaning of Section 149(6) of the New Act. Section 149(10) of the New Act provides, inter alia, that an Independent Director shall hold office for a term of up to five consecutive years on the Board of a company (such Section having been brought into force on 1st April, 2014). Further, pursuant to Section 149(13) of the New Act, an Independent Director is not liable to retire by rotation. The resolution at this item is intended to implement these provisions of the New Act.

Except for Mr P R Barpande, none of the Directors or Key Managerial Personnel of the Company or their relatives are interested in this item of business.

The Board commends the resolution for members' approval.

Item 9 :

Mr Dilip J Thakkar had been appointed as a Director of the Company by means of an ordinary resolution passed by members of the Company under the Companies Act, 1956 at the 29th AGM of the Company held on 31st December, 2012. Subsequently, the Companies Act, 2013 ("the New Act") came to be enacted. He is an Independent Director within the meaning of Section 149(6) of the New Act. Section 149(10) of the New Act provides, inter alia, that an Independent Director shall hold office for a term of up to five consecutive years on the Board of a company (such Section having been brought into force on 1st April, 2014). Further, pursuant to Section 149(13) of the New Act, an Independent Director is not liable to retire by rotation. The resolution at this item is intended to implement these provisions of the New Act.

Except for Mr Dilip J Thakkar, none of the Directors or Key Managerial Personnel of the Company or their relatives are interested in this item of business.

The Board commends the resolution for members' approval.

By Order of the Board of Directors

Mumbai
1st August, 2014

Dr. Shatadru Sengupta
Company Secretary

westlife™

WESTLIFE DEVELOPMENT LTD.
Regd. Off.: 1001, Tower-3, 10th Floor, Indiabulls Finance Centre, Senapati Bapat Marg, Elphinstone Road, Mumbai 400013
Tel : 022-4913 5000 | Fax : 022-4913 5001
CIN No. : L65990MH1982PLC028593
Website :www.westlife.co.in | E-mail id : shatadru@westlife.co.in

FORM NO. MGT-11
PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member (s) : ....
Registered address : ....
Email Id : ....
Folio No. / Client Id : ....
DP ID : ....

I/We, being the member (s) of ………... shares of the above named company, hereby appoint

1. Name:…………………….. Address:………………..
   E-mail Id:……………….. Signature:……...................………..................., or failing him
2. Name:…………………….. Address:………………..
   E-mail Id:……………….. Signature:……...................………..................., or failing him
3. Name:…………………….. Address:………………..
   E-mail Id:……………….. Signature:……...................………..

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 31st Annual General Meeting of the Company, to be held on the 26th day of September, 2014 at 3p.m. at Tower-1, 5th Floor, Indiabulls Finance Centre, Senapati Bapat Marg, Elphinstone Road, Mumbai 400 013 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Item
1	Adopting Accounts and Reports
2	Reappointment of Mr Amit Jatia as Director
3	Appointment of Statutory Auditors
4	Appointment of Mr Manish Chokhani as Independent Director for a term of five years
5	Appointment of Ms Smita Jatia as Director
6	Appointment of Mr Tarun Kataria as Independent Director for a term of five years
7	Appointment of Mr Achal Jatia as Director
8	Confirmation of Appointment of Mr P R Barpande as Independent Director for a term of five years
9	Confirmation of Appointment of Mr Dilip J Thakkar as Independent Director for a term of five years

Signed this…………….................. day of……………..........2014

Signature of shareholder(member)……………...................……………......

Signature of Proxy holder(s)……………..................……………..................

Affix Revenue Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

westlife™

WESTLIFE DEVELOPMENT LTD.

Regd. Off.: 1001, Tower-3, 10th Floor, Indiabulls Finance Centre, Senapati Bapat Marg, Elphinstone Road, Mumbai 400013
Tel : 022-4913 5000 | Fax : 022-4913 5001
CIN No. : L65990MH1982PLC028593
Website :www.westlife.co.in | E-mail id : shatadru@westlife.co.in

FORM NO. MGT-12
POLLING PAPER

[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1)(c) of the Companies (Management and Administration) Rules, 2014]

BALLOT PAPER / BALLOT FORM

S No	Particulars	
1.	Name of the First Named Shareholder (In block letters)	
2.	Postal address	
3.	Registered folio No. / *Client ID No. (*Applicable to investors holding shares in dematerialized form)	
4.	Class of Share	

I hereby exercise my vote in respect of Ordinary/ Special resolution enumerated below by recording my assent or dissent to the said resolution in the following manner:

No.	Item No.	No. of shares held by me	I assent to the resolution	I dissent from the resolution
1	Adopting Accounts and Reports			
2	Reappointment of Mr Amit Jatia as Director			
3	Appointment of Statutory Auditors			
4	Appointment of Mr Manish Chokhani as Independent Director for a term of five years			
5	Appointment of Ms Smita Jatia as Director			
6	Appointment of Mr Tarun Kataria as Independent Director for a term of five years			
7	Appointment of Mr Achal Jatia as Director			
8	Confirmation of Appointment of Mr P R Barpande as Independent Director for a term of five years			
9	Confirmation of Appointment of Mr Dilip J Thakkar as Independent Director for a term of five years			

Place:……………....................

Date:……………….................... (Signature of the shareholder)

WESTLIFE DEVELOPMENT LTD.

Regd. Off.: 1001, Tower-3, 10th Floor, Indiabulls Finance Centre, Senapati Bapat Marg, Elphinstone Road, Mumbai 400013
Tel : 022-4913 5000 | Fax : 022-4913 5001
CIN No. : L65990MH1982PLC028593
Website :www.westlife.co.in | E-mail id : shatadru@westlife.co.in

ATTENDANCE SLIP

DP ID ______________________Client ID ______________________No. of Shares held ____________________________

Name of the Member (in BLOCK LETTERS) :____

I hereby record my presence at the 31st ANNUAL GENERAL MEETING of the Company held at Tower-1, 5th Floor, Indiabulls Finance Centre, Senapati Bapat Marg, Elphinstone Road, Mumbai 400 013 on Friday, 26th September, 2014 at 3 pm.

I am : A Member / A Proxy (tick as appropriate)

____

Signature of the Proxy (Not required if the Member is attending in person)

____

Signature of the Member

NOTE :

1. Members / Proxy holders are requested to bring the Attendance Slip with them when they come to the meeting and hand it over to the representatives of the Company's Registrars and Transfer Agent for verification at the entrance of the meeting hall after completing the details of DP ID, Client ID, number of shares held and Member's name, and signing the same.
2. Members / Proxy holders attending the meeting are requested to bring their copies of the Notice of the Annual General Meeting (AGM) and Annual Report with them.
3. The electronic copy of the AGM Notice and Annual Report along with Ballot Form, Proxy Form and Attendance Slip have been sent to all members whose email address is registered with the Depository Participant except to those members who have requested physical copies of the same. Physical copies of the AGM Notice and the Annual Report have been sent to all other members in the permitted mode.
4. Members receiving the electronic copy and attending the AGM in person or by proxy are requested to print this Attendance Slip and follow the instructions at Note 1 above.

Westlife Development Ltd.
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Mumbai – 400013
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