

Vatika Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015

(All amounts are in Indian Rupees in lacs, unless otherwise specified)

1. Corporate Information

Vatika Limited ('the Company') was incorporated in India on 02 July 1998. The Company is primarily engaged in the business of promotion, construction, development, sale and maintenance of real estate properties in India.

2. Summary of significant accounting policies

a) Basis of preparation

The financial statements of the Company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014 (as amended). The financial statements have been prepared on an accrual basis and under the historical cost convention.

All assets and liabilities have been classified as current or non-current, wherever applicable as per the operating cycle of the Company as per guidance as set out in Schedule III to the Companies Act, 2013.

b) Use of estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

c) Tangible fixed assets and depreciation

Recognition and measurement

Tangible fixed assets are stated at cost, net of tax or duty credits availed, less accumulated depreciation and impairment losses, if any. Cost includes original cost of acquisition, including incidental expenses related to such acquisition and installation.

Capital work-in-progress represents expenditure incurred in respect of capital projects under development and are carried at cost. Cost includes development/ construction costs, borrowing costs and other direct expenditure.

Depreciation

Till the year ended 31 March 2014, depreciation rates prescribed under Schedule XIV of Companies Act, 1956 were used for charging depreciation. With effect from current year, Schedule XIV has been replaced by Schedule II of Companies Act, 2013, which has prescribed the useful lives of fixed assets, which, in many cases, are different from the lives prescribed under Schedule XIV.

Depreciation on fixed assets is provided on the written-down value method, computed on the basis of useful life prescribed in Schedule II to the Companies Act, 2013, on a pro-rata basis from the date the asset is ready to put to use subject to adjustments arising out of transitional provisions of Schedule II.

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d) Intangible assets and amortisation

Intangible assets comprise softwares including ERP, related licences and implementation cost of ERP. Intangible assets are stated at cost of acquisition less impairment (if any) and include all attributable costs of bringing intangible assets to its working condition for its intended use. These are amortised on a straight line basis over the expected benefit period or the legal life, whichever is lower, as follows:

ERP and Computer Softwares	36 months
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e) Borrowing costs

Borrowing costs that are attributable to the acquisition and/or construction of qualifying assets are capitalized as part of the cost of such assets, in accordance with notified Accounting Standard 16 "Borrowing Costs". A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. Capitalisation of borrowing costs is suspended in the period during which the active development is delayed due to, other than temporary interruption. All other borrowing costs are charged to the Statement of Profit and Loss as incurred.

Upfront fees or processing charges paid on borrowings are amortized and charged off to Statement of Profit and Loss, over the tenure of the loan.

f) Impairment of assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated historical cost.

g) Investments

Investments are classified as long term or current, based on management's intention at the time of purchase. 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. Trade investments are the investments made for or to enhance the Company's business interests. Current investments are stated at lower of cost or fair value determined on an individual investment basis. Long-term investments are stated at cost and provision for diminution in their value, other than temporary, is made in the financial statements. Profit/loss on sale of investments is computed with reference to the average cost of the investment.

h) Inventories

Inventory comprises of land, completed properties for sale and project in progress are valued as under:

- i. Completed property for sale is valued at lower of cost and net realisable value. In case of self constructed property cost includes cost of land (including development rights and land under agreement to purchase), license related costs (accrued on receipt of letter of intent for license from government authorities), construction cost, overheads, borrowing cost and development/construction materials.



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- ii. Projects in progress are valued at lower of cost (determined on weighted average cost method) and net realisable value. Cost includes cost of land (including development rights and land under agreement to purchase), license related costs, construction/development costs, overheads, borrowing cost and development/construction materials. However, cost in case of transferable development rights acquired by way of development/construction of built up area is the amount to be spent on development/construction of built up area.

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.

i) Revenue recognition

Revenue is recognised when the substantial risks and rewards related to ownership are transferred in favour of the customers.

i. Revenue from sale of constructed properties and developed plots

Revenue from sale of constructed properties and developed plots is recognised on the "Percentage of Completion method" of accounting. Sale consideration receivable as per the agreements to sell (where the property/plot is specifically identified) entered into for constructed properties and developed plots is recognised as revenue on the basis of percentage of actual project costs incurred thereon to total estimated project cost, subject to such actual cost incurred being 30 per cent or more of the total estimated project cost in case of constructed properties and 67 per cent or more of the total estimated project cost in case of developed plots.

Project cost includes cost of land (including development rights), estimated internal development charges, external development cost, other related government charges, borrowing costs, overheads, construction costs and development/ construction materials of such properties, to determine percentage of completion. The estimates of the saleable area and costs are reviewed periodically by the management and any effect of changes in estimates is recognized in the period such changes are determined. However, when the total project cost is estimated to exceed total revenues from the project, the loss is recognized immediately. Liquidated damages/penalties are provided for, based on management's assessment of the estimated liability, as per contractual terms.

With effect from April 01, 2012 in accordance with the Revised Guidance Note issued by Institute of Chartered Accountants of India ("ICAI") on "Accounting for Real Estate transactions (Revised 2012)", the Company revised its accounting policy of revenue recognition for all projects commencing on or after April 01, 2012 or project where the revenue is recognized for the first time on or after the above date. As per this Guidance Note, the revenue have been recognized on percentage of completion method provided all of the following conditions are met at the reporting date.

- a. all critical approvals necessary for the commencement of project have been obtained;
- b. the expenditure incurred on construction and development cost is not less than 25% of the total estimated construction and development costs;
- c. at least 25 % of the saleable project area is secured by agreements with buyers; and
- d. at least 10% of the total revenue as per the agreements are realised at the reporting date in respect of each of the contracts and it is reasonable to expect that the parties to such contracts will comply with the payment terms as defined in the contracts.

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(All amounts are in Indian Rupees in lacs, unless otherwise specified)

ii. Revenue from sale of land, completed property and development right

Revenue from sale of land, completed property and development right is recognised in the financial year in which the agreement to sell is executed and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale.

iii. Amounts earned on account of transfer of projects

Amounts earned on account of transfer of projects are recognized in the financial year in which the underlying agreements are executed, and no significant uncertainty exists regarding the amount of consideration that will be derived from the transfer.

iv. Income from transfer charges

Income from registration fees received from customers on transfer of ownership of property during the construction period is accounted on accrual basis as and when due.

v. Interest income

- a) Interest due on delayed payments by customers is accounted for on receipts basis due to uncertainty of recovery of the same.
- b) Other interest income is accounted for on a time proportion basis taking into account the amount outstanding and the rate applicable.

vi. Income from services

Property maintenance charges

Revenue of property and other maintenance contracts is recognised on a pro-rata basis over the period of the contract as and when services are rendered.

Service income

Revenue of other services is recognised on accrual basis in accordance with the terms of service agreements.

Forfeiture income

Income from forfeiture of properties under agreement to sell is accounted for on accrual basis except in cases where ultimate collection is considered doubtful.

vii. Income from compulsory acquisition by Government

Revenue from land compulsorily acquired by the Government is booked on receipt basis.

viii. Rental income

Rental income from property is recognised as per terms of the lease agreement.

j) Costs of revenue

- a) Cost of constructed properties and developed plots includes cost of land (including development rights), estimated internal development costs, external development charges, other related government charges, borrowing costs, overheads construction costs and development/ construction materials, which is charged to the Statement of Profit and Loss proportionate to the revenue recognised as per accounting policy no. (i) i above, in consonance with the concept of matching cost to revenue. Final adjustment is made on completion of the applicable project.

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- b) Cost of land, completed property and development right is charged to Statement of Profit and Loss proportionate to the revenue recognised as per accounting policy no. (i) ii above, in consonance with the concept of matching cost to revenue. Common infrastructure costs are allocated based on the area of the underlying land.

k) Unbilled receivables

Unbilled receivables disclosed under "Other current assets" represents revenue recognised based on percentage of completion method (as per accounting policy no. (i), i above), over and above the amount due as per the payment plans agreed with the customers.

l) Foreign currency transactions

i) Initial recognition:

Foreign currency transactions are recorded at the rates prevailing on the date of transaction.

ii) Subsequent recognition:

Foreign currency monetary items are restated at the rate prevailing on the balance sheet date. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

iii) Exchange differences:

Exchange differences arising on the settlement of 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 expenses in the year in which they arise.

m) Employee benefits

i) Provident fund

The Company makes contributions to statutory provident fund in accordance with the Employees Provident Fund and Miscellaneous Provisions Act, 1952, which is a defined contribution plan. The Company's contributions paid/payable under the scheme is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

ii) Gratuity

Gratuity is a post employment benefit and is in the nature of a defined benefit plan. The liability recognised in the balance sheet in respect of gratuity is the present value of the defined benefit obligation at the balance sheet date less the fair value of plan assets, together with adjustments for unrecognised actuarial gains or losses and past service costs. The defined benefit obligation is determined by actuarial valuation as on the balance sheet date, using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged or credited to the Statement of Profit and Loss in the year in which such losses or gains are determined.

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iii) Compensated absences

Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognised on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees. Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are credited or charged to the Statement of profit and loss in the year in which such gains or losses are determined.

iv) Other short term benefits

Expense in respect of other short-term benefits is recognised on the basis of the amount paid or payable for the period during which services are rendered by the employee.

n) Leases

i) Where the Company is the lessee

Finance leases which effectively transfer to the company substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets.

Lease payments are apportioned between the finance charges and reduction of the lease liability based on a rate of return implicit in the lease. Finance charges are charged directly against income. Lease management fees, legal charges and other initial direct costs are capitalised.

If there is no reasonable certainty that the Company will obtain the ownership by the end of the lease term, capitalised leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

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

ii) Where the Company is the lessor

Assets given under a finance lease are recognised as a receivable at an amount equal to the net investment in the lease. Lease rentals are apportioned between principal and interest on the IRR method. The principal amount received reduces the net investment in the lease and interest is recognised as revenue. Initial direct costs such as legal costs, brokerage costs, etc. are recognised immediately in the Statement of profit and loss.

Assets subject to operating leases are included in fixed assets. Lease income is recognised in the Statement of profit and loss on a straight-line basis over the lease term. 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.

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(All amounts are in Indian Rupees in lacs, unless otherwise specified)

o) Taxes on income

Tax expense comprises current income tax and deferred income tax.

Current tax is determined as the amount of tax payable in respect of taxable income for the year, in accordance with the Income Tax Act, 1961.

Deferred income tax reflects the impact of timing differences 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/virtual certainty, depending on the nature of the timing differences, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

Minimum Alternate Tax ("MAT") paid in accordance with the tax laws, which gives rise to future economic benefits in the form MAT credit available for adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal tax in subsequent years. The Company evaluates this matter at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Company will be able to utilize that credit. MAT credit is available for carry forward for a period of ten years.

p) Earnings per share

Basic earnings per share is calculated by dividing net profit or loss for the year attributable to equity shareholders by weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue, share split and any new equity issue.

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.

q) Contingent liabilities and provisions

Depending upon the facts of each case and after due evaluation of legal aspects, claims against the Company not acknowledged as debts are treated as contingent liabilities. The Company makes a provision when there is a present obligation as a result of a past event where the outflow of economic resources is probable and a reliable estimate of the amount of obligation can be made. In respect of statutory dues disputed and contested by the Company, contingent liabilities are provided for and disclosed as per original demand without taking into account any interest or penalty that may accrue thereafter. Possible future or present obligations that may but will probably not require outflow of resources or where the same cannot be reliably estimated, has been disclosed as a contingent liability in the financial statements.

r) Cash and cash equivalents

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



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(All amounts are in Indian Rupees in lacs, unless otherwise specified)
3. Share capital

	March 31, 2015		March 31, 2014	
	Number (in Lacs)	Amount	Number (in Lacs)	Amount
Authorized shares				
Equity shares of Rs. 10 each	600.00	6,000.00	480.00	4,800.00
Preference shares of Rs. 10 each	50.00	500.00	30.00	300.00
	<u>650.00</u>	<u>6,500.00</u>	<u>510.00</u>	<u>5,100.00</u>
Issued, subscribed and paid-up shares				
Equity shares of Rs. 10 each fully paid-up	556.88	5,568.82	128.22	1,282.24
0.001% cumulative mandatorily convertible preference shares of Rs.10 each fully paid up	-	-	10.53	105.35
	<u>556.88</u>	<u>5,568.82</u>	<u>138.75</u>	<u>1,387.59</u>

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period
Equity shares

	March 31, 2015		March 31, 2014	
	Number (in Lacs)	Amount	Number (in Lacs)	Amount
At the beginning of the year	128.22	1,282.24	128.22	1,282.24
Issued during the year				
- Bonus shares issued (refer note 3d)	351.78	3,517.76	-	-
- Conversion of preference shares (refer note 3e)	76.88	768.82	-	-
Outstanding at the end of the year	<u>556.88</u>	<u>5,568.82</u>	<u>128.22</u>	<u>1,282.24</u>

Preference shares

	March 31, 2015		March 31, 2014	
	Number (in Lacs)	Amount	Number (in Lacs)	Amount
At the beginning of the year	10.53	105.35	10.53	105.35
Issued during the year	-	-	-	-
Converted during the year (refer note 3e)	10.53	105.35	-	-
Outstanding at the end of the year	<u>-</u>	<u>-</u>	<u>10.53</u>	<u>105.35</u>

b. Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees. The dividend when proposed by the board of directors is subject to approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the 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.

c. Details of shareholders holding more than 5% shares in the Company
Equity shares of Rs. 10 each fully paid up

Name of Shareholder	March 31, 2015		March 31, 2014	
	Number (in Lacs)	% of Holding	Number (in Lacs)	% of Holding
Anil Bhalla	273.39	49.09%	73.03	56.96%
Kanchan Bhalla	28.14	5.05%	7.52	5.86%
Everlast Projects Private Limited	60.30	10.83%	16.11	12.56%
BIPEF Vatika Holdings Limited	54.60	9.80%	18.68	14.57%
Flax Developers Private Limited	74.32	13.35%	-	-

Preference shares of Rs. 10 each fully paid up

Name of Shareholder	March 31, 2015		March 31, 2014	
	Number (in Lacs)	% of Holding	Number (in Lacs)	% of Holding
BIPEF Vatika Holdings Limited	-	-	9.49	90.13%
Blake Investment Holdings Limited	-	-	1.04	9.87%

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d. Aggregate number of bonus shares issued, shares issued for consideration other than cash during the 5 years immediately preceding the reporting year

During the year, the Company has issued 35,177,601 equity shares of Rs. 10 each as bonus issue out of the general reserve.

e. Conversion of preference shares

During the year, 1,053,466 preference shares of Rs. 10 each were converted into 7,688,409 equity shares of Rs. 10 each fully paid up. The said conversion has been approved by the shareholders of the Company vide special resolutions in their Extraordinary General Meetings dated November 18, 2014 and December 24, 2014.

Each holder of preference share was entitled to one vote per share only on resolutions placed before the Company which directly affects the rights attached to preference shares. In the event of liquidation of the Company before conversion of preference shares, the holders of preference shares will have priority over equity shares in payment of dividend and in repayment of capital.

4. Reserves and surplus

	March 31, 2015	March 31, 2014
Securities premium account	59,189.31	59,189.31
General reserve		
Opening balance	41,830.31	35,925.42
Add: Transferred from surplus in the statement of profit and loss	2,077.16	5,904.89
Less: Utilized towards issue of bonus shares (refer note 3d)	(3,517.76)	-
Less: Utilized towards conversion of preference shares into equity shares (refer note 3e)	(663.47)	-
Closing balance	39,726.24	41,830.31

Surplus in the statement of profit and loss

Opening balance	-	-
Add: Profit for the year	2,077.16	5,904.89
Less: Transferred to general reserve	(2,077.16)	(5,904.89)
Closing balance	-	-
	98,915.55	101,019.62

5. Long-term borrowings

	Non current portion		Current maturities	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Secured loans				
Term loans from banks (note a)	125.64	57.13	115.90	84.88
Term loans from others (note b)	49,342.70	50,969.23	13,011.55	10,271.23
Unsecured loans				
Term loan from related parties (note c)	9,991.28	9,416.60	3,722.46	2,934.54
Term loans from others (note d)	102,957.48	72,669.08	19,945.46	9,110.82
Public deposits (note e)	105.75	156.85	-	-
	162,522.85	133,268.89	36,795.37	22,401.47
The above amount includes				
Secured borrowings	49,468.34	51,026.36	13,127.45	10,356.11
Unsecured borrowings	113,054.51	82,242.53	23,667.92	12,045.36
Less: Amount disclosed under the head "other current liabilities" (note 9)	-	-	(36,795.37)	(22,401.47)
Net amount	162,522.85	133,268.89	-	-

Loans guaranteed by directors or others

Term loans from banks	-	-	-	-
Term loans from others	49,342.70	50,969.23	13,011.55	10,271.23

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Note 5 (Cont'd)

Sl. No.	Particulars	Particulars / nature of security	Repayment details	As at March 31, 2015	As at March 31, 2014
Term loans from banks- secured					
a	Vehicle loans	These loans are secured against hypothecation of underlying vehicles.	Repayable in thirty six months to sixty months from their respective dates of disbursement.	241.53	142.00
Term loans from others- secured					
b.1	Indiabulls Financial Services Limited- Rs. 10,000.00 lacs	1. Corporate guarantee of group companies along with title deeds of group companies immovable property. 2. Personal guarantee of promoters / directors of the Company.	Repayable in one hundred and sixteen monthly installments (including interest) starting from September 01, 2009	2,007.61	2,374.76
b.2	Indiabulls Financial Services Limited- Rs. 6,900.00 lacs	1. Corporate guarantee of group companies along with title deeds of group companies immovable property. 2. Personal guarantee of promoters / directors of the Company.	Repayable in one hundred and six monthly installments (including interest) starting from July 01, 2010	2,431.54	2,877.17
b.3	Indiabulls Financial Services Limited- Rs. 22,000.00 lacs	1. Corporate guarantee of group companies along with title deeds of group companies immovable property. 2. Personal guarantee of promoters / directors of the Company.	Repayable in one hundred and two monthly installments (including interest) starting from October 01, 2010	14,182.55	16,780.38
b.4	Indiabulls Financial Services Limited- Rs. 848.00 lacs	1. Corporate guarantee of group companies along with title deeds of group companies immovable property. 2. Personal guarantee of promoters / directors of the Company.	Repayable in seventy monthly installments (including interest) starting from January 01, 2011	372.63	550.78
b.5	Indiabulls Financial Services Limited- Rs. 11,600.00 lacs	1. Corporate guarantee of group companies along with title deeds of group companies immovable property. 2. Personal guarantee of promoters / directors of the Company.	Repayable in eighty nine monthly installments (including interest) starting from November 01, 2011	7,375.62	8,727.45
b.6	Indiabulls Financial Services Limited- Rs. 11,000.00 lacs	1. Corporate guarantee of group companies along with title deeds of group companies immovable property. 2. Personal guarantee of promoters / directors of the Company.	Repayable in one hundred eight monthly installments (including interest) starting from March 01, 2012	10,287.23	10,608.86
b.7	Indiabulls Financial Services Limited- Rs. 3,500 lacs	1. Corporate guarantee of group companies along with title deeds of group companies immovable property. 2. Personal guarantee of promoters / directors of the Company.	Repayable in fifty seven monthly installments (including interest) starting from March 01, 2012.	1,504.80	2,250.17
b.8	Indiabulls Finance Company Private Limited- Rs. 4,400.00 lacs	1. Corporate guarantee of group companies along with title deeds of group companies immovable property. 2. Personal guarantee of promoters / directors of the Company.	The loan is linked with escrow account and subject to minimum balance at the end of periods defined in the master facility agreement, repayable in sixty monthly installments, starting from December 29, 2012	3,005.20	4,213.29
b.9	Indiabulls Housing Finance Limited- Rs. 6,260 lacs	1. Corporate guarantee of group companies along with title deeds of group companies immovable property. 2. Personal guarantee of promoters / directors of the Company.	The loan is linked with escrow account and subject to minimum balance at the end of periods defined in the master facility agreement, repayable in sixty monthly installments, starting from December 31, 2012.	1,616.23	2,092.35
b.10	Indiabulls Housing Finance Limited- Rs. 7,000.00 lacs	1. Corporate guarantee of group companies along with title deeds of group companies immovable property. 2. Personal guarantee of promoters / directors of the Company.	The loan is linked with escrow account and subject to minimum balance at the end of periods defined in the master facility agreement, repayable in sixty monthly installments, starting from June 01, 2013.	5,183.69	6,261.95

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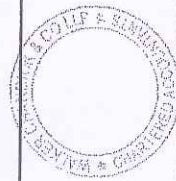
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Note 5 (Cont'd)

Sl. No.	Particulars	Particulars / nature of security	Repayment details	As at March 31, 2015	As at March 31, 2014
b.11	Indiabulls Housing Finance Limited- Rs. 4,000.00 lacs	1. Corporate guarantee of group companies along with title deeds of group companies immovable property. 2. Personal guarantee of promoters / directors of the Company.	The loan is linked with escrow account and subject to minimum balance at the end of periods defined in the master facility agreement, repayable in sixty monthly installments, starting from June 01, 2013.	2,962.11	3,578.26
b.12	Indiabulls Finance Company Private Limited- Rs. 1,700.00 lacs	1. Corporate guarantee of group companies along with title deeds of group companies immovable property. 2. Personal guarantee of promoters / directors of the Company.	Repayable in forty eight monthly installments starting from July 12, 2015, and interest payments starting from July 12, 2014.	1,500.00	-
b.13	Indiabulls Housing Finance Limited- Rs. 4,400.00 lacs	1. Corporate guarantee of group companies along with title deeds of group companies immovable property. 2. Personal guarantee of promoters / directors of the Company.	Repayable in forty eight monthly installments starting from July 12, 2015, and interest payments starting from July 12, 2014.	4,000.00	-
b.14	Indiabulls Housing Finance Limited- Rs. 5,000.00 lacs	1. Corporate guarantee of group companies along with title deeds of group companies immovable property. 2. Personal guarantee of promoters / directors of the Company.	Repayable in forty eight monthly installments starting from January 01, 2016, and interest payments starting from December 01, 2014	5,000.00	-
b.15	The Company has secured the repayment of inter corporate deposits, by provisional letter of allotment of plots/commercial area in the proposed township and corporate guarantee of group companies along with title deeds of group companies' immovable property as collateral security.		These deposits are repayable on March 31, 2016	925.04	925.04
b.16	On June 12, 2014, the Company issued 10,750 secured, unlisted, fully redeemable, non-convertible, zero coupon debentures of face value of Rs. 10.00 lacs each, at a discount of Rs. 5.35 lacs per debenture to Indiabulls Housing Finance Limited, aggregating to Rs. 50,000.08 lacs with a maturity period of not more than 5 years from the date of allotment. These debentures subsequently got redeemed on December 17, 2014, at a discount of Rs. 4.52 lacs per debenture, aggregating to Rs. 58,900.00 lacs, which includes premium paid on redemption of such debentures amounting to Rs. 8,899.92 lacs, included in 'Other borrowing costs' under note 26 'Finance cost'.			-	-
Term loans from related parties- unsecured					
c	The Company has unsecured related party borrowings, repayable in 58 to 72 monthly installments. Further, the Company has given corporate guarantee to the Financial Institution who has advanced the loan to the aforementioned lending companies.			13,713.74	12,351.14
Term loans from others- unsecured					
d	The Company has unsecured inter-corporate deposits, repayable as follows: Rs. 275.00 lacs is repayable in full on March 31, 2016, and the remaining Rs. 122,627.95 lacs is repayable in monthly installments. Further, the Company has given corporate guarantee to the Financial Institution who has advanced the loan to the aforementioned lending companies.			122,902.95	81,779.90
Public deposits- unsecured					
e	The Company has unsecured public deposits outstanding as on March 31, 2015, having a maturity of 2-3 years.			105.75	156.85
f	Rate of interest: The Company's long term borrowings have effective weighted average rate of 16.19% p.a. (previous year 13.61% p.a.) calculated using the actual interest costs for the year ended on March 31, 2015 (previous year ended as on March 31, 2014) for the respective borrowings.				



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Vatika Limited
Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015
(All amounts are in Indian Rupees in lacs, unless otherwise specified)
6. Other long term liabilities

	March 31, 2015	March 31, 2014
Security deposits-commercial leasing [net of security deposits paid to investors Rs. 2,563.01 lacs (previous year Rs. 2,464.11 lacs)]	253.17	297.78
Security deposits-others	7.00	7.00
	<u>260.17</u>	<u>304.78</u>

7. Provisions

	Long term		Short term	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Provision for employee benefits				
Gratuity (note 37)	29.13	-	-	-
Compensated absences (note 37)	74.41	61.96	10.38	10.25
Other provisions				
Contingencies	514.49	287.39	-	-
Provision for expected costs (refer note 45)	-	-	9,458.68	9,456.23
Income tax [net of prepaid taxes Rs. 10,333.44 lacs (previous year Rs. 8,331.06 lacs)]	-	-	7,271.80	7,734.39
Wealth tax	-	-	0.56	0.59
	<u>618.03</u>	<u>349.35</u>	<u>16,741.42</u>	<u>17,201.46</u>

a. Provision for contingencies represents the estimated liability on various cases against the Company. Based on the management assessment, the Company has provided for the cases where there is a likelihood for unfavorable decision against the Company. The table below gives information about movement in provisions:

	March 31, 2015	March 31, 2014
Opening balance	287.39	223.89
Additions during the year	227.10	63.50
Closing balance	<u>514.49</u>	<u>287.39</u>

b. The movement in provision for expected costs is as below :

	March 31, 2015	March 31, 2014
Opening balance	9,456.23	-
Additions during the year	66.00	9,456.23
Reversals during the year	(63.55)	-
Closing balance	<u>9,458.68</u>	<u>9,456.23</u>

8. Short-term borrowings

	March 31, 2015	March 31, 2014
Secured loans		
Term loans from banks* (note a)	6,877.67	8,575.33
Term loans from others* (note b)	137,536.74	84,125.74
Inter corporate deposits (note c)	9,300.00	3,000.00
Overdraft facility from others (note d)	7,200.00	7,200.00
Unsecured loans		
Public deposits (note e)	84.00	742.26
	<u>160,998.41</u>	<u>103,643.33</u>
Loans guaranteed by directors or others		
Term loans from banks	6,877.67	7,651.12
Term loans from others	113,066.84	63,267.57
Overdraft facility from others	7,200.00	7,200.00

*Classified based on the operating cycle of the Company.

The amount repayable within twelve months:

Term loans from banks	6,877.67	2,187.87
Term loans from others	16,624.68	28,127.02

For VATIKA LIMITED

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Vatika Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015

(All amounts are in Indian Rupees in lacs, unless otherwise specified)

Note 8 (Cont'd)

Sl. No.	Particulars	Particulars/ nature of security	Repayment details	As at March 31, 2015	As at March 31, 2014
Term loans from banks- secured					
a.1	ICICI Bank Ltd- Rs 4,000.00 lacs	1. First charge on land admeasuring approx. 8,789.35 acres falling in rectangle no. 13 (Killa no. 18/2, 19, 20, 21, 22), rectangle no. 14 (Killa no. 14, 15/1, 16, 17, 24, 25) situated at revenue estate of village Sarai Khawaja, Sector-27, Faridabad, Haryana. 2. First charge on the scheduled receivables of the Project under the documents executed between the buyers of the units and the Company, all insurance proceeds, both present and future, to be shared on a pari passu basis with ICICI Bank Limited's rupee term loan facility provided to Lincoln Developers Private Limited. 3. First charge on the escrow account and the DSR account, and all monies credited/deposited therein, to be shared on a pari passu basis with ICICI Bank Limited's rupee term loan facility provided to Lincoln Developers Private Limited. 4. Irrevocable and unconditional corporate guarantee by Vatika IT Parks Private Limited. 5. Irrevocable and unconditional personal guarantee of Anil Bhalla, Gautam Bhalla and Gaurav Bhalla.	Repayable in thirty six monthly installments of Rs. 111.00 lacs each commencing from September 15, 2013 to July 15, 2016 and Rs. 115.00 lacs on August 15, 2016	1,877.65	3,154.66
a.2	Bank of Maharashtra- Rs. 5,000.00 lacs	1. First charge, by way of equitable mortgage, on the Gurgaon-21 Next project land, admeasuring 4.90 acres and the construction thereon. 2. First charge over the current assets of the project 3. Irrevocable and unconditional personal guarantee of Anil Bhalla, Gautam Bhalla and Gaurav Bhalla.	Repayable in four quarterly installments of Rs. 1,250.00 lacs each commencing from quarter ending	5,000.02	4,496.47
	State Bank of Hyderabad and State Bank of Patiala- Rs. 7,500.00 lacs	1. First pari-passu mortgage and hypothecation charge over the land & building, plant & machinery and other moveable & immovable assets, both present and future, of the Project of Company/Borrower i.e. "Gurgaon-21". Village-Shi, Sector-83, Nt-8, Gurgaon, Land area 11.718 acres. 2. Equitable mortgage of "Gurgaon 21", Village-Shi, Sector-83, Nt-8, Gurgaon, land area 11.718 acres. 3. First pari-passu hypothecation on all the current assets present and future of the Company/Borrower with the State Bank of Patiala with other term lenders. 4. First pari-passu charge over entire project receivables including charge over project cash flow in favour of the Lend Bank/lenders, routed through Escrow account for meeting interest, servicing and repayment of term loan installments. 5. Assignment of project contracts entered into with all contractors with a step in right to the lenders of the term loan.	Repayable in eight quarterly installments of Rs. 937.50 lacs each commencing from October 01, 2012.	-	924.21
b.1	HDFC Limited- Rs. 30,000.00 lacs	Term loans from others- secured 1. Extension of mortgage of land admeasuring 350.35 acres of the project "Vatika India Next" at Sector 81, 82, 82A, 83, 84 and 85 Gurgaon and construction thereon present and future and all entitlements emanating therefrom 2. First charge on the sale proceeds/ receivables accruing from the unsold area of the Project "Vatika India Next" at Sector 81, 82, 82A, 83, 84 and 85 Gurgaon. 3. Extension of mortgage of 71.04 acres of the project "Vatika India Next" at Sector 82, Gurgaon and construction thereon, present and future. 4. Extension of charge on the sale proceeds/ receivables accruing from the unsold area of the Project "Vatika India Next" at Sector 81, 82, 82A, 83, 84 and 85 Gurgaon. 5. Extension of mortgage of project land "Vatika City" at Gurgaon and construction thereon, present and future along with the unused Floor Space Index (FSI). 6. Extension of charge of sale proceeds/ receivables accruing from sold and unsold area of the "Vatika City" at Gurgaon. 7. Extension of mortgage of project land "Vatika City" at Jaipur-Ajmer Road and construction thereon, present and future along with the unused Floor Space Index (FSI). 8. Extension of charge of sale proceeds/ receivables accruing from sold and unsold area of the "Vatika City" at Jaipur-Ajmer road, Jaipur. 9. Extension of mortgage of the project "Urbanwoods", at Jaipur Ajmer Road, Jaipur and construction thereon, present and future. 10. Extension of charge on receivables from entire sales proceeds/ receivables accruing from sold and unsold area from the project "Urbanwoods", Jaipur 11. Extension of mortgage on "Vatika Infotech Park" Project land admeasuring 8,793 acres at Faridabad and construction thereon present and future. 12. Extension of charge of sale proceeds/ receivables accruing from sold and unsold area of project "Vatika Infotech Park" Faridabad admeasuring 8,793 acres. 13. Extension of mortgage of "Jaipur-21" project at Jaipur, land and construction thereon present and future. 14. Extension of charge on sales proceeds/ receivables accruing from sold and unsold area of Jaipur 21 Project land at Jaipur-Ajmer Road, Jaipur 15. Extension of first charge on Escrow A/cs with HDFC Bank Limited for the abovementioned projects. 16. Irrevocable and unconditional personal guarantee of Anil Bhalla, Gautam Bhalla and Gaurav Bhalla.	The loan is linked with escrow account and subject to minimum balance at the end of each quarter as per the master facility agreement.	1,717.95	11,142.34

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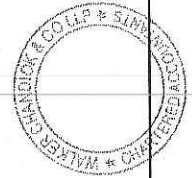
Vatika Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015

(All amounts are in Indian Rupees in lacs, unless otherwise specified)

Note 8 (Cont'd)

Sl. No.	Particulars	Particulars/ nature of security	Repayment details	As at March 31, 2015	As at March 31, 2014
b.2	HDFC Limited- Rs. 10,000.00 lacs	1. Extension of mortgage of land admeasuring 350.35 acres of the project "Vatika India Next" at Sector 81, 82, 82A, 83, 84 and 85 Gurgaon and construction thereon present and future and all entitlements emanating therefrom 2. First charge on the sale proceeds/ receivables accruing from the unsold area of the Project "Vatika India Next" at Sector 81, 82, 82A, 83, 84 and 85 Gurgaon. 3. Extension of mortgage of 71.04 acres of the project "Vatika India Next" at Sector 82, Gurgaon and construction thereon, present and future. 4. Extension of charge on the sale proceeds/ receivables accruing from the unsold area of the Project "Vatika India Next" at Sector 81, 82, 82A, 83, 84 and 85 Gurgaon. 5. Extension of mortgage of project land "Vatika City" at Gurgaon and construction thereon, present and future along with the unsold area of 354,815 sq. ft. in the project. 6. Extension of charge of sale proceeds/ receivables accruing from sold and unsold area of the "Vatika City" at Gurgaon. 7. Extension of mortgage of project land "Vatika City" at Jaipur-Ajmer Road and construction thereon, present and future along with the unused Floor Space Index (FSI). 8. Extension of charge of sale proceeds/ receivables accruing from sold and unsold area of the "Vatika City" at Jaipur-Ajmer road, Jaipur. 9. Extension of mortgage of the project "Urbanwoods", at Jaipur Ajmer Road, Jaipur and construction thereon, present and future. 10. Extension of charge on receivables from entire sales proceeds/ receivables accruing from sold and unsold area from the project "Urbanwoods", Jaipur. 11. Extension of mortgage on "Vatika Infotech Park" Project land admeasuring 8.793 acres at Faridabad and construction thereon present and future. 12. Extension of charge of sale proceeds/ receivables accruing from sold and unsold area of project "Vatika Infotech Park" Faridabad admeasuring 8.793 acres. 13. Extension of mortgage of "Jaipur-21" project at Jaipur, land and construction thereon present and future. 14. Extension of charge on sales proceeds/ receivables accruing from sold and unsold area of Jaipur 21 Project land at Jaipur-Ajmer Road, Jaipur. 15. Extension of first charge on Escrow A/c with HDFC Bank Limited for the above mentioned projects. 16. Irrevocable and unconditional personal guarantee of Anil Bhalla, Gautam Bhalla and Gaurav Bhalla.	The loan is linked with escrow account and subject to minimum balance at the end of periods defined in the master facility agreement	750.00	3,750.00
	HDFC Limited- Rs. 10,000.00 lacs	1. Extension of first equitable mortgage of land admeasuring 350.35 acres of the project "Vatika India Next" at Sector 81, 82, 82A, 83, 84 and 85 Gurgaon and construction thereon present and future and all entitlements emanating therefrom 2. Extension of charge on entire sale proceeds/ receivables accruing from sold and unsold area of "Vatika India Next", spread over 499.07 acres situated at Sector 81, 82, 82A, 83, 84 and 85 Gurgaon, Haryana. 3. First equitable mortgage of land measuring 24,527 sqft of the project "Vatika City, Sohna Road, Gurgaon" and construction thereon present and future and all entitlements emanating therefrom. 4. Charge on sale proceeds/ receivables accruing from sold and unsold area of the project land, "Vatika City, Sohna Road, Gurgaon". 5. First charge on project land "Vatika City" at Jaipur-Ajmer Road and construction thereon, present and future along with the unused Floor Space Index (FSI). 6. Charge on sale proceeds/ receivables accruing from sold and unsold area of the "Vatika City" at Jaipur-Ajmer road, Jaipur. 7. First equitable mortgage of the project land at "Urbanwoods", at Jaipur Ajmer Road, Jaipur and construction thereon, present and future. 8. Charge on receivables from entire sales proceeds/ receivables accruing from sold and unsold area from the project "Urbanwoods", Jaipur. 9. Extension of mortgage on "Vatika Infotech Park" Project land admeasuring 8.793 acres at Faridabad and construction thereon present and future. 10. Extension of charge of sale proceeds/ receivables accruing from sold and unsold area of project "Vatika Infotech Park" Faridabad admeasuring 8.793 acres. 11. First charge on land of "Jaipur-21" project at Jaipur, land and construction thereon present and future. 12. Charge on sales proceeds/ receivables accruing from sold and unsold area of Jaipur 21 Project land at Jaipur-Ajmer Road, Jaipur. 13. Irrevocable and unconditional personal guarantee of Anil Bhalla, Gautam Bhalla and Gaurav Bhalla.	The loan is linked with escrow account and subject to minimum balance at the end of periods defined in the master facility agreement	2,201.35	4,675.22



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Vatika Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015

(All amounts are in Indian Rupees in lacs, unless otherwise specified)

Note 8 (Cont'd)

Sl. No.	Particulars	Particulars/ nature of security	Repayment details	As at March 31, 2015	As at March 31, 2014
b.4	HDFC Limited- Rs. 20,000.00 lacs	1. Extension of mortgage of land admeasuring 350.35 acres of the project "Vatika India Next" at Sector 81, 82, 82A, 83, 84 and 85 Gurgaon and construction thereon present and future and all entitlements emanating therefrom. 2. Extension of charge on receivables from entire sale proceeds/receivables accruing from sold and unsold area of "Vatika India Next" situated at Sector 81, 82, 82A, 83, 84, and 85 Gurgaon, Haryana. 3. Extension of mortgage of land measuring 24,527 sqft of the project "Vatika City, Sohna Road, Gurgaon" and construction thereon present and future and all entitlements emanating therefrom. 4. Extension of charge of sale proceeds/receivables accruing from sold and unsold area of the project land, "Vatika City, Sohna Road, Gurgaon". 5. Extension of mortgage of project land "Vatika City" at Jaipur-Ajmer Road and construction thereon, present and future along with the unutilized Floor Space Index (FSI). 6. Extension of charge of sale proceeds/receivables accruing from sold and unsold area of the "Vatika City" at Jaipur-Ajmer road, Jaipur. 7. Extension of mortgage of the project "Urbanwoods", at Jaipur Ajmer Road, Jaipur and construction thereon, present and future. 8. Extension of charge on receivables from entire sales proceeds/receivables accruing from sold and unsold area from the project "Urbanwoods", Jaipur. 9. Extension of mortgage on "Vatika Infotech Park" Project land admeasuring 8.793 acres at Faridabad and construction thereon present and future. 10. Extension of charge of sale proceeds/receivables accruing from sold and unsold area of project "Vatika Infotech Park" Faridabad admeasuring 8.793 acres. 11. Extension of mortgage of "Jaipur-21" project at Jaipur, land and construction thereon present and future. 12. Extension of charge on sales proceeds/ receivables accruing from sold and unsold area of Jaipur 21 Project land at Jaipur-Ajmer Road, Jaipur. 13. Extension of first charge on Escrow A/c with HDFC Bank Limited.	The loan is linked with escrow account and subject to minimum balance at the end of periods defined in the master facility agreement	8,400.00	14,000.00
b.5	HDFC Limited- Rs. 20,000.00 lacs	1. Irrevocable and unconditional personal guarantee of Anil Bhalla, Gautam Bhalla and Gautav Bhalla. 2. Extension of mortgage of land admeasuring 350.35 acres of the project "Vatika India Next" at Sector 81, 82, 82A, 83, 84 and 85 Gurgaon and construction thereon present and future and all entitlements emanating therefrom. 3. Extension of charge on receivables from entire sale proceeds/receivables accruing from sold and unsold area of "Vatika India Next" situated at Sector 81, 82, 82A, 83, 84, and 85 Gurgaon, Haryana. 4. Extension of mortgage of land measuring 24,527 sqft of the project "Vatika City, Sohna Road, Gurgaon" and construction thereon present and future and all entitlements emanating therefrom. 5. Extension of charge of sale proceeds/receivables accruing from sold and unsold area of the project land, "Vatika City, Sohna Road, Gurgaon". 6. Extension of mortgage of project land "Vatika City" at Jaipur-Ajmer Road and construction thereon, present and future along with the unutilized Floor Space Index (FSI). 7. Extension of charge of sale proceeds/receivables accruing from sold and unsold area of the "Vatika City" at Jaipur-Ajmer road, Jaipur. 8. Extension of mortgage of the project "Urbanwoods", at Jaipur Ajmer Road, Jaipur and construction thereon, present and future. 9. Extension of charge on receivables from entire sales proceeds/receivables accruing from sold and unsold area from the project "Urbanwoods", Jaipur. 10. Extension of mortgage on "Vatika Infotech Park" Project land admeasuring 8.793 acres at Faridabad and construction thereon present and future. 11. Extension of charge of sale proceeds/receivables accruing from sold and unsold area of project "Vatika Infotech Park" Faridabad admeasuring 8.793 acres. 12. Extension of mortgage of "Jaipur-21" project at Jaipur, land and construction thereon present and future. 13. Extension of charge on sales proceeds/ receivables accruing from sold and unsold area of Jaipur 21 Project land at Jaipur-Ajmer Road, Jaipur. 14. Extension of first charge on Escrow A/c with HDFC Bank Limited.	Repayable in five quarterly installments of Rs. 2,000 lacs each and four quarterly installments of Rs. 2,500 lacs each commencing from December 31, 2015.	20,000.00	10,000.00



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Vatika Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015

(All amounts are in Indian Rupees in lacs, unless otherwise specified)

Note 8 (Cont'd)

Sl. No.	Particulars	Particulars / nature of security	Repayment details	As at March 31, 2015	As at March 31, 2014
b.6	HDFC Limited- Rs. 35,000.00 lacs	- Extension of mortgage of land admeasuring 350.35 acres of the project "Vatika India Next" at Sector 81, 82, 82A, 83, 84 and 85 Gurgaon and construction thereon present and future and all entitlements emanating therefrom - Extension of charge on receivables from entire sale proceeds/receivables accruing from sold and unsold area of "Vatika India Next" situated at Sector 81, 82, 82A, 83, 84, and 85 Gurgaon, Haryana - Extension of mortgage of land measuring 24,527 sqft of the project "Vatika City, Sohna Road, Gurgaon" and construction thereon present and future and all entitlements emanating therefrom. - Extension of charge of sale proceeds/receivables accruing from sold and unsold area of the project land, "Vatika City, Sohna Road, Gurgaon". - Extension of mortgage of project land "Vatika City" at Jaipur-Ajmer Road and construction thereon, present and future along with the unutilized Floor Space Index (FSI). - Extension of charge of sale proceeds/receivables accruing from sold and unsold area of the "Vatika City" at Jaipur-Ajmer road, Jaipur. - Extension of mortgage of the project "Urbanwoods", at Jaipur-Ajmer Road, Jaipur and construction thereon, present and future. - Extension of charge on receivables from entire sales proceeds/receivables accruing from sold and unsold area from the project "Urbanwoods", Jaipur. - Extension of mortgage of "Jaipur-21" project at Jaipur, land and construction thereon present and future. - Extension of charge on sales proceeds/receivables accruing from sold and unsold area of Jaipur 21 Project land at Jaipur-Ajmer Road, Jaipur - Extension of first charge on Escrow A/c with HDFC Bank Limited. - Irrevocable and unconditional personal guarantee of Anil Bhalla, Gautam Bhalla and Gaurav Bhalla.	Repayable in 13 quarterly installments of Rs. 2,000 lacs each commencing from December 31, 2016, and repayable in 16 quarterly installments of Rs. 625 lacs each commencing from March 31, 2016 respectively.	35,000.00	20,000.00
b.7	HDFC Limited- Rs. 30,000.00 lacs	- Extension of charge on land admeasuring 350.35 acres of the project "Vatika India Next" at Sector 81, 82, 82A, 83, 84 and 85 Gurgaon and construction thereon present and future and all entitlements emanating therefrom - Extension of charge on entire sale proceeds/receivables accruing from sold and unsold area of "Vatika India Next", spread over 499.07 acres situated at Sector 81, 82, 82A, 83, 84, and 85 Gurgaon, Haryana. - Extension of charge on land measuring 24,527 sqft of the project "Vatika City, Sohna Road, Gurgaon" and construction thereon present and future and all entitlements emanating therefrom. - Extension of charge on sale proceeds/receivables accruing from sold and unsold area of the project land, "Vatika City, Sohna Road, Gurgaon". - Extension of charge on project land "Vatika City" at Jaipur-Ajmer Road and construction thereon, present and future along with the unutilized Floor Space Index (FSI). - Extension of charge on sale proceeds/receivables accruing from sold and unsold area of the "Vatika City" at Jaipur-Ajmer road, Jaipur. - Extension of charge on the project land at "Urbanwoods", at Jaipur-Ajmer Road, Jaipur and construction thereon, present and future. - Extension of charge on receivables from entire sales proceeds/receivables accruing from sold and unsold area from the project "Urbanwoods", Jaipur. - Extension charge on land of "Jaipur-21" project at Jaipur, land and construction thereon present and future. - Charge on sales proceeds/receivables accruing from sold and unsold area of Jaipur 21 Project land at Jaipur-Ajmer Road, Jaipur. - Extension of first charge on Escrow A/c with HDFC Bank Limited for the abovementioned projects. - Irrevocable and unconditional personal guarantee of Anil Bhalla, Gautam Bhalla and Gaurav Bhalla.	Repayable in two quarterly installments of Rs. 12,500 lacs each and eleven quarterly installments of Rs. 2,500 lacs each commencing from June 30, 2017.	30,000.00	-
b.8	HDFC Limited- Rs. 15,000.00 lacs	- Extension of charge on land admeasuring 324.33 acres of the project "Vatika Infotech City" at Jaipur-Ajmer Road, Jaipur and construction thereon present and future along with the unutilized FSI and the unsold area, including any other land to be further acquired for the said project. - Charge on entire sale proceeds/receivables accruing from sold and unsold area of project "Vatika Infotech City" at Jaipur-Ajmer Road, Jaipur. - Extension of charge on land admeasuring 350.35 acres of the project "Vatika India Next" at Sector 81, 82, 82A, 83, 84 and 85 Gurgaon and construction thereon present and future and all entitlements emanating therefrom - Extension of charge on entire sale proceeds/receivables accruing from sold and unsold area of "Vatika India Next", spread over 591.36 acres situated at Sector 81, 82, 82A, 83, 84, and 85 Gurgaon, Haryana. - Irrevocable and unconditional personal guarantee of Anil Bhalla, Gautam Bhalla and Gaurav Bhalla.	Repayable in twelve quarterly installments of Rs. 12,500 lacs each commencing from March 31, 2017.	15,000.00	-

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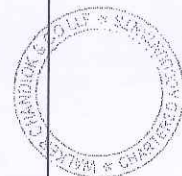
Vatika Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015

(All amounts are in Indian Rupees in lacs, unless otherwise specified)

Note 8 (Cont'd)

Sl. No.	Particulars	Particulars / nature of security	Repayment details	As at March 31, 2015	As at March 31, 2014
b.9	Kotak Mahindra Prime Limited- Rs. 7,500.00 lacs	1. Equitable mortgage of land admeasuring approx. 8.65 acres and building constructed/to be constructed thereon (proposed group housing project Tranquil Heights) situated in the revenue estate of village Shikohpur, Sector 82-A, Tehsil and District Gurgaon, Haryana. 2. Security covers of 2 times to be maintained at all times. 3. Hypothecation & Escrow of receivables from Tranquil Heights Project. 4. Lien on amount equal to 3 months interest to be kept in the ITD with Kotak Mahindra Bank Limited. 5. Personal guarantee of promoters / directors of the Company.	Repayable in 18 monthly installments of Rs. 416.00 lacs from 19th to 35th month of disbursement and last installment of Rs. 428.00 lacs in 36th month.	-	7,500.00
b.10	Kotak Mahindra Prime Limited- Rs. 6,000.00 lacs	1. First charge through equitable mortgage of land admeasuring 10.125 acres in Village Harsaru and building to be constructed under the name of "The Seven Elements" in Sector 89A, Gurgaon. 2. Security covers of 2 times to be maintained at all times. 3. Hypothecation & Escrow of receivables from Tranquil Heights Project. 4. Lien on amount equal to 3 months interest to be kept in the ITD with Kotak Mahindra Bank Limited. 5. Personal guarantee of promoters / directors of the Company. 6. Corporate guarantee of M/s Strong Infabuild Private limited and M/s Aster Promoters and Developers Private Limited.	Repayable in eighteen monthly installments from nineteenth to thirty sixth month from disbursement and as per the master facility arrangement based on revenue collections to be adjusted against the principal amount.	-	6,000.00
b.11	DMI Finance Private Limited- Rs. 3,000.00 lacs	1. Extension of exclusive first charge by way of equitable mortgage by way of constructive delivery of the title deeds of "Town Square". 2. Personal guarantee of Gautam Bhalla. 3. Security of 69% of the undivided right title and interest in all that piece and parcel of freehold land situated in the revenue estate of village Shikohpur, Gurgaon along with pro rata share of the total super built up area as may be permitted to be to be constructed and developed thereon under applicable laws in respect of the commercial colony proposed to be constructed and developed under the name India Next Town Square, together with all present and future buildings and structures. 4. Security of 69% of the total super built up area as may be permitted to be to be constructed and developed thereon under applicable laws in respect of the commercial colony proposed to be constructed and developed under the name India Next Town Square situated in the revenue estate of village Shikohpur, Gurgaon along with all present and future buildings and structures.	Repayable in thirty six monthly installments (including interest), starting from January 15, 2014.	-	2,808.19
b.12	DMI Finance Private Limited- Rs. 2,500.00 lacs	1. Exclusive first charge by way of equitable mortgage on entire right title and interest in the project land comprising of all the pieces and parcels of group housing land situated at Sector 88B, Revenue Estate of Village Harsaru, Gurgaon, Haryana, including any benefits or revenues arising therefrom. 2. Escrow of the project receivables and first charge by way of hypothecation over all project receivables and the escrow account. 3. First charge by way of hypothecation over all movable assets relating to the project. 4. Charge/lien over the fixed deposit created by the Company for an amount equivalent to securing due payment of interest and repayment of principal amount of the immediately subsequent two installments. 5. Pledge of entire issued equity share capital of Cayden Developers Private Limited. 6. Irrevocable and unconditional personal guarantee of Anil Bhalla, Gautam Bhalla and Gaurav Bhalla.	Repayable in 36 monthly installments, starting from November 15, 2014.	2,227.54	2,500.00
b.13	DMI Finance Private Limited- Rs. 4,000.00 lacs	1. Equitable mortgage of land admeasuring 189.074 sq feet in the project Vatika Town Square. 2. Irrevocable and unconditional personal guarantee of Anil Bhalla and Gautam Bhalla.	Repayable in 30 monthly installments, starting from September 15, 2016.	4,000.00	-
b.14	IFCI Factors Limited- Rs. 2,000.00 lacs	1. First and exclusive charge on all the receivables of Commercial Project Market Place-I at Vatika India Next, Gurgaon. 2. First and exclusive charge on commercial land admeasuring 1.20 acres at Village Shikohpur, Tehsil Manesar, Gurgaon. 3. Personal guarantee of promoters / directors of the Company.	Repayable in eight quarterly installments starting from February 1, 2014	-	1,750.00
b.15	IFCI Factors Limited- Rs. 1,800.00 lacs	1. First and exclusive charge on all the receivables, both present and future, in respect of the project Market Place-I, Township Commercial, Vatika India Next, Gurgaon. 2. First and exclusive charge on all the receivables, both present and future, in respect of the upcoming project at commercial property admeasuring 1.20 acres at village Shikohpur, Tehsil Manesar, Gurgaon, Haryana. 3. Equitable mortgage of commercial land and building thereon both present and future situated on the land admeasuring 1.20 acres at village Shikohpur, Tehsil Manesar, Gurgaon, Haryana. 4. Irrevocable and unconditional personal guarantee of Anil Bhalla, Gautam Bhalla and Gaurav Bhalla.	Repayable in seven quarterly installments of Rs. 250 lacs each and eighth installment of Rs. 50 lacs, starting from December 31, 2015.	1,770.00	-

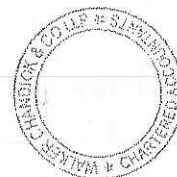


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Authorised Signatory

Vatika Limited
Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015
(All amounts are in Indian Rupees in lac, unless otherwise specified)
Note 8 (Cont'd)

Sl. No.	Particulars	Particulars/ nature of security	Repayment details	As at March 31, 2015	As at March 31, 2014
b.16	Primal Enterprises Limited- Rs. 15,000.00 lacs	1. Exclusive first charge through equitable Memorandum of Entry and declaration of land at Mindscape, Faridabad. 2. Exclusive first charge on the receivables of the project Mindscape, Faridabad. 3. Exclusive first charge through hypothecation on movable fixed assets and other assets, both present and future of the project Mindscape, Faridabad. 4. Corporate guarantee of Vatika I.T. Parks Private Limited and Vatika Limited. 5. Pledge of shares of Vatika I.T. Parks Private Limited. 6. Escrow of receivables from inventory of the project Mindscape, Faridabad. 7. Irrevocable and unconditional personal guarantee of Anil Bhatta, Gautam Bhatta and Gautam Bhatta.	Repayable in twelve equal quarterly installments of Rs. 1,250 lacs each, starting from June 30, 2017.	12,000.00	-
b.17	Rilance Home Finance Limited- Rs. 4,475.00 lacs	1. Mortgage of entire freehold land, and any property or structure standing on the land of the Project Gurgaon-21 to be developed on group housing plot of land admeasuring 11.781 acres, falling in village Silhi, Sector 83, NH-8, Manesar, Gurgaon. 2. First charge on receivables of the Project Gurgaon-21 to be developed on group housing plot of land admeasuring 11.781 acres, falling in village Silhi, Sector 83, NH-8, Manesar, Gurgaon.	Repayable in twenty four equal monthly installments of Rs. 219.11 lacs each, starting from January 15, 2016.	4,469.89	-
c	Inter corporate deposits- secured The Company has secured the repayment of inter corporate deposits, by provisional letter of allotment of plots/commercial area in the proposed township and corporate guarantee of group companies along with personal guarantees of directors. These deposits are repayable within 3 months of the date of agreement.			9,300.00	5,000.00
d	Overdraft facility from others- secured 1. Equitable mortgage of licensed group housing land of 12.21 acres approx, at Sector 88B, Gurgaon, owned by Vatika Limited, and various other land owning companies. 2. First and exclusive charge on all the receivables of licensed group housing land of 12.21 acres approx, at Sector 88B, Gurgaon, owned by Vatika Limited and various other land owning companies. 3. Equitable mortgage of land of approx 4.39 acres, situated at village Hassan, Gurgaon owned by Blair Developers Private Limited. 4. First and exclusive charge on all the receivables of land of approx 4.39 acres, situated at village Hassan, Gurgaon owned by Blair Developers Private Limited. 5. Equitable mortgage of land of approx 2.25 acres, situated at village Hassan, Gurgaon owned by Feldon Developers Private Limited. 6. First and exclusive charge on all the receivables of land of approx 2.25 acres, situated at village Hassan, Gurgaon owned by Feldon Developers Private Limited.		Repayable on demand.	7,200.00	7,200.00
e	Public deposits- unsecured The Company has unsecured public deposits outstanding as on March 31, 2015, having a maturity of 1 year.			84.00	742.26
f	Rate of interest: The Company's short term borrowings have effective weighted average rate of 15.02% p.a. (previous year 15.46% p.a.) calculated using the actual interest costs for the year ended on March 31, 2015 (previous year ended as on March 31, 2014) for the respective borrowings.				


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For VATIKA LIMITED
Authorised Signatory

Vatika Limited**Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015***(All amounts are in Indian Rupees in lacs, unless otherwise specified)***9. Trade payables**

	March 31, 2015	March 31, 2014
Micro, small and medium enterprises (refer note 39)	-	-
Others	34,467.31	19,865.69
	<u>34,467.31</u>	<u>19,865.69</u>

10. Other current liabilities

	March 31, 2015	March 31, 2014
Current maturities of long-term borrowings (refer note 5)	36,795.37	22,401.47
Interest accrued but not due on borrowings	550.28	635.82
Interest accrued and due on delay in payment of income taxes	1,459.26	1,421.03
Security deposits - refundable (refer note 44)	44,027.20	57,464.93
Payable to companies under same management	-	4,242.10
Advance from customers* (refer note 34)	173,208.31	161,637.08
Rent equalization reserve	20.67	88.02
Other payables		
Book overdraft	1,022.94	3,145.93
Payable to employees	384.33	372.31
Statutory dues		
- License related payables**	48,966.16	65,938.63
- Other dues	1,707.09	915.27
	<u>308,141.61</u>	<u>318,262.59</u>

* Out of the above Rs. 18,928.66 lacs (previous year Rs. 7,343.01) pertains to deemed obligation in respect of transferable development rights acquired by way of development/ construction of built up area recorded as per the Guidance Note on Accounting for Real Estate Transactions (Revised 2012).

** Out of the above Rs. 30,428.69 lacs (previous year Rs. 47,190.49 lacs) is not due as on the Balance sheet date as per the terms and conditions of the license as the same is as per deferred payment plan.



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For VATIKA LIMITED

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Vatika Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015

(All amounts are in Indian Rupees in lacs, unless otherwise specified)

11 (a). Tangible assets

	Land	Buildings	Plant and equipments	Office equipments	Leaschold improvements	Computers	Furnitures and fixtures	Vehicles	Total
Gross block									
As at April 1, 2013	293.88	3,333.21	238.50	74.78	122.48	225.50	71.31	583.84	4,943.50
Additions	-	-	62.09	6.16	-	93.97	27.04	76.97	266.23
Disposals/adjustment	-	-	3.76	1.57	-	25.63	2.46	116.40	149.82
As at March 31, 2014	293.88	3,333.21	296.83	79.37	122.48	293.84	95.89	544.41	5,059.91
As at April 1, 2014	293.88	3,333.21	296.83	79.37	122.48	293.84	95.89	544.41	5,059.91
Additions	-	-	22.64	10.66	-	65.44	62.37	241.33	402.44
Disposals/adjustment	-	-	-	-	-	8.66	0.28	66.49	75.43
As at March 31, 2015	293.88	3,333.21	319.47	90.03	122.48	350.62	157.98	719.25	5,386.92
Accumulated depreciation									
As at April 1, 2013	-	599.90	115.94	31.38	35.34	158.66	48.46	316.26	1,305.94
Charge for the year	-	136.67	21.69	6.76	23.56	47.21	9.46	79.06	324.41
Disposals/adjustment	-	-	2.72	0.83	-	24.02	2.16	93.49	123.22
As at March 31, 2014	-	736.57	134.91	37.31	58.90	181.85	55.76	301.83	1,507.13
As at April 1, 2014	-	736.57	134.91	37.31	58.90	181.85	55.76	301.83	1,507.13
Charge for the year	-	125.09	37.20	31.99	23.56	80.34	18.38	126.09	442.65
Disposals/adjustment	-	-	-	-	-	7.75	0.28	56.13	64.16
As at March 31, 2015	-	861.66	172.11	69.30	82.46	254.44	73.86	371.79	1,885.62
Net block									
As at March 31, 2014	293.88	2,596.64	161.92	42.06	63.58	111.99	40.13	242.58	3,552.78
As at March 31, 2015	293.88	2,471.55	147.36	20.73	40.02	96.18	84.12	347.46	3,501.30

*Effective from April 1, 2014, the Company has started providing depreciation based on the revised useful life of the assets as per the requirement of Schedule II of the Companies Act, 2013. Due to this depreciation charge for the year ended March 31, 2015 is higher by Rs. 88.14 lacs. Further based on the transitional provision provided in Note 7 (b) of Schedule II of the Companies Act, 2013, the carrying value of assets amounting to Rs. 16.17 lacs which have completed its useful life as at April 1, 2014 has been charged to the statement of profit and loss during the current year.

For VATIKA LIMITED

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Vatika Limited

Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015

(All amounts are in Indian Rupees in lacs, unless otherwise specified)

11 (b). Intangible assets

	March 31, 2015	March 31, 2014
Computer software		
Gross block		
Opening	146.62	145.27
Additions	14.41	1.35
Disposals	-	-
Closing	<u>161.03</u>	<u>146.62</u>
Amortization		
Opening	142.97	141.16
Charge for the year	5.16	1.81
Disposals	-	-
Closing	<u>148.13</u>	<u>142.97</u>
Net block	<u>12.90</u>	<u>3.65</u>

12. Non-current investments

	March 31, 2015	March 31, 2014
Trade investments (valued at cost unless stated otherwise)		
Unquoted equity instruments (fully paid up)		
Investment in subsidiaries:		
673.58 lacs (previous year 605.10 lacs) equity shares of Vatika Hotels Private Limited @ Rs. 10 each*	12,680.00	6,051.00
0.10 lacs (previous year 0.10 lacs) equity shares of Aspire Promoters Private Limited @ Rs. 10 each	1.00	1.00
0.10 lacs (previous year 0.10 lacs) equity shares of Vatika Dwellers Private Limited @ Rs. 10 each	1.00	1.00
0.10 lacs (previous year 0.10 lacs) equity shares of Famous Dwellers Private Limited @ Rs. 10 each	1.00	1.00
0.10 lacs (previous year 0.10 lacs) equity shares of Valtema Promoters and Developers Private Limited @ Rs. 10 each	1.00	1.00
0.02 lacs (previous year 0.02 lacs) equity shares of Vatika IT Parks Private Limited @ Rs. 100 each	22.00	22.00
0.50 lacs (previous year 0.50 lacs) equity shares of Vatika Jaipur SEZ Developers Limited @ Rs 10 each	5.00	5.00
0.01 lacs (previous year 0.01 lacs) equity shares of Emilia Estates Private Limited @ Rs 2,740 each up	34.58	34.58
1.32 lacs (previous year 1.32 lacs) equity shares of SH Tech Park Developers Private Limited @ Rs. 10 each	3,805.68	3,805.68
0.10 lacs (previous year Nil) equity shares of Gates Developers Private Limited @ Rs. 10 each	1.00	-
0.998 lacs (previous year Nil) equity shares of Vatika Overseas Limited @ ₹ 1 each	100.00	100.00
1,070.40 lacs (previous year Nil) equity shares of Trishul Propbuild Limited @ Rs 10 each**	10,704.00	-
1,974.61 lacs (previous year 2,656.61 lacs) 0% Compulsory Convertible Debentures of SH Tech Park Developers Private Limited @ Rs. 1 each	3,259.35	5,038.38
929.74 lacs (previous year Nil) 17.75% Optionally Convertible Debentures of Vatika Seven Elements Private Limited @ Rs. 10 each	9,297.40	-
294.84 lacs (previous year Nil) 17.75% Optionally Convertible Debentures of Vatika Sovereign Park Private Limited @ Rs. 10 each	2,948.42	-
Investments in partnership firm		
Share in partnership firm - Trishul Industries**	-	10,600.00
Others		
0.07 lacs (previous year 0.07 lacs) equity shares of Haryana Financial Corporation Limited @ Rs. 10 each fully paid	2.13	2.13
	<u>42,863.56</u>	<u>25,662.77</u>
Non-trade investments (valued at cost unless stated otherwise)		
National Savings Certificate	0.34	0.34
	<u>42,863.90</u>	<u>25,663.11</u>

Details of investment in partnership firm - Trishul Industries**

Name of the Partners	Share in profits	Amount of Investment as on March 31, 2015	Share in profits	Amount of Investment as on March 31, 2014
Vatika Limited	-	-	99.99%	10,600.00
Anil Bhalla	-	-	0.01%	1.00
Total capital	-	-	100%	10,601.00

*During the year, the Company made further investment in the form of 6,848,140 equity shares of face value Rs. 10 each in Vatika Hotels Private Limited at a premium of Rs. 86.80 per share.

**During the year, Trishul Industries, a partnership firm in which the Company is a partner and had 99.99% capital was converted into a company named 'Trishul Propbuild Limited'. Pursuant to this conversion, 1,060.00 lac equity shares were allotted to Vatika Limited and consequently become a subsidiary of the Company. Subsequent to such conversion, the Company further invested in 10.40 lac equity shares of face value Rs. 10 each in Trishul Propbuild Limited.

For VATIKA LIMITED

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Vatika Limited**Summary of significant accounting policies and other explanatory information for the year ended March 31, 2014***(All amounts are in Indian Rupees in lacs, unless otherwise specified)***13. Deferred tax assets (net)****Deferred tax assets on account of :-**

Employee benefits

Effect of expenditure debited to statement of profit and loss but allowed for tax purposes in following years

Provision for doubtful receivables and advances

March 31, 2015**March 31, 2014**

39.42

20.44

1,935.67

3,358.43

1,260.72

48.53

3,235.813,427.40**Deferred tax liability on account of :-**

Differences in depreciation/ amortization and other differences in block of fixed assets as per tax books and financial

(113.19)

(117.22)

(113.19)(117.22)3,122.623,310.18**14. Long-term loans and advances**

(Unsecured, considered good, unless otherwise stated)

March 31, 2015**March 31, 2014**

Capital advances

8.90

70.84

Security deposits

677.98

703.26

Loans to related parties (refer note 35)

6,949.88

31,033.67

Other loans and advances

Income tax (net of provisions Rs. 4,671.25 lacs (previous year Rs. 4,542.01 lacs)

6,101.74

5,793.12

MAT credit entitlement

394.53

-

Gratuity - planned assets net off liabilities (refer note 37)

-

12.06

Prepaid expenses

13,189.03

16,949.79

Loan to others

5,500.00

5,500.00

32,822.0660,062.74**15. Other non current assets****March 31, 2015****March 31, 2014**

Non-current bank balances (refer note 19)

3,944.69

3,762.26

Interest accrued on deposits - held as margin money

471.70

233.93

Interest accrued but not due on debentures

562.76

-

4,979.153,996.19*(This space has been intentionally left blank.)*

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For VATIKA LIMITED**Authorised Signatory**

Vatika Limited
Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015
(All amounts are in Indian Rupees in lacs, unless otherwise specified)
16. Current investments

	March 31, 2015	March 31, 2014
Trade investments (valued at cost unless stated otherwise)		
Unquoted equity instruments (fully paid up)		
Investment in subsidiaries (Held for sale):		
0.46 lacs (previous year Nil) equity shares of Vatika Sovereign Park Private Limited @ Rs. 10 each*	7,701.86	-
	<u>7,701.86</u>	<u>-</u>

*The Board of Directors of the Company, in their meeting held on December 01, 2014, resolved to temporarily hold investments upto 46,200 equity shares of face value of Rs. 10 each in Vatika Sovereign Park Private Limited, to be eventually sold to Famous Dwellers Private Limited. As further noted in Note 49(b), out of the total 46,200 equity shares the Company has subsequently transferred 44,400 equity shares to Famous Dwellers Private Limited.

17. Inventories (valued at lower of cost and net realizable value)

	March 31, 2015	March 31, 2014
Projects-in-progress	293,566.93	261,167.67
Inventory of completed real estate projects	15,511.03	15,394.53
	<u>309,077.96</u>	<u>276,562.20</u>

* Includes inventories of Rs. 17,923.60 lacs (previous year Rs. 27,162.72 lacs) pending transfer of registration in the name of the Company.

18. Trade receivables

	March 31, 2015	March 31, 2014
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	6,015.27	7,534.20
Unsecured, considered doubtful	142.79	113.41
	<u>6,158.06</u>	<u>7,647.61</u>
Less : Allowance for bad and doubtful receivables	(142.79)	(113.41)
	<u>6,015.27</u>	<u>7,534.20</u>
Trade receivables (others)		
Unsecured, considered good	29,302.03	3,600.89
Unsecured, considered doubtful	-	29.38
	<u>29,302.03</u>	<u>3,630.27</u>
Less : Allowance for bad and doubtful receivables	-	(29.38)
	<u>29,302.03</u>	<u>3,600.89</u>
	<u>35,317.30</u>	<u>11,135.09</u>

19. Cash and bank balances

	Non current		Current	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Cash and cash equivalents				
Balances with banks				
- on current accounts	-	-	12,144.30	3,508.58
- on deposit accounts	-	-	318.06	3,271.16
Cash on hand	-	-	72.01	281.61
	<u>-</u>	<u>-</u>	<u>12,534.37</u>	<u>7,061.35</u>
Other bank balances				
- deposit with original maturity of more than twelve months	-	75.00	14.00	-
- deposit with original maturity of more than three months but less than twelve months	-	-	190.00	-
- Margin money deposits*	3,944.69	3,687.26	2,487.04	2,419.69
	<u>3,944.69</u>	<u>3,762.26</u>	<u>2,691.04</u>	<u>2,419.69</u>
	<u>3,944.69</u>	<u>3,762.26</u>	<u>15,225.41</u>	<u>9,481.04</u>
Amount disclosed under non-current assets (refer note 15)	(3,944.69)	(3,762.26)	-	-
	<u>-</u>	<u>-</u>	<u>15,225.41</u>	<u>9,481.04</u>

* Margin money deposits have been pledged as security for bank guarantees issued in favor of various statutory authorities and financial institutions, and for public deposits maturing till March 31, 2016.

For VATIKA LIMITED

Authorised Signatory



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Vatika Limited**Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015***(All amounts are in Indian Rupees in lacs, unless otherwise specified)***20. Short term loans and advances***(Unsecured, considered good, unless otherwise stated)*

	March 31, 2015	March 31, 2014
Advances to related parties (refer note 35)	196,501.28	154,478.91
Advances for land purchase [including Rs. 2,400.00 lacs (previous year Rs. Nil) doubtful]	6,306.07	9,802.22
Others		
Security deposits	9,485.81	3,704.53
Advances recoverable in cash or in kind or for value to be received	3,288.25	3,670.39
Balances with government authorities [including Rs. 1,100.07 lacs (previous year Rs. Nil) doubtful]	2,250.48	339.65
Advance licence fee	825.77	1,672.95
Prepaid expenses	4,309.09	4,345.36
	<u>222,966.75</u>	<u>178,014.01</u>
Less: Provision for doubtful advances	<u>(3,500.07)</u>	<u>-</u>
	<u>219,466.68</u>	<u>178,014.01</u>

21. Other current assets

	March 31, 2015	March 31, 2014
Unbilled receivables (refer note 44)	110,396.21	122,020.89
Interest accrued on deposits	323.77	250.84
Interest accrued but not due on loans	693.00	81.13
Stamp papers in hand	11.30	19.30
	<u>111,424.28</u>	<u>122,372.16</u>

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Vatika Limited
Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015
(All amounts are in Indian Rupees in lacs, unless otherwise specified)
22. Revenue from operations

	March 31, 2015	March 31, 2014
Operating revenue		
Revenue from real estate operations* (refer note 44)	109,138.06	161,587.94
Other operating income		
Rental income [net of payments to investors Rs 5,803.47 lacs (previous year Rs. 5,232.71 lacs)]	603.31	354.67
Transfer charges	771.60	776.40
Compulsory acquisition by government	-	1,947.08
Service income	296.61	100.34
Forfeiture income and service receipts	184.96	79.46
	<u>110,994.54</u>	<u>164,845.89</u>

* Includes amounts earned on account of transfer of projects amounting to Rs. 34,863.09 lacs (previous year Rs. Nil) (for further details, refer note 29).

23. Other income

	March 31, 2015	March 31, 2014
Interest income on:		
Bank deposits	882.06	806.74
Income tax refund	437.87	-
Others	1,759.30	653.20
Profit on sale of investments (net)	41.56	503.07
Amounts written back	116.98	462.33
Provisions for doubtful advances written back	-	80.25
Profit on sale of fixed assets (net)	2.12	5.48
Miscellaneous income	41.89	9.77
	<u>3,281.78</u>	<u>2,520.84</u>

24. Cost of revenue

	March 31, 2015	March 31, 2014
Project in progress		
Opening projects in progress	261,167.67	260,785.25
Movement during the year		
Cost of land and land development right*	18,775.45	19,662.62
Government dues and other related expenses**	10,886.38	15,166.41
Material cost and contractor expenses	54,412.29	43,819.77
Architectural and consultancy fees	118.83	1,388.52
Other project and project related expenses	4,554.32	8,704.93
Employee benefit expenses	2,518.23	2,514.65
Finance cost	41,443.58	23,982.51
Provision for expected costs (refer note 45)	2.45	9,456.23
Transfer from completed commercial properties	13.41	97.98
Total	393,892.61	385,578.87
Less :		
Projects in progress at the year end	293,566.93	261,167.67
Transfer to other group companies	31,954.01	157.65
Transferred to capital work in progress	1,567.85	1,053.12
	<u>327,088.79</u>	<u>262,378.44</u>
	<u>66,803.82</u>	<u>123,200.43</u>

* Includes cost of sales pertaining to sale/compulsory acquisition of land Rs. Nil (previous year Rs 515.14 lacs).

** Includes provision amounting to Rs. 1,100.07 lacs (previous year Rs. Nil) pertaining to value added tax - doubtful of recovery.

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For VATIKA LIMITED

Authorised Signatory

Vatika Limited
Summary of significant accounting policies and other explanatory information for the year ended March 31, 2015
(All amounts are in Indian Rupees in lacs, unless otherwise specified)
25. Employee benefits expense

	March 31, 2015	March 31, 2014
Salaries wages and bonus	4,297.63	4,040.95
Contribution to provident and other funds	85.29	65.58
Staff welfare expenses	82.78	117.81
Less : Amount transferred to cost of revenue	(2,518.23)	(2,514.65)
	<u>1,947.47</u>	<u>1,709.69</u>

26. Finance cost

	March 31, 2015	March 31, 2014
Interest expense*	73,476.34	48,265.00
Interest on delay in payment of income taxes	38.24	289.98
Bank charges	55.59	64.78
Less : Amount transferred to cost of revenue	(41,443.58)	(23,982.51)
	<u>32,126.59</u>	<u>24,637.25</u>

*Includes other borrowing costs amounting to Rs. 29,462.41 lacs (previous year Rs. 28,338.97 lacs).

27. Other expenses

	March 31, 2015	March 31, 2014
Rent	382.74	353.41
Rates and taxes	72.26	108.22
Insurance	29.92	12.47
Repair and maintenance:		
- Building	25.30	11.63
- Vehicles	31.84	49.99
- Computers	227.59	157.28
- Others	345.99	191.36
Security charges	60.15	75.68
Advertising and publicity	1,193.83	1,285.50
Business promotion	236.96	81.00
Commission and brokerage	2,450.08	2,774.08
Travelling and conveyance	215.17	212.79
Communication charges	97.02	81.23
Legal and professional fees	308.10	237.84
Auditors remuneration		
- Audit fee	51.47	42.60
- Out of pocket expenses	2.25	2.69
- Others	-	4.75
- Service tax	3.48	2.56
Advances written off	4.89	2,504.70
Donations and contributions*	1,269.42	236.58
Provision for doubtful advances and receivables	2,400.00	142.79
Claims and contingencies	227.10	63.50
Recruitment expenses	6.32	3.96
Miscellaneous expenses	97.45	167.40
Less : Amount transferred to cost of revenue	(364.25)	(436.13)
	<u>9,375.08</u>	<u>8,367.88</u>

*During the year, the Company contributed Rs. 350.00 lacs (previous year Rs. Nil) to Bhartiya Janta Party.



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For VATIKA LIMITED

Authorised Signatory