

REPORT OF THE DIRECTORS FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2014

Your Directors submit their Report and Accounts for the financial year ended 31st March, 2014.

FINANCIAL PERFORMANCE

During the year under review, your Company earned a gross income of ₹ 1284.83 lakhs (previous year ₹ 1181.93 lakhs), an increase of 9% mainly due to increased footfall in 'Classic Golf Resort' (CGR). However, the Company incurred a net loss of ₹ 275.53 lakhs (previous year ₹ 380.89 lakhs) during the period under review due to additional expenses incurred on the planned up-gradation of the Golf Course.

OPERATIONS

The Company owns and operates Classic Golf Resort, a Jack Nicklaus Signature Golf Course, 45 kms from Delhi. During the year, 11 weekend tournaments took place as against 16 in the previous year and 17 weekday tournaments took place as against 9 in the previous year. Classic Golf Resort was the venue for the Professional tournaments such as Indian Golf Union, Professional Golf Tour of India and Women Golf Association of India. It was also a venue of high profile tournaments such as Business Today, BBC, Vodafone, Airtel, Accenture, PAN IIM, Samsung, Volvo, Godrej, Audi, FICCI etc., which also had extensive electronic media coverage.

The Company completed the first phase of its Course Up-gradation. The repair of the access road to the Golf Resort has completed and this will help in improving the footfalls to the Golf Course.

Golf based resorts present attractive prospects in view of their growing popularity all over the world. Work towards creating a destination luxury resort hotel at the Classic Golf Resort is in progress and the hotel is likely to start by the second quarter of the coming year.

During the year, the Company raised its share capital by issuing 8,00,000 Redeemable Preference Shares of ₹ 100/- each and 4,20,00,000 Equity shares of ₹ 10/- each for cash at par, aggregating ₹ 8 crores and ₹ 42 crores respectively, to ITC Limited, the Holding Company. After the above issue the total paid up share capital of the Company stands at ₹ 279 crores. The proceeds were utilised towards the construction of the destination resort and Golf Course Operations.

The Company has received an assessment order and notice of demand from Entertainment Tax Department of State of Haryana, aggregating ₹ 3.98 crores. Against the aforesaid demand notice, the Company has filed a Special Leave Petition (SLP) before the Supreme Court and deposited ₹ 2 crores with Entertainment Tax Department as an interim arrangement.

Your Company shifted its registered office from Union Territory of Delhi to the State of Haryana and the same is now situated at ITC Green Centre, 10 Institutional Area, Sector 32, Gurgaon 122 001.

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

The applicable information pursuant to Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is given below:

- (a) Conservation of Energy
Efforts to conserve electricity by operating only necessary lighting, fittings and fixtures and judicious use of diesel generating sets continue.
- (b) Technology Absorption
The provisions of Clause B of Rule 2 of the aforesaid Rules are not attracted, as the Company has not imported any technology during the year under review.
- (c) Foreign Exchange Earnings and Outgo
 - i) Earnings: During the year under review, gross foreign exchange earnings of the Company were ₹ 65.63 lakhs (previous year ₹ 50.78 lakhs)

- ii) Outgo: Foreign exchange outgo during the year under review was ₹ 61.74 lakhs (previous year ₹ 98.50 lakhs).

DIRECTORS

In accordance with the provisions of Article 106 and 107 of the Articles of Association of the Company, Mr. Bhagwateshwaran Hariharan will retire by rotation at the forthcoming Annual General Meeting of the Company and being eligible offers himself for re-appointment. Your Board of Directors has recommended his re-appointment.

HUMAN RESOURCE

Your Company continues to attract and retain talent of the highest quality. Your Directors place on record their sincere appreciation of the efforts made and the support rendered by 144 employees of the Company.

PARTICULARS OF EMPLOYEES

None of the employees of the Company fall under the purview of the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

AUDITORS

The Company's Auditors Messrs Price Waterhouse, Chartered Accountants, who retire at the ensuing Annual General Meeting, have expressed that they would not like to offer themselves for re-appointment as Auditors of the Company.

Your Company has received a Special Notice in terms of the provisions of Section 140(4) of the Companies Act, 2013 (the Act) proposing the appointment of Messrs Deloitte Haskin & Sells LLP, Chartered Accountants, as Statutory Auditors of the Company at the ensuing Annual General Meeting.

Your Board of Directors, on recommendation of the Audit Committee, has recommended the appointment of Messrs Deloitte Haskin & Sells LLP, Chartered Accountants, as Auditors of the Company for a period of five years in accordance with Section 139(1) of the Act. Messrs Deloitte Haskin & Sells LLP have given their consent and certificate for appointment as the Auditors of the Company.

AUDIT COMMITTEE

The Audit Committee of the Company comprises Mr. Rajiv Tandon as Chairman and Messrs Nakul Anand and Bhagwateshwaran Hariharan as members.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- a) followed in the preparation of the Annual Accounts the applicable accounting standards with proper explanations relating to material departures, if any;
- b) selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company at the end of the financial year and of the loss of your Company for that period;
- c) taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities; and
- d) prepared the Annual Accounts on a going concern basis.

On behalf of the Board
Date : May 8, 2014 Chandrasekhar Subrahmoneyan Managing Director
Place : Gurgaon Bhagwateshwaran Hariharan Director

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LANDBASE INDIA LIMITED

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

2. The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of 'the Companies Act, 1956' of India (the "Act"). 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.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing and other applicable authoritative pronouncements 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.
4. An audit involves performing procedures to obtain audit evidence, about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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 auditors consider internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the

circumstances. 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.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

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

- (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 loss 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

7. As required by 'the Companies (Auditor's Report) Order, 2003', as amended by 'the Companies (Auditor's Report) (Amendment) Order, 2004', issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
8. 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, Statement of Profit and Loss, and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Act;
- (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 Act.

For Price Waterhouse
Firm Registration Number : 012754N
Chartered Accountants
Ashok Narayanaswamy
Partner
Membership Number : 095665

Place : Gurgaon
Date : April 14, 2014

ANNEXURE TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 7 of the Independent Auditors' Report of even date to the members of Landbase India Limited on the financial statements as of and for the year ended March 31, 2014

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
- (b) The fixed assets of the Company have been physically verified by the Management during the year. The discrepancies noticed on such verification were not material and have been properly dealt with in the books of account. In our opinion, the frequency of verification is reasonable.
- (c) In our opinion, and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed off by the Company during the year.
- ii. (a) The inventory has been physically verified by the Management during the year. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion, the procedures of physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- iii. The Company has not granted/taken any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 301 of the Act. Therefore, the provisions of Clause 4(iii)(b),(c) and (d) / (f) and (g)] of the said 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. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across, nor have been informed of, any continuing failure to correct major weaknesses in the aforesaid internal control system.
- v. According to the information and explanations given to us, there have been no contracts or arrangements that need to be entered in the register maintained under Section 301 of the Act.
- vi. The Company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the rules framed there under.
- vii. In our opinion, the Company has an internal audit system commensurate with its size and the nature of its business.
- viii. The Central Government of India has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Act for any of the products of the Company.
- ix. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, investor education and protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, customs duty, excise duty and other material statutory dues, as applicable, with the appropriate authorities.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of sales-tax, wealth-tax, service-tax, customs duty, and excise duty which have not been deposited on account of any dispute. The particulars of dues of income tax as at March 31, 2014 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (₹)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act. 1961	Income Tax	11,59,41,813	A.Y. 2001-02	Income Tax Appellate Tribunal
Income Tax Act. 1961	Income Tax	32,98,817	A.Y. 2003-04	Income Tax Appellate Tribunal
Income Tax Act. 1961	Income Tax	26,62,65,172	A.Y. 2005-06	Income Tax Appellate Tribunal

- x. The accumulated losses of the Company did not exceed fifty percent of its net worth as at March 31, 2014. The Company has incurred cash losses only during the immediately preceding year but has not incurred any cash losses during the current financial year.
- xi. As the Company does not have any borrowings from any financial institution or bank nor has it issued any debentures as at the balance sheet date, the provisions of Clause 4(xi) of the Order are not applicable to the Company.
- xii. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Therefore, the provisions of Clause 4(xii) of the Order are not applicable to the Company.
- xiii. As the provisions of any special statute applicable to chit fund/ nidhi/ mutual benefit fund/ societies are not applicable to the Company, 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. In our opinion, and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year. Accordingly, the provisions of Clause 4(xv) of the Order are not applicable to the Company.
- xvi. The Company has not raised any term loans. Accordingly, the provisions of Clause 4(xvi) of the Order are not applicable to the Company.
- 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 the no funds raised on short-term basis have been used for long-term investment.
- xviii. The Company has made preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act during the year. In our opinion, and according to the information and explanations given to us, the price at which such shares have been issued is not prejudicial to the interest of the Company.
- xix. The Company has not issued any debentures during the year and does not have any debentures outstanding as at the beginning of the year and at the year end. Accordingly, the provisions of Clause 4(xix) of the Order are not applicable to the Company.
- xx. The Company has not raised any money by public issues during the year. Accordingly, the provisions of Clause 4(xx) of the Order are not applicable to the Company.
- xxi. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

For Price Waterhouse
Firm Registration Number: 012754N
Chartered Accountants
Ashok Narayanaswamy
Partner
Membership Number 095665

Place : Gurgaon
Date : April 14, 2014

BALANCE SHEET AS AT MARCH 31, 2014

	Note	As at March 31, 2014		As at March 31, 2013	
		(₹)	(₹)	(₹)	(₹)
I. EQUITY AND LIABILITIES					
Shareholders' Funds					
Share capital	1	2,79,00,00,000		2,29,00,00,000	
Reserves and surplus	2	<u>(90,15,68,782)</u>	1,88,84,31,218	<u>(87,40,15,528)</u>	1,41,59,84,472
Non-current liabilities					
Other Long term liabilities	3	32,11,50,031		32,10,07,268	
Long-term provisions	4	<u>23,75,783</u>	32,35,25,814	<u>20,25,657</u>	32,30,32,925
Current liabilities					
Trade payables	5	84,37,935		69,99,564	
Other current liabilities	6	<u>9,22,27,194</u>		<u>10,07,57,231</u>	
Short-term provisions	7	<u>11,01,919</u>	10,17,67,048	<u>11,19,262</u>	10,88,76,057
TOTAL			<u>2,31,37,24,080</u>		<u>1,84,78,93,454</u>
II. ASSETS					
Non-current assets					
Fixed assets					
Tangible assets	8A	92,34,53,779		94,25,55,860	
Intangible assets	8B	7,34,211		5,86,585	
Capital work-in-progress - Tangible assets	8A	<u>1,14,66,69,373</u>		<u>79,43,34,898</u>	
		<u>2,07,08,57,363</u>		<u>1,73,74,77,343</u>	
Non-current investments	9	150		150	
Long-term loans and advances	10	4,38,71,813		4,43,83,338	
Other non-current assets	11	<u>25,88,320</u>	2,11,73,17,646	<u>36,48,497</u>	1,78,55,09,328
Current assets					
Inventories	12	91,68,403		1,07,37,232	
Trade receivables	13	28,07,426		52,11,512	
Cash and bank balances	14	17,19,58,580		3,46,09,609	
Short-term loans and advances	15	1,08,61,123		1,07,19,552	
Other current assets	16	<u>16,10,902</u>	19,64,06,434	<u>11,06,221</u>	6,23,84,126
TOTAL			<u>2,31,37,24,080</u>		<u>1,84,78,93,454</u>

The accompanying notes 1 to 36 are an integral part of Financial Statements.
In terms of our report of even date

For Price Waterhouse
Firm Registration Number : 012754N
Chartered Accountants
Ashok Narayanaswamy
Partner
Membership Number: 095665
Place: Gurgaon
Date: April 14, 2014

On behalf of Board of Directors

Chandrasekhar Subrahmoneyan Managing Director
Bhagwateshwaran Hariharan Director
Sonali Grover Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2014

	Note	For the year ended March 31, 2014		For the year ended March 31, 2013	
		(₹)	(₹)	(₹)	(₹)
Gross Income					
Revenue from sale of products and services	17	11,71,57,615		10,63,06,754	
Other operating revenue	18	18,83,786		63,28,259	
Revenue from operations		<u>11,90,41,401</u>		<u>11,26,35,013</u>	
Other income	19	94,41,154		55,57,570	
Total Revenue		<u>12,84,82,555</u>		<u>11,81,92,583</u>	
Expenses					
Cost of materials consumed	20 (A)	64,84,703		66,63,018	
Purchases of Stock-in-Trade	20 (B)	15,24,139		33,43,597	
Changes in inventories of finished goods, work in process and Stock-in-Trade	20 (C)	9,54,605		(8,69,244)	
Employee benefits expense	21	3,50,58,231		3,80,97,850	
Depreciation and amortisation expense	22	3,33,07,939		3,29,88,528	
Other expenses	23	<u>7,87,06,192</u>		<u>7,60,57,826</u>	
Total Expenses		<u>15,60,35,809</u>		<u>15,62,81,575</u>	
Profit/(Loss) before tax		<u>(2,75,53,254)</u>		<u>(3,80,88,992)</u>	
Tax expense:					
Current tax		—		—	
Deferred tax		—		—	
Profit/(Loss) for the year		<u>(2,75,53,254)</u>		<u>(3,80,88,992)</u>	
Earnings per share (Face value of ₹ 10/- each)					
Basic and Diluted	27		(0.43)		(0.76)

The accompanying notes 1 to 36 are an integral part of Financial Statements.

In terms of our report of even date

For Price Waterhouse
Firm Registration Number : 012754N
Chartered Accountants
Ashok Narayanaswamy
Partner
Membership Number: 095665
Place: Gurgaon
Date: April 14, 2014

On behalf of Board of Directors

Chandrasekhar Subrahmoneyan Managing Director
Bhagwateshwaran Hariharan Director
Sonali Grover Company Secretary

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 TAX		(2,75,53,254)		(3,80,88,992)
ADJUSTMENTS FOR:-				
Depreciation expense	3,31,52,333		3,28,57,544	
Amortisation expense	1,55,606		1,30,984	
Loss on Sale of Fixed Assets - Net	10,52,419		8,61,132	
Bad Debts Written Off	5,20,042		28,65,505	
Advance written off	2,36,528		—	
Interest Income	(69,28,782)		(44,53,919)	
Liabilities Written Back to the extent no longer required	(5,33,249)	2,76,54,897	(13,28,722)	3,09,32,524
OPERATING PROFIT/(LOSS) BEFORE WORKING CAPITAL CHANGES		1,01,643		(71,56,468)
ADJUSTMENTS FOR WORKING CAPITAL:-				
Increase/(Decrease) in Trade payable	19,71,620		28,00,195	
Increase/(Decrease) in Provisions	3,32,783		6,23,941	
Increase/(Decrease) in Other current liabilities	(2,29,07,666)		6,34,77,649	
Increase/(Decrease) in Other Long-term liabilities	1,42,763		46,99,277	
Decrease/(Increase) in Trade receivables	18,84,045		(23,12,096)	
Decrease/(Increase) in Other bank balances	31,02,732		(1,00,000)	
Decrease/(Increase) in Inventories	15,68,829		(8,59,609)	
Decrease/(Increase) in Long-term loans and advances	(2,01,56,121)		(81,062)	
Decrease/(Increase) in Short-term loans and advances	(5,64,964)	(3,46,25,981)	37,01,705	7,19,50,000
CASH GENERATED/(USED) FROM OPERATIONS		(3,45,24,338)		6,47,93,532
Tax Paid		(6,36,928)		(34,16,267)
NET CASH GENERATED/(USED) FROM OPERATING ACTIVITIES		(3,51,61,266)		6,13,77,265
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Fixed assets	(33,22,94,703)		(37,71,21,374)	
Interest received	79,07,672		36,02,427	
NET CASH USED FROM INVESTING ACTIVITIES		(32,43,87,031)		(37,35,18,947)
C. CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Issue of Share Capital	50,00,00,000		30,00,00,000	
NET CASH GENERATED FROM FINANCING ACTIVITIES		50,00,00,000		30,00,00,000
NET INCREASE IN CASH AND CASH EQUIVALENTS		14,04,51,703		(1,21,41,682)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		2,31,31,639		3,52,73,321
CASH AND CASH EQUIVALENTS AT THE YEAR END		16,35,83,342		2,31,31,639

Notes to Cash Flow Statement

1 Cash and Cash Equivalents at year end comprise

Cash on hand	69,830	3,15,482
Balance with Scheduled Banks		
Current accounts	15,90,13,512	2,28,16,157
Deposit accounts	45,00,000	—
Cash and Cash Equivalents	16,35,83,342	2,31,31,639
Other bank balances	83,75,238	1,14,77,970
Total Cash and bank balances (Note 14)	17,19,58,580	3,46,09,609

2 The above Cash Flow Statement has been prepared under the indirect method set out in Accounting Standard- 3 Cash Flow Statements notified by the Central Government in the Companies (Accounting Standard) Rules, 2006 (as amended).

3 Previous year figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

4 Figures in brackets indicate cash outgo.

The accompanying notes 1 to 36 are an integral part of the Financial Statements.

In terms of our report of even date

For Price Waterhouse
Firm Registration Number : 012754N
Chartered Accountants
Ashok Narayanaswamy
Partner
Membership Number: 095665
Place: Gurgaon
Date: April 14, 2014

On behalf of Board of Directors

Chandrasekhar Subrahmoneyan Managing Director
Bhagwateshwaran Hariharan Director
Sonali Grover Company Secretary

NOTES FORMING PART OF FINANCIAL STATEMENTS

	As at March 31, 2014		As at March 31, 2013	
	(₹)	(₹)	(₹)	(₹)
NOTE 1				
SHARE CAPITAL				
Authorised				
Equity shares of ₹ 10/- each	11,80,00,000	1,18,00,00,000	5,00,00,000	50,00,00,000
Redeemable, Non-convertible Preference Shares of ₹ 100/- each	1,87,00,000	1,87,00,00,000	1,87,00,000	1,87,00,00,000
Issued and Subscribed				
Equity shares of ₹ 10/- each	9,20,00,000	92,00,00,000	5,00,00,000	50,00,00,000
Redeemable, Non-convertible Preference Shares of ₹ 100/- each	1,87,00,000	1,87,00,00,000	1,79,00,000	1,79,00,00,000
TOTAL	11,07,00,000	2,79,00,00,000	6,79,00,000	2,29,00,00,000

	As at March 31, 2014		As at March 31, 2013	
	Number of Shares	Amount (₹)	Number of Shares	Amount (₹)

(a) Reconciliation of number of shares

Equity Shares:

As at beginning of the year	5,00,00,000	50,00,00,000	5,00,00,000	50,00,00,000
Add: issue of Shares	4,20,00,000	42,00,00,000	—	—
As at end of the year	9,20,00,000	92,00,00,000	5,00,00,000	50,00,00,000

Preference Shares:

As at beginning of the year	1,79,00,000	1,79,00,00,000	1,49,00,000	1,49,00,00,000
Add: issue of Shares	8,00,000	8,00,00,000	30,00,000	30,00,00,000
As at end of the year	1,87,00,000	1,87,00,00,000	1,79,00,000	1,79,00,00,000

(b) Rights, preferences and restrictions attached to shares

Equity shares : This class of shares having a par value of ₹ 10 per share, rank pari passu in all respects including voting rights and entitlement to dividends.
Preference shares : This class of Preference shares having a par value of ₹ 100 per Share, are not entitled to any dividend. They are redeemable on or after 5 years from the date of allotment and carry a call / put option exercisable any time after 3 years after giving 3 month's notice to either party. The voting rights of the person holding the said Shares shall be in accordance with the provisions of the Section 87 of the Companies Act, 1956. The nature, terms and conditions of all classes of preference shares issued at different point of time are same. The said Shares shall, in the case of winding up be entitled to rank, as regards repayment of capital, in priority to the equity shares.

	As at March 31, 2014		As at March 31, 2013	
	Number of Shares	%	Number of Shares	%

(c) Details of shares held by shareholders holding more than 5% of the aggregate shares of the Company

Equity Shares

ITC Limited, the Holding Company jointly with its nominees	9,20,00,000	100%	5,00,00,000	100%
Preference shares				
ITC Limited, the Holding Company	1,87,00,000	100%	1,79,00,000	100%

	As at March 31, 2014		As at March 31, 2013	
	Number of Shares	(₹)	Number of Shares	(₹)

(d) Shares held by holding company and subsidiary of holding company

Equity Shares

ITC Limited, the Holding Company	9,19,99,994	91,99,99,940	4,99,99,994	49,99,99,940
ITC Limited, the Holding Company jointly with its nominees	6	60	6	60

Preference Shares

ITC Limited, the Holding Company	1,87,00,000	1,87,00,00,000	1,79,00,000	1,79,00,00,000
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NOTE 2

RESERVE AND SURPLUS

General Reserve

At the beginning of the year	6,11,62,181		6,11,62,181	
Add: Addition/(Utilisation) for the current year	—	6,11,62,181	—	6,11,62,181
Surplus/(Deficit) in the Statement of Profit and Loss				
At the beginning of the year	(93,51,77,709)		(89,70,88,717)	
Add: Profit/(Loss) for the current year	(2,75,53,254)	(96,27,30,963)	(3,80,88,992)	(93,51,77,709)
TOTAL		(90,15,68,782)		(87,40,15,528)

NOTES FORMING PART OF FINANCIAL STATEMENTS

	As at March 31, 2014 (₹)	As at March 31, 2013 (₹)
NOTE 3		
OTHER LONG TERM LIABILITIES		
Income received in advance	1,71,48,327	1,83,50,326
Membership deposits (Refer note 25)	30,91,06,652	31,68,18,809
Less: Subscription fees receivable	(51,04,948)	(1,41,61,867)
TOTAL	32,11,50,031	32,10,07,268
NOTE 4		
LONG-TERM PROVISIONS		
Provision for employee benefits: (Refer note 21)		
Provision for gratuity	13,77,112	11,15,351
Provision for compensated absences	9,98,671	9,10,306
TOTAL	23,75,783	20,25,657
NOTE 5		
TRADE PAYABLES		
Trade payables (Refer note 26)	84,37,935	69,99,564
TOTAL	84,37,935	69,99,564
NOTE 6		
OTHER CURRENT LIABILITIES		
Income received in advance	1,56,17,531	1,42,95,406
Advances received from customers	4,86,225	2,96,441
Statutory liabilities	50,71,993	48,49,380
Provision for expenses under capital contracts	2,61,27,011	4,67,26,009
Retention money under capital contracts	1,14,13,070	51,91,701
Employee benefits payable	4,40,017	42,727
Sundry deposits	21,51,677	2,62,211
Other payables *	3,09,19,670	2,09,33,356
* (Includes ₹ 32,48,393/- (Previous year: Nil) payable towards purchase of fixed assets)		
TOTAL	9,22,27,194	10,07,57,231
NOTE 7		
SHORT TERM PROVISIONS		
Provision for employee benefits: (Refer note 21)		
Provision for gratuity	4,88,170	5,53,760
Provision for compensated absences	6,13,749	5,65,502
TOTAL	11,01,919	11,19,262

**NOTE 8
FIXED ASSETS**

Particulars	GROSS BLOCK				DEPRECIATION AND AMORTISATION				NET BLOCK	
	As at April 1, 2013	Additions	Withdrawals/ Adjustments	As at March 31, 2014	Upto April 1, 2013	For the year	Withdrawals/ Adjustments	Upto March 31, 2014	As at March 31, 2014	As at March 31, 2013
(8A) Tangible Assets:										
Land (Freehold)	59,03,10,474	53,07,928	—	59,56,18,402	—	—	—	—	59,56,18,402	59,03,10,474
Building*	23,29,24,664	3,59,705	—	23,32,84,369	6,08,50,319	37,21,810	—	6,45,72,129	16,87,12,240	17,20,74,345
Plant & Machinery	25,34,96,431	67,57,359	17,69,259	25,84,84,531	15,38,42,990	1,24,41,148	7,29,743	16,55,54,395	9,29,30,136	9,96,53,441
Golf Course	22,57,78,037	—	—	22,57,78,037	16,56,94,212	1,07,24,458	—	17,64,18,670	4,93,59,367	6,00,83,825
Office & Other Equipment	18,48,945	1,01,845	59,038	18,91,752	7,13,518	1,46,374	59,036	8,00,856	10,90,896	11,35,427
Furniture & Fixtures	75,35,644	6,49,034	72,497	81,12,181	43,85,680	8,95,860	72,495	52,09,045	29,03,136	31,49,964
Computers	66,13,098	18,74,300	14,40,465	70,46,933	47,22,496	8,75,870	14,27,566	41,70,800	28,76,133	18,90,602
Vehicles	89,36,011	52,500	—	89,88,511	36,84,093	8,48,950	—	45,33,043	44,55,468	52,51,918
Golf Carts	1,84,26,344	—	—	1,84,26,344	94,20,480	34,97,863	—	1,29,18,343	55,08,001	90,05,864
Tent	27,39,620	—	—	27,39,620	27,39,620	—	—	27,39,620	—	—
Total (A)	1,34,86,09,268	1,51,02,671	33,41,259	1,36,03,70,680	40,60,53,408	3,31,52,333	22,88,840	43,69,16,901	92,34,53,779	94,25,55,860
CWIP (B)	79,43,34,898	35,23,34,475	—	1,14,66,69,373	—	—	—	—	1,14,66,69,373	79,43,34,898
Total (A+B)	2,14,29,44,166	36,74,37,146	33,41,259	2,50,70,40,052	40,60,53,408	3,31,52,333	22,88,840	43,69,16,901	2,07,01,23,152	1,73,68,90,758
Previous Year	1,78,29,66,128	36,79,96,672	80,18,634	2,14,29,44,166	37,87,92,140	3,28,57,544	55,96,275	40,60,53,409	1,73,68,90,758	—

* Building includes vehicular roads of ₹ 45,95,709/- (Previous Year ₹ 45,95,709/-) which have been fully depreciated over a period of five years.

(8B) Intangible Assets:										
Software	7,43,956	3,03,232	—	10,47,188	1,57,371	1,55,606	—	3,12,977	7,34,211	5,86,585
Total	7,43,956	3,03,232	—	10,47,188	1,57,371	1,55,606	—	3,12,977	7,34,211	5,86,585
Previous Year	8,08,044	—	64,088	7,43,956	66,918	1,30,984	40,531	1,57,371	5,86,585	—

NOTES FORMING PART OF FINANCIAL STATEMENTS

	As at March 31, 2014 (₹)	As at March 31, 2013 (₹)
NOTE 9		
NON CURRENT INVESTMENT (at cost unless stated otherwise)		
Prime Golf Ranking Private Ltd. (Unquoted)		
150 (Previous year: 150) Equity Share of ₹ 1/- each fully paid	150	150
TOTAL	150	150
NOTE 10		
LONG-TERM LOANS AND ADVANCES		
Unsecured, considered good		
Capital advances	1,90,57,963	4,01,26,009
Other Loans and Advances		
Advance tax [net of provision of ₹ 16,69,500/- (Previous Year: ₹ 18,86,593/-)]	40,53,195	34,16,267
Prepaid expenses	655	81,062
Entertainment Tax paid under protest considered good	2,00,00,000	—
Entertainment Tax paid under protest considered doubtful	6,49,767	6,49,767
Less: Provision for doubtful loans and advances	(6,49,767)	(6,49,767)
Others	7,60,000	7,60,000
TOTAL	2,48,13,850	42,57,329
	4,38,71,813	4,43,83,338
NOTE 11		
OTHER NON-CURRENT ASSETS		
Interest accrued on deposits	25,88,320	36,48,497
TOTAL	25,88,320	36,48,497
NOTE 12		
INVENTORIES		
(At lower of cost and net realisable value)		
Raw materials	4,73,709	6,24,173
Stock-in-trade proshop	20,23,257	29,77,862
Stock of parking slot/servant quarters	13,19,908	13,19,908
Stores and Spares	67,21,083	71,84,843
Less: Provision for Slow Moving Inventory of Parking Slot/Servant Quarters	(13,19,908)	(13,19,908)
Less: Provision for Slow Moving Stores and Spares	(49,646)	(49,646)
TOTAL	91,68,403	1,07,37,232
NOTE 13		
TRADE RECEIVABLES		
Outstanding for a period exceeding six months from the date they are due for payment		
Unsecured considered good	—	59,622
Doubtful	5,02,688	7,28,444
Less: Provision for Doubtful Debts	(5,02,688)	(7,28,444)
Others	—	59,622
Unsecured, considered good	28,07,426	51,51,890
TOTAL	28,07,426	52,11,512
NOTE 14		
CASH AND BANK BALANCES		
Cash and cash equivalents		
Balances with Banks		
Current accounts	15,90,13,512	2,28,16,157
Deposit accounts*	45,00,000	—
Cash on hand	69,830	3,15,482
Other bank balances	16,35,83,342	2,31,31,639
In deposit accounts**	83,75,238	1,14,77,970
TOTAL	17,19,58,580	3,46,09,609
* Includes deposits with banks with maturity of 3 months or less.		
** Represent Deposits against guarantee issued by banks, with maturity of more than 3 months and includes deposits with remaining maturity of more than 12 months from the balance sheet date ₹ 50,33,936/- (Previous year: ₹ 1,14,77,970/-)		
NOTE 15		
SHORT TERM LOANS AND ADVANCES		
Unsecured considered good unless otherwise stated		
Sundry deposits	11,62,837	11,52,837
Other loans and advances		
With Statutory authorities	54,65,329	71,28,248
Prepaid expenses	15,24,327	16,36,464
Employee related advances	3,000	—
Others	27,05,630	8,02,003
TOTAL	96,98,286	95,66,715
	1,08,61,123	1,07,19,552

NOTES FORMING PART OF FINANCIAL STATEMENTS

	As at March 31, 2014	As at March 31, 2013
	(₹)	(₹)
NOTE 16		
OTHER CURRENT ASSETS		
SFIS credit entitlement	14,71,615	10,48,221
Interest accrued on deposits	1,39,287	58,000
TOTAL	16,10,902	11,06,221
	For the year ended March 31, 2014	For the year ended March 31, 2013
	(₹)	(₹)
NOTE 17		
REVENUE FROM SALE OF PRODUCTS AND SERVICES		
Sale of products	33,50,547	34,08,631
Proshop items	33,50,547	34,08,631
Sale of services	11,38,07,068	10,28,98,123
Membership income	4,78,54,322	4,18,81,749
Green fees	3,16,47,993	2,91,91,890
Food and Beverage sale	1,19,14,652	1,25,22,831
Caddie fees	94,94,706	78,71,537
Cart rental	84,80,499	66,93,847
Health club and other facilities	32,66,545	31,70,895
Tented accommodation income	8,43,351	10,11,374
Sponsorship income	3,05,000	5,54,000
TOTAL (A)	11,71,57,615	10,63,06,754
NOTE 18		
Other operating revenue	18,83,786	63,28,259
Liability written back	5,33,249	13,28,722
SFIS Income	5,33,201	24,74,110
Insurance claim received	62,700	15,20,370
Others	7,54,636	10,05,057
TOTAL (B)	18,83,786	63,28,259
Revenue from operations (A+B)	11,90,41,401	11,26,35,013
NOTE 19		
OTHER INCOME		
Interest income	94,41,154	55,57,570
On deposits	69,28,782	44,53,919
Income tax refund	43,121	-
Others - From members	24,69,251	11,03,651
TOTAL	94,41,154	55,57,570
NOTE 20		
(A) Cost of materials consumed	64,84,703	66,63,018
Opening stock	6,24,173	4,33,967
Purchases	63,34,239	68,53,224
Less: Closing stock	(4,73,709)	(6,24,173)
(B) Purchases of Stock-in-Trade Proshop	15,24,139	33,43,597
(C) Changes in inventories of Finished Goods, Work in Progress, Stock-in-Trade	9,54,605	(8,69,244)
Stock-in-Trade		
Opening stock	29,77,862	21,08,618
Less: Closing stock	(20,23,257)	(29,77,862)
TOTAL	89,63,447	91,37,371
NOTE 21		
EMPLOYEE BENEFITS EXPENSE		
Salaries and wages	2,57,10,371	2,62,45,039
Contribution to Provident and other funds	20,41,526	20,27,646
Staff welfare expenses	17,46,116	17,25,233
Reimbursement of manager's salary on deputation	55,60,218	80,99,932
TOTAL	3,50,58,231	3,80,97,850

The details of liabilities recognized by the Company in respect of long term defined benefits and contribution schemes in accordance with Accounting Standard 15 (Revised 2005) for its employees are given below.

NOTES FORMING PART OF FINANCIAL STATEMENTS

The Company has classified the various benefits provided to the employees as under:

I. Defined Contribution Plan

Contribution to Regional Provident Fund Commissioner (State Plans)
Contribution to Employee's State Insurance Corporation (ESIC)

Employer's Contribution	For the year ended March 31, 2014	For the year ended March 31, 2013
Provident Fund	15,40,593	15,22,133
Employee's State Insurance Corporation	5,00,933	5,05,513
	20,41,526	20,27,646

II. Defined Benefit Plans

II.a Gratuity for employees

Gratuity Plan of the Company is unfunded, this liability is determined by Actuarial Valuation based on Projected Unit Credit Method. During the current year the Company has recognized the following amounts in the Statement of Profit and Loss:-

(A) Present Value of Defined Benefit Obligation

	March 31, 2014	March 31, 2013
Balance at the beginning of the year	16,69,111	12,66,788
Interest Cost	1,39,480	91,673
Current Service Cost	4,54,506	4,69,553
Benefits paid	(2,38,674)	(2,41,755)
Actuarial (gain)/ loss due to change in assumption/ interest guarantee	(1,59,141)	82,852
Balance at the end of the year	18,65,282	16,69,111

(B) Assets and Liabilities recognised in the Balance Sheet

	Employee's Gratuity Fund				
	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011	March 31, 2010
Liability at the end of the year	(18,65,282)	(16,69,111)	(12,66,788)	(9,00,003)	(7,02,851)
Ending Assets	—	—	—	—	—
Funded Status Asset/(Liability)	—	—	—	—	—
Unrecognised Past Service Cost	—	—	—	—	—
Asset/(Liability) recognised in the Balance Sheet	(18,65,282)	(16,69,111)	(12,66,788)	(9,00,003)	(7,02,851)

(C) Expense recognised in Statement of Profit and Loss

	Employee's Gratuity Fund	
	March 31, 2014	March 31, 2013
Current Service Cost	4,54,506	4,69,553
Interest Cost	1,39,480	91,673
Net Actuarial (Gain)/Loss To Be Recognised	(1,9,141)	82,852
Expense Recognised in Statement of Profit and Loss**	4,34,845	6,44,078

	March 31, 2014	March 31, 2013
Asset/ (Liability) recognised in the Balance Sheet	(18,65,282)	(16,69,111)
Amount recognised in the Statement of Profit and Loss**	4,34,845	6,44,078

(D) Expected expense in the next year

	For the year ended March 31, 2014	For the year ended March 31, 2013
Gratuity	6,73,519	8,49,164

II.b Compensated Absences

(A) Present Value of Long Term Benefits Obligation

	Compensated Absences	
	March 31, 2014	March 31, 2013
Balance at the beginning of the year	14,11,487	12,05,352
Interest cost	1,21,173	89,763
Current service cost	2,23,477	2,80,934
Benefits paid	(1,30,242)	(1,66,641)
Actuarial (gain)/ loss due to change in assumption/ interest guarantee	(74,621)	2,079
Balance at the end of the year	15,51,274	14,11,487

NOTES FORMING PART OF FINANCIAL STATEMENTS

(B) Assets and Liabilities recognised in the Balance Sheet

	Compensated Absences				
	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011	March 31, 2010
Liability at the end of the year	(15,51,274)	(14,11,487)	(12,05,352)	(8,88,260)	(7,10,926)
Ending Assets	—	—	—	—	—
Funded Status Asset/(Liability)	—	—	—	—	—
Unrecognised Past Service Cost	—	—	—	—	—
Asset/(Liability) recognised in the Balance Sheet	(15,51,274)	(14,11,487)	(12,05,352)	(8,88,260)	(7,10,926)

(C) Expense recognised in Statement of Profit and Loss

	Compensated Absences	
	March 31, 2014	March 31, 2013
Current Service Cost	2,23,477	2,80,934
Interest Cost	1,21,173	89,763
Net Actuarial (Gain)/Loss To Be Recognised	(74,621)	2,079
Expense Recognised in Statement of Profit and Loss	2,70,029	3,72,776

	For the Year Ended March 31, 2014	For the Year Ended March 31, 2013
Asset/ (liability) recognised in the Balance Sheet*	(15,51,274)	(14,11,487)
Amount recognised in the Statement of Profit and Loss**	2,70,029	3,72,776

* Provision for compensated absences as disclosed under Note 7 includes ₹ 61,146/- (Previous Year ₹ 64,321/-) provided for short term leave of the employees.

** Compensated Absences and Provision for Gratuity are included in Salary, Wages and Bonus. Contribution to Provident Fund and ESIC is included in Contribution to Provident and Other Funds

Actuarial Assumptions for Gratuity and Compensated Absences

In accordance with Accounting Standard 15, actuarial valuation was done in respect of the aforesaid plans based on the following assumptions.

Assumptions	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011	March 31, 2010
Employee's Gratuity Fund (Unfunded)					
Discount Rate	9.00%	8.00%	8.25%	8.00%	7.50%
Salary Escalation Rate	5.00%	5.00%	5.00%	5.00%	5.00%
Normal Retirement Age	58 years	58 years	58 years	58 years	58 years
Attrition Rate	10% p.a	10% p.a	10% p.a	10% p.a	10% p.a

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

	For the year ended March 31, 2014 (₹)	For the year ended March 31, 2013 (₹)
NOTE 22		
DEPRECIATION AND AMORTISATION EXPENSE		
Depreciation on Tangible Assets	3,31,52,333	3,28,57,544
Amortisation on Intangible Assets	1,55,606	1,30,984
TOTAL	3,33,07,939	3,29,88,528

NOTE 23

OTHER EXPENSES

Power and fuel	1,70,21,015	1,40,68,699
Consumption of stores and spare parts	81,16,090	82,52,965
Rent	3,97,740	1,64,723
Contracted services	1,76,90,007	1,50,75,944
Rates and taxes	57,12,997	71,61,771
Insurance	19,99,842	17,06,985
Repairs		
- Buildings	11,15,841	25,04,956
- Machinery	15,32,956	16,88,586
- Others	37,99,973	26,66,877
Maintenance and upkeep	33,34,620	43,25,127
Advertising / Sales promotion	9,78,289	5,28,054
Travelling and conveyance	27,88,975	28,72,087
Vehicle maintenance	14,59,684	18,55,464
Hire charges	11,97,887	12,68,277
Legal expenses	21,49,196	11,70,060
Consultancy / Professional fees	28,11,879	36,44,837
Bank and credit card charges	6,60,175	5,21,462
Auditors remuneration*	9,54,178	9,04,968
Printing and stationery	9,34,388	35,547
Postage, telephone etc	9,88,091	12,29,355
Bad debts written off	5,20,042	2,86,550
Advances written off	2,36,528	—
Loss on assets sold and written offs (net)	10,52,419	8,61,132
Miscellaneous expenses	12,53,380	6,84,445
	7,87,06,192	7,60,57,826

* Auditors remuneration (excluding service tax) :

- Audit fees	7,50,000	7,50,000
- Tax audit fees	50,000	50,000
- Reimbursement of expenses	1,54,178	1,04,968

NOTES FORMING PART OF FINANCIAL STATEMENTS

	As at March 31, 2014 (₹)	As at March 31, 2013 (₹)
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NOTE 24

CONTINGENT LIABILITIES

A) Claims against the Company

not acknowledged as debts:

(i) Income Tax matters*	38,55,05,802	38,55,05,802
(ii) Legal Cases	3,21,784	3,48,027
(iii) Bank Guarantees given to Government Authorities	83,42,302	1,14,45,034
(iv) Entertainment duty demand raised by Excise Department	5,52,62,350	—

(The Company had received Income Tax demands of ₹ 11,59,41,813/- (Previous Year ₹ 11,59,41,813/-) for Assessment Year 2001-02, ₹ 32,98,817/- (Previous Year ₹ 32,98,817/-) for the Assessment Year 2003-04 and ₹ 26,62,65,172/- (Previous Year ₹ 26,62,65,172/-), for Assessment Year 2005-06. All the assessments are currently under appeal with Income Tax Authorities.

B) Outstanding Capital Commitments

	As at March 31, 2014 (₹)	As at March 31, 2013 (₹)
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Estimated value of contracts in capital account remaining to be executed	32,65,71,892	28,60,56,387
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NOTE 25

Non Current Liabilities include ₹ 30,22,06,652/- (Previous Year ₹ 31,10,18,809/-) as deposits received from individuals towards golf memberships and ₹ 69,00,000/- (Previous Year ₹ 58,00,000/-) received from Corporates towards Golf Memberships. These represent long term tradeable memberships which, are to be refunded at the time of termination of the membership.

NOTE 26

There are no Micro and Small Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days during the year and also as at March 31, 2013. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

NOTE 27

EARNING PER SHARE

Basic/Diluted Earnings Per Share

	As at March 31, 2014 (₹)	As at March 31, 2013 (₹)
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Net Profit/(Loss) after tax available for Equity Shareholders (₹)	(2,75,53,254)	(3,80,88,992)
Weighted Average Number of Equity Shares outstanding during the year	6,41,42,466	5,00,00,000
Nominal Value of Equity Shares (₹)	10	10
Basic/Diluted (Loss)/Earnings per Share of ₹ 10/- each	(0.43)	(0.76)

NOTE 28

ACCOUNTING FOR TAXES ON INCOME

Components of Deferred Tax Asset/Liability are:

Deferred Tax Asset

	As at March 31, 2014 (₹)	As at March 31, 2013 (₹)
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On Unabsorbed Depreciation	20,15,51,749	19,94,20,736
On Unabsorbed Business Loss	4,19,72,638	4,61,17,401
Other timing differences	11,93,810	9,83,872
Deferred Tax Liability		
Depreciation	(6,59,24,782)	(7,12,00,934)
Net Deferred Tax Asset	17,87,93,415	17,53,21,075

In view of the significant carry forward income tax losses (business and depreciation) and there being no virtual certainty of profits in the near future, net deferred tax asset as at March 31, 2014 has not been recognized in the books of accounts.

	March 31, 2014 (₹)	March 31, 2013 (₹)
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NOTE 29

VALUE OF IMPORTS CALCULATED ON CIF BASIS DURING THE YEAR IN RESPECT OF

Capital Goods	1,09,45,131	1,32,66,117
Total	1,09,45,131	1,32,66,117

March 31, 2014 (₹) March 31, 2013 (₹)

NOTE 30

EXPENDITURE IN FOREIGN CURRENCY

Professional and Consultancy	61,74,943	98,50,307
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March 31, 2014 (₹) March 31, 2013 (₹)

NOTE 31

EARNINGS IN FOREIGN EXCHANGE

Sale of Golf Services	65,63,107	50,78,787
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NOTE 32

VALUE OF INDIGENOUS AND IMPORTED RAW MATERIAL, STORES AND SPARES PARTS CONSUMED DURING THE PERIOD AND PERCENTAGE OF EACH TO THE TOTAL CONSUMPTION

March 31, 2014 (₹) March 31, 2013 (₹)

(a) Details of Raw Material Consumed

Raw Material	64,84,703	66,63,018
TOTAL	64,84,703	66,63,018

(b) Value of imported and indigenous materials consumed

PARTICULARS	March 31, 2014		March 31, 2013	
	Value (₹)	%	Value (₹)	%
Raw Material - F&B				
Imported	—	—	—	—
Indigenous	64,84,703	100	66,63,018	100
TOTAL	64,84,703	100	66,63,018	100
Stores and Spare Parts				
Imported	1,29,347	2	—	—
Indigenous	79,86,743	98	82,52,965	100
TOTAL	81,16,090	100	82,52,965	100

NOTE 33

SEGMENT INFORMATION

The Company carries on activities primarily under the Leisure and Hospitality segment and operates within one geographical segment in India. Hence the segment disclosure has not been provided.

NOTE 34

RELATED PARTY DISCLOSURE

(i) Names of related parties and nature of relationship:

Holding Company	ITC Limited
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(ii) Other Related Parties with whom transactions have taken place during the year:

Fellow Subsidiaries	Fortune Park Hotels Limited Greenacre Holdings Limited
Associates	International Travel House Limited Classic Infrastructure and Development Limited

Key Management Personnel (KMP):

Mr. Nakul Anand	Chairman
Mr. Chandrasekhar Subrahmanyam	Managing Director
Mr. Rajiv Tandon	Director
Mr. Bhagwateshwaran Hariharan	Director

NOTES FORMING PART OF FINANCIAL STATEMENTS

iii) Details of Transactions carried out during the financial year ended March 31, 2014 with related party in the ordinary course of business :

(Amount in ₹)

S. No	Particulars	Holding Company		Fellow Subsidiaries		Associates		KMP	
		March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013
1	Sale of Services	3,73,009	89,282	—	—	—	—	69,495	—
2	Purchase of Goods	29,12,239	—	—	—	—	—	—	—
3	Purchase of Services	2,11,802	1,66,758	—	—	1,62,081	4,43,788	—	—
4	Expenses Recovered	1,10,63,496	28,73,383	22,472	23,250	16,478	18,499	—	—
5	Expenses Reimbursed*	54,81,973	1,00,08,017	—	—	—	—	—	—
6	Project Expenses Reimbursed	65,74,266	33,68,269	—	—	—	—	—	—
7	Amount written back	3,10,705	—	—	—	—	—	—	—
8	Issue of Equity Share Capital	42,00,00,000	—	—	—	—	—	—	—
9	Issue of Preference Share Capital	8,00,00,000	30,00,00,000	—	—	—	—	—	—
10	Balances Outstanding at the year end	—	—	—	—	—	—	—	—
i)	Trade Receivables	—	—	—	—	9,301	9,309	—	—
ii)	Other Payables	2,71,64,191	2,68,64,412	—	—	—	—	—	—

* Expenses Reimbursed includes expenses on account of salary of personnel deputed of ₹ 90,90,283/- (Previous Year ₹ 80,99,932/-)

(iv) Disclosure in respect of transactions which are more than 10% of the total transactions of the same type with related parties

S. No	Particulars	Holding Company		Fellow Subsidiaries		Associates		KMP	
		March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013
1	Sale of Services	3,73,009	89,282	—	—	—	—	—	—
2	- ITC Limited	—	—	—	—	—	—	—	—
3	Purchase of Goods	29,12,239	—	—	—	—	—	—	—
4	- ITC Limited	—	—	—	—	—	—	—	—
5	Purchase of Services	2,11,802	1,66,758	—	—	—	—	—	—
6	- ITC Limited	—	—	—	—	—	—	—	—
7	- International Travel House Limited	—	—	—	—	1,62,081	4,43,778	—	—
8	Expenses Recovered	1,10,63,496	—	—	—	—	—	—	—
9	- ITC Limited	—	—	—	—	—	—	—	—
10	- Classic infrastructure & Development Ltd.	—	—	—	—	16,478	—	—	—
11	- Green Acres Holding Limited	—	—	22,472	—	—	—	—	—
12	Expenses Reimbursed	54,81,973	1,00,08,017	—	—	—	—	—	—
13	- ITC Limited	—	—	—	—	—	—	—	—
14	Project Expenses Reimbursed	65,74,266	33,68,269	—	—	—	—	—	—
15	- ITC Limited	—	—	—	—	—	—	—	—
16	Issue of Equity Share Capital	42,00,00,000	—	—	—	—	—	—	—
17	- ITC Limited	—	—	—	—	—	—	—	—
18	Issue of Preference Share Capital	8,00,00,000	30,00,00,000	—	—	—	—	—	—
19	- ITC Limited	—	—	—	—	—	—	—	—
20	Balances Outstanding at the year end	—	—	—	—	—	—	—	—
21	i) Trade Receivables	—	—	—	—	9,301	9,301	—	—
22	- Classic Infrastructure Development Limited	—	—	—	—	—	—	—	—
23	ii) Other Payables	2,71,64,191	2,68,64,412	—	—	—	—	—	—
24	- ITC Limited	—	—	—	—	—	—	—	—

NOTE 35

Previous year figures - Previous year figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

NOTE 36

SIGNIFICANT ACCOUNTING POLICIES

Convention

To prepare financial statements in accordance with applicable Accounting Standards notified under section 211(3C) of the Companies Act, 1956 and the relevant provisions of the Companies Act, 1956 in India. A summary of important accounting policies is set out below. The financial statements have also been prepared in accordance with relevant presentational requirements of the companies Act, 1956.

Basis of Accounting

To prepare financial statements in accordance with the historical cost convention. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule VI to the Companies Act, 1956. Based on the nature of services, the Company has ascertained its operating cycle as 12 months.

Fixed Assets

To state Fixed Assets at cost of acquisition inclusive of inward freight, duties and taxes and incidental expenses related to acquisition. In respect of major projects involving construction, related pre-operational expenses form part of the value of assets capitalized. Expenses capitalised also include applicable borrowing costs, if any.

To capitalise software where it is expected to provide future enduring economic benefits. Capitalization costs include licence fees and costs of implementation / system integration services.

All upgradation / enhancements are generally charged off as revenue expenditure unless they bring similar significant additional benefits.

NOTES FORMING PART OF FINANCIAL STATEMENTS

Depreciation

To calculate depreciation on Fixed Assets, Tangible and Intangible, in a manner that amortises the cost of the assets after commissioning, over their estimated useful lives or, where specified, lives based on the rates specified in Schedule XIV to the Companies Act, 1956, whichever is lower, by equal annual instalments except for the following assets on which based on management's assessment of useful life, depreciation has been provided at higher rates:

	Rate (%)
Golf Carts	20
Tents	50
Vehicular Roads	20

Assets costing less than ₹ 5000/- are fully depreciated in the year.

Investments

To state Long Term Investments at cost. Where applicable, provision is made to recognise a decline, other than temporary in valuation of Long Term Investments.

Inventories

To state inventories at lower of cost and net realisable value. The cost is calculated on weighted average method. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to its location and includes, where applicable, appropriate overheads based on normal level of activity. Obsolete, slow moving and defective inventories are identified at the time of physical verification of inventories and, where necessary, provision is made for such inventories.

Revenue Recognition

- i) Membership Income
 - a) Revenue from Corporate membership fee is accounted for over the period of membership.
 - b) Entrance fees are accounted for in the year of receipt.
 - c) Interest charged on delayed receipt of Subscription is accounted for on receipt basis.
- ii) Green Fee Income, Caddie Rental, Cart Rental, Income from Health Club and other facilities and Income from Food & Beverage Sales is recognized at the time such services are rendered to the customer.
- iii) Sale of merchandising stock (Proshop Income) is recognized at the time of delivery of goods to the customer.

Employee Benefits

To make regular contributions to State plan namely Employee Provident Fund and Employee's State Insurance Fund are charged to revenue every year.

For Price Waterhouse
 Firm Registration Number : 012754N
 Chartered Accountants

Ashok Narayanaswamy
 Partner
 Membership No : 095665
 Place: Gurgaon
 Date: April 14, 2014

Company has Gratuity (Unfunded Plan) which are in the nature of defined benefit/schemes. To determine the liabilities towards such schemes, as applicable, and towards employee compensated absences by an independent actuarial valuation using the projected unit credit method as per the requirements of Accounting Standard - 15 (revised 2005) on "Employee Benefits". To determine actuarial gains or losses and to recognise such gains or losses immediately in Statement of Profit and Loss as income or expense.

Taxes on Income

To provide Current tax as the amount of tax payable in respect of taxable income for the period, measured using the applicable tax rates and tax laws.

To provide Deferred tax on timing differences between taxable income and accounting income subject to consideration of prudence, measured using the tax rates and tax laws that have been enacted or substantially enacted by the balance sheet date.

Not to recognise Deferred tax assets on unabsorbed depreciation and carry forward of losses unless there is virtual certainty that there will be sufficient future taxable income available to realise such assets.

Foreign Currency Translation

To account for transactions in foreign currency at the exchange rate prevailing on the date of transactions. Gains/Losses arising out of fluctuations in the exchange rates are recognised in the Statement of Profit and Loss in the period in which they arise.

To account for gains/losses in the statement of Profit and Loss on foreign exchange rate fluctuations relating to monetary items at the year end.

Provisions and Contingent Liabilities

A provision is recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and in respect of which reliable estimate can be made. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Financial and Management Information Systems

To practise an Integrated Accounting System which unifies Financial Books. The books of account and other records have been designed to facilitate compliance with the relevant provisions of the Companies Act on one hand, and meet the internal requirements of information and systems for Planning, Review and Internal Control on the other.

On behalf of the Board

Chandrasekhar Subrahmoneyan Managing Director
 Bhagwateshwaran Hariharan Director
 Sonali Grover Company Secretary