

## **Independent Auditors' Report**

### **To the Members of Whistling Woods International Limited**

#### **Report on the standalone financial statements**

We have audited the accompanying standalone financial statements of Whistling Woods International Limited ('the Company') which comprise the Balance sheet as at 31 March 2017, the Statement of profit and loss and the Cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### **Management's responsibility for the financial statements**

The Company's Board of Directors is responsible for the matters stated in Section 134 sub-section 5 of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone 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 principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

Because of the matters described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

## Independent Auditors' Report (*Continued*)

### Whistling Woods International Limited

#### Basis for Disclaimer of Opinion

1. As more fully explained in Note 24.1 to the standalone financial statements, through its Order of 9 February 2012, the Hon'ble High Court of Judicature at Bombay ('High Court') had quashed the Joint Venture Agreement ('JVA') between the Company's shareholders and had passed consequential orders. The petition for Special Leave to Appeal had been dismissed by the Supreme Court of India in April 2012.

*Pursuant to the High Court's aforesaid Order, the allotment of land to the Company, pursuant to the JVA (in lieu of which equity shares of corresponding value were issued to Maharashtra Film, Stage and Cultural Development Corporation Limited ('MFSCDCL')), recorded in the books of the Company as land rights at a cost of Rs 30,000,000, had been cancelled and the Company had been ordered to return the land to MFSCDCL (of the total land admeasuring 20 acres, 14.5 acres vacant unused land had been handed over to MFSCDCL on 18 April 2012 and the balance was to be handed over on or before 31 July 2014). Pending discussion and/ or agreement with MFSCDCL and/or clarifications to be sought from the concerned parties, no adjustments have been made to the share capital structure of the Company and the carrying value of the land rights in the books of account.*

*Further, MFSCDCL had demanded Rs 832,062,611 towards arrears of rent and interest thereon by letter dated 3 December 2012. Also, as per the High Court's Order which is under challenge from the Company, there is an option to set-off the arrears of rent and interest thereon against the value of the building with net excess or shortfall to be refunded to / claimed from Mukta Arts Limited, the holding company/ Company, as applicable. During the year 2012-13, the Public Works Department (PWD) Engineer had given his valuation report of Institute building (net book value at 31 March 2017 Rs 164,216,905 (31 March 2016: Rs 171,757,505)) based on the Balance sheet of the Company as at 31 March 2011. MFSCDCL vide letter dated 14 July 2014, demanded Rs 591,966,210 towards arrears of rent and interest thereon, up to 31 July 2014, net of value of building determined as above.*

*Mukta Arts Limited, the holding company, and WWI had filed applications to review the said Order with the High Court and an interim stay was granted on 30 July 2014 which required deposit by Mukta Arts Limited of Rs 100,038,000 by January 2015 against payment of arrears of rent for the years 2000-01 to 2013-14 and payment of Rs 4,500,000 per annum from financial year 2014-15 till the settlement of the case to MFSCDCL. The State Government of Maharashtra and MFSCDCL challenged the Order of the High Court in the Supreme Court, which special leave petition was dismissed by the Supreme Court on 22 September 2014. The amounts so paid/ being paid by Mukta Arts Limited to MFSCDCL have not been accounted in these standalone financial statements. Management informs that these will be accounted, if required, on the settlement of the case.*

*Additionally, without giving effect to the matter stated above, the Company's net worth stands fully eroded as at 31 March 2017. Management believes that it is appropriate to prepare the standalone financial statements on a going-concern basis based on its assessment of the merits of the case, plans for the future and support provided by its holding company.*

*Having regard to the circumstances explained above and pending final outcome of the matter under litigation, the impact on the standalone financial statements and the results for the year is currently not ascertainable.*

## **Independent Auditors' Report (*Continued*)**

### **Whistling Woods International Limited**

2. *As more fully explained Note 24.2 to the standalone financial statements, the Company has disputed the demand from Income-tax authorities aggregating to Rs 5,060,974 (31 March 2016: Rs 5,060,974 (including interest Rs 1,902,995 (31 March 2016: Rs 1,902,995) for the financial years ended 31 March 2004 (assessment year 2004-05) and 31 March 2005 (assessment year 2005-06). No provision has been made in the standalone financial statements in this regard. Had the Company accrued for this liability, the profit for the year and the deficit in Statement of profit and loss at year end would have been lower by Rs 5,060,974 (31 March 2016: Rs 5,060,974).*

#### **Disclaimer of Opinion**

*Because of the significance of the uncertainty described in the Basis for Disclaimer of Opinion paragraph, we are unable to express, and we do not express, an opinion on the accompanying standalone financial statements.*

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by sub section 3 of Section 143 of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance sheet, the Statement of profit and loss and the Cash flow statement dealt with by this report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - (e) *The matters described in the Basis for Disclaimer of Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Company;*
  - (f) Consequent to the setting aside of the JVA agreement as explained in paragraph 1 of the Basis for Disclaimer of Opinion paragraph above, MFSCDCL has, vide letter dated 26 November 2011, written to the Company stating that in its view Mr. Shyam Tagade, Nominee Director of MFSCDCL on the Board of Directors of the Company, ceases to be on the Board. Accordingly, written representation as required in terms of sub section 2 of Section 164 of the Act has not been received from Mr. Shyam Tagade. On the basis of written representations received from the other directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 from being appointed as a director in terms of sub section 2 of Section 164 of the Act;

## **Independent Auditors' Report (*Continued*)**

### **Whistling Woods International Limited**

#### **Report on Other Legal and Regulatory Requirements (*Continued*)**

- (g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure B; and
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. the Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - refer Note 24 to the standalone financial statements;
  - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses - refer Note 35 to the standalone financial statements; and
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. The Company has provided requisite disclosures in the standalone financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management – Refer Note 33 to the standalone financial statements;

**For B S R & Co LLP**  
*Chartered Accountants*

Firm's Registration No: 101248W/W-100022

Mumbai  
18 May 2017

**Rajesh Mehra**  
*Partner*  
Membership No: 103145

# Whistling Woods International Limited

## Annexure – A to the Independent Auditors’ Report – 31 March 2017

(Referred to in our report of even date)

- (i) (a) *Except for tagging and updation of quantities of certain assets which is yet to be completed*, the Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - (b) The fixed assets are physically verified by the management according to a phased programme designed to cover all items over a period of two years which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme a portion of the fixed assets has been physically verified by the management during the year and discrepancies have been noticed on such verification which have been properly dealt with in the books of accounts.
  - (c) In respect of the immovable properties, according to the information and explanations given to us and on the basis of our examination of the records, the title to the land (gross block Rs 30,000,000 and net block Rs 30,000,000 as at 31 March 2016) and the building appurtenant thereto (gross block Rs 280,708,388 and net block Rs. 164,216,905 as at 31 March 2017) are in the name of the joint venture partner, MFSCDCL - also refer Notes 11 and 24.1 to the standalone financial statements.
- (ii) The Company is a service company, primarily rendering training related to films, television and media industry to students. Accordingly, it does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable to the Company.
  - (iii) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, clauses (a), (b) and (c) of paragraph 3(iii) of the Order are not applicable to the Company.
  - (iv) The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186 of the Act. Therefore, the provisions of Clause 3(iv) of the said Order are not applicable to the Company.
  - (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public as per the directives issued by the Reserve Bank of India under the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Rules framed thereunder. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
  - (vi) As informed to us by the management, the Central Government has not prescribed the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the services rendered by the Company.

# Whistling Woods International Limited

## Annexure A to the Independent Auditors' Report – 31 March 2017 (Continued)

- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax/value added tax, Service tax and other material statutory dues have been generally regularly deposited during the year by the Company with the appropriate authorities. According to information and explanations given to us, the Company did not have any dues on account of duty of Customs, duty of Excise and Cess.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax and Service tax and other material statutory dues were in arrears as at 31 March 2017 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of Sales tax, Value added tax and Service tax which have not been deposited with the appropriate authorities on account of any dispute. In respect of income tax, amounts paid/ refund due and adjusted by the authorities in respect of matters under dispute for Assessment years 2004-05 and Assessment year 2005-06 aggregate to Rs 5,087,074. The matters are currently pending with Commissioner of Income tax (Appeals)

- (viii) According to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institution or bank. The Company does not have any loans or borrowings from government or debenture-holders during the year.
- (ix) In our opinion and according to the information and explanations given to us, during the year the Company has utilized the money raised by way of term loan for the purposes for which they were raised. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year.
- (x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us, the Company has paid / provided the managerial remuneration in accordance with the provisions of Section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable. The details of such related party transactions have been disclosed in the standalone financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

# Whistling Woods International Limited

## **Annexure A to the Independent Auditors' Report – 31 March 2016** *(Continued)*

- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934. Accordingly, the provisions of Clause 3(vi) of the Order are not applicable to the Company.

**For B S R & Co LLP**

*Chartered Accountants*

Firm's Registration No: 101248W/W-100022

Mumbai  
18 May 2017

**Rajesh Mehra**

*Partner*

Membership No: 103145

# Whistling woods International Limited

## **Annexure – B to the Independent Auditors’ Report – 31 March 2017**

(Referred to in our report of even date)

### **Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 (‘the Act’)**

We have audited the internal financial controls over financial reporting of Whistling Woods International Limited (‘the Company’) as of 31 March 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (‘The Guidance note’) issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on and the Standards on Auditing, issued by ICAI and deemed to be prescribed under sub section 10 of Section 143 of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

# Whistling Woods International Limited

## **Annexure – B to the Independent Auditors’ Report – 31 March 2017 (Continued)**

### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **B S R & Co LLP**  
*Chartered Accountants*  
Firm's Registration No: 101248W/W-100022

Mumbai  
18 May 2017

**Rajesh Mehra**  
*Partner*  
Membership No: 103145

# Whistling Woods International Limited

## Balance sheet

as at 31 March 2017

(Currency: Indian Rupees)

	<i>Note</i>	31 March 2017	31 March 2016
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	3	4000,00,000	4000,00,000
Reserves and surplus	4	(6868,68,434)	(7044,35,055)
<b>Non-current liabilities</b>			
Long-term borrowings	5	3797,66,232	3835,90,700
Other long-term liabilities	6	747,90,300	621,70,264
Long-term provisions	7	83,33,376	62,76,820
<b>Current liabilities</b>			
Short-term borrowings	8	17,97,237	-
Trade payables	9		
- Total outstanding dues of micro and small enterprises		-	-
- Total outstanding dues of creditors other than micro and small enterprises		423,73,659	373,59,710
Other current liabilities	10	1229,08,921	1331,66,316
Short-term provisions	11	4,36,447	5,05,613
<b>TOTAL</b>		<b>3435,37,738</b>	<b>3186,34,368</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed assets			
(i) Tangible assets	12	2562,42,642	2549,75,339
(ii) Intangible assets	12	120,16,938	37,52,706
(ii) Intangible assets under development	12	20,70,867	23,52,329
Non-current Investments	13	5,00,000	-
Deferred tax assets (net)	14	-	-
Long-term loans and advances	15	231,99,355	199,84,575
Other non-current assets	16	13,52,603	4,60,017
<b>Current assets</b>			
Trade receivables	17	264,78,552	173,39,786
Cash and bank balances	18	33,40,569	92,58,913
Short-term loans and advances	19	92,29,832	99,50,628
Other current assets	20	91,06,380	5,60,075
<b>TOTAL</b>		<b>3435,37,738</b>	<b>3186,34,368</b>

### Significant accounting policies

2

The accompanying notes from 1 to 37 form an integral part of these financial statements.

As per our report of even date attached.

For **B S R & Co. LLP**

*Chartered Accountants*

Firm's Registration No: 101248W/W-100022

For and on behalf of the Board of Directors of

**Whistling Woods International Limited**

CIN:U92141MH2001PLC130394

**Rajesh Mehra**

*Partner*

Membership No: 103145

**Subhash Ghai**

*Chairman*

DIN: 00019803

**Meghna Ghai Puri**

*Wholtime Director*

DIN: 00130085

Mumbai  
18 May 2017

Mumbai  
18 May 2017

**Prabuddha Dasgupta**  
*Chief Financial Officer*

**Akshatha Shetty**  
*Company Secretary*  
Membership No: A28822

# Whistling Woods International Limited

## Statement of profit and loss

for the year ended 31 March 2017

(Currency: Indian Rupees)

	<i>Note</i>	31 March 2017	31 March 2016
<b>INCOME</b>			
<b>Revenue from operations</b>			
Sale of services	21	3189,60,503	2623,35,161
Other operating revenue	21	147,78,920	78,75,513
		<u>3337,39,423</u>	<u>2702,10,674</u>
Other income	22	87,55,285	110,17,190
<b>Total income</b>		<u>3424,94,708</u>	<u>2812,27,864</u>
<b>EXPENSES</b>			
Employee benefits expenses	23	670,94,809	566,96,402
Finance costs	24	431,96,850	434,21,156
Depreciation and amortisation	12	360,81,978	310,03,446
Other expenses	25	1785,54,450	1563,98,068
<b>Total expenses</b>		<u>3249,28,087</u>	<u>2875,19,072</u>
<b>Profit/(Loss) for the year before tax</b>		175,66,621	(62,91,208)
<b>Tax expenses:</b>		-	-
- Current tax		-	-
- Deferred tax		-	-
<b>Profit/(Loss) for the year after tax</b>		<u>175,66,621</u>	<u>(62,91,208)</u>
Earnings per equity share of face value Rs. 1,000 each-basic and diluted	34	87.83	(31.46)
<b>Significant accounting policies</b>	2		

The accompanying notes from 1 to 37 form an integral part of these financial statements.

As per our report of even date attached.

For **B S R & Co. LLP**  
Chartered Accountants  
Firm's Registration No: 101248W/W-100022

For and on behalf of the Board of Directors of  
**Whistling Woods International Limited**  
CIN:U92141MH2001PLC130394

**Rajesh Mehra**  
Partner  
Membership No: 103145

**Subhash Ghai**  
Chairman  
DIN: 00019803

**Meghna Ghai Puri**  
Wholetime Director  
DIN: 00130085

Mumbai  
18 May 2017

Mumbai  
18 May 2017

**Prabuddha Dasgupta**  
Chief Financial Officer

**Akshatha Shetty**  
Company Secretary  
Membership No: A28822

# Whistling Woods International Limited

## Cash flow statement

for the year ended 31 March 2017

(Currency: Indian Rupees)

	31 March 2017	31 March 2016
<b>Cash flows from operating activities</b>		
Net Profit / (loss) before tax	175,66,621	(62,91,208)
<i>Adjustments:</i>		
Depreciation/ amortisation	360,81,978	310,03,446
Finance costs	431,96,850	434,21,156
Sundry balances written back, net	(3,95,532)	(24,84,529)
Provision for doubtful debts	35,23,734	3,46,844
Loss /(Profit) on sale / discarding of assets (net)	(83,260)	5,128
Interest income	(10,35,891)	(3,36,715)
<b>Operating profit before working capital changes</b>	<b>988,54,500</b>	656,64,122
<b>Working capital changes</b>		
(Increase) in trade receivables	(130,09,343)	(63,35,337)
(Increase) / decrease in loans and advances	7,20,796	(22,08,825)
Decrease / (Increase) in other assets	(93,85,128)	58,58,961
Increase in current liabilities and trade payables	179,89,160	339,28,256
Increase in provisions	20,32,437	16,10,960
Increase in other long term liabilities	126,20,036	92,39,183
<b>Cash generated from operations</b>	<b>1098,22,458</b>	1077,57,320
Net taxes (paid)/ received	(17,14,155)	(53,22,833)
<b>Net cash generated from operating activities (A)</b>	<b>1081,08,303</b>	1024,34,487
<b>Cash flows from investing activities</b>		
Purchase of fixed assets	(465,38,820)	(347,59,773)
Interest income	10,39,215	3,26,068
Fixed deposits placed	-	-
Investments in subsidiaries	(5,00,000)	-
Proceeds from sale of fixed assets	83,260	13,333
<b>Net cash (used in) investing activities (B)</b>	<b>(459,16,345)</b>	(344,20,372)
<b>Cash flows from financing activities</b>		
Term loans availed	525,59,196	321,46,368
Term loans repaid	(442,26,265)	(4,38,515)
Unsecured loans received	5,00,000	1256,00,000
Unsecured loans repaid	(113,00,000)	(1584,11,015)
Loans repayable on demand	17,97,237	-
Finance cost	(674,00,026)	(585,08,874)
<b>Net cash (used in) financing activities (C)</b>	<b>(680,69,858)</b>	(596,12,036)
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>(58,77,900)</b>	84,02,079
<b>Cash and cash equivalents at the beginning of the year</b>	92,18,469	8,16,389
<b>Cash and cash equivalents at the end of the year</b>	<b>33,40,569</b>	92,18,468

# Whistling Woods International Limited

## Cash flow statement (*Continued*)

for the year ended 31 March 2017

(Currency: Indian Rupees)

31 March 2017      31 March 2016

The Company follows indirect method as prescribed in AS-3 Cash Flow Statements.

### Cash and cash equivalents at the year end comprises:

Cash on hand	68,000	94,364
Cheques in hand	-	19,35,663
Balances with scheduled banks		
- in current accounts	11,72,569	56,88,442
- in deposit accounts	21,00,000	15,00,000
	<u>33,40,569</u>	<u>92,18,469</u>

As per our report of even date attached.

For **BSR & Co. LLP**

*Chartered Accountants*

Firm's Registration No: 101248W/W-100022

For and on behalf of the Board of Directors of  
**Whistling Woods International Limited**  
CIN:U92141MH2001PLC130394

**Rajesh Mehra**

*Partner*

Membership No: 103145

**Subhash Ghai**

*Chairman*

DIN: 00019803

**Meghna Ghai Puri**

*Whole time Director*

DIN: 00130085

Mumbai

18 May 2017

Mumbai

18 May 2017

**Prabuddha Dasgupta**

*Chief Financial Officer*

**Akshatha Shetty**

*Company Secretary*

Membership No: A28822

# Whistling Woods International Limited

## Notes to the standalone financial statements

for the year ended 31 March 2017

(Currency: Indian Rupees)

### 1. Background

Whistling Woods International Limited ('the Company') was incorporated in 2001 and is a subsidiary of Mukta Arts Limited ('MAL' or 'the holding company'). MAL holds 84.99% of the equity share capital of the Company. The Company is an education, research and training institute and imparts training in various skills related to films, television and media industry.

#### 1.1 *Going concern (also refer note 24.1)*

The Company has accumulated losses exceeding 100% of its equity capital as at 31 March 2017. Also, the Company is in litigation regarding use of current premises. However, these standalone financial statements have been prepared on a going concern basis as the Company's management believes that, based on the projected operating plans and the operating and financial support from its holding company, Mukta Arts Limited, the Company will be able to operate as a going concern in the foreseeable future. These standalone financial statements do not include any adjustments relating to the recoverability and classification of the carrying amounts of assets or to the amounts and classification of liabilities that may be necessary if the entity is unable to continue as a going concern.

### 2. Significant accounting policies

#### 2.1 *Basis of preparation of standalone financial statements*

The standalone financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting in accordance; with the accounting principles generally accepted in India ('Indian GAAP') and comply with the Accounting Standards ('AS') prescribed in the Companies (Accounting Standards) Rules, 2006 which continue to apply under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 and other relevant provisions of the Act, to the extent notified and applicable. The standalone financial statements are presented in India Rupees.

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 Schedule III to the Act. Based on the nature of the services and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current or non-current classification of assets and liabilities.

#### 2.2 *Use of estimates*

The preparation of the standalone financial statements in conformity with Indian GAAP requires management to make estimates and assumptions that affect the reported amount of assets, liabilities and disclosure of contingent liabilities as of the date of the standalone financial statements, and the reported amounts of income and expenses during the reported period. Management believes that the estimates made in the preparation of the standalone financial statements are prudent and reasonable. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

# Whistling Woods International Limited

## Notes to the standalone financial statements (*Continued*)

for the year ended 31 March 2017

(Currency: Indian Rupees)

### 2. Significant accounting policies (*Continued*)

#### 2.3 Leases

Lease rentals in respect of assets acquired on operating leases are recognised in the Statement of profit and loss on a straight line basis over the lease term.

#### 2.4 Fixed assets and depreciation /amortisation

##### *Tangible assets*

Fixed assets are stated at cost less accumulated depreciation / amortisation and impairment losses, if any. Cost comprises of purchase price and any attributable cost such as duties, freight, taxes (to the extent not recoverable from government authorities) and expenses incidental to acquisition/ construction of fixed assets upto the time the assets are ready for its intended use.

Assets retired from active use and held for disposal are stated at the lower of their net book value and net realisable value and shown under 'Other current assets'.

##### *Intangible assets and Intangibles assets under development*

Intangible assets comprise of acquired computer software (which is not an integral part of the related hardware), intellectual property rights ('IPR') in course curriculum developed for film making courses and students diploma projects. An intangible asset is recognized if, and only if, it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise. IPR in course curriculum consists of expenses incurred on internal development of course curriculum. Costs incurred on the students' projects which are under development are recorded as intangible asset under development (net of provision for impairment). Such costs incurred are capitalised only on completion of films.

##### *Depreciation /amortisation*

Depreciation on tangible fixed assets is provided on the written down value method over the useful lives of assets estimated by the Management. Depreciation for assets purchased/ sold during the year is proportionately charged.

Intangible assets except computer and IT software are amortised over their respective individual estimated lives on a straight-line basis, commencing from the date the asset is available to the Company for its use as follows :

Intangible assets	Useful life (in years)
Intellectual property rights (course curriculum)	10 years
Intellectual property rights (Students diploma projects)	4 years

# Whistling Woods International Limited

## Notes to the standalone financial statements (*Continued*)

for the year ended 31 March 2017

(Currency: Indian Rupees)

### 2. Significant accounting policies (*Continued*)

#### 2.4 Fixed assets and depreciation /amortisation (*Continued*)

The Management estimates the useful lives for the other fixed assets as follows:

Assets	Useful life (in years)
<b><i>Intangible assets</i></b>	
Computers and IT software	4 year
<b><i>Tangible assets</i></b>	
Buildings	60 years
Computers and IT equipment's <sup>(1)</sup>	6 years
Library material	1 year
Cinematography equipment <sup>(1)</sup>	10 years
Plant and machinery	15 years
Furniture and fixtures	10 years
Electrical installation and office equipment	10 years
Vehicles	8 years

1) For these classes of assets, the management estimates that the useful lives are based on internal assessment and independent technical evaluation carried out by external valuer. Hence the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II to the Act.

#### 2.5 Impairment

In accordance with AS 28 on 'Impairment of Assets', where there is an indication of impairment of the Company's assets, the carrying amounts of the Company's assets are reviewed at each Balance sheet date to determine whether there is any impairment. The recoverable amount of the asset (or where applicable, that of the cash generating unit to which the asset belongs) is estimated as the higher of its net selling price and its value in use. An impairment loss is recognised whenever the carrying amount of an asset or the cash generating unit exceeds its recoverable amount. Impairment loss is recognised in the Statement of profit and loss or against revaluation surplus, where applicable.

Value in use is the present value of estimated future cash flows expected to arise from the continuing use of the asset and from its disposal at the end of its useful life.

#### 2.6 Employee benefits

##### (a) Defined contribution plan

The contribution paid/ payable under the recognised provident fund scheme and the employees' state insurance contribution is recognised as an expense in the Statement of profit and loss during the period in which the employee renders the related service.

##### (b) Defined benefit plans

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the

# Whistling Woods International Limited

## Notes to the standalone financial statements (*Continued*)

for the year ended 31 March 2017

(Currency: Indian Rupees)

## 2. Significant accounting policies (*Continued*)

### 2.6 *Employee benefits (Continued)*

current and prior periods. Such benefit is discounted to determine its present value, and the fair value of any plan assets is deducted.

#### (b) *Defined benefit plans (Continued)*

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan are based on the market yields on Government securities as at the Balance sheet date.

When the calculation results in a benefit to the Company, the recognised asset is limited to the net total of any unrecognised actuarial losses and past service costs and the present value of any future refunds from the plan or reductions in future contributions to the plan.

Actuarial gains and losses are recognized immediately in the Statement of profit and loss.

#### (c) *Short-term employee benefits*

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. These benefits include compensated absences such as paid annual leave and sickness leave. Short term employee benefits are recognised as an expense at the undiscounted amount in the Statement of profit and loss for the year in which the related service is rendered.

#### (d) *Other long term employee benefits*

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as a liability at the present value of the defined benefit obligation at the Balance sheet date using actuarial valuation. The discount rates used for determining the present value of the obligation under defined benefit plan are based on the market yields on Government securities as at the Balance sheet date.

### 2.7 *Revenue recognition*

Revenue from tuition fee is recognized over the period of the course. Revenue from acceptance and admission fees is recognized at the time of commencement of the batch for which students have been enrolled. Revenue from sale of prospectus and other materials/goods is recognized on delivery to the student.

Infrastructure fees is revenue generated from facilities provided for various courses undertaken in film making and School of Media and communication and is recognized over the period of the course.

# Whistling Woods International Limited

## Notes to the standalone financial statements (*Continued*)

for the year ended 31 March 2017

(Currency: Indian Rupees)

### 2. Significant accounting policies (*Continued*)

#### 2.7 Revenue recognition (*Continued*)

Facilitation charges include revenue from provision of insurance and other related facilities to the students and are recognized on a time proportion basis.

Revenue from consultancy fees is recognised when services are rendered as per contractual arrangement.

Revenue from hire of premises and equipment is recognized over the period of hire.

License fees from content usage is recognised as per the terms of the agreement.

Interest income is recognized on a time proportion basis.

Revenue from institutional affiliation is recognised over the period of the course as per the contractual agreement.

#### 2.8 Foreign currency transactions

Transactions denominated in foreign currency are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the period are recognised in the Statement of profit and loss for the period.

Monetary assets and liabilities in foreign currency which are outstanding as at the period-end are translated at the period-end at the closing exchange rate and the resultant exchange differences are recognised in the Statement of profit and loss.

#### 2.9 Taxes on income

Income tax expense comprises of current tax expense and deferred tax charge or credit.

##### *Current taxes*

Provision for current income-tax is recognized in accordance with the provisions of the Income-tax Act, 1961 and is made annually based on the tax liability after taking credit for tax allowance and exemptions.

##### *Deferred taxes*

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to timing differences that result between the profits/(losses) offered for income taxes and the profits/(losses) as per the standalone financial statements. Deferred tax assets and liabilities are measured using the tax rates and the tax laws that have been enacted or substantively enacted at the Balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in the future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only if there is virtual certainty of realisation of such assets. Deferred tax assets are reassessed for the appropriateness of their respective carrying values at each Balance sheet date.

# Whistling Woods International Limited

## Notes to the standalone financial statements (*Continued*)

for the year ended 31 March 2017

(Currency: Indian Rupees)

### 2. Significant accounting policies (*Continued*)

#### 2.10 Provisions and contingencies

Provision is recognized in the Balance sheet when the Company has a present obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and reliable estimation can be made of the amount required to settle the obligation. Contingent liabilities arising from claims, litigation, assessment, fines, penalties etc. are disclosed when there is a possible obligation or a present obligation as a result of a past event where it is not probable that an outflow of economic benefits will be required to settle the obligation, and the amount can be reasonably estimated. When 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.

#### 2.11 Earnings per share ('EPS')

Basic EPS is computed using the weighted average number of equity shares outstanding during the period. Diluted EPS is computed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the period except where the results would be anti dilutive.

# Whistling Woods International Limited

## Notes to the standalone financial statements (Continued)

as at 31 March 2017

(Currency: Indian Rupees)

### 3 Share capital

	31 March 2017	31 March 2016
<b>Authorised:</b>		
200,000 (31 March 2016: 200,000) equity shares of Rs.1,000 each	2000,00,000	2000,00,000
200,000 (31 March 2016: 200,000) 8% redeemable cumulative preference shares of Rs.1,000 each	2000,00,000	2000,00,000
	<u>4000,00,000</u>	<u>4000,00,000</u>
<b>Issued, subscribed and paid up:</b>		
200,000 (31 March 2016: 200,000) equity shares of Rs.1,000 each, fully paid-up	2000,00,000	2000,00,000
200,000 (31 March 2016: 200,000) 8% redeemable cumulative preference shares of Rs.1,000 each, fully paid-up	2000,00,000	2000,00,000
	<u>4000,00,000</u>	<u>4000,00,000</u>

#### a) Reconciliation of shares outstanding as at the beginning and at the end of the reporting year:

Particulars	31 March 2017		31 March 2016	
	Number	Amount	Number	Amount
<b>Equity shares</b>				
Balance as at the beginning of the year	2,00,000	2000,00,000	2,00,000	2000,00,000
Balance as at the end of the year	<u>2,00,000</u>	<u>2000,00,000</u>	<u>2,00,000</u>	<u>2000,00,000</u>
<b>Preference shares</b>				
Balance as at the beginning of the year	2,00,000	2000,00,000	2,00,000	2000,00,000
Balance as at the end of the year	<u>2,00,000</u>	<u>2000,00,000</u>	<u>2,00,000</u>	<u>2000,00,000</u>

#### b) Rights, preferences and restrictions attached to shares:

Equity shares: The Company has one class of equity shares having par value of Rs.1,000 each. Each holder of equity share is entitled to one vote per share held. Repayment of capital in the event of winding up of the Company will inter alia be subject to the provisions of the Articles of Association of the Company, as may be determined by the Company in General Meeting prior to such winding up and after distribution of preferential amounts, if any.

8% redeemable cumulative preference shares: 200,000, 8% redeemable cumulative preference shares having a par value of Rs.1,000 each are held by Mukta Arts Limited, the holding company. These shares were issued on 27 August 2007 and may be redeemed at par at any time on or after 21 June 2012 and before 21 June 2027.

#### c) Shares held by holding company:

Name of the shareholders	31 March 2017		31 March 2016	
	Number	Amount	Number	Amount
<b>Equity shares of Rs. 1,000 each fully paid-up held by</b>				
Mukta Arts Limited (Holding company)	1,69,997	1699,97,000	1,69,997	1699,97,000
<b>8% redeemable cumulative preference shares of Rs.1,000 each, fully paid-up held by</b>				
Mukta Arts Limited (Holding company)	2,00,000	2000,00,000	2,00,000	2000,00,000



# Whistling Woods International Limited

## Notes to the standalone financial statements (Continued)

	31 March 2017	31 March 2016
Hero FinCorp Limited	-	321,46,368
(Repayable within a year Rs. Nil (31 March 2016: 7,055,668)		
Amount disclosed under other current liabilities (refer note 10)	-	(70,55,668)
	-	250,90,700
(The facility carries an interest at 12.5% p.a. It was secured against first charge on immovable property at Flat no. 1207 and flat no. 1208 at Oberoi Splender, Andheri, Mumbai. The loan was repaid at year end through the facility arrangement with Yes Bank Limited referred to above)		
<b>Particulars</b>	<b>Principal amount</b>	<b>EMI amount</b>
Repayable in 60 equal monthly instalments	450,00,000	10,12,408
		<b>Start date</b>
		08-Feb-16
		<b>Maturity date</b>
		08-Jan-21
	<b>31 March 2017</b>	31 March 2016
ii) <b>Loans and advances from related parties (Unsecured)</b>		
Borrowings from Mukta Arts Limited- holding company	<b>2259,00,000</b>	2329,00,000
(No terms of repayment have been specified. Interest is charged at 10% p.a)		
Borrowings from Subhash Ghai-Director	<b>1218,00,000</b>	1256,00,000
(No terms of repayment have been specified. Interest is charged at 10% p.a)		
	<b>3477,00,000</b>	3585,00,000
	<b>3797,66,232</b>	3835,90,700

# Whistling Woods International Limited

## Notes to the standalone financial statements (Continued)

as at 31 March 2017

(Currency: Indian Rupees)

### 6 Other long - term liabilities

Particulars	31 March 2017	31 March 2016
Others		
Security deposits from students and others	447,90,300	321,70,264
Deposit from Mukta Arts Limited	300,00,000	300,00,000
	<u>747,90,300</u>	<u>621,70,264</u>

### 7 Long - term provisions

Particulars	31 March 2017	31 March 2016
<b>Provision for employee benefits</b>		
Gratuity (refer note 30)	51,27,148	35,17,241
Leave encashment	31,44,194	26,97,545
<b>Others</b>		
Provision for fringe benefits tax (net of advance tax Rs. 1,733,688 (31 March 2016: Rs. 1,733,688))	62,034	62,034
	<u>83,33,376</u>	<u>62,76,820</u>

### 8 Short-term borrowings

Particulars	31 March 2017	31 March 2016
<b>Loans repayable on demand</b>		
From banks (secured)- working capital facility	17,97,237	-
(The facility carries interest @ 3.20% (spread) over and above the 6 month MCLR. It is secured against charge on entire current assets and movable fixed assets of the Company. Exclusive charge by way of mortgage of properties valued at INR 50 mn, Personal Guarantee of Mr. Subhash Ghai, Mrs. Mukta Ghai, Ms. Meghna Puri and Mr. Rahul Puri) The charge is pending registration.		
	<u>17,97,237</u>	<u>-</u>

### 9 Trade payables

Particulars	31 March 2017	31 March 2016
Due to micro and small suppliers	-	-
Others	423,73,659	373,59,710
	<u>423,73,659</u>	<u>373,59,710</u>

Under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) which came into force from 2 October 2006, and on the basis of the information and records available with the Company, the following disclosures are made for the amounts due to the Micro and Small enterprises:

	31 March 2017	31 March 2016
The amount remaining unpaid to micro and small suppliers as at the end of the year	-	-
- Principal		
- Interest		
Amount of interest paid by the Company in terms of Section 16 of the MSMED Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during the accounting year.	-	-
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of the MSMED Act, 2006	-	-

# Whistling Woods International Limited

## Notes to the standalone financial statements (Continued)

as at 31 March 2017

(Currency: Indian Rupees)

### 10 Other current liabilities

Particulars	31 March 2017	31 March 2016
<b>Current maturities of long-term borrowings</b> (refer Note 5)	<b>84,13,067</b>	70,55,668
<b>Interest accrued but not due on borrowings</b>		
Loan taken from Mukta Arts Limited	12,26,743	245,78,014
Loan taken from Subhash Ghai	4,91,019	9,60,067
Loan taken from Hero FinCorp Ltd	12,796	4,11,628
Loan taken from Kotak Mahindra Bank Ltd	15,975	
<b>Deposits from students and others</b>	<b>292,88,701</b>	226,23,079
<b>Temporary book overdraft</b>	<b>22,44,247</b>	21,83,556
<b>Other payables:</b>		
Advance fees received from students	719,83,442	636,75,270
Creditors for fixed assets	20,40,446	17,01,543
Employee payable	27,13,856	48,06,082
Income billed in advance	3,32,000	-
<b>Other liabilities</b>		
Statutory dues payable*	40,26,897	45,79,738
Others	1,19,731	5,91,671
	<b>1229,08,921</b>	1331,66,316
*Statutory dues payable includes:		
Withholding taxes payable	18,02,866	41,12,652
Service tax payable	19,40,742	2,47,148
ESIC payable	13,619	9,831
Provident fund payable	2,33,505	1,87,232
Others payable	36,165	22,875

### 11 Short - term provisions

Particulars	31 March 2017	31 March 2016
<b>Provision for employee benefits:</b>		
Leave encashment	4,36,447	4,60,566
Provision for income tax (net of advance tax Rs.Nil ; (31 March 2016: Rs 162,856))	-	45,047
	<b>4,36,447</b>	5,05,613

### 13 Non - current investments (Valued at cost unless stated otherwise)

	31 March 2017	31 March 2016
<b>Unquoted Trade Investments</b>		
<b>Investment in equity shares of subsidiary (un-quoted)</b>		
<b>In wholly owned subsidiary company:</b>		
Whistling Woods International Education Foundation (50,000 shares of Rs 10 each)	5,00,000	-
	<b>5,00,000</b>	-
<b>Aggregate value of unquoted investments</b>	<b>5,00,000</b>	-

# Whistling Woods International Limited

## Notes to the financial statements (Continued)

as at 31 March 2017

(Currency : Indian Rupees)

### 12 Fixed assets

	Tangible assets											Intangible assets			Intangible assets under development	Grand total	
	Land rights #	Institute building	Temporary shed	Plant and machinery	Motor vehicles	Furniture and fixtures	Office equipment	Electrical installation	Library of books	Cinematography equipment	Computers and IT equipment	Total	Computer software	Intellectual property rights			Total
<b>Gross block</b>																	
As at 1 April 2015	300,00,000	2795,07,183	6,66,964	497,27,480	29,13,509	334,44,448	39,84,280	274,31,936	98,47,773	1111,34,044	1316,68,220	6803,25,836	191,62,002	62,09,859	253,71,862	19,36,054	7076,33,752
Additions during the year	-	3,85,875	-	2,52,810	-	16,59,281	25,980	-	3,24,564	109,95,382	152,92,983	289,36,875	39,06,495	-	39,06,496	4,16,275	332,59,646
Deductions during the year	-	-	-	-	-	-	-	-	-	1,44,045	-	1,44,045	-	-	-	-	1,44,045
<b>As at 31 March 2016</b>	<b>300,00,000</b>	<b>2798,93,058</b>	<b>6,66,964</b>	<b>499,80,290</b>	<b>29,13,509</b>	<b>351,03,729</b>	<b>40,10,260</b>	<b>274,31,936</b>	<b>101,72,337</b>	<b>1219,85,381</b>	<b>1469,61,203</b>	<b>7091,18,666</b>	<b>230,68,497</b>	<b>62,09,859</b>	<b>292,78,358</b>	<b>23,52,329</b>	<b>7407,49,353</b>
Additions during the year	-	8,15,330	-	52,88,438	27,72,136	26,11,269	1,68,115	1,35,530	1,68,511	56,27,878	154,76,653	330,63,860	22,01,401	103,48,252	125,49,653	20,70,867	476,84,380
Deductions during the year	-	-	-	-	-	-	1,05,825	-	-	26,69,739	264,50,768	292,26,332	-	-	-	23,52,329	315,78,661
<b>As at 31 March 2017</b>	<b>300,00,000</b>	<b>2807,08,388</b>	<b>6,66,964</b>	<b>552,68,728</b>	<b>56,85,645</b>	<b>377,14,998</b>	<b>40,72,550</b>	<b>275,67,466</b>	<b>103,40,848</b>	<b>1249,43,520</b>	<b>1359,87,088</b>	<b>7129,56,194</b>	<b>252,69,898</b>	<b>165,58,111</b>	<b>418,28,011</b>	<b>20,70,867</b>	<b>7568,55,072</b>
<b>Accumulated depreciation / amortisation</b>																	
As at 1 April 2015	-	993,99,611	6,66,964	367,12,025	16,56,031	301,18,064	34,99,758	230,16,037	97,28,443	955,65,650	1254,41,699	4258,04,282	168,43,999	61,42,835	229,86,835	-	4487,91,117
Depreciation / amortisation for the year	-	87,35,942	-	29,25,409	4,08,293	10,63,563	2,68,453	22,50,560	2,19,768	71,64,263	54,28,379	284,64,630	25,20,869	17,947	25,38,816	-	310,03,446
Other adjustments (refer Note 4)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Accumulated depreciation on disposals	-	-	-	-	-	-	-	-	-	1,25,584	-	1,25,584	-	-	-	-	1,25,584
<b>As at 31 March 2016</b>	<b>-</b>	<b>1081,35,553</b>	<b>6,66,964</b>	<b>396,37,434</b>	<b>20,64,324</b>	<b>311,81,627</b>	<b>37,68,211</b>	<b>252,66,597</b>	<b>99,48,211</b>	<b>1026,04,329</b>	<b>1308,70,078</b>	<b>4541,43,328</b>	<b>193,64,868</b>	<b>61,60,782</b>	<b>255,25,651</b>	<b>-</b>	<b>4796,68,978</b>
Depreciation / amortisation for the year	-	83,55,930	-	28,61,265	8,79,036	14,18,835	1,71,782	10,82,556	2,76,175	67,57,975	99,93,003	317,96,557	28,04,799	14,80,622	42,85,421	-	360,81,978
Accumulated depreciation on disposals	-	-	-	-	-	-	1,05,825	-	-	26,69,739	264,50,768	292,26,332	-	-	-	-	292,26,332
<b>As at 31 March 2017</b>	<b>-</b>	<b>1164,91,483</b>	<b>6,66,964</b>	<b>424,98,699</b>	<b>29,43,360</b>	<b>326,00,462</b>	<b>38,34,168</b>	<b>263,49,153</b>	<b>102,24,386</b>	<b>1066,92,565</b>	<b>1144,12,313</b>	<b>4567,13,553</b>	<b>221,69,667</b>	<b>76,41,404</b>	<b>298,11,072</b>	<b>-</b>	<b>4865,24,624</b>
<b>Net block</b>																	
As at 31 March 2016	300,00,000	1717,57,505	-	103,42,856	8,49,185	39,22,102	2,42,049	21,65,339	2,24,126	193,81,052	160,91,125	2549,75,339	37,03,629	49,077	37,52,706	23,52,329	2610,80,374
<b>As at 31 March 2017</b>	<b>300,00,000</b>	<b>1642,16,905</b>	<b>-</b>	<b>127,70,029</b>	<b>27,42,285</b>	<b>51,14,536</b>	<b>2,38,382</b>	<b>12,18,313</b>	<b>1,16,462</b>	<b>182,50,955</b>	<b>215,74,775</b>	<b>2562,42,642</b>	<b>31,00,231</b>	<b>89,16,707</b>	<b>120,16,938</b>	<b>20,70,867</b>	<b>2703,30,448</b>

**Note:**

# As the Company had perpetual right to use the land, the same was not amortised. (Also refer Note 24.1)

Whistling Woods International Limited

Notes to the standalone financial statements (*Continued*)

# Whistling Woods International Limited

## Notes to the standalone financial statements (Continued)

as at 31 March 2017

(Currency: Indian Rupees)

### 14 Deferred tax assets (net)

Particulars	31 March 2017	31 March 2016
<b>Deferred tax liabilities</b>		
Arising on account of timing difference in:		
- Depreciation/ amortisation	(161,55,319)	(146,66,430)
A	<u>(161,55,319)</u>	<u>(146,66,430)</u>
<b>Deferred tax assets</b>		
Arising on account of timing difference in:		
Retirement benefits	26,90,707	20,62,683
Provision for doubtful debts and advances	10,88,834	1,07,175
Section 43B disallowances	6,90,695	5,20,464
Unabsorbed business loss and depreciation as per Income tax Act, 1961	1897,60,401	527,05,173
B	<u>1942,30,636</u>	<u>553,95,495</u>
Net deferred tax asset restricted to *	(A-B)	-
	<u>-</u>	<u>-</u>

\* In the absence of virtual certainty, no deferred tax assets have been recognised.

### 15 Long - term loans and advances

(Unsecured, considered good)

Particulars	31 March 2017	31 March 2016
<b>To parties other than related parties</b>		
Capital advance	28,14,730	12,69,058
Security deposits	38,84,060	38,84,060
Other loans and advances		
- Advance income tax and tax deducted at source (net of provisions Rs Nil; 31 March 2016: Rs Nil)	165,00,565	148,31,457
	<u>231,99,355</u>	<u>199,84,575</u>

### 16 Other non - current assets

(Unsecured, considered good)

Particulars	31 March 2017	31 March 2016
Other bank balances (refer note 18)	11,79,033	-
Interest accrued and not due on fixed deposit	1,457	-
Prepaid expenses	-	1,32,592
Other receivables	1,72,114	3,27,425
	<u>13,52,603</u>	<u>4,60,017</u>

### 17 Trade receivables

(Unsecured)

Particulars	31 March 2017	31 March 2016
<b>Receivables outstanding for a period exceeding six months from the date they became due for payment</b>		
Considered good	40,86,929	9,70,386
Considered doubtful	35,23,734	3,46,844
Less: Provision for doubtful receivables	(35,23,734)	(3,46,844)
(A)	<u>40,86,929</u>	<u>9,70,386</u>
<b>Other receivables</b>		
Considered good	223,91,623	163,69,400
(B)	<u>223,91,623</u>	<u>163,69,400</u>
<b>Total (A+B)</b>	<u>264,78,552</u>	<u>173,39,786</u>

# Whistling Woods International Limited

## Notes to the standalone financial statements (Continued)

as at 31 March 2017

(Currency: Indian Rupees)

### 18 Cash and bank balances

Particulars	31 March 2017	31 March 2016
<b>Cash and cash equivalents</b>		
Cash on hand	68,000	94,364
Cheques on hand	-	19,35,663
Bank balances		
- In current accounts	11,72,569	56,88,442
Deposit with original maturity of less than three months	21,00,000	15,00,000
<b>Other bank balances</b>		
Deposit with original maturity of more than twelve months	11,79,033	40,443
Less: Deposit with original maturity of more than twelve months from the balance sheet date disclosed under non-current assets (refer note 16)	(11,79,033)	-
	<b>33,40,569</b>	<b>92,58,913</b>

### 19 Short - term loans and advances

(Unsecured, considered good)

Particulars	31 March 2017	31 March 2016
<b>Other short-term loans and advances</b>		
<i>To parties other than related parties</i>		
Security deposits	96,000	96,000
Advance to staff	18,13,792	36,07,993
Input service tax credit	3,77,115	3,31,101
Prepaid expenses	22,66,294	18,15,012
Advance to students	2,50,189	21,49,086
Loan against salary	4,50,153	1,63,842
Advance to suppliers	37,25,126	16,61,431
Rental deposits	2,51,163	1,26,163
	<b>92,29,832</b>	<b>99,50,628</b>

### 20 Other current assets

(Unsecured, considered good)

Particulars	31 March 2017	31 March 2016
<b>Unsecured, considered good</b>		
Unbilled revenue	87,77,848	4,28,402
Interest accrued but not due on deposits with bank	27,651	15,789
Other receivables	3,00,881	1,15,884
	<b>91,06,380</b>	<b>5,60,075</b>

# Whistling Woods International Limited

## Notes to the standalone financial statements (Continued)

for the year ended 31 March 2017

(Currency: Indian Rupees)

### 21 Revenue from operations

Particulars	31 March 2017	31 March 2016
<b>Sale of services</b>		
Acceptance fees	116,00,000	144,53,241
Tuition fees	1178,69,447	1000,36,127
Infrastructure fees	1883,15,100	1436,53,482
Income from institutional affiliations	11,75,956	41,92,311
	<b>3189,60,503</b>	<b>2623,35,161</b>
<b>Other operating revenue:</b>		
Sale of prospectus/application forms	27,29,828	21,58,352
Facilitation charges recovered from students	8,10,177	8,81,002
Re-examination fees	3,10,000	7,87,340
Business support services	70,43,329	25,49,658
Other income	38,85,586	14,99,161
	<b>147,78,920</b>	<b>78,75,513</b>

### 22 Other income

Particulars	31 March 2017	31 March 2016
Interest income (Tax deducted at source Rs.103,209 (31 March 2016:Rs. 30,695))	10,35,891	3,36,715
<b>Other non-operating income:</b>		
Discount received	-	8,600
Hire charges	62,30,602	65,31,516
Fine and penalty	-	6,87,530
Sundry balances written back	3,95,532	24,84,529
Sponsorship received	10,10,000	9,68,300
Profit on sale of asset (Net)	83,260	-
	<b>87,55,285</b>	<b>110,17,190</b>

### 23 Employee benefits expenses

Particulars	31 March 2017	31 March 2016
Salaries, wages and bonus	584,04,086	494,55,275
Staff welfare expenses	43,28,225	38,28,000
Contribution to provident and other funds	43,62,498	34,13,128
	<b>670,94,809</b>	<b>566,96,402</b>

# Whistling Woods International Limited

## Notes to the standalone financial statements (Continued)

for the year ended 31 March 2017

(Currency: Indian Rupees)

### 24 Finance costs

Particulars	31 March 2017	31 March 2016
<b>Interest expenses</b>		
Interest on Hero Fincorp Limited loan	62,21,562	15,14,203
Interest on Yes Bank Limited loan	581	-
Interest on car loan	1,18,772	23,006
Interest on unsecured loan /intercorporate deposits	355,48,413	394,01,821
Other charges	13,07,522	24,82,126
	<b>431,96,850</b>	<b>434,21,156</b>

### 25 Other expenses

Particulars	31 March 2016	31 March 2016
Professional fees	643,18,858	514,67,174
Advertisement and publicity expenses	256,56,284	260,55,464
Electricity expenses	193,33,232	196,47,281
Sets/ student practicals	93,14,024	155,70,981
Office maintenance	147,68,282	113,80,226
Security charges	72,20,644	59,33,285
Travelling and conveyance	61,95,575	67,62,645
Printing and stationery	27,41,118	30,78,694
Rates and taxes	14,62,823	19,15,107
Communication expense	32,48,757	27,30,646
Scholarships awards	51,62,000	20,12,500
Miscellaneous expenses	84,48,260	54,93,116
Motor car expenses	12,93,622	14,99,766
Insurance	26,91,885	17,07,493
Rent (net of recoveries)	23,36,854	91,718
Loss on sale of assets	-	5,128
Payment to auditor*	8,38,500	7,00,000
Provision for doubtful debts	35,23,734	3,46,844
	<b>1785,54,450</b>	<b>1563,98,068</b>

*Payment to auditor (excluding service tax)	31 March 2017	31 March 2016
As auditor:		
- Statutory audit fees	7,50,000	7,00,000
- Reimbursement of expenses	88,500	-
	<b>8,38,500</b>	<b>7,00,000</b>

# Whistling Woods International Limited

## Notes to the standalone financial statements (*Continued*)

for the year ended 31 March 2017

(Currency: Indian Rupees)

### 26. Contingent liabilities

#### 26.1 Litigation

Public Interest Litigation ('PIL') had been filed by Mr. Abdul Hamid Patel and Others alleging that the Maharashtra Film Stage and Cultural Development Corporation Limited ('MFSCDCL') has not followed proper procedure while allotting the 20 acre land to the Company. Pursuant to the Order of the Hon'ble High Court of Judicature at Bombay of February 2012, the Joint Venture Agreement ('JVA') with MFSCDCL was quashed/ rendered cancelled, the Company was ordered to return the land to MFSCDCL and pay rent (including interest on arrears) retrospectively on the entire land since the date of the JVA. Further, the Company was directed not to accept admission for courses which extend beyond July 2014. Of the total land admeasuring 20 acres, 14.5 acres vacant unused land was repossessed by MFSCDCL on 18 April 2012 and the balance was to be repossessed on or before 31 July 2014. Pending discussion and/ or agreement with MFSCDCL and/or clarifications to be sought from the concerned parties, no adjustments have been made to the share capital structure of the Company and the carrying value of the Land rights in the books of account. Further, MFSCDCL demanded Rs 832,062,611 towards rent and interest arrears thereon by letter dated 3 December 2012 for the period up to 30 November 2012. Also, as per the High Court Order which is under challenge from the Company, there is an option to set-off the arrears of rent and interest thereon against the value of the building with net excess or shortfall to be refunded to/claimed from the Company/Mukta Arts Limited. During the year 2012-13, the Public Works Department (PWD) Engineer had given his valuation report of Institute building (net book value at 31 March 2017 Rs 164,216,905 (31 March 2016: Rs 171,757,505)) based on the Balance sheet of the Company as at 31 March 2011. MFSCDCL vide letter dated 14 July 2014 demanded Rs 591,966,210 towards arrears of rent and interest thereon, up to 31 July 2014, net of value of building determined as above.

Further, Mukta Arts Limited has made an application to the Government of Maharashtra in February 2013 to appoint expert valuer to determine the market price which in its view is the price to be determined by reading the directions of the High Court in their proper perspective. Also, Mukta Arts Limited and WWI had filed applications to review the said Order with the High Court and an interim stay was granted on 30 July 2014 which required deposit by Mukta Arts Limited of Rs 100,038,000 by January 2015 against payment of arrears of rent for the years 2000-01 to 2013-14 and payment of Rs 4,500,000 per annum from financial year 2014-15 till the settlement of the case to MFSCDCL. The State Government of Maharashtra and MFSCDCL challenged the Order of the High Court in the Supreme Court, which special leave petition was dismissed by the Supreme Court on 22 September 2014. The amounts so paid/ being paid by Mukta Arts Limited to MFSCDCL have not been accounted in these standalone financial statements. Management informs that these will be accounted, if required, on the settlement of the case.

Pending final outcome of the matter under litigation, no adjustment has been made in these standalone financial statements as management is hopeful of reliefs based on the issues involved and on merits of the case, as also of a high valuation of the building.

# Whistling Woods International Limited

## Notes to the standalone financial statements (*Continued*)

for the year ended 31 March 2017

(Currency: Indian Rupees)

### 26. Contingent liabilities (*Continued*)

#### 26.2 Income tax matters under dispute

##### Assessment year 2004-05

There were certain additions/ disallowances made in the assessment and the Department had raised a demand of Rs. 2,898,895 (including interest Rs 711,905). Aggrieved by the assessment order, the Company had filed an appeal with the C.I.T (Appeals) who confirmed the additions/ disallowances. The Company subsequently filed an appeal with the Income Tax Appellate Tribunal which was also dismissed and the Company deposited the outstanding amount. The Assessing officer had passed an order u/s 143(3)/250 of the Income tax Act, 1961 giving the effect of the appeal against which the Company preferred an appeal before C.I.T (Appeals) who, by Order dated 4 February 2013, upheld the order of Assessing officer. The Company has filed an appeal against the said Order before Hon. Tribunal on 23 April 2013. The order has been partially allowed.

The Company had received an Order under Section 154 of the Income tax Act, 1961 dated 19 August 2013, whereby the revised demand was Rs. 4,536,911 (including interest Rs. 1,796,045) and the dues payable have been adjusted by the department against refund receivable for earlier assessment years. The Company has filed an appeal against the said Order before Income Tax Appellate Tribunal which has been allowed.

The Company has not accrued for the liability as taxes paid will be refunded partially.

##### Assessment year 2005-06

There are certain additions/ disallowances made in the assessment and the Department had raised a demand of Rs 559,676 (including interest Rs 106,950) and the Company deposited the outstanding amount. Aggrieved by the assessment Order, the Company had filed an appeal with the C.I.T (Appeals), who confirmed the additions/ disallowances. The Company subsequently filed an appeal with the Income Tax Appellate Tribunal which set aside the Order and referred it back to the C.I.T Appeals who by Order dated 4 February 2013 upheld the Order of Assessing officer. The Company has filed an appeal against the said order before Hon. Tribunal on 23 April 2013 which is partially allowed.

**26.3** Arrears of dividend on Redeemable Cumulative Preference Shares (RCPS) excluding dividend distribution tax not provided Rs 159,123,287 (31 March 2016: Rs 143,123,287).

**26.4** Claims against the Company not acknowledged as debts pertaining to local levies Rs. 24,711,104 (31 March 2016: Rs 24,094,702).

**26.5** The Company's pending litigations comprise of claims against the Company pertaining to proceedings pending with other authorities. The Company has reviewed all its pending litigations and proceedings and based on its assessment, either provided for where provisions are required or disclosed as contingent liabilities where applicable, in the standalone financial statements.

# Whistling Woods International Limited

## Notes to the standalone financial statements (Continued)

for the year ended 31 March 2017

(Currency: Indian Rupees)

### 27 Related party disclosures

#### (A) Related parties and their relationship:

Sr. No	Category of related parties	Names
	<b>Related parties where control exists</b>	
I	Holding company	Mukta Arts Limited
II	Wholly owned Subsidiary Company	Whistling Woods International Education Foundation
III	Fellow Subsidiary Company	Connect 1 Ltd.
IV	Individual holding more than 50% of voting power in the holding company	Subhash Ghai
V	Enterprise in which a director has significant influence	Mukta Tele Arts Private Limited.
VI	Key managerial personnel and their relatives	Mrs. Meghna Ghai Puri (Whole time director) Mr. Rahul Puri (Husband of whole time director)
VII	Enterprise in which a director is common	Mukta Tele Media Limited Whistling woods International foundation

#### (B) Transactions with related parties

Particulars	Holding company	Enterprise in which a director is common	Fellow Subsidiary	Wholly Owned Subsidiary	Enterprise in which a director has significant influence	Key managerial personnel and their relatives	Individual holding more than 50% voting power in holding company	Total
Loan received	-	-	-	-	-	-	500,000	500,000
	(-)	-	-	-	(-)	(-)	(128,600,000)	(128,600,000)
Repayment of loan	7,000,000	-	-	-	-	-	4,300,000	11,300,000
	(94,100,000)	-	-	-	(28,574,929)	(-)	(3,000,000)	(125,674,929)
Loan given	-	-	-	-	-	-	-	-
	-	-	-	-	(1,763,912)	-	-	(1,763,912)
Loan recovered	-	-	-	-	-	-	-	-
	-	-	-	-	(1,763,912)	-	-	(1,763,912)
Investments in Equity Shares	-	-	-	500,000	-	-	-	500,000
Rent and maintainence charges	2,018,001	-	-	-	-	-	-	-
Reimbursement of expenses recovered	301,600	-	-	53,400	-	-	-	355,000
	(1,182,704)	-	-	-	(-)	(-)	(-)	(1,182,704)
Reimbursement of expenses paid	505,621	-	-	-	-	-	-	505,621
	(1,182,704)	-	-	-	(-)	(-)	(-)	(1,182,704)
Interest on loan	23,132,879	-	-	-	-	-	12,415,534	35,548,413
	(27,308,904)	-	-	-	(2,806,342)	(-)	(7,138,630)	(37,153,876)

# Whistling Woods International Limited

## Notes to the standalone financial statements (*Continued*)

for the year ended 31 March 2017

(Currency: Indian Rupees)

Other charges	-	-	-	-	-	-	-	-
	(-)	-	-	-	(1,400,063)	(-)	(-)	(1,400,063)
Donation given	-	160,000	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Remuneration to Meghna Ghai Puri	-	-	-	-	-	3,504,420	-	3,504,420
	(-)	-	-	-	(-)	(2,992,484)	(-)	(2,992,484)
Remuneration to Rahul Puri	-	-	-	-	-	2,002,500	-	2,002,500
	(-)	-	-	-	(-)	(900,000)	(-)	(900,000)
Royalty Income	-	-	63,980	-	-	-	-	63,980
	-	-	-	-	-	-	-	-

The Company has received rent free premises from Mukta Tele Media Limited and Mukta Arts Limited to undertake its business related activities

## 27 Related party disclosures (*Continued*)

### (C) Balances with related parties:

Particulars	Holding company	Wholly Owned Subsidiary Company	Fellow Subsidiary	Enterprise in which a director has significant influence	Key managerial personnel and their relatives	Individual holding more than 50% voting power in holding company	Total
<b>Balance as at year end:</b>							
Unsecured loan/Intercompany deposits	225,900,000 (232,900,000)			- (-)	- (-)	12,180,000 (125,600,000)	347,700,000 (358,500,000)
Investments in Equity Shares		5,00,000					
Interest accrued but not due on borrowings	1,226,743 (24,578,014)			- (-)	- (-)	491,019 (960,067)	1,717,762 (25,538,081)
Amount receivable		53,400	73,577				
Amount Payable	1,932,818						
Deposit received (pursuant to mutual sharing arrangement)	30,000,000 (30,000,000)			- (-)	- (-)	- (-)	30,000,000 (30,000,000)
Outstanding redeemable cumulative preference shares	200,000,000 (200,000,000)			- (-)	- (-)	- (-)	200,000,000 (200,000,000)

Refer Note 1.1 on Going concern

Note: - Previous year figures are given within brackets.

# Whistling Woods International Limited

## Notes to the standalone financial statements (*Continued*)

for the year ended 31 March 2017

(Currency: Indian Rupees)

**28** The Company is engaged primarily in imparting training in various skills related to films, television and media field which is the primary business segment. The Company revenues from other services are not significant. The Company has only one reportable business segment, which is imparting training in various skills related to films, television and media and only one reportable geographical segment, which is India. Accordingly, the segment information as required by the Accounting Standard 17 on Segment Reporting has not been separately disclosed.

**29** The Company does not have non-cancellable leases.

### **30 Employee benefits**

#### *Defined benefit plan*

##### a) Gratuity plan

The following table sets out the status of the gratuity plan as required under AS 15.

Reconciliation of opening and closing balances of the present value of the defined benefit obligation and fair value of plan assets:

Particulars	31 March 2017	31 March 2016
<b>Change in present value of obligations</b>		
Obligations at beginning of the year	4,291,052	3,406,716
Service cost	657,513	625,530
Interest cost	383,966	312,074
Actuarial loss	621,278	131,237
Past service cost	-	-
Liabilities assumed on acquisition / (Settled on Divestiture)	-	-
Benefits paid	(48,352)	(184,505)
Obligations at the end of the year	5,905,457	4,291,052

Particulars	31 March 2017	31 March 2016
<b>Change in plan assets</b>		
Fair value of plans assets at beginning of the year	773,811	891,458
Expected return on plan assets	88,918	98,213
Actuarial loss	(78,551)	(31,355)
Contribution by employer	42,483	-
Assets acquired on acquisition / (Distributed on Divestiture)	-	-
Benefits paid	(48,352)	(184,505)
Fair value of plans assets at end of the period	778,309	773,811
<b>Actual return on plan assets</b>		
Expected return on plan assets	88,918	98,213
Actuarial loss on plan assets	(78,551)	(31,355)
<b>Actual return on plan assets</b>	10,367	66,858
<b>Reconciliation of present value of the obligation and the fair value of plan assets</b>		
Present value of the defined benefit obligations at the end of the year	5,905,457	4,291,052
Fair value of plan assets at the end of year	(778,309)	(773,811)

# Whistling Woods International Limited

## Notes to the standalone financial statements (*Continued*)

for the year ended 31 March 2017

(Currency: Indian Rupees)

Present value of unfunded obligation	-	-
Funded status being amount of liability/(asset) recognized in the Balance sheet	<b>5,127,148</b>	3,517,241
<b>Gratuity cost for the year</b>		
Service cost	<b>657,513</b>	625,530
Interest cost	<b>383,966</b>	312,074
Expected return on plan assets	<b>(88,918)</b>	(98,213)
Actuarial loss	<b>699,829</b>	162,592
Past service cost	-	-
Net gratuity cost	<b>1,652,390</b>	1,001,983

### 30 Employee benefits (*Continued*)

*Defined benefit plan (Continued)*

a) Gratuity plan (*Continued*)

#### Other disclosures – gratuity

	Year ended 31 March 2017	Year ended 31 March 2016	Year ended 31 March 2015	Year ended 31 March 2014	Year ended 31 March 2013
Present value of defined benefit obligation	<b>5,905,457</b>	4,291,052	3,406,716	2,195,795	1,853,676
Fair value of plan assets	<b>778,309</b>	773,811	891,458	961,930	980,666
(Deficit) of the plan	<b>(5,127,148)</b>	(3,517,241)	(2,515,258)	(1,233,865)	(873,010)
Experience adjustments on defined benefit obligation [loss / (gain)]	<b>201,421</b>	131,237	37,719	524,492	(96,391)
Experience adjustments on fair value of plan assets [(loss) / gain]	<b>(78,551)</b>	(31,355)	(73,151)	(3,972)	(6,631)

#### Actuarial assumptions

	31 March 2017		31 March 2016	
	Gratuity	Leave encashment	Gratuity	Leave encashment
Discount rate (per annum)	<b>7.35%</b>	<b>7.35%</b>	7.90%	7.90%
Expected rate of return on plan assets (per annum)	<b>7.50%</b>	-	7.50%	-
Rate of escalation in salary (per annum)	<b>6.00%</b>	<b>6.00%</b>	6.00%	6.00%

Gratuity is payable to all eligible employees of the Company on superannuation or death or permanent disablement, in terms of the provisions of the Payment of Gratuity Act, 1972.

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. The Company expects Rs 1,000,000 in contribution to be paid to its defined benefit plan in the next year (31 March 2016: Rs 1,000,000).

# Whistling Woods International Limited

## Notes to the standalone financial statements (*Continued*)

for the year ended 31 March 2017

(Currency: Indian Rupees)

### Leave encashment liability

The expense towards leave encashment for the year ended 31 March 2017 based on actuarial valuation using the projected unit credit method amounting to Rs 502,547 (31 March 2016: Rs. 843,483) has been recognised in the Statement of profit and loss.

### Contribution to defined contribution plan

- a) The total charge during the year towards contribution to provident fund and ESIC amounts to Rs.2,680,178 (31 March 2016: Rs. 2,411,145) and is included under “Employee benefits expenses” in Statement of profit and loss.

## 31 Expenditure in foreign currency

Particulars	31 March 2017	31 March 2016
Repairs and maintenance	1,877,507	-
Advertisement expenses	-	344,978
Miscellaneous expenses	537,086	-
Professional Fees	241,884	-
Travelling expenses	241,186	-

## 32 Earnings in foreign exchange

Particulars	31 March 2016	31 March 2016
Tuition fees	5,110,796	6,776,596
Application fees	3252	5,901
Income from institutional affiliation	-	2,632,520

## 33 Foreign currency exposures

- A. The year-end foreign currency exposures that have not been hedged by derivative instrument or otherwise are as follows:

Particulars	Currency	31 March 2017		31 March 2016	
		Amount in Foreign currency	Amount in Rs.	Amount in Foreign currency	Amount in Rs.
Cash on hand	USD	922	59,697	-	-
	AED	235	4,142	235	4,231
Trade receivables	GBP	-	-	22,266	2,117,234

- B. The Company has no foreign currency exposures relating to any payable balance as at 31 March 2017 (31 March 2016: Rs Nil).

## 34 Earnings per share (‘EPS’)

Particulars	31 March 2017	31 March 2016
Net loss *	17,566,621	(6,291,208)
Weighted average number of equity shares outstanding during the year	200,000	200,000
Basic and diluted earnings per equity share of Rs 1,000 each	87.83	(31.46)

# Whistling Woods International Limited

## Notes to the standalone financial statements (*Continued*)

for the year ended 31 March 2017

(Currency: Indian Rupees)

\* Before adjusting 8% preference dividend amounting to Rs 16,000,000 on redeemable cumulative preference shares since it is anti dilutive.

- 35** During the year, the Company had specified bank notes or other denomination note as defined in the MCA notification G.S.R. 308(E) dated March 31, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December, 30 2016, the denomination wise SBNs and other notes as per the notification is given below:

<b>Particulars</b>	<b>SBN*</b>	<b>Other denomination notes</b>	<b>Total</b>
Closing cash in hand as on 8 November 2016	1,300,000	79,839	1,379,839
(+) Permitted receipts	806,000	871,783	1,677,783
(-) Payments	125,000	1,019,111	1,144,111
(-) Amount deposited in banks	1,981,000	-	1,981,000
(+) Amount withdrawn from banks		404,000	404,000
Closing cash in hand as on 30 December 2016		336,511	336,511

## **36 Other information**

Information with regard to other matters specified in Schedule III to the Act is either nil or not applicable to the Company for the year.

# Whistling Woods International Limited

## Notes to the standalone financial statements (*Continued*)

for the year ended 31 March 2017

(Currency: Indian Rupees)

- 37.** The Company has a process whereby periodically all long term contracts are assessed for material foreseeable losses. At the year end, the Company has reviewed that there are no long-term contracts including derivative contracts for which there were any material foreseeable losses.

As per our report of even date attached.

For **B S R & Co. LLP**  
*Chartered Accountants*  
Firm's Registration No: 101248W/W-100022

For and on behalf of the Board of Directors  
**Whistling Woods International Limited**  
CIN:U92141MH2001PLC130394

**Rajesh Mehra**  
*Partner*  
Membership No: 103145

**Subhash Ghai**  
*Chairman*  
DIN: 00019803

**Meghna Ghai Puri**  
*Whole time Director*  
DIN: 00130085

Mumbai  
18 May 2017

**Prabuddha Dasgupta**  
*Chief Financial Officer*

Mumbai  
18 May 2017

**Akshatha Shetty**  
*Company Secretary*  
Membership No:  
A28822