



December 16, 2022

National Stock Exchange of India Limited

Exchange Plaza

C-1, Block G, Bandra Kurla Complex,

Bandra (E), Mumbai-400051

Dear Sirs,

Sub: Compliance with Regulation 54 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015

Ref: ISIN – INE811K07075

ISIN – INE811K07083

This is further to our letter dated November 9, 2022, we wish to inform you that we have revised the Security Cover certificate as per the format prescribed in the circular SEBI/HO/MIRSD/MIRSD_CRADT/CIR/P/2022/67 dated May 19, 2022 with respect to listed Non-Convertible Debentures.

Request you to kindly take the above information on record.

Thanking you,

Yours faithfully,

For **Prestige Estates Projects Limited**

Manoj Krishna J V

Company Secretary and Compliance Officer

Independent Auditor's Report on book value of assets and Compliance with financial Covenants as at September 30, 2022 pursuant to Regulation 56(1)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) and SEBI Circular dated May 19, 2022 for submission to Catalyst Trusteeship Limited (the 'Debenture Trustee')

To
The Board of Directors
Prestige Estates Projects Limited

1. This Report is issued in accordance with the terms of the Service Scope Letter dated October 31, 2022 and Master Engagement Agreement dated October 31, 2022, as amended with Prestige Estates Projects Limited (hereinafter the "Company").
2. We S.R. Batliboi & Associates LLP, Chartered Accountants, are the Statutory Auditors of the Company and have been requested by the Company to examine the accompanying Statement showing book value of assets and compliance with Financial Covenants for secured listed non-convertible debt securities issued of face value of Rs 5,000 million as at September 30, 2022 (hereinafter the "Statement") which has been prepared by the Company from the Board approved standalone financial results, underlying books of account and other relevant records and documents maintained by the Company as at and for the period ended September 30, 2022 pursuant to the requirements of the Regulation 56(1)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and SEBI Circular dated May 19, 2022 on Revised format of security cover certificate, monitoring and revision in timelines (hereinafter the "SEBI Regulations and SEBI Circular"), and has been initialed by us for identification purpose only.

This Report is required by the Company for the purpose of submission with Catalyst Trusteeship Limited (hereinafter the "Debenture Trustee") of the Company to ensure compliance with the SEBI Regulations and SEBI Circular in respect of its secured listed non-convertible debt security having face value of Rs. 5,000 million ('Debentures') The Company has entered into an agreement with the Debenture Trustee vide agreement dated November 24, 2021 in respect of such Debentures.

Management's Responsibility

3. The preparation of the Statement is the responsibility of the Management of the Company including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
4. The Management of the Company is responsible for ensuring that the Company complies with all the relevant requirements of the SEBI Regulations and SEBI Circular. The management is also responsible for providing all relevant information to the Debenture Trustee and for complying with all the financial covenants as prescribed in the Debenture Trust Deed dated November 24, 2021 entered into between the Company and the Debenture Trustee ('Trust Deed').

Auditor's Responsibility

5. It is our responsibility to provide a limited assurance and conclude as to whether the:
 - (a) Book values of assets as mentioned in Column 'C' of Annexure I to the Statement are in agreement with the books of accounts underlying the unaudited standalone financial results of the company as at September 30, 2022 and Book values of assets as mentioned in Column 'C' of Annexure II to the Statement are in agreement with the books of accounts underlying the unaudited standalone financial results of the company as at September 30, 2022 and
 - (b) Company is in compliance with all the financial covenants as mentioned in the Debenture Trust Deed as on September 30, 2022.

6. We have performed a limited review of the unaudited standalone financial results of the Company for the half year ended September 30, 2022, prepared by the Company pursuant to the requirements of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and issued an unmodified conclusion dated November 09, 2022. Our review of these financial results was conducted in accordance with the in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India ("ICAI").

7. We conducted our examination of the Statement in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

9. Our scope of work did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial results of the Company taken as a whole. We have not performed an audit, the objective of which would be the expression of an opinion on the financial results, specified elements, accounts or items thereof, for the purpose of this report. Accordingly, we do not express such opinion.

10. A limited assurance engagement includes performing procedures to obtain sufficient appropriate evidence on the applicable criteria, mentioned in paragraph 5 above. The procedures performed vary in nature and timing from, and are less extent than for, a reasonable assurance. Consequently, the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Accordingly, our procedures included the following in relation to the Statement:
 - a) Obtained and read the Debenture Trust Deed.
 - b) Obtained the Board approved unaudited standalone financial results of the Company for the period ended September 30, 2022.
 - c) Traced the book value of assets mentioned in Column 'C' of Annexure I to the statement from the books of accounts of the company underlying the Board approved unaudited standalone financial results as at September 30, 2022.

- d) Management has represented to us that the amount required to be mentioned in Column 'C' of the Annexure II in line item "Others" is the carrying amount of Inventory (provided as security) as per the books of account maintained by the subsidiaries of the Company as at September 30, 2022 and we understand from management that the said amount is accordingly mentioned by the management in the said line item. Independent Auditor's Report on book value of assets and financial covenants of such entities issued by respective auditors of the subsidiaries have been furnished to us by the management, who have issued an unmodified opinion. We have not performed any procedures in relation to the disclosure in Column 'C' of the Annexure II in line item "Others".
- e) Performed necessary inquiries with the Management and obtained necessary representations.
- f) Annexure I and Annexure II has been prepared by the management and we have not performed any procedures in relation to the said Annexure I and Annexure II other than as mentioned in above.

Conclusion

- 11. Based on the procedures performed by us, as referred to in paragraph 10 above and according to the information and explanations received and management representations obtained, nothing has come to our attention that causes us to believe that the:
 - a) Book values of assets as mentioned in Column 'C' of Annexure I to the Statement and Column 'C' of Annexure II to the Statement are not in agreement with the books of account underlying the unaudited standalone financial results of the company as at September 30, 2022.
 - b) Company is not in compliance with all the financial covenants as mentioned in the Debenture Trust Deed as on September 30, 2022.

Restriction on Use

- 12. The Report has been issued at the request of the Company, solely in connection with the purpose mentioned in paragraph 2 above and to be submitted with the accompanying Statement to the Debenture Trustee and is not to be used or referred to for any other person. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come. We have no responsibility to update this Report for events and circumstances occurring after the date of this report.

For S.R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

**ADARSH
RANKA**

Digitally signed by
ADARSH RANKA
Date: 2022.12.16
18:03:57 +05'30'

per Adarsh Ranka

Partner

Membership Number: 209567

UDIN: 22209567BFOLLI2292

Place of Signature: Bengaluru, India

Date: December 16, 2022

**Statement of book value of assets and compliance with financial covenants
as at and for the period ended September 30, 2022 in respect of listed non-convertible debentures**

This statement contains details of book value of assets and compliance with financial covenants as at September 30, 2022 in respect of the listed non-convertible debt security ("the Statement") which has been prepared by the Company from the financial results and other relevant records and documents maintained by the Company as at and for the period ended September 30, 2022 pursuant to the requirements of the Regulation 56(1)(d) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and SEBI Circular dated May 19, 2022 on Revised format of security cover certificate, monitoring and revision in timelines (hereinafter the "SEBI Regulations and SEBI Circular").

This statement is prepared by the Company for the purpose of submission with Catalyst Trusteeship Limited ("the Debenture Trustee") of the Company to ensure compliance with the SEBI Regulations and SEBI Circular in respect of its listed non-convertible debt securities ("the Debentures") pursuant to agreement entered by the Company with the Debenture Trustee vide Debenture Trust Deeds dated November 24, 2021 ("the Debenture Trust Deeds").

a) Listed debt securities

The Company vide the Debenture Trust Deeds, has issued the following listed debt securities:

(Amount in Rs. Millions)

ISIN	Private Placement/ Public Issue	Secured/ Unsecured	Facility	Type of charge	Sanctioned/issued Amount	Outstanding Amount as on 30-09-2022		
						Principal	Interest	Total
INE811K07083	Private Placement (Allotted on 29-11-2021)	Secured	Non-convertible Debt Securities	Exclusive	Rs. 2,400	Rs. 2,400	Rs. 19	Rs. 2,419
INE811K07075	Private Placement (Allotted on 29-11-2021)	Secured	Non-convertible Debt Securities	Exclusive	Rs. 2,600	Rs. 2,600	Rs. 21	Rs. 2,621
Grand Total					Rs. 5,000	Rs. 5,000	Rs. 40	Rs. 5,040

b) Book value of assets

The financial information as on September 30, 2022 has been extracted from the books of accounts for the quarter and period ended September 30, 2022 and other relevant records of the Company. Please refer **Annexure I** and **Annexure II** to the Statement for details on book value of assets pledged on standalone basis and book value of assets pledged including assets of subsidiary respectively.

c) Compliance with the financial covenants

We confirm that the financial covenants prescribed by the aforesaid Debenture Trust Deed have been complied with by the Company as at and for the period ended September 30, 2022 and are as detailed in **Annexure-III** to the Statement.

We confirm that the details furnished above in respect of maintenance of security cover and compliance with the covenants are in compliance with the terms of the Debenture Trust Deeds as at September 30, 2022.

For Prestige Estates Projects Limited

IRFAN RAZACK Digitally signed by IRFAN
RAZACK
Date: 2022.12.16 12:37:24
+05'30'

Irfan Razack
Chairman and Managing Director

Place: Bengaluru, India
Date: December 16, 2022

Prestige Estates Projects Limited
Corporate Identity Number (CIN): L07010KA1997PLC022322
Regd. Office: PRESTIGE FALCON TOWER NO.19, BRUNTON ROAD BANGALORE 560025

Annexure I - Statement of Book Value - Standalone

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
Particulars	Description of asset for which this certificate relate	Exclusive Charge	Exclusive Charge	Pari- Passu Charge	Pari- Passu Charge	Pari- Passu Charge	Assets not offered as Security	Elimination (amount in negative)	(Total A to I)	Related to only those items covered by this certificate				
		Debt for which this certificate being issued	Other Secured Debt	Debt for which this certificate being issued	Assets shared by pari passu debt holder (includes debt for which this certificate is issued & other debt with pari- passu charge)	Other assets on which there is pari- Passu charge (excluding items covered in column F)		debt amount considered more than once (due to exclusive plus pari passu charge)		Market Value for Assets charged on Exclusive basis	Carrying /book value for exclusive charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Market Value for Pari passu charge Assets	Carrying value/book value for pari passu charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA	Total Value(=K+L+M+N)
		Book Value	Book Value	Yes/No	Book Value	Book Value								Relating to Column F
ASSETS														
Property, plant and equipment			3,532				1,090		4,622					
Capital work-in-progress (including Investment property under construction)	Prestige Mulberry Shades	958					313		1,271	1097^				1097
Investment property			6,021				8,348		14,369					
Other intangible assets							24		24					
Investments							16,253		16,253					
Loans							53,688		53,688					
Other financial assets							8,656		8,656					
Deferred tax assets (net)							1,255		1,255					
Income tax assets (net)							2,157		2,157					
Trade receivables			748				4,255		5,003					
Inventories			6,169				52,144		58,313		-	-	-	-
Cash and cash equivalents			53				3,455		3,508					
Other bank balances			264				553		817					
Others assets							3,249		3,249					
Total		958	16,788	-	-	-	1,55,439	-	1,73,185	1,097	-	-	-	1,097
LIABILITIES														
Debt securities to which this certificate pertains		5,027*							5,027					
Other debt sharing pari-passu charge with above debt														
Other Debt														
Subordinated debt														
Borrowings														
Bank		not to be filled	2,120						2,120					
Debt Securities			2,500						2,500					
Others			15,024						15,024					
Trade payables														
Lease liabilities														
Provisions														
Others														
Total		5,027	19,644	-	-	-	-	-	24,671					
Cover on book value		0.19												
Cover on market value		0.22												

* Includes Ind AS Adjustment for effective interest rate on secured Debt Securities Rs. 13 million and Interest accrued/payable on secured Debt Securities Rs. 40 million

^ Market value as at September 30, 2021 as per valuation report dated November 09, 2021 issued by CBRE SOUTH ASIA PRIVATE LIMITED pertaining to property owned by Prestige Estates Projects Limited.

Annexure II - Statement of Book Value including subsidiaries whose assets have been pledged

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	
Particulars	Description of asset for which this certificate relate	Exclusive Charge	Exclusive Charge	Pari- Passu Charge	Pari- Passu Charge	Pari- Passu Charge	Assets not offered as Security	Elimination (amount in negative)	(Total A to I)	Related to only those items covered by this certificate					
		Debt for which this certificate being issued	Other Secured Debt	Debt for which this certificate being issued	Assets shared by pari passu debt holder (includes debt for which this certificate is issued & other debt with pari- passu charge)	Other assets on which there is pari- Passu charge (excluding items covered in column F)	debt amount considered more than once (due to exclusive plus pari passu charge)	Market Value for Assets charged on Exclusive basis	Carrying /book value for exclusive charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Market Value for Pari passu charge Assets	Carrying value/book value for pari passu charge assets where market value is not ascertainable or applicable (For Eg. Bank Balance, DSRA market value is not applicable)	Total Value=(K+L+M+ N) N)			
		Book Value	Book Value	Yes/No	Book Value	Book Value					Relating to Column F				
ASSETS															
Property, plant and equipment			3,532				1,090		4,622						
Capital work-in-progress (including Investment property under construction)		958	-				313		1,271	1097^				1,097	
Investment property			6,021				8,348		14,369						
Other intangible assets			-				24		24						
Investments			-				16,253		16,253						
Loans			-				53,688		53,688						
Other financial assets			-				8,656		8,656						
Deferred tax assets (net)			-				1,255		1,255						
Income tax assets (net)			-				2,157		2,157						
Trade receivables			748				4,255		5,003						
Inventories			6,169				52,144		58,313						
Cash and cash equivalents			53				3,455		3,508						
Other bank balances			264				553		817						
Others assets			-				3,249		3,249						
Others	Inventory of subsidiary - Refer Note 1 below	1,796					-		1,796	7465 #				7,465	
Total		2,755	16,788	-	-	-	1,55,439	-	1,74,981	8,562	-	-	-	8,562	
LIABILITIES															
Debt securities to which this certificate pertains		5027*							5,027						
Other debt sharing pari-passu charge with above debt									-						
Other Debt									-						
Subordinated debt									-						
Borrowings									-						
Bank			2,120						2,120						
Debt Securities		not to be filled	2,500						2,500						
Others			15,024						15,024						
Trade payables									-						
Lease liabilities									-						
Provisions									-						
Others									-						
Total		5,027	19,644	-	-	-	-	-	24,671						
Cover on book value		0.55													
Cover on market value		1.70													

* Includes Ind AS Adjustment for effective interest rate on secured Debt Securities Rs. 13 million and Interest accrued/payable on secured Debt Securities Rs. 40 million

^ Market value as at September 30, 2021 as per valuation report dated November 09, 2021 issued by CBRE SOUTH ASIA PRIVATE LIMITED pertaining to property owned by Prestige Estates Projects Limited.

Market value as at October 01, 2021 dated November 09, 2021 issued by CBRE SOUTH ASIA PRIVATE LIMITED pertaining to property owned by Eden Investments and Estates (Subsidiary of Prestige Estates Projects Limited).

Market value as at October 01, 2021 dated November 09, 2021 issued by CBRE SOUTH ASIA PRIVATE LIMITED pertaining to property owned by Prestige Bidadi Holdings Private Limited (Subsidiary of Prestige Estates Projects Limited).

Note 1:

Represents immovable property owned by Prestige Bidadi Holdings Private Limited (Subsidiary of Prestige Estates Projects Limited) having a book value of Rs. 938 million being inventory which has been pledged as an exclusive charge for the debentures issued by the company.

Represents immovable property owned by Eden Investments and Estates (Subsidiary of Prestige Estates Projects Limited) having a book value of Rs. 858 million being inventory which has been pledged as an exclusive charge for the debentures issued by the company.

Annexure – III- Compliance with the financial covenants

Sl no	<u>Financial Covenants as per Debenture Trust Deed</u>	<u>Computation information</u>	<u>Compliance status</u>
a.	<p>(i). Until the expiry of 3 years from the Deemed date of Allotment in, the Net Debt does not exceed Rs. 10,000 crores or 1.5 times of Tangible Net Worth of the company, whichever is lower: and</p> <p>(ii). From the expiry of 3 years from the deemed date of allotment till the final settlement date, the net debt does not exceed Rs. 12,000 crores or 1.5 times of the Tangible Net worth of the company, whichever is lower.</p> <p>Definitions: Net Debt: All consolidated debt of the company as per applicable accounting standard (including, long term, short term and current maturities of long term debt, accrued interest, amounts of corporate guarantees extended and the outstanding amounts and excluding cash and cash equivalents, double accounting of debt, if any , lease rental / receivable discounting.</p> <p>Relevant Period: each period of 6 months that ends on March 31st and September30th.</p> <p>Tangible Net worth: includes aggregate amount of paid-up capital and reserves and surplus, determined to the most recent consolidated financial statements of the company prepared as per Indian accounting standards and practices, adjusted by deducting amounts set aside for tax , minority interests, the amount by which the net book value of any asset has been written up after revaluation or intra-group transfer , and any dividend or other distribution declared or made by the company to the extent not already provided, and deducting the amount of any intangible assets (including goodwill).</p>	<p>i) The net debt as on September 30, 2022 is Rs. 5,193 crores which does not exceed Rs 10,000 crores (Rs 10,000 crores (or) 1.5 times of Tangible networth of the Company as per the most recent consolidated financial statements as at March 31, 2022 - 13,472 crores, whichever is lower)</p> <p>ii) Not applicable - 3 years from the deemed date of allotment has not expired.</p>	<p>Complied</p> <p>Not applicable</p>
b.	<p>The company shall provide a certificate within i) 45 days from the expiry of each half-year of each financial year and</p> <p>ii) 60 days from the expiry of each half-year of each Financial year in each case, stating the net debt and confirming that the same below the thresholds as set out in (a.) above.</p>		Complied
c.	<p>The financial covenants tested on December 31, 2021 and thereafter every March 31st and September 30th.</p> <p>We confirm that there are no financial covenants other than disclosed above.</p>		Complied