



INDEPENDENT AUDITOR'S REPORT

**To the Members of
Prestige Retail Ventures Limited**

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the Ind AS financial statements of Prestige Retail Ventures Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in equity and the Statement of Cash Flows for the year then ended on that date, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in india, of the state of affairs of the Company as at March 31, 2019, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the **Auditor's Responsibilities for the Audit of the Financial Statements** section of our report. We are independent of the Company in accordance with the **Code of Ethics** issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these



requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS financial statements for the financial year ended March 31, 2019. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying Ind AS financial statements.

SI No.	Key Audit Matter	Auditor's Response
1	<i>Assessing impairment of Investments and loans and advances made by the Company in subsidiaries, joint ventures and associated Companies (as described in note 6 of the financial statements)</i>	
	As at March 31, 2019, the carrying values of Company's investment in subsidiaries, joint ventures and associated Companies amounted to Rs.7552.02 million. Further, the Company has granted loans and advances to its subsidiaries, joint ventures and associates.	Our procedures in assessing the management's judgement for the impairment assessment included, among others, the following: - We examined the management assessment in determining whether any impairment indicators exist.



SI No.	Key Audit Matter	Auditor's Response
	<p>Management reviews regularly whether there are any indicators of impairment of the investments and loans and advances by reference to the requirements under Ind AS.</p> <p>For cases where impairment indicators exist, management estimated the recoverable amounts of the investments, being higher of fair value less costs of disposal and value in use. Significant judgements are required to determine the key assumptions used in determination of fair value / value in use.</p> <p>We focused our effort on those cases with impairment indicators. As the impairment assessment involves significant assumptions and judgement, we regard this as a key audit matter.</p>	<p><u>As regards investments made:</u></p> <ul style="list-style-type: none"> - We assessed the Company's valuation methodology and assumptions applied in determining the recoverable amount. - We compared the recoverable amount of the investment to the carrying value in books as at March 31, 2019. - We examined the disclosures made in the financial statements regarding such investments. <p><u>As regards loans and advances granted:</u></p> <ul style="list-style-type: none"> - We obtained and considered management evaluation of recoverability of loans and advances granted to its subsidiaries, joint ventures and associate entities. - We assessed the financial condition of entities to whom loans and advances were granted by obtaining the most recent audited financial statements of such entities. - We performed inquiries with management on the project status and future business plan of entities to whom loans and advances were granted to evaluate their recoverability.
2	Accuracy and completeness of related party transactions and disclosures (as described in note 32 of the financial statements)	
	The Company has undertaken transactions with its related parties in the normal course of business at arm's length. These include making new or additional investments in its subsidiaries, associates, joint ventures and	<p>As part of our audit procedures, our procedures included the following:</p> <ul style="list-style-type: none"> - Obtained and read the Company's policies, processes and procedures in respect of identifying related parties, evaluation of arm's length, obtaining approval, recording



SI No.	Key Audit Matter	Auditor's Response
	<p>other related parties and lending and borrowing of Inter-corporate deposits ('ICD') to or from the related parties.</p> <p>We identified the accuracy and completeness of the said related party transactions and its disclosure as set out in respective notes to the financial statements as a key audit matter due to the significance of transactions with related parties during the year ended March 31, 2019 and regulatory compliance thereon.</p>	<p>and disclosure of related party transactions.</p> <ul style="list-style-type: none"> - We tested, on a sample basis, related party transactions with the underlying contracts and other supporting documents and for appropriate authorization and approval for such transactions. - We read minutes of shareholder meetings, board meetings and minutes of meetings of those charged with governance in connection with Company's assessment of related party transactions being in the ordinary course of business at arm's length. - Agreed the related party information disclosed in the financial statements with the underlying supporting documents, on a sample basis. - Evaluated the adequacy of the disclosures in the financial statements through review of statutory information, books and records and other documents obtained during the course of our audit.

Management's Responsibility for Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationship and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) 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, the Statement of Cash flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 3 of the Companies (Indian accounting standards) Rules, 2015.
 - e. On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. 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 A'.
 - g. 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 does not have any pending litigations which would impact its financial position;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;



2. 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 Companies Act, 2013, we give in the '**Annexure B**' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

for **MSSV & Co.**

Chartered Accountants

Firm/Registration Number: 001987S


Shiv Shankar T R

Partner

Membership No. 220517



Place: Bengaluru

Date: May 25, 2019

“ANNEXURE A” TO INDEPENDENT AUDITOR’S REPORT

Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of 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 with respect to financial statements of **Prestige Retail Ventures Limited** (“the Company”) as of 31 March 2019 in conjunction with our audit of the 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 with respect to financial statements 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 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 with respect to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 with respect to



financial statements 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 with respect to financial statements 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 judgement, including the assessment of the risks of material misstatement of the 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 with respect to financial statements.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting with respect to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with respect to financial statements 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.



Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting with respect to financial statements, 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 with respect to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

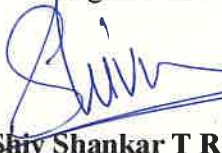
Opinion

In our opinion and according to information and explanation given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with respect to financial statements and such internal financial controls over financial reporting were operating effectively as at 31 March 2019 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 **MSSV & Co**

Chartered Accountants

Firm Registration Number: 001987S


Shiv Shankar T R

Partner

Membership No: 220517



Place: Bengaluru

Date: May 25, 2019.

"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date

Based upon the information and explanations furnished to us and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we report that:

- i. In respect of Fixed Assets:
 - a. The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b. Fixed assets are physically verified every year. In our opinion and according to information and explanations given to us, having regard to the nature of fixed assets, the periodicity of physical verification is reasonable and adequate in relation to size of the company and nature of its business. According to information and explanation given to us, no material discrepancies were noticed on such verification.
 - c. According to the information and explanation given to us and on basis of our examination of the records of the company, the title deeds of all immovable properties of land and building are in the process of being transferred in the name of the Company.
- ii. As explained to us, the Company is engaged in the business of leasing and does not hold any inventory. Hence, commenting on paragraph 3(ii) of the Companies (Auditors Report) Order, 2016 ('the Order') does not arise.
- iii. According to information and explanation given to us, the Company has granted loans, secured or unsecured to Companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act') in respect of which:
 - a. The terms and conditions of the grant of such loans are, in our opinion, prima facie, not prejudicial to the interests of the Company.
 - b. The repayment of principal and interest are on demand and repayments or receipts of principal amounts and interest have been regular as per stipulations.
 - c. There are no overdue amounts outstanding as at the balance sheet date.



- iv. According to information and explanation given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the investments made.
- v. According to information and explanation given to us, the company has not accepted any deposits from the public during the year. Hence, commenting on paragraph 3(v) of the Order does not arise.
- vi. According to the information and explanations given to us, having regard to the Company's nature of business, maintenance of cost records under sub section (1) of section 148 of the Act has not been prescribed to the Company. Hence, commenting on paragraph 3(vi) of the Order does not arise.
- vii. In respect of statutory dues:
- a. According to the information and explanations given to us and on the basis of our examination of records of the company, no undisputed statutory dues including Sales Tax, Service tax, Goods and Service Tax, Cess and other material statutory dues applicable to it have been regularly deposited during the year by the Company with the appropriate authorities. The Company did not have any dues on account of Provident Fund, Employees' State Insurance, Duty of Customs and Duty of Excise.
- According to the information and explanations given to us, no undisputed amounts payable in respect of Sales-tax, Service tax, Goods and Service Tax, Duty of Customs, Duty of Excise, Cess and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The Company did not have any dues on account of Provident Fund, Employees' State Insurance, Duty of Customs and Duty of Excise.
- b. According to the information and explanations given to us, there are no dues of Income Tax, Sales tax, Service tax, Duty of Customs and Value added tax which have not been deposited on account of any dispute.



- viii. According to information and explanations given to us the Company has not defaulted in repayment of any loans or borrowings from financial institutions, banks and government and debentures.
- ix. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) or term loans during the financial year. Hence, commenting on paragraph 3(ix) of the Order does not arise.
- x. To the best of our knowledge and according to information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees have been noticed or reported during the year.
- xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not paid/provided for any managerial remuneration. Hence, commenting on paragraph 3(xi) of the Order does not arise.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Hence, commenting on of paragraph 3(xii) of the Order does not arise.
- xiii. According to information given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 188 of the Act, where applicable and the details have been disclosed in the financial statements, as required by the applicable accounting standards. The Company is a wholly owned subsidiary of the public limited company and hence Section 177 of the Act is not applicable to the Company.
- xiv. According to information given 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. Hence, commenting on paragraph 3(xiv) of the Order does not arise.



- xv. According to information and explanations given to us and based on our examination of the records of the Company, the company has not entered into any non-cash transactions with directors or persons connected with him. Hence, commenting on of paragraph 3(xv) of the Order does not arise.
- xvi. According to information and explanation given to us and based on our examination of the records of the company, in our opinion company is required to be registered as Non-Banking Financial Corporation (NBFC) under section 45-IA of the Reserve Bank of India Act, 1934. However company is of the view that though company's financial assets constitute more than 50% of total assets, during the financial year 2018-19 company hasn't earned any income from those investment thereby 50% criteria with respect to gross income is not satisfied and hence company is not required to register as NBFC as on 31 March 2019.

for **MSSV & Co**

Chartered Accountants

Firm Registration Number: 001987S


Shiy Shankar T R

Partner

Membership No: 220517



Place: Bengaluru

Date: May 25, 2019

PRESTIGE RETAIL VENTURES LIMITED 'The Falcon House', No.1, Main Guard Cross Road, Bangalore - 560001 CIN: U45200KA2017PLC104527 BALANCE SHEET AS AT 31 MARCH 2019			
			Rs in Million
Particulars	Note	As at 31 March 2019	As at 31 March 2018
A. ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	4	53.25	48.64
(b) Investment property	5	606.75	460.43
(c) Capital work-in-progress		74.10	200.39
(d) Income tax asset (net)	15	2.48	-
(f) Financial assets			
- Investments	6	7,552.02	4,384.65
- Other financial assets	7	502.74	2.74
Total non-current assets		8,791.33	5,096.84
(2) Current assets			
(a) Financial assets			
(i) Trade receivables	8	84.62	232.62
(ii) Cash and cash equivalents	9	134.57	10.77
(b) Other current assets	10	337.76	45.17
		556.94	288.55
TOTAL ASSETS		9,348.27	5,385.39
B. LIABILITIES			
(1) Equity			
Equity share capital	11	60.00	60.00
Other equity	12	344.80	187.01
Total Equity		404.80	247.01
(2) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	13	2,954.72	1,763.26
(ii) Other financial liabilities	14	173.79	196.34
(b) Income tax liability (net)	15	-	6.34
(c) Deferred tax liability	16	17.21	2.43
Total non-current liabilities		3,145.73	1,968.38
(3) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	17	2,692.67	30.23
(ii) Trade payables	18	87.13	232.03
(iii) Other financial liabilities	19	2,840.51	2,705.95
(b) Other current liabilities	20	177.43	201.80
Total current liabilities		5,797.75	3,170.00
TOTAL LIABILITIES		9,348.27	5,385.39

See accompanying notes to the Financial Statements

This is the Balance sheet referred to in our report of even date

for **MSSV & Co.**

Chartered Accountants

Firm Registration Number: 0019875

Shiv Shankar T.R.

Partner

Membership No.220517

Place: Bengaluru

Date: May 25, 2019



For and on behalf of the Board of Directors of
Prestige Retail Ventures Limited

Irfan Razack

Director

DIN: 00209022

Place: Bengaluru

Date: May 25, 2019

Razwan Razack

Director

DIN: 00209060

Place: Bengaluru

Date: May 25, 2019

PRESTIGE RETAIL VENTURES LIMITED

'The Falcon House', No.1, Main Guard Cross Road, Bangalore - 560001

CIN: U45200KA2017PLC104527

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2019

Rs in Million

Particulars	Note No.	For the Year Ended 31st March 2019	For the period from 11 Jul 2017 to 31 March 2018
Revenue from operations	21	523.18	356.91
Other income	22	80.33	90.02
Total Revenue - (I)		603.52	446.92
Expenses			
Facilities operating expenses	23	87.71	64.07
Employee benefit expenses	24	21.79	-
Finance cost	25	238.14	138.78
Other expenses	26	4.30	3.70
Depreciation and amortisation	4,5	17.92	13.77
Total Expenses - (II)		369.86	220.33
Profit before tax (III= I-II)		233.65	226.59
Tax expense :			
Current tax		64.39	39.58
Previous Years		(3.30)	-
Deferred tax		14.78	-
Total tax expense (IV)		75.87	39.58
Profit for the period (V= III-IV)		157.79	187.01
Other comprehensive income (VI)		-	-
Total Comprehensive Income (V+VI)		157.79	187.01
Earnings per share (equity shares, par value Rs 10 each) (not annualised)			
- Basic and diluted (in Rs.)	28	26.30	31.17

See accompanying notes to the Financial Statements

This is the statement of profit and loss referred to in our report of even date

for **MSSV & Co.**

Chartered Accountants

Firm Registration Number: 001987S

Shiv Shankar T R

Partner

Membership No.220517



Place: Bengaluru

Date: May 25, 2019

**For and on behalf of the Board of Directors of
Prestige Retail Ventures Limited**

Irfan Razack

Director

DIN: 00209022

Place: Bengaluru

Date: May 25, 2019

Rezwan Razack

Director

DIN: 00209060

Place: Bengaluru

Date: May 25, 2019

PRESTIGE RETAIL VENTURES LIMITED

'The Falcon House', No.1, Main Guard Cross Road, Bangalore - 560001

CIN: U45200KA2017PLC104527

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2019

Rs in Million

Particulars	For the Year Ended 31st March 2019	For the period from 11 Jul 2017 to 31 March 2018
Cash flow from operating activities		
Profit before tax	233.65	226.59
Adjustments:		
Finance costs	238.14	138.78
Interest Income	(79.01)	-
Depreciation and amortization	17.92	13.77
Operating profit before working capital changes	410.70	379.15
(Increase) / decrease in trade receivables	148.00	(235.36)
(Increase) / decrease in other assets	(54.17)	(45.17)
(Decrease) / increase in trade payables	(144.89)	232.03
(Decrease) / increase in financial liabilities	(15.19)	196.34
(Decrease) / increase in other liabilities	(3.31)	37.22
Cash generated from operations	341.13	564.21
Income taxes refund / (paid), net	(69.91)	(30.82)
Net cash generated from operating activities	271.22	533.39
Cash flow from investing activities		
Investment in equity shares of body corporates	(2,097.57)	(2,754.96)
Investment in debentures of body corporates	(1,069.80)	(1,629.68)
Investment in Property, plant and equipment	(11.72)	(53.98)
Investment in Investment property	(157.14)	(468.86)
Investment in Capital work-in-progress	126.29	(200.39)
Advance for purchase of shares	(500.00)	-
Interest received on inter corporate deposits	74.60	-
Inter corporate deposits given	(234.00)	-
Fixed Deposit in escrow	(100.00)	-
Net cash used in investing activities	(3,969.34)	(5,107.86)
Cash flow from financing activities		
Loan from bank	3,114.23	2,044.58
Short term borrowings from related parties	2,662.45	2,705.95
Shares issued	-	60.00
Loan received from Holding company	-	30.23
Inter corporate deposits received	101.59	-
Repayment of borrowings	(1,943.83)	(116.74)
Finance costs	(212.52)	(138.78)
Net cash used in financing activities	3,721.92	4,585.23
Net increase in cash and cash equivalents	23.81	10.76
Cash and cash equivalents at the begining of the period	10.76	-
Cash and cash equivalents at the end of the period (Refer note 8)	34.57	10.76

See accompanying notes to the Financial Statements

This is the Statement of Cash Flows referred to in our report of even date

for MSSF & Co.

Chartered Accountants

Firm Registration Number: 0019875

Shiv Shankar T R

Partner

Membership No.220517



For and on behalf of the Board of Directors of
Prestige Retail Ventures Limited

Irfan Razack

Director

DIN: 00209022

Rezwan Razack

Director

DIN: 00209060

Place: Bengaluru

Date: May 25, 2019

Place: Bengaluru

Date: May 25, 2019

Place: Bengaluru

Date: May 25, 2019

PRESTIGE RETAIL VENTURES LIMITED

'The Falcon House', No.1, Main Guard Cross Road, Bangalore - 560001
CIN: U45200KA2017PLC104527

STATEMENT OF CHANGES IN EQUITY

Rs in Million

Particulars	Equity share capital	Other Equity		Total equity
		Security premium	Retained Earnings	
As at 11 July 2017	60.00	-	-	60.00
Profit for the period	-	-	187.01	187.01
Other comprehensive Income/(Loss) for the year, net of income tax	-	-	-	-
As at 31 March 2018	60.00	-	187.01	247.01
Profit for the period	-	-	157.79	157.79
Other comprehensive Income/(Loss) for the year, net of income tax	-	-	-	-
As at 31 March 2019	60.00	-	344.80	404.80

See accompanying notes forming part of the Financial Statements

This is the statement of changes in equity referred to in our report of even date

for **MSSV & Co.**

Chartered Accountants

Firm Registration Number: 0019875

Shiv Shankar T R

Partner

Membership No.220517



Place: Bengaluru

Date: May 25, 2019

For and on behalf of the Board of Directors of
Prestige Retail Ventures Limited

Irfan Razack

Director

DIN: 00209022

Place: Bengaluru

Date: May 25, 2019

Rezwan Razack

Director

DIN: 00209060

Place: Bengaluru

Date: May 25, 2019

PRESTIGE RETAIL VENTURES LIMITED

'The Falcon House', No.1, Main Guard Cross Road, Bangalore - 560001

CIN: U45200KA2017PLC104527

Notes to Financial Statements

I Background Information, Basis of preparation of Financial Statements and significant Accounting Policies

1.1 General Information

PRESTIGE RETAIL VENTURES ("the FIRM") was incorporated on 14 February 2017 as a Partnership Firm under The Indian Partnership Act, 1932. On 11 July 2017, the Firm was converted into PRESTIGE RETAIL VENTURES LIMITED ("The Company") under the provisions of Companies act, 2013. Consequently, all the assets, liabilities, contracts, licenses and permits of the firm have statutorily vested with Company.

The Object of the Company is to carry on the business of developing, constructing and managing immovable properties, property management services or otherwise, comprising retail projects, provision of amenities and facilities, selling, leasing, providing on leave and license or disposing off in any other manner such premises, offices and constructed areas, with amenities and facilities or entering into any other arrangements.

The registered office of the Company is in The Falcon House, No.1, Main Guard Cross Road, Bangalore - 560 001, India.

The Financial statements have been authorised for issuance by the Company's Board of Directors on May 25, 2019.

2 Basis of preparation of Financial Statements and significant Accounting Policies

2.1 Statement of compliance

The financials statements are separate financial statements prepared in accordance with Indian Accounting Standards ("Ind AS"), the provisions of the Companies Act, 2013 ("the Act") (to the extend notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendments Rules, Ind As 115 Revenue from contracts with customers, mandatory for reporting periods beginning on or after April 1, 2018

replaces existing revenue recognition requirements. The application of Ind AS 115 has no impact on financial statements

2.2 Basis of preparation and presentation

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

2.3 Use of Estimates

The preparation of the financial statements in conformity with Ind AS requires the Management to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities (including contingent liabilities), income and expenses and accompanying disclosures. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

2.4 Fair Value measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, The Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.



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In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

2.5 Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. The company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the company's activities as described below:

a. Recognition of Revenue from rental and allied services:

Facility and hire charges and other related services are recognised on accrual basis as per the terms and conditions of relevant agreements.

The company's policy for recognition of revenue from operating leases is described in note.

b. Dividend income

Revenue is recognised when the shareholders' or unit holders' right to receive payment is established, which is generally when shareholder approve the dividend.

c. Interest income

Interest income, including income arising from other financial instruments, is recognised using the effective interest rate method except for interest on delayed payment by customers are accounted on receipt basis.

2.6 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

a. As lessor

Rental income from operating leases is generally recognised on a straight-line basis over the term of the relevant lease except where the rentals are structured solely to increase in line with expected general inflation to compensate for The Company's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

b. As lessee

Rental expense from operating leases is generally recognised on a straight-line basis over the term of the relevant lease except where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue.



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Notes to Financial Statements

2.7 Borrowing Cost

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset, is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

A qualifying asset is an asset that necessarily takes a 12 months or more to get ready for its intended use or sale and includes the real estate properties developed by The Company.

2.8 Foreign Currency Transactions

All transactions in foreign currency are recorded on the basis of the exchange rate prevailing as on the date of transaction. The difference, if any, on actual payment / realisation is recorded to the Statement of Profit and Loss. Monetary assets and liabilities denominated in foreign currency are restated at rates prevailing at the year-end. The net loss or gain arising out of such conversion is dealt with in the Statement of Profit and Loss.

2.9 Income taxes

Income tax expense represents the sum of the tax currently payable and deferred tax.

a. Current tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

b. Deferred tax

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill.

Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss).

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current tax and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.



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Notes to Financial Statements

2.10 Property, Plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition and installation, including interest on borrowing for the project / property, plant and equipment's up to the date the asset is put to use. Any cost incurred relating to settlement of claims regarding titles to the properties is accounted for and capitalised as incurred.

Subsequent cost are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably.

Depreciation method, estimated useful lives and residual values

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation on property, plant and equipment's is provided using written-down value method over the useful lives of assets estimated by the Management. The Management estimates the useful lives for the fixed assets as follows:

Particulars	Useful life
Building *	58 Years
Plant and machinery *	20 Years
Office Equipment*	20 Years
Furniture and fixtures *	15 Years
Vehicles*	10 Years
Computers and Accessories*	6 Years

* For these class of assets, based on internal assessment and independent technical evaluation carried out by external values, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, the Management believes that the useful lives as given above best represent the period over which the Management expects to use these assets. Hence the useful lives for these assets is different from the useful lives as prescribed under Part C of Schedule II to the Companies Act, 2013.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These are included in statement of profit and loss.

Depreciation on leasehold improvement plant & machinery and leasehold improvement furniture & fixtures is provided over lower of leasable period or useful lives.

2.11 Capital work-in-progress

Projects under which tangible assets are not yet ready for their intended use are carried at cost comprising direct cost, related incidental expenses and attributable interest.

Depreciation is not provided on capital work-in-progress until construction and installation are complete and the asset is ready for its intended use.

2.12 Investment Property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purpose). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investments properties are measured in accordance with Ind AS 16's requirements for cost model.

Investment properties are depreciated using written-down value method over the useful lives. Investments properties generally have a useful life of 58-60 years. The useful life has been determined based on internal assessment and independent technical evaluation carried out by external valuers, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, pase history of replacement.



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Notes to Financial Statements

For transition to IndAS, the firm has elected to continue with the carrying value of its investment property recognised as on 1st April 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

The fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in statement of profit and loss in the period in which the property is derecognised.

2.13 Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Intangible assets, comprising of software are amortized on the basis of written down value method over a period of 6 years, which is estimated to be the useful life of the asset.

2.14 Impairment of tangible and intangible assets other than goodwill

At the end of the each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Company of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.15 Provisions and contingencies

A provision is recognised when the company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.



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Notes to Financial Statements

2.16 Financial Instruments

2.16a Initial recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

2.16b Subsequent measurement

a. Non-derivative financial instruments

Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequent fair valued through profit or loss.

Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measure at fair value through profit and loss. For trade and other payables maturing within on year from the balance sheet date, the carrying amounts approximate the fair value due to the short maturity of these instruments.

Investments in Subsidiaries, joint ventures and associates

Investments in subsidiaries, joint ventures and associates are carried at cost in the financial statements.

2.16c Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from The Company's balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

2.16d Impairment of financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in statement of profit and loss.



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Notes to Financial Statements

2.17 Operating cycle and basis of classification of assets and liabilities

Current versus non-current classification

The company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- ▶ Expected to be realised or intended to be sold or consumed in normal operating cycle
- ▶ Expected to receive on call
- ▶ Held primarily for the purpose of trading
- ▶ Expected to be realised within twelve months after the reporting period, or
- ▶ Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- ▶ It is expected to be settled in normal operating cycle
- ▶ Expected to pay on demand
- ▶ It is held primarily for the purpose of trading
- ▶ It is due to be settled within twelve months after the reporting period, or
- ▶ There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current – non current classification of assets and liabilities.

2.18 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

2.19 Earning per Share

Basic earnings per share has been computed by dividing profit attributable to owners of the Company by the weighted average number of shares outstanding's during the year. Diluted earnings per share has been computed using the weighted average number of shares and dilutive potential shares, except where the result would be anti-dilutive.

3 Recent accounting pronouncements

a. Ind AS 116 Leases

On 30 March 2019, MCA notified Ind AS 116 Leases and it replaces Ind AS 17 Leases, including appendices thereto. Ind AS 116 is effective for annual periods beginning on or after 1 April 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17.

b. Amendments to existing issued Ind-AS

The MCA has also carried out amendments of the following accounting standards:

- i) Appendix C to Ind AS 12 Uncertainty over Income Tax Treatment
- ii) Ind AS 109: Prepayment Features with Negative Compensation
- iii) Ind AS 19: Plan Amendment, Curtailment or Settlement

The Ind AS and the amendment will come into force from April 1, 2019. The firm has evaluated and observe that there is no impact of this on the financial statements.



Notes to Financial Statements

4 Property, plant and equipment

Particulars	Rs in Million				
	Plant and Machinery	Furniture and Fixtures	Vehicles	Computers	Total
Cost as at 11 July 2017	44.23	4.18	0.36	0.01	48.78
Additions	4.17	1.04	-	-	5.20
Deletions	-	-	-	-	-
As at 31 Mar 2018	48.39	5.22	0.36	0.01	53.98
Additions	11.39	0.28	-	0.04	11.72
Deletions	-	-	-	-	-
As at 31 Mar 2019	59.79	5.50	0.36	0.05	65.70
Accumulated depreciation					
As at 11 July 2017	-	-	-	-	-
Charge for the period	4.68	0.60	0.07	0.00	5.35
Deletions	-	-	-	-	-
As at 31 Mar 2018	4.68	0.60	0.07	0.00	5.35
Charge for the period	6.17	0.85	0.08	0.01	7.10
Deletions	-	-	-	-	-
As at 31 Mar 2019	10.85	1.44	0.15	0.01	12.45
Net Block					
As at 31 Mar 2018	43.72	4.62	0.29	0.01	48.64
As at 31 Mar 2019	48.94	4.05	0.22	0.04	53.25

5 Investment property

Particulars	Rs in Million		
	Land	Buildings	Total
Cost as at 11 July 2017	244.50	224.35	468.86
Additions	-	-	-
Deletions	-	-	-
As at 31 Mar 2018	244.50	224.35	468.86
Additions	-	157.14	157.14
Deletions	-	-	-
As at 31 Mar 2019	244.50	381.49	625.99
Accumulated depreciation			
As at 11 July 2017	-	-	-
Charge for the period	-	8.42	8.42
Deletions	-	-	-
As at 31 Mar 2018	-	8.42	8.42
Charge for the period	-	10.82	10.82
Deletions	-	-	-
As at 31 Mar 2019	-	19.24	19.24
Net Block			
As at 31 Mar 2018	244.50	215.93	460.43
As at 31 Mar 2019	244.50	362.25	606.75

Investment Property Continued

1. The freehold land and building have been pledged as security for bank loans under a mortgage.

2. As at 31 March 2019 and 31 March 2018, the fair values of the properties are Rs. 5594.36 Million and Rs. 4692.36 Million respectively. These valuations are based on valuations performed by Jones Lang LaSalle Property Consultants India Private Limited, an accredited independent valuer. A valuation model in accordance with that recommended by the International Valuation Standards Committee has



3. The fair value of the Company's investment properties have been arrived at using discounted cash flow method. Under discounted cash flow method, cash flow projections based on reliable estimates of cash flow are discounted. The main inputs used are rental growth rate, expected vacancy rates, terminal yields and discount rates which are based on comparable transactions and industry data.

Details of the Company's investment properties and information about the fair value hierarchy as at March 31, 2019 and March 31, 2018, are as follows:

	Rs in Million	
	As at 31 March 2019	As at 31 March 2018
Assets for which fair values are disclosed		
Investment property		
Level 1	-	-
Level 2	-	-
Level 3	5,594.36	4,692.36
4.Amounts recognised in profit and loss for investment property	As at 31 March 2019	As at 31 March 2018
Rental income derived from investment property	451.87	302.42
Expenses (including repairs and maintenance) generating rental income	121.18	87.08
Profit arising from investment property before depreciation and indirect expenses	330.70	215.34
Less: Depreciation	17.92	13.77
Profit arising from investment properties before indirect expenses	312.77	201.57

6 Investments

Particulars	Rs in Million	
	As at 31 March 2019	As at 31 March 2018
<u>Investment in Subsidiaries:</u>		
<u>Equity instruments (unquoted, fully paid up unless otherwise stated)</u>		
Carrying amount determined using the equity method of accounting		
Prestige Mysore Retail Ventures Private Limited 4,31,90,185 equity shares of Rs.10 each (Associate till 10 June 2018)	536.61	-
Prestige Falcon Retail Ventures Private Limited 99,999 (31 March 2018 - 99,999) equity shares of Rs.10 each	1.00	1.00
Prestige Mangalore Retail Ventures Private Limited 89,40,205 equity shares of Rs.10 each (Associate till 10 June 2018)	127.48	-
Prestige Garden Constructions Private Limited 84,17,339 equity shares of Rs.10 each (Associate till 17 June 2018)	904.66	-
Prestige Shantiniketan Leisure Resorts Private Limited 6,29,999 (31 March 2018 - 6,29,999) equity shares of Rs.10 each	12.05	12.05
Flicker Project Private Limited 2,87,78,699 equity shares of Rs.10 each	605.31	-
<u>Debentures (Unquoted, fully paid up unless otherwise stated)</u>		
Carrying amount determined using the equity method of accounting		
Prestige Garden Constructions Private Limited 82,950,000 10% Fully Compulsorily Convertible Debentures of Rs.10 each	482.78	-
Prestige Mangalore Retail Ventures Private Limited 14,33,46,690 0% Fully Compulsorily Convertible Debentures of Rs.10 each	721.26	-
Prestige Mysore Retail Ventures Private Limited 6,51,16,502 0% Fully Compulsorily Convertible Debentures of Rs.10 each	307.17	-
Flicker Project Private Limited 42,05,400 10% Fully Compulsorily Convertible Debentures of Rs.10 each	882.37	-



Investment in Associates:

Equity instruments (unquoted, fully paid up unless otherwise stated)

Carrying amount determined using the equity method of accounting

Babji Realtors Private Limited 20,79,000 (31 March 2018 - 1,039,500) equity shares of Rs.10 each	860.61	182.46
Vijaya Productions Private Limited 5,993,500 (31 March 2018 - 5,993,500) equity shares of Rs.10 each	1,804.81	1,804.81
Prestige Mysore Retail Ventures Private Limited (31 March 2018 - 22,026,994) equity shares of Rs.10 each (Associate from 11 June 2018)	-	450.17
Prestige Mangalore Retail Ventures Private Limited (31 March 2018 - 45,59,504) equity shares of Rs.10 each (Associate from 11 June 2018)	-	92.51
Prestige Garden Constructions Private Limited (31 March 2018 - 42,08,670) equity shares of Rs.10 each (Associate from 18 June 2018)	-	211.95

Debentures (Unquoted, fully paid up unless otherwise stated)

Carrying amount determined using the equity method of accounting

Babji Realtors Private Limited 34,461,206 (31 March 2018 - 17,230,603) 0% Compulsorily Convertible Debentures of Rs.10	305.91	193.55
Prestige Garden Constructions Private Limited (31 March 2018 - 41,450,000) 0% Fully Compulsorily Convertible Debentures of Rs.10 each	-	414.50
Prestige Mangalore Retail Ventures Private Limited (31 March 2018 - 71,587,118) 0% Fully Compulsorily Convertible Debentures of Rs.10 each	-	715.87
Prestige Mysore Retail Ventures Private Limited (31 March 2018 - 17,230,603) 0% Fully Compulsorily Convertible Debentures of Rs.10 each	-	305.76
Total	7,552.02	4,384.65
Aggregate market value of quoted investments	-	-
Aggregate book value of unquoted investments	7,552.02	4,384.65

Notes:

Terms of Debentures

1 Prestige Garden Constructions Private Limited

- i. Each debentures shall be a 10% Non Cumulative Unsecured Fully & Compulsorily Convertible Debentures of face value Rs.10/- only
- ii. The debenture shall be transferable by the holder only in the manner provided in & shall be subjected to the transfer restrictions contained in the Debentures Certificate and the Memorandum & Articles of the company. All transfers not in accordance with aforesaid shall be void.
- iii. Distribution : 10% Non cumulative Interest shall be payable on the Debenture on monthly basis with effect from October 1, 2018.
- iv. The Compulsorily convertible debentures (CCD's) shall, upon the approval by the Board of Directors, be mandatorily and fully converted into equity shares on expiry of 5 years from the date of allotment unless otherwise agreed to by the board. The debentures shall be converted at a conversion ratio of 100 Compulsorily convertible debentures (CCD's) of Rs. 10 each into 1 equity share of Rs.10 each unless otherwise agreed to by the Board.



2 Prestige Mangalore Retail Ventures Private Limited

- i. Each debentures shall be a 0% Non Cumulative Unsecured Fully & Compulsorily Convertible Debentures of face value Rs.10/- only
- ii. The debenture shall be transferable by the holder only in the manner provided in & shall be subjected to the transfer restrictions contained in the Debentures Certificate and the Memorandum & Articles of the company. All transfers not in accordance with aforesaid shall be void.
- iii. The Compulsorily convertible debentures (CCD's) shall, upon the approval by the Board of Directors, be mandatorily and fully converted into equity shares on expiry of 5 years from the date of allotment unless otherwise agreed to by the board. The debentures shall be converted at a conversion ratio of 100 Compulsorily convertible debentures (CCD's) of Rs. 10 each into 1 equity share of Rs.10 each unless otherwise agreed to by the Board.

3 Prestige Mysore Retail Ventures Private Limited

- i. Each debentures shall be a 0% Non Cumulative Unsecured Fully & Compulsorily Convertible Debentures of face value Rs.10/- only
- ii. The debenture shall be transferable by the holder only in the manner provided in & shall be subjected to the transfer restrictions contained in the Debentures Certificate and the Memorandum & Articles of the company. All transfers not in accordance with aforesaid shall be void.
- iii. The Compulsorily convertible debentures (CCD's) shall, upon the approval by the Board of Directors, be mandatorily and fully converted into equity shares on expiry of 5 years from the date of allotment unless otherwise agreed to by the board. The debentures shall be converted at a conversion ratio of 100 Compulsorily convertible debentures (CCD's) of Rs. 10 each into 1 equity share of Rs.10 each unless otherwise agreed to by the Board.

4 Flicker Project Private Limited

- i. Each debentures shall be a 10% Non Cumulative Unsecured Fully & Compulsorily Convertible Debentures of face value Rs.100/- only
- ii. The debenture shall be transferable by the holder only in the manner provided in & shall be subjected to the transfer restrictions contained in the Debentures Certificate and the Memorandum & Articles of the company. All transfers not in accordance with aforesaid shall be void.
- iii. Distribution : 10% Non cumulative Interest shall be payable on the Debenture on monthly basis.
- iv. Moratorium for interest : 3 years from the date of initial allotment . For debentures amounting to Rs.42,05,40,000/-, the moratorium has been further extended 30.06.2018
- v. Debentures shall be convertible in to ordinary equity shares at the end of 15 years from the date or at any time prior to that , as may decided by the Board of Directors of the company . Conversion ratio will be determined at the time of maturity of instruments based on fair valuation.

5 Babji Realtors Private Limited

- i. Each debentures shall be a 0% Non Cumulative Unsecured Fully & Compulsorily Convertible Debentures of face value Rs.10/- only
- ii. The debenture shall be transferable by the holder only in the manner provided in & shall be subjected to the transfer restrictions contained in the Debentures Certificate and the Memorandum & Articles of the company. All transfers not in accordance with aforesaid shall be void.
- iii. The CCD's shall be convertible into equity shares of Rs. 10 each the conversion date may decided by the Board of Directors.



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Notes to Financial Statements

7 Other Financial assets- Non current

Particulars	Rs in Million	
	As at 31 March 2019	As at 31 March 2018
Advance paid for purchase of shares	500.00	-
Lease deposit	2.74	2.74
	502.74	2.74

8 Trade receivables

Particulars	Rs in Million	
	As at 31 March 2019	As at 31 March 2018
Unsecured		
Considered good	84.62	232.62
	84.62	232.62

9 Cash and cash equivalents

Particulars	Rs in Million	
	As at 31 March 2019	As at 31 March 2018
Cash on hand	0.42	0.23
Balances with banks		
- in current accounts	34.14	10.54
Fixed Deposit (Maturity more than 3 months)	100.00	-
	134.57	10.77
Cash and cash equivalent considered in cash flow statement	34.57	10.77

10 Other Current Assets

Particulars	Rs in Million	
	As at 31 March 2019	As at 31 March 2018
To related parties - unsecured, considered good		
Loans	-	42.97
Inter Corporate deposit	234.00	-
Other advances to related parties	3.29	-
To others - unsecured, considered good		
Refundable deposit	75.00	1.36
Advance to suppliers	3.26	-
Prepaid expenses	0.96	0.84
Unbilled Revenue	13.93	-
Advance indirect taxes	1.56	-
Interest Accured but not due	5.76	-
	337.76	45.17

11 Equity share capital

Particulars	Rs in Million	
	As at 31 March 2019	As at 31 March 2018
Authorised capital		
60,00,000 equity shares of Rs. 10 each	60.00	60.00
Issued, subscribed and paid up capital		
60,00,000 equity shares of Rs. 10 each	60.00	60.00
	60.00	60.00



Notes to Financial Statements

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

Particulars	As at 31 March 2019	As at 31 March 2018
Equity Shares		
Number of shares at the beginning of the period	60,00,000	60,00,000
Number of shares issued during the period	-	-
Number of shares outstanding at the end of the period	<u>60,00,000</u>	<u>60,00,000</u>

b List of persons holding more than 5 percent shares in the Company

Name of the share holder	As at 31 March 2019	As at 31 March 2018
Equity shares		
Prestige Estates Projects Limited	99.988%	99.988%
	<u>99.988%</u>	<u>99.988%</u>

c Details of shares held by the holding company, the ultimate holding company, their subsidiaries and associates:

Particulars	As at 31 March 2019	As at 31 March 2018
Prestige Estates Projects Limited, the holding company	99.988%	99.988%
	<u>99.988%</u>	<u>99.988%</u>

d The Company has only one class of equity shares with voting rights having par value of Rs. 10 each. The rights, preferences and restrictions attached to such equity shares is in accordance with the terms of issue of equity shares under the Companies Act, 2013 and the Articles of Association of the Company.

e There are no bonus shares or shares issued for consideration other than cash for the period from the date of incorporation.

12 Other Equity

Particulars	As at 31 March 2019	As at 31 March 2018
		Rs in Million
Retained earnings		
Opening balance	187.01	-
Profit for the period	157.79	187.01
Closing balance	<u>344.80</u>	<u>187.01</u>

13 Long-term borrowings

Particulars	As at 31 March 2019	As at 31 March 2018
		Rs in Million
Term loans (Secured)		
- From banks*	2,954.72	1,763.26
	<u>2,954.72</u>	<u>1,763.26</u>

Terms of Security:

Mortgage of the company share of immovable properties.

Personal Guarantee of certain directors of Prestige Estates Projects Limited.

Repayment and other terms :

The loan is subject to interest rate of 9.00% per annum(Previous Year 10.85%). Loan is repayable in equal monthly instalments till Dec 2028



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Notes to Financial Statements

14 Other non-current financial liabilities

Particulars	Rs in Million	
	As at 31 March 2019	As at 31 March 2018
Lease deposits	168.34	196.34
Prepaid rent	5.46	-
	173.79	196.34

15 Income tax liability (net)

Particulars	Rs in Million	
	As at 31 March 2019	As at 31 March 2018
Provision for Income tax	64.39	61.07
Advance Income tax (including TDS receivable)	(66.87)	(54.73)
Income tax liability (net)	(2.48)	6.34

16 Deferred tax liability

Particulars	Rs in Million	
	As at 31 March 2019	As at 31 March 2018
Deferred tax liability		
Impact of difference in carrying amount of Property, plant and equipment, Investment property and Intangible assets as per tax accounts and books	17.21	2.43
	17.21	2.43

17 Short-term borrowings

Particulars	Rs in Million	
	As at 31 March 2019	As at 31 March 2018
Unsecured, repayable on demand		
Loan from holding company*	2,692.67	30.23
	2,692.67	30.23

* The same includes an amount of Rs 302,25,974 (31 March 2018: 302,25,974) being the balance of partner's current account in the erstwhile partnership firm, which is converted into unsecured loan at the time of conversion to Company.

18 Trade payables

Particulars	Rs in Million	
	As at 31 March 2019	As at 31 March 2018
Trade payables- Others	84.35	231.70
Other payables - MSME	2.78	0.32
	87.13	232.03



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Notes to Financial Statements**19 Other financial liabilities - Current**

Particulars	Rs in Million	
	As at 31 March 2019	As at 31 March 2018
Lease deposits	28.68	-
Other liabilities	2,710.24	2,705.95
Inter Corporate Deposit from related parties	101.59	-
	2,840.51	2,705.95

20 Other current liabilities

Particulars	Rs in Million	
	As at 31 March 2019	As at 31 March 2018
Current maturities of long term borrowings (Refer note 12)	143.52	164.58
Withholding taxes and duties	1.13	35.75
Interest accrued but not due on ICD	25.62	-
Advance from customers	6.37	-
Advance rent	0.79	1.47
	177.43	201.80



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Notes to Financial Statements**21 Revenue from Operations**

Rs in Million

Particulars	As at 31 March 2019	As at 31 March 2018
Sale of services:		
Rental income	373.61	255.67
Parking income	59.82	32.95
Sub lease rental income	18.44	13.80
Signage's, exhibition and other receipts	71.31	54.49
	523.18	356.91

22 Other income

Rs in Million

Particulars	As at 31 March 2019	As at 31 March 2018
Dividend income	-	89.90
Interest income - bank deposits	1.35	-
Interest income - Debentures	72.76	-
Miscellaneous income	1.32	0.11
Interest income - on ICD	4.91	-
	80.33	90.02

23 Facilities operating expenses

Rs in Million

Particulars	As at 31 March 2019	As at 31 March 2018
Facilities management expenses	32.20	22.20
Sub-lease rentals	6.38	4.79
Property tax	8.69	-
Signage's and other expenses	3.66	5.68
Parking and other charges	30.54	21.57
Mall upkeep	6.24	9.83
	87.71	64.07

24 Employee benefit expenses

Rs in Million

Particulars	As at 31 March 2019	As at 31 March 2018
Salaries and wages	20.54	-
Contribution to provident fund	1.02	-
Gratuity	-	-
Staff welfare expenses	0.23	-
	21.79	-



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Notes to Financial Statements**25 Finance Cost****Rs in Million**

Particulars	As at 31 March 2019	As at 31 March 2018
Interest on borrowings	214.03	138.26
Interest on delayed remittance of income tax	0.61	0.48
Interest on ICD	2.93	-
Other borrowing cost	2.02	-
Other finance cost	18.55	0.04
	238.14	138.78

26 Other expenses**Rs in Million**

Particulars	As at 31 March 2019	As at 31 March 2018
Legal and professional charges	2.85	0.73
Repairs and maintenance	0.25	-
Auditor's remuneration (Refer note 26)	0.19	0.08
Bad debts written off	-	2.09
Insurance	1.02	0.81
	4.30	3.70

27 Auditors' remuneration**Rs in Million**

Particulars	As at 31 March 2019	As at 31 March 2018
Payment to auditors (excluding indirect taxes)		
- Statutory audit fee	0.10	0.05
- Limited review fee	0.05	0.01
- Tax audit fee	0.04	0.02
	0.19	0.08

28 Earnings per share (EPS) is calculated as under**Rs in Million**

Particulars	As at 31 March 2019	As at 31 March 2018
Net profit for the period	157.79	187.01
Weighted average number of equity shares (in	60,00,000	60,00,000
Nominal Value of shares (in Rs.)	10.00	10.00
Earnings per Share (not annualised)	-	-
- Basic and diluted (in Rs.)	26.30	31.17

29 Fair values

None of financial assets are measured at fair values.

The fair value of the financial assets and liabilities will approximate to its carrying amounts.

30 Financial risk management objectives and policies

The company's risk management is carried out by Board of directors in accordance with the policies laid down. The board of directors of the company identifies, evaluates and manages risk in close co-operation with the holding company's management. The objectives, policies and process of managing the each type of risk is detailed as below:



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Notes to Financial Statements**Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk and other price risk, such as equity price risk and commodity/ real estate risk. Financial instruments affected by market risk include loans and borrowings and deposits.

a. Interest rate risk

The firm has sourced its fund requirements from a bank with variable rate of interest and are repayable as per the sanction terms. The management continuously monitors the interest rate variability and does not foresee any material exposure to interest rate risk.

b. Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Effect on profit before tax

Particulars	Rs in Million	
	Increase/ decrease in basis points	Effect on profit before tax
31-Mar-19		
INR	-50	-15.49
INR	+50	15.49
31-Mar-18		
INR	-50	-9.64
INR	+50	9.64

c. Foreign Currency exchange rate risk

The company doesn't have any transactions in foreign currency. Hence, it is not exposed to foreign currency exchange rate risk.

d. Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the firm. The firm has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. The firm's exposure is mainly with regard to advances paid to suppliers. The credit exposure is controlled by the partners through continuous review of the status of such advances.

e. Liquidity risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they become due. The company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient funds to meet its liabilities as and when they are due. The Company's Board undertakes this responsibility and supervises the liquidity ratios at regular intervals. The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments :

	Rs in Million			
	On demand	Less than 12 months	1 to 5 years	> 5 years
As at 31 March 2019				
Borrowings	101.59	2,836.20	1,203.91	1,756.58
Interest accrued but not due on borrowings	25.62	-	-	-
Lease deposits	-	28.68	173.79	-
Trade payables	-	87.13	-	-
Other liabilities	-	2,717.40	-	-
	127.21	5,669.41	1,377.71	1,756.58
				8,930.91



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Notes to Financial Statements**As at 31 March 2018**

Borrowings	-	194.81	1,763.26	-	1,958.06
Interest accrued but not due on borrowings	-	-	-	-	-
Lease deposits	-	-	196.34	-	196.34
Trade payables	-	232.03	-	-	232.03
Other liabilities	-	2,707.42	-	-	2,707.42
	-	3,134.25	1,959.60	-	5,093.85

31 Capital management

For the purpose of the Company's capital management, capital includes issued Capital account and Current account of the Company. The primary objective of the Company's capital management is to maintain strong credit rating and healthy capital ratios in order to support its business and maximise the partners value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the pay-out to the partners or infuse new partners.

32 Related party disclosure :**(i) List of related parties and relationships -****Controlling Enterprise**

Prestige Estates Projects Limited

Entities under common control

Prestige Bidadi Holdings Private Limited

Prestige Amusements Private Limited

Prestige Leisure Resorts Private Limited

Prestige Fashions Private Limited

Sublime

Prestige Golf Resorts Private Limited

Subsidiaries

Prestige Mysore Retail Ventures Private Limited (Subsidiary from 11 June 18)

Prestige Falcon Retail Ventures Private Limited

Prestige Mangalore Retail Ventures Private Limited (Subsidiary from 11 June 18)

Prestige Garden Constructions Private Limited (Subsidiary from 18 June 18)

Prestige Shantitniketan Leisure Resorts Private Limited

Flicker Project Private Limited (Since 18 Jun 2018)

Associates

Babji Realtors Private Limited

Vijaya Productions Private Limited

Key Management Personnel

Irfan Razack, Director

Rezwan Razack, Director

Noaman Razack, Director



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Notes to Financial Statements**(ii) Related party transactions entered during the year****Rs in Million**

Particulars	As at 31 March 2019	As at 31 March 2018
Rental Income		
Prestige Estates Projects Limited	-	99.76
Prestige Leisure Resorts Private Limited	25.60	16.19
Prestige Fashions Private Limited	7.42	5.73
Management services		
Prestige Amusements Private Limited	0.80	-
Dividend Income		
Vijaya Productions Private Limited	-	89.90
Property Management Income		
Vijaya Productions Private Limited	30.20	-
Rendering of Management Services		
Prestige Amusements Private Limited	35.39	31.28
Sublime	0.06	-
Prestige Estates Projects Limited	-	7.71
Loan From Prestige Estate Projects Ltd	-	107.50
Debenture Interest		
Flicker Projects Pvt Ltd	31.40	-
Prestige Garden constructions Pvt Ltd	41.36	-
Interest Income ICD		
Prestige Mangalore Retail Venture Pvt Ltd	0.46	-
Prestige Mysore Retail Venture Pvt Ltd	0.95	-
Prestige Shanthiniketan Leisure Pvt Ltd	3.49	-
Interest Expenses ICD		
Flicker Projects Pvt Ltd	1.56	-
Prestige Gargen constructions Pvt Ltd	1.36	-
Inter corporate deposit given		
Prestige Mangalore Retail Venture Pvt Ltd	29.00	-
Prestige Mysore Retail Venture Pvt Ltd	51.00	-
Prestige Shanthiniketan Leisure Pvt Ltd	154.00	-
Inter corporate deposit received		
Flicker Projects Pvt Ltd	62.50	-
Prestige Gargen constructions Pvt Ltd	39.09	-
Debenture Purchased		
Prestige Garden Constructions Private Limited	482.78	-
Prestige Mangalore Retail Ventures Private Limited	721.26	-
Prestige Mysore Retail Ventures Private Limited	307.17	-
Flicker Project Private Limited	882.37	-
Babji Realtors Private Limited	112.36	-



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Notes to Financial Statements

(iii) Amount outstanding as at the balance sheet date

Particulars	Rs in Million	
	As at 31 March 2019	As at 31 March 2018
Trade receivables		
Prestige Estates Projects Limited	37.42	143.38
Prestige Leisure Resorts Private Limited	3.46	5.66
Prestige Fashions Private Limited	-	0.01
Prestige Amusements Private Limited	-	3.24
Prestige Mall Management Private Limited	0.17	-
Prestige Mangalore Retail Venture Pvt Ltd	0.41	-
Prestige Mysore Retail Venture Private Limited	0.86	-
Prestige Garden Constructions Private Limited	-	-
Prestige Shantiniketan Leisures Private Limited	3.14	-
Prestige Golf Resorts Private Limited	0.01	-
Loans		
Prestige Estates Projects Limited	0	42.97
Inter corporate deposit		
Prestige Shantiniketan Leisures Private Limited	154.00	-
Prestige Mysore Retail Venture Private Limited	51.00	-
Prestige Mangalore Retail Venture Private Limited	29.00	-
Lease deposits		
Prestige Fashions Private Limited	2.05	2.05
Other liabilities		
Prestige Bidadi Holdings Private Limited	2,705.72	2,705.72
Sublime	-	0.01
Prestige Estates Projects Limited	-	107.50
Prestige Amusements Private Limited	64.10	37.43
Flicker project Private Limited	1.41	-
Prestige Garden Construction Private Limited	1.23	-
Short-term borrowings		
Prestige Estates Projects Limited	2,692.67	30.23
Flicker Project Private Limited	62.50	-
Prestige Garden Constructions Private Limited	39.09	-
Investments (Debentures)		
Prestige Garden Constructions Private Limited	482.78	-
Prestige Mangalore Retail Ventures Private Limited	721.26	-
Prestige Mysore Retail Ventures Private Limited	307.17	-
Flicker Project Private Limited	882.37	-
Babji Realtors Private Limited	305.91	193.55
Trade payables		
Irfan Razack	-	0.29
Rezwan Razack	-	0.28
Noaman Razack	-	0.28

Note:

a) Related party relationships are as identified by the Company on the basis of information available with them and relied by the auditors.

b) No amount is / has been written back during the period in respect of debts due from or to related party.

c) Reimbursement of actual expenses is not disclosed in transactions with related parties during the year.



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Notes to Financial Statements

33 Operating Leases

The Company has given Investment properties, plant and machineries and furniture and fixtures owned by the Company under operating lease, which include (a) leases that are renewable on a yearly basis, (b) cancellable at the Company's option and (c) other long-term leases. The lessee does not have an option to purchase the property at the expiry of the lease term. Further the Company has taken certain properties under lease and has also given such properties on lease under similar terms under which the Company has taken it on lease.

Particulars	Rs in Million	
	Year ended 31 March 2019	Year ended 31 March 2018
Rental and hire charges income from operating leases included in the Statement of Profit and Loss	18.44	13.80
Rental expense for operating leases included in the Statement of Profit and Loss	6.38	4.79

The future minimum lease rentals payable and receivable towards non-cancellable operating leases as at the balance sheet date are:

Particulars	Rs in Million	
	Year ended 31 March 2019	Year ended 31 March 2018
As a lessor		
Not later than 1 year	324.14	451.22
Later than 1 year and not later than 5 years	1,050.96	1,332.42
Later than 5 years	592.92	642.68
As a lessee		
Not later than 1 year	7.34	6.38
Later than 1 year and not later than 5 years	3.33	3.33
Later than 5 years	9.71	9.51

- 34** The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum in accordance with the 'Micro, Small and Medium Enterprises Development Act, 2006' ('the Act'). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2019 has been made in the financial statements based on information received and available with the Company. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The dues to micro and small enterprises as at March 31, 2019 and March 31, 2018 are as follows:

Particulars	Rs in Million	
	As at 31 March 2019	As at 31 March 2018
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
Principal	2.78	0.32
Interest	0.02	-
The amount of interest paid by the buyer in terms of section 16 of the Micro, small, and medium enterprises Development Act, 2006 (the Act) along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The 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 said Act;	-	-
The amount of interest accrued and remaining unpaid at the end of each year; and	0.02	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	-	-



PRESTIGE RETAIL VENTURES LIMITED

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Notes to Financial Statements

35 Segment Reporting

The operations of the company include real estate development constituting a single segment and has restricted to one geographical area. Hence the disclosure of segment information as per Ind AS 108 is not applicable.

36 Previous year figures have been regrouped / reclassified whenever necessary to correspond to the current year classification /disclosure.

37 The Company is required to appoint a full time Company secretary as per the requirements of section 203 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. However, the Company has not appointed Company Secretary till date and is in the process of appointing the same. The Company is of the opinion that the impact of penalty as per relevant provisions of the Companies Act, 2013 will not be significant.

In terms of our report of even date attached

for **MSSV & Co.**

Chartered Accountants


Firm Registration Number: 0019875


Shiv Shankar T R
Partner
Membership No.220517



Place: Bengaluru
Date: May 25, 2019

**For and on behalf of the Board of Directors of
Prestige Retail Ventures Limited**


Irfan Razack
Director
DIN: 00209022

Place: Bengaluru
Date: May 25, 2019


Rezwan Razack
Director
DIN: 00209060

Place: Bengaluru
Date: May 25, 2019