



## **INDEPENDENT AUDITOR'S REPORT**

**To the Members of**  
**Prestige Shantiniketan Leisures Private Limited**

**Report on the Audit of the Ind AS Financial Statements**

### **Opinion**

We have audited the Ind AS financial statements of Prestige Shantiniketan Leisures Private Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2020, 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 loss 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, 2020. 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	<b>Evaluation of the working capital position of the company</b>	
	On an analysis of movement of cash flow and fund flow, it was observed that short term funds have been utilized for long term investments for acquisition of Property, plant and equipment and the working capital gap (Current asset less current liabilities) as on March 31, 2020 was negative Rs.1529.97 million results	As part of our audit procedures, our procedures included the following: <ul style="list-style-type: none"><li>- Obtained the letter of support from holding company and ultimate holding company assuring that Interoperate Deposits "ICD" together interest of Rs.1219.59 million Outstanding as at March 31, 2020 will not be called for payment in near future till such time cash</li></ul>



SI No.	Key Audit Matter	Auditor's Response
	in verification of ability of the company to clear the outstanding dues in a near future and we identified as key audit matter.	flows available at the disposal of the company to repay the ICD together interest.

**Emphasis of Matter**

We draw attention to Note-40A of the Statement, which describes that the potential impact of COVID-19 pandemic on the financial results of the Company is dependent on future developments, which remain uncertain.

Our opinion is not modified in respect of this matter.

**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.
- Obtain sufficient appropriate audit evidence regarding the financial results of the firm to express an opinion on the financial results.

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, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 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

UDIN: 2022057AAAAEE8480

Place: Bengaluru

Date: May 31, 2020



**“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 Shantiniketan Leisures Private Limited** (“the Company”) as of 31 March 2020 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 judgment, 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 unauthorised 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 2020 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

UDIN: 20220517AAAAEE8480

Place: Bengaluru

Date: May 31, 2020

**“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. The Company has received its undivided share of immovable property and other fixed asset as a result of Joint Development Agreement entered with the land owner. The Company is in the process of updating land records giving effect to the said Joint Development Agreement
- ii. In respect of inventory :
  - a. Physical verification of inventory has been conducted at reasonable interval by the management.
  - b. In our opinion and according to information and explanations given to us, no material discrepancies have been noticed on such verification.
- iii. During the year covered by our audit, Company has not granted any loan to any person covered under the register maintained under section 189 of the Companies Act, 2013. Hence, commenting on paragraph 3(iii) of the Order does not arise.



- iv. According to information and explanation given to us, the Company has not made any loans, investments, guarantees, and security during the financial year in respect of which provisions of section 185 and 186 of the Act, are to be complied with. Hence, commenting on paragraph 3(iv) of the Order does not arise.
- 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. Undisputed statutory dues including service tax, goods and service tax, cess and other material statutory dues applicable to it have generally been regularly deposited with the appropriate authorities. The Company does not have any dues on account of provident fund, employee's state insurance, value added tax, duty of customs and duty of excise.
- According to the information and explanations given to us, no undisputed amounts payable in respect of income-tax, service tax, goods and service tax, 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.
- b. According to the information and explanations given to us, there are no dues of Income Tax, Sales tax, Service tax, Good and service tax, Duty of Customs and Value added tax which have not been deposited on account of any dispute.
- viii. Based on our audit procedures performed and according to information and explanations given by the management, the Company has not defaulted in repayment of loans and borrowings to a financial institution, banks, government or dues to debenture holders.



- 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. Since the Company is wholly owned subsidiary of Public Limited Company section 177 of the Act is not applicable.
- 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.

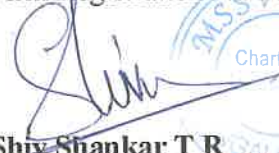


- xvi. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For MSSV & Co.**

**Chartered Accountants**

Firm Registration Number: 001987S

  
**Shiv Shankar T R**

Partner

Membership No: 220517

UDIN: 20220517AAAAEE8480

Place: Bengaluru

Date: May 31, 2020

**PRESTIGE SHANTINIKETAN LEISURES PRIVATE LIMITED**  
 'Prestige Falcon Tower, No. 19, Brunton Road, Bangalore-560 025  
 CIN: U70101KA2007PTC041737

**BALANCE SHEET AS AT 31 MARCH 2020**

		Rs. in Millions	
Particulars	Note no.	As at 31 March 2020	As at 31 March 2019
<b>A. ASSETS</b>			
<b>Non current assets</b>			
(a) Property, Plant and Equipment	4	41.78	55.19
(b) Investment property	5	3,717.24	3,640.23
(c) Capital work-in-progress	6	28.21	2.15
(d) Intangible assets	7	0.17	0.28
(e) Financial asset			
(i) Other financial assets	8	27.06	27.06
(f) Other non current assets	9	8.37	55.73
(g) Deferred tax assets (net)	10	57.67	14.98
(h) Income tax asset (net)	11	35.77	5.64
		<b>3,916.28</b>	<b>3,801.26</b>
<b>Current assets</b>			
(a) Inventories	12	6.26	1.05
(b) Financial asset			
(i) Trade receivables	13	95.54	52.50
(ii) Cash and cash equivalents	14	30.17	48.11
(iii) Other financial assets	15	34.79	-
(c) Other current assets	16	8.01	36.91
		<b>174.77</b>	<b>138.57</b>
<b>Total</b>		<b>4,091.06</b>	<b>3,939.83</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	17	6.30	6.30
Other Equity	18	815.57	945.69
		<b>821.87</b>	<b>951.99</b>
<b>Non-current liabilities</b>			
(a) Financial liabilities			
(i) Long-term borrowings	19	1,453.85	1,098.69
(ii) Other financial liabilities	20	92.52	54.45
(b) Provisions	21	1.32	1.32
(c) Other non-current liability	22	16.32	11.36
		<b>1,564.45</b>	<b>1,166.43</b>
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Short-term borrowings	23	636.14	582.99
(ii) Trade payables	24	48.15	54.28
(iii) Other financial liabilities	25	959.81	994.99
(b) Provisions	26	28.67	126.51
(c) Other current liabilities	27	31.97	62.64
		<b>1,704.74</b>	<b>1,821.41</b>
<b>Total</b>		<b>4,091.06</b>	<b>3,939.83</b>

Accompanying notes forming part of the Financial Statements

This is the Balance Sheet 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 31, 2020

**For and on behalf of the Board**

*Noaman Razack*

Director

DIN: 00189329

Place: Bengaluru

Date: May 31, 2020

*Mohmed Sadiq Zaid*

Director

DIN: 01217079

Place: Bengaluru

Date: May 31, 2020



**PRESTIGE SHANTINIKETAN LEISURES PRIVATE LIMITED**  
Prestige Falcon Tower, No. 19, Brunton Road, Bangalore-560 025  
CIN: U70101KA2007PTC041737

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2020**

Particulars	Note No.	Rs. in Millions	
		Year ended 31 March 2020	Year ended 31 March 2019
Revenue from operations	28	512.63	97.09
Other income	29	0.01	0.51
<b>Total Revenue - (I)</b>		<b>512.64</b>	<b>97.60</b>
<b>Expenses</b>			
Employee benefits expense	30	45.61	11.47
Finance costs	31	221.95	48.17
Depreciation		209.93	49.20
Operating and administrative	32	208.90	46.66
<b>Total Expenses - (II)</b>		<b>686.38</b>	<b>155.50</b>
<b>Profit / (loss) before tax (III= I-II)</b>		<b>(173.74)</b>	<b>(57.90)</b>
Tax expense:			
- Current tax		-	-
- Deferred tax	35	(42.69)	(14.98)
<b>Total tax expense (IV)</b>		<b>(42.69)</b>	<b>(14.98)</b>
<b>Profit/loss for the year (V= III-IV)</b>		<b>(131.05)</b>	<b>(42.92)</b>
<b>Other Comprehensive Income</b>			
Items that may be reclassified to profit or loss		-	-
Items that will not be reclassified to profit or loss		-	-
Remeasurements of post-employment benefit obligations (after tax)		0.94	0.01
<b>Other Comprehensive income for the year, net of tax (VI)</b>		<b>0.94</b>	<b>0.01</b>
<b>Total Comprehensive Income (V+VI)</b>		<b>(130.11)</b>	<b>(42.91)</b>
<b>Earnings per share (equity shares, par value Rs 10 each)</b>			
- basic and diluted( per share in rupees)	33	(208.02)	(68.13)
<b>Weighted average number of equity shares considered for computing earnings per share (in numbers)</b>		<b>6,30,000</b>	<b>6,30,000</b>

Accompanying notes forming part of 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: Bangalore

Date: May 31, 2020

**For and on behalf of the Board**

*Noaman Razack*

Director

DIN: 00189329

Place: Bengaluru

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**PRESTIGE SHANTINIKETAN LEISURES PRIVATE LIMITED**  
 'Prestige Falcon Tower, No. 19, Brunton Road, Bangalore-560 025  
 CIN: U70101KA2007PTC041737

**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2020**

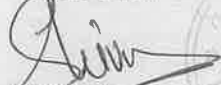
Particulars	Rs. in Millions	
	Year ended 31 March 2020	Year ended 31 March 2019
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit/ (loss) before tax	(173.74)	(57.90)
Adjustments:		
Interest expense	221.95	46.06
Depreciation	209.93	49.20
<b>Operating profit/ (loss) before working capital changes</b>	<b>258.13</b>	<b>37.37</b>
<b>Changes in working capital</b>		
(Increase)/decrease in other inventory	(5.22)	(1.05)
(Increase)/decrease in trade receivables	(43.04)	(52.50)
(Increase)/decrease in other assets	(5.89)	(47.66)
Increase/(decrease) in trade payables	31.66	54.28
Increase/(decrease) in other liabilities	16.29	237.35
Increase/(decrease) in provision	(97.08)	128.44
<b>Cash generated from operations</b>	<b>154.86</b>	<b>356.24</b>
Income taxes refund / (paid) - Net	(30.13)	(5.64)
<b>Net cash generated from operating activities -</b>	<b>124.72</b>	<b>350.61</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets, including capital work in progress	(299.48)	(843.67)
<b>Net cash generated from / (used in) investing activities - B</b>	<b>(299.48)</b>	<b>(843.67)</b>
<b>Cash flow from financing activities</b>		
Proceeds/ (repayment) from long term borrowings (net)	264.11	(73.77)
Proceeds/ (repayment) from intercorporate deposits (net)	53.15	607.49
Interest paid on bank borrowings/ intercorporate deposits	(160.43)	3.33
<b>Net cash generated from / (used in) financing activities</b>	<b>156.83</b>	<b>537.05</b>
<b>Net increase/(decrease) in cash and cash equivalents (A+B+C)</b>	<b>(17.94)</b>	<b>43.99</b>
Cash and cash equivalents at the beginning of the year	48.11	4.12
<b>Cash and cash equivalents at the end of the year</b>	<b>30.17</b>	<b>48.11</b>

This is the statement of cash flows 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: Bangalore

Date: *May 31, 2020*

For and on behalf of the Board



**Noaman Razack**

Director

DIN: 00189329

Place: Bengaluru

Date: *May 31, 2020*



**Mohmed Sadiq Zaid**

Director

DIN: 01217079

Place: Bengaluru

Date: *May 31, 2020*

**PRESTIGE SHANTINIKETAN LEISURES PRIVATE LIMITED**

Prestige Falcon Tower, No. 19, Brunton Road, Bangalore-560 025

CIN: U70101KA2007PTC041737

**STATEMENT OF CHANGES IN EQUITY**

**Rs. in Millions**

Particulars	Equity share capital	Other Equity		Total	Total equity
		Optional convertible debentures	Retained Earnings		
<b>As at 1 April 2018</b>	<b>6.30</b>	<b>1,000.00</b>	<b>(11.40)</b>	<b>988.60</b>	<b>994.90</b>
Loss for the period	-	-	(42.92)	(42.92)	(42.92)
Other Comprehensive Income / (loss) for the year, net of income tax	-	-	0.01	0.01	0.01
Other Comprehensive Income for the year	-	-	(42.91)	(42.91)	(42.91)
<b>Balance as at March 31, 2019</b>	<b>6.30</b>	<b>1,000.00</b>	<b>(54.31)</b>	<b>945.69</b>	<b>951.99</b>
<b>Balance as at April 1, 2019</b>	<b>6.30</b>	<b>1,000.00</b>	<b>(54.31)</b>	<b>945.69</b>	<b>951.99</b>
Loss for the period	-	-	(131.05)	(131.05)	(131.05)
Other Comprehensive Income / (loss) for the year, net of income tax	-	-	0.94	0.94	0.94
Other Comprehensive Income for the year	-	-	(130.11)	(130.11)	(130.11)
<b>Balance as at March 31, 2020</b>	<b>6.30</b>	<b>1,000.00</b>	<b>(184.42)</b>	<b>815.58</b>	<b>821.87</b>

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: 001987S

  
**Shiv Shankar T.R.**  
 Partner  
 Membership No. 220517

Place: Bangalore

Date: May 31, 2020

**For and on behalf of the board**

  
**Noaman Razack**  
 Director  
 DIN: 00189529

Place: Bengaluru

Date: May 31, 2020

  
**Mohd Sadiq Zaid**  
 Director  
 DIN: 01217079

Place: Bengaluru

Date: May 31, 2020

**PRESTIGE SHANTINIKETAN LEISURES PRIVATE LIMITED**  
The Falcon House, No.1, Main Guard Cross Road, Bangalore - 560001  
CIN: U70101KA2007PTC041737

**NOTES FORMING PART OF FINANCIAL STATEMENTS**

**1 Corporate Information**

M/s. PRESTIGE SHANTINIKETAN LEISURES PRIVATE LIMITED ("the Company") was incorporated on 9th Feb 2007 as a company under the Companies Act, 1956 ("the 1956 Act"). The Company is engaged in the business of real estate development and Mall operations. The Company has commenced operations in the Forum Shantiniketan, the mall developed by it.

The Company is a private limited company incorporated and domiciled in India and has its registered office at The Prestige Falcon Tower, No. 19, Brunton Road, Bangalore-560 025, Karnataka, India.

The financial statements are approved for issue by the Company's Board of Directors on May 31, 2020.

**2 Significant accounting policies**

**2.1 Statement of compliance**

The financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS"), the provisions of the Companies Act, 2013 ("the Act") (to the extent notified). 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, 2016.

The Company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101 - First time adoption of Indian Accounting Standards. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Sec 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP. The date of transition to Ind AS is 1 April 2015.

**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.

All amounts disclosed in the financial statements and notes have been rounded off to the nearest hundreds as per the requirement of Schedule III, unless otherwise stated.

**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 measurement**

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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**NOTES FORMING PART OF FINANCIAL STATEMENTS**

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**

Rental income from property leased under operating lease is recognized in the income statement on a straight-line basis over the term of the lease in accordance with IND AS 17. Revenue from maintenance and marketing services is recognized as and when the services are rendered based on the terms of contract with lessees. Revenue from sale of beverages is recognized on transfer of all the significant risks and rewards of ownership to the buyer which normally takes place on despatch of goods.

Interest income, including income arising from other financial instruments, is recognized as it accrues in the Statement of Profit and Loss, using the effective interest method.

**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**

The Company assesses at contract inception whether a contract is, or contains, a lease. A contract is or contains, a lease, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration

**a. The Company as lessor**

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

**b. The Company as lessee**

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises right-of-use assets and lease liabilities at the lease commencement date. The right-of-use assets is initially measured at cost which includes the initial amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

The lease liabilities is initially measured at the present value of lease payments to be made over the lease term, discounted using the

**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.



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**NOTES FORMING PART OF FINANCIAL STATEMENTS**

**2.9 Employee Benefits**

Employee benefits include provident fund, employee state insurance scheme, gratuity and compensated absences.

**a. Short-term obligations**

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under :

- (a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- (b) in case of non-accumulating compensated absences, when the absences occur.

**b. Other Long-term employee benefit obligations**

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefit are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in Statement of Profit and Loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer the settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

**c. Post-employment obligations**

The Company operates the following post-employment schemes:

**i. Defined contribution plan:**

The Company's contribution to provident fund is considered as defined contribution plan and is charged as an expense based on the amount of contribution required to be made. The Company has no further payment obligations once the contributions have been paid.

**ii. Defined benefit plan:**

The liability or assets recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated by actuary using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated applying the discount rate to the net balance of the defined benefit obligation. This cost is included in the employee benefits expense in the Statement of Profit and Loss.

Remeasurement gains and loss arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in Statement of Profit and Loss as past service cost.

**d. Other Defined Contribution Plan**

The Company's contribution to employee state insurance scheme is charged as an expense based on the amount of contribution required to be made. The Company has no further payment obligations once the contributions have been paid.



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**2.10 Income Taxes**

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

**a. Current tax**

Current 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 tax relating to items recognised outside Statement of Profit and Loss is recognised outside Statement of Profit and 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 when 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.

**c. Minimum Alternate Tax (MAT)**

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the entity will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the entity.

**2.11 Property, plant and equipment's**

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.





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**NOTES FORMING PART OF FINANCIAL STATEMENTS**

*Transition to Ind AS*

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at 1st April, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

*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	Year ended 31 March 2020	Year ended 31 March 2019
Building *	58 Years	58 Years
Plant and machinery *	20 Years	20 Years
Office Equipment*	20 Years	20 Years
Furniture and fixtures *	15 Years	15 Years
Vehicles*	10 Years	10 Years
Computers and Accessories*	6 Years	6 Years

\* For these class of assets, 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, 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 leaseable period or useful lives.

**2.12 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 indirect costs and administrative expenses.

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

**2.13 Impairment of tangible and intangible assets other than goodwill**

At the end of 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.



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**NOTES FORMING PART OF FINANCIAL STATEMENTS**

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

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.

**2.14 Inventories**

Inventory comprising stock of components, Consumables and operating supplies are carried at the lower of cost and net realisable value. Cost includes all expenses incurred in bringing the goods to the point of sale and is determined on a Weighted Average basis. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion to make the sale.

**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.

**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 subsequently fair valued through profit or loss.



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**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 measured at fair value through profit and loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate the fair value due to the short maturity of these instruments.

**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.

**2.17 Operating cycle and basis of classification of assets and liabilities**

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
- 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
- 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.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management

**2.19 Earnings per share**

Basic earnings per share has been computed by dividing net income by the weighted average number of shares outstanding 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.



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**4 Property, Plant and Equipment**

Rs. in Millions				
Particulars	Computer	Furniture & Fixtures*	Office Equipment	Total
<b>Gross Carrying Value</b>				
Cost as at 1 April 2018	0.03	-	0.01	0.04
Additions	1.94	56.89	0.39	59.22
Adjustments/Deletions	-	-	-	-
<b>As at 31 Mar 2019</b>	<b>1.97</b>	<b>56.89</b>	<b>0.40</b>	<b>59.26</b>
Additions	0.42	2.64	0.06	3.12
Adjustments/Deletions	-	-	-	-
<b>As at 31 Mar 2020</b>	<b>2.39</b>	<b>59.53</b>	<b>0.46</b>	<b>62.38</b>
<b>Accumulated depreciation- As at 1 April 2018</b>	<b>0.03</b>	<b>-</b>	<b>0.00</b>	<b>0.03</b>
Charge for the period	0.41	3.58	0.05	4.03
Deletion	-	-	-	-
<b>As at 31 Mar 2019</b>	<b>0.44</b>	<b>3.58</b>	<b>0.05</b>	<b>4.07</b>
Charge for the period	1.32	15.03	0.19	16.53
Deletion	-	-	-	-
<b>As at 31 Mar 2020</b>	<b>1.75</b>	<b>18.61</b>	<b>0.24</b>	<b>20.60</b>
<b>Net Block</b>				
<b>As at 31 March 2019</b>	<b>1.53</b>	<b>53.30</b>	<b>0.35</b>	<b>55.19</b>
<b>As at 31 March 2020</b>	<b>0.63</b>	<b>40.92</b>	<b>0.23</b>	<b>41.78</b>

\*Owned unless otherwise stated.

**5 Investment property**

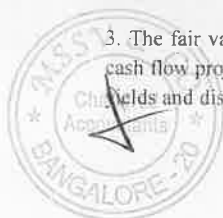
Rs. in Millions					
Particulars	Land	Building			Total
		Structure	Plant & Machinery	Electrical Installations	
<b>Gross Carrying Value</b>					
Cost as at 1 April 2018	-	-	-	-	-
Additions	1,346.33	1,875.10	323.79	140.14	3,685.36
Adjustments/Deletions	-	-	-	-	-
<b>As at 31 Mar 2019</b>	<b>1,346.33</b>	<b>1,875.10</b>	<b>323.79</b>	<b>140.14</b>	<b>3,685.36</b>
Additions	137.84	71.33	47.47	13.63	270.28
Disposals	-	-	-	-	-
<b>At March 31, 2020</b>	<b>1,484.17</b>	<b>1,946.44</b>	<b>371.26</b>	<b>153.77</b>	<b>3,955.63</b>
<b>Accumulated depreciation- As at 1 April 2018</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Charge for the period	-	22.27	14.27	8.59	45.13
Deletion	-	-	-	-	-
<b>As at 31 Mar 2019</b>	<b>-</b>	<b>22.27</b>	<b>14.27</b>	<b>8.59</b>	<b>45.13</b>
Charge for the period	-	92.91	62.52	37.84	193.26
Deletion	-	-	-	-	-
<b>At March 31, 2020</b>	<b>-</b>	<b>115.17</b>	<b>76.80</b>	<b>46.42</b>	<b>238.39</b>
<b>Net Carrying Value as at March 31, 2019</b>	<b>1,346.33</b>	<b>1,852.84</b>	<b>309.51</b>	<b>131.55</b>	<b>3,640.23</b>
<b>Net Carrying Value as at March 31, 2020</b>	<b>1,484.17</b>	<b>1,831.26</b>	<b>294.46</b>	<b>107.35</b>	<b>3,717.24</b>

**5a Investment Property Continued**

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

2. As at 31 March 2020 the fair values of the properties are Rs. 4062 Millions and as at 31 March 2019, The fair values of the property was Rs. 4087 millions. The valuations are based on valuations performed by CBRE South Asia Private Limited, an accredited independent valuer. A valuation model in accordance with that recommended by the International Valuation Standards Committee has been applied.

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.



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Details of the Company's investment properties and information about the fair value hierarchy as at March 31, 2020 and March 31, 2019, are as follows:

	Rs. in Millions	
	As at 31 March 2020	As at 31 March 2019
<b>Assets for which fair values are disclosed</b>		
Investment property		
Level 1		-
Level 2		-
Level 3	4,062.00	4,087.00

**4. Amounts recognised in profit and loss for investment property**

Income derived from investment property	488.38	96.65
Expenses (including repairs and maintenance) generating the above income	83.90	8.39
Profit arising from investment property before depreciation and indirect expenses	404.48	88.26
Less: Depreciation	193.26	45.13
<b>Profit arising from investment properties before indirect expenses</b>	<b>211.21</b>	<b>43.14</b>

	Year ended 31 March 2020	Year ended 31 March 2019
Income derived from investment property	488.38	96.65
Expenses (including repairs and maintenance) generating the above income	83.90	8.39
Profit arising from investment property before depreciation and indirect expenses	404.48	88.26
Less: Depreciation	193.26	45.13
<b>Profit arising from investment properties before indirect expenses</b>	<b>211.21</b>	<b>43.14</b>

**6 Capital work-in-progress**

	Rs. in Millions	
Particulars	As at 31 March 2020	As at 31 March 2019
12CWII Capital work-in-progress	28.21	2.15
	<b>28.21</b>	<b>2.15</b>

**7 Intangible assets**

	Rs. in Millions	
Particulars	Software	Total
<b>Gross Carrying Value</b>		
At April 1, 2018	-	-
Additions	-	-
Disposals	0.31	0.31
At March 31, 2019	-	-
Additions	0.31	0.31
Disposals	0.02	0.02
At March 31, 2020	0.33	0.33
<b>Accumulated amortisation</b>		
At April 1, 2018	-	-
Amortisation for the year	0.03	0.03
At March 31, 2019	0.03	0.03
Amortisation for the year	0.13	0.13
At March 31, 2020	0.16	0.16
<b>Net Carrying Value as at March 31, 2019</b>	0.28	0.28
<b>Net Carrying Value as at March 31, 2020</b>	0.17	0.17



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**8 Other financial assets- Non Current**

Particulars	Rs. in Millions	
	As at 31 March 2020	As at 31 March 2019
<b>Unsecured, considered good</b>		
<b>To others</b>		
- Deposits towards joint development	16.00	16.00
- Security deposits	11.06	11.06
	<b>27.06</b>	<b>27.06</b>

**9 Other Non Current assets**

Particulars	Rs. in Millions	
	As at 31 March 2020	As at 31 March 2019
<b>Unsecured, considered good</b>		
Capital advance	8.37	55.73
	<b>8.37</b>	<b>55.73</b>

**10 Deferred tax assets (Net)**

Particulars	Rs. in Millions	
	As at 31 March 2020	As at 31 March 2019
Deferred tax assets	57.67	14.98
	<b>57.67</b>	<b>14.98</b>

**11 Income tax asset (Net)**

Particulars	Rs. in Millions	
	As at 31 March 2020	As at 31 March 2019
TDS receivable	35.77	5.64
	<b>35.77</b>	<b>5.64</b>

**12 Inventory**

Particulars	Rs. in Millions	
	As at 31 March 2020	As at 31 March 2019
Components & Consumables	6.26	1.05
	<b>6.26</b>	<b>1.05</b>

**13 Trade receivables**

Particulars	Rs. in Millions	
	As at 31 March 2020	As at 31 March 2019
<b>Unsecured, considered good</b>		
<b>-From related parties</b>		
Other receivables	1.64	2.15
<b>-From others</b>		
Other receivables	93.90	50.35
	<b>95.54</b>	<b>52.50</b>

**14 Cash and cash equivalents**

Particulars	Rs. in Millions	
	As at 31 March 2020	As at 31 March 2019
Cash on hand	0.01	0.06
Balances with banks		
- in current accounts	17.58	48.05
- in fixed deposits	12.58	-
	<b>30.17</b>	<b>48.11</b>



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**15 Other financial assets**

Particulars	Rs. in Millions	
	As at 31 March 2020	As at 31 March 2019
<b>Unsecured, considered good</b>		
To related parties		
Other advances	34.79	-
	<b>34.79</b>	-

**16 Other current Assets**

Particulars	Rs. in Millions	
	As at 31 March 2020	As at 31 March 2019
Unbilled revenue	5.00	20.05
Prepaid expenses	1.38	0.58
Balances with government authorities	-	15.85
Advances to staff	0.51	0.02
Gift voucher	1.12	0.41
	<b>8.01</b>	<b>36.91</b>

**17 Share capital**

Particulars	Rs. in Millions	
	As at 31 March 2020	As at 31 March 2019
<b>Authorised</b>		
10,00,000 Equity Shares of Rs. 10/- each	10.00	10.00
	<b>10.00</b>	<b>10.00</b>
<b>Issued, subscribed and paid up</b>		
6,30,000 Equity shares of Rs.10/- each fully paid up	6.30	6.30
(P.Y 6,30,000 equity Shares of Rs 10/- each fully paid up)	<b>6.30</b>	<b>6.30</b>

**(a) List of persons holding more than 5 percent shares in the Company**

Name of the share holder	As at 31 Mar 2020		As at 31 Mar 2019	
	No of shares	% holding	No of shares	% holding
Prestige Retail Ventures Limited	6,29,999	99.99%	6,29,999	99.99%

**(b) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period**

Particulars	As at 31 Mar 2020		As at 31 Mar 2019	
	No of shares	Value of shares	Value of shares	No of shares
At beginning of the year	6,30,000	6.30	6,30,000	6.30
Issued during the year	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>6,30,000</b>	<b>6.30</b>	<b>6,30,000</b>	<b>6.30</b>

(c) 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.

(d) The company has not issued any bonus shares or any shares pursuant to contract(s) without payment being received in cash for the period of five years immediately preceding the balance sheet date.

**18 Other equity**

Particulars	Rs. in Millions	
	As at 31 March 2020	As at 31 March 2019
<b>Deficit in Statement of profit and loss</b>		
Opening balance	(54.32)	(11.40)
Add: Net loss for the period	(130.11)	(42.91)
<b>Closing Balance</b>	<b>(184.43)</b>	<b>(54.31)</b>
<b>Equity component of compound financial instrument</b>		
10,00,00,000 0% Optionally Convertible Debentures of Rs. 10 each	1,000.00	1,000.00
	<b>1,000.00</b>	<b>1,000.00</b>
	<b>815.57</b>	<b>945.69</b>





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**18a Terms of Optionally Convertible Debentures**

- a) 10,00,00,000 0% Optionally Convertible Debentures ("OCD") of Rs. 10 each
- b) 100 OCD of Rs. 10 each are convertible at the option of the holder into one Equity Share of Rs. 10/-
- c) If remaining unconverted, these OCD are redeemable within 20 years from the date of allotment

**19 Long term borrowings**

Particulars	Rs. in Millions	
	As at 31 March 2020	As at 31 March 2019
<b>Term loans (Secured)</b>		
- From financial institutions	1,453.85	1,098.69
	<b>1,453.85</b>	<b>1,098.69</b>

**19a. Details of securities and repayment terms:**

**(i) Security Details :**

- a) Exclusive equitable mortgage of project including project land and escrow of rental receivables of the proposed project
- b) Corporate Guarantee of Prestige Estates Projects Limited.
- c) Personal Guarantees of Mr. Irfan Razack, Mr. Rezwan Razack, Mr. Noaman Razack.

**(ii) Repayment and other terms :**

- a) Repayable in 153 instalments. As on reporting date the Company has disbursed 8 installments and 145 instalments are pending repayment.
- b) The loan carries interest @ 9.50% per annum (PY 10.89%).

**20 Other financial liabilities - Non current**

Particulars	Rs. in Millions	
	As at 31 March 2020	As at 31 March 2019
Lease deposits	92.52	54.45
	<b>92.52</b>	<b>54.45</b>

**21 Provision (Non-Current)**

Particulars	Rs. in Millions	
	As at 31 March 2020	As at 31 March 2019
Provision for employee benefits		
- Gratuity	1.13	1.25
- Compensated absences	0.63	0.68
	<b>1.76</b>	<b>1.93</b>

**22 Other non-current liabilities**

Particulars	Rs. in Millions	
	As at 31 March 2020	As at 31 March 2019
Advance rent	16.32	11.36
	<b>16.32</b>	<b>11.36</b>

**23 Short-term borrowings**

Particulars	Rs. in Millions	
	As at 31 March 2020	As at 31 March 2019
<b>Loans repayable on demand</b>		
Unsecured:		
- Inter corporate deposit	636.14	582.99
	<b>636.14</b>	<b>582.99</b>

Unsecured loans are subject to interest of 10% p.a. (PY 10% p.a.)



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**24 Trade payables**

Particulars	Rs. in Millions	
	As at 31 March 2020	As at 31 March 2019
-Dues to micro and small enterprises	12.05	10.00
-Dues to others	36.09	44.28
	<b>48.15</b>	<b>54.28</b>

**25 Other financial liabilities- current**

Particulars	Rs. in Millions	
	As at 31 March 2020	As at 31 March 2019
Capital creditors	128.09	114.49
Retention creditors	64.77	87.93
Dues to related parties	19.27	-
Current maturities of long-term debts (Refer Note 19)	22.18	113.24
Interest accrued on intercorporate deposits	583.45	524.53
Interest accrued but not due on borrowings	11.71	9.11
Lease deposits - Land owner share	84.83	78.67
Lease deposits	45.51	67.02
	<b>959.81</b>	<b>994.99</b>

**26 Provision (Current)**

Particulars	Rs. in Millions	
	As at 31 March 2020	As at March 31, 2019
<b>Provision for employee benefits</b>		
- Gratuity	0.00	0.05
- Compensated absences	0.45	0.56
Provision for completed projects	28.21	125.90
	<b>28.67</b>	<b>126.51</b>

**27 Other current liabilities**

Particulars	Rs. in Millions	
	As at 31 March 2020	As at 31 March 2019
Withholding and other taxes and duties payable	14.85	1.31
Advance rent	9.35	14.46
Other liabilities	7.77	46.87
	<b>31.97</b>	<b>62.64</b>



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**28 Revenue from operations**

Particulars	Rs. in Millions	
	Year ended 31 March 2020	Year ended 31 March 2019
Facility rentals	282.53	56.88
Maintenance and marketing Income	205.85	39.78
Other operating revenues	24.25	0.43
	<b>512.63</b>	<b>97.09</b>

**29 Other income**

Particulars	Rs. in Millions	
	Year ended 31 March 2020	Year ended 31 March 2019
Miscellaneous Income	0.01	0.51
	<b>0.01</b>	<b>0.51</b>

**30 Employee benefits expense**

Particulars	Rs. in Millions	
	Year ended 31 March 2020	Year ended 31 March 2019
Salaries and wages	40.41	8.74
Contribution to provident and other funds	2.58	0.56
Gratuity expense	0.77	1.31
Staff welfare expenses	1.85	0.86
	<b>45.61</b>	<b>11.47</b>

**31 Finance Costs**

Particulars	Rs. in Millions	
	Year ended 31 March 2020	Year ended 31 March 2019
Interest on long term borrowings	148.48	131.44
Less : Capitalised	-	(98.15)
	148.48	33.29
Interest on Intercompany deposits	64.98	55.54
Less : Capitalised	-	(42.77)
	64.98	12.77
Other finance costs	8.26	1.84
Interest on MSME	-	0.26
Bank Charges	0.22	0.01
	<b>221.95</b>	<b>48.17</b>

**32 Operating and administrative**

Particulars	Rs. in Millions	
	Year ended 31 March 2020	Year ended 31 March 2019
Power and fuel	62.66	8.67
Security expenses and housekeeping	59.10	19.77
Business promotion	47.17	5.02
Repairs and maintenance to investment properties	11.72	1.27
Repairs and maintenance - Others	5.57	3.03
Rates and taxes	20.11	8.17
Legal and professional	-	0.07
Interest on delayed payment of TDS	0.00	0.14
4 Communication	0.30	0.08
Travelling expenses	0.56	0.03
Auditor's remuneration (Refer Note 32a)	0.28	0.11
7 Miscellaneous expenses	0.02	0.01
Insurance	1.13	0.22
5 Printing and stationery	0.28	0.07
	<b>208.90</b>	<b>46.66</b>



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**32a Auditors' remuneration**

Particulars	Rs. in Millions	
	Year ended 31 March 2020	Year ended 31 March 2019
Statutory audit fees	0.18	0.08
Tax Audit Fee	0.05	0.05
Limited review	0.06	0.03
	<b>0.28</b>	<b>0.16</b>

**33 Earnings/ (Loss) per share**

The following table sets forth the computation of basic and diluted earnings per share:

Particulars	Rs. in Millions	
	Year ended 31 March 2020	Year ended 31 March 2019
Net profit/(loss) for the year attributable to equity shareholders	(13,10,50,167)	(4,29,22,739)
Weighted average number of equity shares outstanding		
- Basic	6,30,000	6,30,000
- Diluted*	6,30,000	6,30,000
Nominal Value of shares	10.00	10.00
Basic Earnings/(loss) per Share	(208.02)	(68.13)
Diluted Earnings/(loss) per Share*	(208.02)	(68.13)

\* 10,00,00,000 0% OCD of Rs.10 each convertible into equivalent no. 10,00,000 equity shares of Rs.10 each. These OCD are anti-dilutive since it reduces the loss per share from continuing operations and accordingly not considered for calculation of dilutive earning per share.

**34 Related party disclosure :**

**(i) List of related parties and relationships -**

**a Controlling Enterprise**

Prestige Estates Projects Limited - Ultimate Holding Company  
 Prestige Retail Ventures Limited - Holding Company

**b Companies/ firms in which directors/ KMP are interested**

Prestige Mysore Retail Ventures Private Limited  
 K2K Infrastructures (India) Private Limited  
 Prestige Golf & Country Club  
 Prestige Estates Projects Limited  
 Prestige Fashions Private Limited  
 Sai Chakra Hotels Private Limited  
 PSN Property Management & Services  
 Prestige Mall Management Private Limited  
 Spring Green  
 Sublime  
 Belgaum Solar Power Private Limited  
 INR energy Ventures  
 Sai Chakra Hotels Private Limited (Sheraton Grand Bengaluru Whitefield)

**c Key Management Personnel**

Mr. Jagadeesh Reddy  
 Mr. Ranganath Pangal Nayak  
 Mr. Noaman Razack, Director  
 Mr. Mohamed Sadiq Zaid, Director  
 Mr. Fiaz Rezwan, Director



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(ii) **Transactions with Related Parties during the year**

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
<b>Inter Corporate Deposit received</b>		
Prestige Estates Projects Limited	1,246.35	453.49
Prestige Retail Ventures limited	306.80	154.00
	<b>1,553.15</b>	<b>607.49</b>
<b>Inter Corporate Deposit repaid</b>		
Prestige Estates Projects Limited	1,500.00	1,000.00
	<b>1,500.00</b>	<b>1,000.00</b>
<b>Issue of Optionally Convertible Debentures</b>		
Prestige Estates Projects Limited	-	1,000.00
	<b>-</b>	<b>1,000.00</b>
<b>Interest on Inter Corporate Deposit</b>		
Companies/ firms in which directors/ KMP are interested		
Prestige Estates Projects Limited	35.46	52.05
Prestige Retail Ventures Limited	29.52	3.49
	<b>64.98</b>	<b>55.54</b>
<b>Purchase of Goods</b>		
Companies/ firms in which directors/ KMP are interested		
Belgaum Solar Power Private Limited	-	8.80
Spring Green	2.04	-
INR Energy Ventures	104.31	-
	<b>106.35</b>	<b>8.80</b>
<b>Rendering of Service</b>		
Companies/ firms in which directors/ KMP are interested		
Belgaum Solar Power Private Limited	-	1.31
	<b>-</b>	<b>1.31</b>
<b>Facility Rentals</b>		
Companies/ firms in which directors/ KMP are interested		
Prestige Fashions	5.82	1.34
Sai Chakra Hotels Private Limited	1.20	0.25
	<b>7.02</b>	<b>1.60</b>
<b>Marketing &amp; Maintenances</b>		
Companies/ firms in which directors/ KMP are interested		
Prestige Fashions	2.51	0.44
Sai Chakra Hotels Private Limited	-	0.07
	<b>2.51</b>	<b>0.51</b>
<b>Power and Fuel</b>		
Companies/ firms in which directors/ KMP are interested		
Prestige Fashions	1.45	0.25
Sai Chakra Hotels Private Limited	0.25	0.05
	<b>1.70</b>	<b>0.30</b>
<b>Lease Deposit</b>		
Companies/ firms in which directors/ KMP are interested		
Prestige Fashions	-	2.07
Sai Chakra Hotels Private Limited	-	0.30
	<b>-</b>	<b>2.37</b>
<b>Business Support Services</b>		
Prestige Retail Ventures Limited	0.68	-
Sublime	10.28	-
Prestige Property Management & Services	1.32	-
PSN Property Management & Services	4.08	-
	<b>16.37</b>	<b>-</b>
<b>Staff Welfare Expense ( Purchase of Uniforms)</b>		
Prestige Fashions	0.14	0.15
	<b>0.14</b>	<b>0.15</b>



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**(iii) Balance Outstanding**

Particulars	As at 31 March 2020	As at 31 March 2019
<b>Optionally Convertible Debentures</b>		
Prestige Estates Projects Limited	1,000.00	1,000.00
	<b>1,000.00</b>	<b>1,000.00</b>
<b>Inter Corporate Deposit</b>		
<i>Companies firms in which directors KMP are interested</i>		
Prestige Estates Projects Limited	175.34	428.99
Prestige Retail Ventures limited	460.80	154.00
	<b>636.14</b>	<b>582.99</b>
<b>Interest Payable on Inter Corporate Deposit</b>		
<i>Companies firms in which directors KMP are interested</i>		
Prestige Estates Projects Limited	553.74	521.39
Prestige Retail Ventures limited	29.71	3.14
	<b>583.45</b>	<b>524.53</b>
<b>Payables</b>		
<i>Companies firms in which directors' KMP are interested</i>		
K2K Infrastructures (India) Private Limited	0.62	0.62
Prestige Estates Projects Limited	-	0.66
Prestige Garden Constructions Private Limited	-	9.07
Prestige Mall Management Private Limited	-	0.98
PSN Property Management & Services	2.92	3.38
INR Energy Ventures	7.77	-
Prestige Fashions Private Limited	0.05	-
Spring Green	0.55	1.87
Sublime	7.37	1.08
Sai Chakra Hotels Private Limited (Sheraton Grand Bengaluru White)	-	0.33
	<b>19.27</b>	<b>17.99</b>
<b>Receivables</b>		
<i>Companies firms in which directors KMP are interested</i>		
Prestige Fashions Private Limited	1.23	2.03
Sai Chakra Hotels Private Limited	0.42	-
	<b>1.64</b>	<b>2.03</b>
<b>Other Receivables</b>		
Prestige Mysore Retail Ventures Private Limited	3.04	-
	<b>3.04</b>	<b>-</b>
<b>Security Deposit Payable</b>		
<i>Companies firms in which directors KMP are interested</i>		
Sai Chakra Hotels Private Limited	0.30	0.30
Prestige Fashions Private Limited	2.07	2.07
	<b>2.37</b>	<b>2.37</b>

- a) Related party relationships are as identified by the management on the basis of information available with them and accepted 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 considered in the above disclosure.



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**35 Tax expenses**

**a Income tax recognised in profit or loss**

Particulars	As at 31 March 2020	Year ended 31 March 2019
<b>Current tax</b>		
In respect of the current year	-	-
In respect of prior years	-	-
<b>Deferred tax</b>		
In respect of the current year	(42.69)	(14.98)
	<b>(42.69)</b>	<b>(14.98)</b>

**b Reconciliation of tax expense and accounting profit**

Particulars	Year ended 31 March 2020	Year ended 31 March 2019
Profit/(Loss) before tax from continuing operations	(173.74)	(57.90)
Tax rate	25.17%	26.00%
Income tax expense calculated at applicable tax rate	(43.73)	(15.05)
Tax effect of amounts which are not deductible in calculating taxable	0.00	0.07
Tax effect of amounts which is because of tax rate difference	1.02	-
Deferred tax assets recognised on deductible temporary differences	(11.31)	(19.94)
Deferred tax assets recognised on carry forward of tax losses	54.02	34.92
Effect of tax losses not recognised as deferred tax assets	-	-
Income tax expense recognised in profit or loss	-	-0.00

**36 Contingent liabilities and capital commitments**

Particulars	As at 31 March 2020	As at 31 March 2019
<b>Contingent liabilities</b>		
Claims against the Company	-	-
Corporate guarantee given on behalf of companies under the same management	-	-
<b>Capital commitment</b>		
Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for	166.65	442.91

**37 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.





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**38 Financial instruments**

The fair value of the financial assets and liabilities approximate to its carrying amounts. The carrying value of financial instruments by categories is as follows:

Particulars	March 31, 2020		March 31, 2019	
	Fair Value through profit and loss	Cost/ Amortised Cost	Fair Value through profit and loss	Cost/ Amortised Cost
<b>Financial assets</b>				
<b>Amortised Cost</b>				
Loans	-	27.06	-	27.06
Trade receivables	-	95.54	-	52.50
Cash and cash equivalents	-	30.17	-	48.11
Other financial assets	-	-	-	-
<b>Total assets</b>	-	<b>152.77</b>	-	<b>127.66</b>
<b>Financial liabilities</b>				
Borrowings	-	2,112.17	-	1,681.68
Trade Payable	-	48.15	-	54.28
Other financial liabilities	-	1,052.34	-	1,049.44
<b>Total liabilities</b>	-	<b>3,212.65</b>	-	<b>2,785.41</b>

**39 Financial risk management objectives and policies**

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the acquisition and Company's operations. The Company's principal financial assets include cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The senior management ensures that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

**40 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/ realestate risk. Financial instruments affected by market risk include loans and borrowings and refundable deposits.

**a. Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company's exposure to the risk of changes in market interest rates relates primarily to the company's long-term debt obligations with floating interest rates.

**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:

	Rs. in Millions	
	Year ended March 31, 2020	Year ended March 31, 2019
Decrease in interest rate by 50 basis points	7.38	6.06
Increase in interest rate by 50 basis points	(7.38)	(6.06)



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**NOTES FORMING PART OF FINANCIAL STATEMENTS****b. Commodity price**

The Company has no exposure to commodity prices as it does not deal in derivative instruments whose underlying is a commodity.

**c. Equity price risk**

The Company's exposure to equity price risk is not material as at all the reporting periods presented in the financial statements.

**II Credit risk**

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

**III 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

					Rs. in Millions
	On demand	Less than 12 months	1 to 5 years	More than 5 years	Total
<b>As at March 31, 2020</b>					
Borrowings	636.14	22.18	443.47	1,010.38	2,112.17
Security deposit	-	-	92.52	-	92.52
Trade payables	-	48.15	-	-	48.15
Other current financial liabilities	-	937.63	-	-	937.63
	636.14	1,007.96	535.99	1,010.38	3,190.47
<b>As at March 31, 2019</b>					
Borrowings	582.99	113.24	1,098.69	-	1,794.92
Security Deposit	-	-	54.45	-	54.45
Trade payables	-	54.28	-	-	54.28
Other Current Financial liabilities	-	881.76	-	-	881.76
	582.99	1,049.28	1,153.14	-	2,785.41

**40 Capital management**

The company manages its capital in such a way to ensure that there is timely availability of funds for the operations. The capital structure of the Company consists of equity and short term debt (Inter corporate Deposits). The Company is not subject to any externally imposed capital requirements. The Company's Board reviews the capital structure and determines the appropriate composition of debt and equity.

**40A The company is actively monitoring the impact of the global health pandemic on its financial condition, liquidity, operations, suppliers, industry and workforce.**

The Company has used the principles of prudence in applying judgments, estimates and assumptions based on the current estimates. In assessing the recoverability of assets such as inventories, financial assets and other assets, based on current indicators of future economic conditions, the Company expects to recover the carrying amounts of its assets. The extent of which COVID-19 impacts the operations will depend on future developments which remain uncertain.

- 41** 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.



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Particulars	Rs. in Millions	
	For the year ended March 31, 2020	March 31, 2019
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end		
- Principal	12.05	10.00
- Interest	-	0.26
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	-	0.26
The amount of interest accrued and remaining unpaid at the end of each year; and	-	0.26
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.	-	-

**42 Employee benefit plans**

- (i) **Defined Contribution Plans :** The Company contributes to provident fund and employee state insurance scheme which are defined contribution plans.
- During the year, the Company has recognized the following amounts in the Statement of Profit and Loss under defined contribution plan whereby the Company is required to contribute a specified percentage of the payroll costs to fund the benefits:

Particulars	Rs. in Millions	
	As at March 31, 2020	As at March 31, 2019
Employers' Contribution to Provident Fund	1.29	0.50
Employees' State Insurance (disclosed under staff welfare expenses)	0.13	0.05
	<b>1.42</b>	<b>0.56</b>

NOTE: The Company's contribution to the provident fund by the Company is at rates specified in the rules of the schemes.

- (ii) **Defined Benefit Plan :** The Company provides gratuity for employees who are in continuous services for a period of 5 years. The amount of gratuity is payable on retirement / termination, computed based on employee's last drawn basic salary per month. The Company's gratuity liability is unfunded.

**Risk exposure**

The defined benefit plan typically expose the Company to actuarial risks such as: Interest rate risk, longevity risk and salary risk.

Interest Risk	A decrease in the bond interest rate will increase the plan liability.
Life expectancy	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants.



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Particulars	Rs. in Millions	
	Year ended March 31, 2020	Year ended March 31, 2019
<b>a Components of defined benefit cost</b>		
Current Service cost	0.70	0.53
Interest expenses / (income) net	0.07	0.08
Acquisitions	0.00	0.69
<b>Components of defined benefit cost recognised in profit or loss</b>	<b>0.77</b>	<b>1.31</b>
<b>Remeasurement (gains)/ losses in OCI:</b>		
Return on plan assets (greater) less than discount rate		
Actuarial (Gain) / loss for changes in financial assumptions		
Actuarial (Gain) / loss due to experience adjustments	(0.94)	(0.01)
<b>Components of defined benefit cost recognised in other comprehensive income</b>	<b>(0.94)</b>	<b>(0.01)</b>
<b>Total components of defined benefit cost for the year</b>	<b>(0.17)</b>	<b>1.30</b>

The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' line item in the statement of profit and loss. The remeasurement of the net defined benefit liability is included in other comprehensive income.

**b. The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows:**

	Rs. in Millions	
	As at March 31, 2020	As at March 31, 2019
Present value of defined benefit obligation	1.13	1.30
Fair value of plan assets	-	-
<b>Net liability arising from defined benefit obligation</b>	<b>1.13</b>	<b>1.30</b>

**c. Movements in the present value of the defined benefit obligation are as follows.**

Particulars	Rs. in Millions	
	As at March 31, 2020	As at March 31, 2019
<b>Opening defined benefit obligation</b>	<b>1.30</b>	<b>-</b>
Current service cost	0.70	0.53
Interest cost	0.07	0.08
Acquisitions	0.00	0.69
Actuarial (Gain)/loss (through OCI)	(0.94)	(0.01)
Benefits paid	-	-
<b>Closing defined benefit obligation</b>	<b>1.13</b>	<b>1.30</b>

**d. Movements in fair value of plan assets are as follows.**

Particulars	Rs. in Millions	
	As at March 31, 2020	As at March 31, 2019
<b>Opening Fair Value of Plan Assets</b>		
Expected return on plan asset	-	-
Contributions by Employer	-	-
Benefits paid	-	-
Actuarial Gain / (loss) (through OCI)	-	-
<b>Closing Fair Value of Plan Assets</b>	<b>-</b>	<b>-</b>



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**e. Net asset/(liability) recognised in balance sheet**

Fair value of plan assets

Present Value of Defined Benefit Obligation

**Net asset/(liability) recognised in balance sheet**

1.13 1.30

**1.13 1.30**

**f. Actuarial Assumptions**

**Particulars**

**As at  
March 31, 2020 As at  
March 31, 2019**

Discount rate

6.70% 7.60%

Expected rate of salary increase

8.80% 8.80%

Attrition rate

9.00% 9.00%

Retirement age

58 years 58 years

Mortality Rates

100% of IAL\* 100% of IAL\*

\* IAL : India Assured Lives Mortality (2006-08) modified Ult.

**g. Sensitivity analysis**

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

Particulars		Rs. in Millions	
		Year ended March 31, 2020	Year ended March 31, 2019
Impact on defined benefit obligation:			
Discount rate	Increase by 100 basis points	(0.13)	(0.13)
	Decrease by 100 basis points	0.15	0.15
Salary escalation rate	Increase by 100 basis points	0.15	0.15
	Decrease by 100 basis points	(0.13)	(0.13)
Employee attrition rate	Increase by 1000 basis points	(0.05)	(0.03)
	Decrease by 1000 basis points	0.06	0.04

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

**h. Experience history:**

Particulars	Rs. in Millions	
	As at March 31, 2020	As at March 31, 2019
Defined benefit obligation	1.13	1.30
Fair value of plan assets	-	-
(Surplus)/deficit	1.13	1.30
Experience adjustment on liabilities gain/(loss)	(0.94)	(0.01)
Experience adjustment on plan assets gain/(loss)		

**(iii) Other Employee Benefits - Compensated absences**

Leave encashment benefit expensed in the Statement of Profit and Loss for the year is Rs.0.32 Millions (March 31, 2019: Rs. 1.24 Millions)

Leave encashment benefit outstanding is Rs.1.08 Millions (March 31, 2019- Rs. 1.24 Millions)



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**42 Leases :**

As lessor, the Company is primarily engaged in the business of real estate development which includes development and operating a mall. The Company has entered into operating lease agreements with its lessees. Total lease rental income recognised in the statement of profit and loss for the year with respect to the same is Rs. 303.29 millions (for the year-ended March 31, 2019 : 209.09 millions)

The future minimum lease income under non cancellable operating leases in aggregate are as follows:

Particulars	Rs. in Millions	
	Year ended March 31, 2020	Year ended March 31, 2019
Not later than 1 year	304.24	354.99
Later than 1 year and not later than 5 years	1,503.20	716.27
Later than 5 years	765.84	-

**43 Segment reporting**

The Chief Operating Decision Maker reviews the operations of the Company as a real estate development including operation of the mall, which is considered to be the only reportable segment by the Management. Further the Company's operations are in India only.

44 There are no foreign currency exposures as at March 31, 2020 (March 31, 2019 - Nil) that have not been hedged by a derivative instruments or otherwise.

45 Previous years figures have been regrouped/reclassified wherever necessary to correspond to the current period's classification/disclosure.

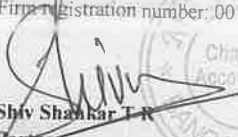
**46 Covid Note**

The global pandemic identified as Covid 19 has spread its impact on Indian geographies too towards the end of financial year. In response, Government initiated many measures such as lock downs while hygiene practices, social distancing, changes in social greeting have been new norms.

The mall operated by the Company too underwent lock down and has prepared for re-launch subsequent to Balance sheet date. Company is monitoring the developments in society and economy closely and continuously, identifying immediate and long term challenges, opportunities and growth drivers arising from the present condition and developing effectiveness response plans and strategies.

The Company has reviewed the Financial statements more specifically at this stage in the light of these departments and concluded that no adjustment is needed for carrying value of any of the assets.

for MSSV & Co.,  
Chartered Accountants  
Firm registration number: 001987S

  
Shriv Shankar T R  
Partner  
Membership No. 220517

Place: Bengaluru  
Date: May 31, 2020

For and on behalf of the Board

  
Noaman Razaek  
Director  
DIN: 00189329

Place: Bengaluru  
Date: May 31, 2020

  
Mohnred Sadiq Zaid  
Director  
DIN: 01217079

Place: Bengaluru  
Date: May 31, 2020