

Prestige Mangalore Retail Ventures Private Limited
Balance sheet as at March 31, 2020

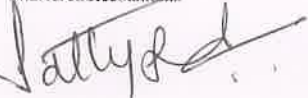
		Rs. in Millions	
		As at	As at
Notes	March 31, 2020	March 31, 2019	
ASSETS			
Non-current assets			
Property, plant and equipment	3	7.84	8.55
Investment property	4	1,910.32	1,979.29
Investment property under development		34.66	11.39
Intangible assets	5	0.10	0.18
Financial assets			
Loans	6	19.43	24.11
Other financial assets	6.1	-	-
Income tax assets (net)	7	87.50	80.37
Other non-current assets	8	4.66	5.05
Total non-current assets		2,064.51	2,108.94
Current assets			
Inventories	9	6.49	5.04
Financial assets			
Trade receivables	10	27.85	34.07
Cash and cash equivalents	11	9.37	1.97
Other bank balances	12	18.53	15.35
Other financial assets	13	4.83	9.67
Other current assets	14	4.35	3.08
Total current assets		71.42	69.18
Total Assets		2,135.93	2,178.12
EQUITY AND LIABILITIES			
EQUITY			
Equity Share capital	15	89.40	89.40
Other equity	16	787.81	876.94
Total Equity		877.21	966.34
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	17	800.09	777.96
Other financial liabilities	18	110.99	91.43
Provisions	19	3.35	2.36
Other non-current liabilities	20	1.55	1.65
Total non-current liabilities		915.98	873.40
Current liabilities			
Financial liabilities			
Trade payables	21		
Total outstanding dues of micro enterprises and small enterprises		12.50	0.45
Total outstanding dues of creditors other than micro enterprises and small enterprises		37.96	42.29
Other financial liabilities	22	282.27	288.35
Provisions	23	0.22	0.13
Other current liabilities	24	9.79	7.16
Total current liabilities		342.74	338.38
Total Equity and Liability		2,135.93	2,178.12

See accompanying notes forming part of the financial statements

In terms of our report attached

For DELOITTE HASKINS & SELLS LLP

Chartered Accountants



Sathya P. Koushik
Partner

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS



Irfan Razack
Director
DIN : 00209022



Faiz Rezwan
Managing Director
DIN : 01217423



Place: Bengaluru

Date: June 19, 2020

Place: Bengaluru

Date: June 19, 2020

Place: Bengaluru

Date: June 19, 2020

Prestige Mangalore Retail Ventures Private Limited
Statement of Profit and Loss for the year ended March 31, 2020

Particulars	Notes	Year ended March 31, 2020	Rs. in Millions Year ended March 31, 2019
Revenue from operations	25	304.32	336.43
Other income	26	3.54	5.41
Total Revenue - (I)		307.86	341.84
EXPENSES			
Cost of beverages sold	27	1.12	1.06
Employee benefits expense	28	37.35	30.22
Finance costs	29	89.11	93.23
Depreciation and amortization expense	4, 5 & 6	79.14	89.58
Other expenses	30	190.34	225.85
Total Expenses - (II)		397.06	439.94
(Loss) before tax (III = I-II)		(89.20)	(98.10)
Tax expense:			
- Current tax		-	-
- Deferred Tax		-	-
Total tax expenses (IV)		-	-
Loss for the year (V = III - IV)		(89.20)	(98.10)
Other comprehensive income			
(i) Items that will not be reclassified to profit or loss		0.07	(0.24)
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
Total other comprehensive income (VI)		0.07	(0.24)
Total comprehensive (loss) for the year (V + VI)		(89.13)	(98.34)
(Loss) per share (Equity shares, par value of Rs 10 each)			
Basic (in Rs.)	33	(8.62)	(9.48)
Diluted (in Rs.)	33	(8.62)	(9.48)

See accompanying notes forming part of the financial statements

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Prestige Mangalore Retail Ventures Private Limited
Cash flow statement for the year ended March 31, 2020

Particulars	Year ended March 31, 2020	Rs. in Millions Year ended March 31, 2019
Cash flows from operating activities		
(Loss) before tax	(89.20)	(98.10)
Adjustments:		
Depreciation and amortization expense	79.14	89.58
Provision for doubtful trade receivables	2.28	1.05
Provision no longer required written back	(0.86)	(4.39)
Interest income	(0.09)	-
Interest expense	89.11	92.20
Provision for Doubtful receivables from Land Owner	6.66	66.93
Operating profit before working capital changes	87.04	147.27
Changes in working capital		
(Decrease)/increase in trade payables	7.73	26.49
(Decrease)/increase in other liabilities	3.91	(4.10)
(Decrease)/increase in provisions	1.14	0.55
Decrease/(increase) in trade receivables	3.94	(11.40)
Decrease/(increase) in inventories	(1.46)	0.06
Decrease/(increase) in other assets	4.04	3.81
Cash (used in)/generated by operations	106.34	162.68
Income taxes (paid)/ refund (net)	(7.14)	(23.04)
Net cash (used in)/generated by operating activities	99.20	139.64
Cash flows from investing activities		
(Purchase) of property, plant and equipment including investment property	(28.60)	(23.79)
(Investment) in Fixed Deposits	(14.20)	-
Interest received	0.01	-
Net cash (used in)/ generated by investing activities	(42.79)	(23.79)
Cash flows from financing activities		
Proceeds from borrowings	120.37	42.50
Repayment of borrowings	(107.11)	(81.95)
(Increase)/decrease in earmarked bank balances	11.02	(1.05)
Interest on intercorporate deposit / bank loan	(73.29)	(90.19)
Net cash (used in)/generated by financing activities	(49.01)	(130.69)
Net (decrease)/increase in cash and cash equivalents	7.40	(14.84)
Cash and cash equivalents at the beginning of the year (Refer note 11)	1.97	16.81
Cash and cash equivalents at the end of the Year (Refer note 11)	9.37	1.97

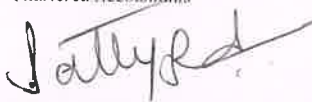
Reconciliation of liabilities from financing activities

	As at March 31, 2019	Proceeds/ Accrued	Repayment	Fair value Changes	As at March 31, 2020
Long-term borrowings (including current portion)	879.72	120.37	(107.11)	-	892.98
	879.72	120.37	(107.11)	-	892.98

See accompanying notes forming part of the financial statements

In terms of our report attached

For DELOITTE HASKINS & SELLS LLP
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Partner

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Prestige Mangalore Retail Ventures Private Limited
Statement of changes in equity for the year ended March 31, 2020

Rs. in Millions

Particulars	Share Capital	Other Equity			Total	Total equity
		Equity component of compound financial instrument (Refer Note 16)	Reserves and surplus (Refer Note 16)			
		Compulsorily Convertible Debentures	Securities premium	Retained earnings		
Balance as at April 1, 2018	89.40	1,405.97	245.00	(675.69)	975.28	1,064.68
Loss for the year	-	-	-	(98.10)	(98.10)	(98.10)
Other Comprehensive Income / (Loss) for the year, net of income tax	-	-	-	(0.24)	(0.24)	(0.24)
Balance as at March 31, 2019	89.40	1,405.97	245.00	(774.03)	876.94	966.34
Balance as at April 1, 2019	89.40	1,405.97	245.00	(774.03)	876.94	966.34
Loss for the year	-	-	-	(89.20)	(89.20)	(89.20)
Other Comprehensive Income / (Loss) for the year, net of income tax	-	-	-	0.07	0.07	0.07
Balance as at March 31, 2020	89.40	1,405.97	245.00	(863.16)	787.81	877.21

See accompanying notes forming part of the financial statements

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1 Corporate Information

Prestige Mangalore Retail Ventures Private Limited ("the Company") was incorporated on 27 December 2007 as a private limited company under the provisions of Chapter IX of the Companies Act, 1956 ("Act") on conversion of a partnership firm, Mangalore Retail Mall. The registered office of the Company is at Bangalore, India.

The Company is engaged in the business of real estate development including operation of the mall. The Company has capitalised the mall and commenced operations on 28 May 2014.

On 16 January 2008, Prestige Estates Projects Limited (PEPL), entered into a joint venture agreement with CapitaRetail Mangalore Mall (Mauritius) Limited (formerly known as Pinnacle Two Limited, Mauritius) an affiliate of CapitaLand Retail India Investments Pte. Limited, Singapore. During FY 2016-17, Prestige Retail Ventures Limited (earlier known as Prestige Retail Ventures) had purchased the equity shares held by PEPL. In FY 2018-19, Prestige Retail Ventures Limited has purchased the equity shares held by CapitaRetail Mangalore Mall (Mauritius) Limited and accordingly the Company is now a 100% subsidiary of Prestige Retail Ventures Limited (w.e.f June 11, 2018).

The financial statements have been authorised for issuance by the Company's Board of Directors on June 19, 2020

2 Significant accounting policies

2.1 Statement of compliance

These financial statements are separate financial statements prepared in accordance with Indian Accounting Standards ("Ind AS"), the provisions of the Companies Act, 2013 ("the Act") (as amended). 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.

Except for the changes below, the Company has consistently applied accounting policies to all periods.

The Company has adopted Ind AS 116 'Leases' with the date of initial application being April 1, 2019. Ind AS 116 replaces Ind AS 17 – Appendix C to Ind AS 12, Uncertainty over Income Tax Treatments. On March 30, 2019, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2019 containing Appendix C to Ind AS 12, Uncertainty over Income Tax Treatments which clarifies the application and measurement requirements in Ind AS 12 when there is uncertainty over income tax treatments. The current and deferred tax asset or liability shall be recognized and measured by applying the requirements in Ind AS 12 based on the taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates determined by applying this appendix. The amendment is effective for annual periods beginning on or after April 1, 2019. The Company has evaluated the effect of this amendment on the financial statements and concluded that there is no significant impact.

Amendment to Ind AS 19 'Employee Benefits': On March 30, 2019, the Ministry of Corporate Affairs has notified limited amendments to Ind AS 19 'Employee Benefits' in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement and to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling. The amendment is effective from April 1, 2019. The Company has evaluated the effect of this amendment on the financial statements and concluded that this amendment is currently not applicable.

Amendment to Ind AS 12 'Income Taxes': On March 30, 2019, the Ministry of Corporate Affairs has notified limited amendments to Ind AS 12 'Income Taxes'. The amendments require an entity to recognise the income tax consequences of dividends as defined in Ind AS 109 when it recognises a liability to pay a dividend. The income tax consequences of dividends are linked more directly to past transactions or events that generated distributable profits than to distributions to owners. Therefore, an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The amendment is effective from April 1, 2019. The Company has evaluated the effect of this amendment on the financial statements and concluded that there is no significant impact.

2.2 Basis of preparation and presentation

- (i) 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. The accounting policies have been applied consistently over all the period presented in these financial statements.

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 million as per the requirement of Schedule III, unless otherwise stated.

- (ii) The Ministry of Home Affairs vide order no. 40-3/2020-DM-I(A) dated March 24, 2020 announced a nation-wide lockdown as a measure to contain the spread of COVID 19, which was declared a global pandemic by the World Health Organisation. Prior to this, based on the State government orders, the operations of the Mall were closed down on March 14, 2020. Based on the relaxations made by the Central and State governments subsequent to the year end, the Mall resumed operations on June 8, 2020 and expects the footfalls and business to normalise in due course.

The Company has considered internal and certain external sources of information like economic forecasts and industry reports up to the date of approval of the financial statements in determining the impact on various elements of its financial statements. The Company has used the principles of prudence in applying judgments, estimates and assumptions including sensitivity analysis and based on the current estimates and considering the financial support expected to be received from the Ultimate Holding company (referred to in Note 44), the Company expects to fully recover the carrying amount of all its assets and settle all its liabilities in the normal course of business. The eventual outcome of impact of the global health pandemic may be different from those estimated as on the date of approval of these financial statements.

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2.3 Critical accounting judgements and key sources of estimation uncertainty

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.

Significant accounting judgements, estimates and assumptions used by management are as below:

- Useful lives of Investment Property, Property Plant and Equipment and Intangible Assets.
- Fair value measurements.

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.

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 116. Lease incentives granted are recognized as an integral part of the total rental income. 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.

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 Company's incremental borrowing rate. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss.

The Company applies the short-term lease recognition exemption to its short-term leases of assets (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases are recognised as expense on a straight-line basis over the lease term.

2.7 Borrowing Costs

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 12 months or more to get ready for its intended use or sale and includes the real estate properties developed by the Company.



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2.8 Foreign Currency Transactions

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

2.9 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.

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

Deferred tax 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 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 are recognised in Statement of Profit and Loss, except to the extent that they relate to items recognised in other comprehensive income or directly in equity, in which case, the tax is also recognised in other comprehensive income or directly in equity.



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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 under Deferred tax asset/ liability 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

Costs 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. Cost of the asset
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 is provided using written-down value method over the useful lives of assets as prescribed under Part C of Schedule II to the Companies Act, 2013 as follows:

Particulars	Useful lives
•Building (Structure)	60 Years
Plant and machinery	15 Years
Office Equipments	5 Years
Furniture and fixtures	10 Years
Electrical Fittings	10 Years
Vehicles	10 Years
Computers and Accessories	3 Years

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These are included in Statement of Profit and Loss.

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 incidental expenses and attributable borrowing costs.

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 Investment Property

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

Investment properties are depreciated using written-down value method over the useful lives as prescribed under Part C of Schedule II to the Companies Act, 2013.

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

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

2.14 Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Intangible assets, comprising of software are amortized on the basis of written down value method over a period of 3 years, which is estimated to be the useful life of the asset.

2.15 Impairment of tangible and intangible assets

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 group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

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

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

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

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 Statement of Profit and Loss.



2.16 Inventories

Inventory comprising stock of food and beverages 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.

2.17 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 but are disclosed.

2.18 Financial Instruments

2.18a 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 Statement of Profit and Loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

2.18b 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 (FVPL)

A financial asset which is not classified in any of the above categories are subsequently fair valued through Statement of Profit and Loss.

Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through Statement of 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.

b. Share Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are recognized as a deduction from equity, net of any tax effects.

2.18c 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.

2.18d 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 Statement of Profit and 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 recognised as an impairment gain or loss in Statement of Profit and Loss.



Prestige Mangalore Retail Ventures Private Limited

Notes to the Financial Statements for the year ended March 31, 2020

2.19 Operating cycle and basis of classification of assets and liabilities

Assets and liabilities are classified as current to the extent they are expected to be realised / are contractually repayable within 12 months from the Balance sheet date and as non-current, in other cases.

Current versus non-current classification

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

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- 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.

2.20 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.

2.21 Earnings per share

Basic earnings per share has been computed by dividing profit attributable to owners of the Company by the weighted average number of shares outstanding 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.

2.22 Dividends

Final dividends on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the company's Board of Directors.

2.23 Cash flow statement

Cash flow statement is prepared under Ind AS 7 'Statement of Cash flows' specified under Section 133 of the Act. Cash flows are reported using the indirect method, whereby profit / (loss) before tax and is adjusted for the effects of transactions of non-cash nature.



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Prestige Mangalore Retail Ventures Private Limited

• Notes to the Financial Statements for the year ended March 31, 2020

3 Property, Plant and Equipment

Rs. in Millions

Particulars	Tangible Assets			
	Furniture and fixtures*	Computers and accessories*	Office equipments*	Total
Gross Carrying amount				
At April 1, 2018	25.51	8.90	0.39	34.80
Additions	0.01	0.00	0.29	0.30
Disposals	-	-	-	-
At March 31, 2019	25.52	8.90	0.68	35.10
At April 1, 2019	25.52	8.90	0.68	35.10
Additions	0.08	0.11	1.73	1.92
Disposals	-	-	-	-
At March 31, 2020	25.60	9.01	2.41	37.02
Accumulated depreciation				
At April 1, 2018	15.06	8.39	0.29	23.74
Charge for the year	2.71	-	0.10	2.81
Disposals	-	-	-	-
At March 31, 2019	17.77	8.39	0.39	26.55
At April 1, 2019	17.77	8.39	0.39	26.55
Charge for the year	2.02	0.00	0.61	2.63
Disposals	-	-	-	-
At March 31, 2020	19.79	8.39	1.00	29.18
Net carrying amount as at March 31, 2020	5.81	0.62	1.41	7.84
Net carrying amount as at March 31, 2019	7.75	0.51	0.29	8.55

*Owned unless otherwise stated

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Prestige Mangalore Retail Ventures Private Limited
Notes to the Financial Statements for the year ended March 31, 2020

4 Investment property

Rs. in Millions

Particulars	Investment property				
	Land - freehold*	Structure*	Building Electrical fittings*	Plant and machinery*	Total
Gross Carrying amount					
At April 1, 2018	924.96	1,065.01	58.67	352.52	2,401.16
Additions	-	0.49	0.01	0.90	1.40
Disposals	-	-	-	-	-
At March 31, 2019	924.96	1,065.50	58.68	353.42	2,402.56
At April 1, 2019	924.96	1,065.50	58.68	353.42	2,402.56
Additions	-	4.91	2.52	0.03	7.46
Disposals	-	-	-	-	-
At March 31, 2020	924.96	1,070.41	61.20	353.45	2,410.02
Accumulated depreciation					
At April 1, 2018	-	143.65	34.77	158.32	336.74
Charge for the year	-	45.15	6.19	35.19	86.53
Disposals	-	-	-	-	-
At March 31, 2019	-	188.80	40.96	193.51	423.27
At April 1, 2019	-	188.80	40.96	193.51	423.27
Charge of the year	-	42.70	4.79	28.94	76.43
Disposals	-	-	-	-	-
At March 31, 2020	-	231.50	45.75	222.45	499.70
Net carrying amount as at March 31, 2020	924.96	838.91	15.45	131.00	1,910.32
Net carrying amount as at March 31, 2019	924.96	876.70	17.72	159.91	1,979.29

*Owned unless otherwise stated.

Notes:

- The freehold land and building have been pledged as security for bank loans under a mortgage (Refer Note 17.1).
- As at 31 March 2020 and 31 March 2019, the fair values of the properties are Rs.2,733.05 Million and Rs. 2,866.50 Million respectively. These valuations are based on valuations performed by Jones Lang LaSalle Property Consultants India Private Limited, an accredited independent valuer. A valuation model in accordance with that recommended by the International Valuation Standards Committee has been applied.
- The fair value of the Company's investment properties have been arrived at using discounted cash flow method. Under discounted cash flow method, cash flow projections based on reliable estimates of cash flow are discounted. The main inputs used are rental growth rate, expected vacancy rates, terminal yields and discount rates which are based on comparable transactions and industry data.

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

	Rs. in Millions	
	As at March 31, 2020	As at March 31, 2019
Assets for which fair values are disclosed		
Investment property		
Level 1	-	-
Level 2	-	-
Level 3	2,733.05	2,866.50

4. Amounts recognized in statement of profit and loss for investment property.

	Rs. in Millions	
	March 31, 2020	March 31, 2019
Rental income derived from investment properties	288.37	330.17
Less : Expenses (including repairs and maintenance) generating rental income	177.12	146.46
Profit arising from investment properties before depreciation and indirect expenses	111.25	183.71
Less: Depreciation	76.43	86.53
Profit arising from investment properties before indirect expenses	34.82	97.18



Prestige Mangalore Retail Ventures Private Limited
Notes to the Financial Statements for the year ended March 31, 2020

5 Intangible Assets

Rs. in Millions

Particulars	Computer Software*	Total
Gross Carrying amount		
At April 1, 2018	0.95	0.95
Additions	0.16	0.16
Disposals	-	-
At March 31, 2019	1.11	1.11
At April 1, 2019	1.11	1.11
Additions	-	-
Disposals	-	-
At March 31, 2020	1.11	1.11
Accumulated depreciation		
At April 1, 2018	0.70	0.70
Charge for the year	0.23	0.23
Disposals	-	-
At March 31, 2019	0.93	0.93
At April 1, 2019	0.93	0.93
Charge for the year	0.08	0.08
Disposals	-	-
At March 31, 2020	1.01	1.01
Net carrying amount as at March 31, 2020	0.10	0.10
Net carrying amount as at March 31, 2019	0.18	0.18

*Owned unless otherwise stated.



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Prestige Mangalore Retail Ventures Private Limited
Notes to the financial statements for the year ended March 31, 2020

6 Loans (Non-Current)

Particulars	Rs. in Millions	
	As at March 31, 2020	As at March 31, 2019
Unsecured, considered good		
Carried at amortised cost		
Security deposits	24.11	24.11
Less: Provision for Security Deposits	(4.68)	-
	19.43	24.11

6.1 Other financial assets (Non-Current)

Particulars	Rs. in Millions	
	As at March 31, 2020	As at March 31, 2019
Receivable from land owner	73.59	66.93
Less: Provision for Doubtful receivables	(73.59)	(66.93)
	-	-

7 Income tax assets (net)

Particulars	Rs. in Millions	
	As at March 31, 2020	As at March 31, 2019
Tax payments (net of provision)	87.50	80.37
	87.50	80.37

8 Other non-current assets

Particulars	Rs. in Millions	
	As at March 31, 2020	As at March 31, 2019
Unsecured, considered good		
Capital advances	4.43	2.45
Balances with government authorities*	-	2.22
Prepaid expenses	0.23	0.38
	4.66	5.05

*Paid under protest (Refer Note No.32 Contingent Liabilities)

9 Inventories (At lower of cost and net realisable value)

Particulars	Rs. in Millions	
	As at March 31, 2020	As at March 31, 2019
Stock of Raw Materials		
-Diesel	2.61	1.65
-Beverages	0.10	0.13
-Others	3.78	3.26
	6.49	5.04



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Prestige Mangalore Retail Ventures Private Limited
Notes to the financial statements for the year ended March 31, 2020

10 Trade receivables (Unsecured)

Particulars	Rs. in Millions	
	As at March 31, 2020	As at March 31, 2019
Dues from related parties- Considered good	0.17	0.60
Dues from Others		
Considered good	27.68	33.47
Considered doubtful	2.28	1.05
Less : Provision for expected credit loss allowances	(2.28)	(1.05)
	27.85	34.07

Movement in provision for doubtful receivables (expected credit loss allowance) is given below:

Particulars	Rs. in Millions	
	As at March 31, 2020	As at March 31, 2019
Balance at the beginning of the year	1.05	4.48
Movement during the year, net	1.23	(3.43)
Balance at the end of the year	2.28	1.05

11 Cash and cash equivalents

Particulars	Rs. in Millions	
	As at March 31, 2020	As at March 31, 2019
Cash on hand	0.02	0.04
Balances with banks		
- in Current accounts	9.35	1.93
	9.37	1.97

12 Other bank balances

Particulars	Rs. in Millions	
	As at March 31, 2020	As at March 31, 2019
In earmarked balances		
- Bank balance in escrow account	4.33	15.35
- in Fixed Deposit	14.20	-
	18.53	15.35

13 Other financial assets (Current)

Particulars	Rs. in Millions	
	As at March 31, 2020	As at March 31, 2019
Unsecured		
Unbilled revenue	4.75	9.67
Interest Accrued on Fixed Deposit with Bank	0.08	-
	4.83	9.67

14 Other current assets

Particulars	Rs. in Millions	
	As at March 31, 2020	As at March 31, 2019
Unsecured, considered good		
Prepaid expenses	2.10	1.91
Other advances	0.11	-
Gift vouchers on hand	0.25	0.26
Advance paid to suppliers	0.93	-
Other Receivables	0.96	0.91
	4.35	3.08



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Prestige Mangalore Retail Ventures Private Limited
Notes to the financial statements for the year ended March 31, 2020

15 Equity share capital

Particulars	Rs. in Millions	
	As at March 31, 2020	As at March 31, 2019
Authorised capital		
10,000,000 Equity shares of Rs.10 each (as at March 31, 2019: 10,000,000)	100.00	100.00
Issued, subscribed and fully paid up capital		
8,940,206 Equity shares of Rs.10 each (as at March 31, 2019: 8,940,206)	89.40	89.40
	89.40	89.40

a Reconciliation of the number of shares outstanding at the beginning and at the end of the year

Particulars	Rs. in Millions			
	As at March 31, 2020		As at March 31, 2019	
	No of shares	Amount	No of shares	Amount
Equity shares				
At the beginning of the year	89,40,206	89.40	89,40,206	89.40
Issued during the year	-	-	-	-
Outstanding at the end of the year	89,40,206	89.40	89,40,206	89.40

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

Name of the share holder	Rs. in Millions			
	As at March 31, 2020		As at March 31, 2019	
	No of shares	% of holding	No of shares	% of holding
Prestige Retail Ventures Limited	89,40,205	99.99%	89,40,205	99.99%

c Shares reserved for issue under options and other commitments

For details of shares reserved for issue on conversion of compulsorily convertible debentures, please refer note 16.3 (i) regarding terms of conversion of compulsorily convertible debentures into equity shares.

d Rights and restrictions attached to shares

The Company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in ensuing Annual General Meeting. In event of liquidation of the Company, the holders of equity shares would be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

- e** There has been no buy back of shares, issue of shares by way of bonus shares or issue of shares pursuant to contract without payment being received in cash for the period of five years immediately preceding the date of the balance sheet.

16 Other equity

Particulars	Note No.	Rs. in Millions	
		As at March 31, 2020	As at March 31, 2019
Securities premium	16.1	245.00	245.00
Retained earnings	16.2	(863.16)	(774.03)
Equity component of compound financial instrument (Compulsorily Convertible Debentures)	16.3	1,405.97	1,405.97
		787.81	876.94



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Prestige Mangalore Retail Ventures Private Limited
Notes to the financial statements for the year ended March 31, 2020

16.1 Securities Premium

Particulars	Rs. in Millions	
	As at March 31, 2020	As at March 31, 2019
Opening balance	245.00	245.00
Add: Additions during the year	-	-
Less : Utilised for Issue expenses	-	-
	245.00	245.00

Amount received on issue of shares in excess of par value has been classified as Securities Premium. The same can be utilised in accordance with the provision of the Act.

16.2 Retained earnings

Particulars	Rs. in Millions	
	As at March 31, 2020	As at March 31, 2019
Opening balance	(774.03)	(675.69)
Add: Net profit for the year	(89.20)	(98.10)
Add: Other comprehensive income arising from remeasurements of the defined benefit liabilities / (asset) (net of tax)	0.07	(0.24)
	(863.16)	(774.03)

The amount that can be distributed by the Company as dividends to its equity shareholders is determined considering the requirements of the Companies Act, 2013.

16.3 Equity component of financial instrument (Compulsorily Convertible Debentures) :

Particulars	As at	
	March 31, 2020	March 31, 2019
Opening balance	1,405.97	1,405.97
Add: Additions during the year	-	-
Less : Converted into equity during the year	-	-
	1,405.97	1,405.97

Terms and conditions

(i) The compulsorily convertible debentures (CCDs) shall, upon the approval by the Board of Directors, be mandatorily and fully converted into equity shares on expiry as specified in the CCD certificates from the date of allotment. The CCDs shall be converted at a conversion ratio of 100 debentures of Rs 10 each into 1 equity share of Rs.10 each unless otherwise agreed to by the Board of Directors.

(ii) No interest shall be payable on the CCDs.

(iii) Conversion dates of CCD's based on the descending order of maturity:

No. of CCD's	Value of each CCD (in Rs.)	Date of conversion
11,89,72,335	10	31-08-2021
16,24,355	10	12-09-2021
2,00,00,000	10	15.09.2021

The conversion of CCDs was extended vide approval at the Board Meeting dated 11.03.2020



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Prestige Mangalore Retail Ventures Private Limited
Notes to the financial statements for the year ended March 31, 2020

17 Borrowings (Non-Current)

Particulars	Note No.	Rs. in Millions	
		As at March 31, 2020	As at March 31, 2019
Carried at amortised cost			
Term loans (Secured)			
- From banks	17.1	547.22	645.46
Unsecured			
- From related parties*		252.87	132.50
		800.09	777.96
Aggregate amount of loans guaranteed by Prestige Estates Projects Limited (Ultimate Holding Company) and Directors		547.22	645.46

17.1 Details of securities and repayment terms

Term loans from a Bank is secured by:

- Assignment of net future lease rentals of Prestige Forum Fiza Mall for a period of 12 years amounting to Rs. 1769.30 millions.
- Equitable mortgage on 68% of project land admeasuring 5.74 acres bearing T.S No. 210, Attavar Village, Cantonment Ward, located at Pandeswar road, Mangalore alongwith proportionate share in the mall Forum Fiza Mall constructed thereon.
- First charge on the escrow account where rental proceeds will be deposited.

iv) Corporate guarantee by Prestige Estates Projects Limited (Ultimate Holding Company)

v) Personal guarantee of:

Mr. Irfan Razack

Mr. Rezwan Razack

Mr. Noaman Razack

Repayment and interest terms

The above term loan is repayable in 144 monthly instalments starting from the year 2015-16. The term loan carries an interest rate of base rate plus 0.25% per annum presently at 10.35% on the outstanding amount of loan. As at March 31, 2020, 88 instalments are outstanding (March 31, 2019: 99 instalments)

During the year, the company has availed the moratorium as announced by RBI for COVID-19 regulatory package (vide notification (No.: RBI/2019-20/186, dt Mar 27, 2020)), for deferment of payment of installment pertaining to March, 2020.

Default in repayment of principal, interest and other terms

There is no default in the payment of principal and interest to banks during the current year.

18 Other financial liabilities (Non-Current)

Particulars		Rs. in Millions	
		As at March 31, 2020	As at March 31, 2019
Carried at amortised cost			
Lease deposits		14.60	10.83
Interest accrued but not due on borrowings		32.93	17.14
Capital creditors dues to Related Party		63.46	63.46
		110.99	91.43

19 Provisions (Non-Current)

Particulars	Note No.	Rs. in Millions	
		As at March 31, 2020	As at March 31, 2019
Provision for employee benefits			
- Provision for gratuity	39	2.58	1.99
- Provision for compensated absences	39	0.77	0.37
		3.35	2.36

20 Other non-current liabilities

Particulars		Rs. in Millions	
		As at March 31, 2020	As at March 31, 2019
Advance rent		1.55	1.65
		1.55	1.65



Prestige Mangalore Retail Ventures Private Limited
Notes to the financial statements for the year ended March 31, 2020

21 Trade payables

		Rs. in Millions	
Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
Carried at amortised cost			
Unsecured			
- Total outstanding dues of related parties		7.76	7.29
- Total outstanding dues of micro enterprises and small enterprises	38	12.50	0.45
- Total outstanding dues of creditors other than micro enterprises and small enterprises		30.20	35.00
		50.46	42.74

22 Other financial liabilities (Current)

		Rs. in Millions	
Particulars	Note No	As at March 31, 2020	As at March 31, 2019
Carried at amortised cost			
Current maturities of long-term debt (Secured)	17.1	92.89	101.76
Interest accrued but not due on borrowings		5.66	6.59
Interest accrued and due on borrowings (Refer Note below)		1.50	1.50
Lease deposits		90.03	92.80
Retention creditors		12.11	13.21
Capital creditors		21.54	14.44
Other expenses payable and accruals		58.54	58.05
		282.27	288.35

Note:

Details of default in repayment of principal and interest as at March 31, 2020 and March 31, 2019:

		Rs. in Millions	
Name of Entity		As at March 31, 2020	As at March 31, 2019
Thomsun Realtors Private Limited			
Amount of principal overdue		-	-
Amount of interest overdue		1.50	1.50
Period of default		2554 days	2188 days

23 Provisions (Current)

		Rs. in Millions	
Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
Provision for employee benefits			
- Provision for gratuity	39	0.13	0.10
- Provision for compensated absences	39	0.09	0.03
		0.22	0.13

24 Other current liabilities

		Rs. in Millions	
Particulars		As at March 31, 2020	As at March 31, 2019
Withholding and other taxes and duties payable		2.10	3.77
Unearned Revenue		0.25	-
Advance from Customers		2.24	2.66
Others*		3.62	-
Advance rent		1.58	0.73
		9.79	7.16

*Others represents excess money received from customers to be refunded/adjusted



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25 Revenue from operations

Rs. in Millions			
Particulars	Note No.	Year ended March 31, 2020	Year ended March 31, 2019
Facility rental		133.21	155.51
Maintenance and Marketing income		155.16	174.66
Sale of beverages		2.80	2.90
Other operating revenues		1.49	3.36
Recovery of net operating expenses	42	11.66	-
		304.32	336.43

26 Other income

Rs. in Millions			
Particulars		Year ended March 31, 2020	Year ended March 31, 2019
Interest income on electricity deposit		1.03	1.02
Liability / Provision no longer required written back		0.86	4.39
Interest on Income tax Refund		1.56	-
Interest on Fixed Deposits		0.09	-
		3.54	5.41

27 Cost of beverages sold

Rs. in Millions			
Particulars		Year ended March 31, 2020	Year ended March 31, 2019
Opening stock		0.13	0.17
Add: Purchases during the year		1.09	1.02
Less: Closing stock		(0.10)	(0.13)
		1.12	1.06

28 Employee benefits expense

Rs. in Millions			
Particulars	Note No.	Year ended March 31, 2020	Year ended March 31, 2019
Salaries and wages		32.88	25.69
Contribution to provident and other funds	39	1.82	1.67
Gratuity expense		0.69	0.60
Staff welfare expenses		1.96	2.26
		37.35	30.22

29 Finance costs

Rs. in Millions			
Particulars		Year ended March 31, 2020	Year ended March 31, 2019
Interest on long-term borrowings		72.10	81.85
Interest on lease deposits		0.97	1.03
Interest on Inter Corporate Deposits		16.04	10.35
		89.11	93.23

30 Other expenses

Rs. in Millions			
Particulars		Year ended March 31, 2020	Year ended March 31, 2019
Power and fuel (Net of recoveries of Rs.42.03 Millions, and March 31, 2019 : Rs.53.06 Millions)		58.85	59.21
Security expenses and housekeeping		44.34	46.32
Business promotion		13.68	14.24
Repairs and maintenance to investment property		1.23	2.22
Repairs and maintenance - Others		12.87	14.77
Rates and taxes		11.23	9.71
Legal and professional charges		1.83	2.27
Centre Management Fee		34.92	-
Communication		0.12	0.15
Travelling expenses		0.46	0.24
Printing and stationery		0.14	0.09
Insurance		1.66	0.95
Provision for Doubtful receivables from Land Owner		6.66	66.93
Provision for Doubtful Trade Receivables		2.28	1.05
Net operating expenses (Refer Note 42)		-	7.58
Miscellaneous expenses		0.07	0.12
		190.34	225.85



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31 Auditors' remuneration (included in legal and professional fees, excluding GST/Service Tax)

Particulars	Rs. in Millions	
	Year ended March 31, 2020	Year ended March 31, 2019
Payment to auditors		
For statutory audit	0.80	0.70
For reimbursement of out of pocket expenses	0.06	0.23
	0.86	0.93

(i) The company avails input credit for GST/service tax. Hence no service tax/GST expense is accrued.

32 Contingent liabilities

Particulars	Rs. in Millions	
	Year ended March 31, 2020	Year ended March 31, 2019
Claims against the company not acknowledged as debt.		
In respect of Indirect tax matter		
Demand notice under Service Tax, received from Commissioner of Central Tax (F.Y. 2014-15). No reimbursements are expected.	-	29.54

Company has received demand notice in FY 2017-18 for Rs 29.54 Million from Commissioner of Central Tax on account for non collection of service tax on electricity charges during FY 2014-15. Company filed an appeal against this order to the Principle Commissioner of Central Tax (Appeal) Bengaluru and had paid Rs 2.22 Million as deposit under protest in FY 2018-19. In current year, Company has filed application under SABKA VISHWAS (LEGACY DISPUTE RESOLUTION) SCHEME RULES, 2019 and received the Discharge Certificate in Form SVLDRS 4 with respect to the above mentioned demand. Accordingly, Company has expensed the amount of Rs. 2.22 Million which was earlier recorded as "Balance with government authorities" in Note 8.

33 Loss per share

Particulars	Rs. in Millions	
	Year ended March 31, 2020	Year ended March 31, 2019
Net (loss) for the year attributable to equity shareholders (Rs. in Millions)	(89.20)	(98.10)
Weighted average number of equity shares of Rs 10 each used for calculation of basic and diluted earnings per share	10.35	10.35
Earnings/ (loss) per share, basic and diluted (Rs.)	(8.62)	(9.48)

Since the Compulsorily Convertible Debentures issues are anti-dilutive, the effects of the same are ignored while computing Diluted Earnings per share for the year ended March 31, 2020.

34 Related parties

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

Ultimate Holding Company

Prestige Estates Projects Limited (w.e.f June 11, 2018)

Holding Company

Prestige Retail Ventures Limited (w.e.f June 11, 2018)

Enterprises having joint control

Prestige Estates Projects Limited (upto June 11, 2018)

Prestige Retail Ventures Limited (upto June 11, 2018)

Other group companies

Prestige Golf Resorts Private Limited

Prestige Garden Constructions Private Limited

Prestige Hyderabad Retail Ventures Pvt Ltd (Formerly known as Babji Realtors Private Limited)

Thomsun Realtors Private Limited

Prestige Fashions Private Limited

Prestige Shanthiniketan Leisures Private Limited

Prestige Mysore Retail Ventures Private Limited

Prestige Retail Mall Management Private Limited

Prestige Amusements Private Limited



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Prestige Mangalore Retail Ventures Private Limited

Notes to the financial statements for the year ended March 31, 2020

Partnership firm in which the directors and shareholders of the Company are partners

Prestige Property Management and Services

Key management personnel

Mr. Faiz Rezwan , Managing Director

Mr. Irfan Razack, Director

Mr. Jagdeesh Reddy

Mr. Biji George Koshy

Relative of key management personnel

Mr. Irfan Razack

Mr. Rezwan Razack

Mr. Noaman Razack

(ii) Related party transactions entered during the year

Particulars	Rs. in Millions	
	Year ended March 31, 2020	Year ended March 31, 2019
Borrowings		
<i>Ultimate Holding Company</i>		
Prestige Estates Projects Limited	37.37	13.50
	<u>37.37</u>	<u>13.50</u>
<i>Holding Company</i>		
Prestige Retail Ventures Limited	83.00	29.00
	<u>83.00</u>	<u>29.00</u>
Centre Management Fee		
<i>Other group companies</i>		
Prestige Retail Mall Management Private Limited	34.92	-
	<u>34.92</u>	<u>-</u>
Services rendered		
<i>Other group companies</i>		
Prestige Fashions Private Limited		
Facility Rentals	1.15	1.85
Maintenance & Marketing Income	1.51	2.70
	<u>2.66</u>	<u>4.55</u>
Interest on Borrowings		
<i>Ultimate Holding Company</i>		
Prestige Estates Projects Limited	10.97	9.89
<i>Holding Company</i>		
Prestige Retail Ventures Limited	6.11	0.46
	<u>17.08</u>	<u>10.35</u>

(iii) Amount outstanding as at the balance sheet date

Particulars	Rs. in Millions	
	Year ended March 31, 2020	Year ended March 31, 2019
Compulsorily convertible debentures		
<i>Holding Company</i>		
Prestige Retail Ventures Limited	1,405.97	1,405.97
	<u>1,405.97</u>	<u>1,405.97</u>

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Prestige Mangalore Retail Ventures Private Limited
Notes to the financial statements for the year ended March 31, 2020

Capital Creditors

Ultimate Holding Company

Prestige Estates Projects Limited	63.46	63.46
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Trade Payables

Ultimate Holding Company

Prestige Estates Projects Limited	5.22	5.22
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Other group companies

Prestige Garden Constructions Private Limited	1.04	0.52
Prestige Golf Resorts Private Limited	-	0.13
Prestige Hyderabad Retail Ventures Private Limited	1.42	1.42
Prestige Fashions Pvt Ltd	0.08	-
	<u>7.76</u>	<u>7.29</u>

Other expenses payable and accruals

Other group companies

Prestige Retail Mall Management Private Limited	-	52.64
Prestige Amusements Private Limited	52.15	-
	<u>52.15</u>	<u>52.64</u>

Borrowings

Ultimate Holding Company

Prestige Estates Projects Limited	140.87	103.50
	<u>140.87</u>	<u>103.50</u>

Holding Company

Prestige Retail Ventures Limited	112.00	29.00
	<u>112.00</u>	<u>29.00</u>

Interest accrued but not due on Borrowings

Ultimate Holding Company

Prestige Estates Projects Limited	27.01	16.72
	<u>27.01</u>	<u>16.72</u>

Holding Company

Prestige Retail Ventures Limited	5.91	0.41
	<u>5.91</u>	<u>0.41</u>

Interest accrued and due

Other group companies

Thomsun Realtors Private Limited	1.50	1.50
	<u>1.50</u>	<u>1.50</u>

Trade Receivables

Other group companies

Prestige Fashions Private Limited	0.05	0.28
Facility Rentals	0.12	0.32
Maintenance & Marketing Income	0.17	0.60
	<u>0.17</u>	<u>0.60</u>

Guarantees and collaterals taken

Ultimate Holding Company

Prestige Estates Projects Limited	1,000.00	1,000.00
	<u>1,000.00</u>	<u>1,000.00</u>

Relative of key management personnel

Personal Guarantee given by Relatives of Directors	1,000.00	1,000.00
	<u>1,000.00</u>	<u>1,000.00</u>

- Related parties have been identified by the Management and relied upon by the Auditors.
- The Company has not written off any amount from the related parties during the year.
- These loans are taken for business purposes.
- The above amounts excludes Reimbursement of expenses.



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35 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:

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

Particulars	Rs. in Millions			
	March 31, 2020		March 31, 2019	
	Fair Value through profit and loss	Cost/ Amortised Cost	Fair Value through profit and loss	Cost/ Amortised Cost
Financial assets				
Trade receivable	-	27.85	-	34.07
Cash and cash equivalents	-	9.37	-	1.97
Other bank balances	-	18.53	-	15.35
Loans	-	19.43	-	24.11
Other financial assets	-	4.83	-	9.67
Total assets	-	80.01	-	85.17
Financial liabilities				
Amortised cost				
Borrowings	-	800.09	-	777.96
Trade payables	-	50.46	-	42.74
Other financial liabilities	-	393.26	-	379.78
Total liabilities	-	1,243.81	-	1,200.48

Fair Value Hierarchy:

	Rs. in Millions	
	March 31, 2020	March 31, 2019
Assets measured at fair value		
Level 1	-	-
Level 2	-	-
Level 3	-	-

36 Financial risk management

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 real estate operations. The Company's principal financial assets include Trade Receivables, Cash and cash equivalents, loans and refundable deposits that derive directly from its operations.

The Company is exposed to Market risk, credit risk and liquidity risk. The Company's Board of Directors 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.

I 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 risk. The Company has no exposure to commodity prices as it does not deal in derivative instruments whose underlying is a commodity. Financial instruments affected by Market risk include loans and borrowings and refundable deposits.

The sensitivity analysis in the following sections relate to the position as at March 31, 2020 and March 31, 2019. The sensitivity analysis have been prepared on the basis that the amount of net debt and the ratio of fixed to floating interest rates of the debt.

The analysis exclude the impact of movements in Market variables on: the carrying values of gratuity and other post retirement obligations; provisions.

The following assumptions have been made in calculating the sensitivity analysis:



Prestige Mangalore Retail Ventures Private Limited
Notes to the financial statements for the year ended March 31, 2020

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective Market risks. This is based on the financial assets and financial liabilities held at March 31, 2020 and March 31, 2019.

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 and short-term debt obligations with floating interest rates.

The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate borrowings. The Company does not have any interest rate swaps.

Interest rate sensitivity

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

Effect on loss before tax

Particulars	Rs. in Millions	
	For the year ended	
	March 31, 2020	March 31, 2019
Decrease in interest rate by 50 basis points	(3.20)	(3.74)
Increase in interest rate by 50 basis points	3.20	3.74

II Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including refundable joint development deposits, security deposits, loans to employees and other financial instruments.

Trade receivables

Receivables towards rental receivables - The Company is not substantially exposed to credit risk as Company collects security deposits from lessee.

Financial Instrument and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Company's Finance Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments. The Company's maximum exposure to credit risk for the components of the statement of financial position at March 31, 2020 and March 31, 2019 is the carrying amounts.

III Liquidity risk

The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank deposits and loans. The table below summarises the maturity profile of the Company's financial liabilities based on contractual payments:

Particulars	As at March 31, 2020				
	Carrying amount	Total	Less than 1 year	1-2 years	2 years and above
Borrowings	800.09	800.09	-	98.01	702.08
Trade payables	50.46	50.46	50.46	-	-
Other financial liabilities	393.26	393.26	282.27	6.60	104.39

Particulars	As at March 31, 2019				
	Carrying amount	Total	Less than 1 year	1-2 years	2 years and above
Borrowings	777.96	777.96	-	236.91	541.05
Trade payables	42.74	42.74	42.74	-	-
Other financial liabilities	379.78	379.78	288.35	91.43	-



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Prestige Mangalore Retail Ventures Private Limited
Notes to the financial statements for the year ended March 31, 2020
37 Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maintain strong credit rating and healthy capital ratios in order to support its business and maximise the shareholder value.

The Company, through its Board of Directors manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using debt equity ratio, which is net debt divided by total capital. The Company's policy is to keep the debt equity ratio below 1.00. The Company includes within net debt, interest bearing loans and borrowings (excluding borrowings from group companies) less cash and cash equivalents, current investments, other bank balances and Margin money held with banks. The disclosure below could be different from the debt and equity components which have been agreed with any of the lenders.

The capital structure is as follows:

Rs. in Millions

Particulars	Note	As at	As at
		March 31, 2020	March 31, 2019
Borrowings - Non Current	17	800.09	777.96
Current maturities of long term borrowings	22	92.89	101.76
Less: Borrowings from related parties	17	(252.87)	(132.50)
Less: Cash and cash equivalents	11	(9.37)	(1.97)
Less: Other bank balances	12	(18.53)	(15.35)
Net debt		612.21	729.90
Equity		877.21	966.34
Total capital		1,489.42	1,696.24
Debt equity ratio		0.41	0.43

- 38 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 2020 has been made in the financial statements based on information received and available with the Company. Further in view of the Management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. The dues to micro and small enterprises as at 31 March 2020 and 31 March 2019 are as follows:

Particulars	For the year ended	
	31 March 2020	31 March 2019
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
- Principal	12.50	0.45
- Interest	0.00	0.00
The amount of interest paid by the buyer in terms of section 16 of the Micro, small, and medium enterprises Development Act, 2006 (the Act) along with the amount of the payment made to the supplier beyond the appointed day during each accounting year,	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the said Act	-	-
The amount of interest accrued and remaining unpaid at the end of each year; and	-	-
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.	-	-



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39 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	
	Year ended 31 March 2020	Year ended 31 March 2019
Employers' Contribution to Provident Fund	1.82	1.67
Employees' State Insurance	0.21	0.33
	2.03	2.00

Note: The contributions payable to the above plan 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 employees last drawn basis salary per month.

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.

Particulars	Rs. in Millions	
	For the year ended 31 March 2020	For the year ended 31 March 2019
Components of defined benefit cost		
Current Service cost	0.50	0.45
Interest expenses / (income) net	0.19	0.15
Components of defined benefit cost recognised in profit or loss	0.69	0.60
Remeasurement (gains)/ losses in OCI:		
Return on plan assets (greater) less than discount rate	-	-
Actuarial (Gain) / loss for changes in financial assumptions	(0.00)	0.01
Actuarial (Gain) / loss due to experience adjustments	(0.07)	0.23
Components of defined benefit cost recognised in other comprehensive income	(0.07)	0.24
Total components of defined benefit cost for the year	0.62	0.84

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:

Particulars	Rs. in Millions	
	As at March 31, 2020	As at March 31, 2019
Present value of unfunded defined benefit obligation	2.71	2.09
Fair value of plan assets	-	-
Net liability arising from defined benefit obligation	2.71	2.09

- 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
Opening defined benefit obligation	2.09	1.25
Current service cost	0.50	0.45
Interest cost	0.19	0.15
Actuarial (Gain) / loss (through OCI)	(0.07)	0.24
Benefits paid	-	-
Closing defined benefit obligation	2.71	2.09

- 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
Opening Fair Value of Plan Assets	-	-
Expected return on plan asset	-	-
Contributions by Employer	-	-
Benefits paid	-	-
Actuarial Gain / (loss) (through OCI)	-	-
Closing Fair Value of Plan Assets	-	-

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

Fair value of plan assets	-	-
Present Value of Defined Benefit Obligation	2.71	2.09
Net asset/(liability) recognised in balance sheet	(2.71)	(2.09)



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f. Actuarial Assumptions

Discount rate	6.70%	7.70%
Expected rate of salary increase	6.00%	6.00%
Attrition rate	5.00%	5.00%
Retirement age	58 years	58 years
Mortality rates*	100% of IAL	100% of IAL
* IAL : India Assured Lives Mortality (2012-14) Ultimate		

g. Sensitivity analysis

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analyses 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.

		Rs. in Millions	
		As at March 31, 2020	As at March 31, 2019
Impact on defined benefit obligation:			
Discount rate	Increase by 100 basis points	(0.30)	(0.22)
	Decrease by 100 basis points	0.35	0.26
Salary escalation rate	Increase by 100 basis points	0.37	0.28
	Decrease by 100 basis points	(0.31)	(0.23)
Employee attrition rate	Increase by 1000 basis points	0.01	0.01
	Decrease by 1000 basis points	(0.01)	(0.01)

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	As at March 31,				
	2020	2019	2018	2017	2016
Defined benefit obligation	2.71	2.09	1.25	0.88	0.56
Fair value of plan assets	-	-	-	-	-
(Surplus)/deficit	2.71	2.09	1.25	0.88	0.56
Experience adjustment on liabilities gain/(loss)	(0.07)	0.23	0.01	0.14	0.08
Experience adjustment on plan assets gain/(loss)	-	-	-	-	-

(iii) Other Employee Benefits - Compensated absences

The following table shows the group's liability for compensated leave and is not funded.

Leave encashment benefit expensed in the Statement of Profit and Loss for the year is Rs. 0.45 millions (March 31, 2019: Rs. 0.05 millions)

Leave encashment benefit outstanding is Rs. 0.86 millions (March 31, 2019 : Rs. 0.40 millions)

40 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. 288.37 millions (for the year ended March 31, 2019 : 330.17 millions)

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

Particulars	Rs. in Millions	
	As at March 31, 2020	As at March 31, 2019
Not later than 1 year	40.92	25.63
Later than 1 year and not later than 5 years	27.29	11.46
Later than 5 years	-	-
Total	68.21	37.09

41 Deferred tax

In view of the accumulated losses and in accordance with Ind AS 12 - "Income Taxes", the management believes that there is no reasonable certainty supported by convincing evidence for recognising deferred tax asset on carry forward losses.

42 The Company has entered into a Commercial Agreement ("the agreement") with the Land Owner whereby it has been agreed that the net operating profit / loss, from operating the mall, as defined and computed in terms of clause 10.1 of the agreement, shall be shared between the Company and the Land Owner in the ratio of 68:32 respectively. In accordance with the agreement, the Company has computed a net receivable as at March 31, 2020 amounting to Rs. 73.59 millions (March 31, 2019 amounting to Rs. 66.93 millions). This receivable mainly includes the initial refundable deposit given to the Land Owner by the Company, the Land Owner share of operating losses over the years reduced by the Land Owner share of lease deposits directly received by the Company under authorisation from the Land Owner.

Currently the operations of the Mall are yielding surpluses and as such the Land Owner is entitled to share of 32% of such surplus. However, the Land Owner share of the surplus is being utilised to set off the receivables from the Land Owner. Additionally, the Land Owner share of incomes collected from short term leases of Kiosk space, incomes from Signage and advertising rentals from spaces on hire are also being used to adjust the receivables from the Land Owner. Further, based on an internal assessment carried out by the Management, the dues recoverable from the landlord are considered doubtful of recovery and accordingly, provision for the full dues outstanding as at March 31, 2020 has been recorded.



Prestige Mangalore Retail Ventures Private Limited
Notes to the financial statements for the year ended March 31, 2020

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. The Company's operations are in India only.

44 The Company has accumulated losses of Rs. 863.16 Million and its current liabilities exceeded its current assets by Rs. 271.32 Million as at 31 March, 2020. These financial information have been prepared on a going concern basis on the basis of the business plans of the Company and the continued financial support expected to be received from the ultimate parent Company. These financial information, therefore, do not include any adjustments relating to the Company's assets or liabilities that may be necessary if the Company was unable to continue as a going concern.

45 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.

Signatures to Notes 1 to 45

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS



Irfan Razack
Director
DIN : 00209022

Faiz Rezwan
Managing Director
DIN : 01217423

Place: Bengaluru
Date:

June 19, 2020

Place: Bengaluru
Date:

June 19, 2020 .

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