

B S R & Co. LLP

Chartered Accountants

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Independent Auditor's Report

To the Members of Finesse Mall and Commercial Real Estate Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Finesse Mall and Commercial Real Estate Private Limited (the "Company") which comprise the balance sheet as at 31 March 2023, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, 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 financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and its loss and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules 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 opinion on the financial statements.

Management's and Board of Directors' Responsibilities for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management and Board of Directors are responsible for

Registered Office:

B S R & Co. (a partnership firm with Registration No. BA61223) converted into B S R & Co. LLP (a Limited Liability Partnership with LLP Registration No. AAB-8181) with effect from October 14, 2013

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Independent Auditor's Report (Continued)

Finesse Mall and Commercial Real Estate Private Limited

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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is 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 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 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 Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements 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 the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of financial statements 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.

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 relationships 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 the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement

Independent Auditor's Report (Continued)

Finesse Mall and Commercial Real Estate Private Limited

on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2 A. 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 (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
- e. On the basis of the written representations received from the directors as on 22 May 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. 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:

- a. The Company does not have any pending litigations which would impact its financial position.
- b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- d (i) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 21(g) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (ii) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 21(g) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.
- e. The Company has neither declared nor paid any dividend during the year.
- f. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and

Independent Auditor's Report (Continued)

Finesse Mall and Commercial Real Estate Private Limited

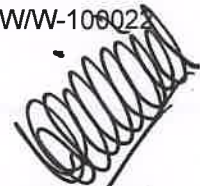
Auditors) Rules, 2014 is not applicable.

- C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act. In our opinion and according to the information and explanations given to us, the Company has not paid/provided for any managerial remuneration. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No.:101248W/W-106022



Viren Soni

Partner

Place: Mumbai

Date: 22 May 2023

Membership No.: 117694

ICAI UDIN:23117694BGYCXE9899

Annexure A to the Independent Auditor's Report on the Financial Statements of Finesse Mall and Commercial Real Estate Private Limited for the year ended 31 March 2023

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) (a) (A) The Company neither owns any Property, Plant and Equipment nor has purchased any Property, Plant and Equipment during the year. Accordingly, clause 3(i)(a) (A) of the Order is not applicable.
(B) The Company does not have any Intangible asset. Accordingly, clause 3(i)(a)(B) of the Order is not applicable.
- (i) (b) The Company neither owns any Property, Plant and Equipment nor has purchased any Property, Plant and Equipment during the year. Accordingly, clause 3(i)(b) of the Order is not applicable.
- (c) The Company does not have any immovable property (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee). Accordingly, clause 3(i)(c) of the Order is not applicable.
- (d) The Company neither owns any Property, Plant and Equipment nor has purchased any Property, Plant and Equipment during the year. Accordingly, clause 3(i)(d) of the Order is not applicable.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The Company is a service company, primarily engaged in development and leasing of retail spaces. Accordingly, it does not hold any physical inventories. Accordingly, clause 3(ii)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned any working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. Accordingly, provisions of clauses 3(iii)(a) to 3(iii)(f) of the Order are not applicable to the Company.
- (iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has neither made any investments nor has it given loans or provided guarantee or security and therefore the relevant provisions of Sections 185 and 186 of the Companies Act, 2013 ("the Act") are not applicable to the Company. Accordingly, clause 3(iv) of the Order is not applicable.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the services provided by it. Accordingly, clause 3(vi) of the Order is not applicable.
- (vii) (a) The The Company does not have liability in respect of during the since effective 1 July 2017, these statutory dues has been subsumed into GST.

Annexure A to the Independent Auditor's Report on the Financial Statements of Finesse Mall and Commercial Real Estate Private Limited for the year ended 31 March 2023 (Continued)

According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not have any liability in respect of undisputed statutory dues including except Income tax. The Company has been regular in depositing Income tax dues with the appropriate authority.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not have liability on account Income-Tax were in arrears as at for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues relating to Income-Tax, which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that the Company has not used funds raised on short-term basis for long-term purposes except in the case of Inter Corporate Deposits amounting Rs. 3.59 lakhs which is repayable on demand and has been used for long term purpose.
- (e) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31 March 2023. Accordingly, clause 3(ix)(e) is not applicable.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies (as defined under the Act).
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of 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. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) Based on the information and explanations provided to us, the Company does not have a vigil mechanism and is not required to have a vigil mechanism as per the Act or SEBI (Listing

Annexure A to the Independent Auditor's Report on the Financial Statements of Finesse Mall and Commercial Real Estate Private Limited for the year ended 31 March 2023 (Continued)

Obligations and Disclosure Requirements) Regulations, 2015.

- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) The requirements as stipulated by the provisions of Section 177 of the Act are not applicable to the Company. In our opinion and according to the information and explanations given to us and on the basis of our examination of records of the Company, transactions with the related parties are in compliance with Section 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) (a) In our opinion and based on the information and explanations provided to us, the Company does not have an Internal Audit system and is not required to have an internal audit system as per Section 138 of the Act.
(b) In our opinion and based on the information and explanations provided to us, the Company does not have an internal audit system and is not required to have an internal audit system as per Section 138 of the Act. Accordingly, clause 3(xiv)(b) of the Order is not applicable.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
(d) According to the information and explanation provided to us, there is no core investment Company within the Group (as per the provision of the Core Investment Companies (Reserve Bank) Directions 2016) and under common brand name. Accordingly, reporting under clause 3(xvi)(d) of the Order is not applicable.
- (xvii) The Company has incurred cash losses of Rs 7.41 lakhs in the current financial year and Rs 1.18 lakhs in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) We draw attention to Note 1(h) to the financial statements which explains that the Company has incurred losses in current year and previous year and has accumulated losses as at 31 March 2023. Further, the Company's current liabilities exceed its current assets as at 31 March 2023 by Rs. 3.59 lakhs, mainly on account of inter-company deposits taken from the parent company. The Board of Directors and Management of the Company have independently assessed the Parent Company's ability and intent to provide such financial support. Accordingly, the financial statements have been prepared on a going concern basis and therefore, the assets and liabilities are recorded on the basis that the Company will be able to use or realize its assets at least at the recorded amounts and discharge its liabilities 'in the usual course of business. On the basis of the above and according to the information and explanations given to us, on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they

Annexure A to the Independent Auditor's Report on the Financial Statements of Finesse Mall and Commercial Real Estate Private Limited for the year ended 31 March 2023 (Continued)

fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) The requirements as stipulated by the provisions of Section 135 are not applicable to the Company. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

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

Chartered Accountants

Firm's Registration No.:101248WW-100022



Viren Soni

Partner

Place: Mumbai

Date: 22 May 2023

Membership No.: 117694

ICAI UDIN:23117694BGYCXE9899

Annexure B to the Independent Auditor's Report on the financial statements of Finesse Mall and Commercial Real Estate Private Limited for the year ended 31 March 2023

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

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

Opinion

We have audited the internal financial controls with reference to financial statements of Finesse Mall and Commercial Real Estate Private Limited ("the Company") as of 31 March 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference 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 (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 with reference to financial statements were 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to

Annexure B to the Independent Auditor's Report on the financial statements of Finesse Mall and Commercial Real Estate Private Limited for the year ended 31 March 2023 (Continued)

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 controls with reference to financial statements include 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No.:101248W/W-100622



Viren Soni

Partner

Place: Mumbai

Date: 22 May 2023

Membership No.: 117694

ICAI UDIN:23117694BGYCXE9899

Finesse Mall and Commercial Real Estate Private Limited

Balance Sheet as at March 31, 2023

(₹ in Lakhs)

Particulars	Notes	As at March 31, 2023	As at March 31, 2022
ASSETS			
Current assets			
(a) Financial Assets			
(i) Cash and Cash Equivalents	5	11.53	5.00
(b) Other Current Assets	6	0.01	-
TOTAL ASSETS		11.54	5.00
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity Share Capital	7	5.00	5.00
(b) Other Equity	8	(8.59)	(1.18)
Total Equity (A)		(3.59)	3.82
LIABILITIES			
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	9	10.00	-
(ii) Trade Payable			
- Total outstanding due of micro enterprises & small enterprises	10	0.90	1.08
- Total outstanding due of creditors other than micro enterprises & small enterprises	11	3.74	-
(iii) Other Financial Liabilities	12	0.49	0.10
(b) Other Current Liabilities			
Total Current Liabilities (B)		15.13	1.18
TOTAL EQUITY AND LIABILITIES (A+B)		11.54	5.00

Significant Accounting Policies and Notes to the Financial Statements

3 to 4
5 to 26

As per our Report of even date

For B S R & Co. LLP

Chartered Accountants

Firm Registration No.: 101248W/W-100022

For and on behalf of the Board of Directors
Finesse Mall and Commercial Real Estate Private Limited

Viren Soni
Partner
Membership No.: 117694



Harshal Vohra
Director
(DIN: 06947197)

Lalit Jain
Director
(DIN: 08715049)

Place : Mumbai
Date : May 22, 2023

Place: Mumbai
Date: May 22, 2023

Place: Mumbai
Date: May 22, 2023



Finesse Mall and Commercial Real Estate Private Limited

Statement of Profit and Loss for the year ended March 31, 2023

(₹ in Lakhs)

Particulars	Notes	For the Year ended March 31, 2023	For the period ended March 31, 2022
Income:			
(I) Total Income		-	-
Expenses:			
Finance Cost	13	4.16	-
Other Expenses	14	3.25	1.18
(II) Total Expenses		7.41	1.18
(III) Loss Before Tax (I-II)		(7.41)	(1.18)
Tax expenses:			
Current tax		-	-
Deferred tax		-	-
Total Tax Expenses		-	-
(A) Loss for the year		(7.41)	(1.18)
(B) Other Comprehensive Income/(loss)		-	-
Total Comprehensive Income/(loss) for the year (A+B)		(7.41)	(1.18)
Earning Per Equity Share:			
Basic EPS (Face Value of Rs. 10/- each)	20	(14.83)	(2.36)
Diluted EPS (Face Value of Rs. 10/- each)		(14.83)	(2.36)

Significant Accounting Policies and
Notes to the Financial Statements

3 to 4
5 to 26

As per our Report of even date

For B S R & Co. LLP

Chartered Accountants

Firm Registration No.: 101248W/W-100022

Viren Soni

Partner

Membership No.: 117694

For and on behalf of the Board of Directors

**Finesse Mall and Commercial Real Estate Private
Limited**



Harshal Vohra

Director

(DIN: 06947197)

Lalit Jain

Director

(DIN: 08715049)

Place : Mumbai

Date : May 22, 2023

Place: Mumbai

Date: May 22, 2023

Place: Mumbai

Date: May 22, 2023



Finesse Mall and Commercial Real Estate Private Limited

Statement of Cash Flows for the year ended March 31, 2023

(₹ in Lakhs)

Sr. No.	Particulars	For the year ended March 31, 2023	For the period ended March 31, 2022
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Loss before tax for the year	(7.41)	(1.18)
	Adjustment for non cash/non operating items:		
	Interest expenses	4.16	-
	Operating Cash Flow before working capital changes	(3.25)	(1.18)
	<u>Changes in Working Capital :</u>		
	Increase in Trade and other payables	3.56	1.18
	Increase in other current liabilities	0.39	-
	Increase in other current assets	(0.01)	-
	Cash generated from Operations	0.69	-
	Less: Income Taxes (Paid)/refunds received	-	-
	Net Cash generated from Operating Activities (A)	0.69	-
B	CASH FLOW FROM INVESTING ACTIVITIES (B)	-	-
C	CASH FLOW FROM FINANCING ACTIVITIES		
	Proceeds from the Inter corporate deposits received	1,858.00	-
	Inter corporate deposits repaid	(1,848.00)	-
	Interest on Inter corporate deposits	(4.16)	-
	Net Proceeds from issue of Equity shares	-	5.00
	Net Cash generated from Financing Activities (C)	5.84	5.00
	Net Increase in Cash and Cash Equivalents (A+B+C)	6.53	5.00
	Opening Balance of Cash and Cash Equivalents	5.00	-
	Closing Balance of Cash and Cash Equivalents	11.53	5.00

Notes:-

- a) Cash and Cash Equivalents include :
- Balances with banks
 - Cash on hand
 - Total**

11.53	5.00
-	-
11.53	5.00

- b) The above cash flow statement has been prepared using indirect method as prescribed in IND AS 7 cash flow statement specified under Section 133 of Companies Act 2013.
- c) The reconciliation of movements of liabilities to cash flows arising from financing activities is not applicable and hence not disclosed.

As per our report of even date

For B S R & Co. LLP

Chartered Accountants

Firm Registration No.: 101248W/W-100022

Viren Soni

Partner

Membership No.: 117694

Place : Mumbai

Date : May 22, 2023

For and on behalf of the Board of Directors

Finesse Mall and Commercial Real Estate Private Limited

Harshal Vohra

Director

(DIN: 06947197)

Place: Mumbai

Date: May 22, 2023

Lalit Jain

Director

(DIN: 08715049)

Place: Mumbai

Date: May 22, 2023



Finesse Mall and Commercial Real Estate Private Limited**Statement of changes in equity for the year ended March 31, 2023****Equity share capital****(₹ in Lakhs)**

Particulars	Opening balance as at April 01, 2022	Changes in equity share capital during the year	Closing balance as at March 31, 2023
50,000 (March 31, 2022: 50,000 shares) Equity Shares of Rs.10/- each	5.00	-	5.00
	5.00	-	5.00
Particulars	Opening balance as at March 03, 2022	Changes in equity share capital during the period	Closing balance as at March 31, 2022
50,000 (P.Y. Nil) Equity Shares of Rs.10/- each	-	5.00	5.00
	-	5.00	5.00

Other Equity

Particulars	Retained Earnings	Total
Balance as on April 01, 2022	(1.18)	(1.18)
Loss for the year	(7.41)	(7.41)
Balances at March 31, 2023	(8.59)	(8.59)
Particulars	Retained Earnings	Total
Balances at March 03, 2022	-	-
Loss for the period	(1.18)	(1.18)
Balances at March 31, 2022	(1.18)	(1.18)

Significant Accounting Policies and
Notes to the Financial Statements**3 to 4**
5 to 26

As per our Report of even date

For B S R & Co. LLP

Chartered Accountants

Firm Registration No.: 101248W/W-100022

Viren Soni

Partner

Membership No.: 117694

Place : Mumbai

Date : May 22, 2023

For and on behalf of the Board of Directors**Finesse Mall and Commercial Real Estate Private
Limited****Harshal Vohra**

Director

(DIN: 06947197)

Place: Mumbai

Date: May 22, 2023

Lalit Jain

Director

(DIN: 08715049)

Place: Mumbai

Date: May 22, 2023



Finesse Mall and Commercial Real Estate Private Limited

Notes to Financial Statements for the year ended March 31, 2023

1) Corporate Information:

The Company is a private limited company domiciled in India and is incorporated under the provisions of the Companies Act, 2013 ('the Act') applicable in India. The registered office of the company is located at C/o Marketcity Resources Pvt Ltd, R.R Hosiery building, Shree Laxmi Woollen Mills Estate premises, Dr. E Moses, Road, Mahalaxmi, Mumbai 400 011.

The Company is engaged in Investment Advisory, Mall Management and Project Development. The principal place of business is Marketcity Resources Pvt Ltd, R.R Hosiery building, Shree Laxmi Woollen Mills Estate premises, Dr. E Moses, Road, Mahalaxmi, Mumbai 400 011.

These financial statements were approved and adopted by the board of directors of the Company in their meeting dated May 22, 2023.

2) Basis of preparation of financial statements:

The Financial Statements have been prepared to comply in all material aspects with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended, and notified u/s 133 of the Act and other generally accepted accounting policies in India.

The significant accounting policies used in preparing financial statements are set out in Note 3 of the Notes to Financial Statements.

3) Significant Accounting Policies:

a) Functional and presentation of currency:

The financial statements are presented in Indian Rupees (INR), which is the Company's functional currency and all amounts are rounded to the nearest lakhs.

b) Basis of measurement:

These financial statements have been prepared on historical cost basis except for certain financial instruments which are measured at fair value or amortised cost at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. 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.

c) Financial Instrument:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instruments of another entity. Classifications of financial instruments are in accordance with the substance of the contractual arrangement and as per the definitions of financial assets, financial liability and an equity instruments.



Finesse Mall and Commercial Real Estate Private Limited

Notes to Financial Statements for the year ended March 31, 2023

Financial Assets and investments

i) Initial recognition and measurement:

At initial recognition, the Company measures a financial asset (other than financial asset at fair value through profit or loss) at its fair value plus or minus, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the statement of profit & loss.

ii) Subsequent recognition and measurement:

Subsequent measurement of financial asset depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. For the purpose of subsequent recognition and measurement financial assets are classified in four categories:

• Debt instrument at amortised cost:

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate.

• Debt instrument at fair value through other comprehensive income (FVOCI):

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses and interest revenue which are recognised in the statement of profit & loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

• Debt instrument at fair value through profit and loss (FVTPL):

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in the statement of profit & loss and presented net in the statement of profit & loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.



Finesse Mall and Commercial Real Estate Private Limited

Notes to Financial Statements for the year ended March 31, 2023

• Equity instruments:

All equity instruments are initially measured at fair value. Any subsequent fair value gain /loss is recognised through profit or loss if such investments are held for trading purposes. The fair value gains or losses of all other equity investments are recognised in Other Comprehensive Income.

iii) Derecognition:

A financial asset is primarily derecognised i.e. removed from Company's financial statement when:

- The rights to receive cash flows from asset have expired, or
- The Company has transferred its right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under 'pass-through' arrangement and either;
 - a) The Company has transferred substantially all the risks and rewards of the assets,
 - b) The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the company could be required to repay.

Financial Liabilities:

i) Initial recognition and measurement:

All financial liabilities are recognised initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

The company's financial liabilities include borrowings, trade and other payables.



Finesse Mall and Commercial Real Estate Private Limited

Notes to Financial Statements for the year ended March 31, 2023

ii) Subsequent measurement:

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit and loss [FVTPL]

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and has designated upon initial measurement recognition at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognised in the statement of profit & loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

iii) Trade and other payables:

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

iv) Derecognition:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

d) Impairment of Financial asset:

The company assesses impairment based on expected credit losses (ECL) model to the following:

- Financial assets carried at amortised cost;
- Financial asset measured at FVOCI debt instruments.

The Company follows 'simplified approach' for recognition of impairment loss allowance on

- Trade receivables or contract revenue receivables, if any.



Finesse Mall and Commercial Real Estate Private Limited

Notes to Financial Statements for the year ended March 31, 2023

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The Company uses a provision matrix to determine impairment loss allowance on its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

For recognition of impairment loss on other financial assets and risk exposure, the company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

e) Cash and cash equivalents:

Cash and cash equivalents includes cash at bank which are subject to an insignificant risk of changes in value.

f) Classification of assets and liabilities as current and non – current:

The Company presents assets and liabilities in Balance Sheet based on current/non-current classification.

An asset is classified as current when it is:

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



Finesse Mall and Commercial Real Estate Private Limited

Notes to Financial Statements for the year ended March 31, 2023

All other assets are classified as non-current.

A liability is classified as current when:

- a) It is expected to be settled in normal operating cycle,
- b) It is held primarily for the purpose of trading,
- c) It is due to be settled within twelve months after the reporting period, or
- d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

g) Equity share capital:

Ordinary shares are classified as equity. Incremental costs net of taxes directly attributable to the issue of new equity shares are reduced from retained earnings, net of taxes.

h) Provisions:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using the government securities' interest rate for the equivalent period. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate. Provisions are not recognised for future operating losses.

i) Earning per share:

Basic earnings per share is calculated by dividing the net profit or loss (after tax) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is calculated by dividing the net profit or loss (after tax) for the year attributable to equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

4. Use of significant accounting estimates, judgments and assumptions

The preparation of the financial statements requires management to make estimates, judgments and assumptions that affect the reported balances of assets and liabilities, disclosure of contingent liabilities as on the date of financial statements and reported amounts of income and expenses during the period. Uncertainty about these assumptions and estimates could result in



Finesse Mall and Commercial Real Estate Private Limited

Notes to Financial Statements for the year ended March 31, 2023

outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

In the process of applying the Company's accounting policies, management has made the following estimates and judgments, which have significant effect on the amounts recognised in the financial statements:

a) Provisions:-

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability require the application of judgment to existing facts and circumstances, which can be subject to change. Since the cash outflows can take place many years in the future, the carrying amounts of provisions and liabilities are reviewed regularly and adjusted to take account of changing facts and circumstances.

4.1 New Standards/Amendments notified but not yet effective:

Ministry of Corporate Affairs (MCA), on March 31, 2023, through the Companies (Indian Accounting Standards (Ind AS)) Amendment Rules, 2023 amended certain existing Ind ASs on miscellaneous issues with effect from 1st April 2023. Following are few key amendments relevant to the Company:

i. Ind AS 1 – Presentation of Financial Statements & Ind AS 34 – Interim Financial Reporting –

Material accounting policy information (including focus on how an entity applied the requirements of Ind AS) shall be disclosed instead of significant accounting policies as part of financial statements.

ii. Ind AS 107 – Financial Instruments: Disclosures – Information about the measurement basis for financial instruments shall be disclosed as part of material accounting policy information.

iii. Ind AS 8 – Accounting policies, changes in accounting estimate and errors- Clarification on what constitutes an accounting estimate provided.



Finesse Mall and Commercial Real Estate Private Limited

Notes to Financial Statements for the year ended March 31, 2023

iv. Ind AS 12 – Income Taxes –

This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences.

The Company does not expect the effect of this on the financial statements to be material, based on preliminary evaluation.



Finesse Mall and Commercial Real Estate Private Limited

Notes to Financial Statements as at March 31, 2023

(₹ in Lakhs)

Notes	Particulars	As at March 31, 2023	As at March 31, 2022
5	Cash & Cash Equivalents		
	Balances with banks:		
	In current account with Scheduled Banks	11.53	5.00
		11.53	5.00
6	Other Current Assets		
	Other advances	0.01	-
		0.01	-
7	Equity Share Capital		
	Authorised		
	1,00,000 (March 31, 22: 50,000 shares) Equity Shares of Rs.10/- each	10.00	5.00
	Issued, subscribed and fully paid up		
	50,000 (March 31, 22: 50,000) Equity Shares of Rs.10/- each fully paid up	5.00	5.00
		5.00	5.00
	a] Reconciliation of the Shares outstanding at the beginning and at the end of the reporting year		
	<u>Equity Shares</u>		
	Shares outstanding at the beginning the year	50,000	-
	Add: Shares Issued during the year	-	50,000
	Shares outstanding at the end of the year	50,000	50,000

Company	As at March 31, 2023		As at March 31, 2022	
Name of shareholder	No of shares held	Amount	No of shares held	Amount
The Phoenix Mills Limited	50,000	5,00,000	50,000	5,00,000

c] Details of shareholders holding more than 5% Shares in the Company	As at March 31, 2023		As at March 31, 2022	
Equity Shares of Rs. 10 each fully paid	No of shares	% of Holdings	No of shares	% of Holdings
The Phoenix Mills Limited	50,000	100%	50,000	100%

d] The company has only one class equity shares having face value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. Equity shares holders are also entitled to dividend as and when proposed by the Board of Directors and approved by Share holders in Annual General Meeting. In the event of liquidation of the Company, the holders of Equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts which shall be in proportion to the number of shares held by the shareholders.

e) Promoters Shareholding at the end of the year:-

	Promoter Name	No. of shares at the beginning of the year	Change during the year	No. of shares at the end of the year	% of total shares	% change during the year
As at March 31, 2023						
Equity shares of Rs10 each fully paid up	The Phoenix Mills Limited	50,000	-	50,000	100%	-
Total		50,000	-	50,000	100%	
As at March 31, 2022						
Equity shares of Rs10 each fully paid up	The Phoenix Mills Limited	-	50,000	50,000	100%	100%
Total		-	50,000	50,000	100%	100%



Finesse Mall and Commercial Real Estate Private Limited

Notes to Financial Statements as at March 31, 2023

(₹ in Lakhs)

Notes	Particulars	As at March 31, 2023	As at March 31, 2022
8 Other Equity			
Retained Earning			
Deficit in the Statement of Profit and Loss			
As at the Beginning of the year		(1.18)	-
(+) Net Loss for the year		(7.41)	(1.18)
As at the End of the year		(8.59)	(1.18)
		(8.59)	(1.18)
Nature and Purpose of Reserve			
Retained Earning :-			
Retained earnings are the profits that the company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders however Company has incurred losses since incorporation.			
9 Borrowings:			
Unsecured			
From Holding Company			
The Phoenix Mills Limited*		10.00	-
		10.00	-
* The Inter Corporate deposits are interest bearing @7.45% p.a. which is repayable on demand.			
10 Trade Payables			
Total outstanding due of micro enterprises & small enterprises #		-	
Total outstanding due of creditors other than micro enterprises & small enterprises		0.90	1.08
		0.90	1.08

The amount due to Micro and Small Enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information collected by the management. This has been relied upon by the Auditors.

The disclosure pursuant to the said Act is as under :

a) Principal amount due to supplier under MSMED Act, 2006	-	-
b) Interest Accrued and due on the above amount, unpaid	-	-
c) Payment made beyond the appointed day during the period	-	-
d) Interest paid	-	-
e) Interest due and payable for the period of delay	-	-
f) Interest remaining due and payable in succeeding period	-	-

a) Trade Payables ageing schedule: As at March 31, 2023

Outstanding for following periods from due date of transactions

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	0.10	-	-	-	0.10
(iii) Disputed dues — MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	0.10	-	-	-	0.10
Add: Provision for Expenses	-	-	-	-	0.80
	0.10	-	-	-	0.90



Notes to Financial Statements as at March 31, 2023

(₹ in Lakhs)



Finesse Mall and Commercial Real Estate Private Limited

Notes to Financial Statements for the year ended March 31, 2023

(₹ in Lakhs)

Notes	Particulars	For the year ended March 31, 2023	For the period ended March 31, 2022
13	Finance cost		
	Interest expenses on financial liabilities measured at amortised cost	4.16	-
		4.16	-
14	Other Expenses		
	Professional Fees	0.82	-
	Payment to the Auditors # (refer footnote below)		
	Auditor's Remuneration	1.11	1.18
	Bank Charges	0.10	-
	Bidding expenses	1.18	-
	Interest on TDS*	0.00	-
	Filing Fees	0.04	-
		3.25	1.18
	# Payment to auditors		
	Statutory Audit	0.50	1.00
	Limited Review	0.50	-
	Others	0.11	0.18
	Total	1.11	1.18

* Amount below ₹ One Thousand



Finesse Mall and Commercial Real Estate Private Limited

Notes To Financial Statements For The Year Ended March 31, 2023

15 Related Party Disclosures:-

In accordance with the requirements of IND AS 24, on related party disclosures, name of the related party, related party relationship, transactions and outstanding balances including commitments are as under:

A. Related party name and relationship

Sr. No	Name of the Related Party	Relationship
1	The Phoenix Mills Limited	Holding Company
2	Vamona Developers Private Limited	Fellow Subsidiary
3	Classic Mall Developers Private Limited	Fellow Subsidiary
4	Marketcity Resources Private Limited	Fellow Subsidiary

B. Transactions during the year with the Related Parties:-

(₹ in Lakhs)

Sr. No.	Nature of Transactions	Year ended 2022-2023	Period ended 2021-2022
1	Inter Corporate Deposit received The Phoenix Mills Ltd Vamona Developers Private Limited* Classic Mall Developers Private Limited*	858.00 500.00 500.00	- - -
2	Inter Corporate Deposit repaid The Phoenix Mills Ltd Vamona Developers Private Limited * Classic Mall Developers Private Limited *	848.00 500.00 500.00	- - -
3	Interest on Inter Corporate Deposit The Phoenix Mills Limited	4.16	-
4	Reimbursement of Statutory Dues The Phoenix Mills Limited Marketcity Resources Private Limited	0.10 0.01	-
5	Business Support Services Marketcity Resources Private Limited	0.10	-
6	Issue of Equity Share Capital The Phoenix Mills Limited	-	5.00

* ICD taken from Vamona Developers Pvt. Ltd. & Classic Mall Development Co. Ltd. were interest free.

C. Balances at the year end

(₹ in Lakhs)

Sr. No.	Nature of Balances	As at March 31, 2023	As at March 31, 2022
1	Borrowings - ICD The Phoenix Mills Ltd	10.00	-
2	Other Financial Liabilities - Interest Payable on ICD (net of TDS) The Phoenix Mills Ltd	3.74	-
3	Trade Payables/Provision for expenses The Phoenix Mills Ltd Marketcity Resources Pvt Ltd.	0.10 0.10	-



Finesse Mall and Commercial Real Estate Private Limited

Notes on Financial Statements for the year ended March 31, 2023

16 Fair Value of Financial assets and Liabilities:

Set out below is the comparison by class of carrying amounts and fair value of Company's financial instruments that are recognised in the financial statements.

(₹ in Lakhs)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets designated at amortised cost				
Cash and Cash Equivalents	11.53	11.53	5.00	5.00
Total	11.53	11.53	5.00	5.00
Financial liabilities designated at amortised cost				
Borrowings	10.00	10.00	-	-
Trade payables	0.90	0.90	1.08	1.08
Other financial liabilities	3.74	3.74	-	-
Total	14.64	14.64	1.08	1.08

Fair valuation techniques:

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data. The following methods and assumptions were used to estimate the fair values

- 1 Fair value of cash and cash equivalents approximate their carrying amounts.
- 2 Borrowings are evaluated by the Company based on parameters such as interest rates, credit risk and other risk characteristics. Fair value of fixed interest rate borrowings approximates their carrying values. Risk of non-performance for the company is considered to be insignificant in valuation.
- 3 Fair value of Trade payables & other financial liabilities are approximate their carrying value.

Fair Value hierarchy:

The following table provides the fair value measurement hierarchy of Company's asset and liabilities, grouped into Level 1 to Level 3 as described below:

Level 1: Quoted prices / published Net asset value (unadjusted) in active markets for identical assets or liabilities. It includes fair value of financial instruments traded in active markets and are based on quoted market prices at the balance sheet date.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices). It includes fair value of the financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on the company specific estimates. If all significant inputs required to fair value an instrument are observable then instrument is included in level 2.

Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs). If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Particulars	2022-23			2021-22		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Assets /Liabilities measured at fair value						
<u>Financial Asset:</u>						
Investments	-	-	-	-	-	-

During the year ended March 31, 2023 and March 31, 2022, there was no transaction with respect to Level1, 2 and 3.

17 Financial risk Management:

The Company's financial liabilities comprise borrowings, trade payables and other payables. Total of Financial Liability in Balance Sheet exist as on March 31, 2023 was Rs. 14.64 Lakhs and Rs. 1.08 Lakhs as at March 31, 2022. The Company has only Cash and Cash Equivalents as on March 31, 2023 with respect to Assets.

The Company is exposed to market risk, credit risk and liquidity risk. This note explains the sources of risks which the entity is exposed to and how it mitigates that risk.

• Market risk:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity risk. There are no financial instruments as at March 31, 2023 affected by market risk.



Finesse Mall and Commercial Real Estate Private Limited

Notes on Financial Statements for the year ended March 31, 2023

Foreign currency risk

The Company is not exposed to foreign exchange risk as at the respective reporting dates.

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 is not exposed to interest rate risk as the Company has fixed rate borrowings as on March 31, 2023.

Commodity and Other price risk

The Company is not exposed to the commodity and other price risk.

• Credit Risk

The Company is Newly Incorporated on March 03, 2022 and they are yet to start its Operations and so there are no Trade Receivables and therefore The Company is not exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, mutual funds and financial institutions and other financial instruments.

• Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses.

The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company relies on a borrowings from its holding company to meet its needs for funds. The current borrowings are sufficient to meet its short term fund requirement.

Particulars	As at March 31, 2023					
	Carrying Amount	On Demand	Less than 6 months	6- 12 months	>1 years	Total
Borrowings	10.00	10.00	-	-	-	10.00
Trade payables	0.90	-	0.90	-	-	0.90
Other financial liabilities	3.74	3.74	-	-	-	3.74

Particulars	As at March 31, 2022					
	Carrying Amount	On Demand	Less than 6 months	6- 12 months	>1 years	Total
Borrowings	-	-	-	-	-	-
Trade payables	1.08	-	1.08	-	-	1.08
Other financial liabilities	-	-	-	-	-	-

Capital management

The primary objective of the Company's capital management is to maximize the shareholder value. The Company's primary objective when managing capital is to ensure that it maintains an efficient capital structure and healthy capital ratios and safeguard the Company's ability to continue as a going concern in order to support its business and provide maximum returns for shareholders. The Company also proposes to maintain an optimal capital structure to reduce the cost of capital.

For the purpose of the Company's capital management, capital includes issued capital and all other equity reserves. Net debt includes, interest bearing loans and borrowings, less cash and short term deposits.

Particulars	(₹ in Lakhs)	
	At March 31, 2023	At March 31, 2022
Loans and Borrowings	10.00	-
Less: Cash and cash equivalents + Bank Deposits (Current)	11.53	5.00
Net Debt	(1.53)	(5.00)
Total Capital	(3.59)	3.82
Capital+Net Debt	(5.12)	(1.18)
Gearing Ratio	-	-



Finesse Mall and Commercial Real Estate Private Limited

Notes on Financial Statements for the year ended March 31, 2023

18 :- Ratios

The ratios for the year ended March 31, 2023 and March 31, 2022 are as follows:

S No.	Particulars	Numerator	Denominator	As at March 31, 2023	2022	Variance (In %)	Reason for variance
1	Current Ratio (In times)	Current assets	Current liabilities	0.76	4.24	-82%	Refer note 1
2	Debt- Equity Ratio (In times)	Total debt (represents term loan)	Total Equity	(4.21)	0.31	-1464%	Refer note 2
3	Debt- Service Coverage Ratio (In times)	Earning for Debt Service	Debt service	(0.24)	-	N.A.	N.A.
4	Return On Equity Ratio (In %)	Net profits after taxes	Average shareholder's equity	(65.47)	(0.62)	10497%	Refer note 3
5	Inventory Turnover Ratio (In %)	Cost of Good Sold	Average Inventory	-	-	-	-
6	Trade Receivables Turnover ratio (in times)	Revenue	Average Trade Receivables	-	-	-	-
7	Trade Payables turnover ratio (in times)	Purchase of services and other expenses	Average Trade Payables	-	-	-	-
8	Net Capital Turnover Ratio (in times)	Revenue from Operations	Average Working Capital	-	-	-	-
9	Net Profit Ratio (In %)	Net Profit for the year	Revenue from operations	-	-	-	-
10	Return On Capital employed (ROCE) (In %)	Earning before tax and finance cost	Capital Employed	0.91	(0.31)	-393%	Refer note 4
11	Return On Investment (ROI) (In %)	Income generated from Investment	Time weighted average Investments	-	-	-	-

Note1: Due to Inter corporate deposits taken and interest on ICD resulted into decrease in current ratio in FY 23.

Note2: Total liability increased due to ICD and losses incurred in FY 23 hence D/E ratio decreased compare to PY.

Note3: Due to losses incurred in FY 23, negative ROE ratio increased compare to PY.

Note4: Due to losses incurred in FY23, net worth becomes negative hence ROCE ratio impacted in FY 23.



Finesse Mall and Commercial Real Estate Private Limited

Notes on Financial Statements for the year ended March 31, 2023

19 Segment reporting:

The Company is mainly engaged in Real Estate Activities. Considering the nature of the company's business and operations, there are no separate reportable segments (business and/or geographical) in accordance with the requirements of Indian Accounting Standard (IND AS)108 –'Segment Reporting'.

20 Earning per share:

Particulars		2022-23	2021-22
i)	Net loss after tax as per Statement of Profit and Loss attributable to Equity Shareholders (₹ in Lakhs)	(7.41)	(1.18)
ii)	Weighted Average number of equity shares used as denominator for calculating EPS	50,000	50,000
iii)	Basic Earning per share (Rs.)	(14.83)	(2.36)
iv)	Diluted Earning per share (Rs.)	(14.83)	(2.36)
v)	Face value per equity share (Rs.)	10	10

21 Additional regulatory information required by Schedule III

a. Details of benami property held -

No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

b. Borrowing secured against current assets

The Company does not have borrowings from banks and financial institutions on the basis of security of current assets.

c. Wilful defaulter

The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

d. Relationship with struck off companies

The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

e. Compliance with number of layers of companies

Company has not made any investment in any entity hence this is not applicable to the Company.

f. Compliance with approved scheme(s) of arrangements

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

g. Utilisation of borrowed funds and share premium

(i) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

(ii) The company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries



Finesse Mall and Commercial Real Estate Private Limited

Notes on Financial Statements for the year ended March 31, 2023

h. Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

i. Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

j. Valuation of Property, Plant & Equipment, intangible asset and investment property

The Company does not have any Property, Plant & Equipment and Intangible assets during the year.

22 Note on going concern:- The Company had been incorporated for a proposed project, the project being in various stages of evaluation. During the initial years, whilst the project feasibility analysis is in process, the Company incurs losses in relation to the compliance and establishments costs as per applicable laws. The Company during the current year has incurred a loss after tax of ₹ 7.41 lakhs and has resultant accumulated losses aggregating ₹ 8.59 lakhs as at March 31, 2023. Also, the Company's current liabilities have exceeded its current assets by ₹ 3.59 lakhs as at March 31, 2023. The management believes that the Company will continue to operate as a going concern for the foreseeable future, realise its assets and meet all its liabilities as they fall due for payment, in the normal course of business. In case of any funding requirement to meet expenditures, Holding Company shall fund the Company. Accordingly, these financial statements have been prepared on a going concern basis and do not include any adjustments relating to the recoverability and classification of recorded assets, or to amounts and classification of liabilities that may be necessary if the entity is unable to continue as a going concern.

23 There are no significant subsequent events that would require adjustments or disclosure in the financial statements as on the balance sheet date.

24 The Company has no capital commitments and contingent liabilities as at March 31, 2023 (March 31, 2022 : NIL)

25 The Company has been incorporated recently & does not have any operations yet, in absense of reasonable certainty of future taxable income, deferred tax assets/liabilities are not recognised in the financial statement.

26 The Company was incorporated on March 03, 2022 hence financial information for previous period are not comparable.

As per our Report of even date

For B S R & Co. LLP

Firm Registration No.: 101248W/W-100022

Chartered Accountants

Viren Soni

Partner

Membership No.: 117694

Place : Mumbai

Date : May 22, 2023

**For and on behalf of the Board of Directors of
Finesse Mall and Commercial Real Estate
Limited**



Harshal Vohra

Director

(DIN: 06947197)

Place : Mumbai

Date : May 22, 2023

Lalit Jain

Director

(DIN: 08715049)

Place : Mumbai

Date : May 22, 2023

