DTS & Associates LLP
Chartered Accountants
Suit #1306-1307
Lodha Supremus
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INDEPENDENT AUDITOR'S REPORT

To The Members of Island Star Mall Developers Private Limited
Report on the Audit of the Financial Statements

Opinion

We, the joint auditors of Island Star Mall Developers Private Limited ("the Company"), have audited the accompanying financial statements of the Company, which comprise the Balance Sheet as at 31st March, 2020, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and 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 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2020, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' report, but does not include the financial statements and our auditor's report thereon. The Directors' report is expected to be made available to us after the date of this auditor's report.

- Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

- In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

- When we read the Directors' report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility 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 financial 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 system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all 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 section 143(3) of the Act, based on our audit 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 Cash Flows and Statement of Changes in Equity 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 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

h) 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, as amended, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 32(b) to the financial statements.

   ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For DTS & Associates LLP
Chartered Accountants
(Firm Regn. No. 142412W/W-100595)

Ashish G. Mistry
Partner
(Membership No. 132639)

(UDIN: 20132639AAAAAW4715)
Mumbai, 29th June, 2020

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm Regn. No. 117366W/W-100018)

Rajesh K. Hiranandani
Partner
(Membership No. 36920)

(UDIN:20036920AAABZ9754)
Mumbai, 29th June, 2020

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ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the Members of Island Star Mall Developers Private Limited on the financial statements for the year ended 31st March, 2020)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

We, the joint auditors of Island Star Mall Developers Private Limited ("the Company"), have audited the internal financial controls over financial reporting of the Company as of 31st March, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting 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. 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 internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2020, based on the criteria for internal financial control over financial reporting 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.

For DTS & Associates LLP
Chartered Accountants
(Firm Regn. No. 142412W/W-100595)

Ashish G. Mistry
Partner
(Membership No. 132639)

(UDIN: 20132639AAAAAW4715)
Mumbai, 29th June, 2020

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm Regn. No. 117366W/W-100018)

Rajesh K. Hiranandani
Partner
(Membership No. 36920)

(UDIN:20036920AAABZ9754)
Mumbai, 29th June, 2020

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ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT
(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' of our report of even date to the Members of Island Star Mall Developers Private Limited on the financial statements for the year ended 31st March, 2020)

(i) (a) The Company has generally maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.

(b) The Company has a program of verification of fixed assets to cover all the items in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) The Company has an immovable property in freehold land whose title deed has been pledged as security for loans which is held in the name of the Company based on the confirmations directly received by us from the Security Trustee.

(ii) The Company does not have any inventory and hence reporting under clause 3(ii) of the CARO 2016 is not applicable.

(iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ("the Act").

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable. During the year, the Company has not granted any loans covered under Section 185 of the Act.

(v) According to the information and explanations given to us, the Company has not accepted any deposits within the meaning of section 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended) during the year. Accordingly, reporting under clause 3(v) of the CARO 2016 is not applicable.

(vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Act, in respect of activities undertaken by the Company.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Labour Welfare Fund, Income-tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities. The Company has generally been regular in depositing the undisputed statutory dues relating to Goods and Service Tax, considering the relief provided to the taxpayers by the Government vide Notification No. 31/ 2020 dated April 3, 2020.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Goods and Service Tax, Cess and other material statutory dues in arrears as at 31st March, 2020 for a period of more than six months from the date they became payable.

(c) Details of dues of Income-tax, Value added Tax and Service tax which have not been deposited as at 31st March, 2020 on account of disputes, are given below:

Name of Statute	Nature of Dues	Forum where dispute is pending	Period to which the amount relates	Amount involved # (Rs. in Lakhs)	Amount paid under protest (Rs. in Lakhs)
Income Tax Act, 1961	Income Tax	CIT (Appeals)	AY 12-13	0.22	-
		CIT (Appeals)	AY 16-17	237.89	-
Karnataka Vat Act, 2003	VAT	Joint Commissioner of Commercial Taxes	FY 2011-12	1.28	0.55
Finance Act, 1994	Service tax	Hon'ble Customs, Excise and Service Tax Appellate Tribunal, Southern Bench	FY 2011-12 to FY 2017-18	669.90	-

Net of amount paid under protest

(viii) In our opinion and according to the information and explanations given to us, and read with Note 18.3 to the financial statements, the Company has not defaulted in the repayment of loans or borrowings to financial institutions and banks. The Company has not taken any loans or borrowings from government and has not issued any debentures.

(ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans during the year. In our opinion and according to the information and explanations given to us, in respect of term loans taken during earlier years, there was no monies pending to be applied, during the year, for the purposes for which they were raised and hence reporting under clause 3(ix) of CARO 2016, to that extent is not applicable.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the CARO 2016 Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with section 177 and 188 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures. According to the information and explanations given to us, in respect of the private placement of shares made by the Company during the previous year, certain amounts raised have been applied during the year, for the purposes for which the funds were raised.

(xv) In our opinion and according to the information and explanations given to us, during the year, the Company has not entered into any non-cash transactions with its directors or directors of its holding or subsidiary companies or persons connected with them and hence provisions of section 192 of the Act are not applicable.

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

For DTS & Associates LLP
Chartered Accountants
(Firm Regn. No. 142412W/W-100595)

Ashish G. Mistry
Partner
(Membership No. 132639)

(UDIN: 20132639AAAAAW4715)
Mumbai, 29th June, 2020

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm Regn. No. 117366W/W-100018)

Rajesh K. Hiranandani
Partner
(Membership No. 36920)

(UDIN: 20036920AAAABZ9754)
Mumbai, 29th June, 2020

ISLAND STAR MALL DEVELOPERS PRIVATE LIMITED

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

1. Corporate Information:

The Company is a private limited company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the Company is located at Ground floor, R.R. Hosiery Building, off Dr. Annie Besant Road, Mahalaxmi (W), Mumbai – 400 011.

The Company is mainly engaged in real estate activities. The principle place of business is located at 106/107,1st Floor, Whitefield Road, Opp. Mahadevpura CMC, Mahadevpura, Post Bangalore 560 048. For Company's principal shareholders, refer note no. 16.

These Financial Statements were approved and adopted by board of directors of the Company at their meeting held on 29th June, 2020.

2. Significant Accounting Policies:

A) Basis of Preparation and Presentation and Statement of compliance:

The Financial Statements have been prepared in accordance with and in compliance, in all material aspects, with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies (Indian Accounting Standards) Rules, 2015, as amended and other provisions of the Act.

The significant accounting policies used in preparing financial statements are set out below in Note 2 B) of the Notes to Financial Statements. Except for the changes below, the Company has applied accounting policies consistently to all periods presented.

<u>Ind AS 116 'Leases':</u> Effective April 1, 2019, the Company has adopted Ind AS 116 "Leases". Ind AS 116 substantially carries forward the lessor accounting requirements of Ind AS 17, thereby application of this standard does not have any significant impact on the financial statements.

<u>Amendment to Ind AS 12 'Income Taxes':</u> The Ministry of Corporate Affairs has notified limited amendments to Ind AS 12 'Income Taxes' with effect from April 1, 2019. 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. Since Dividend Distribution Tax is not applicable with effective from April 1, 2020, this amendment will have no impact on the financial statements.

<u>Appendix C to Ind AS 12, Uncertainty over Income Tax Treatments</u>: The Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2019 containing Appendix C to Ind AS 2, 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 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.

Amendment to Ind AS 19 'Employee Benefits': 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.

B) Summary of Significant Accounting Policies

a) Functional and presentation currency:

The Financial Statements are presented in Indian Rupees, which is the Company's functional currency and all amounts are rounded to the nearest Lakhs, unless otherwise stated.

b) Basis of measurement:

The Financial Statements have been prepared on historical cost basis, except the following:

- Certain financial assets and liabilities that are measured at fair values at the end of each reporting period.
- Defined benefit plans – plan assets measured at fair values at the end of each reporting period.
- Share Based Payment transactions.

c) Property, Plant and Equipment:

Freehold land is carried at historical cost. Capital work in progress, and all other items of property, plant and equipment are stated at historical cost net of accumulated depreciation and accumulated impairment losses, if any.

Historical cost includes expenditure that is directly attributable to the acquisition of the items. Such cost includes borrowing costs for long-term construction projects if the recognition criteria are met.

Subsequent 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. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as specified by Schedule II to the Companies Act, 2013. The residual values are not more than 5% of the original cost of the asset. The assets residual values and useful lives and method of depreciation are reviewed, and adjusted if appropriate, at the end of each reporting period.

Estimated useful lives of the assets are as follows:

Particulars	**Estimated useful life (in years)**
Building	30-60 years
Plant and Equipment	8-15 Years
Office Equipment	3-21 Years
Computers	3-6 Years
Furniture and Fixtures	5-15 Years
Vehicles	8 Years

An asset’s carrying amount is written down immediately to its recoverable amount if the asset’s carrying amount is greater than its estimated recoverable amount.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Gain and loss on disposal or retirement of an item of property, plant and equipment is determined by comparing the sales proceeds with the carrying amount. These are recognised in profit or loss.

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

d) **Intangible assets:**

Identifiable intangible assets are recognised when the Company controls the asset and, it is probable that future economic benefits attributed to the asset will flow to the Company and the cost of the asset can be reliably measured.

Intangible assets with finite useful lives that are acquired separately are measured on initial recognition at cost. Following initial recognition, such intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses.

Amortisation methods and periods

Estimated useful lives of Intangible assets are considered as 5 years. Intangible assets are amortised over its useful life using the straight-line method. The amortisation period and the amortisation method for an intangible asset are reviewed at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss.

Software is amortised over useful life of 5 years.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as of 1st April, 2015 measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

e) Impairment of Non–Financial Assets:

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Unit's (CGU) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

In assessing the value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

When an impairment loss subsequently reverses, the carrying amount of the asset or a CGU 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 CGU in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

f) Cash and cash equivalents:

Cash and cash equivalents includes cash on hand and at banks, deposits held at call with banks and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

g) Foreign currency transactions:

The transactions denominated in currencies other than the Company's functional currency (foreign currencies) are translated at the exchange rate prevailing on the date of transaction. Monetary items denominated in foreign currencies at the reporting date are translated into functional currency using the exchange rate prevailing at that date. Non-monetary items that are to be carried at historical cost are recorded using exchange rate prevailing on the date of transaction. Non-monetary items that are carried at fair value, that are denominated in foreign currencies, are retranslated at the rates prevailing at the date when the fair value was determined. Any income or expenses on account of exchange difference either on settlement or on translation is recognised as profit or loss.

h) 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.

Financial Assets

i) Initial recognition and measurement:

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

ii) Subsequent 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 measurement, financial assets are classified in four categories:

- **Debt instrument at amortised cost:**

Assets that are held within a business model 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 other income using the effective interest rate method.

- **Debt instrument at fair value through other comprehensive income (FVTOCI):**

Assets that are held within a business model 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 (FTVOCI).

Interest income is recognised in profit or loss for FVTOCI debt instruments. For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income and accumulated under the heading of 'Reserve for debt instruments through other comprehensive income'. When the investment is disposed of, the cumulative gain or loss previously accumulated in this reserve is reclassified to profit or loss.

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

Financial assets that do not meet the criteria for amortised cost or FVTOCI are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL. Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item.

- **Equity instruments:**

On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments. As at the reporting date, the Company has not elected to measure its equity instruments at FVTOCI.

Investments in equity instruments, other than Investments in the nature of equity in subsidiaries, are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income as stated above.

The Company has elected to recognise its investments in equity instruments in subsidiaries at cost in the separate financial statements in accordance with the option available in Ind AS 27, 'Separate Financial Statements'.

iii) <u>De-recognition:</u>

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.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

iv) Impairment of Financial assets:

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

- Financial assets carried at amortised cost;
- Financial assets measured at FVTOCI.

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

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 recognise 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.

v) Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in profit or loss except for those which are designated as hedging instruments in a hedging relationship.

For the purposes of recognising foreign exchange gains and losses, FVTOCI debt instruments are treated as financial assets measured at amortised cost. Thus, the exchange differences on the amortised cost are recognised in profit or loss and other changes in the fair value of FVTOCI financial assets are recognised in other comprehensive income.

Financial Liabilities and equity instruments:

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Compound financial instruments

The component parts of compound financial instruments issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recognised as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

i) <u>Initial recognition and measurement:</u>

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

The Company’s financial liabilities include trade and other payables, security deposits for lease rentals and borrowings including bank overdrafts.

ii) <u>Subsequent measurement:</u>

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

<u>Financial liabilities at fair value through profit or loss</u>

Financial liabilities at fair value through profit or loss include financial liabilities held for trading or has designated upon initial 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 arising on remeasurement of on liabilities held for trading are recognised in the statement of profit and 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, ‘Financial Instruments’ are satisfied.

Loans and Borrowings:

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

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.

iii) De - recognition:

A financial liability is de-recognised 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 de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

Offsetting of Financial Instruments:

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

i) 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.

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.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Based on the nature of activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as twelve months for the purpose of classifications of its assets and liabilities as current and non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

j) Revenue Recognition:

The company' revenue from contracts with customers is mainly from License Fees and Other Services rendered to the customers in Malls. The Ministry of Corporate Affairs has notified the Ind AS 116 'Leases' effective from April 1, 2019. Ind AS 116 has replaced the existing leases standard Ind AS 17. The standard sets out the principles for the recognition, measurement, presentation and disclosures for both parties to a contract, i.e. the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Application of above standard does not have any significant impact on the financial statements.

Revenue from license fees and other services

Revenue from license fees are recognised on a straight line basis over the license terms. Income from utilities and other services provided to licensees' specific usage is recognised on accrual basis in accordance with the terms of the agreements. Event and sponsorship income is recognised on accrual basis in accordance with the terms of the agreements. Parking income is recognised as and when the facility provided by the Company is utilised.

Revenue from other services is recognized on satisfaction of performance obligation upon transfer of control of promised services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those services, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and a receivable is recognized when it becomes unconditional. Generally, the credit period varies between 0-30 days from the delivery of services. A contract asset (trade receivables) is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs part of its obligation by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration when that right is conditional on the Company's future performance.

Interest income

Interest income from financial assets is recognised when it is probable that the economic benefits will flow to the Company. Such interest income is recognised using effective interest rate method. The effective interest rate is the rate that discounts estimated future cash receipts through the expected life of financial assets to the carrying amount of financial assets.

Interest on income tax refund is recognised on receipt of refund order.

Dividends

Dividends are recognised when the shareholder's right to receive payment is established.

k) Employees benefits:

i) Short-term Employee Benefits:

All employees' benefits payable wholly within 12 months of rendering services are classified as Short Term obligations. Benefits such as salaries, wages, short term compensated absences, performance incentives, expected cost of bonus and ex-gratia are recognised during the period in which the employees renders related services at the undiscounted amount of the benefits expected to be paid in exchange for that service.

ii) Post-employment benefits

a. Defined Contribution Plan

The defined contribution plan is post-employment benefit plan under which the Company contributes fixed contribution to a government administered fund and will have no legal or constructive obligation to pay further contribution. The Company's defined contribution plan comprises of Provident Fund and Labour Welfare Fund. The Company's contribution to defined contribution plans is recognised as an expense in the period in which the employee renders the related services.

b. Defined benefit plan

The Company has a defined benefit plan comprising of gratuity. Company's obligation towards gratuity liability is funded and is managed by Life Insurance Corporation of India (LIC). The present value of the defined benefit obligations is determined based on actuarial valuation using the projected unit credit method. The rate used to discount defined benefit obligation is determined by reference to market yields at the Balance Sheet date on Indian Government Bonds for the estimated term of obligations.

Re-measurements comprising of (a) actuarial gains and losses, (b) the effect of the asset ceiling (excluding amounts included in net interest on the net defined benefit liability) and (c) the return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Re-measurements are not reclassified to the profit or loss in subsequent periods.

The expected return on plan assets is the Company's expectation of average long-term rate of return on the investment of the fund over the entire life of the related obligation. Plan assets are measured at fair value as at the Balance Sheet date.

The interest cost on defined benefit obligation and expected return on plan assets is recognised under "Employee Benefits Expense".

Gains or losses on the curtailment or settlement of defined benefit plan are recognised when the curtailment or settlement occurs.

Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements) is included in profit or loss in the line item Employee benefits expense.

iii) Other long-term benefits

The Company has other long-term benefits in the form of compensated absences. The present value of the other long-term employee benefits is determined based on actuarial valuation using the projected unit credit method. The rate used to discount defined benefit obligation is determined by reference to market yields at the Balance Sheet date on Indian Government Bonds for the estimated term of obligations.

Actuarial gains or losses arising on account of experience adjustment and the effect of changes in actuarial assumptions are recognised as profit or loss.

Gains or losses on the curtailment or settlement of other long-term benefits are recognised when the curtailment or settlement occurs.

iv) Share-based payment transactions

Share-based compensation benefits are provided to employees via Employee Stock Option Plan to the subsidiary companies of The Phoenix Mills Limited, the Parent.

The grant date fair value of options granted under the Employee Option Plan is recognised as an employee benefits expense with a corresponding increase in equity, on a straight line basis, over the vesting period, based on the Company's estimate of equity instruments that will eventually vest. At the end of each period, the company revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in the Statement of profit and loss, with a corresponding adjustment to other equity.

l) <u>Borrowing Costs:</u>

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for such capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

Borrowing costs consist of interest and other costs that are incurred in connection with the borrowing of funds.

m) <u>Provisions and contingencies:</u>

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 determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. 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.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the notes to the financial statements. Contingent assets are not recognised. However, when the realisation is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

n) <u>Income Taxes:</u>

Income tax expense consists of current and deferred tax.

Current Income Tax:

Current Income Tax liabilities are measured at the amount expected to be paid to the taxation authorities using the tax rates and tax laws that are enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and creates provisions where appropriate.

Deferred Tax:

Deferred Tax is recognised on temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred Income Tax is determined using the tax rates and tax laws that are enacted or substantively enacted at the end of the reporting period.

Deferred Tax liabilities are recognised for all temporary differences. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

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

Minimum Alternate Tax ('MAT') credit is recognised as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an asset is reviewed at each Balance Sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

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

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

o) Earnings 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, both adjusted for the effects of all dilutive potential equity shares.

3. Critical accounting estimates, assumptions and judgements:

The preparation of the financial statements requires management to make estimates, judgements 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. The Management has considered the possible effects, if any, that may result from the pandemic relating to COVID-19 on the carrying amounts of its assets. In developing the assumptions and estimates relating to the uncertainties as at the Balance Sheet date in relation to the recoverable amounts of these assets, the Management has considered the global economic conditions prevailing as at the date of approval of these financial statements and has used internal and external sources of information to the extent determined by it. Uncertainty about these assumptions and estimates could result in 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 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 judgements, which have significant effect on the amounts recognized in the financial statement:

(a) Useful lives of Property, Plant and Equipment and Intangible assets

Property, plant and equipment and intangible assets are depreciated / amortised over the estimated useful lives of the assets, after taking into account their estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation for future periods is adjusted if there are significant changes from previous estimates.

(b) Investment Property

Management has assessed the applicability of Ind AS 40, 'Investment Property', to the property held to earn income from licensee fees. In assessing such applicability, the Management has considered the ownership of assets, terms of license agreement, various ancillary services provided to the licensee etc. The Company considers these ancillary services as significant in addition to the License fees charged. Based on such assessment, the Management has considered the mall property as owner-occupied property and hence classified as Property, Plant and Equipment.

(c) Recoverability of trade receivables

Judgments are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. 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 analyzed.

(d) Defined Benefit plan

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

(e) Provisions:

Provisions 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 provisions require the application of judgement 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 are reviewed regularly and adjusted to take account of changing facts and circumstances.

(f) Impairment of financial assets:

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Estimates and judgements are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances. They are continually evaluated.

(g) Fair Value measurement:

When the fair values of financials assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques, including the discounted cash flow model, which involve various judgements and assumptions.

(h) Tax expense and related contingencies:

The Company's tax jurisdiction is India. Significant judgements are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions. Further, significant judgement is exercised to ascertain amount of deferred tax asset (DTA) that could be recognised based on the probability that future taxable profits will be available against which DTA can be utilized and amount of temporary difference in which DTA cannot be recognised on want of probable taxable profits.

(i) Assessment of carrying value of investments in subsidiaries:

In developing the assumptions and estimates in relation to assessing the carrying value of Investments in Equity Shares and Investments in 0.0001% Optionally Convertible Debentures (OCD) of subsidiaries, the Management has considered the economic conditions prevailing as at the date of approval of these financial statements and has used internal and external sources of information to the extent determined by it.

Island Star Mall Developers Private Limited
(CIN No. U45200MH2006PTC161067)
Standalone Balance sheet as at 31st March 2020

(₹ In Lakhs)

Particulars	Notes	As at 31st March 2020	As at 31st March 2019
Assets			
Non-Current Assets			
Property, Plant and Equipment	4	50,934.16	52,499.50
Capital Work-in-Progress		3,859.41	2,770.08
Intangible Assets	4	4.97	6.84
Financial Assets - Investments	5	167,835.77	132,335.77
Current Tax Assets (Net)	6	2,136.59	1,963.29
Deferred Tax Assets (Net)	7	2,010.03	2,930.76
Other Non-Current Assets	8	386.41	325.89
		227,167.34	**192,832.13**
Current Assets			
Financial Assets			
Investments	9	7,811.22	26,489.03
Trade Receivables	10	967.17	670.81
Cash and Cash Equivalents	11	4,242.07	208.60
Other Bank Balances	12	351.28	14,851.28
Loans	13	1.00	750.00
Other Financial Assets	14	13.60	167.16
Other Current Assets	15	100.41	80.42
		13,486.75	**43,217.30**
Total Assets		**240,654.09**	**236,049.43**
Equity and Liabilities			
Equity			
Equity Share Capital	16	19,665.66	19,665.66
Instruments entirely Equity in nature	16	308.98	308.98
Other Equity	17	177,210.46	169,353.57
		197,185.10	**189,328.21**
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	18	29,221.13	33,192.34
Other Financial Liabilities	19	1,381.48	951.59
Provisions	20	32.18	26.91
		30,634.79	**34,170.84**
Current Liabilities			
Financial Liabilities			
Borrowings	21	-	497.42
Trade Payables			
a. total outstanding dues of micro enterprises and small enterprises	22	5.28	7.07
b. total outstanding dues of creditors other than micro enterprises and small enterprises	22	1,716.48	1,365.84
Other Financial Liabilities	23	10,496.09	10,255.79
Other Current Liabilities	24	599.70	297.16
Provisions	25	16.65	5.28
Current Tax Liabilities (Net)	26	-	121.82
		12,834.20	**12,550.38**
Total Equity and Liabilities		**240,654.09**	**236,049.43**

See accompanying notes to the Financial Statements 1-43

For and on behalf of the Board of Directors

As per our Report of even date

For D T S & Associates LLP	**For Deloitte Haskins & Sells LLP**	**Gajendra Singh Rathaur**	**Pawan Kakumanu**
Chartered Accountants	Chartered Accountants	Managing Director	Director
(Firm Registration No: 142412W/W100595)	(Firm Registration No: 117366W/W-100018)	DIN No. 07623957	DIN No. 07584653
Ashish G. Mistry	**Rajesh K. Hiranandani**	**Girish Sharma**	**Deepa Laungani**
Partner	Partner	Chief Financial Officer	Company Secretary
Membership No. 132639	Membership No. 36920	PAN No. BKKPS9431C	Membership No. A25530

Place : Mumbai
Date :29th June 2020

Island Star Mall Developers Private Limited
(CIN No. U45200MH2006PTC161067)
Standalone Statement of Profit and Loss for the year ended 31st March 2020

(₹ In Lakhs)

Particulars	Notes	Year ended 31st March 2020	Year ended 31st March 2019
Income			
Revenue from Operations	27	21,434.82	20,817.08
Other Income	28	2,384.83	3,432.24
Total Income		**23,819.65**	**24,249.32**
Expenses			
Employee Benefits Expense	29	892.56	844.72
Finance Costs	30	3,263.23	3,536.12
Depreciation and Amortization Expense	4	1,841.12	1,803.70
Other Expenses	31	7,196.10	9,016.52
Total Expenses		**13,193.01**	**15,201.06**
Profit Before Tax		**10,626.64**	**9,048.26**
Less :- Tax expense			
Current Tax		1,858.80	1,941.50
Tax Expense of Earlier Year		(0.06)	216.60
Deferred Tax [Including MAT Credit (Reversal)/Entitlement of ₹ (1,367.22) Lakhs (P.Y. ₹ 1,200.72 Lakhs)]	7	921.33	(81.83)
		2,780.07	**2,076.27**
Profit for the year (A)		**7,846.57**	**6,971.99**
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit plans		(3.38)	(0.30)
Income tax relating to items that will not be reclassified to profit or loss		0.59	0.06
Other Comprehensive Income for the year (B)		(2.79)	(0.24)
Total Comprehensive Income for the year (A+B)		**7,843.79**	**6,971.75**
Earning per Equity share of Face Value of ₹ 10 each - Basic and Diluted (In ₹)	33	**3.87**	**2.69**

See accompanying notes to the Financial Statements 1-43

For and on behalf of the Board of Directors

As per our Report of even date

For D T S & Associates LLP
Chartered Accountants
(Firm Registration No: 142412W/W100595)

Ashish G. Mistry
Partner
Membership No. 132639

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm Registration No: 117366W/W-100018)

Rajesh K. Hiranandani
Partner
Membership No. 36920

Gajendra Singh Rathaur
Managing Director
DIN No. 07623957

Pawan Kakumanu
Director
DIN No. 07584653

Girish Sharma
Chief Financial Officer
PAN No. BKKPS9431C

Deepa Laungani
Company Secretary
Membership No. A25530

Place : Mumbai
Date : 29th June 2020

Island Star Mall Developers Private Limited
(CIN No. U45200MH2006PTC161067)
Standalone Statement of Cash Flows for the year ended 31st March 2020

(₹ In Lakhs)

Sr. No.	Particulars	Year ended 31st March 2020	Year ended 31st March 2019
A	**CASH FLOWS FROM OPERATING ACTIVITIES**		
	Profit Before Tax	10,626.64	9,048.26
	Adjustments for:		
	Depreciation and Amortization Expense	1,841.12	1,803.70
	Interest Income	(1,271.68)	(234.64)
	Gain on sale of investments in mutual funds	(1,055.26)	(2,165.78)
	Gain on fair valuation of investments measured at fair value through profit or loss	(2.04)	(928.16)
	Loss on sale/write-off, of property, plant and equipment (net)	155.65	17.50
	Allowance for Doubtful Debts and Advances	29.58	23.52
	Interest Expense for financial liabilities at amortised cost	3,261.59	3,533.83
	Share based payments to employees	13.11	27.28
	Operating Profit before Working Capital Changes	**13,598.71**	**11,125.51**
	Changes in :		
	Trade and Other Receivables	(441.70)	(88.23)
	Trade and Other Payables	1,308.06	999.48
	Cash generated from Operations	**866.36**	**911.25**
	Less: Income taxes paid (Net)	(2,153.86)	(2,022.97)
	Net Cash generated from Operating Activities (A)	**12,311.21**	**10,013.79**
B	**CASH FLOWS FROM INVESTING ACTIVITIES**		
	Payments for purchase of Property, Plant and Equipment, Capital Work-In-Progress and Intangible Assets	(1,542.72)	2,259.18
	Proceeds from sale of Property Plant and Equipment	0.50	0.61
	Investments in subsidiaries	(35,500.00)	(87,333.77)
	Investments in Mutual Funds	(56,263.34)	(125,668.70)
	Proceeds from sale of investments in Mutual Funds	75,998.44	131,421.83
	Interest received	1,425.25	94.59
	Deposits placed with Banks other than considered in Cash and Cash Equivalents	-	(14,500)
	Maturity proceeds of Deposits with Banks other than considered in Cash and Cash Equivalents	14,500.00	14.07
	Inter Corporate Deposits received back	13,470.00	-
	Inter Corporate Deposits given	(12,721.00)	(750.00)
	Net Cash used in Investing Activities (B)	**(632.87)**	**(94,462.19)**
C	**CASH FLOWS FROM FINANCING ACTIVITIES**		
	Proceeds from issue of Equity shares	-	93,844.22
	Payment of share issue expenses	-	(281.54)
	Repayment of Long Term Borrowings (Refer note 2 below)	(4,134.21)	(3,745.52)
	Net decrease in Short Term Borrowings (Refer note 2 below)	(497.42)	(177.08)
	Interim Dividend Paid on Compulsory Convertible Preference Shares (CCPS) Series B	-	(1,295.30)
	Dividend Distribution tax paid on above	-	(266.25)
	Interest paid	(3,013.24)	(3,528.34)
	Net Cash (used)/Generated from Financing Activities (C)	**(7,644.87)**	**84,550.19**
	Net Increase in Cash and Cash Equivalents [(A) + (B) + (C)]	4,033.47	101.79
	Cash and Cash Equivalents at the beginning of the year	**208.60**	**106.81**
	Cash and Cash Equivalents at the end of the year (Refer note 11)	**4,242.07**	**208.60**
	Notes to Standalone Statement of Cash Flows		
1	**Components of cash and cash equivalents :**		
	Cash on hand	0.43	0.72
	Balances with a financial institution in term deposits with original maturity less than 3 months	4,115.07	-
	Balances with banks	126.57	207.88
	Cash and Cash equivalents at the end of the year (Refer note 11)	**4,242.07**	**208.60**

2 **Changes in Liabilities arising from financing activities**

	01st April 2019	Cash Flows	31st March 2020
Borrowings - Non Current * (Refer note 18 and 23)	37,731.34	(4,134.21)	33,597.13
Borrowings - Current (Refer note 21)	497.42	(497.42)	0.00
	38,228.77	**(4,631.63)**	**33,597.13**

	01st April 2018	Cash Flows	31st March 2019
Borrowings - Non Current * (Refer note 18 and 23)	41,476.86	(3,745.52)	37,731.34
Borrowings - Current (Refer note 21)	674.50	(177.08)	497.42
	42,151.36	**(3,922.60)**	**38,228.76**

* It includes Current Maturities of Long Term Borrowings which are grouped under "Other Financial Liability"

3 During the previous year ended 31st March, 2019, the Company, vide Board Resolution dated 19th April 2018, had approved conversion of inter-corporate deposit of Rs. 10,000 Lakhs into investments in 0.0001% Optionally Convertible Debentures (OCD) of Sparkle One Mall Developers Private Limited, a subsidiary of the Company. The above transaction, being a non-cash transaction did not have an impact on the Statement of Cash Flows. (Refer note 5)

See accompanying notes to the Standalone Statement of Cash Flows 1-43

As per our Report of even date

For D T S & Associates LLP	For Deloitte Haskins & Sells LLP	For and on behalf of the Board of Directors	
Chartered Accountants	Chartered Accountants		
(Firm Registration No: 142412W/W100595)	(Firm Registration No: 117366W/W-100018)		
Ashish G. Mistry	**Rajesh K. Hiranandani**	**Gajendra Singh Rathaur**	**Pawan Kakumanu**
Partner	Partner	Managing Director	Director
Membership No. 132639	Membership No. 36920	DIN No. 07623957	DIN No. 07584653
Place : Mumbai		**Girish Sharma**	**Deepa Laungani**
Date : 29th June 2020		Chief Financial Officer	Company Secretary
		PAN No. BKKPS9431C	Membership No. A25530

Island Star Mall Developers Private Limited
(CIN No. U45200MH2006PTC161067)
Standalone Statement of Changes in Equity for the year ended 31st March 2020

A. Equity Share Capital

(i) For Equity Shares of ₹ 10 each, fully paid up:

(₹ In Lakhs)

Balance as at 1st April, 2018	Changes in equity share capital during the year	Balance as at 31st March, 2019	Changes in equity share capital during the year	Balance as at 31st March 2020
14,327.83	5,337.82	19,665.65	-	19,665.65

(ii) For Special Equity Shares of ₹ 10 each, fully paid up:

(₹ In Lakhs)

Balance as at 1st April, 2018	Changes in equity share capital during the year	Balance as at 31st March, 2019	Changes in equity share capital during the year	Balance as at 31st March 2020
0.01	-	0.01	-	0.01

B. Instruments entirely equity in nature

For 0.0001% Compulsorily Convertible Preference Shares (CCPS) of ₹ 10 each, fully paid up - Series A

(₹ In Lakhs)

Balance as at 1st April, 2018	Changes in compulsory convertible preference shares during the period	Balance as at 31st March, 2019	Changes in compulsory convertible preference shares during the period	Balance as at 31st March 2020
308.98	-	308.98	-	308.98

C. Other Equity

For the year ended 31st March, 2020 (₹ In Lakhs)

Particulars	Equity Component of a Compound Financial Instrument	Reserves and Surplus			Total Other Equity
		Securities Premium	Retained Earnings	Share Options Outstanding Account	
Balance as at 1st April, 2019	296.86	154,995.69	14,005.44	55.58	**169,353.57**
Profit for the year	-	-	7,846.57	-	**7,846.57**
Recognition of Share Based Payments	-	-	-	13.11	**13.11**
Remeasurement loss on defined benefit plans	-	-	(2.79)	-	**(2.79)**
Balance as at 31st March, 2020	**296.86**	**154,995.69**	**21,849.22**	**68.69**	**177,210.46**

For the year ended 31st March, 2019 (₹ In Lakhs)

Particulars	Equity Component of a Compound Financial Instrument	Reserves and Surplus			Total Other Equity
		Securities Premium	Retained Earnings	Share Options Outstanding Account	
Balance as at 1st April, 2018	296.86	66,770.83	8,595.23	28.30	**75,691.22**
Issue of Equity Shares	-	88,506.40	-	-	**88,506.40**
Expense on issue of Shares	-	(281.54)	-	-	**(281.54)**
Profit for the year	-	-	6,971.99	-	**6,971.99**
Interim Dividend on Compulsory Convertible Preference Shares (CCPS) Series B	-	-	(1,295.30)	-	**(1,295.30)**
Dividend Distribution tax on above	-	-	(266.25)	-	**(266.25)**
Recognition of Share Based Payments	-	-	-	27.28	**27.28**
Remeasurement loss on defined benefit plans	-	-	(0.23)	-	**(0.23)**
Balance as at 31st March, 2019	**296.86**	**154,995.69**	**14,005.44**	**55.58**	**169,353.57**

See accompanying notes to the Standalone Financial Statements 1-43

As per our Report of even date

For D T S & Associates LLP
Chartered Accountants
(Firm Registration No: 142412W/W100595)

Ashish G. Mistry
Partner
Membership No. 132639

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm Registration No: 117366W/W-100018)

Rajesh K. Hiranandani
Partner
Membership No. 36920

For and on behalf of the Board of Directors

Gajendra Singh Rathaur
Managing Director
DIN No. 07623957

Pawan Kakumanu
Director
DIN No. 07584653

Girish Sharma
Chief Financial Officer
PAN No. BKKPS9431C

Deepa Laungani
Company Secretary
Membership No. A25530

Place : Mumbai
Date : 29th June 2020

Island Star Mall Developers Private Limited

(CIN No. U45200MH2006PTC161067)

Notes to Standalone financial statements for the year ended 31st March 2020

Note 4

(₹ In Lakhs)

Particulars	Property, Plant and Equipment							Intangible Assets	
	Freehold Land	Building	Plant and Equipment	Office Equipment	Computers	Furniture and Fixtures	Total	Software	Total
At Cost or Deemed Cost									
As at 1st April, 2018	**16,419.21**	**30,816.04**	**9,623.27**	**292.61**	**73.75**	**1,643.19**	**58,868.07**	**18.30**	**18.30**
Additions	-	-	302.75	22.69	3.76	176.54	505.74	1.03	1.03
Deductions	-	1.63	6.33	3.35	0.09	24.42	35.82	-	-
As at 31st March, 2019	**16,419.21**	**30,814.41**	**9,919.69**	**311.95**	**77.42**	**1,795.31**	**59,337.99**	**19.33**	**19.33**
Additions	-	-	309.98	7.86	5.63	105.81	429.28	0.79	0.79
Deductions/Adjustments	-	2.50	61.79	28.62	2.07	157.28	252.26	-	-
As at 31st March, 2020	**16,419.21**	**30,811.91**	**10,167.88**	**291.19**	**80.98**	**1,743.84**	**59,515.01**	**20.12**	**20.12**
Accumulated Depreciation									
As at 1st April, 2018	-	1,468.31	2,899.93	158.37	53.43	474.05	**5,054.09**	**9.28**	**9.28**
Charge for the year	-	522.68	1,016.53	47.33	10.11	203.84	1,800.49	3.21	3.21
Deductions	-	0.30	2.53	2.39	0.09	10.78	16.09	-	-
As at 31st March, 2019	**-**	**1,990.69**	**3,913.93**	**203.31**	**63.45**	**667.11**	**6,838.49**	**12.49**	**12.49**
Charge for the year	-	524.06	1,050.63	44.38	6.17	213.22	1,838.46	2.66	2.66
Deductions/Adjustments	-	0.35	14.77	22.17	1.49	57.32	96.10	-	-
As at 31st March, 2020	**-**	**2,514.41**	**4,949.78**	**225.52**	**68.12**	**823.01**	**8,580.84**	**15.15**	**15.15**
Carrying amount									
As at 31st March, 2020	**16,419.21**	**28,297.50**	**5,218.10**	**65.68**	**12.85**	**920.83**	**50,934.16**	**4.97**	**4.97**
As at 31st March, 2019	**16,419.21**	**28,823.72**	**6,005.76**	**108.64**	**13.97**	**1,128.20**	**52,499.50**	**6.84**	**6.84**

1. Freehold Land and Building included in the Note above and building included in Capital Work-In-Progress are mortgaged against borrowings with first and exclusive charge over these immovable assets (Refer note 18)

2. For transition to Ind AS, the Company had elected to continue with the carrying value of all of its property, plant and equipment and intangible assets recognised as of 1st April, 2015 (the transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date. Accordingly, the net balance of the gross block of the property, plant and equipment of ₹ 56,980.51 Lakhs as at the transition date, and the accumulated depreciation thereon of ₹ 4,059.90 Lakhs as at that date is considered as the deemed cost as at the transition date. Similarly, the net balance of the gross block of the intangible assets of ₹ 16.32 Lakhs as at the transition date, and the accumulated depreciation thereon of ₹ 6.81 Lakhs as at that date is considered as the deemed cost as at the transition date.

3. Refer note 3(b)

(₹ in Lakhs)

Notes	Particulars	As at 31st March 2020	As at 31st March 2019
5	**Non-Current Investments**		
	Investments in Equity Shares of subsidiaries (unquoted)		
	Alyssum Developers Pvt Ltd [10,000 (P.Y. 10,000) Shares of ₹ 10 each fully paid]	1.00	1.00
	Sparkle One Mall Developers Pvt. Ltd. [10,000 (P.Y. 10,000) Shares of ₹ 10 each fully paid]	1.00	1.00
	Sparkle Two Mall Developers Pvt. Ltd. [10,000 (P.Y. 10,000) Shares of ₹ 10 each fully paid]	1.00	1.00
	Insight Mall Developers Pvt. Ltd. (formerly known as Insight Hotels & Leisure Pvt. Ltd.) [1,000 (P.Y. 1,000) Shares of ₹ 1,000 each fully paid]	32.77	32.77
		35.77	**35.77**
	Investments in 0.0001% Optionally Convertible Debentures (OCD) of subsidiaries (unquoted)		
	Alyssum Developers Pvt. Ltd. [50,50,00,000 (P.Y. 35,00,00,000) OCD's of ₹ 10 each fully paid]	50,500.00	35,000.00
	Sparkle One Mall Developers Pvt. Ltd. [83,80,00,000 (P.Y. 71,30,00,000) OCD's of ₹ 10 each fully paid]	83,800.00	71,300.00
	Insight Mall Developers Pvt. Ltd (formerly known as Insight Hotels & Leisure Pvt. Ltd.) [33,50,000 (P.Y. 26,00,000) OCD's of ₹ 1,000 each fully paid]	33,500.00	26,000.00
		167,800.00	**132,300.00**
		167,835.77	**132,335.77**

Note:

(1) Investments in Equity Shares of subsidiaries are stated at cost in accordance with the option available in Ind AS 27 "Separate Financial Statements".

Notes	Particulars	As at 31st March 2020	As at 31st March 2019
6	**Current Tax Assets (Net)**		
	Advance Income Tax (net of provision for taxation)	2,136.59	1,963.29
		2,136.59	**1,963.29**

7 Deferred Tax Assets (Net)

Particulars	As at 1st April, 2019	Statement of Profit and Loss	Other Comprehensive Income	As at 31st March, 2020
(I) Components of Deferred Tax Assets (Net)				
Deferred Tax Liabilities				
Property, Plant and Equipment and intangible assets: Impact of difference between written down value as per books of account and income tax	856.51	(155.49)	-	701.02
Financial assets measured at FVTPL	281.93	(281.34)	-	0.59
Deferred Tax Assets				
Expenses claimed for tax purpose on payment basis	9.44	4.78	0.59	14.81
Allowance for doubtful debts	20.41	4.28	-	24.69
Deferred tax (Assets) / Liabilities	**1,108.59**	**(445.89)**	**(0.59)**	**662.11**
MAT Credit Entitlement	(4,039.35)	1,367.22	-	(2,672.13)
Deferred tax (Assets) / Liabilities including MAT Credit	**(2,930.76)**	**921.33**	**(0.59)**	**(2,010.03)**

Particulars	As at 1st April, 2018	Statement of Profit and Loss	Other Comprehensive Income	As at 31st March, 2019
(I) Components of Deferred Tax Assets (Net)				
Deferred Tax Liabilities				
Property, Plant and Equipment and intangible assets: Impact of difference between written down value as per books of account and income tax	939.88	(83.37)	-	856.51
Financial assets measured at FVTPL	355.14	(73.21)	-	281.93
Deferred Tax Assets				
Expenses claimed for tax purpose on payment basis	7.77	1.61	0.06	9.44
Allowance for doubtful debts	32.44	(12.03)	-	20.41
Unabsorbed depreciation/carried forward losses	1,265.05	(1,265.05)	-	-
Deferred tax (Assets) / Liabilities	**(10.24)**	**1,118.89**	**(0.06)**	**1,108.59**
MAT Credit Entitlement	(2,838.63)	(1,200.72)	-	(4,039.35)
Deferred tax (Assets) / Liabilities including MAT Credit	**(2,848.87)**	**(81.83)**	**(0.06)**	**(2,930.76)**

Details of unused tax losses and unabsorbed tax depreciation for which deferred tax assets have not been recognised:

Particulars	**March 31,2020**	**March 31,2019**
Unused tax losses	7,747.32	8,656.10
	7,747.32	**8,656.10**

Island Star Mall Developers Private Limited
(CIN No. U45200MH2006PTC161067)
Notes to Standalone financial statements for the year ended 31st March 2020

(₹ in Lakhs)

Notes	Particulars	As at 31st March 2020	As at 31st March 2019
	The above unused tax losses will expire as per table below:		
	Particulars		
	Tax losses for financial year ended/ (benefit of tax losses expiring on:		
	Business losses		
	March 31, 2012 (Expiring on March 31, 2020)	-	908.78
	March 31, 2013 (Expiring on March 31, 2021)	1,651.45	1,651.45
	March 31, 2016 (Expiring on March 31, 2024)	261.30	261.30
	March 31, 2017 (Expiring on March 31, 2025)	5,834.57	5,834.57
		7,747.32	**8,656.10**
8	**Other non-current assets**		
	(Unsecured and considered good)		
	Capital Advances	-	35.30
	Deposit with Government authorities	0.65	0.65
	Prepaid Expenses	3.33	19.20
	Security Deposits	382.43	270.74
		386.41	**325.89**
9	**Investments (current)**		
	Investments measured at fair value through profit or loss		
	Investments in Mutual Funds (unquoted)		
	NIL Units of HDFC Ultra Short Term Fund – Regular Growth (P.Y. 17,888,532.586 Units)	-	1,870.62
	238,821.458 Units of Aditya Birla Sun Life Overnight Fund - Growth- Regular Plan (P.Y. NIL Units)	2,575.04	-
	67,502.749 Units of L&T Liquid Overnight Fund - Growth (P.Y. NIL Units)	1,002.87	-
	36,722.899 Units of UTI Overnight Fund - Regular Growth (P.Y. NIL Units)	996.10	-
	30,24,049.214 Units of Nippon India Overnight Fund - Growth Plan (P.Y. NIL Units)	3,237.21	-
	NIL Units of IDFC Ultra Short Term Fund - Regular Plan Growth (P.Y. 18,972,811.960 Units)	-	2,009.41
	NIL Units of Invesco India Liquid Fund – Growth (P.Y. 196,731.904 Units)	-	5,039.54
	NIL Units of L&T Liquid Fund - Regular Growth (P.Y. 106,622.638 Units)	-	2,722.75
	NIL Units of Kotak Savings Fund - Growth (Regular Plan) (P.Y. 6,702,075.978 Units)	-	2,008.72
	NIL Units of Invesco India Money Market Fund - Growth (P.Y. 166,665.738 Units)	-	3,560.40
	NIL Units of UTI Liquid Cash Regular Growth Plan (P.Y. 43,849.298 Units)	-	1,337.37
	NIL Units of HSBC Cash Fund - Growth (P.Y. 72,024.818 Units)	-	1,336.55
	NIL Units of Axis Liquid Fund - Growth (P.Y. 125,399.856 Units)	-	2,589.63
	NIL Units of Reliance Liquid Fund- Growth Plan - Growth Option (P.Y. 39,369.243 Units)	-	1,787.06
	NIL Units of Aditya Birla Sun Life Money Manager Growth - Regular (P.Y. 889,808.727 Units)	-	2,226.98
		7,811.22	**26,489.03**
10	**Trade Receivables**		
	Unsecured		
	a) Considered good	1,011.67	709.20
	b) Credit impaired	26.56	25.99
		1,038.24	735.19
	Less: Allowance for expected credit losses	(71.07)	(64.38)
		967.17	**670.81**
11	**Cash and Cash Equivalents :**		
	Balances with Banks	126.57	207.88
	Balances with a financial institution in term deposits with original maturity less than 3 months	4,115.07	-
	Cash on hand	0.43	0.72
		4,242.07	**208.60**
12	**Other Bank Balances**		
	Term Deposits with Original maturity not more than 12 months (Refer note 1 below)	1.28	14,501.28
	Escrow account balance with bank as Security (Refer note 2 below)	350.00	350.00
		351.28	**14,851.28**

Notes:
(1) Includes Term Deposit of ₹ 1.27 Lakhs (P.Y.₹ 1.27 Lakhs) is earmarked to Bank Guarantee given to Joint Commissioner of Commercial Taxes (Appeals) at Bangalore for disputed tax demand.
(2) Amount of ₹ 350 Lakhs (P.Y. ₹ 350 Lakhs) represents bank balance, held by the entity that is not available for use by the Company, as it is pledged with a bank to fulfil collateral requirements of the Borrowings taken by the Company.

Notes	Particulars	As at 31st March 2020	As at 31st March 2019
13	**Loans**		
	(Unsecured and considered good)		
	Inter Corporate Deposits given to related parties (Refer note 39(b)(5))	1.00	750.00
		1.00	**750.00**
14	**Other Financial Assets**		
	(Unsecured and considered good)		
	Interest Accrued on loans to related parties (Refer note 39)	0.03	9.68
	Interest Accrued on Optionally Convertible Debentures (Refer note 39)	0.14	0.11
	Interest Accrued on Term Deposits with Banks	2.03	145.06
	Interest Accrued on Others	11.40	12.31
		13.60	**167.16**

Island Star Mall Developers Private Limited
(CIN No. U45200MH2006PTC161067)
Notes to Standalone financial statements for the year ended 31st March 2020

(₹ in Lakhs)

Notes	Particulars	As at 31st March 2020	As at 31st March 2019
15	**Other Current Assets**		
	(Unsecured, considered good, unless otherwise stated)		
	Advance to Vendors	50.33	29.88
	Less: Allowance for doubtful advances	(13.71)	(5.71)
		36.62	24.17
	Prepaid Expenses	59.79	47.25
	Security Deposits	-	5.00
	Balances with Government Authorities	4.00	4.00
		100.41	**80.42**
16	**Share Capital**		
	Authorised		
	214,990,000 (P.Y 214,990,000) Equity Shares of ₹ 10 each	21,499.00	21,499.00
	10,000 (P.Y. 10,000) Special Equity Shares of ₹ 10 each	1.00	1.00
	10,000,000 (P.Y. 10,000,000) - 0.0001% Compulsorily Convertible Preference Shares (CCPS) of ₹ 10 each	1,000.00	1,000.00
		22,500.00	**22,500.00**
	Issued, subscribed and paid up		
	196,656,541 (P.Y. 196,656,541) Equity Shares of ₹ 10/- each fully paid up	19,665.65	19,665.65
	100 (P.Y. 100) Special Equity Shares of ₹ 10/- each fully paid up	0.01	0.01
	0.0001% Compulsorily Convertible Preference Shares (CCPS) of ₹ 10 each fully paid up		
	Series A - 3,089,759 (P.Y. 3,089,759) of ₹ 10 each	308.98	308.98
		19,974.64	**19,974.64**

a) Reconciliation of the Shares outstanding at the beginning and at the end of the reporting period

Equity Shares	**No. of Shares**	**₹ in Lakhs**	**No. of Shares**	**₹ in Lakhs**
Shares outstanding at the beginning of the year	196,656,541	19,665.65	196,656,541	19,665.65
Shares outstanding at the end of the year	**196,656,541**	**19,665.65**	**196,656,541**	**19,665.65**
Special Equity Shares				
Shares outstanding at the beginning of the year	100	0.01	100	0.01
Shares outstanding at the end of the year	**100**	**0.01**	**100**	**0.01**
CCPS - Series A	**No. of Shares**	**₹ in Lakhs**	**No. of Shares**	**₹ in Lakhs**
Shares outstanding at the beginning of the year	3,089,759	308.98	3,089,759	308.98
Shares outstanding at the end of the year	**3,089,759**	**308.98**	**3,089,759**	**308.98**

b) Terms and Rights attached to shares.

Equity Shares:

The company has only one class of equity shares having face value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. Equity share holders are also entitled to dividend as and when proposed by the Board of Directors and approved by Share holders in Annual General Meeting except in case of Interim dividend. 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.

Special Equity Shares:

The company also has Special Equity Shares having face value of ₹ 10 per share. Each Special Equity Share shall carry super voting rights with respect to the election, appointment and/or removal of Directors, when Investor DVR Shareholding % on a non-diluted basis exceeds 30% (thirty per cent). At any and all times when the Investor DVR Shareholding % is equal to or less than 30% (thirty per cent) the Total Special Equity Share DVR % at such times shall automatically be equal to 0.00% (zero per cent). In case where the shareholding percentage of the other shareholder becomes more than 30%, the Special Equity Shares shall automatically carry voting rights which when added together with the existing voting rights shall equal 70% of the total voting rights attached to all issued and outstanding equity securities of the Company. Special Equity Shares will carry no right to receive any dividends or other distributions of the Company, or otherwise carry any economic rights. Upon the occurrence of the voluntary or involuntary liquidation, dissolution or winding up of the Company, from the surplus liquidation proceeds available to the Equity Shareholders of the Company, the holder of Special Equity Shares shall be entitled to receive ₹ 10 (₹ Ten) per Special Equity Share and The Special Equity Shares shall have no right to receive offers for rights shares or be allotted bonus shares in respect of other equity shares, except same class i.e. Special Equity Shares. The holder of Special Equity Share shall not be able to transfer Special Equity Shares save for transfers to wholly owned subsidiaries of the holder.

(₹ in Lakhs)

Notes	Particulars	As at 31st March 2020	As at 31st March 2019

Preference Shares: CCPS 'A'

The Company has issued Series A of 0.0001% Compulsory Convertible Preference Shares (CCPS) having face value of Rs 10 each. CCPS carry non cumulative dividend at 0.0001% per annum on the face value. CCPS A shall be automatically and compulsorily converted into 1 Equity Share in the following situations a) upon expiry of 19 (nineteen) years and 11 (eleven) months from the date of allotment of CCPS A, or b) occurrence of Insolvency of the company, or c) occurrence of any of the events set out in Clause 16.2.2(a),16.2.2(d),16.3.2(a) and 16.3.2(d) of the Shareholders Agreement dated 05th April 2017, or d) if Carry Amount is NIL pursuant to calculation of DA Carry Amount and OA Carry Amount as per Clause 16.2.2(a) or 16.3.2(a) of the Shareholders Agreement dated 05th April 2017, respectively. Upon occurrence of CCPS A Carry Conversion Event, the Company shall mandatorily convert such number of CCPS A into Equity Shares in accordance with the formula given in 3.1 of Schedule 5A of the Shareholders Agreement dated 05th April 2017. Upon occurrence of the CCPS A Put Conversion Event, Where the aggregate Carry Amount paid or payable until such CCPS A Put Conversion Event relates to an aggregate sum up to (or less than) INR 500,000,000 (Indian Rupees Five Hundred million), the Company shall mandatorily convert (such number of) CCPS A into Equity Shares in accordance with the formula given in 3.2 of Schedule 5A of the Shareholders Agreement dated 05th April 2017. The CCPS 'A' shall be non-transferable during its tenure. The holder of CCPS 'A' exclusively in relation to CCPS ‘A’, shall also not be entitled to participate in any issue of equity shares of the company (including any bonus issue, stock split or any reorganisation) and, to the extent that it cannot waive such rights, holder of CCPS 'A' agrees, covenants and undertakes not to exercise such rights when they become available.

c) Details of shareholders holding more than 5% shares in the company (Shares of ₹ 10 each fully paid):

Name of Shareholder	31st March 2020		31st March 2019	
	Number of Shares	Shareholding %	Number of Shares	Shareholding %
Equity Shares				
The Phoenix Mills Limited	100,294,836	51.00	100,294,836	51.00
Canada Pension Plan Investment Board	96,361,705	49.00	96,361,705	49.00
Special Equity Shares				
The Phoenix Mills Limited	100	100.00	100	100.00
CCPS - Series 'A'				
The Phoenix Mills Limited	3,089,759	100.00	3,089,759	100.00

d) Details of shares held by (shares of ₹ 10 each fully paid) :

Particulars	31st March 2020		31st March 2019	
	Number of Shares	Shareholding %	Number of Shares	Shareholding %
Equity Shares				
i) Holding Company	100,294,836	51.00	100,294,836	51.00
Special Equity Shares				
i) Holding Company	100	100.00	100	100.00
Compulsory Convertible Preference Shares (CCPS)				
i) Holding Company	3,089,759	100.00	3,089,759	100.00

e) Aggregate no. of Shares allotted as fully paid by way of bonus shares during last 5 years are as follows

Particulars	31st March 2020	31st March 2019	31st March 2018	31st March 2017
Equity Shares of ₹ 10/- each fully paid up	80,492,330	80,492,330	80,492,330	80,492,330
Series A - CCPS of ₹ 10 each fully paid up	3,089,759	3,089,759	3,089,759	3,089,759

f) For Equity shares reserved for issue, refer 16(b) and 17('e)

Notes	Particulars	As at 31st March 2020	As at 31st March 2019
17	**Other Equity**		
	Equity Component of a Compound Financial Instrument		
	As per last Balance Sheet	296.86	296.86
	Closing Balance	**296.86**	**296.86**
	Securities Premium		
	As per last Balance Sheet	154,995.69	66,770.83
	Add: On issue of Shares during the year	-	88,506.40
	Less: Expenses on issue of Shares during the year	-	281.54
	Closing Balance	**154,995.69**	**154,995.69**
	Retained Earnings		
	As per last Balance Sheet	14,005.44	8,595.23
	Add: Profit for the year	7,846.57	6,971.99
	Less: Interim Dividend on CCPS Series 'B'	-	(1,295.30)
	Less: Dividend Distribution Tax on CCPS Series 'B'	-	(266.25)
	Add: Remeasurement loss on defined benefit plans	(2.79)	(0.23)
	Closing Balance	**21,849.22**	**14,005.44**
	Share Options Outstanding Account		
	As per last Balance Sheet -	55.58	28.30
	Add: Recognition of Share Based Payments	13.11	27.28
	Closing Balance	**68.69**	**55.58**
		177,210.46	**169,353.57**

(₹ in Lakhs)

Notes	Particulars	As at 31st March 2020	As at 31st March 2019
	a) Issued, subscribed and paid up		
	0.0001% Compulsorily Convertible Preference Shares (CCPS) of ₹ 10 each fully paid up		
	Series B - 2,968,592 (P.Y. 2,968,592) of ₹ 10 each	296.86	296.86
		296.86	**296.86**

b) Reconciliation of the Shares outstanding at the beginning and at the end of the reporting period	As at 31st March 2020 Number of Shares	As at 31st March 2020 ₹ in Lakhs	As at 31st March 2019 Number of Shares	As at 31st March 2019 ₹ in Lakhs
CCPS - Series B				
Shares outstanding at the beginning the year	2,968,592	296.86	2,968,592	296.86
Shares outstanding at the end of the year	**2,968,592**	**296.86**	**2,968,592**	**296.86**

c) Details of shareholders holding more than 5% shares in the company (Shares of ₹ 10 each fully paid):

Name of Shareholder	As at 31st March 2020 Number of Shares	As at 31st March 2020 Shareholding %	As at 31st March 2019 Number of Shares	As at 31st March 2019 Shareholding %
CCPS - Series B				
The Phoenix Mills Limited	2,968,592	100.00	2,968,592	100.00

d) Details of shares held by (shares of ₹ 10 each fully paid) :

Particulars	As at 31st March 2020 Number of Shares	As at 31st March 2020 Shareholding %	As at 31st March 2019 Number of Shares	As at 31st March 2019 Shareholding %
CCPS - Series B				
Holding Company	2,968,592	100.00	2,968,592	100.00

e) Rights, preferences and restrictions attaching to shares including restrictions on distribution of dividends and the repayment of capital

Equity Component of a Financial Instrument: During the previous year ended 31st March, 2018, the Company issued Series B of 0.0001% Compulsory Convertible Preference Shares (CCPS) having face value of Rs 10 each. CCPS carry non cumulative dividend at 0.0001% per annum on the face value. CCPS B shall be automatically and compulsorily converted into 1 Equity Share in the following situations a) upon expiry of 19 (nineteen) years and 11 (eleven) months from the date of allotment of CCPS B, or b) occurrence of Insolvency of the company, or c) occurrence of any of the events set out in Clause 16.2.2(a),16.2.2(d),16.3.2(a) and 16.3.2(d) of the Shareholders Agreement dated 05th April 2017, or d) if Carry Amount is NIL pursuant to calculation of DA Carry Amount and OA Carry Amount as per Clause 16.2.2(a) or 16.3.2(a) of the Shareholders Agreement dated 05th April 2017, respectively. Upon occurrence of a CCPS B Carry Conversion Event, where the aggregate Carry Amount paid or payable till such CCPS B Carry Conversion Event is an aggregate sum up to (or less than) INR 500,000,000 (Indian Rupees Five Hundred million), the Company shall mandatorily convert (such number of) CCPS B into Equity Shares in accordance with as i. Number of CCPS B to be converted = Carry Amount divided by Issue Price of the CCPS B ii. Number of Equity Shares to be issued on conversion of such CCPS B as determined vide (i) above (“CCPS B Carry Conversion Shares”) = [Number of outstanding Equity Shares before the relevant CCPS B Carry Conversion Event] / (1– Carry Stake)] X [Carry Stake]. Upon occurrence of the CCPS B Put Conversion Event, the Company shall, immediately prior to the Put Closing as contemplated in Clause 12 of the Shareholders Agreement date April 5, 2017, mandatorily convert all of the CCPS B into Equity Shares in accordance with Number of Equity Shares to be issued on conversion of all CCPS B (“CCPS B Put Conversion Shares”) = [Total number of CCPS B x Issue Price of the CCPS B] / Put Option Price (as defined in Schedule 5A) Provided that the conversion ratio for conversion of CCPS B into CCPS Put Conversion Shares shall, in no event, be less than 1:1.The CCPS 'B' shall be non-transferable during its tenure. The holder of CCPS 'B' exclusively in relation to CCPS ‘B’, shall also not be entitled to participate in any issue of equity shares of the company (including any bonus issue, stock split or any reorganisation) and, to the extent that it cannot waive such rights, holder of CCPS 'B' agrees, covenants and undertakes not to exercise such rights when they become available.

Nature and purpose of each reserve

Securities Premium Account: Securities Premium Account is used to record the premium on issue of shares. This reserve is utilised in accordance with the provisions of the Companies Act, 2013.

Share Options Outstanding Account: The fair value of the equity settled share based payment transactions is recognised to share options outstanding account.

Notes	Particulars	As at 31st March 2020	As at 31st March 2019
18	**Borrowings (Non-Current)**		
	Secured at amortised cost		
	Term Loans from Banks	22,735.65	26,005.50
	Term Loans from Others	6,485.48	7,186.84
		29,221.13	**33,192.34**

18.1) Term Loan referred above are secured on pari-passu basis by equitable mortgage of immovable properties situated at Whitefield, Bengaluru and hypothecation of lease rental/ sales receivable from retailers and lien on the Debt Service Reserve Account (DSRA) / ESCROW Account.

18.2) Maturity Profile of Term Loan from Banks and others are set out below in rupees in Lakhs

Term Loan from Banks			
FY 2020-2021	3,603.30	FY 2023-2024	6,888.76
FY 2021-2022	5,031.94	FY 2024-2025	490.04
FY 2022-2023	5,906.42	FY 2025-2026	4,418.49

Term Loan from Others			
FY 2020-2021	772.70	FY 2023-2024	1,477.24
FY 2021-2022	1,079.06	FY 2024-2025	1,715.09
FY 2022-2023	1,266.58	FY 2025-2026	947.51

(₹ in Lakhs)

Notes	Particulars	As at 31st March 2020	As at 31st March 2019
	18.3) In terms of the Reserve Bank of India (RBI) circular of March 2020, the Company had requested its lenders for rescheduling instalments falling due between 1st March, 2020 and 31st May, 2020 (the moratorium period). The Company has received acceptance from all its lenders, except one (in respect of which a formal communication of acceptance is pending to be received), for granting the moratorium and shifting the repayment schedule for such loans as also the residual tenure by three months. The Company has accordingly classified its loan liabilities into non-current liabilities and current liabilities taking cognizance of the aforesaid and considering that the RBI has already announced the second phase of moratorium effective 1st June, 2020 to 31st August, 2020 and that the singular bank referred above has also not demanded repayment as per the original repayment schedule, the Management has no reason to believe that the approval has not been granted.		
19	**Other Financial Liabilities (Non-Current)**		
	Security Deposits For Lease Rentals	1,381.48	951.59
		1,381.48	**951.59**
20	**Provision (Non-Current)**		
	Employee Benefits		
	Provision for Compensated absences	32.18	26.91
		32.18	**26.91**
21	**Borrowings (Current)**		
	Secured at amortised cost		
	Loans repayable on demand		
	Cash Credit From Bank #	-	497.42
		-	**497.42**
	# Secured against assets stated in Note 18.1 above.		
22	**Trade Payable (Current)**		
	a) total outstanding dues of micro enterprises and small enterprises *	5.28	7.07
	b) total outstanding dues of creditors other than micro enterprises and small enterprises	1,716.48	1,365.84
		1,721.76	**1,372.91**
	* There are no Micro and Small Enterprises, to whom the company owes dues, which are outstanding for more than 45 days during the year and as at March 31, 2020 and March 31, 2019. The below information, regarding Micro and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the Auditors.		
	Disclosure for Micro, Small and Medium Enterprises:		
a)	The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year;	5.28	7.07
b)	The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
c)	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 Micro, Small and Medium Enterprises Development Act, 2006;	-	-
d)	The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
e)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
23	**Other Financial Liabilities (Current)**		
	Current Maturities of Long Term Debts (Secured)		
	Term Loans from Banks (Refer Note 18)	3,603.30	3,737.52
	Term Loans from Others (Refer Note 18)	772.70	801.48
	Interest accrued but not due		
	On Term Loans from Banks	203.45	7.96
	On Term Loans from Others	58.73	5.88
	Security Deposits For Lease Rentals	5,804.38	5,590.82
	Payable for purchase of property, Plant and Equipment	53.53	112.13
		10,496.09	**10,255.79**
24	**Other Current Liabilities**		
	Statutory Dues	264.91	250.51
	Advance from Customers	334.79	46.65
		599.70	**297.16**
25	**Provisions (Current)**		
	Employee benefits		
	Provision for Compensated absences	1.81	1.59
	Provision for Gratuity	14.84	3.69
		16.65	**5.28**
26	**Current Tax Liabilities (Net)**		
	Income Tax payable (net of advance tax)	-	121.82
		-	**121.82**

Island Star Mall Developers Private Limited
(CIN No. U45200MH2006PTC161067)
Notes to standalone financial statement for the year ended 31st March 2020

(₹ In Lakhs)

Notes	Particulars	Year ended 31st March 2020	Year ended 31st March 2019
27	**Revenue From Operations**		
	Sale of Services	21,366.12	20,783.84
	Other Operating Revenues	68.70	33.24
		21,434.82	**20,817.08**
	27.1) Disaggregation of Sale of Services		
	License Fees and Rental Income	14,259.67	13,923.72
	Service Charges	5,919.27	5,842.74
	Others	1,187.18	1,017.38
		21,366.12	**20,783.84**
28	**Other Income**		
	Interest income on financial assets measured at amortised cost		
	on Fixed Deposits	855.90	161.21
	on Inter Corporate Deposits	404.72	62.81
	Interest on investments in Optionally Convertible Debentures of Subsidiaries	0.15	0.12
	Interest on Income tax refund	39.60	97.14
	Income from financial assets measured at fair value through profit or loss		
	Fair value gain on Mutual Funds	2.04	928.16
	Net Gain on sale of Mutual Funds	1,055.26	2,165.78
	Sundry Balances Written Back	16.25	6.52
	Others	10.91	10.50
		2,384.83	**3,432.24**
29	**Employee Benefits expense**		
	Salaries and Wages	839.61	776.94
	Contribution to Provident and Other Funds (Refer Note 36)	25.79	23.65
	Share based payments to employees	13.11	27.28
	Staff Welfare Expenses	14.05	16.85
		892.56	**844.72**
30	**Finance costs**		
	Interest expense for financial liabilities at amortised cost	3,261.59	3,533.83
	Bank charges	1.64	2.29
		3,263.23	**3,536.12**

Island Star Mall Developers Private Limited
(CIN No. U45200MH2006PTC161067)
Notes to standalone financial statement for the year ended 31st March 2020

(₹ In Lakhs)

Notes	Particulars	Year ended 31st March 2020	Year ended 31st March 2019
31	**Other Expenses**		
	Electricity Expenses	1,448.31	1,455.83
	Water Charges	140.08	150.27
	Repair and Maintenance:		
	Buildings	223.56	448.41
	Machinery	322.83	294.89
	Others	236.81	313.52
	Housekeeping Expenses	307.09	351.77
	General Charges	275.40	287.54
	Manpower Charges and Management Fees for Parking	141.04	153.27
	Rates and Taxes	604.32	582.94
	Insurance	72.23	72.67
	Legal and Professional Expenses	1,224.20	3,069.62
	Payments to Auditors (See footnote)	38.75	33.65
	Security charges	436.76	439.12
	Telephone expenses	14.24	17.19
	Expenditure on Corporate Social Responsibility (Refer note 41)	78.00	-
	Loss on Sale/write-off, of Property, Plant and Equipment	155.65	17.50
	Advertisement and Sales Promotion Expenses	1,160.62	1,021.24
	Rebates and Settlement	6.71	24.19
	Allowance for Doubtful Debts and Advances	29.58	23.52
	Bad debts written off	14.89	70.55
	Less: Provision held	(14.89)	(70.55)
		-	-
	Travelling Expenses	44.50	39.07
	Miscellaneous Expenses	235.42	220.31
		7,196.10	**9,016.52**
	Footnote:		
	Payments to Auditors (excluding indirect taxes)		
	a) for Audit	38.75	33.25
	b) for Certification Services	-	0.40
		38.75	**33.65**

(₹ In Lakhs)

Notes	Particulars	As at 31st March 2020	As at 31st March 2019
32	**Contingent Liabilities and Commitments**		
	a) 1) Capital and other commitments Estimated amount of contracts remaining to be executed on capital account not provided for	865.33	685.16

2) During the previous year ended 31st March, 2019, the Company had raised funds by way of Private Placement of Equity Shares. In terms of the offer of issue, the proceeds are required to be deployed towards any of the existing / new projects, or to be infused in its existing subsidiaries / subsidiaries under incorporation, or for the purpose of funding land acquisitions, projects and any other investments as the Company's Board of Directors may approve from time to time. The proceeds were accordingly applied by the Company during the previous year for the purposes for which the funds were raised, other than temporary deployment in liquid investments, pending application.

b) Contingent Liabilities

Claims against the Company not acknowledged as debt:

1) The Income Tax assessments of the Company have been completed up to Assessment Year 2017-18. The disputed demand up to the said Assessment Year was ₹ 1,734.02 Lakhs (P.Y. ₹ 1,122.87 Lakhs). The Company is in appeal or in process of filing appeal before the Appellate Authorities. Future cash outflows in respect of the above matter is determinable only on receipt of judgements/decisions pending at relevant forum.

2) The disputed demand as per Karnataka VAT Act, for the Financial Year 2011-12 was ₹ 1.83 Lakhs (P.Y. ₹ 1.83 Lakhs). The company, in an earlier year, paid ₹ 0.55 Lakh as Deposit towards 30% of disputed demand. The Company is in appeal before Joint Commissioner of Commercial Taxes (Appeals) at Bangalore. Future cash outflows in respect of the above matter is determinable only on receipt of judgements/decisions pending at relevant forum.

3) During the year ended March 31, 2020, the Commissioner of Central Tax, GST Commissionerate, Bangalore East has gone in appeal before the Hon'ble Customs, Excise and Service Tax Appellate Tribunal, South Zone Bench, Bengaluru in respect of disputed dues of service tax for Financial Years October 2011 to June 2017 of ₹ 669.90 Lakhs. During the year ended March 31, 2019, the Commissioner Central tax, GST Commissionerate, Bangalore East had dropped the abovementioned demands issued to the Company vide Show Cause Notice dated April 12, 2017.

The above litigations in Paras b(1), b(2) and b(3) above are not expected to have any material adverse impact on the financial position of the Company.

Notes	Particulars	Year ended March 31, 2020	Year ended March 31, 2019
33	**Earnings per Share (EPS)**		
i)	Profit for the year	7,846.57	5,410.41
ii)	Weighted Average number of shares used as denominator for calculating Basic EPS	202,714,892	201,398,717
iii)	Weighted Average number of shares used as denominator for calculating Diluted EPS	202,714,892	201,398,717
iv)	Basic EPS	3.87	2.69
v)	Diluted EPS	3.87	2.69
vi)	Face Value per equity share	10.00	10.00

34 The Leave and License agreements are generally for a period of 1 to 5 years. The terms also provide for escalation of License fees on a periodical basis. Generally, the company has a right to terminate these agreements by giving advance notice as stipulated therein.

The Company proposes to provide certain concessions /reliefs/ moratorium on rentals to its retailers (Refer note 43). Accordingly, the Future minimum License Fees receivable under Leave and License agreements for non-expired lock in period as at 31st March, 2020 have been computed as follows:

(₹ In Lakhs)

Particulars	Within one year	After one year but not more than five years	More than five years	Total
As on 31st March, 2020	1,886.28	3,213.79	-	**5,100.07**
As on 31st March, 2019	3,356.90	2,656.13	-	**6,013.03**

Contingent License Fees comprising of Revenue Share income (computed as a % of sales) charged to the Licensees during the year is ₹ 1,220.76 Lakhs (P.Y. ₹ 1,299.52 Lakhs)

(₹ In Lakhs)

Notes	Particulars	As at 31st March 2020	As at 31st March 2019
35	**Taxation**		
A	**Income tax recognised in profit or loss**		
1	Income Tax		
	In respect of the current year	1,858.80	1,941.50
	In respect of prior years	(0.06)	216.60
		1,858.74	**2,158.10**
2	Deferred Tax expenses/ (benefits):		
	In respect of the current year (Including Minimum Alternate Tax)	435.56	(81.83)
	In respect of prior years (reversal of MAT Credit entitlement recognised in earlier years)	485.77	-
		921.33	**(81.83)**
	Total (1 + 2)	**2,780.07**	**2,076.27**
B	**Income tax recognised in Other Comprehensive Income**		
	Deferred tax relating to items that will not be reclassified to profit or loss	**(0.59)**	**(0.06)**
C	**The income tax expense for the year can be reconciled to the accounting profit as follows:**		
	Profit before tax	10,626.64	9,048.26
	Applicable Tax Rate	29.120%	29.120%
	Income tax computed at applicable tax rate	**3,094.48**	**2,634.85**
	Effect of:		
	Expenses that are not deductible	149.39	137.48
	Tax benefits of assets offered for tax under House Property	(947.43)	(724.16)
	Others	483.04	28.04
		2,779.48	**2,076.21**
36	**Employees Benefits:**		
	Expenses recognised for Defined contribution plan:		
	Company's Contribution to Provident Fund and Labour Welfare Fund recognised as an expense under the head "Employee Benefits Expense"	17.22	15.93
		17.22	15.93

Expenses recognised for Defined benefits plan:
The company provides gratuity benefit to its employees which is a defined benefit plan. The present value of obligations is determined based on actuarial valuation using the Projected Unit Credit Method.

		Gratuity (Funded)	
		2019-20	**2018-19**
1	**Change in Defined Benefit Obligation during the year**		
	Defined Benefit Obligation at the beginning of the year	43.48	34.59
	Interest Cost	3.89	3.39
	Current Service Cost	7.70	7.34
	Past Service Cost	-	-
	Benefits paid during the year	(1.25)	(1.20)
	Remeasurement due to:		
	Change in financial assumptions	1.50	2.11
	Experience adjustments	0.92	(2.75)
	Defined Benefit Obligation at the end of the year	56.24	43.48
2	**Change in fair value of Plan Assets during the year**		
	Fair value of Plan Assets at the beginning of the year	39.80	37.52
	Expected Return on plan assets	3.03	3.02
	Contribution	0.78	1.39
	Benefits paid during the year	(1.25)	(1.20)
	Actuarial gains/(losses) on Plan Asset	(0.96)	(0.94)
	Fair value of Plan Assets at the end of the year	41.40	39.80

Island Star Mall Developers Private Limited
(CIN No. U45200MH2006PTC161067)
Notes to Standalone Financial Statements for the year ended 31st March, 2020

(₹ In Lakhs)

Notes	Particulars	As at 31st March 2020	As at 31st March 2019
3	**Amount to be recognized in Balance sheet:**		
	Present value of Defined Benefit Obligation	56.24	43.48
	Fair Value of plan assets at the end of the year	41.40	39.80
	Amount recognized in Balance sheet	14.84	3.69
4	**Current / Non - current bifurcation:**		
	Current benefit obligation	5.00	1.00
	Non - current benefit obligation	9.84	2.69
5	**Expenses recognised in the statement of Financial position for the year**		
	Current Service Cost	7.70	7.34
	Past Service Cost	-	-
	Interest cost on obligation	3.89	3.39
	Expected Return on plan assets	(3.03)	(3.02)
	Actuarial (gain)/loss on Defined Benefit Obligation	-	-
	Expense recognized in the statement of Profit and Loss account	8.55	7.71
6	**Recognised in Other Comprehensive income for the year**		
	Remeasurement due to:		
	Effect of change in financial assumptions	1.50	2.11
	Effect of experience adjustments	0.92	(2.75)
	Return on plan of assets(excluding interest)	0.96	0.94
	Expense recognise for the year	3.38	0.30
7	**Maturity profile of defined benefit obligation**		
	Within the next 12 months	2.57	2.03
	Between 2 to 5 years	13.55	11.16
	Between 5 to 10 years	24.23	20.15
8	**Actuarial assumptions used for estimating defined benefit obligations**		
	Discount Rate	6.70%	7.75%
	Salary Escalation Rate	0.00% for first year 5.00% for next year & 7.00% thereafter	7.50%
	Expected Rate of Return on Assets	6.70%	7.75%
	Mortality Rate	IALM (2012-14) Ultimate	IALM (2006-08) Ultimate
	Attrition/ Withdrawal Rate	5%	5%
	The weighted average duration of plan	11.79 years	12.15 years
	No. of Employees	66	64
	Average Age	37.12	36.60
	Total Salary	25.52	22.11
	Average Salary	0.39	0.35
	Average Service	4.22	3.67
	Accrued Benefit	66.92	53.18
	Actuarial Liability	56.24	43.48

Notes:

1 Salary escalation rate is arrived after taking into account regular increments, price inflation and promotion and other relevant factors such as supply and demand in employment market.

2 Discount rate is based on prevailing market yields of Indian Government Securities as at balance sheet date for estimated term of obligations.

3 Attrition rate/ withdrawal rate is based on Company's policy towards retention of employees, historical data and industry

4 Expected contribution to defined benefit plan for financial year 2020-21 is Rs. 5.00 Lakh

5 The above information is certified by actuary.

6 The Company has set-up an income tax approved irrevocable trust fund and regularly contributes to fund the benefit payments of the plan. The trustees have outsourced investment management of this fund to an Insurer. The Insurer managed funds are with LIC of which break up is not available.

(₹ In Lakhs)

Notes	Particulars	As at 31st March 2020	As at 31st March 2019

9 **Sensitivity analysis:**

Effect of Increase/ (decrease) in relevant actuarial assumptions on defined benefits obligation at the end of the year:

	Change in	Effect on Defined benefit obligation 2019-20	2018-19
Discount rate	+1%	(5.37)	(4.07)
	-1%	6.29	4.76
Salary Escalation rate	+1%	4.07	2.73
	-1%	(3.60)	(3.04)
Attrition Rate	+1%	0.50	0.67
	-1%	(0.65)	(0.83)

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

10 This gratuity plan typically exposes the Company to actuarial risks such as: investment risk, interest risk, longevity risk and salary risk.

Investment Risk:
The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. For other defined benefit plans, the discount rate is determined by reference to market yield at the end of reporting period on high quality corporate bonds when there is a deep market for such bonds; if the return on plan asset is below this rate, it will create a plan deficit.

Interest risk
A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan debt investments.

Longevity risk
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 plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

C **Other Long term benefit plan - compensated absences**

Particulars	31/03/2020 ₹ In Lakhs	31/03/2019 ₹ In Lakhs
Present value of unfunded obligations	33.99	28.50
Expenses recognised in the statement of profit and loss	7.96	3.92
Discount rate (per annum)	6.70%	7.75%
Salary escalation rate (per annum)	0.00% for first year 5.00% for next year & 7.00% thereafter	7.50%

37 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)

(A)

Particulars	As at March 31, 2020		As at March 31, 2019	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets designated at fair value through Profit or Loss				
Investments in Mutual Funds (unquoted)	7,811.22	7,811.22	26,489.03	26,489.03
Financial assets designated at amortised cost				
Trade Receivables	967.17	967.17	670.81	670.81
Cash and Cash Equivalents	4,242.07	4,242.07	208.60	208.60
Bank balances other than Cash and Cash equivalents	351.28	351.28	14,851.28	14,851.28
Loans	1.00	1.00	750.00	750.00
Other Financial Assets	13.60	13.60	167.16	167.16
Total	**13,386.34**	**13,386.34**	**43,136.88**	**43,136.88**
Financial liabilities measured at amortised cost				
Borrowings	33,597.13	33,597.13	38,228.76	38,228.76
Trade payables	1,721.76	1,721.76	1,372.91	1,372.91
Interest accrued but not due	262.18	262.18	13.83	13.83
Security Deposits For Lease Rentals	7,185.86	7,185.86	6,542.41	6,542.41
Payable for purchase of Property, Plant and Equipment	53.53	53.53	112.13	112.13
Total	**42,820.46**	**42,820.46**	**46,270.04**	**46,270.04**

Fair valuation techniques:

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available.

The following methods and assumptions were used to estimate the fair values

1 Fair value of investments in mutual funds is calculated based on NAV declared by fund.

2 Fair value of long term borrowings is calculated based on the discounted cash flows.

3 Fair value of Financial Assets and Financial Liabilities are carried at amortised cost and it is not materially different from its carrying value.

4 The Financial Assets above do not include investments in subsidiaries which are carried at cost in terms of the option available in Ind AS 27 "Separate Financial Statements".

(B) **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 NAV (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.

(₹ In Lakhs)

	2019-20			2018-19		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Assets /Liabilities measured at fair value						
Financial Assets:						
Investments in Mutual Fund	-	7,811.22	-	-	26,489.03	-

38 Financial risk Management:

The Company's activities expose it to credit risk, liquidity risk and market 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. Financial instruments affected by market risk include loans and borrowings and investments in securities.

Foreign currency risk

The Company is exposed to insignificant foreign exchange risk as at the respective reporting dates.

Interest rate risk

Fluctuation in fair value or future cash flows of a financial instrument because of changes in market interest rates gives rise to interest rate risk. Almost 100% of the company's borrowings are linked to Bank Rate + Margin. Margin may be agreed with the bank from time to time. With all other variables held constant, the following table demonstrates the impact of change in interest rate on borrowing cost on floating rate portion of loans.

Increase/ (decrease) in Interest cost of Long term borrowings for the year: **(₹ In Lakhs)**

Change in Rate of Interest	Effect on Profit before tax	
	2019-20	2018-19
+1%/-1%	335.97	377.31

Commodity and Other price risk

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

- **Credit Risk**

Credit risk is the risk of financial loss to the Company that a customer or counter party to a financial instrument fails to meet its obligations. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its investing activities, including deposits with banks, mutual funds and financial institutions and other financial instruments.

Trade and other receivables:

The Company extends credit to customers in normal course of business. The Company considers factors such as credit track record in the market and past dealings for extension of credit to customers. To manage credit risk, the Company periodically assesses the financial reliability of the customer, taking into account the financial condition, current economic trends, and analysis of historical bad debts and aging of accounts receivables. Outstanding customer receivables are regularly monitored.

The Company is not exposed to concentration of credit risk to any one single customer since services are provided to vast spectrum and hence, the concentration of risk with respect to trade receivables is low. The Company has also taken advances and security deposits from its customers, which mitigate the credit risk to an extent.

Cash and cash equivalents and other investments

The Company is exposed to counter party risk relating to medium term deposits with banks and investment in mutual funds.

The Company considers factors such as track record, size of the institution, market reputation and service standards to select the banks with which balances and deposits are maintained. Generally, the balances are maintained with the institutions with which the Company has also availed borrowings. The Company does not maintain significant cash balances other than those required for its day to day operations.

Exposure to credit risk

The gross carrying amount of financial assets, net of impairment losses recognised represents the maximum credit exposure. The maximum exposure to credit risk as at March 31,2020 and March 31, 2019 is as follows:

	As at 31/03/2020 (₹ In Lakhs)	**As at 31/03/2019 (₹ In Lakhs)**
Financial assets for which loss allowances is measured using 12 months Expected Credit Losses (ECL):		
Cash and cash equivalents	4,242.07	208.60
Other bank balances	351.28	14,851.28
Loans	1.00	750.00
Other financial assets	13.60	167.16
Financial assets for which loss allowances is measured using Life time Expected Credit Losses (ECL):		
Trade receivables	967.17	670.81

Cash and Cash equivalents, Other Bank Balances, Loans and Other Financial Assets are neither past due nor impaired. Management is of view that these financial assets are considered good.

- **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 mix of borrowings, capital infusion and excess operating cash flows to meet its needs for funds. The current borrowings are sufficient to meet its short to medium term expansion needs. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

The Company is required to maintain ratios (such as debt service coverage ratio and security coverage ratio) as mentioned in the loan agreements at specified levels. In the event of failure to meet any of these ratios these loans become callable to the extent of failure at the option of lenders, except where exemption is provided by lender.

(₹ In Lakhs)

	As at March 31, 2020					
Particulars	**Carrying Amount**	**On Demand**	**Less than 12 months**	**1 - 5 Years**	**>5 years**	**Total**
Borrowings	33,597.13	-	4,376.00	23,855.13	5,366.00	33,597.13
Interest accrued but not due	262.18	-	262.18	-	-	262.18
Security Deposits For Lease Rentals	7,185.86	-	5,804.38	1,381.48	-	7,185.86
Payable for purchase of Property, Plant and Equipment	53.53	-	53.53	-	-	53.53
Trade payables	1,721.76	-	1,721.76	-	-	1,721.76

(₹ In Lakhs)

	As at March 31, 2019					
Particulars	**Carrying Amount**	**On Demand**	**Less than 12 months**	**1 - 5 Years**	**>5 years**	**Total**
Borrowings	38,228.76	497.42	4,539.00	27,906.95	5,285.39	38,228.76
Interest accrued but not due	13.83	-	13.83	-	-	13.83
Security Deposits For Lease Rentals	6,542.41	-	5,590.82	951.59	-	6,542.41
Payable for purchase of Property, Plant and Equipment	112.13	-	112.13	-	-	112.13
Trade payables	1,372.91	-	1,372.91	-	-	1,372.91

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. No changes were made in the objectives, policies or processes during the year ended 31st March, 2020 and 31st March, 2019.

For the purpose of the Company's capital management, capital includes issued capital, share premium and all other equity reserves. Net debt includes, interest bearing loans and borrowings less cash and other bank balances.

(₹ In Lakhs)

Particulars	**As At 31-03-2020**	**As At 31-03-2019**
Loans and Borrowings	33,597.13	38,228.76
Less: Cash and cash equivalents + Bank Deposits	4,593.35	15,059.88
Net Debt	29,003.78	23,168.88
Total Capital	197,185.10	189,328.21
Capital+Net Debt	226,188.88	212,497.09
Gearing Ratio	13%	11%

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39 Related party Disclosure:
In accordance with the requirements of IND AS 24, on related party disclosures, name of the related party, related party relationships, transactions and outstanding balances including commitments where control exists and with whom transactions have taken place during reported periods, are:

a) Related Parties where control exists and also other related parties with whom transactions have been taken place and relationships:

	Name of the party	Relationship
1	The Phoenix Mills Limited	Holding Company
2	Canada Pension Plan Investment Board	Entity having significant influence
3	Vamona Developers Private Limited	Fellow Subsidiary
4	Offbeat Developers Private Limited	Fellow Subsidiary
5	Market City Resources Private Limited	Fellow Subsidiary
6	Graceworks Realty & Leisure Private Limited	Fellow Subsidiary
7	Phoenix Hospitality Company Private Limited	Fellow Subsidiary
8	Bellona Hospitality Services Limited	Fellow Subsidiary
9	Pallazzio Hotels & Leisure Limited	Fellow Subsidiary
10	Classic Mall Development Company Limited	Associate of Holding Company
11	Insight Mall Developers Private Limited (Formerly known as Insight Hotels & Leisure Private Limited) (Refer note 1)	Wholly Owned Subsidiary
12	Alyssum Developers Private Limited	Subsidiary
13	Sparkle One Mall Developers Private Limited	Subsidiary
14	Sparkle Two Mall Developers Private Limited	Wholly Owned Subsidiary
15	Mr. Rajesh Meharia	Key Managerial Personnel(KMP)
16	Mr. Girish Sharma w.e.f April 2019	Key Managerial Personnel(KMP)
17	Mr. Gajendra Singh Rathaur w.e.f April 2017	Key Managerial Personnel(KMP)

b) Transactions during the year

(₹ In Lakhs)

Sr. No.	Nature of Transactions	2019-2020	2018-2019
1	**Issue of Equity Shares at premium**		
	Canada Pension Plan Investment Board	-	93,844.22
2	**Investments in 0.0001% Optionally Convertible Debentures (OCD)**		
	Insight Mall Developers Private Limited	7,500.00	26,000.00
	Alyssum Developers Private Limited	15,500.00	-
	Sparkle One Mall Developers Private Limited (Refer note 4 below)	12,500.00	71,300.00
3	**Investments in Equity Shares**		
	Sparkle Two Mall Developers Private Limited	-	1.00
	Insight Mall Developers Private Limited	-	32.77
4	**Loans/Advances received back**		
	Graceworks Realty & Leisure Private Limited	-	2,500.00
5	**Loans Given**		
	Alyssum Developers Private Limited	6,500.00	-
	Insight Mall Developers Private Limited	2,720.00	250.00
	Sparkle One Mall Developers Private Limited (Refer note 4 below)	3,500.00	500.00
	Sparkle Two Mall Developers Private Limited	1.00	-
6	**Interim Dividend Paid**		
	The Phoenix Mills Limited	-	1,295.30
7	**Project Management Fee/Leasing Commission and Acquisition Fee**		
	Market City Resources Private Limited	1,043.93	1,752.79
8	**Interest on Loans/OCD**		
	Sparkle Two Mall Developers Private Limited	0.03	-
	Insight Mall Developers Private Limited	94.85	5.02
	Alyssum Developers Private Limited	208.71	0.04
	Sparkle One Mall Developers Private Limited	101.27	57.88
9	**Purchase of Property, Plant and Equipment**		
	Classic Mall Development Company Limited	3.26	-
10	**Remuneration to KMP** (Refer note 3 below)		
	Mr. Rajesh Meharia	-	18.90
	Mr. Gajendra Singh Rathaur	93.39	88.27
	Mr. Girish Sharma	29.38	-
11	**Reimbursement of Expenses**		
	Market City Resources Private Limited	-	0.01
	Pallazzio Hotels & Leisure Limited	-	0.20
12	**Income from License Fees**		
	Bellona Hospitality Services Limited	-	57.80
13	**Income from Maintenance Charges**		
	Bellona Hospitality Services Limited	-	44.64
14	**Security deposit repaid**		
	Bellona Hospitality Services Limited	7.14	-

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

c) Balance with the related party at the year end is as under

(₹ In Lakhs)

Sr. No.	Nature of Balances	As at March 31, 2020	As at March 31, 2019
1	**Loans Given**		
	Insight Mall Developers Private Limited	-	250.00
	Sparkle One Mall Developers Private Limited	-	500.00
	Sparkle Two Mall Developers Private Limited	1.00	-
2	**Trade Receivables**		
	Market City Resources Private Limited	-	0.74
3	**Trade Payable**		
	Market City Resources Private Limited	26.56	-
4	**Payable for purchase of property, Plant and Equipment**		
	Classic Mall Development Company Limited	3.26	-
5	**Interest accrued (on OCD and loans)**		
	Insight Mall Developers Private Limited	0.03	4.52
	Alyssum Developers Private Limited	0.04	0.03
	Sparkle One Mall Developers Private Limited	0.07	5.24
	Sparkle Two Mall Developers Private Limited	0.03	-
6	**Advance from customers**		
	Bellona Hospitality Services Limited	-	1.25
7	**Investment in Equity Shares**		
	Insight Mall Developers Private Limited	32.77	32.77
	Sparkle Two Mall Developers Private Limited	1.00	1.00
	Alyssum Developers Private Limited	1.00	1.00
	Sparkle One Mall Developers Private Limited	1.00	1.00
8	**Investments in 0.0001% OCD**		
	Insight Mall Developers Private Limited	33,500.00	26,000.00
	Alyssum Developers Private Limited	50,500.00	35,000.00
	Sparkle One Mall Developers Private Limited	83,800.00	71,300.00
9	**Security deposit for lease rentals**		
	Bellona Hospitality Services Limited	-	7.14

Notes:-

1. Insight Mall Developers Pvt Ltd (Formerly known as "Insight Hotels and Leisure Private Limited"), previously a fellow subsidiary, is a wholly owned subsidiary with effect from December 11, 2018.
2. The above balances are unsecured.
3. KMP who are under the employment of the Company are entitled to post employment benefits and other long term employee benefits recognised as per Ind AS 19 - 'Employee Benefits' in the financial statements. As these employee benefits are lump sum amounts provided on the basis of actuarial valuation, the same is not included above
4. During the previous year ended 31st March, 2019, the Company had, vide Board Resolution dated 19th April 2018, approved conversion of inter-corporate deposit of ₹ 10,000 Lakhs into investments in 0.0001% Optionally Convertible Debentures (OCD) of Sparkle One Mall Developers Private Limited, a subsidiary.

40 Segment reporting:

The Company is mainly engaged in real estate activities where revenue is principally derived from operating lease rental income attributable to retail outlets in its retail mall named 'Phoenix Marketcity - Bangalore' together with provision of related services, which constitutes the sole operating segment of the company catering to Indian customers. Accordingly, the Company has only one identifiable segment reportable under Ind AS 108 "Operating Segments".

Managing Director (the 'Chief Operating Decision Maker' as defined in Ind AS 108 "Operating Segments") monitors the operating results of the Company's business for the purpose of making decisions about resource allocation and performance assessment.

The revenues from transactions with a single customer do not exceed 10 per cent or more of an company's revenues. For broad Categories of services rendered, refer note 27.1.

The Company operates in a single geographical area i.e. India

41 Corporate Social Responsibility (CSR):

		(₹ In Lakhs)
	2019-20	**2018-19**
i) CSR amount required to be spent as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof by the Company during the year	47.88	23.23

	In cash	Yet to be paid in cash	Total
ii) Amount spent during the year by way of contribution to a Trust	78.00	-	78.00

42 Additional information as required under Section 186(4) of the Companies Act, 2013

		(₹ In Lakhs)
Name of the Company	**2019-20**	**2018-19**
i) Investments made in Body Corporates		
Investments in Equity Shares		
Alyssum Developers Pvt Ltd	1.00	1.00
Sparkle One Mall Developers Pvt Ltd	1.00	1.00
Sparkle Two Mall Developers Pvt Ltd	1.00	1.00
Insight Mall Developers Pvt Ltd (Formerly known as Insight Hotels & Leisure Private Limited)	32.77	32.77
Investments in 0.0001% Optionally Convertible Debentures (OCD) of subsidiaries		
Alyssum Developers Pvt Ltd	50,500.00	35,000.00
Sparkle One Mall Developers Pvt Ltd	83,800.00	71,300.00
Insight Mall Developers Pvt Ltd (Formerly known as Insight Hotels & Leisure Private Limited)	33,500.00	26,000.00
ii) Loan given by the Company to Body Corporates or persons is as under:		
Name of the Company		
Sparkle Two Mall Developers Pvt Ltd	1.00	-
Insight Mall Developers Pvt Ltd (Formerly known as Insight Hotels & Leisure Private Limited)	-	250.00
Sparkle One Mall Developers Pvt Ltd	-	500.00

(a) Loans given to the Subsidiaries are repayable on demand.
(b) All loans are given for general corporate purpose.

iii) No Guarantee is given by the Company.

43 COVID -19 outbreak has been declared as a pandemic by the WHO, subsequently the Government of India has initiated a series of measures to contain the outbreak, including imposing multiple 'lock-downs' across the country. As per the directives of the Central/State Governments, it was mandated to close all business activities during the lockdown period and as a result of the same, operations of Phoenix Marketcity Mall, Bangalore were shut from 14th March, 2020. The Central and State Governments have initiated steps to lift the lockdown and the Company has adhered to the same as it resumes its activities. Mall operations at Phoenix Marketcity Bangalore, have commenced from 8th June, 2020.

Being sensitive to the impact of lockdown on the retail partners, the Company proposes to provide certain concessions /reliefs/ moratorium on rentals to its retailers for the period of lockdown. Further, the benefit of reduced fixed costs due to various rationalisation measures undertaken, has been proposed to be passed on by the Company to its retailer partners in form of reduced common area maintenance charges.

During the period commencing from the start of the lockdown, the Company has taken various measures to rationalize fixed costs across all properties including but not limited to energy conservation, resource deployment and deferral of certain non-critical upgrades. Being sensitive to the impact of lockdown on the retail partners, the company proposes to provide certain concessions /reliefs/ moratorium on rentals to its retailers for the period of lockdown. Further, the benefit of reduced fixed costs due to various rationalisation measures undertaken will be passed on by the Company to its retailer partners in form of reduced common area maintenance charges.

The current liquidity position of the company continues to be stable and comfortable. In order to conserve its cash flows, the Company has availed moratorium as per the RBI guidelines on principal and interest.

The Company has assessed the potential impact of Covid-19 on its capital and financial resources, profitability, liquidity position, ability to service debt and other financing arrangements, supply chain and demand for its services. It has also assessed the potential impact of Covid-19 on the carrying value of property, plant & equipment, capital work-in-Progress, intangible assets, investments, trade receivables and other current assets appearing in the financial statements of the Company. In developing the assumptions and estimates relating to the future uncertainties in the economic conditions because of this pandemic, the Company as at the date of approval of these Financial statements has used internal and external sources of information and based on current estimates, expects to recover the carrying amounts of these assets. Considering the uncertainties involved in estimating the impact of this pandemic, the future impact of this pandemic may be different from those estimated as on the date of approval of these standalone financial statements.

For and on behalf of the Board of Directors

Gajendra Singh Rathaur Managing Director DIN No. 07623957	**Pawan Kakumanu** Director DIN No. 07584653
Girish Sharma Chief Financial Officer PAN No. BKKPS9431C	**Deepa Laungani** Company Secretary Membership No. A25530