Palladium Constructions Private Limited
CIN: U45400MH2008PTC178115
Balance Sheet as at 31st March, 2022

(Rs. in Lakhs)

Sr No.	Particulars	Note no.	As at March 31, 2022	As at March 31, 2021
	ASSETS			
1	**Non-current assets**			
	Property, plant and equipment and Intangible Assets	5	12,054.77	13,044.74
	Goodwill on account of Amalgamation		26.17	26.17
	Financial assets			
	- Other	6	541.33	541.33
	Other non-current assets	7	2,708.17	2,352.27
			15,330.44	**15,964.51**
2	**Current assets**			
	Inventories	8	74,108.93	75,426.94
	Financial assets			
	- Trade receivables	9	7,202.77	13,313.85
	- Cash and cash equivalents	10	2,962.72	338.31
	- Bank Balance other than above	11	1,037.90	580.73
	- Other	12	95.69	69.50
	Current Tax Assets (net)	13	-	447.84
	Other current assets	14	4,657.05	5,312.63
			90,065.06	**95,489.80**
	TOTAL ASSETS		**1,05,395.50**	**1,11,454.31**
	EQUITY AND LIABILITIES			
1	**Equity**			
	Equity Share capital	15	3,303.17	3,303.17
	Other equity	16	70,815.27	60,859.58
			74,118.44	**64,162.75**
	Liabilities			
2	**Non-current liabilities**			
	Financial liabilities			
	- Borrowings	17	4,880.71	7,249.06
	Provisions	18	238.04	147.48
	Deferred tax Liabilities (Net)	19	181.14	212.22
	Other non-current liabilities	20	832.12	1,122.53
			6,132.01	**8,731.29**
3	**Current liabilities**			
	Financial liabilities			
	- Borrowings	21	14,938.17	30,313.22
	- Trade Payables	22	1,715.73	1,657.10
	- Other financial liabilities	23	3,227.90	4,023.04
	Provisions	24	33.41	19.80
	Current Tax Liabilities (net)	25	112.33	-
	Other current liabilities	26	5,117.50	2,547.11
			25,145.04	**38,560.27**
	TOTAL EQUITY AND LIABILITIES		**1,05,395.50**	**1,11,454.31**

Significant Accounting Policies and Notes on Financial Statements 1 to 50

The accompanying Notes are an integral part of the financial statements

As per our Report of even date

For **A. M. Ghelani & Associates**
Chartered Accountants
Firm Registration No.: 103172W

Anil Khanna
Partner
Membership No.: 153522

Place:- Mumbai

Date :- May 20, 2022

For and on behalf of the Board of Directors

Varun Parwal
Director
DIN No.07586435

Rajesh Patil
Director
DIN No.07466330

Venkata Subbaram Mohan Gupta Kasamsetty
Chief Financial Officer

Gajendra Mewara
Company Secretary
Membership No A22941

Palladium Constructions Private Limited
CIN: U45400MH2008PTC178115
Statement of Profit & Loss for the year ended on 31st March, 2022

(Rs. in Lakhs)

Particulars	Notes	For the year ended on March 31, 2022	For the year ended on March 31, 2021
Income			
Revenue from operations	27	21,440.27	16,789.05
Other income	28	198.15	632.45
Total Income		**21,638.42**	**17,421.50**
Expenses			
Cost of materials consumed	29	6,678.51	2,545.34
Changes in inventories of finished goods, work in progress and stock-in-trade	30	1,355.34	4,224.82
Employee benefit expense	31	1,279.69	843.89
Finance cost	32	2,585.07	3,902.83
Depreciation and amortisation expense	5	1,022.37	1,054.62
Other expense	33	5,911.50	3,231.76
Total Expenses		**18,832.48**	**15,803.26**
Profit before tax		**2,805.94**	**1,618.24**
Tax Expense:			
Current Tax		(598.00)	(255.00)
Deferred Tax (Including Mat Credit)		31.08	(63.65)
Income Tax Earlier Year		(27.85)	(16.84)
Profit for the year from continuing operations		**2,211.17**	**1,282.75**
Profit for the year		**2,211.17**	**1,282.75**
Other comprehensive income		-	-
Total comprehensive income for the year *(Profit + other comprehensive income)*		**2,211.17**	**1,282.75**
Earning per equity share	37		
Basic		**6.69**	**3.88**

Significant Accounting Policies and Notes on Financial Statements **1 to 50**

As per our Report of even date
For A. M. Ghelani & Associates
Chartered Accountants
Firm Registration No.: 103172W

Anil Khanna
Partner
Membership No.: 153522

GHELANI & COMPANY C.A. MUMBAI

For and on behalf of the Board of Directors

Varun Parwal
Director
DIN No.07586435

Rajesh Patil
Director
DIN No.07466330

Venkata Subbaram Mohan Gupta Kasamsetty
Chief Financial Officer

Gajendra Mewara
Company Secretary
Membership No A22941

PALLADIUM CONSTRUCTIONS PVT. LTD. MUMBAI

Place:- Mumbai

Date :- May 20, 2022

Palladium Constructions Private Limited
CIN: U45400MH2008PTC178115
Statement of Changes in Equity as at 31st March, 2022

(Rs. in Lakhs)

Equity share capital	Opening balance as at 1st April, 2020	Changes in equity share capital during the year	Opening balance as at 1st April, 2021	Changes in equity share capital during the year	Closing balance as at 31st March, 2022
3,30,31,724 (P.Y. 3,30,31,724) Equity Shares of Rs.10/- each fully paid up	3,303.17	-	3,303.17	-	3,303.17
	3,303.17	-	**3,303.17**	-	**3,303.17**

Other Equity	Equity component of compound financial instruments:	Share Options Outstanding	Reserves & surplus			Total
			Securities Premium	Retained Earnings	Replacement Reserve Fund	
Balance as at 1st April, 2020	-	**108.84**	**31,201.95**	**27,905.77**	**378.64**	**59,595.20**
Profit For the Year	-	-	-	1,282.75	-	**1,282.75**
Employees Stock Option Scheme	-	(18.37)	-	-	-	**(18.37)**
Transfer To Replacement Reserve	-	-	-	0.06	(0.06)	-
Balance as at 31st March, 2021	-	**90.47**	**31,201.95**	**29,188.58**	**378.58**	**60,859.58**
Profit For the Year	-	-	-	2,211.17	-	**2,211.17**
Addition for the Year	7,778.44		-	-	-	
Employees Stock Option Scheme	-	41.13	-	-	-	41.13
Utilized for Increase in Authorised share capital	-	-	(75.05)	-	-	(75.05)
Transfer From Replacement Reserve	-	-	-	26.90	(26.90)	-
Balance as at 31st March, 2022	**7,778.44**	**131.59**	**31,126.90**	**31,426.65**	**351.68**	**70,815.27**

As per our Report of even date

For A. M. Ghelani & Associates
Chartered Accountants
Firm Registration No.: 103172W

Anil Khanna
Partner
Membership No.: 153522
UDIN :

GHELANI & COMPANY C.A. MUMBAI

Place:- Mumbai

Date :- May 20, 2022

For and on behalf of the Board of Directors

Varun Parwal
Director
DIN No.07586435

Rajesh Patil
Director
DIN No.07466330

PALLADIUM CONSTRUCTIONS PVT. LTD. MUMBAI

Venkata Subburam Mohan Gupta Kasamsetty
Chief Financial Officer

Gajendra Mewara
Company Secretary
Membership No A22941

PALLADIUM CONSTRUCTIONS PRIVATE LIMITED
CIN: U45400MH2008PTC178115
Cash Flow Statement for the year ended 31st March, 2022

(Rs. in Lakhs)

Sr. No.	Particulars	For the year ended on March 31, 2022	For the year ended on March 31, 2021
A	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Net Profit/(Loss) before Tax as per Statement of the Profit & Loss	2,805.94	1,618.24
	Adjustments for Non Cash / Non Operating Income:-		
	ESOP cost	41.13	(18.37)
	Interest Expenses	2,585.07	3,902.83
	Interest Income	(50.22)	(69.92)
	Sundry Balances Write Back/off	(18.32)	30.99
	Unrealised foreign exchange loss/(gain)	9.51	3.57
	Depreciation	1,022.37	1,054.62
	Operating Cash Flow before Working Capital Changes	6,395.48	6,521.96
	Adjustments for Working Capital changes:-		
	Inventories	1,318.01	3,790.88
	Trade Payables and other payables	2,469.62	(4,798.63)
	Trade Receivables and others	5,953.60	243.53
	Cash Generated from Operations	16,136.71	5,757.74
	Taxes Paid	(65.69)	1,064.85
	Net Cash Generated/(Used) from Operating Activities	**16,071.02**	**6,822.59**
B	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Purchase of Property, Plant and Equipment	(32.39)	(16.42)
	Interest Received	24.04	78.60
	Net Cash Generated/(Used) in Investing Activities	**(8.35)**	**62.18**
C	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Working Capital Loan repaid during the year [Net]	(12,986.77)	675.31
	Expenses incurred for Increase in Authorised Share Capital	(75.05)	
	Proceeds from the ICD Taken/(Refunded)	2,676.97	(4,253.00)
	Interest Expenses	(3,053.41)	(4,374.22)
	Net Cash Generated from / (used in) Financing Activities	**(13,438.26)**	**(7,951.91)**
	Net Increase/ (Decrease) in Cash and Cash Equivalents	**2,624.41**	**(1,067.14)**
	Opening Balance of Cash and Cash Equivalents	338.31	1,405.45
	Closing Balance of Cash and Cash Equivalents	**2,962.72**	**338.31**

Notes:-

1 **Cash and Cash Equivalents include :**

Cash on hand	1.44	1.64
Balances with Scheduled Banks	2,961.28	336.67
Cash and Bank Balances	**2,962.72**	**338.31**

The figures in brackets represent Cash outflows.

2 Changes in Liabilities arising from financing activities

	April 1, 2021	Cash Flows	March 31, 2022
Borrowings - Non Current	7,249.06	(4,184.75)	3,064.31
Borrowings - Current	30,313.22	(6,125.06) *	14,938.17

	April 1, 2020	Cash Flows	March 31, 2021
Borrowings - Non Current	12,811.94	(5,562.88)	7,249.06
Borrowings - Current	28,328.03	1,985.19	30,313.22

* Inter-Corporate Deposits amounting to Rs.9,250.00 lakhs from a fellow subsidiary have been converted to Redeemable Preference Shares during the current financial year and are accordingly not included in the cash flows.

3 During the previous year ended 31st March, 2021, the Company, had availed moratorium of interest given in the term loan for the period March 20 to August 20 on account of Covid-19. Accordingly, the total Interest accrued for the said period of Rs.792.52 lakhs added to outstanding loan balance have not been considered as Cash Flows for the Financial Year 2020-21.

As per our Report of even date

For A. M. Ghelani & Associates
Chartered Accountants
Firm Registration No.: 103172W

Anil Khanna
Partner
Membership No.: 153522

Place : Mumbai

Date :- May 20, 2022

For and on behalf of the Board of Directors

Varun Parwal
Director
DIN No.07586435

Rajesh Patil
Director
DIN No.07466330

Venkata Subbaram Mohan Gupta Kasamsetty
Chief Financial Officer

Gajendra Mewara
Company Secretary
Membership No A22941

Palladium Constructions Private Limited
CIN: U45400MH2008PTC178115
Notes to financial statements for the year ended on 31st March, 2022

Note No. 5 Property, Plant and Equipment and Intangible Assets

(Rs. in Lakhs)

	Property, Plant and Equipment									Intangible Assets	
	Land	Buildings	Roads	Plant and Machinery	HOES Consumables	Furniture and Fixtures	Office Equipments [incl. Electric Installations]	Computers	Motor Vehicles	Computer Software	Total
Gross Block :											
As at 31st March, 2020	1,471.08	8,954.12	7.54	3,352.98	297.96	5,439.79	2,716.35	379.85	47.05	201.96	22,868.68
Additions	-	25.87	-	-	-	40.06	-	-	-	1.62	67.55
As at 31st March, 2021	1,471.08	8,979.99	7.54	3,352.98	297.96	5,479.85	2,716.35	379.85	47.05	203.58	22,936.23
Additions	-	-	-	2.10	-	30.29	-	-	-	-	32.39
As at 31st March, 2022	1,471.08	8,979.99	7.54	3,355.08	297.96	5,510.14	2,716.35	379.85	47.05	203.58	22,968.62
Accumulated depreciation:											
As at 31st March, 2020	-	1,077.64	7.31	1,443.01	291.57	3,855.66	1,679.94	279.28	42.05	160.40	8,836.86
Depreciation Charged	-	140.26	-	182.97	1.98	470.34	192.59	47.94	2.29	16.25	1,054.62
As at 31st March, 2021	-	1,217.90	7.31	1,625.98	293.55	4,326.00	1,872.53	327.22	44.35	176.64	9,891.48
Depreciation Charged		140.58		183.36	1.36	473.28	190.57	28.51	1.61	3.10	1,022.37
As at 31st March, 2022	-	1,358.48	7.31	1,809.34	294.91	4,799.28	2,063.09	355.72	45.96	179.74	10,913.85
Net Book Value											
As at 31st March, 2021	1,471.08	7,762.08	0.23	1,727.01	4.41	1,153.85	843.82	52.63	2.70	26.93	13,044.74
As at 31st March, 2022	1,471.08	7,621.51	0.23	1,545.74	3.05	710.86	653.25	24.13	1.09	23.83	12,054.77

Palladium Constructions Private Limited
CIN: U45400MH2008PTC178115
Notes to financial statements for the year ended on 31st March, 2022

(Rs. in Lakhs)

Note No.	Particulars	As at March 31, 2022	As at March 31, 2021
6	**Non-Current Financials Assets- Other**		
	Fixed Deposit with Bank (Original Maturity more than 1 year)	131.92	131.92
	(Furnished as Bank Guarantee to the Karnataka VAT Authorities towards the tax demand for Financial Year 2016-17 & 2017-18 Refer Note No. 38)		
	Fixed deposit with banks (Margin Money against EPCG guarantee)	409.41	409.41
		541.33	**541.33**
7	**Other Non-Current Assets**		
	Advances to Contractors/Suppliers	2,283.02	1,926.57
	Other Advances/Deposits.	425.15	425.70
		2,708.17	**2,352.27**
8	**Inventories**		
	(As taken, valued and certified by the Management)		
	Land	14,765.54	16,164.33
	Realty Work in Progress	58,854.78	58,803.48
	Construction Materials on hand	471.27	433.94
	Food & Beverages	17.34	25.19
		74,108.93	**75,426.94**
9	**Trade Receivables**		
	Unsecured,		
	Unsecured, Considered good	7,191.83	13,311.85
	Less : Allowance for Expected Credit loss	-	-
		7,191.83	13,311.85
	Significant increase in Credit Risk	13.24	5.74
	Less : Allowance for Expected Credit loss	(2.30)	(3.75)
		10.94	2.00
	Credit impaired		-
	Less : Allowance for Expected Credit loss	-	-
	(Refer Note no.44)	**7,202.77**	**13,313.85**
10	**Cash & Cash Equivalents**		
	a. Balances with Banks		
	In current accounts	2,947.34	336.67
	b. Cheques on hand	13.94	-
	c. Cash on hand	1.44	1.64
		2,962.72	**338.31**
11	**Bank Balance other than above**		
	Fixed Deposit (Less than one year)	1,037.90	580.73
		1,037.90	**580.73**
12	**Current Financials Assets- Other**		
	Interest Accrued on Fixed Deposit	95.69	69.50
		95.69	**69.50**

Palladium Constructions Private Limited
CIN: U45400MH2008PTC178115
Notes to financial statements for the year ended on 31st March, 2022

(Rs. in Lakhs)

Note No.	Particulars	As at March 31, 2022	As at March 31, 2021
13	**Current Tax Assets (net)**		
	Taxes Paid (net of Provisions)	-	447.84
		-	447.84
14	**Other Current Assets**		
	Advances to Contractors/Suppliers	649.48	1,671.39
	Balances with the Government Authorities	3,668.07	3,523.96
	Prepaid Expenses	315.82	89.02
	Other Advances/Deposits	23.68	28.26
		4,657.05	5,312.63
15	**Share Capital**		
	Authorised		
	4,00,00,000 (P.Y. 4,00,00,000) Equity Shares of Rs.10/- each	4,000.00	4,000.00
	10,00,00,000 (P.Y. 2,10,00,000) Preference Shares of Rs.10/- each	10,000.00	2,100.00
	Issued, Subscribed and Paid Up		
	3,30,31,724 (P.Y. 3,30,31,724) Equity Shares of Rs.10/- each fully paid up	3,303.17	3,303.17
	a] Reconciliation of the Shares outstanding at the beginning and at the end of the reporting period		
	Equity Shares		
	Shares outstanding at the beginning	330.32	330.32
	Shares outstanding at the end	**330.32**	**330.32**

b] Details of shareholders holding more than 5% Shares in the company

Particulars	31st March 2022		31st March 2021	
Equity Shares of Rs.10 each fully paid up	Number of shares	% of Holdings	Number of shares	% of Holdings
The Phoenix Mills Limited	3,30,31,724	100.00	1,72,72,662	52.29
Phoenix Hospitality Company Private Limited	-	-	1,57,59,062	47.71

c] Shares held by promoters as at 31st March 2022

Name of Promoter	No of Shares	% of total shares	% change during the year
The Phoenix Mills Limited (Holding Company)*	3,30,31,724	100	47.71%

* Due to Merger between The Phoenix Mills Limited and Phoenix Hospitality Company Private Limited

d] The company has only one class of Equity shares having a face value of Rs.10/- per share. Each holder of equity share is entitled to one vote per share.

16	**Other Equity**		
	Equity component of compound financial instruments:		
	As at the Beginning	-	-
	Addition during the year	7,778.44	-
	As at the End	7,778.44	-
	Securities Premium :		
	As at the Beginning	31,201.95	31,201.95
	Less: Utilized for Increase in Authorised share capital	75.05	-
	As at the End	31,126.90	31,201.95
	Retained Earnings :		
	As at the Beginning	29,188.58	27,905.77
	Add/(Less): Transfer from/to Replacement Reserve	26.90	0.06
	Add: Profit for the year	2,211.17	1,282.75
	As at the end	31,426.65	29,188.58

Palladium Constructions Private Limited
CIN: U45400MH2008PTC178115
Notes to financial statements for the year ended on 31st March, 2022

(Rs. in Lakhs)

Note No.	Particulars	As at March 31, 2022	As at March 31, 2021
	Replacement reserve Fund		
	As at the Beginning	378.58	378.64
	Add/(Less): Transfer from/to Retained Earning	(26.90)	(0.06)
	As at the end	**351.68**	**378.58**
	Employee Stock Option (Equity Component)		
	As at the Beginning	90.47	108.84
	Add/(Less) :- For the year	41.13	(18.37)
	As at the end	**131.60**	**90.47**
		70,815.27	**60,859.58**

Nature and Purpose of Reserves

(a) **Securities Premium :**
It represents the amount received in excess of par value of securities. The same can be utilized as per provisions of section 52 of the Companies Act, 2013.

(b) **Retained Earnings:**
Retained earnings are the profits that the company has earned till date,less any transfers to general reserve, dividends or other distributions paid to shareholders.

(c) **Replacement reserve Fund**
As per the operating agreement with Hotel operator, the Company is required to create a replacement reserve fund based on percentage of monthly revenues. The said fund is required to be earmarked and kept separately which can be utilised only for routine capital expenditure in respect of the hotel property as per the operating plan or as proposed by the hotel operator.

(d) **Share option outstanding :**
It represents fair value of stock option granted to employees of the Company under "Employee Stock Option Scheme 2007" by the holding company. Under the scheme, employees of the Company entitles the shares of the holding company.

17 **BORROWINGS :**

Secured Term loans		
Standard Chartered Bank	3,225.51	13,227.45
Less:- Current maturities of Long Term Debts	(161.20)	(5,978.39)
	3,064.31	**7,249.06**
9,46,77,866 (P.Y. NIL) Preference Shares of Rs.10/- each	1,816.39	-
	1,816.39	**-**
	4,880.70	**7,249.06**

Term Loan referred above are secured on pari-passu basis by equitable mortgage of immovable properties namely 'Phase-1 (Tower 1-5)' of project One Bangalore West,'Phase-2 (Tower-6)' of project One Bangalore West, with a total saleable area of approx. 1.49 mnsf and paripassu charge over Courtyard Marriott,Agra, which is a 5 star hotel.

Maturity profile of Term Loan from Bank are set out below

TERM LOAN FROM BANK				
FY 2022-2023	161.20	FY 2027-2028		630.65
FY 2023-2024	-	FY 2028-2029		709.19
FY 2024-2025	-	FY 2029-2030		673.38
FY 2025-2026	490.89			
FY 2026-2027	560.19			

Palladium Constructions Private Limited
CIN: U45400MH2008PTC178115
Notes to financial statements for the year ended on 31st March, 2022

(Rs. in Lakhs)

Note No.	Particulars	As at March 31, 2022	As at March 31, 2021
18	**Provisions**		
	Provision for Employee Benefits:		
	Gratuity (Funded)	108.72	70.30
	Leave Encashment	129.32	77.18
		238.04	147.48
19	**Deferred Tax Liabilities (Net)**		
	At start of year	212.22	148.57
	Charge/ (credit) to profit or loss	(31.08)	63.65
	At the end of the year	181.14	212.22
20	**Other non-current liabilities**		
	Retention Money of Contractors	832.12	1,098.97
	Deferred Liability of Luxury Tax	-	23.56
		832.12	1,122.53
21	**Borrowings**		
	Secured :		
	Bank Overdraft*	-	2,984.83
	Short Term Borrowings		
	Current maturities of Long Term Debts (Refer note no.17)	161.20	5,978.39
	Unsecured :		
	Loan From Related Party (Repayable on Demand) - Refer Note No: 36	14,776.97	21,350.00
		14,938.17	30,313.22

*Bank Overdraft referred above are secured on pari-passu basis by equitable mortgage of immovable properties namely 'Phase-1 (Tower 1-5)' of project One Bangalore West,'Phase-2 (Tower-6)' of project One Bangalore West,admeasuring 14,87,000 sq ft. in aggregate and paripassu charge over Courtyard Marriott,Agra, which is a 5 star hotel.

22	**Trade Payables**		
	Micro & Small Enterprises #	118.06	147.36
	Others.	1,597.67	1,509.74
	(Refer Note no.45)	1,715.73	1,657.10

There are no Micro and Small Enterprises, to whom the company owes dues, for more than 45days as at March 31,2022 and March 31, 2021. The above information regarding Micro and Small Enterprises has been dertemined 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.

	The disclosure pursuant to the said Act is as under :		
	a) Principal amount due to supplier under MSMED Act, 2006	-	-
	b) Interest Accrued and due on the above amount, unpaid	-	-
	c) Payment made beyond the appointed day during the period	-	-
	d) Interest paid	-	-
	e) Interest due annd payable for the period of delay	-	-
	f) Interest remaining due and payable in succeeding period	-	-
		-	-
23	**Other Financials Current Liabilities**		
	Accrued Interest on ICD	1,029.46	1,842.63
	Other Liabilities	2,198.44	2,180.41
		3,227.90	4,023.04
24	**Provisions**		
	Provision for Employee Benefits:		
	Gratuity (Funded)	4.58	3.86
	Leave Encashment	17.97	8.30
	Salary Payable	10.86	7.64
		33.41	19.80
25	**Current Tax Liabilities (net)**		
	Taxes Paid (net of Provisions)	112.33	-
		112.33	-
26	**Other Current Liabilities**		
	Advances Received From Prospective Buyers	4,950.54	2,224.59
	Statutory Dues	166.96	166.49
	Deferred Liability of Luxury Tax	-	156.03
		5,117.50	2,547.11

Palladium Constructions Private Limited
CIN: U45400MH2008PTC178115
Notes to Statement of Profit & Loss for the year ended on 31st March, 2022

(Rs. in Lakhs)

Notes	Particulars	For the year ended on March 31, 2022 (Rs.)	For the year ended on March 31, 2021 (Rs.)
27	**Revenue from operations**		
	Sale of Property	18,800.73	15,661.09
	Room income	1,244.84	540.80
	Food & Beverages	1,339.19	569.91
	Other Operating Revenues	55.51	17.25
		21,440.27	**16,789.05**
28	**Other Incomes**		
	Transfer Fees Collected from Buyers	-	6.29
	Club House CAM	95.17	139.24
	Right to use Car Parking	-	162.90
	Interest Income :		
	From Buyers on delayed payments	1.87	9.76
	On Fixed Deposits with Bank	50.22	69.92
	Interest on Income Tax Refund	38.70	262.26
	SIES Income	(9.14)	(20.58)
	Sundry Balances Write Back/off (Net)	18.32	-
	Miscellaneous Income	3.01	2.66
		198.15	**632.45**
29	**Cost of materials consumed**		
	Consultancy Charges	28.94	29.72
	Site Operating Expenses (Including Personnel Cost)	1,812.26	1,417.85
	Civil Work (including Materials, Interiors Cost etc.)	3,348.94	390.23
	Approvals & Statutory Payments (Incl. taxes)	75.41	113.78
	Electric Installation Expenses, Plumbing Works, Fire Fighting Equipments	1,008.46	415.16
	Cost of Sales-Food & Beverages	404.50	178.60
		6,678.51	**2,545.34**
30	**Changes in inventories of finished goods, work in progress and stock-in-trade**		
	Realty		
	As at the beginning	74,967.80	79,164.50
	Less : As at the end	(73,620.31)	(74,967.80)
	Food & Beverages		
	As at the beginning	25.19	53.31
	Less : As at the end	(17.34)	(25.19)
	Construction Materials		
	As at the beginning	433.94	-
	Add: Purchases	37.33	433.94
	Less : As at the end	(471.27)	(433.94)
		1,355.34	**4,224.82**
31	**Employee benefit expense**		
	Salary, Wages & Bonus	1,196.00	821.62
	Staff Welfare Expenses	14.89	20.47
	Employee Stock Option Scheme	41.13	(18.37)
	Contribution to Provident Fund & other funds	27.67	20.17
		1,279.69	**843.89**
32	**Finance cost**		
	Interest expense for financial liabilities at amortised cost	2,585.07	3,902.83
		2,585.07	**3,902.83**
33	**Other expense**		
	Office Expenses	61.72	63.00
	Telephone & Internet Charges	32.54	38.56
	Postage, Printing & Stationery Expenses	34.30	14.95
	Legal & Professional fees	220.13	185.01
	Repair and Maintenance :		
	Buildings	121.31	97.93
	Plant/Machinery	52.89	20.11
	Others	109.05	56.45
	Auditors' Remuneration:		
	Audit Fees	22.68	17.60
	House Keeping Expenses	120.57	70.23
	Travelling Expenses	34.50	24.86
	CAM Expenses	638.31	-
	Bank Charges	12.98	5.20
	Donations	14.90	2.00
	Directors Sitting Fees	2.20	2.00
	Business Promotion Expenses	569.88	524.16
	Brokerage/Commission	175.95	175.25
	Rebates & Settlement	392.16	-
	Royalty Fees & Incentives	95.62	17.07
	Insurance	45.54	30.93
	Power & Fuel expenses	366.14	220.83
	Rates & Taxes	2,113.30	1,249.67
	Linen, Room Supplies & Other Supplies	148.64	50.02
	Club House Maintenance	141.36	141.60
	Corporate social responsibility expenditure	159.96	172.29
	Miscellaneous Expenses	224.87	21.05
	Sundry Balances Write Back/off	-	30.99
		5,911.50	**3,231.76**

Palladium Constructions Private Limited
CIN: U45400MH2008PTC178115
Notes on Financial Statements for the year ended on 31st March, 2022

(Rs. in Lakhs)

Note No.	Particulars	For the year ended on March 31, 2022	For the year ended on March 31, 2021
34	**Taxation**		
	A Income tax recognised in profit or loss		
	1 Income Tax		
	Current Year Provision	598.00	255.00
		598.00	255.00
	2 Tax Adjustment for Earlier year	27.85	16.84
		27.85	16.84
	3 Deferred Tax expenses/ (benefits):		
	Relating to origination and reversal of temporary differences	31.08	(63.65)
		31.08	(63.65)
	Total Income tax Expenses (1 to 3)	594.77	335.49
	B Reconciliation of Current Tax expenses:		
	Profit /(Loss) from Continuing operations	2,806	1,618
	Applicable Tax Rate	25.17%	25.17%
	Computed tax expenses	706.00	407.00
	Additional allowances for tax purpose	(157.82)	(137.35)
	Expenses not allowed for tax purposes	57.55	119.67
	Other temporary difference	(31.81)	(61.36)
	Tax paid at lower rate	58.03	57.08
	Loss Carry Forward	(33.95)	(130.04)
		598.00	255.00
	C Deferred Tax Recognised in statement of profit and Loss relates to the following:		
	Accelerated depreciation for tax purpose	(32.46)	(62.49)
	Expenses allowable on payment basis	63.64	(1.16)
	Deferred Tax Liabilities/ (Asset)	31.08	(63.65)
	Particulars		
	Reconciliation of deferred tax liabilities/(asset) net:		
	Opening balance as on 1st April	(212.23)	(148.57)
	Tax expenses / (income) during the year	31.08	(63.65)
	Closing balance as on 31st March	(181.15)	(212.23)

35 **Employees Benefits:**

	For the year ended on 31st March, 2022	For the year ended on 31st March, 2021
Expenses recognised for Defined contribution plan:		
Company's Contribution to Provident Fund	22.01	15.91
Company's Contribution to Employees State Insurance	4.54	3.17
	27.55	19.08

Expenses recognised for Defined benefits plan:

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

		Gratuity (Funded)	
		For the year ended on March 31, 2022	For the year ended on 31st March, 2021
1	**Change in Defined Benefit Obligation during the year**		
	Defined Benefit Obligation at the beginning	147.14	145.33
	Interest Cost	11.48	11.54
	Current Service Cost	22.02	30.88
	Benefits paid during the year	(2.09)	(15.44)
	Actuarial (gain)/loss on Defined Benefit Obligation	10.31	(25.17)
	Defined Benefit Obligation at the end	188.86	147.14
2	**Change in fair value of Plan Assets during the year**		
	Fair value of Plan Assets at the beginning	72.99	80.85
	Expected Return on plan assets	4.88	5.54
	Contribution	1.47	1.95
	Benefits paid during the period	(2.09)	(13.11)
	Actuarial (gain)/loss on Plan Asset	(1.69)	(2.24)
	Fair value of Plan Assets at the end	75.56	72.99

(Rs. in Lakhs)

3	**Amount to be recognized in Balance sheet:**		
	Present value of Defined Benefit Obligation	188.86	147.14
	Fair Value of plan assets at the end	(75.56)	(72.99)
	Amount recognized in Balance sheet	113.30	74.15
4	**Current / Non - current bifurcation:**		
	Current benefit obligation	4.58	3.85
	Non - current benefit obligation	108.72	70.30

5	**Expense recognized in the Statement of Profit & Loss**		
	Current Service Cost	22.02	30.88
	Interest cost on obligation	6.60	6.01
	Expense recognized in the Statement of Profit & Loss	**28.61**	**36.89**
6	**Actuarial (gain)/loss recognized in the Statement of Profit & Loss**		
	Remeasurement due to:		
	Effect of change in financial assumptions	3.39	(4.10)
	Effect of change in demographic assumptions	11.35	-
	Effect of experience adjustments	(4.43)	(21.07)
	Return on plan of assets(excluding interest)	1.69	2.24
	Net Actuarial (gain)/loss recognized for the year	**12.00**	**(22.93)**
7	**Acturial assumptions used for estimating defined benefit obligations**		
	Discount Rate	7.40%	7.00%
	Salary Escalation Rate	7.00%	0.00% for the first year, 5.00% for the next year & 7.00% thereafter.
	Expected Rate of Return on Assets	7.00%	6.70%
	Mortality Rate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
	Attrition/ Withdrawal Rate	15.00%	15.00%
	The weighted average duration of plan	12.68 years	12.36 years

		Compensated Absence Benefit (Funded)	
		For the year ended on March 31, 2022	**For the year ended on March 31, 2021**
1	**Change in Defined Benefit Obligation during the year**		
	Defined Benefit Obligation at the beginning	85.49	99.77
	Interest Cost	8.14	9.92
	Current Service Cost	34.91	52.43
	Benefits paid during the year	(2.41)	(10.71)
	Actuarial (gain)/loss on Defined Benefit Obligation	21.16	(65.91)
	Defined Benefit Obligation at the end	**147.29**	**85.49**
2	**Amount to be recognized in Balance sheet:**		
	Present value of Defined Benefit Obligation	147.29	85.49
	Amount recognized in Balance sheet	**147.29**	**85.49**
3	**Current / Non - current bifurcation:**		
	Current benefit obligation	27.38	8.30
	Non - current benefit obligation	129.32	77.18
4	**Expense recognized in the Statement of Profit & Loss**		
	Current Service Cost	34.91	52.43
	Interest cost on obligation	8.14	9.92
	Actuarial (gain)/losses	(130.89)	(65.91)
	Expense recognized in the Statement of Profit & Loss	**(87.84)**	**(3.56)**
5	**Acturial assumptions used for estimating defined benefit obligations**		
	Discount Rate	7.40%	7.00%
	Salary Escalation Rate	7.00%	0.00% for the first year, 5.00% for the next year & 7.00% thereafter.
	Expected Rate of Return on Assets	N.A	N.A
	Mortality Rate	IALM (2012-14) Ultimate	IALM (2012-14) Ultimate
	Attrition/ Withdrawal Rate	5%	10%
	The weighted average duration of plan	12.68 years	12.36 years

Notes:

1 Salary escalation rate is arrived after taking into account regular increaments, 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 outlook.

4 Expected contribution to defined benefit plans for the financial year 2022-23 is Rs. 2.00 Lakhs

5 The above information is certified by actuary.

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.

36 **Related party Disclosure:**

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

a) **Related Party with whom transactions have been taken place and relationships:**

	Name of the party	Relationship
1	The Phoenix Mills Ltd	Holding Company
2	Marketcity Resources Pvt Ltd	Fellow Subsidiary
3	Pallazzio Hotels and leisure limited	Fellow Subsidiary
4	Vamona Developers Private Limited	Fellow Subsidiary
5	Classic Mall Development Company Limited	Associates
6	Blackwood Developers Pvt Ltd	Fellow Subsidiary
7	Upal Developers Pvt Ltd	Fellow Subsidiary
8	Gangetic Developers Private Limited	Fellow Subsidiary
9	Sparkleone Mall Developers Private Limited	Fellow Subsidiary
10	Radhakrishna Ramnarain Private Limited	Enterprises over which Key Managerial Personnel are able to exercise significant influence/ Control
11	Senior Advisory Services Private Limited	Enterprises over which Key Managerial Personnel are able to exercise significant influence/ Control
12	Ashok Apparels Private Limited	Enterprises over which Key Managerial Personnel are able to exercise significant influence/ Control
13	Aakar Charitable Trust	Enterprises over which Key Managerial Personnel are able to exercise significant influence/ Control
14	Shishir Shrivastava	Key Managerial Person
15	Rajesh Kulkarni	Key Managerial Person
16	Raghav Bajoria	Key Managerial Person
17	Venkata Subbaram Mohan Gupta Kasamsetty	Chief Financial Officer
18	Atul Ruia	Key Managerial Person
19	Gayatri A Ruia	Relatives of Key Managerial Personnel

b) **Transactions during the year:**

(Rs. in Lakhs)

Sr. No	Nature of Transactions	For the year ended on 31st March, 2022	For the year ended on 31st March, 2021
1	**Inter Corporate Deposit Repaid (Liability)**		
	Blackwood Developers Pvt Ltd	-	500.00
	Destiny Mall developers private limited	-	2,510.00
	Upal Developers Pvt Ltd	941.00	1,000.00
	Vamona Developers Private Limited	-	2,725.00
	Classic Mall Development Compnay Limited	-	250.00
	Offbeat Developers Private Limited	775.00	-
	The Phoenix Mills Limited	7,368.03	-
2	**Inter Corporate Deposit Taken (Loans)**		
	Upal Developers Pvt Ltd	941.00	-
	Destiny Mall developers private limited	-	1,000.00
	Offbeat Developers Private Limited	-	775.00
	Gangetic Developers Private Limited	2,920.00	-
	The Phoenix Mills Limited	7,900.00	-
3	**Interest Expenses on ICD**		
	The Phoenix Mills Limited	224.67	-
	Classic Mall Development Compnay Limited	1,047.56	1,104.19
	Vamona Developers Private Limited	130.01	1,036.21
	Blackwood Developers Pvt Ltd	-	19.75
	Upal Developers Pvt Ltd	31.84	41.18
	Destiny Mall developers private limited	-	66.66
	Offbeat Developers Private Limited	5.50	50.87
	Gangetic Developers Private Limited	93.16	-
4	**Project Management Consultancy Fees/Corporate Cost (expenses) (Excluding Service Tax & GST)**		
	Market City Resources Private Limited	52.50	30.00
5	**Professional Fees**		
	Gayatri A Ruia	30.00	24.88
6	**Sale of Construction Material**		
	Sparkle One Mall Developers Private Limited	13.87	-
7	**Advance received against Sale of Property**		
	Shishir Shrivastava	27.99	23.99
	Rajesh Kulkarni	27.44	6.42
	Raghav Bajoria	18.68	30.95
	Radhakrishna Ramnarain Private Limited	74.25	-
	Senior Advisory Services Private Limited	99.00	-
	Ashok Apparels Private Limited	24.75	-
	Atul Ruia	49.50	-
	Gayatri A Ruia	49.50	-
8	**Conversion of Inter-Corporate Deposit to Redeemable Preference Shares**		
	Vamona Developers Private Limited	9,467.79	-
9	**Remuneration**		
	Raghav Bajoria	239.74	139.58
	Venkata Subbaram Mohan Gupta Kasamsetty	59.90	47.41

10	**Donation**		
	Aakar Charitable Trust	17.72	-
11	**Sale of Property**		
	Radhakrishna Ramnarain Private Limited	419.18	-
	Ashok Apparels Private Limited	633.99	-

c) **Balances as at the end**

(Rs. in Lakhs)

Sr. No.	Nature of Balances	As at 31st March, 2022 (Rs.)	As at 31st March, 2021 (Rs.)
1	**Equity Share Capital (Face Value)**		
	The Phoenix Mills Limited	3,303.17	3,303.17
2	**Preference Share Capital (Face Value)**		
	Vamona Developers Private Limited	9,467.79	-
3	**Inter Corporate Deposits**		
	Classic Mall Development Compnay Limited	11,325.00	11,325.00
	Vamona Developers Private Limited	-	9,250.00
	Offbeat Developers Pvt Ltd	-	775.00
	The Phoenix Mills Limited	531.97	-
	Gangetic Developers Private Limited	2,920.00	-
4	**Accrued Interest Payable**		
	Classic Mall Development Compnay Limited	960.61	1,694.80
	Vamona Developers Private Limited	-	100.78
	Offbeat Developers Pvt Ltd	-	47.05
	Gangetic Developers Private Limited	68.84	-
5	**Advance Received from prospective buyer**		
	Shishir Shrivastava	72.38	44.39
	Rajesh Kulkarni	98.40	70.96
	Raghav Bajoria	87.87	69.19
	Radhakrishna Ramnarain Private Limited	74.25	-
	Senior Advisory Services Private Limited	99.00	-
	Ashok Apparels Private Limited	24.75	-
	Atul Ruia	49.50	-
	Gayatri A Ruia	49.50	-
6	**Trade Receivables**		
	Sparkle One Mall Developers Private Limited	-	0.49
	Radhakrishna Ramnarain Private Limited	327.53	-
	Ashok Apparels Private Limited	570.55	-

Note : -

1 The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.

2 Review of outstanding balances is undertaken each financial year through examining the financial position of the related party and the market in which related party operates. These balances are unsecured and their settlement occurs through Banking channel.

37 **Earning per share:**

	Particulars	For the year ended on March 31, 2022	For the year ended on March 31, 2021
i)	Net profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders	2,211.17	1,282.75
ii)	Weighted Average number of equity shares used as denominator for calculating EPS	3,30,31,724	3,30,31,724
iii)	Basic Earnings per share (Rs.)	6.69	3.88
iv)	Face value per equity share (Rs.)	10	10

38 **Contingent Liabilities**

a) Disputed Service Tax Liability of Rs.17.83 lakhs (P.Y. Rs.17.83 lakhs) as the matter is in appeal before the Commissioner of Service Tax (Appeals) Bangalore, Karnataka.

b) Disputed Service Tax Liability of Rs.957.61 lakhs (P.Y. Rs.957.61 lakhs) as the matter is in appeal before the Commissioner of Service Tax (Appeals) Mysuru, Karnataka.

c) Disputed Goods and Service Tax Liability of Rs.109.71 lakhs (P.Y. NIL) as the matter is in appeal before Joint Commissioner of Central Taxes (Appeals) Bengaluru, Karnataka.

d) Disputed Goods and Service Tax Liability of Rs.380.82 lakhs (P.Y. NIL) as the matter is in appeal before GST Tribunal, however GST Tribunal is not yet formed.

e) Disputed KVAT Liability for FY 2015-16, including interest and penalty thereon, amounting to Rs.28.18 lakhs (P.Y. Rs.28.18 lakhs) as the matter is in appeal before the DCCT (Audit), Karnataka VAT, Bangalore. The Company has paid Rs. 28.18 lakhs equivalent to 100% of the said tax demand.

f) Disputed KVAT Liability for FY 2016-17, including interest and penalty thereon, amounting to Rs.167.36 lakhs (P.Y. Rs.167.36 lakhs) as the matter is in Karnataka Appellate Tribunal, Bangalore Bangalore. The Company has paid Rs.50.21 lakhs equivalent to 30% of the said tax demand and has furnished a Bank Guarantee for the balance of Rs.117.15 lakhs in the form of Fixed Deposit with Corporation Bank.

g) Disputed KVAT Liability for FY 2017-18, including interest and penalty thereon, amounting to Rs.21.10 lakhs (P.Y. Rs.21.10 lakhs) as the matter is in Karnataka Appellate Tribunal, Bangalore. The Company has paid Rs.6.33 lakhs equivalent to 30% of the said tax demand and has furnished a Bank Guarantee for the balance of Rs.14.77 lakhs in the form of Fixed Deposit with Corporation Bank.

h) During the FY 2020-21, the Company has filed Writ Petition in Hon' High Court of Karnataka against Bruhat Bengaluru Mahanagara Palike relating to levy and collection of ground rent, surcharge on BWSSB, Ring Road, Improving slums, MRTS for an amount of Rs.743.19 lakhs (P. Y. 743.19 lakhs). Out of this basis interim order Rs.31.62 lakhs is paid by the company and balance Rs.711.58 lakhs is pending for final disposal

Palladium Constructions Private Limited
CIN: U45400MH2008PTC178115
Notes on Financial Statements for the year ended on 31st March, 2022

(Rs. in Lakhs)

Note No.	Particulars

39 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

Particulars	As at March 31, 2022		As at March 31, 2021	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets designated at amortised cost				
Trade Receivables	7,202.77	7,202.77	13,313.85	13,313.85
Cash and Cash Equivalents	2,962.72	2,962.72	338.31	338.31
Bank Balances other than above	1,037.90	1,037.90	580.73	580.73
Other financial assets	637.02	637.02	610.84	610.84
Total	11,840.41	11,840.41	14,843.72	14,843.72
Financial liabilities designated at amortised cost				
Borrowings	19,818.87	19,818.87	37,562.28	37,562.28
Trade payables and others	1,715.73	1,715.73	1,657.10	1,657.10
Other financial liabilities	3,227.90	3,227.90	4,023.04	4,023.04
Total	24,762.50	24,762.50	43,242.42	43,242.42

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 cash and deposits, trade receivables, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

2 Borrowings are evaluated by the Company based on parameters such as interest rates, credit risk and other risk characteristics. Fair value of variable interest rate borrowings approximates their carrying values. Risk of non-performance for the company is considered to be insignificant in valuation.

40 Segment reporting:
The Company is in the business of Real Estate Development as well as Hospitality Services. Considering the nature of the company's business and operations, there are two separate reportable segments (business and/or geographical) in accordance with the requirements of Indian Accounting Standard (IND AS)108 –'Segment Reporting'

Executive Director (the'Chief Operational Decision Maker as defined in INDAS108 – Operating Segments) monitors the operating results of the entity's business for the purpose of making decisions about resource allocation and performance assessment.

Sr no.	Particulars	Real Estate Development		Hospitality Services		Unallocated		Total	
		As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
A	Revenue								
	Revenue From Operations	18,800.73	15,661.09	2,639.54	1,127.95	-	-	21,440.26	16,789.04
	Other Income	162.23	605.87	35.92	26.57	-	-	198.15	632.45
	Total	**18,962.96**	**16,266.96**	**2,675.45**	**1,154.52**	-	-	**21,638.41**	**17,421.49**
B	**Results**								
1	Profit/(Loss) Before Tax & Interest	5,918.54	6,710.56	(527.54)	(1,189.52)	-	-	5,391.00	5,521.04
2	Less: Interest	(2,166.05)	(3,415.23)	(419.02)	(487.60)	-	-	(2,585.07)	(3,902.83)
	Profit/(Loss) Before Tax	**3,752.49**	**3,295.33**	**(946.56)**	**(1,677.11)**	-	-	**2,805.93**	**1,618.21**
	Less: Provision for Tax (net of Deferred Tax)	-	-	-	-	(594.77)	(335.49)	(594.77)	(335.49)
	Net Profit/(Loss) after Tax	**3,752.49**	**3,295.33**	**(946.56)**	**(1,677.11)**	**(594.77)**	**(335.49)**	**2,211.15**	**1,282.72**
C	**Other Information**								
	Segment Assets	87,570.20	95,986.68	13,803.35	14,339.53	4,021.92	1,128.10	1,05,395.48	1,11,454.31
	Segment Liabilities	25,919.73	38,576.64	4,059.54	6,239.75	1,297.77	2,475.20	31,277.04	47,291.59
D	**Other Disclosures**								
	Capital Expenditure	6.32	-	26.07	67.55	-	-	32.39	67.55
	Depreciation	10.02	21.15	1,012.35	1,033.48	-	-	1,022.37	1,054.62

41 Deferred Tax :-

Particulars	Deferred tax Asset/(Liability) as at March 31, 2020	Previous Year (Charge)/ credit	Deferred tax Asset/(Liability) as at March 31, 2021	Current Year (Charge)/ credit	Deferred tax Asset/(Liability) as at March 31, 2022
Difference between Book and Tax Depreciation	(189.91)	(62.49)	(252.40)	(32.46)	(284.86)
Provisions for Gratuity and Leave Encashment	41.34	(1.16)	40.18	25.41	65.58
Moratorium Interest paid	-	-	-	38.13	38.13
Deferred Tax Assets/(Liability)	(148.57)	(63.65)	(212.23)	31.08	(181.15)

(Rs. in Lakhs)

Note No.	Particulars
42	**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

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Company is exposed to foreign exchange risk through purchases of goods or services from overseas supplier in foreign currency. The Company generally transacts in US dollar. The foreign exchange rate exposure is balanced by purchasing of goods or services in the respective currency.

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 BR + Margin p.a. floating at Monthly rest including TP. 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 :

Change In Rate of Interest	Effect on Profit/(Loss) before tax	
	As at March 31, 2022	As at March 31, 2021
+1%/-1%	32.26	132.27

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 financing activities, including deposits with banks, mutual funds, financial institutions and other financial instruments.

Trade and other recivables:

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 to make an assessment of recoverability. Receivables are provided as doubtful / written off, when there is no reasonable expectation of recovery. Where receivables have been provided / written off, the Company continues regular followup , engage with the customers, legal options / any other remedies available with the objective of recovering these outstandings.

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

Cash and cash equivalents an 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 and deposit 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, 2022 and March 31, 2021 is as follows:

	As at 31/03/2022	As at 31/03/2021
Financial assets for which loss allowances is measured using 12 months Expected Credit Losses (ECL):		
Cash and cash equivalents	2,962.72	338.31
Bank Balances other than above	1,037.90	580.73
Other financial assets	637.02	610.84
Financial assets for which loss allowances is measured using Life time Expected Credit Losses (ECL):		
Trade receivables	7,202.77	13,313.85

Cash and Cash equivalent, other Investment, Loans an other financial assets are neither past due nor impaired. Management is of view that these financial assets are considered good and 12 months ECL is not provided.

- 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 secured coverage ratio) as mentioned in the loan agreements at specified levels and also cash deposits with banks to mitigate the risk of default in repayments. In the event of any failure to meet these covenants , these loans become callable to the extent of failture at the option of lenders, except where exemption is provided by lender.

(Rs. in Lakhs)

Particulars	As at March 31, 2022					Total
	Carrying Amount	On Demand	Less than 1 Yr	1- 5 yrs	>5 years	
Borrowings	19,818.87	14,776.97	161.20	1,051.09	3,829.62	19,818.87
Other Financial Liabilities	3,227.90	-	3,227.90	-	-	3,227.90
Trade and other payables	1,715.73	1,715.73	-	-	-	1,715.73

Particulars	As at March 31, 2021					Total
	Carrying Amount	On Demand	Less than 1 Yr	1- 5 yrs	>5 years	
Borrowings	37,562.28	24,334.83	5,978.39	4,674.33	2,574.73	37,562.28
Other Financial Liabilities	4,023.04	-	4,023.04	-	-	4,023.04
Trade and other payables	1,657.10	2,307.08	-	-	-	2,307.08

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 March 31, 2022 and March 31, 2021

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, trade and other payables less cash and short term deposits.

Pariculars	As At 31-03-2022	As At 31-03-2021
Loans and Borrowings	18,002.48	41,585.33
Less: Cash and cash equivalents + Bank Deposits	4,000.62	919.04
Net Debt	14,001.86	40,666.29
Total Capital	74,118.44	64,162.75
Capital+Net Debt	88,120.31	1,04,829.04
Gearing Ratio	0.16	0.39

43 **Financial Ratios**

Sr No	Ratios	Numerator	Denominator	31-03-2022	31-03-2021	Variation	Remarks
1	Current Ratio	Current Assets	Current Liabilities	3.58	2.48	44.64%	Higher efficiency on working capital has resulted in improvement in the ratio
2	Debt Equity Ratio	Total Debt	Total Shareholder's Equity	0.27	0.59	-54.32%	Repayment of debt has resulted in improvement in the ratio
3	Debt Service Coverage Ratio	Net Operating Income	Total Debt Service	0.28	0.15	89.96%	Repayment of debt has resulted in improvement in the ratio
4	Return on Equity Ratio	Net Income	Average Shareholder's Equity	3.20%	2.02%	58.39%	Revenue growth along with higher efficiency on working capital improvement has resulted in improvement in the ratio
5	Inventory Turnover Ratio	Cost of Goods Sold	Average Inventory	0.11	0.09	22.72%	
6	Trade Receivables Turnover Ratio	Credit Sales	Average Trade Receivables	1.84	1.31	40.08%	Higher realization of debtors has resulted in improvement in the ratio
7	Trade Payables Turnover Ratio	Credit Purchases	Average Trade Payables	7.37	2.83	160.44%	Increase in purchases / expenses has resulted in improvement in the ratio
8	Net Capital Turnover Ratio	Net Annual Sales	Average Working Capital	0.33	0.29	11.99%	
9	Net Profit Ratio	Net Profit before tax	Net Sales	10.31%	7.64%	34.98%	Profitability growth has resulted in improvement in the ratio
10	Return on Capital Employed	EBIT	Capital Employed	5.73%	5.42%	5.76%	
11	Return on Investment	Other Income	Average Cash, Cash and Cash Equivalent and Marketable Securities	2.04%	5.22%	-60.88%	Increase in cash and cash cash equivalents due to higher collections

(Rs. in Lakhs)

44 Ageing of Trade Receivables

March 31, 2022

Particulars	Less than 6 months	6 months - 1 year	1 -2 years	2 - 3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	299.84	2.79	15.07	1,441.69	1,074.15	2,833.54
(ii) Undisputed Trade receivables - which have significant increase in credit	-	0.96	-	2.04	10.24	13.24
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-
Total (A)	**299.84**	**3.75**	**15.07**	**1,443.72**	**1,084.39**	**2,846.77**
Unbilled Revenue (B)						**4,355.99**
Total (A) + (B)						**7,202.77**

March 31, 2021

Particulars	Less than 6 months	6 months - 1 year	1 -2 years	2 - 3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	1,294.26	109.47	2,365.42	1,128.50	346.88	5,244.53
(ii) Undisputed Trade receivables - which have significant increase in credit	1.84	-	3.91	-	-	5.74
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-
Total	**1,296.09**	**109.47**	**2,369.33**	**1,128.50**	**346.88**	**5,250.28**
Unbilled Revenue (B)	-	-	-	-	-	**8,063.57**
Total (A) + (B)	**1,296.09**	**109.47**	**2,369.33**	**1,128.50**	**346.88**	**13,313.85**

45 Ageing of Trade Payables

March 31, 2022

Particulars	Outstanding for following periods				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	35.20	1.92	61.86	19.09	118.06
(ii) Others	813.40	321.86	134.90	327.50	1,597.67
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

March 31, 2021

Particulars	Outstanding for following periods				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	71.63	40.78	15.94	19.01	147.36
(ii) Others	710.64	404.84	251.02	143.24	1,509.74
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

46 Additional Information as per section 186(4) of the Companies Act,2013

a) There are no Loans given to any body corporate as at 31st March, 2022.

b) There are no investments or guarantees given to any body corporate as at 31st March, 2022.

47 Corporate Social Responsibility:

(₹ In Lakhs)

		2021-22	2020-21
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	159.96	172.29
ii)	Amount spent during the year by way of contribution to a trust	172.29	-

Palladium Constructions Private Limited
CIN: U45400MH2008PTC178115
Notes on Financial Statements for the year ended on 31st March, 2022

48 **During the year the company has reclassified the following items of the financial statements**

Items of financial statements reclassified	Amount as at 31st March, 2021	Earlier classified as	Reclassified as
Other Advances/Deposits	211.23	Other Current Assets	Other Non-Current Assets
Current maturities of Long Term Debts	5,978.39	Other Financial Liability (Current)	Current Liabilities - Borrowings

49 **Additional regulatory information required by Schedule III**

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

Borrowing secured against current assets
The company does not have borrowings from banks and financial institutions on the basis of security of current assets.

Wilful defaulter
Company have not been declared wilful defaulter by any bank or financial institution or government or any government authority.

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

Compliance with number of layers of companies
The company has complied with the number of layers prescribed under the Companies Act, 2013.

Compliance with approved scheme(s) of arrangements
The company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

Utilisation of borrowed funds and share premium
The company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries
The company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:
a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries

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

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

Valuation of PP&E, intangible asset and investment property
The company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

50 Figures of previous year have been regrouped and/or recast wherever necessary to conform to the current year's classification.

As per our Report of even date

For A. M. Ghelani & Associates
Chartered Accountants
Firm Registration No.: 103172W

Anil Khanna
Partner
Membership No.: 153522

Place:- Mumbai

Date :- May 20, 2022

For and on behalf of the Board of Directors

Varun Parwal
Director
DIN No.07586435

Rajesh Patil
Director
DIN No.02466330

Venkata Subbaram Mohan Gupta Kasamsetty
Chief Financial Officer

Gajendra Mewara
Company Secretary
Membership No A22941

A.M.GHELANI & ASSOCIATES
CHARTERED ACCOUNTANTS
KAMLESH D. VYAS
B.Com.,LL.B.,F.C.A,
ANILKUMAR SHRIRAMKUMAR
B.Com.,F.C.A,

INDEPENDENT AUDITOR'S REPORT

To
The Members of Palladium Constructions Private Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Ind AS financial statements of **Palladium Constructions Private Limited ("the Company")**, which comprise the Balance Sheet as at March 31, 2022 the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended,("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022 and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SA"s) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone 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 independence requirements that are relevant to our audit of the standalone 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 we have obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone 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 standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone 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.

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone 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 standalone 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 controls 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 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matters	Auditor's Response
1	**Revenue Recognition of Construction Contracts in accordance with Ind AS 115** The application of the revenue accounting standard Ind AS 115 involves certain key judgments relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognized at a point in time or over a period of time. Refer Note 3 (k) to the Standalone Financial Statements.	**Principal audit procedures** • Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. • Selected a sample of continuing and new contracts and performed the following procedures: • Read, analysed and identified the distinct performance obligations in these contracts. • Compared these performance obligations with that identified and recorded by the Company. • Verified the progress towards satisfaction of performance obligations used to compute recorded revenue with contractual obligations, necessary approvals pertaining to the completion of the project, third party certifications and the collectability of an amount of consideration. • Performed project wise analytical procedures for

		reasonableness of revenues.
2	**Carrying values of Inventories (Construction work in Progress and Stock in Trade)**	**Principal audit procedures**
	There is a risk that the valuation of inventory may be misstated as it involves the determination of net realizable value (NRV) and estimated total construction cost of completion of each of the projects which is an area of judgement. Refer Notes 3 (e) and 8 to the Standalone Financial Statements.	We assessed the Company's process for the valuation of inventories. Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows: • Evaluated the design of the internal controls relating to the valuation of inventories. • Tested the operating effectiveness of controls for the review of estimates involved for the expected cost of completion of projects including construction cost incurred, construction budgets and net realizable value. We carried out a combination of procedures involving enquiry and observation, and inspection of evidence in respect of operation of these controls. Selected a sample of project specific inventories and performed the procedures around: • Construction costs incurred for the project specific inventories by tracing to the supporting documents, estimated total construction cost to be incurred for completing the construction of the project and corroborated the same with the reports from external supervising engineers, where applicable. Obtained the company's assessment of NRV for the project specific inventories. • The expected net amounts to be realized from the sale of inventory in the ordinary course of business.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. 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, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

   d) In our opinion, the aforesaid standalone 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 March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 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 B". 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 according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

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 explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements (Refer Note 38 to the Financial Statements).

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

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

iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 49) to the financial statements);

(b) The management has represented that, to the best of its knowledge and belief, as disclosed in the notes to the accounts, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries (Refer Note 49 to the financial statements); and

(c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The Company has not declared or paid any dividend during the year.

For A.M. Ghelani & Associates
Chartered Accountants
Firm Registration No.–103172W

GHELANI & COMPANY MUMBAI

Anil Khanna
Partner
Membership No. 153522
Place : Mumbai
Date : 20th May, 2022
UDIN : 22153522AJYNCG8927

Annexure "A" to the Independent Auditor's Report
(Referred to in paragraph 1 under the heading Report on other legal and regulatory requirements of our report of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

i. In respect of company's Property, Plant and Equipment and Intangible Assets:-

(a) (A)The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangible Assets.

(b) The Property, Plant and Equipment of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.

(c) The Title Deeds of immovable properties are held in the name of company.

(d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii. (a) As explained to us, inventories consist of Land, Reality Work-In-Progress and Food and Beverages. According to the information and explanations given to us, the inventories have been physically verified during the year by the management at year end. The company has maintained proper records of inventory and discrepancies noticed on physical verification of the inventory as compared to books record which has been properly dealt with in the books of account were not material.

(b) The company has borrowings from banks on the basis of security of current assets. The quarterly returns or statements of current assets filed by the company with banks are in agreement with the books of accounts.

iii. The Company has not made any investments, granted secured/ unsecured loans/advances in nature of loans, or stood guarantee, or provided security to any parties. Therefore, the reporting under clause 3 (iii)(a), (iii)(b),(iii)(c), (iii)(d), (iii)(e) and (iii)(f) of the Order are not applicable to the Company.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 & 186 of the Act, with respect to the loans & investments made.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified. Hence, reporting under clause 3(v) of the Order is not applicable.

vi. The maintenance of cost records has not been specified by the Central Government under subsection (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under clause (vi) of the Order is not applicable to the Company.

vii. In respect of statutory dues:

(a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.
There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, the disputed statutory dues are listed hereunder :-

a. Disputed KVAT Liability for FY 2015-16, including interest and penalty thereon, amounting to Rs.28.18 Lakhs as the matter is in appeal before the DCCT (Audit), Karnataka VAT, Bangalore. The Company has paid Rs.28.18 Lakhs in the form of Fixed Deposit with Corporation Bank.

b. Disputed Service Tax Liability to Rs.17.83 Lakhs as the matter is in appeal before the Commissioner of Service Tax (Appeals) Bangalore, Karnataka.

c. Disputed Service Tax Liability to Rs.957.61 Lakhs as the matter is in appeal before the Commissioner of Service Tax (Appeals) Mysuru, Karnataka.

d. Disputed Goods and Service Tax Liability of Rs.109.71 Lakhs as the matter is in appeal before Joint Commissioner of Central Taxes (Appeals) Bengaluru, Karnataka.

e. Disputed Goods and Service Tax Liability of Rs.380.82 Lakhs as the matter is in appeal before GST Tribunal, however GST Tribunal is not yet formed.

f. Disputed KVAT Liability for FY 2016-17, including interest and penalty thereon, amounting to Rs.167.36 Lakhs as the matter is in appeal before the DCCT (Audit), Karnataka VAT, Bangalore. The Company has paid Rs.50.21 Lakhs equivalent to 30% of the said tax demand and has furnished a Bank Guarantee for the balance of Rs.117.15 Lakhs in the form of Fixed Deposit with Corporation Bank.

g. Disputed KVAT Liability for FY 2017-18, including interest and penalty thereon, amounting to Rs.21.10 Lakhs as the matter is in appeal before the DCCT (Audit), Karnataka VAT, Bangalore. The Company has paid Rs.6.33 Lakhs equivalent to 30% of the said tax demand and has furnished a Bank Guarantee for the balance of Rs.14.77 Lakhs in the form of Fixed Deposit with Corporation Bank.

viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

ix. (a) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of loan or borrowing to a bank or dues to the debenture holders of the company.

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

(c) On an overall examination of the financial statements of the Company, the Term loans were applied for the purpose for which the loans were obtained.

(d) On an overall examination of the financial statements of the Company, funds raised on short term basis have, prima facie, not been used during the year for long-term purposes by the

Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, Associates or joint ventures.

(f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies hence reporting on clause 3(ix) (f) of the Orders not applicable.

x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) The company has made a private placement of Preference Shares during the year under review and the requirement of section 42 of The Companies Act, 2013 have been complied with, as regards thereto. According to the information and explanations given to us, the amounts so raised have prima-facie used for the purposes for which these were raised.

xi. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) No whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.

xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

xv. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors. Hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. (a) In our opinion, the Company is not not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) Based on the information and explanations provided by the management of the Company, the Group does not have any CICs which are part of the Group as per the definition of Group

contained in the Core Investment Companies (Reserve Bank) Directions, 2016. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.

xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors of the Company during the year.

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For A.M. Ghelani & Associates
Chartered Accountants
Firm Registration No.–103172W

A.M. GHELANI & COMPANY C.A. MUMBAI

Anil Khanna
Partner
Membership No. 153522
Place : Mumbai
Date : 20th May, 2022
UDIN : 22153522AJYNCG8927

Annexure "B" to the Independent Auditor's Report
(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements of our report of even date)

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 have audited the internal financial controls over financial reporting of **Palladium Constructions Private Limited** (the "Company") as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company 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 (the "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective 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 Companies 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 ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, 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 internal financial controls system over financial reporting of the Company.

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 March 31, 2022, 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 ICAI.

For A.M. Ghelani & Associates
Chartered Accountants
Firm Registration No.–103172W

GHELANI & COMPANY C.A. MUMBAI

Anil Khanna
Partner
Membership No. 153522
Place : Mumbai
Date : 20th May, 2022
UDIN : 22153522AJYNCG8927