

INDEPENDENT AUDITOR'S REPORT

**To the Members of Classic Mall Company Development Private Limited
Report on the Financial Statements**

We have audited the accompanying financial statements of **Classic Mall Company Development Private Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of the appropriate accounting policies; making judgements 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 fair presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the accounting standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016, 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".
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rules 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 28 (ii) to the financial statements.



- ii. The Company did not have any material foreseeable losses on long-term contracts including derivative contracts that require provision under any law or accounting standards for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Chaturvedi & Shah
Chartered Accountants
Firm Registration no. 101720W



Jignesh Mehta
Partner
Membership No.:102749

Mumbai
Date: 6th May, 2016



“Annexure A” to Independent Auditors’ Report referred to in Paragraph 1 under the heading of “Report on other legal and regulatory requirements” of our report of even date.

i. In respect of its fixed assets :

- a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
- b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
- c) In our opinion and according to the information and explanations given to us, title deeds of immovable properties are held in the name of the company.

ii. In respect of its inventory:

As explained to us inventory consists of realty work in progress representing properties under construction and hotel consumables. According to information given to us, physical verification of the inventories have been conducted at reasonable intervals by the management, which in our opinion is reasonable, having regard to the size of the Company and nature of its inventories. No material discrepancies were noticed on such physical verification.

- iii. The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Consequently, the requirement of clause (iii) (a) to clause (iii) (c) of paragraph 3 of the Order is not applicable to the Company.
- iv. Company has not directly or indirectly advanced loan to the persons or given guarantees or securities in connection with the loan taken by persons covered under Section 185 of the Act. Further, company has given loan to body corporate under section 186 (4) and the company has complied with the provisions of section 186 in respect of loan given.
- v. According to the information and explanations given to us, the Company has not accepted any deposits within the meaning of provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Therefore, the clause (v) of paragraph 3 of the Order is not applicable to the Company.
- vi. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government under subsection (1) of Section 148 of the Act and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.



vii. In respect of Statutory dues :

- a) According to the records of the Company, undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues have been generally regularly deposited with appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues, were outstanding as at March 31, 2016 for a period of more than six months from the date they became payable.
- b) According to the information and explanations given to us, disputed dues of sales tax, service tax, duty of customs, duty of excise, value added tax, cess on account of any dispute, which have not been deposited are as under:

Sr. No.	Nature of Statute	Nature of Dues	Amount (Rs.)	Period to which the amount related	Forum where dispute is pending
1	Income Tax Act, 1961	Income Tax	24,22,770	A.Y. 2013-14	CIT (A)
	Total		24,22,770		

- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution or bank or government or debenture holders of the company.
- ix. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and terms during the year.
- x. Based on the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- xi. Company has not paid any managerial remuneration during the year and hence clause (xi) of paragraph 3 of the Order is not applicable to the Company.
- xii. In our opinion company is not a nidhi company. Therefore, the provisions of clause (xii) of paragraph 3 of the Order are not applicable to the company.
- xiii. In respect of transactions with related parties :

In our opinion and according to the information and explanations given to us, section 177 of the Act is not applicable to the Company.

In our opinion and according to the information and explanations given to us, all transactions with related parties are in compliance with section 188 of the Act and their details have been disclosed in the financial statements etc., as required by the applicable accounting standards.



- xiv. In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and hence clause (xiv) of paragraph 3 of the Order is not applicable to the company.
- xv. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transaction with the directors or persons connected with him and covered under section 192 of the Act. Hence, clause (xv) of the paragraph 3 of the Order is not applicable to the Company.
- xvi. To the best of our knowledge and as explained, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **Chaturvedi & Shah**
Chartered Accountants
(Firm Registration no. 101720W)



Jignesh Mehta
Partner
Membership No.: 102749

Mumbai
Date: 6th May, 2016



“Annexure B” to Independent Auditors’ Report referred to in paragraph 2(f) under the heading “Report on other legal and regulatory requirements” of our report of even date.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the Internal Financial Control over financial reporting of Classic Mall Company Developers Private Limited (“the company”) as of 31st March, 2016 in conjunction with our audit of the financial statements of the Company for the year then ended.

Management Responsibility for the Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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



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, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2016, 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 Chaturvedi & Shah
Chartered Accountants
(Firm Registration no. 101720W)



Jignesh Mehta
Partner
Membership No.: 102749

Mumbai
Date: 6th May, 2016



CLASSIC MALL DEVELOPMENT COMPANY PRIVATE LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2016

CIN : U70100MH2005PTC156875

(Amount in Rs.)

Particulars	Notes	As at 31 st March, 2016	As at 31 st March, 2015
I. EQUITY AND LIABILITIES			
Shareholders' Funds			
(a) Share Capital	2	7,69,81,160	7,69,81,160
(b) Reserves and Surplus	3	2,94,71,15,009	2,40,12,29,120
Non-Current Liabilities			
(a) Long-Term Borrowings	4	4,50,00,00,000	2,21,70,45,752
(b) Deferred Tax Liability (Net)	5	32,06,31,029	22,90,82,988
(c) Other Long Term Liabilities	6	55,68,71,719	59,74,43,681
(d) Long-Term Provisions	7	19,15,969	11,11,392
Current Liabilities			
(a) Trade Payables			
Micro and Small Enterprises	8	-	-
Others	8	12,81,98,663	14,61,12,338
(b) Other Current Liabilities	9	14,08,91,303	87,06,08,616
(c) Short-Term Provisions	10	1,12,788	20,826
TOTAL		8,67,27,17,640	6,53,96,35,873
II. ASSETS			
Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	11	5,31,86,59,975	5,38,86,24,139
(ii) Intangible Assets	11	9,29,664	12,44,455
(iii) Capital Work-in-Progress	11	8,46,72,904	4,73,11,378
(b) Non-Current Investments	12	5,000	5,000
(c) Long-Term Loans and Advances	13	7,23,27,063	6,19,39,593
Current assets			
(a) Current Investments	14	20,96,87,932	-
(b) Inventories	15	39,17,90,624	41,91,30,773
(c) Trade Receivables	16	31,99,28,309	20,38,14,365
(d) Cash and Cash Equivalents	17	27,18,10,330	8,80,43,077
(e) Short Term Loans and Advances	18	1,95,62,30,651	32,37,20,782
(f) Other Current Assets	19	4,66,75,188	58,02,311
TOTAL		8,67,27,17,640	6,53,96,35,873

Significant Accounting Policies and
Notes on Financial Statements

1 to 40

As per our Report of even date

For Chaturvedi & Shah

(Firm Registration No: I01720W)

Chartered Accountants

Jignesh Mehta

Jignesh Mehta

Partner

(M. No.: 102749)



Place : Mumbai

Date : 6th May, 2016

For and on behalf of the Board

Shashie Kumar

Shashie Kumar
Managing Director
(DIN : 5252482)

Mukesh Jethwani

Mukesh Jethwani
Director
(DIN : 1486791)

Anjali Chaturvedi

Anjali Chaturvedi
Company Secretary
(M. No. : 36982)

CLASSIC MALL DEVELOPMENT COMPANY PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2016
 CIN : U70100MH2005PTC156875

(Amount in Rs.)

Particulars	Notes	2015-16	2014-15
INCOME			
Revenue from Operations	20	2,23,65,96,428	2,11,07,69,604
Other Income	21	10,30,74,751	1,11,71,447
Total Revenue		2,33,96,71,179	2,12,19,41,050
EXPENDITURE			
Change in Inventories	22	2,73,40,149	(7,32,62,134)
Cost of Construction	23	21,52,93,666	32,65,56,560
Employee Benefits Expense	24	7,46,76,491	5,28,78,543
Finance Costs	25	47,93,85,384	40,26,83,509
Depreciation and Amortisation Expense	26	16,08,44,840	15,11,36,823
Other Expense	27	71,19,43,375	62,26,13,673
Total Expenses		1,66,94,83,905	1,48,26,06,974
Profit before Tax		67,01,87,274	63,93,34,077
Tax Expense			
Current Tax		14,65,92,000	13,92,49,000
Deferred Tax		9,15,48,041	20,28,35,290
Minimum Alternate Tax		(11,38,38,656)	(26,85,39,039)
Profit for the year		54,58,85,889	56,57,88,826
Earnings per equity share:	33		
Basic and Diluted [Face value of Rs. 10 each]		70.91	73.50

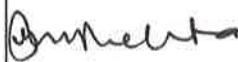
Significant Accounting Policies and
Notes on Financial Statements

1 to 40

As per our Report of even date

For **Chaturvedi & Shah**

(Firm Registration No: 101720W)
Chartered Accountants



Jignesh Mehta
Partner
(M. No.: 102749)



Place : Mumbai
Date : 6th May, 2016

For and on behalf of the Board



Shashie Kumar
Managing Director
(DIN : 5252482)



Mukesh Jethwani
Director
(DIN : 1486791)



Anjali Chaturvedi
Company Secretary
(M. No. : 36982)

CLASSIC MALL DEVELOPMENT COMPANY PRIVATE LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016
 CIN : U70100MH2005PTC156875

(Amount in Rupees)


Particulars	2015 - 16	2014 - 15
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit before Tax	67,01,87,274	63,93,34,077
Finance Cost	47,93,85,384	40,14,42,607
Dividend Income	(5,95,585)	-
Interest Income	(5,20,11,570)	(9,02,607)
Profit on Sale of Investment	(4,53,39,617)	(33,79,506)
(Profit)/Loss on sale of Assets (net)	88,268	(4,63,917)
Depreciation	16,08,44,840	15,11,36,823
Provision for Doubtful Debts/Advances	1,72,92,487	2,50,05,013
Operating Profit before working Capital Changes	1,22,98,51,481	1,21,21,72,490
Movements in Working Capital:		
Trade and Other payables	(2,64,60,095)	(4,33,91,782)
Trade and Other receivables	(11,75,37,492)	(40,59,27,255)
	1,08,58,53,894	76,28,53,453
Less: Taxes (paid)/ received	(15,86,05,502)	15,54,84,573
Net Cashflow from /(Used in) Investing Activities	92,72,48,392	91,83,38,026
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets and Capital Expenditure	(12,87,16,910)	(8,55,98,470)
Sale of Fixed Asset	7,01,231	-
Purchase of Investments	(8,51,45,24,559)	(53,50,00,000)
Sale of Investments	8,35,01,76,243	57,33,87,252
Dividend Income	5,95,585	-
Short Term Loans and Advances to Related Party (Net)	(1,50,00,00,000)	-
Investment in Fixed Deposit	(22,50,00,000)	-
Interest Income	55,64,723	9,07,046
Net Cashflow from/(Used in) Investing Activities	(2,01,12,03,687)	(4,63,04,174)
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long Term Borrowings	4,50,00,00,000	-
Repayment of Long Term Borrowings	(2,99,80,97,248)	(45,69,68,679)
Finance Cost	(45,91,80,204)	(40,14,42,606)
Net Cash Generated from/(used in) Financing Activities	1,04,27,22,547	(85,84,11,285)
Net Increase/ (Decrease) in Cash and Cash Equivalents	(4,12,32,748)	1,36,22,567
Opening Balance of Cash and Cash Equivalents	8,80,43,077	7,44,20,510
Closing Balance of Cash and Cash Equivalents (Refer Note 17)	4,68,10,330	8,80,43,077

Notes:-

- a The Cash Flow Statement has been prepared under the "Indirect Method" set out in Accounting Standard - 3 "Cashflow Statements" (AS-3).
- b The figures in brackets represent Cash outflows.
- c Cash and Cash equivalents excludes Term Deposit of Rs. 22,50,00,000 (P.Y. Nil) represents margin money for maintaining DSRA for debentures.

As per our Report of even date

For **Chaturvedi & Shah**
 (Firm Registration No: 101720W)
 Chartered Accountants



Jignesh Mehta
 Partner
 (M. No.: 102749)



Place : Mumbai
 Date : 6th May, 2016

For and on behalf of the Board


Shashie Kumar
 Managing Director
 (DIN : 5252482)


Mukesh Jethwani
 Director
 (DIN : 148679)


Anjali Chaturvedi
 Company Secretary
 (M. No. : 36982)

CLASSIC MALL DEVELOPMENT COMPANY PRIVATE LIMITED
Notes on Financial Statement for the year ended 31st March, 2016

Note "1"

SIGNIFICANT ACCOUNTING POLICIES:

a) BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The Financial statements have been prepared to comply with accounting principles generally accepted in India (Indian GAAP), the Accounting Standards notified under relevant provisions of the Companies Act, 2013, The Financial statements are prepared on accrual basis under the historical cost convention. The Financial statements are presented in Indian Rupees.

b) USE OF ESTIMATES

The preparation of financial statements in conformity with Indian GAAP requires judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/ materialised.

c) INVENTORY

- i. Inventories comprise Land and Realty Work in Progress representing properties under construction/development of residential project and stock of food and beverages and operating supplies.
- ii. Inventories are valued at lower of cost and net realizable value.
- iii. Cost of realty construction / development includes all costs directly related to the project and other expenditure as identified by the management which are incurred for the purpose of executing and securing the completion of the Project (net off incidental recoveries/receipts).

d) REVENUE RECOGNITION

- i. Revenue is recognized when it is earned and no significant uncertainty exists as to its realization or collection. License fees, rental income and service charges are recognised based on contractual rights.
- ii. Revenue from sale of properties under construction is recognized on the basis of percentage of completion method subject to transfer of significant risk and rewards to the buyer and outcome of the real estate project can be estimated reliably. Percentage of completion is determined with reference to the project cost incurred on at balance sheet date versus total estimated project cost determined based upon the judgment of management. Accordingly, cost of construction / development is charged to Statement of Profit and Loss in proportion to the revenue recognized during the year and balance costs are carried as part of 'Project Work in Progress' under inventories. Amounts receivable/received are reflected as Debtors/Advances from Customers, respectively, after considering income recognized in the aforesaid manner. The estimates of saleable area and costs are revised periodically by the management and are considered as change in estimate



CLASSIC MALL DEVELOPMENT COMPANY PRIVATE LIMITED
Notes on Financial Statement for the year ended 31st March, 2016

accordingly, the effect of such changes to estimates is recognized in the year when such changes are determined.

- iii. Revenue from hotel component of sale of rooms, foods and beverages, allied services relating to hotel operations are recognized upon rendering of the services.
- iv. Interest is recognised on time proportion basis.
- v. Dividend Income is recognised when the right to receive the same is established.

e) FIXED ASSETS

Fixed Assets are stated at cost, less accumulated depreciation and impairment loss, if any. Cost includes original cost of acquisition, including incidental expenses related to such acquisition and installation. All costs, including financing costs, net of income earned during construction period are capitalized.

Intangible assets are stated at cost of acquisition, less accumulated depreciation.

Assets Taken on Finance Leases : Present value of future Lease Rentals is capitalised as fixed assets with corresponding amount shown as lease liability. The principal component in the lease rental is adjusted against the lease liability and the interest component is charged to Profit and Loss account.

f) DEPRECIATION

Depreciation on fixed assets is provided on Straight Line Method in accordance with the rate and the manner prescribed in Schedule II of the Companies Act, 2013.

Intangible assets comprising software are amortized over five years.

g) FOREIGN CURRENCY TRANSACTIONS

Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction. Monetary items denominated in foreign currencies at the year end are restated at year end rates. Non monetary foreign currency items are carried at cost. Any income or expense on account of exchange difference either on settlement or on translation is recognised in the profit and loss account.

h) INVESTMENTS

Current investments are carried at the lower of cost and quoted/fair value, computed category wise. Long-term investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary in the opinion of the management.

i) BORROWING COSTS

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.



CLASSIC MALL DEVELOPMENT COMPANY PRIVATE LIMITED
Notes on Financial Statement for the year ended 31st March, 2016

j) PROVISION FOR CURRENT & DEFERRED TAX

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income-tax Act, 1961. Deferred tax resulting from "timing difference" between book and taxable profit is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is a reasonable certainty that the asset will be realized in future.

In the year in which the Company recognises MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement".

The Company reviews the "MAT Credit Entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will be able to utilise the MAT Credit Entitlement within the period specified under the Income-tax Act, 1961.

k) IMPAIRMENT OF ASSETS

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the profit and loss account in the year in which an asset is identified as impaired. The impairment loss recognized in prior account in period is reversed if there has been a change in the estimate of recoverable amount.

l) PROVISION, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

m) EMPLOYEE BENEFITS

- i. Short term employee benefits are charged off at the undiscounted amount in the year in which the related service is rendered.
- ii. Post employment and other long term employee benefits are charged off in the year in which employee has rendered services. The amount charged off is recognized at the present value of the amounts payable determined using actuarial valuation techniques. Actuarial gain and losses in respect of post employment and other long term benefits are charged to Profit and Loss Account/Project Development Expenditure.

n) CLASSIFICATION OF ASSETS AND LIABILITIES AS CURRENT AND NON-CURRENT

All assets and liabilities are classified as current or non-current as per Company's normal operating cycle, and other criteria set out in Schedule II to the Companies Act, 2013 and accordingly, 12 months period has been considered by the Company as its normal operating cycle for the purpose of classification of assets and liabilities as current and non-current.



CLASSIC MALL DEVELOPMENT COMPANY PRIVATE LIMITED
Notes on Financial Statements for the year ended 31st March, 2016

(Amount in Rs.)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015		
2 Share Capital				
<u>Authorised, Issued, Subscribed and Paid up Share Capital:</u>				
<u>Authorised</u>				
77 00 000 (P.Y. 77 00 000) Equity Shares of Rs. 10 each	7,70,00,000	7,70,00,000		
<u>Issued, Subscribed and Paid up</u>				
76 98 116 (P. Y. 76 98 116) Equity Shares of Rs. 10 each fully paid up	7,69,81,160	7,69,81,160		
Total	7,69,81,160	7,69,81,160		
a The reconciliation of number of Shares outstanding is set out below:				
	No. of shares	No. of shares		
Shares outstanding at the beginning of the year	76,98,116	76,98,116		
Add: Shares Issued during the year	-	-		
Shares outstanding at the end of the year	76,98,116	76,98,116		
b Shareholders holding more than 5% of the total Shares of the Company :				
	As at 31st March 2016		As at 31st March 2015	
Name of Shareholder	No. of Shares held	% of Holding	No. of Shares held	% of Holding
The Phoenix Mills Limited	37,09,416	48.19%	37,09,416	48.19%
Crest Ventures Limited	32,47,760	42.19%	32,47,760	42.19%
c Details of Equity Shares held by Holding Company, its Subsidiary and Associates :				
	As at 31st March 2016		As at 31st March 2015	
Name of Shareholder	No. of Shares held	% of Holding	No. of Shares held	% of Holding
The Phoenix Mills Limited (Holding Company)	37,09,416	48.19%	37,09,416	48.19%
Escort Developers Private Limited (Associate of Holding Company)	2,80,824	3.65%	2,80,824	3.65%
d Terms and Rights of Equity Share Holders:				
The company has only one class equity shares having face value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share. Equity shares holders are also entitled to dividend as and when proposed by the Board of Directors and approved by share holders in Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts which shall be in proportion to the number of shares held by the shareholders.				
3 Reserves & Surplus				
A <u>Securities Premium Account</u>				
As per last Balance Sheet			1,41,92,61,103	1,41,92,61,103
B <u>Surplus:</u>				
As per last Balance Sheet			98,19,68,017	41,63,19,920
Add : Profit for the year			54,58,85,889	56,57,88,826
Less: Adjustment of depreciation as per transitional provision of part C, of Schedule II of the Companies Act, 2013.			-	1,40,729
Closing Balance			1,52,78,53,906	98,19,68,017
Total (A +B)			2,94,71,15,009	2,40,12,29,120



CLASSIC MALL DEVELOPMENT COMPANY PRIVATE LIMITED
Notes on Financial Statements for the year ended 31st March, 2016

(Amount in Rs.)

Particulars	As at 31 st March, 2016		As at 31 st March, 2015	
	Non - Current	Current	Non - Current	Current
4 Long Term Borrowings				
	As at 31 st March 2016		As at 31 st March 2015	
Secured				
Term loans from banks (Refer Note a)	-	-	2,21,70,45,752	57,95,00,000
Term loan from others (Refer Note b)	-	-	-	19,99,99,948
4,500 (P.Y Nil) 9.95% Non- Convertiable Debentures of Rs. 10,00,000 each (Refer Note c)	4,50,00,00,000	-	-	-
Unsecured				
Finance lease obligation	-	-	-	15,51,548
Total	4,50,00,00,000	-	2,21,70,45,752	78,10,51,496

- a) The loan of Rs.Nil (P.Y. Rs. 2,79,65,45,752) is secured by undivided share of 34,136.72 sq. mtr. out of larger extent of land admeasuring 66,915.90 sq. mtr. situated at 142, Velachery Road, Chennai. Further the loan is secured on pari-pasu basis by way of hypothecation of the company's movable tangible & intangible assets (both present & future) with respect to Mall Building, Receivables, Insurance Policy, and charge on company's ESCROW account for the facility.
- b) The loan of Rs. Nil (P.Y. Rs. 19,99,99,948) is secured by unsold units with carpet area of 48,456 sq. ft. and saleable area 60,012 Sq. ft. in Tower C Residential project alongwith proportionate land admeasuring total area 1,950 sq. mtrs. Further, the loan is secured by first and exclusive charge by way of hypothecation of future receivables of mortgaged property through Escrow mechanism.
- c) 9.95% Non convertible Debentures of series 1 are redeemable at par after 84 months from the date of allotment i.e. 19.08.2015. The company has an option to redeem these debentures earlier by giving 10 days notice; however, no redemption will take place before the end of 15th day of the 12th month from the date of allotment. The debentures are secured by registered first ranking equitable pari-passu mortgage on the undivided share of 34,136.72 sq. mtr. out of larger extent of land admeasuring 66,915.90 sq. mtr. situated at 142, Velachery Road, Chennai. Further the loan is secured by exclusive and first ranking charge on the Charged Accounts, all Permitted Investments and the Receivables.

5 Deferred Tax Liability (Net)

Deferred Tax Liability Related to Fixed Asset		39,01,34,742	32,44,13,691
Less:			
Deferred Tax Asset			
Disallowances under Income Tax Act, 1961		3,24,56,280	2,61,61,422
Carry Forward Losses*		3,70,47,433	6,91,69,281
Total		32,06,31,029	22,90,82,988

* Virtual certainty of the realization of Deferred Tax Assets on carry forward losses is established based on agreements.



CLASSIC MALL DEVELOPMENT COMPANY PRIVATE LIMITEDNotes on Financial Statements for the year ended 31st March, 2016

(Amount in Rs.)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
6 Other Long Term Liabilities		
Trade Payables		
Micro and Small Enterprises (Refer Note No. 8 and 36)	-	-
Others	2,69,71,972	3,53,34,152
Creditors for Capital Expenditure	-	73,53,983
Security Deposit for Lease rentals	52,98,99,747	55,47,55,546
Total	55,68,71,719	59,74,43,681
7 Long Term Provisions		
Provision for Leave Encashment	19,15,969	11,11,392
Total	19,15,969	11,11,392
8 Trade Payables		
Micro and Small Enterprises (Refer Note No. 36)	-	-
Others	12,81,98,663	14,61,12,338
Total	12,81,98,663	14,61,12,338
<p>* There are no Micro and Small Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days during the year or as at March 31, 2016. The above information, regarding Micro and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company This has been relied upon by the Auditors.</p>		
9 Other Current Liabilities		
Current Maturities of Long Term Debts (Refer Note No. 4)	-	78,10,51,496
Interest Accrued but not due	2,02,05,180	-
Security Deposit for Lease rentals	2,43,54,880	46,56,996
Advances from Customer	3,64,44,418	3,52,09,876
Creditor for Capital Expenditure	57,000	2,02,173
Statutory Dues	40,80,977	79,41,140
Other Payables	5,57,48,848	4,15,46,935
Total	14,08,91,303	87,06,08,616
10 Short -Term Provisions		
Provision for Leave Encashment	1,12,788	20,826
Total	1,12,788	20,826



CLASSIC MALL DEVELOPMENT COMPANY PRIVATE LIMITED
Notes on Financial Statements for the year ended 31st March, 2016

Note 11 : Fixed Assets

Description	GROSS BLOCK					DEPRECIATION					NET BLOCK	
	As at April 1, 2015	Additions During the year	Deductions / Adjustments	As at March 31, 2016	As at April 1, 2015	For the year	Transfer to Retained Earnings	Deductions / Adjustments	As at March 31, 2016	As at March 31, 2016	As at 31-Mar-2015	
Tangible Assets:												
Freehold Land*	67,42,55,852	-	-	67,42,55,852	-	-	-	-	-	67,42,55,852	67,42,55,852	
Building	3,57,33,51,910	3,46,20,403	-	3,60,79,72,313	12,28,12,289	5,70,38,695	-	-	17,98,50,984	3,42,81,21,329	3,45,05,39,621	
Plant & Machinery	1,16,82,73,663	76,49,431	-	1,17,59,23,094	13,63,51,404	7,62,44,850	-	-	21,25,96,254	96,33,26,840	1,03,19,22,259	
Computers	2,32,19,792	11,41,238	-	2,43,61,030	86,34,052	40,18,401	-	-	1,26,52,453	1,17,08,577	1,45,85,740	
Office Equipment	6,75,62,730	4,06,90,968	-	10,82,53,698	71,54,009	57,15,834	-	-	1,28,69,893	9,53,83,805	6,04,08,721	
Vehicles	27,74,710	23,04,716	10,24,968	40,54,458	3,22,739	3,73,586	-	2,35,469	4,61,256	35,93,202	24,51,971	
Furniture & Fixture	16,41,66,989	49,48,628	-	16,91,15,617	1,76,35,379	1,64,32,135	-	-	3,40,67,514	13,50,48,103	14,65,31,610	
Total	5,67,36,05,646	9,13,55,384	10,24,968	5,76,39,36,062	29,29,09,872	15,98,23,951	-	2,35,469	45,24,98,354	5,31,14,37,708	5,38,06,95,774	
Leased Assets:												
Office Equipment	90,90,970	-	-	90,90,970	11,62,605	7,06,098	-	-	18,68,703	72,22,267	79,28,365	
Total	5,68,26,96,616	9,13,55,384	10,24,968	5,77,30,27,032	29,40,72,477	16,05,30,049	-	2,35,469	45,43,67,057	5,31,86,59,975	5,38,86,24,139	
Intangible Assets:												
Computer Software	16,13,464	-	-	16,13,464	3,69,009	3,14,791	-	-	6,83,800	9,29,664	12,44,455	
Total	16,13,464	-	-	16,13,464	3,69,009	3,14,791	-	-	6,83,800	9,29,664	12,44,455	
Total	5,68,43,10,080	9,13,55,384	10,24,968	5,77,46,40,496	29,44,41,486	16,08,44,840	-	2,35,469	45,50,50,857	5,31,95,89,639	5,38,98,68,593	
Previous Year	5,49,50,25,999	21,03,79,465	2,10,95,384	5,68,43,10,080	14,49,79,047	15,11,36,823	2,15,209	18,89,593	29,44,41,486	5,38,98,68,593	5,35,00,46,952	
Capital Work-in-Progress	-	-	-	-	-	-	-	-	-	8,46,72,904	4,73,11,378	

NOTES :

* Land admeasuring 35,253.40 sq. mtrs (Cost Rs. 63,91,63,155) is jointly owned with Classic Housing Projects Private Limited and Starboard Hotels Private Limited. Out of the above, 1117 sq. mtrs of land has been leased to Tamil Nadu Generation and Distribution Corporation Ltd. for setting up an electrical sub-station for a period of 99 years on an annual lease of Rs. 100/-.

11.1) In respect of Fixed Assets acquired on finance lease the minimum lease rentals outstanding as on 31st March, 2016 are as follows:

	Total Minimum Lease payments outstanding		Future interest on outstanding Payments		Present Value of Minimum Lease Payments	
	As At 31 st March 2016	As At 31 st March 2015	As At 31 st March 2016	As At 31 st March 2015	As At 31 st March 2016	As At 31 st March 2015
Not later than one year	-	16,30,146	-	78,598	-	15,51,548
Later than one year but not later than five year	-	-	-	-	-	-
Later than five years	-	-	-	-	-	-
Total	-	16,30,146	-	78,598	-	15,51,548

11.1) In respect of Fixed Assets acquired on finance lease the minimum lease rentals outstanding as on 31st March, 2016 are as follows:



CLASSIC MALL DEVELOPMENT COMPANY PRIVATE LIMITED
Notes on Financial Statements for the year ended 31st March, 2016

(Amount in Rs.)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
12 Non-current investments		
Unquoted		
Other Investments (Valued at cost)		
<u>Investment in Government securities</u>		
National Saving Certificate*	5,000	5,000
Total	5,000	5,000
Aggregate amount of unquoted Investments	5,000	5,000
* Pledged with Chennai Metropolitan Development Authority		
13 Long Term Loans and Advances		
<u>(Unsecured and considered good)</u>		
Security Deposits to Related Party	1,25,00,000	1,25,00,000
Security Deposits - Others	5,83,97,420	4,94,24,593
Balances with Employees Gratuity Trust Fund	15,000	15,000
Others	14,14,643	-
Total	7,23,27,063	6,19,39,593
14 Current investments		
Quoted		
Other Investments (Valued at lower of cost or market value)		
<u>Investment in Mutual Funds</u>		
DHFL Pramerica Banking & PSU Debt Fund - Regular Plan - Growth 51,87,259.97 (P. Y. Nil units)	6,46,10,435	-
Kotak Floater Short Term - Growth (Regular Plan) 18340.1401 (P. Y. Nil units)	4,50,77,497	-
Reliance Liquidity Fund - Treasury Plan- Growth Option 27236.037 (P. Y. Nil units)	10,00,00,000	-
Total	20,96,87,932	-
Aggregate amount of quoted Investments	20,96,87,932	-
Market value of quoted Investments	21,35,34,431	-
15 Inventories		
(Valued at lower of cost or net realisable value)		
Realty Work- In- Progress	36,96,37,099	38,76,74,448
Land	2,20,17,812	3,14,56,325
Food & Beverages	1,35,713	-
Total	39,17,90,624	41,91,30,773
16 Trade Receivables		
<u>(Unsecured)</u>		
Receivables outstanding for a period exceeding six months from due date		
Considered good	1,33,81,265	10,93,95,810
Considered doubtful	9,08,24,500	7,44,61,350
Others considered good	30,65,47,044	9,44,18,555
	41,07,52,809	27,82,75,715
Less: Provision for doubtful receivables	9,08,24,500	7,44,61,350
Total	31,99,28,309	20,38,14,365



CLASSIC MALL DEVELOPMENT COMPANY PRIVATE LIMITEDNotes on Financial Statements for the year ended 31st March, 2016

(Amount in Rs.)

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
17 Cash and Cash Equivalents		
Balances with Banks in Current Account	4,63,83,614	8,76,17,981
Cash on hand	4,26,716	4,25,096
	<u>4,68,10,330</u>	<u>8,80,43,077</u>
Other Bank Balance Deposit with original maturity of more than 12 months*	22,50,00,000	-
	<u>27,18,10,330</u>	<u>8,80,43,077</u>
Total	27,18,10,330	8,80,43,077
* Maturity more than 12 months Rs. 22,50,00,000 (P. Y. Rs. Nil) given as Margin Money for maintaining DSRA for debentures.		
18 Short Term Loans and Advances (Unsecured and considered good)		
Loans and Advances to Related Party*	1,50,00,00,000	-
Advance to Vendors	65,09,906	1,30,36,401
Less: Reserves for Doubtful Advances	9,29,337	-
	<u>55,80,569</u>	<u>1,30,36,401</u>
Balances with Customs, Central Excise Authorities	2,09,68,873	57,04,272
Advance Income Tax (Net of Provisions)	4,11,07,442	2,90,93,940
Minimum Alternate Tax Credit Receivable	38,23,77,695	26,85,39,039
Balances with LIC Gratuity Fund (Net)	77,241	68,985
Short Term Deposits	2,50,000	2,50,000
Others	58,68,831	70,28,145
	<u>1,95,62,30,651</u>	<u>32,37,20,782</u>
Total	1,95,62,30,651	32,37,20,782
* Refer Note No.30 and 37		
19 Other Current Assets		
Accrued Interest on Fixed Deposit	1,11,47,667	-
Accred Interest on Inter Corporate Deposit	3,52,99,180	-
Unbilled Revenue	2,28,341	58,02,311
	<u>4,66,75,188</u>	<u>58,02,311</u>
Total	4,66,75,188	58,02,311



CLASSIC MALL DEVELOPMENT COMPANY PRIVATE LIMITED
Notes on Financial Statements for the year ended 31st March, 2016

(Amount in Rs.)

Particulars	2015-16	2014-15
20 Revenue from Operations		
Sale of Services	1,92,74,94,398	1,81,30,26,310
Income from Property Development	27,67,18,916	27,32,20,950
Other Operating Revenues	3,23,83,114	2,45,22,344
	2,23,65,96,428	2,11,07,69,604
a) Broad categories of Sale of Service		
License Fees and Rental Income	1,19,64,20,426	1,10,89,06,329
Service Charges	59,15,67,069	56,64,42,200
Others (includes Room rent charges and Food & Beverages Income)	13,95,06,903	13,76,77,781
	1,92,74,94,398	1,81,30,26,310
21 Other Income		
Dividend Income on current investment	5,95,585	-
Interest on Fixed Deposit	1,27,90,259	9,02,607
Interest on Inter Corporate Deposits	3,92,21,311	-
Interest Income - Others	23,72,789	22,55,018
Insurance Claim received	20,00,000	-
Profit on Sale of Investment	4,53,39,617	33,79,506
Profit on Sale of Asset	-	4,63,917
Compensation Received	-	38,76,511
Sale of Scrap	7,55,190	2,93,888
Total	10,30,74,751	1,11,71,447
22 Change in Inventories		
<u>Realty Work in Progress</u>		
Work in Progress at the beginning of the year	41,91,30,773	34,58,68,639
Less: work in progress at the end of the year	39,16,54,911	41,91,30,773
	2,74,75,862	(7,32,62,134)
<u>Food & Beverages Consumed</u>		
Stock at the beginning of the year	-	-
Stock at the end of the year	1,35,713	-
	(1,35,713)	-
Total	2,73,40,149	(7,32,62,134)
23 Cost of Construction/Materials		
Consultancy	33,25,402	1,32,31,927
Approvals and Statutory Payments	1,00,875	2,63,035
RCC and Civil Work	16,45,26,357	25,76,00,324
Electrical Equipments and Installations	2,46,02,667	4,58,38,350
Site Operating Expenses	2,08,76,750	90,76,702
Food and Beverages Purchased	18,61,615	5,46,222
Total	21,52,93,666	32,65,56,560
24 Employee Benefits Expense		
Salaries, Wages and Bonus	6,82,71,111	4,88,43,171
Contribution to Provident and other welfare fund	18,27,803	11,78,357
Gratuity and Leave encashment	19,17,075	11,78,571
Staff Welfare Expenses	26,60,502	16,78,444
Total	7,46,76,491	5,28,78,543



CLASSIC MALL DEVELOPMENT COMPANY PRIVATE LIMITED
Notes on Financial Statements for the year ended 31st March, 2016

(Amount in Rs.)

Particulars	2015-16	2014-15
25 Finance Costs		
Interest on Loan	13,47,42,747	40,07,08,087
Interest on Debentures	28,20,21,125	-
Other Charges	6,26,21,512	19,75,422
Total	47,93,85,384	40,26,83,509
26 Depreciation and Amortisation Expense		
Depreciation and Amortisation Expenses	16,08,44,840	15,11,36,823
Total	16,08,44,840	15,11,36,823
27 Other Expenses		
Electricity Charges	30,28,46,637	29,13,82,519
Water Charges	1,40,96,936	1,75,27,125
Repairs and Maintenance :		
Buildings	94,49,038	31,59,272
Plant and Machinery	7,02,90,068	5,03,69,975
Others	1,07,72,116	1,06,99,354
Rent, Rates and Taxes	2,49,43,545	2,46,14,898
Insurance	45,48,700	42,21,757
Security charges and other manpower services	9,85,72,246	8,45,96,765
Legal and Professional Fees	3,10,90,708	2,85,02,235
Telephone Charges and other communication expenses	25,67,035	17,75,781
Travelling and Conveyance Expenses	70,64,629	72,23,558
Foreign Exchange Loss Difference	871	46,057
Payment to Auditor (Refer Note 27.1)	9,53,800	8,33,000
Directors Sitting Fees	1,00,000	-
Commission and Brokerage Charges	16,21,486	32,70,382
Selling and Marketing expenses	6,79,15,586	3,82,70,090
Advertisement and Business promotion	3,79,10,440	2,08,96,176
Corporate Social Responsibilities	13,78,243	-
Loss on Sale of Asset	88,268	-
Rebates and Settlements	27,167	30,08,880
Bad Debts Written off	46,48,493	29,55,951
Provision for Doubtful Debts/Advances	1,72,92,487	2,50,05,013
Miscellaneous Expenses	37,64,876	39,54,885
Total	71,19,43,375	62,26,13,673
27.1 Payment to Auditor		
As Auditor:		
Audit Fees	8,63,800	7,58,000
Tax audit Fess	90,000	75,000
Total	9,53,800	8,33,000



CLASSIC MALL DEVELOPMENT COMPANY PRIVATE LIMITED
Notes on Financial Statement for the year ended 31st March, 2016

28. (i) Contingent Liabilities:

(Amount in Rupees)

Particulars	2015-16	2014-15
Estimated amount of contracts remaining to be executed on capital account not provided for	6,85,19,730	38,73,888

(ii) The Income tax assessments of the Company have been completed up to for Assessment Year 2013-14. The disputed amount up to the said Assessment Year is Rs. 24, 22,770. The Company is in process of filing appeal before the Appellate Authorities against the above demand. The impact thereof, if any, on the tax position can be ascertained only after the disposal of the appeal. Accordingly, no provision has been made.

29. Current Assets, Loans and Advances are approximately of the value stated in the balance sheet if realized in the ordinary course of the business.

30. As per Accounting Standard 18 (AS- 18) "Related Party Disclosures", the disclosures of transactions with the related parties as defined in the Accounting Standard are given below:

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

Sr. No.	Name of the Related Party	Relationship
1	The Phoenix Mills Limited	Holding Company
2	Market City Resources Private Limited	Fellow Subsidiary
3	Pallazzo Hotels & Leisure Limited	Fellow Subsidiary
4	Island Star Mall Developers Private Limited	Fellow Subsidiary

b) Transactions during the year:

(Amount in Rs.)

Sr. No	Nature of transactions	Name of Related Parties				Total
		The Phoenix Mills Limited	Pallazzo Hotels & Leisure Limited	Island Star Mall Developers Private Limited	Market City Resources Private Limited	
1	Short Term Loan given	1,50,00,00,000 (-)	- (-)	- (-)	- (-)	1,50,00,00,000 (-)
2	Interest on Short Term Loan	3,92,21,311 (-)	- (-)	- (-)	- (-)	3,92,21,311 (-)
3	Reimbursement of expenses	- (-)	- (10,585)	1,47,000 (-)	3,684 (-)	150,684 (10,585)
4	Business Support Service	- (-)	- (-)	- (-)	1,02,68,000 (88,96,000)	1,02,68,000 (88,96,000)
5	Project Management Cost	- (-)	- (-)	- (-)	25,67,000 (22,24,000)	25,67,000 (22,24,000)



CLASSIC MALL DEVELOPMENT COMPANY PRIVATE LIMITED
Notes on Financial Statement for the year ended 31st March, 2016

c) Balance as on March 31, 2016.

(Amount in Rs.)

Sr. No.	Particulars	Name of Related Parties		Total
		The Phoenix Mills Limited	Market City Resources Private Limited	
1	Trade Payables	- (-)	37,45,285 (1,51,02,323)	37,45,285 (1,51,02,323)
2	Security Deposit given	- (-)	1,25,00,000 (1,25,00,000)	1,25,00,000 (1,25,00,000)
3	Advances from Customer	20,00,000 (20,00,000)	- (-)	20,00,000 (20,00,000)
4	Short Term Loans	150,00,00,000 (-)	- (-)	150,00,00,000 (-)
5	Interest Accrued	3,52,99,180 (-)	- (-)	3,52,99,180 (-)

Note : - Figures in brackets represents previous year's figures.

31. The Company is mainly engaged in real estate activities and hospitality services. Considering the nature of the company's business and operations, there are no separate reportable segments (business and/or geographical) in accordance with the requirements of Accounting Standard 17 - 'Segment Reporting'.
32. The disclosures required under Accounting Standard (AS) 15 "Employee Benefits", are given below:

Defined Contribution Plans

Contribution to Defined Contribution Plans, recognized as expense for the year is as under:
 (Amount in Rs.)

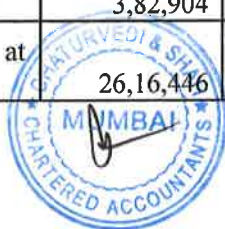
	2015-16	2014-15
Employer's Contribution to Provident Fund	17, 11,015	11, 24,153

Defined Benefit 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. The obligation for leave encashment is recognized in the same manner as gratuity.

(Amount in Rs.)

Particulars	2015- 16		2014- 15	
	Gratuity (funded)	Leave Encashment (Non funded)	Gratuity (funded)	Leave Encashment (Non funded)
Reconciliation of opening and closing balances of the defined benefit obligation:				
Defined Benefit Obligation at the beginning of the year	15,82,625	11,32,219	9,77,774	7,08,319
Interest Cost	1,59,597	1,40,107	88,000	63,749
Current Service Cost	4,91,320	6,86,032	4,91,320	3,02,127
Benefits paid during the year	-	(1,92,697)	(1,73,077)	(1,52,165)
Actuarial (gain)/loss on Defined Benefit Obligation	3,82,904	2,63,096	1,98,608	2,10,189
Defined Benefit Obligation at the end of the year	26,16,446	20,28,757	15,82,625	11,32,219



CLASSIC MALL DEVELOPMENT COMPANY PRIVATE LIMITED
Notes on Financial Statement for the year ended 31st March, 2016

(Amount in Rs.)

Particulars	Gratuity (funded) 2015-16	Gratuity (funded) 2014-15
Reconciliation of opening and closing balances of Plan Assets:		
Plan Assets at the beginning of the year	1,651,610	1,286,819
Expected Return on plan assets	139,143	1,05,989
Contribution	920,332	4,31,879
Benefits paid during the year	-	(1,73,077)
Actuarial (gain)/loss on Plan Asset	(17,398)	NIL
Plan Assets at the end of the year	26,93,687	16,51,610

(Amount in Rs.)

Particulars	2015- 16		2014- 15	
	Gratuity (funded)	Leave Encashment (Non funded)	Gratuity (funded)	Leave Encashment (Non funded)
Amount to be recognized in Balance sheet:				
Present value of Defined Benefit Obligation	26,16,446	2,028,757	15,82,625	11,32,219
Fair Value of plan assets at the end of the year	(26,93,687)	NIL	(16,51,610)	NIL
Amount recognized in Balance sheet	(77,241)	2,028,757	(68,985)	11,32,219

(Amount in Rs.)

Particulars	2015- 16		2014- 15	
	Gratuity (funded)	Leave Encashment (Non funded)	Gratuity (funded)	Leave Encashment (Non funded)
Amount to be recognized in Profit & Loss Account:				
Current Service Cost	4,91,320	6,86,032	4,91,320	3,02,127
Interest cost on obligation	1,59,597	1,40,107	88,000	65,749
Expected Return on plan assets	(1,39,143)	NIL	(1,05,989)	NIL
Net Actuarial (gain)/loss recognized for the year	4,00,302	2,63,096	1,98,608	2,10,189
Expense recognized in the statement of Profit & Loss account	9,12,076	10,89,235	6,71,939	5,76,065

(Amount in Rs.)

Actual return on plan assets for the year :	Gratuity (funded) 2015- 16	Gratuity (funded) 2014-15
Expected return on Plan Assets	1,39,143	1,05,867
Actuarial (gain)/loss on Plan Asset	(17,398)	NIL
Actual return on plan assets	1,21,745	1,05,867



CLASSIC MALL DEVELOPMENT COMPANY PRIVATE LIMITED
Notes on Financial Statement for the year ended 31st March, 2016

Actuarial assumptions:	2015-16		2014-15	
	2006-08 (IALM)	2006-08 (IALM)	2006-08 (Ultimate)	2006-08 (Ultimate)
Mortality Table (LIC)				
Discount Rate (per annum)	7.70%	7.70%	7.75%	7.75%
Rate of escalation in salary (per annum)	7.50%	7.50%	5.00%	5.00%

Contribution in respect of gratuity is made to Life Insurance Corporation of India (LIC) who administers the gratuity scheme of the Company.

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

Amounts recognised in current year and previous four years:

(Amount in Rs.)

Particulars	As at 31 st March				
	2016	2015	2014	2013	2012
Gratuity					
Defined benefit obligation	26,16,446	15,82,625	9,77,774	10,45,752	5,94,995
Fair value of planned assets	26,93,687	16,51,610	12,86,819	10,89,253	7,89,331
(Surplus) / Deficit in the plan	(77,241)	(68,985)	(3,09,045)	(43,501)	(1,94,336)
Actuarial (gain) / loss on plan liabilities	3,82,904	1,98,608	(83,673)	63,154	(1,48,843)
Actuarial gain / (loss) on plan assets	(17,398)	Nil	Nil	Nil	Nil

33. Earning per Share (EPS) :

Sr. No.	Particulars	2015-16	2014-15
i)	Net profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (Rs.)	54,58,85,889	56,57,88,826
ii)	Weighted Average number of equity shares used as denominator for calculating EPS	7,698,116	7,698,116
iii)	Basic and Diluted Earnings per share (Rs.)	70.91	73.50
iv)	Face value per equity share (Rs.)	10	10

34. Expenditure in foreign currency:

(Amount in Rs.)

Particulars	2015-16	2014-15
Professional Fees	1,30,330	58,06,572
Annual Maintenance Contract	20,17,195	-
Other	1,05,054	-
Total	22,52,579	58,06,572

35. CIF Value of Import :

(Amount in Rs.)

Particulars	2015-16	2014-15
Construction Materials and Electrical Equipments	-	5,46,731
Total	-	5,46,731



CLASSIC MALL DEVELOPMENT COMPANY PRIVATE LIMITED
Notes on Financial Statement for the year ended 31st March, 2016

36. **Dues to micro and small enterprises:**

The details of amounts outstanding to Micro and Small Enterprises based on available information with the Company are as under:

Particulars	As at 31 st March, 2016	As at 31 st March, 2015
Principal amount due and remaining unpaid	-	-
Interest due on above and the unpaid interest	-	-
Interest paid	-	-
Payment made beyond the appointed day during the year	-	-
Interest due and payable for the period of delay	-	-
Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable in succeeding year	-	-

37. Additional information as required under Section 186(4) of the Companies Act, 2013 during the year:

- (i) No investment made in Body Corporate.
(ii) Loan given by the Company to Body Corporate or person is as under:

Name	Amount	Purpose
The Phoenix Mills Limited	150,00,00,000	General Corporate Purpose

(iii) No Guarantee is given by the Company.

38. Corporate Social Responsibility (CSR):

- (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 is Rs. 80,93,276 (P. Y. Rs. 38,08,121).
(ii) Expenditure related to Corporate Social Responsibility is Rs. 13,78,243 (P. Y. Rs. Nil).

Details of Amount spent towards CSR given below:

Particulars	(Amount in Rs.)	
	2015-16	2014-15
Food Supply	4,32,513	Nil
Health Care	36,153	Nil
Sanitation	7,52,044	Nil
Supply of Drinking water	1,57,533	Nil
Total	13,78,243	Nil

39. Trade receivables and trade payables are subject to confirmation and reconciliation, if any. The same is not expected to have any material impact on the financial statements.



CLASSIC MALL DEVELOPMENT COMPANY PRIVATE LIMITED
Notes on Financial Statement for the year ended 31st March, 2016

40. The previous year figures have been regrouped, reworked, rearranged and reclassified, whenever necessary and are to be read in relation to the amounts and other disclosures relating to the current year.

For **Chaturvedi & Shah**
(Firm Registration No: 101720W)
Chartered Accountants



Jignesh Mehta
Partner
(M. No. 102749)



For and on behalf of the Board



Shashie Kumar
Managing Director
(DIN: 5252482)



Mukesh Jethwani
Director
(DIN : 1486791)



Anjali Chaturvedi
Company Secretary
(M. No. 36982)

Place : Mumbai
Date : 6th May, 2016

