INDEPENDENT AUDITOR'S REPORT

To The Members of Offbeat Developers Private Limited

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of **Offbeat Developers Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its Profit including Other Comprehensive Income, its Cash Flows and the Statement of Changes in Equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the "Act"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note 46 of the Statement, which states the impact of Corona virus Disease 2019 (Covid-19) on the operation of the Company. Our opinion is not modified in respect of this matter

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

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

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act, 2013 with respect to the preparation of these Financial Statements that give a true and fair view of the Financial Position, Financial Performance including Other Comprehensive Income, Cash Flows and the Statement Of Changes in Equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

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.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system with reference to Financial statement 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by 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 including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this report are in agreement with the books of account;

   d. In our opinion, the aforesaid financial statements comply with the accounting standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

   e. On the basis of written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021, 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. In our opinion, the managerial remuneration for the year ended March 31, 2021 has been paid by the Company to its directors in accordance with the provisions of section 197 read with schedule V to the Act

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

      i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note **34 (c) (d) (e) & (f)** to the financial statements also refer clause vii (b) of this report.

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

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

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

Ashish G. Mistry
Partner
Membership No.: 132639
UDIN: 21132639AAAABN1438

Place: Mumbai
Date : 26th May 2021

"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 generally maintained proper records showing full particulars including Quantitative details & situation of Fixed Assets on the basis of available information except in respect of certain items of furniture & fixtures and plant & machinery at Mall and Head Office. As explained to us, the Company is in the process of updating the required details in the fixed asset register.

b. The Company has a regular program for physical verification in a phased periodic manner, which, in our opinion, is reasonable having regards to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the Management during the year. Reconciliation of substantial portion of fixed assets have been completed in the current year. No material discrepancies were noticed in respect of assets reconciled. The reconciliation is in progress in respect to certain items of furniture & fixture and plant & machinery.

c. In our opinion and according to the explanations given to us, the title deeds of the Immovable Property, which is mortgage as a security, are held in the name of Company.

ii) As the Company had no Inventories during the year, clause (ii) of paragraph of 3 of the Order is not applicable to the Company

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) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable. During the year, the Company has not granted any loans covered under Section 185 of the Act.

v) According to the information and explanations given to us, the Company has not accepted any deposits within the meaning of 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. We are informed that no order relating to Company has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.

vi) According to information and explanations provided to us, the Company is not required to maintain accounts and cost records pursuant to the Companies (Cost Accounting Records) Rules, 2011 and as specified by the Central Government of India under Section 148(1) of the Companies Act, 2013. Accordingly, paragraph 3(vi) of the Order is not applicable.

vii) In respect of Statutory dues :

a. According to the information and explanations given to us, and on the basis of our examination of the records of the Company, the Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Labour Welfare Fund, Income-tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues, were outstanding as at 31st March, 2021 for a period of more than six months from the date they became payable.

Sr. No.	**Name of Statue**	**Nature of Dues**	**Amount (₹ In Lakhs)***	**Period to which the amount relates**	**Forum where dispute is pending**
1	Finance Act,1994	Service Tax	2,403.96	June 2007 to June 2012	CESTAT
2	Maharashtra Value Added Tax Act, 2002	Value Added Tax	1678.71	F.Y. 2006 – 07, 2007-08, 2008-09.F.Y. 2012-13	Deputy Commissioner of Commercial Tax (Appeals), Mumbai
3	Finance Act,1994	Service Tax	1769.53	July 2012 to March 2014	CESTAT

4	Income Tax Act,1961	TDS	155.83	F.Y. 2016-17	Commissioner of Income Tax (Appeals)
	Total		**6008.03**		

b. According to the information and explanations given to us, the disputed statutory dues of ₹ 6,008.03(Net of tax paid) have not been deposited on account of disputed matter pending before appropriate authority.

* These amounts are net of amount paid under protest of ₹ 333.42 Lakhs.

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 bank or dues to debenture holders. The Company did not have any outstanding loans or borrowing in respect of Government or financial institution

ix) The company has not raised money by way of initial public offer or further public offer (including debt instruments) or term Loan and hence clause (ix) of paragraph 3 of the Order is not applicable to the Company.

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

xii) In our opinion company is not a Chit Fund/ Nidhi company. Therefore, the provisions of clause (xii) of paragraph 3 of the Order are not applicable to the company.

xiii) In our opinion and according to the information and explanations given to us, all transactions with related parties are in compliance with sections 177 and 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 **D T S & Associates LLP**
Chartered Accountants
(Firm Registration No**.** 142412W/W100595)

Ashish G. Mistry
Partner
Membership No.: 132639
UDIN: 21132639AAAABN1438

Place: Mumbai
Date : 26th May 2021

“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 **Offbeat Developers Private Limited** (“the company”) as of March 31, 2021 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 a 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 March 31, 2021, 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 **D T S & Associates LLP**
Chartered Accountants
(Firm Registration No**.** 142412W/W100595)

Ashish G. Mistry
Partner
Membership No.: 132639
UDIN: 21132639AAAABN1438

Place: Mumbai
Date: 26th May 2021.

OFFBEAT DEVELOPERS PRIVATE LIMITED

(CIN No. U55200MH2000PTC124192)

Notes to Financial Statement for the year ended 31st March 2021

1. Corporate Information:

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

The Company is mainly engaged in real estate activities and construction of commercial premises. The principle place of business is located at Old Mukund Iron and Steel Company, LBS road, Opp. Naaz hotel, Kamani, Kurla (West) Mumbai 400 070 Maharashtra. For Company's principal shareholders, refer note no. 17.

These financial statements were approved and adopted by board of directors of the Company in their meeting dated May 26, 2021.

2. Basis of Preparation of Financial Statement:

The Financial Statements have been prepared to comply in all material aspects with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended.

The significant accounting policies used in preparing financial statements are set out in Note 3 of the Notes on Financial Statements and are applied consistently to all the periods presented.

On March 24, 2021, the Ministry of Corporate Affairs (MCA) through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of the schedule III and are applicable from April 1, 2021. The Company is evaluating the effects of the amendments on its financial statement.

3. Summary of Significant Accounting Policies:

a) Functional and presentation of currency:

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

b) Basis of measurement:

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

- Certain financial assets and liabilities that is measured at fair value.
- Defined benefit plans – plan assets measured at fair value.
- Share Based Payments.

c) Use of Estimates :

The preparation of the financial statements requires management to make estimates, judgements and assumptions that affect the reported balances of assets and liabilities, disclosure of contingent liabilities as on the date of financial statements and reported amounts of income and expenses during the period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described in Notes No. 4. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

d) Property, Plant and Equipment:

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

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

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation methods, estimated useful lives and residual value

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

Estimated useful lives of the assets are as follows:

Particulars	Estimated useful life (in years)
Building	60 years
Plant and Equipment	15 Years
Office Equipment	5 Years
Computers	3-6 Years

Furniture and Fixtures	10 Years
Vehicles	8 Years

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

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss.

e) Intangible asset:

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

Intangible assets acquired are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Amortisation methods and periods

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

f) Impairment of Non – Financial Asset:

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

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

g) Inventories:

Inventories comprise Land and Realty work in progress representing properties under construction/ development of commercial project and constructed units.

Inventories are stated at the lower of cost and net realisable value. Cost of realty construction / development comprises all cost directly related to the project and other expenditure as identified by management which are incurred for the purpose of executing and securing the completion of the project (net off incidental recoveries, receipts). Cost of inventories also includes all other costs incurred in bringing the inventories to their present location and condition. Cost includes the reclassification from equity of any gains or losses on qualifying cash flow hedges relating to purchases of raw material but excludes borrowing costs.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

h) Cash and cash equivalents:

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

i) Foreign currency transactions:

The transactions denominated in foreign currency are recorded at the exchange rate prevailing on the date of transaction. Monetary items denominated in foreign currency at the end of year are translated using the closing rate of exchange. Non- monetary items that are to be carried at historical cost are recorded using exchange rate prevailing on the date of transaction. Non-monetary items that are to be carried at fair value are recorded using exchange rate prevailing on the date of fair value measured. Any income or expenses on account of exchange difference either on settlement or on translation is recognised in the statement of profit and loss account.

j) Financial Instrument:

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

Financial Assets and investments

i) Initial recognition and measurement:

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

ii) Subsequent recognition and measurement:

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

- **Debt instrument at amortised cost:**

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

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

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

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

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

- **Equity instruments:**

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

iii) De-recognition:

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

- The rights to receive cash flows from asset have expired or
- The Company has transferred its right to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under 'pass- through' arrangement and either;

  a) The Company has transferred substantially all the risks and rewards of the assets,

b) The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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

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

Financial Liabilities:

i) Initial recognition and measurement:

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

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

ii) Subsequent measurement:

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

Financial liabilities at fair value through profit or loss

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

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

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

iii) Financial Liabilities at amortised cost:

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

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

iv) De - recognition:

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

k) Impairment of Financial asset:

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

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

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

Trade receivables

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

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

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

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

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

l) <u>Classification of assets and liabilities as current and non – current:</u>

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

An asset is classified as current when it is:

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

All other assets are classified as non-current.

A liability is classified as current when:

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

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

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

m) <u>Equity share capital:</u>

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

n) <u>Revenue Recognition:</u>

The company ' revenue from contracts with customers is mainly from License Fees and Other Services rendered to the customers in Malls. With effect from 1st April 2018, Ind AS 115 – "Revenue from Contracts with Customers" (Ind AS 115) supersedes Ind AS 18 – "Revenue", Ind AS 11 – "Construction Contracts" and related appendices. The application of Ind AS 115 did not have any impact on recognition and measurement principles. The Ministry of Corporate Affairs has notified the Ind AS 116 'Leases' effective from April 1, 2019. Ind AS 116 has replaced the existing leases standard Ind AS 17. The standard sets out the principles for the recognition, measurement, presentation and disclosures for both parties to a contract, i.e. the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Application of above standard does not have any significant impact on the financial statements.

Revenue from license fees and other operating services

Revenue from license fees are recognised on a straight line basis over the license terms

Revenue from operating services is recognized on satisfaction of performance obligation upon transfer of control of promised services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those services, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and a receivable is recognized when it becomes unconditional. Generally, the credit period varies between 0-30 days from the delivery of services.

A contract asset (Trade receivable) is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs part of its obligation by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration when that right is conditional on the Company's future performance.

Interest income

Interest income from debt instrument is recognised using effective interest rate method. The effective interest rate is the rate that discounts estimated future cash receipts through the expected life of financial asset to the gross carrying amount of financial asset. When calculating effective interest rate, the company expects cash flows by considering all contractual terms of financial instrument but does not consider the expected credit losses.

Dividends

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

Contract Assets

A contract asset (Trade receivable) is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs part of its obligation by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration when that right is conditional on the Company's future performance.

o) <u>Employees benefits:</u>

i) <u>Short-term Employee benefits:</u>

All employees’ benefits payable wholly within 12 months rendering services are classified as Short Term obligations. Benefits such as salaries, wages, short term compensated absences, performance incentives, expected cost of bonus and ex-gratia are recognised during the period in which the employees renders related services.

ii) Post-employment benefits

a. Defined Contribution Plan

The defined contribution plan is post-employment benefit plan under which the Company contributes fixed contribution to a government administered fund and will have no legal or constructive obligation to pay further contribution. The Company’s defined contribution plan comprises of Provident Fund, Labour Welfare Fund and Employee State Insurance Scheme. The Company’s contribution to defined contribution plans are recognised in the statement of profit & loss in the period in which the employee renders the related services.

b. Defined benefit plan

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

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

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

The interest cost on defined benefit obligation and expected return on plan assets is recognised under employee benefit expense.

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

iii) Other long-term benefits

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

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

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

iv) Share-based payments

Share-based compensation benefits are provided to employees via Employee Stock Option Plan by holding company, The Phoenix Mills Limited.

The fair value of options granted under the Employee Option Plan is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (e.g., the entity's share price)
- excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period), and
- Including the impact of any non-vesting conditions (e.g. the requirement for employees to save or holdings shares for a specific period of time).

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the company revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in the statement of profit & loss, with a corresponding adjustment to other equity.

p) Borrowing Cost:

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

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

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

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

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

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

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

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

Current Income Tax:

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

Deferred Tax:

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

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

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

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

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, to the extent it would be available for set off against future current income tax liability. Accordingly, MAT is recognised as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with the asset will be realised.

s) <u>Earnings per share:</u>

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

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

4. Critical accounting estimates, assumptions and judgements:

The preparation of the financial statements requires management to make estimates, judgements and assumptions that affect the reported balances of assets and liabilities, disclosure of contingent liabilities as on the date of financial statements and reported amounts of income and expenses during the period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

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

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

(a) Depreciation and useful lives of Property, Plant and Equipment

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

(b) Investment Property

Management has assessed applicability of Ind AS 40 Investment properties, both mall and commercial that earns income from licensee fees. In assessing such applicability, management has considered the ownership of assets, terms of license agreement, various services provided to the licensee etc., that adds the value to licensee's business. The company considers these other services as significant in addition to the License fees charged. Based on such assessment, the management has considered the properties as owner-occupied property and hence classified as Property, Plant & Equipment.

(c) Recoverability of trade receivable

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

(d) Defined Benefit plans

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

(e) Provisions:

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

(f) Impairment of financial assets:

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

(g) Fair Value measurement:

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

Offbeat Developers Private Limited
(CIN No. U55200MH2000PTC124192)
Balance Sheet as at 31st March 2021

(₹ In Lakhs)

Particulars	Notes	As at 31st March 2021	As at 31st March 2020
Assets			
Non Current Assets			
Property, Plant and Equipment	5	1,43,731.43	1,15,385.86
Capital work in progress	5	371.38	98.56
Other Intangible Assets	5	2.03	5.46
Financial Asset			
Investments	6	5,426.25	5,428.25
Others	7	35.65	2,016.00
Deferred Tax Assets (net)	8	4,321.64	3,130.62
Other non current assets	9	593.74	613.53
		1,54,482.12	**1,26,678.28**
Current Assets			
Financial Asset			
Trade Receivables	10	2,674.80	1,514.71
Cash and Cash Equivalents	11	3,175.72	643.42
Other Bank balances	12	2,010.00	305.00
Loans	13	775.00	-
Other financial assets	14	426.95	193.46
Current Tax Assets (Net)	15	858.50	3,802.37
Other Current Assets	16	225.74	231.21
		10,146.71	**6,690.17**
Total Assets		**1,64,628.83**	**1,33,368.45**
Equity and Liabilities			
Equity			
Equity Share Capital	17	3,157.98	3,157.98
Other Equity	18	29,141.95	31,742.25
		32,299.93	**34,900.23**
Liabilities			
Non Current Liabilities			
Financial Liabilities			
Borrowings	19	55,433.91	58,963.49
Trade Payables			
a. total outstanding dues of micro enterprises and small enterprises	20	-	-
b. total outstanding dues of creditors other than micro enterprises and small enterprises	20	-	1.21
Other Financial Liabilities	21	2,120.41	3,773.03
Provisions	22	86.26	81.63
Other non-current liabilities	23	119.99	-
		57,760.57	**62,819.36**
Current Liabilities			
Financial Liabilities - Borrowings	24	21,607.93	17,091.40
Trade Payables			
a. total outstanding dues of micro enterprises and small enterprises	25	294.12	269.30
b. total outstanding dues of creditors other than micro enterprises and small enterprises	25	1,030.06	1,721.23
Other Financial Liabilities	26	45,364.44	9,880.17
Other Current Liabilities	27	6,264.91	6,668.55
Provisions	28	6.87	18.21
		74,568.33	**35,648.86**
Total Equity & Liabilities		**1,64,628.83**	**1,33,368.45**

Significant Accounting Policies and Notes on Financial Statements — 1 to 48

As per our Report of even date
For D T S & Associates
Chartered Accountants
(Firm Registration No: 142412W)

For and on behalf of the Board of Directors

Ashish G. Mistry
Partner
Membership No. 132639

Amit Kumar
Chief Executive Officer & Director
DIN No. 05301971

Pawan Kakumanu
Director
DIN No. 07584653

Siddhesh Pradhan
Chief Financial Officer
PAN No. ARTPP9750C

Santosh Sharma
Company Secretary
Mem No. A41240

Place : Mumbai
Date : 26th May 2021

Offbeat Developers Private Limited
(CIN No. U55200MH2000PTC124192)
Statement of Profit and Loss for the year ended 31st March 2021

(₹ In Lakhs)

Particulars	Notes	Year ended 31st March 2021	Year ended 31st March 2020
Income:			
Revenue from Operations	29	16,867.91	25,818.66
Other Income	30	751.94	132.69
Total Income		**17,619.85**	**25,951.35**
Expenses:			
Employee Benefits Expenses	31	1,043.44	1,620.23
Finance Costs	32	7,246.56	7,100.77
Depreciation and Amortization expenses	5	3,451.72	3,333.18
Other Expenses	33	6,153.69	11,119.40
Total Expenses		**17,895.41**	**23,173.58**
Profit/ (Loss) Before Tax		**(275.56)**	**2,777.77**
Tax expenses:			
Current Tax		-	-
Income tax expense of earlier year	38	529.10	(2.61)
Mat Credit income of earlier year	38	(560.64)	-
Deferred Tax	8	(635.03)	982.40
Profit/(Loss) for the year (A)		**391.01**	**1,797.98**
Other Comprehensive Income			
Items that will not be reclassified to Profit & Loss			
Acturial Gain / (Loss) on Employee Benefits		17.87	7.82
Income tax relating to items that will not be reclassified to Profit & Loss		(4.65)	-
Other Comprehensive Income for the year (B)		**13.22**	**7.82**
Total Comprehensive Income for the year (A+B)		**404.23**	**1,805.80**
Earning Per Equity Share (Face Value of ₹ 10/- each)			
Basic EPS	36	1.24	5.69
Diluted EPS		1.24	2.91

Significant Accounting Policies and Notes on Financial Statements — 1 to 48

As per our Report of even date
For D T S & Associates
Chartered Accountants
(Firm Registration No: 142412W)

For and on behalf of the Board of Directors

Ashish G. Mistry
Partner
Membership No. 132639

Amit Kumar
Chief Executive Officer & Director
DIN No. 05301971

Pawan Kakumanu
Director
DIN No. 07584653

Siddhesh Pradhan
Chief Financial Officer
PAN No. ARTPP9750C

Santosh Sharma
Company Secretary
Mem No. A41240

Place : Mumbai
Date : 26th May 2021

Offbeat Developers Private Limited
(CIN No. U55200MH2000PTC124192)
Cash Flow Statement for the year ended 31st March 2021

(₹ In Lakhs)

Sr. No.	Particulars		Year ended 31st March 2021	Year ended 31st March 2020
A	**CASH FLOW FROM OPERATING ACTIVITIES**			
	Net Profit/(Loss) Before Tax as per Statement of Profit and Loss		**(275.56)**	**2,777.77**
	Adjusted for:			
	Foreign Exchange (Gain)/Loss		-	0.03
	Depreciation and Amortization Expenses		3,451.72	3,333.18
	Dividend Income on long term Investment		-	(0.04)
	(Profit) / Loss on sale of Fixed Assets		77.38	89.67
	Interest Income		(206.30)	(16.65)
	Sundry balance written back		(333.87)	-
	Interest Expense for financial liabilities at amortised cost		7,246.56	7,100.77
	Allowance for expected credit loss		381.45	378.65
	Remeasurement Gain / (loss) on Defined Benefit Plans		13.22	7.82
	Share based payments to employees		6.47	(5.47)
	Operating Profit before Working Capital Changes		**10,361.07**	**13,665.73**
	Change in :			
	Trade & Other Receivable		(1,701.68)	(181.55)
	Trade & Other Payables		268.07	2,423.14
	Cash generated from Operations		**8,927.46**	**15,907.32**
	Less: Tax (paid)/refund		2,414.77	(1,369.48)
	Net Cash Generated from / (Used in) Operating Activities		**11,342.23**	**14,537.84**
B	**CASH FLOW FROM INVESTING ACTIVITIES**			
	Purchase of Property Plant & Equipment and CWIP		(2,108.53)	(2,335.35)
	Investments in Debentures of fellow subsidiaries		-	(5,425.00)
	Proceeds from Sale of Investment in Equity Shares of Subsidiaries		2.00	-
	Payment for Purchase of Investments		-	(2.00)
	Loan given to Fellow Subsidiary		(775.00)	-
	Sale of Property Plant & Equipment and CWIP		0.35	-
	Dividend Income on long term Investment		-	0.04
	Deposit placed with Banks other than considered in Cash and Cash Equivalents		(6,171.64)	(2,321.00)
	Maturity proceeds of Fixed Deposit		6,447.00	-
	Interest Received		155.56	1.56
	Net Cash Generated from / (Used in) Investing Activities		**(2,450.26)**	**(10,081.75)**
C	**CASH FLOW FROM FINANCING ACTIVITIES**			
	Conversion of Interest into Loan (Refer note 3 below)		(1,264.85)	(221.17)
	Proceeds from new long term Borrowing		-	34,598.75
	Repayment of long term Borrowing		(1,134.14)	(34,367.04)
	Processing fees paid for new long term Borrowing		-	(270.00)
	Movement in short term borrowings (net)		1,880.53	(2,451.33)
	Payment of Share issue Expenses		-	(114.81)
	ICD taken from Private Company		5,000.00	7,550.00
	ICD repaid during the year		(5,375.00)	-
	Interest paid on Loan		(5,466.21)	(6,131.84)
	Interim Dividend Paid		-	(2,400.07)
	Dividend Distribution tax paid on above		-	(493.34)
	Net Cash Generated from / (Used in) Financing Activities		**(6,359.67)**	**(4,300.86)**
	Net Increase/ (Decrease) in Cash and Cash Equivalents		**2,532.30**	**155.23**
	Opening Balance of Cash and Cash Equivalents		**643.42**	**488.19**
	Closing Balance of Cash and Cash Equivalents (Refer Note 11)		**3,175.72**	**643.42**
	<u>**Notes to Cash Flow**</u>			
1	**Components of cash and cash equivalents :**			
	Cash on hand		0.68	1.22
	Cheques in hand		40.00	-
	Balance with Scheduled Bank		3,135.04	642.20
	Cash and Cash equivalents at the end of the year (Refer Note 11)		**3,175.72**	**643.42**
2	**Change in Liability arising from financing activities**	**01st April 2020**	**Cash Flow**	**31st March 2021**
	Borrowings - Non Current *	61,172.35	(1,050.09)	60,122.26
	Borrowings - Current	17,091.40	1,505.53	18,596.93
		78,263.75	**455.44**	**78,719.19**
		01st April 2019	**Cash Flow**	**31st March 2020**
	Borrowings - Non Current *	61,369.34	(196.98)	61,172.35
	Borrowings - Current	11,992.72	5,098.68	17,091.40
		73,362.06	**4,901.70**	**78,263.75**
	* It includes Current maturity of Long Term Borrowings which is classified under other financial liability			
3	During the period ended 31st March, 2021, the Company, has availed moratorium of interest given in the term loan for the period March 20 to August 20 on account of Covid-19.Total Interest accrued for the period March 2020 to August 2020 of Rs. 1,264.84 Lakhs (P.Y. 221.17 Lakhs) has been added to outstanding loan balance and has been given effect to accordingly in the Statement of Cash Flows.			

As per our Report of even date

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

For and on behalf of the Board of Directors

Ashish G. Mistry
Partner
Membership No. 132639

Amit Kumar
Chief Executive Officer & Director
DIN No. 05301971

Pawan Kakumanu
Director
DIN No. 07584653

Siddhesh Pradhan
Chief Financial Officer
PAN No. ARTPP9750C

Santosh Sharma
Company Secretary
Mem No. A41240

Place : Mumbai
Date : 26th May 2021

Offbeat Developers Private Limited
Statement of changes in equity for the year ended 31st March 2021
(CIN No. U55200MH2000PTC124192)

A. EQUITY SHARE CAPITAL

For the year ended 31st March, 2021

(₹ In Lakhs)

Balance as at 1st April, 2020	Changes in equity share capital during the year	Balance as at 31st March 2021
3,157.98	-	3,157.98

For the year ended 31st March, 2020

(₹ In Lakhs)

Balance as at 1st April, 2019	Changes in equity share capital during the year	Balance as at 31st March 2020
3,157.98	-	3,157.98

B. Other Equity

For the year ended 31st March, 2021

(₹ In Lakhs)

Particulars	Reserves & Surplus				Other Comprehensive Income	Total Other Equity
	Securities Premium Reserve	Retained Earnings	Share Option Outstanding account	Instrument classified as Equity	Remeasurement gain/ (loss) on defined benefit plans	
Balance as at 1st April, 2020	27,613.55	1,030.80	90.61	3,011.00	(3.71)	**31,742.25**
Profit for the year	-	391.01	-	-	-	**391.01**
Employee Stock Compensation cost	-	-	6.47	-	-	**6.47**
Reclassification of Instruments Classified as Equity	-	-	-	(3,011.00)	-	**(3,011.00)**
Remeasurement gain/ (loss) on defined benefit plans	-	-	-	-	13.22	**13.22**
Balance as at 31st March, 2021	**27,613.55**	**1,421.81**	**97.08**	**-**	**9.51**	**29,141.95**

For the year ended 31st March, 2019

(₹ In Lakhs)

Particulars	Reserves & Surplus				Other Comprehensive Income	Total Other Equity
	Securities Premium Reserve	Retained Earnings	Share Option Outstanding account	Instrument classified as Equity	Remeasurement gain/ (loss) on defined benefit plans	
Balance as at 1st April, 2019	27,728.36	2,126.23	96.08	3,011.00	(11.53)	**32,950.14**
Profit for the year	-	1,797.98	-	-	-	**1,797.98**
Expenses on Issue of Shares	(114.81)	-	-	-	-	**(114.81)**
Employee Stock Compensation cost	-	-	(5.47)	-	-	**(5.47)**
Interim Dividend	-	(2,400.07)	-	-	-	**(2,400.07)**
Dividend Distribution tax @ 20.555294%	-	(493.34)	-	-	-	**(493.34)**
Remeasurement gain/ (loss) on defined benefit plans	-	-	-	-	7.82	**7.82**
Balance as at 31st March, 2020	**27,613.55**	**1,030.80**	**90.61**	**3,011.00**	**(3.71)**	**31,742.25**

See accompnying Notes to Financial Statements 1 to 48
As per our Report of even date

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

For and on behalf of the Board of Directors

Ashish G. Mistry
Partner
Membership No. 132639

Amit Kumar
Chief Executive Officer & Director
DIN No. 05301971

Pawan Kakumanu
Director
DIN No. 07584653

Siddhesh Pradhan
Chief Financial Officer
PAN No. ARTPP9750C

Santosh Sharma
Company Secretary
Mem No. A41240

Place : Mumbai
Date : 26th May 2021

Offbeat Developers Private Limited
(CIN No. U55200MH2000PTC124192)
Notes to financial statements for the year ended 31st March 2021
Note 5: Property, Plant & Equipment

(₹ In Lakhs)

Particulars	Tangible Assets								Intangible Assets	Capital Work in Progress
	Freehold Land	Building	Plant & Machinery	Office Equipments	Computer	Furniture & Fixtures	Vehicle	Total Tangible Assets	Software	
Gross Block										
As at April 1, 2019	**10,053.40**	**1,03,536.55**	**14,374.18**	**346.62**	**153.09**	**5,081.01**	**51.61**	**1,33,596.46**	**52.65**	**49.16**
Additions	-	1,631.89	469.25	0.26	7.69	196.06	-	2,305.15	3.40	49.40
Deduction/Adjustment	-	-	162.21	0.71	2.21	12.87	-	178.00	-	-
As at 31st March, 2020	**10,053.40**	**1,05,168.44**	**14,681.22**	**346.17**	**158.57**	**5,264.20**	**51.61**	**1,35,723.61**	**56.05**	**98.56**
Additions	-	31,640.65	211.11	0.22	1.59	16.38	-	31,869.95	-	368.71
Deduction/Adjustment	-	-	150.28	0.03	-	15.24	8.97	174.52	-	95.88
As at 31st March, 2021	**10,053.40**	**1,36,809.09**	**14,742.05**	**346.36**	**160.16**	**5,265.34**	**42.64**	**1,67,419.04**	**56.05**	**371.38**
Accumulated Depreciation										
As at April 1, 2019	**-**	**8,841.03**	**6,379.88**	**212.77**	**133.52**	**1,481.51**	**43.49**	**17,092.20**	**46.24**	-
Charge for the period	-	1,663.81	1,100.23	30.23	8.46	523.12	2.98	3,328.83	4.35	-
Deduction/Adjustment	-	-	72.22	0.67	2.11	8.28	-	83.28	-	-
As at 31st March, 2020	**-**	**10,504.84**	**7,407.89**	**242.33**	**139.87**	**1,996.35**	**46.47**	**20,337.75**	**50.59**	**-**
Charge for the period	-	1,791.98	1,089.32	29.90	7.52	529.06	0.51	3,448.29	3.43	
Deduction/Adjustment	-	-	80.38	0.03	-	9.49	8.53	98.43	-	
As at 31st March, 2021	**-**	**12,296.82**	**8,416.83**	**272.20**	**147.39**	**2,515.92**	**38.45**	**23,687.61**	**54.02**	**-**
Net carrying amount										
As at 31st March, 2021	**10,053.40**	**1,24,512.27**	**6,325.22**	**74.16**	**12.77**	**2,749.42**	**4.19**	**1,43,731.43**	**2.03**	**371.38**
As at 31st March, 2020	**10,053.40**	**94,663.60**	**7,273.33**	**103.84**	**18.70**	**3,267.85**	**5.14**	**1,15,385.86**	**5.46**	**98.56**

Note a) - Land & Building are pledged against borrowings, (Refer Note no. 19 & 24)
Note b) - Addition to Building includes Purchase of AGH and Centrium Commercial Units of ₹ 31,542.57 Lakhs from Holding Company - The Phoenix Mills Limited

Offbeat Developers Private Limited
(CIN No. U55200MH2000PTC124192)
Notes on Financial Statements for the period ended 31st March, 2021

(₹ In Lakhs)

Notes	Particulars	As at 31st March 2021	As at 31st March 2020
6	**Investments**		
A	Investments measured at cost		
(i)	Investments in Equity Instruments		
	Subsidiary Companies		
	(Equity Shares of face value of ₹ 10 each fully paid up unless otherwise stated)		
	[NIL (P.Y. 10,000) Shares of ₹ 10 each fully paid] - Rentceirge Developers Pvt Ltd	-	1.00
	[NIL (P.Y. 10,000) Shares of ₹ 10 each fully paid] - Mindstone Mall Developers Pvt Lt	-	1.00
(ii)	Investment in Debentures		
	Optionally Convertible Debentures of ₹ 100 each fully paid up unless otherwise stated		
	[54,25,000 (P.Y. 54,25,000)] 0.0001% Graceworks Realty & Leisure Pvt. Ltd. *	5,425.00	5,425.00

* Issuer Company of 0.0001% Optionally Convertible Debentures have an option to convert the debentures into equity share on or before 08 January, 2030. Each debenture is convertible into equity share of ₹ 10 each fully paid at premium not exceeding of ₹ 20,979 per share on the date of conversion. The company has an option to redeem the debentures in one or more tranches at PAR.

Notes	Particulars	As at 31st March 2021	As at 31st March 2020
B	Investments Measured at Fair Value through Profit & Loss account		
	Unquoted fully paid		
	2,500 (P.Y. - 2,500) The Saraswat Co-operative Bank Ltd shares of ₹ 10 Each	0.25	0.25
	1,000 (P.Y. - 1,000) The Cosmos Co-operative Bank Ltd shares of ₹ 100 Each	1.00	1.00
		5,426.25	**5,428.25**
	Aggegate value of quoted investment	-	-
	Aggegate value of unquoted investment	**5,426.25**	**5,428.25**
	Category-wise Non current investment		
	Financial assets measured at cost	5,425.00	5,427.00
	Financial assets measured at Fair Value through Other Comprehensive Income	-	-
	Financial assets measured at Fair Value through Profit & Loss account	1.25	1.25
7	**Other Financial Asset**		
	Term Deposits with maturity more than 12 months *	35.65	2,016.00
		35.65	**2,016.00**

* Includes deposit of ₹ NIL (P.Y. - ₹ 2,000.00 Lakhs) earmarked toward maintaining of DSRA as per loan agreement with HSBC Bank and Fixed Deposit of ₹. 35.65 Lakhs (P.Y. - ₹ 16.00 Lakhs) given as security against Bank guarantee.

8 Deferred Tax Asset (Net)

Deferred tax is calculated, in full, on all temporary timing differences under the liability method using prevailing tax rate. The movement on the deferred tax account is as follows:

	As at 31st March 2021	As at 31st March 2020
At start of year	**3,130.62**	**4,110.74**
Charge/ (credit) to profit or loss	635.03	(948.24)
MAT Credit Entitlement/(Reversed)	560.64	(34.15)
Tax on Other Comprehensive Income	(4.65)	2.28
At the end of the year	**4,321.64**	**3,130.62**
Deferred Tax Asset/(Liability) in relations to		
Property, plant and Equipment	(882.38)	(970.13)
Provisions for loss allowance	1,507.80	1,482.70
Carry Forward Losses	3,140.23	2,615.77
Expenses claimed for tax purpose on payment basis	(4.65)	2.28
MAT Credit Entitlement/(Reversed)	560.64	-
	4,321.64	**3,130.62**

Offbeat Developers Private Limited
(CIN No. U55200MH2000PTC124192)
Notes on Financial Statements for the period ended 31st March, 2021

(₹ In Lakhs)

Notes	Particulars	As at 31st March 2021	As at 31st March 2020
	(Deferred tax asset not recognised to the tune of ₹ 5,450.34 Lakhs (P.Y. ₹ 5,806.08 Lakhs) in respect of certain carry forward losses on cummulative basis.)		
	Details of unused tax losses for which deferred tax assets have been recognised:		
	Particulars	**31st March 2021**	**31st March 2020**
	Unused tax losses	3,140.23	2,615.77
		3,140.23	**2,615.77**
	Particulars		
	Tax losses for financial year ended/ (benefit of tax losses expiring on):		
	Unabsorbed depreciation carried forward for an indefinite period	2,876.81	2,360.78
	House Property losses - March 31, 2017 (Expiring on March 31, 2025)	263.42	254.99
		3,140.23	**2,615.77**
	Details of unused tax losses for which deferred tax assets have not been recognised:		
	Particulars	**31st March 2021**	**31st March 2020**
	Unused tax losses	20,962.85	23,069.30
		20,962.85	**23,069.30**
	Particulars		
	Tax losses for financial year ended/ (benefit of tax losses expiring on):		
	Business losses		
	March 31, 2012 (Expiring on March 31, 2020)	-	717.62
	March 31, 2013 (Expiring on March 31, 2021)	1,191.63	1,191.63
	March 31, 2014 (Expiring on March 31, 2022)	3,885.56	3,885.56
	March 31, 2015 (Expiring on March 31, 2023)	2,721.95	2,721.95
	March 31, 2016 (Expiring on March 31, 2024)	1,364.35	1,364.35
	March 31, 2018 (Expiring on March 31, 2026)	825.08	825.08
	March 31, 2021 (Expiring on March 31, 2029)	310.85	-
	House Property losses		
	March 31, 2012 (Expiring on March 31, 2020)	-	2,524.16
	March 31, 2013 (Expiring on March 31, 2021)	1,748.27	923.79
	March 31, 2015 (Expiring on March 31, 2023)	2,981.97	2,981.97
	March 31, 2016 (Expiring on March 31, 2024)	5,793.56	5,793.56
	Capital Losses		
	March 31, 2018 (Expiring on March 31, 2026)	139.64	139.64
		20,962.85	**23,069.30**
9	**Other non current assets**		
	(Unsecured and considered good)		
	Deposit with Govt authority	333.65	333.65
	Security Deposit	242.28	238.60
	Prepaid expenses	17.81	41.28
		593.74	**613.53**
10	**Trade Receivables**		
	(Unsecured)		
	a) Considered good	2,798.53	1,860.89
	Less: Allowance for doubtful debts	(435.31)	(408.48)
		2,363.22	1,452.41
	b) Credit impaired	643.06	196.46
	Less: Allowance for doubtful debts	(331.48)	(134.16)
		311.58	62.30
		2,674.80	**1,514.71**
	(Trade Receivables are hypothicated against borrowings refer note 19)		

Offbeat Developers Private Limited
(CIN No. U55200MH2000PTC124192)
Notes on Financial Statements for the period ended 31st March, 2021

(₹ In Lakhs)

Notes	Particulars	As at 31st March 2021	As at 31st March 2020
11	**Cash and Cash Equivalents :**		
	Balances with Banks	3,135.04	642.20
	Cheques in hand	40.00	-
	Cash on hand	0.68	1.22
		3,175.72	**643.42**
12	**Other Bank Balances**		
	Term Deposits with maturity not more than 12 months *	2,010.00	305.00
		2,010.00	**305.00**
	* Includes deposit of ₹ 2,000.00 (P.Y. - NIL) earmarked toward maintaining of DSRA as per loan agreement with HSBC Bank and Fixed Deposit of ₹ 10.00 (P.Y. - ₹ 305.00 Lakhs) given as security for Bank guarantee.		
13	**Loans**		
	(Unsecured and considered good)		
	Inter Corporate Deposits given to related parties (Refer note 42)	775.00	-
		775.00	**-**
14	**Other financial assets**		
	Unbilled Revenue	361.13	178.36
	Interest accrued on Fixed Deposit and Loans	65.82	15.10
		426.95	**193.46**
15	**Current Tax Assets (Net)**		
	Advance income tax (net of provision for Income tax)	858.50	3,802.37
		858.50	**3,802.37**
	Movement in Provision :		
	At start of year	**3,802.37**	**2,432.56**
	Charge for the year	-	-
	Income tax expense of earlier year	529.10	(2.61)
	Tax (paid)/refund during the year	2,414.77	(1,369.48)
	Tax on Other Comprehensive income	-	2.28
	At the end of the year	**858.50**	**3,802.37**
16	**Other Current Assets:**		
	(Unsecured and considered good)		
	Advance to staff	-	0.94
	Capital Advances	-	2.58
	Advance to suppliers	27.42	134.44
	Less:- Allowance for Doubtful Advance *	-	(19.43)
		27.42	115.01
	Prepaid expenses	189.97	104.32
	Balance with statutory/ government authority	8.35	8.36
		225.74	**231.21**
	*** Movement in Provision :**		
	At start of year	**19.43**	**19.43**
	Provision for the year/(reversed) during the year	(19.43)	-
	At the end of the year	**-**	**19.43**
17	**Share Capital**		
	Authorised		
	12,50,00,000 (P.Y. - 12,50,00,000) Equity Shares of ₹ 10/- each	12,500.00	12,500.00
	3,50,00,000 (P.Y. - 3,50,00,000) - 0.001% Compulsorily Convertible Preference Shares of ₹ 10 each	3,500.00	3,500.00
		16,000.00	**16,000.00**

Offbeat Developers Private Limited
(CIN No. U55200MH2000PTC124192)
Notes on Financial Statements for the period ended 31st March, 2021

(₹ In Lakhs)

Notes	Particulars	As at 31st March 2021	As at 31st March 2020
	Issued, Subscribed and fully Paid up		
	31,579,841 (P.Y. - 31,579,841) Equity Shares of ₹ 10/- each fully paid up	3,157.98	3,157.98
		3,157.98	**3,157.98**
a.	**The reconciliation of the number of shares outstanding is set out below : -**		
	Equity Shares		
	Shares outstanding at the beginning the year	3,15,79,841	3,15,79,841
	Shares outstanding at the end of the year	**3,15,79,841**	**3,15,79,841**

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

	As at 31st March 2021		As at 31st March 2020	
Equity Shares of ₹ 10 each fully paid	Number of shares	% of Holdings	Number of shares	% of Holdings
The Phoenix Mills Limited	3,15,79,841	100.00	3,15,79,841	100.00

c. Details of shares held by Holding Company

Name of Shareholder	As at 31st March 2021		As at 31st March 2020	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
The Phoenix Mills Limited	3,15,79,841	100.00	3,15,79,841	100.00

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

Notes	Particulars	As at 31st March 2021	As at 31st March 2020
18	**Other Equity**		
	Security Premium Account		
	As per last Balance Sheet	27,613.55	27,728.36
	Less: Expenses for increase in Authorised Share Capital	-	114.81
	Closing Balance	**27,613.55**	**27,613.55**
	Profit and Loss Account		
	As per last Balance Sheet	1,030.80	2,126.23
	Add :- Profit for the current year	391.01	1,797.98
	Less: Interim Dividend	-	(2,400.07)
	Less: Dividend Distribution Tax	-	(493.34)
	Closing Balance	**1,421.81**	**1,030.80**
	Instrument Classified as Equity		
	As per last Balance Sheet		
	2,00,000 (P.Y. 2,00,000) 0.0001% Optionally Convertible Debentures of ₹ 100 each **	-	200.00
	28,11,000 (P.Y. 28,11,000) 0.0001% Optionally Convertible Debentures of ₹ 100 each ***	-	2,811.00
	Closing Balance	**-**	**3,011.00**

Offbeat Developers Private Limited
(CIN No. U55200MH2000PTC124192)
Notes on Financial Statements for the period ended 31st March, 2021

(₹ In Lakhs)

Notes	Particulars	As at 31st March 2021	As at 31st March 2020

** Issuer Company of 0.0001% Optionally Convertible Debentures have an option to convert the debentures into equity share on or before 23 May, 2028. Each debenture is convertible into equity share of ₹ 10 each fully paid at premium of ₹ 106 per share on the date of conversion. The company has an option to redeem the debentures in one or more tranches at the redemption premium not exceeding ₹ 10/- per Optionally Convertible Debenture.

*** Issuer Company of 0.0001% Optionally Convertible Debentures have an option to convert the debentures into equity share on or before 09 July, 2028. Each debenture is convertible into equity share of ₹ 10 each fully paid at premium of ₹ 106 per share on the date of conversion. The company has an option to redeem the debentures in one or more tranches at the redemption premium not exceeding ₹ 10/- per Optionally Convertible Debenture.

Particulars	As at 31st March 2021	As at 31st March 2020
Share option outstanding account		
As per last Balance Sheet	90.61	96.08
(+) Share based payments to employees	6.47	(5.47)
Closing Balance	**97.08**	**90.61**
Other Comprehensive Income		
As per last Balance Sheet	(3.71)	(11.53)
(+) Acturial Gain / (Loss) on Employee Benefits (net)	13.22	7.82
Closing Balance	**9.51**	**(3.71)**
	29,141.95	**31,742.25**

Description of nature and purpose of each reserve

18.1 Stock Option Reserve in respect of ESOP issued by The Phoenix Mills Ltd (Holding Company) to the Company's employees.

18.2 Security Premium Reserve : Securities premium reserve represents premium received on shares issued,which can be utilised only in accordance with the provisions of the Companies Act,2013 for specified purposes.

		As at 31st March 2021		As at 31st March 2020	
		Non Current	Current	Non Current	Current
19	**Borrowings**				
	(Secured)				
	Term Loan from Banks	55,433.91	4,688.35	58,963.49	2,208.86
		55,433.91	**4,688.35**	**58,963.49**	**2,208.86**

19.1) Secured Term Loan of ₹ 60,851.35 Lakhs (P.Y. ₹ 61,985.50 Lakhs) taken under arrangement with HSBC Bank on execution of Novation agreement along with HDFC Bank are secured by a pari - passu charge over building and proportionate share of undivided land and on lease rentals from the tenants of Retail Mall - Phoenix Market City Mumbai and Project Art Guild House at Kurla, Mumbai. Rate of Interest varies in the range of 7.50% Per annum to 9.45% Per annum (P.Y.8.99% Per annum to 9.65% Per annum)

19.2) Maturity Profile of Term Loan are set out below

Financial Year	₹ in Lakhs	Financial Year	₹ in Lakhs
2021-2022	4,688.35	2026-2027	9,963.41
2022-2023	5,536.44	2027-2028	10,587.05
2023-2024	6,480.35	2028-2029	3,799.54
2024-2025	7,527.61	2029-2030	2,855.07
2025-2026	8,684.43		

Notes	Particulars	As at 31st March 2021	As at 31st March 2020
20	**Trade Payables**		
	a) total outstanding dues of micro and small enterprises; and	-	-
	b) total outstanding dues other than micro enterprises and small enterprises	-	1.21
		-	**1.21**

(₹ In Lakhs)

Notes	Particulars	As at 31st March 2021	As at 31st March 2020
	* There are no Micro and Small Enterprises, to whom the company owes dues, which are outstanding for more than 45 days during the year and as at March 31, 2021 and March 31, 2020. The below information, regarding Micro and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the Auditors.		
	The disclosure pursuant to the said Act 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 year	-	-
d)	Interest paid	-	-
e)	Interest due and payable for the period of delay	-	-
f)	Interest remaining due and payable in succeeding year	-	-
21	**Other Financial Liabilities**		
	Security Deposits for Lease Rental	2,120.41	3,773.03
		2,120.41	**3,773.03**
22	**Provisions**		
	Provision for Compensated absences	52.78	57.31
	Provision for Gratuity	33.48	24.32
		86.26	**81.63**
23	**Other non-current liabilities**		
	Other payables	119.99	-
		119.99	**-**
24	**Financial Liabilities - Borrowings**		
	Secured		
	Bank Overdraft #	6,421.93	4,541.40
	Unsecured		
	Inter Corporate Deposit *	12,175.00	12,550.00
	2,00,000 0.0001% Optionally Convertible Debentures of ₹ 100 each **	200.00	-
	28,11,000 0.0001% Optionally Convertible Debentures of ₹ 100 each ***	2,811.00	-
		21,607.93	**17,091.40**

Secured against assets stated in Note 19.1 above. Rate of Interest varies in the range of 7.50% Per annum to 8.99% Per annum (P.Y.8.99% Per annum)

* Inter Corporate Deposit taken @ 9.75% p.a. (P.Y. @ 9.75% p.a.) for General Corporate purpose and Interest and Principal repayable on demand.

** Issuer Company of 0.0001% Optionally Convertible Debentures have an option to convert the debentures into equity share on or before 23 May, 2028. Each debenture is convertible into equity share of ₹ 10 each fully paid at premium of ₹ 106 per share on the date of conversion. The company has an option to redeem the debentures in one or more tranches at the redemption premium not exceeding ₹ 10/- per Optionally Convertible Debenture.

*** Issuer Company of 0.0001% Optionally Convertible Debentures have an option to convert the debentures into equity share on or before 09 July, 2028. Each debenture is convertible into equity share of ₹ 10 each fully paid at premium of ₹ 106 per share on the date of conversion. The company has an option to redeem the debentures in one or more tranches at the redemption premium not exceeding ₹ 10/- per Optionally Convertible Debenture.

25	**Trade Payables**		
	a) total outstanding dues of micro and small enterprises; and	294.12	269.30
	b) total outstanding dues other than micro enterprises and small enterprises	1,030.06	1,721.23
		1,324.18	**1,990.53**

Offbeat Developers Private Limited
(CIN No. U55200MH2000PTC124192)
Notes on Financial Statements for the period ended 31st March, 2021

(₹ In Lakhs)

Notes	Particulars	As at 31st March 2021	As at 31st March 2020
	* There are no Micro and Small Enterprises, to whom the company owes dues, which are outstanding for more than 45 days during the year and as at March 31, 2021 and March 31, 2020. The below information, regarding Micro and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the Auditors.		
	The disclosure pursuant to the said Act under:		
a)	Principal amount due to supplier under MSMED Act, 2006	294.12	269.30
b)	Interest accrued and due on the above amount, unpaid	-	-
c)	Payment made beyond the appointed day during the year	-	-
d)	Interest paid	-	-
e)	Interest due and payable for the period of delay	-	-
f)	Interest remaining due and payable in succeeding year	-	-
26	**Other Financial Liabilities**		
	Current Maturities of Long Term Borrowings		
	Term Loan from Banks - Secured (Refer note 19.1)	4,688.35	2,208.86
	Creditor for Capital Items		
	a) total outstanding dues of micro and small enterprises; and	5.68	55.70
	b) total outstanding dues other than micro enterprises and small enterprises*	30,249.66	166.36
	Security Deposits against Lease Rental	9,056.31	6,516.26
	Interest accrued and not due	1,364.44	932.99
		45,364.44	**9,880.17**
	* Includes from Related Party ₹ 30,239.60 Lakhs (P. Y. Rs. NIL)		
	* There are no Micro and Small Enterprises, to whom the company owes dues, which are outstanding for more than 45 days during the year and as at March 31, 2021 and March 31, 2020. The below information, regarding Micro and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the Auditors.		
	The disclosure pursuant to the said Act under:		
a)	Principal amount due to supplier under MSMED Act, 2006	5.68	55.70
b)	Interest accrued and due on the above amount, unpaid	-	-
c)	Payment made beyond the appointed day during the year	-	-
d)	Interest paid	-	-
e)	Interest due and payable for the period of delay	-	-
f)	Interest remaining due and payable in succeeding year	-	-
27	**Other Current Liabilities**		
	Advances from Customers	467.58	155.30
	Advance against income	166.65	5.69
	Statutory Dues	276.40	586.91
	Other payables	5,354.28	5,920.65
		6,264.91	**6,668.55**
28	**Provisions**		
	Provision for Compensated absences	4.37	3.21
	Provision for Gratuity	2.50	15.00
		6.87	**18.21**

Offbeat Developers Private Limited
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Notes on Financial Statements for the year ended 31st March 2021

(₹ In Lakhs)

Notes	Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
29	**Revenue from Operations**		
	Sale of Services	16,839.45	25,681.86
	Other Operating Revenues	28.46	136.80
		16,867.91	**25,818.66**
	29.1) Broad Categories of Sale of Services		
	License Fees and Rental Income	10,955.34	17,002.76
	Service Charges	5,575.51	7,786.36
	Other	308.61	892.74
		16,839.46	**25,681.86**
30	**Other Income**		
	Interest income on assets measured at amortised cost		
	On Fixed Deposits	206.30	16.65
	On ICD & other Interest	54.71	30.17
	On Income tax refund	156.74	85.38
	Insurance Claim received	0.33	0.45
	Dividend Income on long term Investment	-	0.04
	Sundry balance written back	333.86	-
		751.94	**132.69**
31	**Employee Benefit expenses**		
	Salaries, Wages and Bonus	983.00	1,558.43
	Contribution to Provident and Other Funds	41.65	44.07
	Staff Welfare Expenses	12.32	23.20
	Share based payments to employees	6.47	(5.47)
		1,043.44	**1,620.23**
32	**Finance cost**		
	Interest expense for financial liabilities at amortised cost	7,242.74	7,096.00
	Bank charges and Other Borrowing Costs	3.82	4.77
		7,246.56	**7,100.77**
33	**Operation and Other Expenses:**		
	Electricity Expenses	1,151.84	2,631.48
	Water Charges	18.18	99.99
	Repair and Maintenance:		
	Buildings	421.70	904.66
	Machinery and Electricals	403.36	556.49
	Others	120.29	190.48
	Housekeeping Expenses	279.40	486.13
	Provision for Doubtful Debts & Advances/(Written Back)	381.45	378.65
	Rebate and Settlement	105.00	27.85
	Operational & General Charges	161.35	186.10
	Rates and Taxes	995.77	1,227.87
	Insurance	158.92	93.95
	Legal and Professional Expenses	824.38	1,587.43
	Payment to the Auditors	9.60	12.00
	Security Charges	393.96	582.61
	Telephone Expenses	15.37	18.22
	Expenditure on Corporate Social Responsibility	39.36	-
	Advertisement and Sales Promotion Expenses	594.26	1,754.77
	Loss on Fixed Assets discarded	77.38	89.67
	Loss on Cancellation of unit	-	251.05
	Travelling Expenses	0.05	36.59
	Foreign Exchange Loss	-	0.03
	Miscellaneous & Other Expenses	2.07	3.38
		6,153.69	**11,119.40**
	a) Payment to Auditor		
	As Auditor:		
	Audit Fees	9.60	12.00
		9.60	**12.00**

Offbeat Developers Private Limited
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Notes on Financial Statements for the year ended 31st March 2021

(₹ in Lakhs)

Notes	Particulars	As at 31st March 2021	As at 31st March 2020
34	**Contingent Liability**		
	a) Capital and other commitments (Estimated amount of contracts remaining to be executed on capital account not provided for)	59.66	84.26

b) Outstanding Guarantee given by Banks ₹ 300.65 Lakhs (P.Y. - ₹ 420.65 Lakhs)

c) The disputed demand for the FY 2006-07, FY 2007-08, FY 2008-09 and FY 2012-13 in respect of VAT is ₹ 1,708.30 Lakhs (P.Y. - ₹ 1,708.30 Lakhs). The Company is in appeal before Joint Commissioner of Commercial Taxes (Appeals) at Mumbai.The Company has paid Pre-deposit of ₹ 29.59 (P.Y. - ₹ 29.59 Lakhs) Lakhs against appeal. The impact thereof, if any, on the tax position can be ascertained only after the disposal of the above appeals. Accordingly, no provision has been made.

d) The company has received order of Commissioner of service tax during FY 2015-16. The order confirmed service tax demand of ₹ 2,598.88 Lakhs (P.Y. - ₹ 2,598.88 Lakhs). The company has gone into appeal with CESTAT, Mumbai and has paid ₹ 194.92 (P.Y. - ₹ 194.92 Lakhs) Lakhs as a pre-deposit of 7.5% towards the said demand. The impact thereof, if any, on the tax position can be ascertained only after the disposal of the above appeal. Accordingly, no provision has been made.

e) The company has received order of Commissioner of CGST & Central Excise during FY 2018-19. The order confirmed service tax demand of ₹ 1,477.22 Lakhs (P.Y. - ₹ 1,477.22 Lakhs) (including Penalty of ₹ 738.61 Lakhs) and recovery of Cenvat Credit of ₹ 361.22 Lakhs (P.Y. - ₹ 361.22 Lakhs) (including Penalty of ₹ 180.61 Lakhs) for the period July 2012 to March 2014. The company has gone into appeal with CESTAT, Mumbai and has paid ₹ 68.91 (P.Y. - ₹ 68.91 Lakhs) Lakhs as a pre-deposit of 7.5% towards the said demand. The impact thereof, if any, on the tax position can be ascertained only after the disposal of the above appeal. Accordingly, no provision has been made

f) The Company has received order u/s 201(1)/201(1A) as per Income tax Act for non deduction of TDS u/s 194A, for the Financial Year 2016-17 of ₹ 195.83 Lakhs (P.Y. - ₹ 195.83 Lakhs) including Interest of ₹ 51.83 Lakhs. The company has paid ₹ 40 Lakhs (P.Y. - ₹ 40 Lakhs) as Deposit towards disputed demand. The Company is in appeal before Commissioner of Income Tax (Appeals) at Mumbai. The impact thereof, if any, on the tax position can be ascertained only after the disposal of the above appeals. Accordingly, no provision has been made.

g) The above litigation in Para (c) (d) (e) and (f) above is not expected to have any material adverse impact on the financial position of the company.

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Notes on Financial Statements for the year ended 31st March 2021

(₹ in Lakhs)

Notes	Particulars	As at 31st March 2021	As at 31st March 2020
35	Municipal Corporation of Greater Mumbai has raised demand of ₹ 5,951.43 Lakhs (P.Y. - ₹ 5,403.90 Lakhs) towards property tax for the period April 2012 – March 2021, which was hiked by imposing value added taxes. The said Order by the MCGM for value added taxes and the Constitutional Validity was challenged by the Company before the High Court Mumbai, wherein the High Court was pleased to pass an interim Order directing the Company to pay 50% of the invoice amount raised by MCGM. On the matter being finally heard Mumbai High Court passed a Judgement upholding the payment of 50% demand of property tax to be paid by the company vide its judgement dated 24th April 2019, and dismissed our prayer which sought the Constitutional validity of imposing value added taxes by the MCGM. MCGM has filed Special Leave Petition in Supreme Court challenging part of the Order i.e. the deposit of 50 % of invoice payment and the Company has filed an Application for being impleaded as a party in the said Special Leave Petition filed before the Supreme Court. Pending outcome of the matter on conservative basis, company has provided full amount of demand in the books of accounts.		
36	**Earnings per Share (EPS)**		
i)	Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (after adding Interest cost on Convertible Debentures (net of TDS))	391.01	1,797.98
ii)	Weighted Average number of equity shares used as denominator for calculating EPS	3,15,79,841	3,15,79,841
iii)	Weighted Average number of equity shares used as denominator for calculating Diluted EPS	3,15,79,841	6,16,89,841
iv)	Basic Earnings per share	1.24	5.69
v)	Diluted Earnings per share	1.24	2.91
vi)	Face Value per equity share	10.00	10.00

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

Future minimum License Fees receivable under Leave and License agreements for non-expired lock in period as at 31st March 2021 are as follows:

(₹ In Lakhs)

Particulars	Within one year	After one year but not more than five years	More than five years	Total
As on 31st March 2021	6,603.84	5,918.41	NIL	**12,522.26**
As on 31st March 2020	8,048.82	7,377.28	NIL	**15,426.10**

Contingent License Fees comprising of Revenue Share income (computed as a % of sales) charged to the Licensees during the year is ₹ 1,169.84 Lakhs (P.Y. ₹ 2,013.24 Lakhs)

Offbeat Developers Private Limited
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(₹ in Lakhs)

Notes	Particulars	As at 31st March 2021	As at 31st March 2020
38	**Taxation**		
	Income tax related to items charged or credited to profit or loss during the year:		
A	**Statement of Profit or Loss**		
1	Current Income Tax		
	In respect of current year	-	-
	In respect of earlier year	529.10	(2.61)
		529.10	**(2.61)**
2	Deferred Tax expenses/ (benefits):		
	Relating to origination and reversal of temporary differences	(635.03)	948.25
	MAT Credit reversed/(Entitlement) *	(560.64)	34.15
		(1,195.67)	**982.40**
	Total Income tax Expenses	**(666.57)**	**979.79**

* MAT credit balances were written off during the previous financial year on account of the decision to opt for the new income tax regime at that time, have now been reinstated in the current financial year, considering the final decision of management to continue with old tax regime while filing the tax return for Assessment Year 2020-21

Notes	Particulars	As at 31st March 2021	As at 31st March 2020
B	**Reconciliation of Current Tax expenses:**		
	Profit /(Loss) for the year	(275.56)	2,777.77
	Applicable Tax Rate	25.17%	25.17%
	Computed tax expenses	**(69.00)**	**699.00**
	Additional allowances for tax purpose	(523.29)	(1,085.62)
	Income not allowed/expense allowed for tax purposes	(83.81)	27.40
	Expenses not allowed for tax purposes	259.87	588.35
	Other temporary allowances	0.40	3.90
	Tax element on Carry forward loss	415.83	(233.03)
		-	-
C	**Deferred Tax Recognised in statement of profit and Loss relates to the following:**		
	Accelerated depreciation for tax purpose	882.38	970.13
	Expenses allowable on payment basis	(1,308.43)	(1,341.24)
	Provision for loss allowance	(199.36)	(141.46)
	Carry Forward losses	(9.61)	1,460.82
	MAT Credit reversed/(Entitlement)	(560.64)	34.15
	Deferred Tax Liabilities/ (Asset)	**(1,195.67)**	**982.40**
D	**Reconciliation of deferred tax liabilites/(asset) net:**		
	Opening balance as on 1st April	3,130.62	4,110.73
	Tax expenses / (income) during the period	(1,195.67)	982.40
	Tax on other comprehensive income	(4.65)	2.28
	Closing balance as on 31st March	**4,321.64**	**3,130.62**

Offbeat Developers Private Limited
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Notes on Financial Statements for the year ended 31st March 2021

(₹ in Lakhs)

Notes	Particulars	As at 31st March 2021	As at 31st March 2020
39	**Employees Benefits:**		
A	**Expenses recognised for Defined contribution plan:**		
	Company's Contribution to Provident Fund	25.90	28.48
		25.90	**28.48**

B 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) 2020-21	2019-20
1	**Change in Defined Benefit Obligation during the year**		
	Defined Benefit Obligation at the beginning of the year	89.00	83.11
	Interest Cost	6.76	7.19
	Current Service Cost	13.98	12.74
	Benefits paid during the year	(5.91)	(7.53)
	Actuarial (gain)/loss on Defined Benefit Obligation	(20.26)	(6.50)
	Defined Benefit Obligation at the end of the year	83.57	89.00
2	**Change in fair value of Plan Assets during the year**		
	Fair value of Plan Assets at the beginning of the year	49.69	51.42
	Expected Return on plan assets	3.68	4.33
	Contribution	2.52	-
	Benefits paid during the year	(5.91)	(7.53)
	Actuarial gain/(loss) on Plan Asset	(2.39)	1.31
	Fair value of Plan Assets at the end of the year	47.59	49.54
3	**Amount to be recognized in Balance sheet:**		
	Present value of Defined Benefit Obligation	83.57	89.00
	Fair Value of plan assets at the end of the year	47.59	49.54
	Amount recognized in Balance sheet	35.98	39.47
4	**Current / Non - current bifurcation:**		
	Current benefit obligation	2.50	15.00
	Non - current benefit obligation	33.48	24.47
5	**Expenses recognised in the statement of Financial position for the year**		
	Current Service Cost	13.98	12.74
	Interest cost on obligation	6.76	7.19
	Expected Return on plan assets	(3.68)	(4.33)
	Actuarial (gain)/loss on Defined Benefit Obligation	-	-
	Expense recognized in the statement of Profit & Loss account	17.05	15.60

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Notes on Financial Statements for the year ended 31st March 2021

(₹ in Lakhs)

Notes	Particulars	As at 31st March 2021	As at 31st March 2020
6	**Recognised in Other Comprehensive income for the year**		
	Remeasurement due to:		
	Effect of change in financial assumptions	(2.50)	2.87
	Effect of change in demographic assumptions	-	-
	Effect of experience adjustments	(17.76)	(9.37)
	Return on plan of assets(excluding interest)	2.39	(1.31)
	Net Actuarial (gain)/loss recognized for the year	(17.87)	(7.82)
7	**Maturity profile of defined benefit obligation**		
	Within the next 12 months	4.71	4.12
	Between 2 to 5 years	21.66	22.15
	Between 5 to 10 years	33.68	34.73
8	**Acturial assumptions used for estimating defined benefit obligations**		
	Discount Rate	7.00%	6.70%
	Salary Escalation Rate	0.00% First Year 5.00% for next year & 7.00% thereafter	0.00% First Year 5.00% for next year & 7.00% thereafter
	Expected Rate of Return on Assets	7.00%	6.70%
	Mortality Rate	IALM (2012-14) Ultimate	IALM (2006-08) Ultimate
	Attrition/ Withdrawal Rate	5%	5%
	The weighted average duration of plan	12.36 years	11.79 years
	No. of Employees	75	98
	Average Age	37.68	36.35
	Total Salary (₹ in Lakhs)	36.09	42.68
	Average Salary (₹ in Lakhs)	0.48	0.44
	Average Service	4.79	4.13
	Accrued Benefit (₹ in Lakhs)	105.76	110.80
	Actuarial Liability (₹ in Lakhs)	**83.57**	**89.00**

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 financial year 2021-22 is ₹ 2.50/- Lakhs (P.Y. ₹ 15.00 Lakhs)

5 The above information is certified by actuary.

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Notes on Financial Statements for the year ended 31st March 2021

(₹ in Lakhs)

Notes	Particulars	As at 31st March 2021	As at 31st March 2020
9	**Sensitivity analysis:**		

Increase/ (decrease) on present value of defined benefits obligations at the end of the year: **(₹ In Lakhs)**

	Change in assumption	Effect on Gratuity obligation 2020-21	2019-20
Discount rate	+1%	(7.57)	(8.65)
	-1%	8.80	10.15
Salary Escalation rate	+1%	5.25	6.29
	-1%	(5.05)	(6.02)
Attrition Rate	+1%	1.35	1.25
	-1%	(1.58)	(1.54)

These gratuity plan typically expose the Company to actuarial risks such as: investment risk, interest risk, longevity risk and salary risk.

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

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

Longevity risk
The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

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

C Other Long term benefit plan - compensated absences **(₹ In Lakhs)**

Particulars	Year ended March 31, 2021 Rs.	Year ended March 31, 2020 Rs.
Present value of unfunded obligations	57.15	60.52
Expenses recognised in the statement of profit and loss	3.35	8.69
In Other comprehensive income		
Discount rate (per annum)	7.00%	6.70%
Salary escalation rate (per annum)	0.00% First Year 5.00% for next year & 7.00% thereafter	0.00% First Year 5.00% for next year & 7.00% thereafter

40 **Fair Value of Financial assets and Liabilities:**

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

(₹ in Lakhs)

Particulars	As at March 31, 2021		As at March 31, 2020	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets designated at fair value through Profit and Loss				
Investments				
- in Equity Shares	1.25	1.25	1.25	1.25
Financial assets designated at amortised cost				
Trade Receivables	2,674.80	2,674.80	1,514.71	1,514.71
Cash and Cash Equivalents	3,175.72	3,175.72	643.42	643.42
Bank balance other than Cash and Cash equivalent	2,010.00	2,010.00	305.00	305.00
Other financial assets	462.60	462.60	2,209.46	2,209.46
Total	**8,324.37**	**8,324.37**	**4,673.84**	**4,673.84**
Financial liabilities designated at amortised cost				
Long Term Borrowings	55,433.91	55,433.91	58,963.49	58,963.49
Trade payables and others	1,324.18	1,324.18	1,991.74	1,991.74
Other financial liabilities	47,484.85	47,484.85	13,653.20	13,653.20
Short Term Borrowings	21,607.93	21,607.93	17,091.40	17,091.40
Total	**1,25,850.87**	**1,25,850.87**	**91,699.84**	**91,699.84**

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 investment in unquoted equity shares are considered same as carrying value as the same are not material.
2 Fair value of Long term borrowings is calculated based on the discounted cash flow.
3 Fair value of Financial Assets & Financial Liability(except long term borrowings) are carried at amortised cost is not materially different from it's carrying cost.

Fair Value hierarchy:

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

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

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

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

(₹ In Lakhs)

	2020-21			2019-20		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Assets /Liabilities measured at fair value						
Financial Asset:						
Investments						
- in Equity shares	-	-	1.25	-	-	1.25

41 **Financial risk Management:**

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

- **Market risk:**

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings and investments in securities.

Foreign currency risk

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

Interest rate risk

Fluctuation in fair value or future cash flows of a financial instrument because of changes in market interest rates gives rise to interest rate risk. Almost 100% of the company's borrowings are linked to Base Rate + 1.75% p.a. floating at Monthly rest. With all other variables held constant, the following table demonstrates the impact of change in interest rate on borrowing cost on floating rate portion of loans.

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

Change in Rate of Interest	Effect on Profit/(Loss) before tax	
	2020-21	2019-20
+1%/-1%	608.51	619.86

Commodity and Other price risk

The Company is not exposed to the comodity 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 and financial institutions and other financial instruments.

Trade and other receivables:

The Company extends credit to customers in normal course of business. The Company considers factors such as credit track record in the market and past dealings for extension of credit to customers. To manage credit risk, the Company periodically assesses the financial reliability of the customer, taking into account the financial condition, current economic trends, and analysis of historical bad debts and aging of accounts receivables. Outstanding customer receivables are regularly monitored. The Company is not exposed to concentration of credit risk to any one single customer since services are provided to vast specturm and hence, the concentration of risk with respect to trade receivables is low. The Company has also taken advances and security deposits from its customers, which mitigate the credit risk to an extent.

Cash And cash equivalents and other investments:

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

The Company considers factors such as track record, size of the institution, market reputation and service standards to select the banks with which balances and deposits are maintained. Generally, the balances are maintained with the institutions with which the Company has also availed borrowings. The Company does not maintain significant cash 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 31,2021 and March 31, 2020 is as follows:

	(₹ In Lakhs) As at 31/03/2021	As at 31/03/2020
Financial assets for which loss allowances is measured using 12 months Expected Credit Losses (ECL):		
Cash and cash equivalents	3,175.72	643.42
Investments	1.25	1.25
Other Bank Balance	2,010.00	305.00
Other financial assets	462.60	2,209.46
Financial assets for which loss allowances is measured using Life time Expected Credit Losses (ECL):		
Trade receivables	2,674.80	1,514.71

Life time Expected credit loss for Trade receivables under simplified approch **(₹ In Lakhs)**

	Past Due				
Aging of Trade Receivables	**0-90 days**	**90-180 days**	**180 - 360 days**	**over 360 days**	**Total**
As at 31st March, 2021					
Gross Carrying Amount	472.35	984.69	1,028.43	956.12	3,441.60
Expected credit losses (Loss allowance provision)	61.03	36.19	136.18	533.40	766.79
Net Carrying Amount	411.33	948.51	892.25	422.73	2,674.81
As at 31st March, 2020					
Gross Carrying Amount	925.77	301.71	213.89	615.98	2,057.35
Expected credit losses (Loss allowance provision)	40.62	44.00	89.88	368.13	542.64
Net Carrying Amount	885.15	257.71	124.01	247.85	1,514.71

(₹ In Lakhs)

Reconciliation of Changes in the life time expected credit loss allowance:	**2020-21**	**2019-20**
Loss allowance on 1 April,	542.64	299.97
Provided during the year	400.88	378.65
Debts written off during the year	(176.72)	(135.98)
Loss allowance on 31st March,	766.79	542.64

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. In the event of failure to meet any of these ratios these loans become callable to the extent of failture at the option of lenders, except where exemption is provided by lender.

	As at March 31, 2021					**(₹ In Lakhs)**
Particulars	**Carrying Amount**	**On Demand**	**Less than 12 months**	**1 - 5 Years**	**>5 years**	**Total**
Borrowings	81,730.19	21,607.93	4,688.35	28,228.83	27,205.08	81,730.19
Other Financial Liabilities	42,796.50	-	40,676.09	2,120.41	-	42,796.50
Trade and other payables	1,324.18	-	1,324.18	-	-	1,324.18

	As at March 31, 2020					**(₹ In Lakhs)**
Particulars	**Carrying Amount**	**On Demand**	**Less than 12 months**	**1 - 5 Years**	**>5 years**	**Total**
Borrowings	78,263.75	17,091.40	2,208.86	23,847.78	35,115.72	78,263.75
Other Financial Liabilities	11,444.35	-	7,671.31	3,773.03	-	11,444.35
Trade and other payables	1,991.74	-	1,990.53	1.21	-	1,991.74

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, 2021 and March 31, 2020.

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

Particulars	**(₹ In Lakhs)** As At 31-03-2021	As At 31-03-2020
a. Loans and Borrowings	81,730.19	78,263.75
b. Less: Cash and cash equivalents + Bank Deposits	5,221.37	2,964.42
c. Net Debt (a - b)	76,508.82	75,299.33
d. Total Capital	32,299.93	34,900.24
e. Capital+Net Debt (c + d)	1,08,808.75	1,10,199.57
f. Gearing Ratio (c / e)	70%	68%

Offbeat Developers Private Limited
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42 Related party Disclusure:

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 exists 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 Limited	Holding Company
2	Market City Resources Private Limited	Fellow Subsidiary
3	Graceworks Realty & Leisure Private Limited	Fellow Subsidiary
4	Palladium Constructions Private Limited	Fellow Subsidiary
5	Island Star Mall Developers Private Limited	Fellow Subsidiary
6	Vamona Developers Private Limited	Fellow Subsidiary
7	Rentcierge Developers Private Limited	Wholly Owned Subsidiary
8	Mindstone Mall Developers Private Limited	Wholly Owned Subsidiary
9	Classic Mall Development Private Limited	Associates of Holding Company
10	Bellona Hospitality Services Limited	Fellow Subsidiary
11	Savannah Phoenix Private Limited	Fellow Subsidiary
12	Upal Developers Private Limited	Fellow Subsidiary
13	Gangetic Developers Private Limited	Fellow Subsidiary
14	Blackwood Developers Private Limited	Fellow Subsidiary
15	Mr. Amit Kumar	Key Managerial Personnel(KMP)
16	Mr. Siddhesh Pradhan	Key Managerial Personnel(KMP)

b) Transactions during the year

(₹ in Lakhs)

Sr. No.	Nature of Transactions	2020-2021	2019-2020
1	**Loan taken**		
	The Phoenix Mills Limited	5,000.00	-
	Classic Mall Development Private Limited	-	8,175.00
	Upal Developers Private Limited	-	625.00
2	**Loan repaid**		
	The Phoenix Mills Limited	5,000.00	-
	Classic Mall Development Private Limited	-	1,000.00
	Upal Developers Private Limited	-	250.00
3	**Loan given**		
	Palladium Constructions Private Limited	775.00	-
4	**Investment in Optionally Convertible Debenture**		
	Graceworks Realty & Leisure Private Limited	-	5,425.00
	Mindstone Mall Developers Private Limited	40.00	-
5	**Redemption in Optionally Convertible Debenture**		
	Mindstone Mall Developers Private Limited	40.00	-
6	**Investment in Equity Shares**		
	Rentcierge Developers Private Limited	-	1.00
	Mindstone Mall Developers Private Limited	-	1.00
7	**Sale of Investment in Equity Shares**		
	Rentcierge Developers Private Limited	1.00	-
	Mindstone Mall Developers Private Limited	1.00	-
8	**Purchase of Property Plant & Equipment**		
	The Phoenix Mills Limited	31,411.79	-
9	**Sale of Property Plant & Equipment**		
	Vamona Developers Private Limited	-	4.58
10	**Interest earned**		
	Graceworks Realty & Leisure Private Limited	0.005	0.001
	Palladium Constructions Private Limited	50.869	-
	Mindstone Mall Developers Private Limited	0.00003	-

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(CIN No. U55200MH2000PTC124192)
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			(₹ in Lakhs)
Sr. No.	**Nature of Transactions**	**2020-2021**	**2019-2020**
11	**Interest expense**		
	The Phoenix Mills Limited	180.69	-
	Classic Mall Development Private Limited	1,187.06	740.29
	Upal Developers Private Limited	11.33	31.74405
	Gangetic Developers Private Limited	0.00281	0.00281
12	**Business Support Service (Shared cost recovery)**		
	Market City Resources Private Limited	427.00	368.00
	Graceworks Realty & Leisure Private Limited	-	522.10
13	**Maintenance Charges**		
	The Phoenix Mills Limited	602.43	636.93
	Bellona Hospitality Services Limited	(13.05)	12.92
14	**License Fee - Revenue Share**		
	Bellona Hospitality Services Limited	-	31.37
15	**Expense incurred for other company**		
	Graceworks Realty & Leisure Private Limited	-	7.68
16	**Remuneration to KMP**		
	Mr. Amit Kumar & Mr. Siddhesh Pradhan	83.00	169.09

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

(₹ in Lakhs)

Sr. No.	**Nature of Balances**	**As at Mar 31, 2021**	**As at Mar 31, 2020**
1	**Other Equity**		
	Upal Developers Private Limited	200.00	200.00
	Gangetic Developers Private Limited	2,811.00	2,811.00
2	**Trade Receivable/ Other Receivable**		
	The Phoenix Mills Limited	-	41.99
	Vamona Developers Private Limited	-	5.40
	Bellona Hospitality Services Limited	-	45.80
3	**Trade and Other Payable**		
	Graceworks Realty & Leisure Private Limited	190.04	509.87
	Market City Resources Private Limited	-	40.43
	Bellona Hospitality Services Limited	-	1.45
	The Phoenix Mills Limited	30,239.60	-
4	**Loan taken**		
	Classic Mall Development Private Limited	12,175.00	12,175.00
	Upal Developers Private Limited	-	375.00
5	**Investment Balance in Optionally Convertible Debentures**		
	Graceworks Realty & Leisure Private Limited	5,425.00	5,425.00
6	**Investment Balance in Inter Corporate Deposit**		
	Palladium onstructions Pvt Ltd	775.00	-
7	**Investment Balance in Equity Shares**		
	Rentcierge Developers Private Limited	-	1.00
	Mindstone Mall Developers Private Limited	-	1.00
8	**Interest Accrued**		
	Classic Mall Development Private Limited	1,336.29	666.26
	Upal Developers Private Limited	0.00036	28.56964
	Gangetic Developers Private Limited	0.00513	0.00253
9	**Interest Receivable**		
	Palladium onstructions Pvt Ltd	50.87	-
	Graceworks Realty & Leisure Private Limited	0.00669	0.00126

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.

43 Corporate Social Responsibility (CSR):

			(₹ In Lakhs)
		2020-21	**2019-20**
i) CSR amount required to be spent as per Section 135 of the		39.36	52.65
	In cash	Yet to be paid	Total
ii) Amount spent during the year by way of			
Deposit in unspent CSR Bank account FY 2020-21	39.36	-	39.36

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

		(₹ In Lakhs)
Name of the Company	**2020-21**	**2019-20**
i) Investments made in Body Corporates		
Investments in Equity Shares		
Rentceirge Developers Pvt Ltd	-	1.00
Mindstone Mall Developers Pvt Ltd	-	1.00
ii) of subsidiaries		
Graceworks Realty & Leisure Pvt. Ltd.	5,425.00	5,425.00
iii) Investments in Unquoted Fully paid Equity Shares		
The Saraswat Co-operative Bank Ltd	0.25	0.25
The Cosmos Co-operative Bank Ltd	1.00	1.00

ii) Loan given by the Company to Body Corporates or persons is as under:

Name of the Company		
Palladium Constructions Pvt Ltd	775.00	-

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

iii) No Guarantee is given by the Company.

45 Segment reporting:

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

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

The revenues from transactions with a single customer does not exceed 10 per cent or more of an company’s revenues. For broad categeory of services rendered refer note no. 29.1.

46 Note on Covid - 19 :

COVID-19 outbreak has been declared as a pandemic by the WHO, subsequently the Government of India has initiated a series of measures to contain the outbreak, including imposing multiple 'lock-downs' across the country, from March 24, 2020. This has posed significant challenges to the business of the Company. As per the directives of the Central/State Governments it was mandated to close all business activities of the company during the lockdown period. The Central and State Governments had initiated steps to lift the lockdown and the Company had adhered to the same and it resumed its activities. Mall operations at Phoenix Market city mall at Kurla-Mumbai, had commenced from 05th August 2020.

During the period commencing from the start of the lockdown, the Company has taken various measures to rationalize fixed costs including but not limited to energy conservation, resource deployment and deferral of certain non-critical upgrades.

Being sensitive to the impact of lockdown on the retail partners, the company has provided concessions /relief/ moratorium on rentals to its retailers for the period of lockdown. Further, the benefit of reduced fixed costs due to various rationalization measures undertaken has been passed on by the Company to its retailer partners in form of reduced common area maintenance charges.

The Company has assessed the potential impact of Covid-19 on its capital and financial resources, profitability, liquidity position, ability to service debt and other financing arrangements, supply chain and demand for its services. In order to conserve its cash flows the Company has availed moratorium offered by banking partners as per the RBI guidelines on principal & interest for a period of 6 months.

It has also assessed the potential impact of Covid-19 on the carrying value of property, plant & equipment, Capital work in Progress, intangible assets, investments, trade receivables and other current assets appearing in the financial results of the company. In developing the assumptions and estimates relating to the future uncertainties in the economic conditions because of this pandemic, the company as at the date of approval of these Financial results has used internal and external sources of information and based on current estimates, expects to recover the carrying amounts of these assets. Considering the uncertainties involved in estimating the impact of this pandemic, the future impact of this pandemic may be different from those estimated as on the date of approval of these standalone financial results.

The company will continue to closely monitor uncertainties arising of material changes to the future economic conditions.

47 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.

48 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

As per our Report of even date
For D T S & Associates
Chartered Accountants
(Firm Registration No: 142412W)

For and on behalf of the Board of Directors

Ashish G. Mistry
Partner
Membership No. 132639

Amit Kumar
Chief Executive Officer & Director
DIN No. 05301971

Pawan Kakumanu
Director
DIN No. 07584653

Siddhesh Pradhan
Chief Financial Officer
PAN No. ARTPP9750C

Santosh Sharma
Company Secretary
Mem No. A41240

Place : Mumbai
Date : 26th May 2021