THE PHOENIX
MILLS LIMITED

Corp. Office : Shree Laxmi Woolen Mills Estate, 2nd Floor,
R.R Hosiery, Off. Dr. E. Moses Rd. Mahalaxmi, Mumbai - 400 011
Tel: (022) 3001 6600 Fax : (022) 3001 6601
CIN No. : L17100MH1905PLC000200

Date: September 4, 2017

To,

Department of Corporate Services - Listing Department
BSE Limited,
P. J. Towers, Dalal Street
Mumbai – 400 001

The Listing Department
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai – 400 051

Ref: The Phoenix Mills Limited (503100/ PHOENIXLTD)
Sub: Intimation of Book Closure and Annual General Meeting

Dear Sir,

In terms of Regulation 30, 42, 44 and other applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please be informed that:

- The 112th Annual General Meeting ('AGM') of the Company will be held on Monday, September 25, 2017 at 3:30 P.M. at Indian Merchants' Chamber, 4th Floor, Walchand Hirachand Hall, Churchgate, Mumbai – 400 020.

- The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, September 20, 2017 to Monday, September 25, 2017 (both days inclusive) for the purpose of AGM and determining shareholders' entitlement to the proposed final dividend for the financial year ended March 31, 2017, subject to the shareholders' approval at the aforesaid AGM.

- Final Dividend on equity shares, if approved by the members at the AGM, will be paid on or before 30th day from the date of declaration to those members whose names appear:

  - As beneficial owners at the end of business day on Tuesday, September 19, 2017 as per lists furnished by NSDL and CDSL in respect of shares held in dematerialised form.
  - On the Register of Members of the Company at the end of business day on Tuesday, September 19, 2017 in respect of shares held in physical form.

THE PHOENIX MILLS LIMITED 462 SENAPATI BAPAT MARG MUMBAI-400013

THE PHOENIX MILLS LIMITED

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CIN No. : L17100MH1905PLC000200

- The Company has provided its members the facility to exercise their vote at the aforesaid AGM by electronic means (Remote e-voting) as well as through ballot at the AGM, on all resolutions set forth in the notice to those members, who are holding shares either in physical or in electronic form as on the cut-off date i.e. Tuesday, September 19, 2017. The e-voting will commence on Friday, September 22, 2017 at 9.00 A.M. I.S.T. and will end on Sunday, September 24, 2017 at 5.00 P.M. I.S.T.

- Notice of AGM and Annual Report for the FY 2016-17 are being sent to the shareholders through email/post. The dispatch of the aforesaid documents has been completed on August 31, 2017.

We are enclosing herewith the Annual Report of the Company for the financial year 2016-17 along with the Notice of AGM.

Kindly take the same on record.

Thanking you,
Yours faithfully,

For The Phoenix Mills Limited

THE PHOENIX MILLS LIMITED ★ 462, SENAPATI BAPAT MARG ★ MUMBAI-400013

Puja Tandon
Company Secretary & Compliance Officer

CC:-

1. **Central Depository Services (India) Ltd., 28th Floor, P. J.Towers, Dalal Street, Fort Mumbai – 400 023**

2. **National Securities Depository Limited, Trade World, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013**

3. **Link Intime India Private Limited, C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai – 400 078**

THE PHOENIX MILLS LIMITED

STEADY Performance.
PROGRESSIVE Thinking.
GROWING Portfolio.

"View life through a wide angle lens attitude and see your horizons broaden."

– Stephen Richards

ANNUAL REPORT 2017

STEADY Performance.
PROGRESSIVE Thinking.
GROWING Portfolio.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Ashokkumar Radhakrishna Ruia
Chairman & Managing Director

Mr. Atul Ashokkumar Ruia
Joint Managing Director

Mr. Shishir Shrivastava
Joint Managing Director

Mr. Pradumna Kanodia
Director - Finance

Mr. Amit Kumar Dabriwala
Independent Non-Executive Director

Mr. Amit Dalal
Independent Non-Executive Director

Mr. Sivaramakrishnan Iyer
Independent Non-Executive Director

Ms. Shweta Vyas
Independent Non-Executive Director

COMPANY SECRETARY

Ms. Puja Tandon

REGISTRAR AND SHARE TRANSFER AGENT

Link Intime India Private Limited.
C101,247 Park, L B S Marg,
Vikhroli (West),
Mumbai : 400 083.
Tel.no:+91 22 49186000
Fax : +91 22 49186060

BANKERS

Standard Chartered Bank
Hongkong & Shanghai Banking Corporation
Kotak Mahindra Bank Limited
HDFC Bank Limited
Yes Bank Limited
Corporation Bank
Punjab National Bank
State Bank of India
Tata Capital Limited
Saraswat Co-Operative Bank Limited
South Indian Bank
Bank of Baroda

AUDITORS

M/s A. M. Ghelani & Company
Chartered Accountants
M/s Chaturvedi & Shah
Chartered Accountants

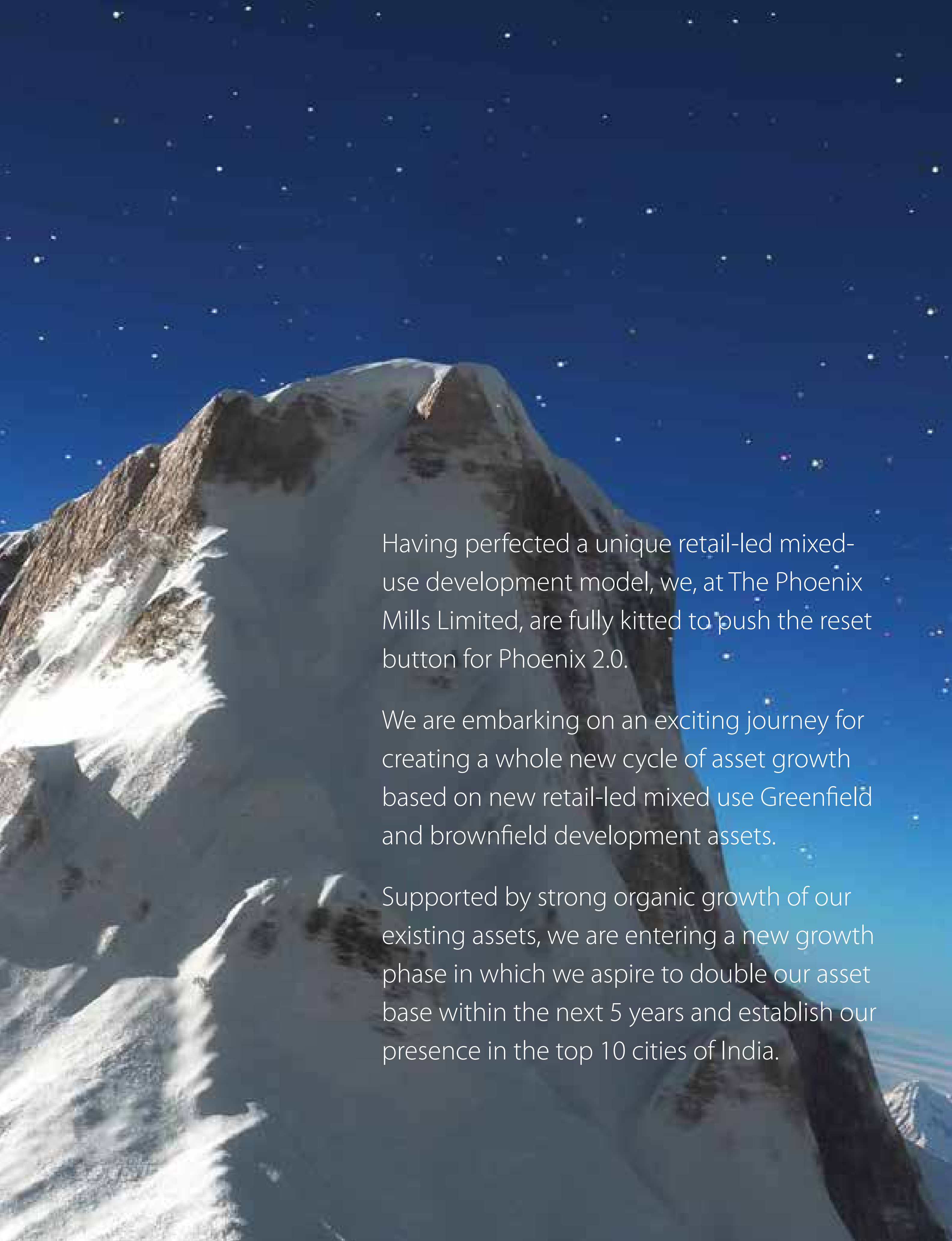
REGISTERED OFFICE

462, Senapati Bapat Marg,
Lower Parel,
Mumbai - 400 013.
Tel: 022 - 2496 4307
Fax: 022 - 2493 8388

Website: www.thephoenixmills.com
Email: info@thephoenixmills.com

CORPORATE OFFICE

Shree Laxmi Woollen Mills Estate,
R. R. Hosiery Bldg,
Off. Dr. E. Moses Rd.,
Mahalaxmi,
Mumbai - 400 011.



Having perfected a unique retail-led mixed-use development model, we, at The Phoenix Mills Limited, are fully kitted to push the reset button for Phoenix 2.0.

We are embarking on an exciting journey for creating a whole new cycle of asset growth based on new retail-led mixed use Greenfield and brownfield development assets.

Supported by strong organic growth of our existing assets, we are entering a new growth phase in which we aspire to double our asset base within the next 5 years and establish our presence in the top 10 cities of India.

"DON'T SETTLE DOWN AND SIT IN ONE PLACE.

MOVE AROUND, BE NOMADIC, MAKE EACH DAY A NEW HORIZON."

– Jon Krakauer

We have undergone a transformational metamorphosis of becoming a top-notch, multi-asset and pan-India retail led property company with more than 6.0 million sq. ft. under management by the end of FY2017. Starting with Phase I in 1999 with just one mall - "High Street Phoenix" in Lower Parel, Mumbai, we moved on to Phase II in 2007 with the construction of "Phoenix MarketCity" malls and put into track our commercial and residential projects. Today the "Phoenix MarketCity" franchise has entrenched itself in key markets across India, including Mumbai, Pune, Bengaluru and Chennai.

The scale, size and multiplicity of our ambition for simultaneously building out these assets is unprecedented. We have proved our planning and execution mettle by successfully rolling such large iconic assets all within a short time frame from each other. Once built out and operational, the last couple of years have been about growing and maximising the consumption take-off across all our malls, while consolidating our ownership across all our SPVs. All this while, we have also steadily built and successfully delivered more than 6.0 million sq. ft. on our other asset classes – residential, commercial and hospitality. The central theme of our business model is pinned

STEADY Performance. **PROGRESSIVE** Thinking. **GROWING** Portfolio.

on catering to India's strong consumption story. We have been strengthening the "Phoenix Marketcity" franchise in uncovering urban demand and creating a superlative experience for shoppers. Our "cathedrals of consumption" are in the heart of bustling neighbourhoods with an eclectic mix of international, national and local brands and well-loved dining concepts. We have set a track record of creating matured mall assets which are registering wholesome growth in both consumption and rental incomes. Today, we are a classic case study for successfully implementing and creating alpha value from the mixed-use framework within India's fast evolving realty opportunity.

During FY2017, Phoenix MarketCity, Mumbai emerged as the fastest growing MarketCity project, post revamp, with rise in consumption and footfalls and good brand churning. We continue to be upbeat and focused on other development assets as well. In our commercial portfolio, Art Guild House, which was completed and delivered the year before, is gaining incessant popularity for its signature boutique offices, strategic location and vast choices for shopping and entertainment. Our luxury residential projects in Chennai and Bengaluru, which are under different stages of completion, are well on course and have witnessed high sales velocity and substantial price appreciation since launch. In the hospitality portfolio, Hotel St. Regis at Mumbai and Courtyard by Marriott at Agra continue to experience a constant rise in occupancy. Our F&B business, across all our assets, have been doing exceedingly well, as we continue to add more options on fine-dining restaurants. We continued to leverage our collective strengths in development, management and operations of our assets to elevate the overall experience of our customers and consumers.

Going forward, under Phase III of our development, we are laying the foundation for renewed growth as we enter a whole new cycle of fresh land acquisitions and existing malls in the leading cities of India. To this extent, we have signed a definitive deal with the Canadian Pension Plan Investment Board (CPPIB) to set in motion a new cycle of growth. The deal not only provides us with long-term capital for growth, it also puts us in the league of leading mall developers in the U.S. and Europe.

CONTENTS

ABOUT US

MAJOR TRENDS IMPACTING OUR MARKETS

The retail sector accounts for 22% of India's GDP and contributes to 8% of the total employment. The country continues to be among the most attractive investment propositions for global retailers. It is one of the fastest growing across the globe, seen at US$ 1.3 trillion by 2020, doubling from US$ 630 billion in 2015, according to a joint report by FICCI and PWC. The sector is projected to register a Compound Annual Growth Rate (CAGR) of 16.7% over 2015-20.

Economic Growth

India is the world's 7^{th} largest economy in terms of nominal GDP. Infrastructure investment from the Government and private sector is boosting GDP growth.

India's Demographic Divide

Nearly 70% of consumption growth in the next 15 years is expected to come from working population aged 15-59 years. Nearly 79% of growth will come from increased per capita consumption.

Population Growth and Urbanisation

Nearly 35% of the Indians are living in urban areas and there is a rapid rise in the number of nuclear families.

Rise in Consumer Spending

Rising income levels and increasing saving rate is expected to lead to significant growth in private final consumption expenditure.

Growth in India Retail

Retail sector in India accounts for 22% of It's GDP and contributes 8% of the total employment. Increased participation from foreign and private players is boosting the retail industry.

Growth in Organised Retail

Organised retail, which amounts for 12% of the retail market, is projected to grow by 20%.

7.1%

India Economic Growth in FY2017

1.7%

Average WPI Inflation in FY2017

35%

Indians living in Urban Areas

22%

Contribution of Retail Sector to India's GDP

20%

Projected Growth in Organised Retail

US$ 630 Billion

Size of India's Retail Sector in 2015

US$ 1.3 Trillion

Projected Size of India's Retail Sector by 2020

US$ 4 Trillion

Projected Consumer Spending in India by 2025

WHAT SETS US APART

1 Our Business Model

We seek to produce long-term returns for shareholders through capital appreciation and income growth by developing and managing assets across retail, residential, commercial and hospitality.

2 Customer Insight

Customer insight enables us to have a growing loyal customer flow by consistently delighting and engaging the Indian consumer.

3 Lifestyle Focused Retail Environment

Retail led mixed use developments, in tune with modern consumer lifestyles where people come to shop, eat and be entertained.

4 Our Values Benefitting Different Stakeholders

a. Customers

- Provision of daily luxury and amusement
- Creation of a livable and attractive community

b. Local Communities

- Revitalisation of the regional economy by creating employment
- Contribution to the creation of new regional charm

c. Partner Companies

- Provision of growth opportunities and support for sales expansion, based on partnership
- Provision of a place for growth opportunities for each employee

d. Shareholders and Investors

- Stable return of profits

Ability to Source and Execute Complex Deals

5

Expertise and financial flexibility required to execute complex deals, delivering highly attractive returns for shareholders.

Strong Network of Relationships

6

Our networks span retailers, planners, local authorities, strategic partners and investors, reflecting our experience and domain expertise as a leading realty developer across India.

Sustainability Credentials

7

We have successfully integrated sustainability into our approach, innovating to improve people's wellbeing, supporting local communities, designing for the future and developing skills and opportunities.

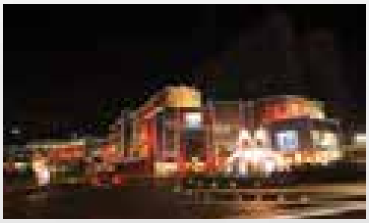
Mixed-use Development Experience

8

Large-scale projects combining offices, retail, residential and leisure, set amidst attractive public spaces, with active day-to-day management.

A MILESTONE YEAR

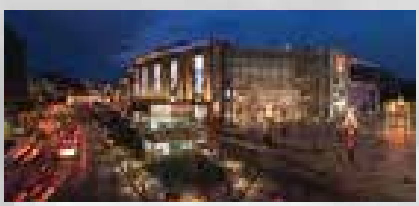
APRIL 2016



Phoenix MarketCity, CHENNAI:

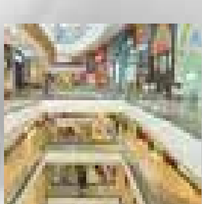
- Organised the Spring Summer Décor in "Alice in Wonderland" theme and Mad Hatters Tea Party, attended by over 120 niche socialite women

MAY 2016



Phoenix MarketCity, BENGALURU:

- Organised the Brew BQ Beer Festival



Phoenix MarketCity, CHENNAI:

- Launched GAP's exclusive store

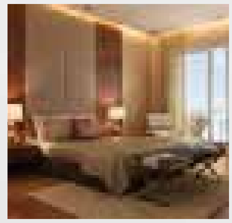
Art Guild House MUMBAI:

- Completed construction of Art Guild House and received Occupation Certificate

JUNE 2016

Phoenix MarketCity, BENGALURU:

- Conducted the Fakiri Folk Festival and Mohit Chauhan Live-In Concert



One Bangalore West and Kessaku BENGALURU:

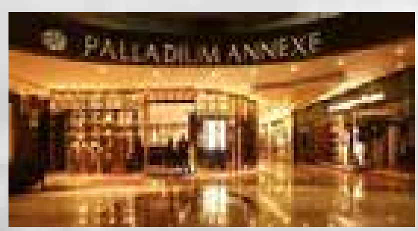
- Received Occupation Certificate for Towers 1-3

JULY 2016

Phoenix MarketCity, CHENNAI:

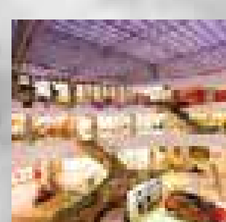
- Achieved highest trading density of ₹ 2,002 per sq. ft. per month since inception

AUGUST 2016



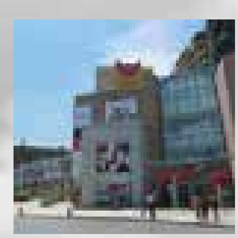
HSP & Palladium, MUMBAI:

- Launched H&M's maiden store in Mumbai



Phoenix MarketCity, MUMBAI:

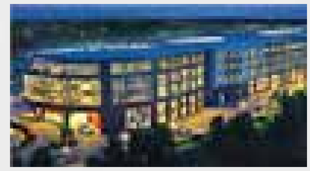
- Launched H&M's second store in Mumbai



Phoenix MarketCity, CHENNAI:

- Recognised as the "Best Premium Mall" in Chennai

SEPTEMBER 2016



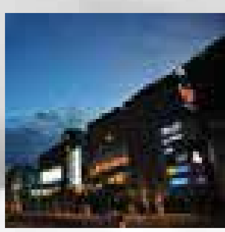
Art Guild House MUMBAI:

- Moved in first tenants at Art Guild House

The St. Regis, MUMBAI:

- Celebrated First Anniversary of the Hotel

OCTOBER 2016



Phoenix MarketCity,
BENGALURU:

- Organised Rock-On Concert with Farhan Akhtar
- Launched Lifestyle Store
- Organised the Times Retail Icon Awards 2016

Phoenix MarketCity,
PUNE:

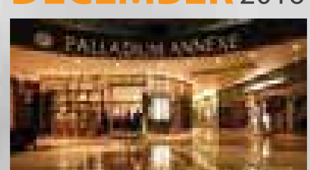
- Launched H&M, Lifestyle & Home Centre stores

NOVEMBER 2016

Phoenix MarketCity,
BENGALURU:

- Arranged the Vishal Shekhar Live-in Concert
- Organised the Jacket Festival & Fashion Conclave

DECEMBER 2016



HSP & Palladium,
MUMBAI:

- Clocked highest-ever monthly Trading Density of ₹ 3,566 per sq. ft. per month

JANUARY 2017

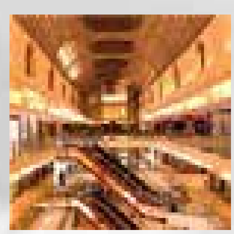
Phoenix MarketCity,
MUMBAI:

- Recorded highest ever trading density of ₹ 1,224 per sq. ft. per month

Courtyard By Marriott,
AGRA:

- Completed two years of operations

FEBRUARY 2017



HSP & Palladium,
MUMBAI:

- Shizusan opened its second outlet in Mumbai

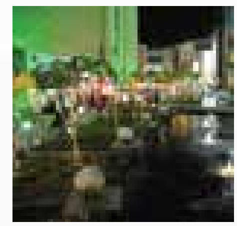
One Bangalore West and Kessaku,
BENGALURU:

- Received Occupation Certificate for Towers, 4-5

MARCH 2017

HSP & Palladium,
MUMBAI:

- Bagged the "Shopping Centre of the Year" 2016 at the Retail Excellence Awards



Phoenix MarketCity,
PUNE:

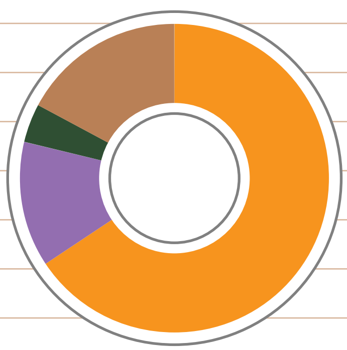
- Launched the IP Phoenix Leading Lady Awards 2017
- Awarded for "Most Admired Shopping Mall of the Year" at The Golden Globe Tigers Awards

ABOUT US

We specialise in the ownership, management and development of iconic large format retail led mixed use properties that include shopping, entertainment, commercial, residential and hospitality assets.

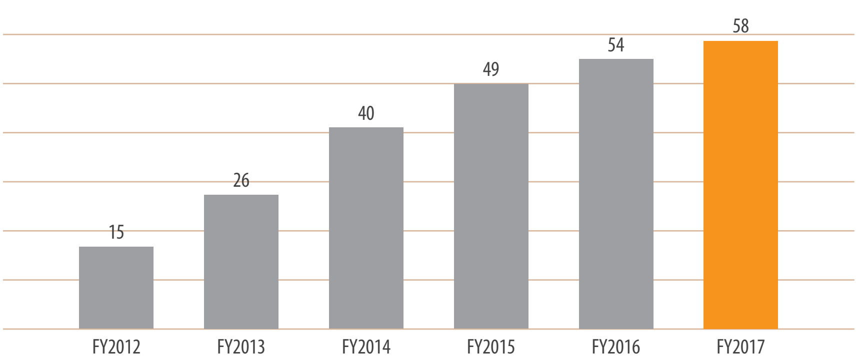
Today, we have interests in 9 irreplaceable large scale retail assets – making up close to 6.0 million sq. ft. across 6 Indian city-centres. With our prime residential and commercial properties in Bengaluru, Mumbai, Chennai and Pune, we are emerging as a leading realty company of India that is both highly integrated and asset-class diversified at the same time.

Our Diversified Portfolio



Note: Percentages indicate contribution of vertical to FY2017 revenues

Rising Aggregate Consumption at our Retail Assets (₹ Billion)



₹ 58 Billion

Retail Consumption in FY2017

₹ 7.7 Billion

Rental Income in FY2017

01

Assets Overview

17.5 Million Sq. Ft.

In Retail, Hospitality, Commercial and Residential Assets

Our Vision

To create shareholder value by generating exceptional yields from the capital growth, sale and lease of architecturally superior, difficult to replicate assets, that are truly world class in quality and infrastructure. To create a superior business environment for our many local and international retailers and partners, by growing a loyal customer flow to our assets by consistently delighting and engaging the Indian consumer.

02

Retail Business

8 Malls in 6 Cities

1 Mall under Development & Fit-Outs

03

Commercial & Hospitality

5 Commercial Centres in 2 Cities

2 Completed Hotel Projects 588 Keys

04

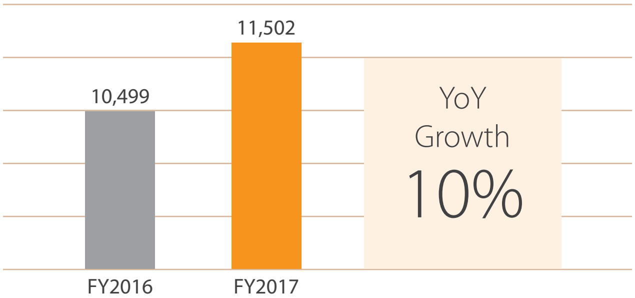
Residential

3 Residential Projects under Development
₹ 18 Billion Cumulative Residential Sales

4.1 Million Sq. Ft.

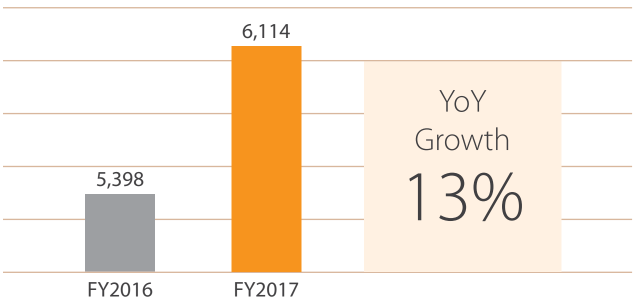
CONSUMPTION TRENDS (₹ MILLION)

Apparels & Fashion

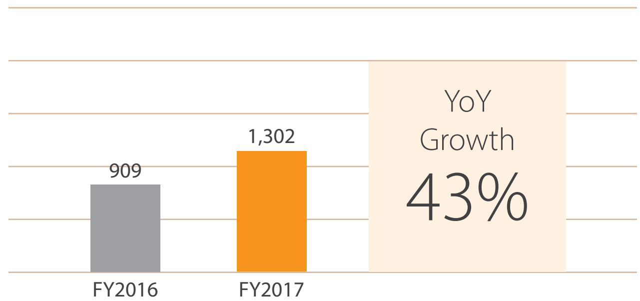


Cosmetics, Optics & Health

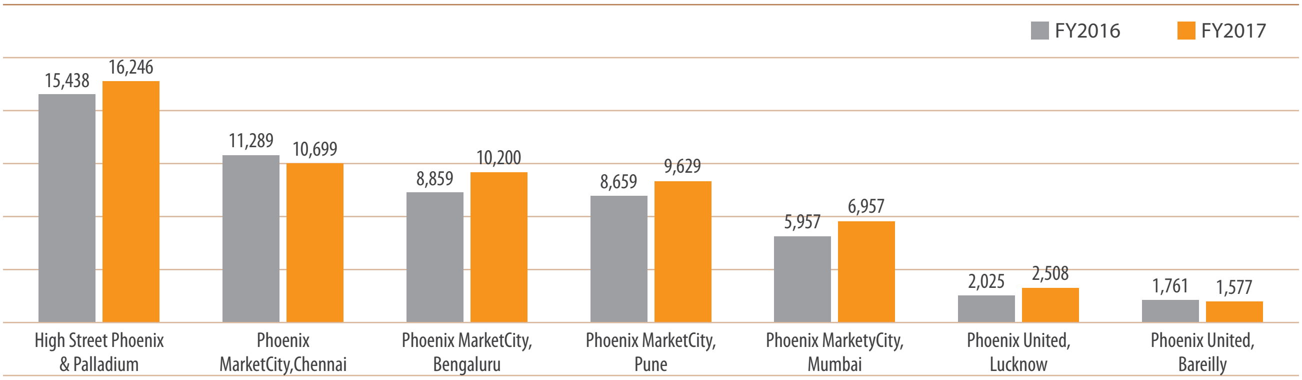
Electronics



Home Accessories

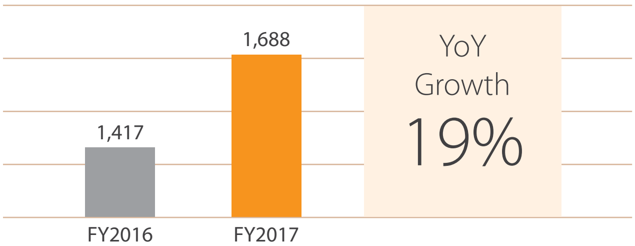


Consumption across Malls (₹ Million)

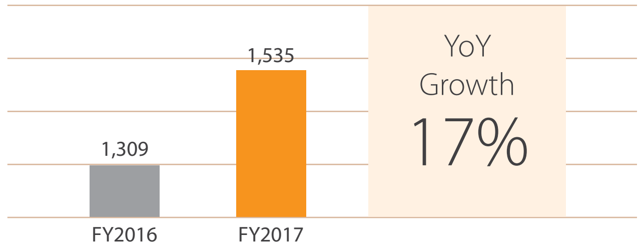


TRADING DENSITY TRENDS (₹/Sq. Ft./Month)

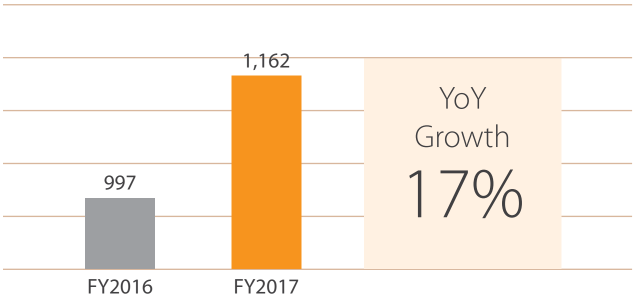
Food & Beverages



Hypermarket & Departmental Stores

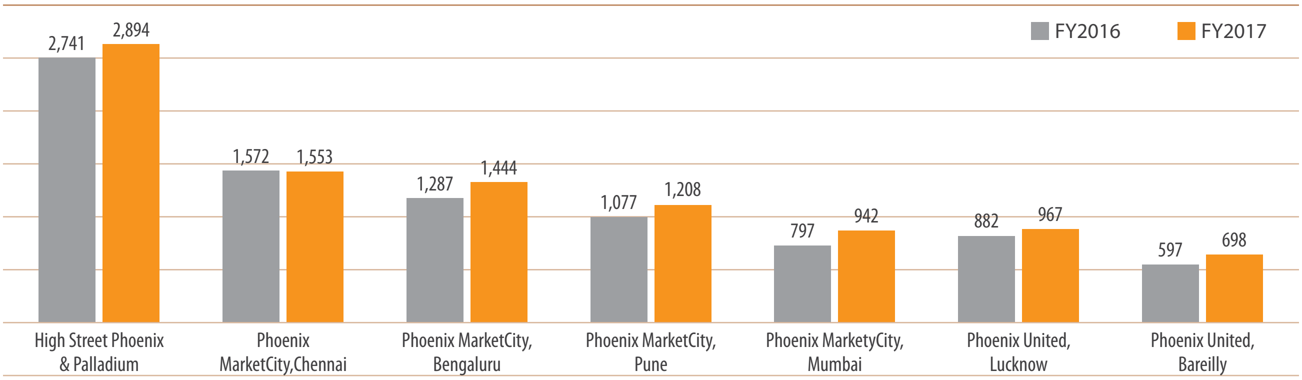


Book, Toys, Gifts & Sports



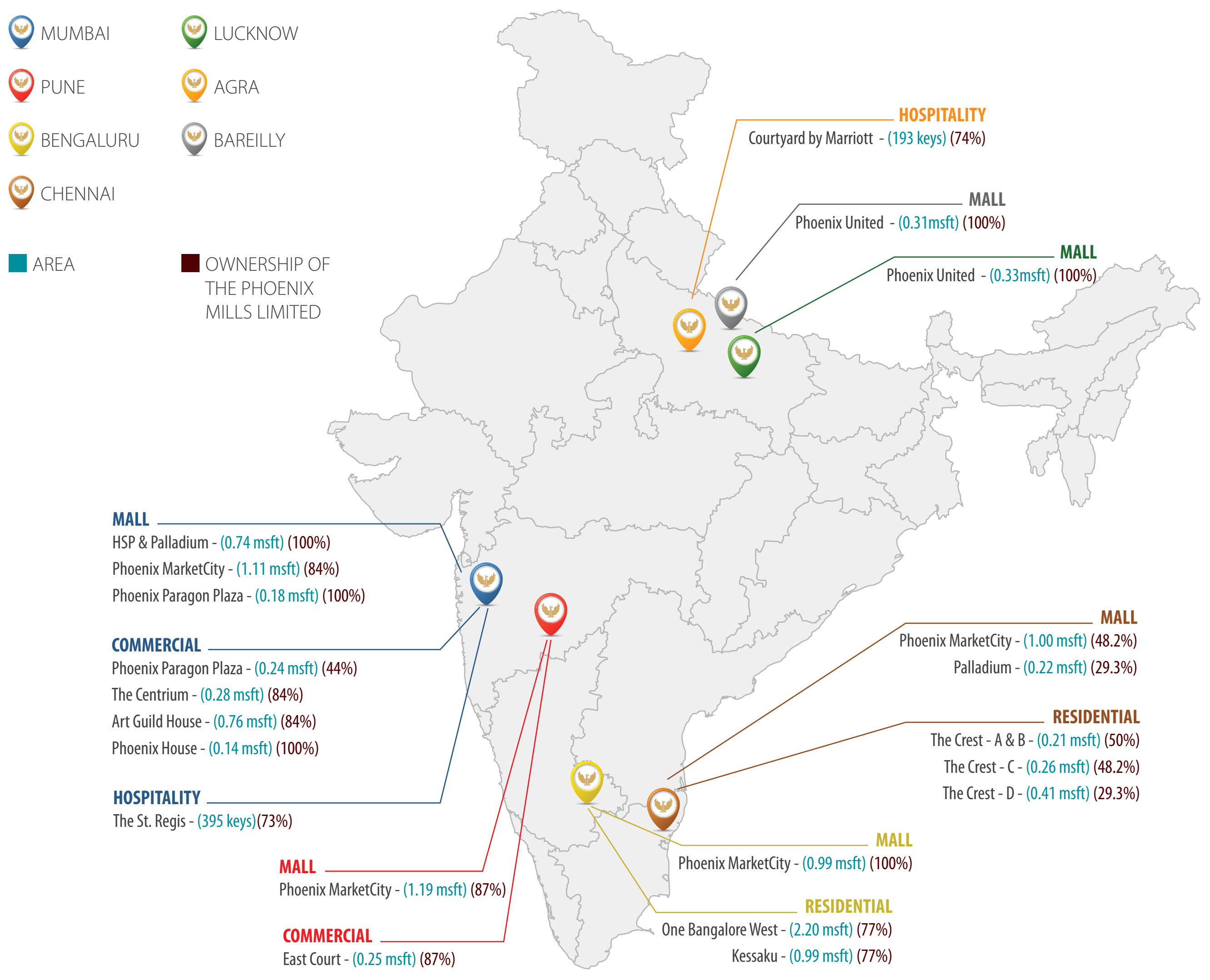
Home Accessories

Trading Density across Malls (₹/Sq. Ft./Month)



OUR PAN INDIA PRESENCE

We have 8 malls in 6 gateway cities, spread over 6 million sq. ft. Our aim is to develop, own and operate retail-led mixed-use assets across the key cities in India. Leveraging our operational excellence, growth pipeline and financial strength, we are building greater scale, strength and market position in more cities. In building this retail infrastructure, our focus has always been to create ascendant assets, and nothing less.



OUR BUSINESS MODEL

- Developing new properties for long-term investment
- Maximising risk-adjusted returns through optimal financing and with other strategic partners including land owners and financial institutions
- Superior creativity in the designs of our assets
- Sound execution of our projects
- Producing the highest standards of quality
- Enhancing property returns through active asset management
- Creating and acquiring exceptional assets with strong cash flows and good growth potential
- Profound understanding of India's urban markets and its consumers
- Capitalising on existing client relationships
- Taking on challenges arising in the property market and seizing value opportunities
- Excellence in work ethics and corporate governance

ASSET SUMMARY

Projects Delivered So Far

MUMBAI

PUNE

BENGALURU

CHENNAI

LUCKNOW

BAREILLY

AGRA

The existing real estate development portfolio of The Phoenix Mills Limited (PML) primarily comprises retail-led, mixed-use developments in prime locations. The portfolio includes four types of developments: Retail, Commercial, Residential and Hospitality at Mumbai, Pune, Bengaluru, Chennai, Lucknow, Bareilly and Agra.

Projects Under Construction

BENGALURU

CHENNAI

We continue with the design, planning and construction of our Residential and Retail Projects which form a part of the mixed-use development on the same land parcels where Phoenix MarketCity malls have been built across the four cities, in addition to our standalone developments.

MALLS

HSP & PALLADIUM MALL
Leasable Area: 0.74 Mn sq. ft.
Consumption: ₹ 16,264 Mn

PHOENIX MarketCity, MUMBAI
Leasable Area: 1.11 Mn sq. ft.
Consumption: ₹ 6,957 Mn

PHOENIX MarketCity, PUNE
Leasable Area: 1.19 Mn sq. ft.
Consumption: ₹ 9,629 Mn

PHOENIX MarketCity, BENGALURU
Leasable Area: 0.99 Mn sq. ft.
Consumption: ₹ 10,200 Mn

PHOENIX MarketCity, CHENNAI
Leasable Area: 1.00 Mn sq. ft.
Consumption: ₹ 10,699 Mn

PHOENIX United, LUCKNOW
Leasable Area: 0.33 Mn sq. ft.
Consumption: ₹ 2,508 Mn

PHOENIX United, BAREILLY
Leasable Area: 0.31 Mn sq. ft.
Consumption: ₹ 1,577 Mn

PALLADIUM CHENNAI
Leasable Area: 0.22 Mn sq. ft.
(Under Fit-out)

COMMERCIAL & RETAIL

ART GUILD HOUSE
Saleable/Leasable Area: 0.76 Mn sq. ft.

CENTRIUM
Saleable/Leaseable Area:
0.28 Mn sq. ft.

PHOENIX PARAGON PLAZA
Saleable/Leasable Area:
0.42 Mn sq. ft. Under Fit-outs
(Retail & Commercial)

PHOENIX HOUSE
Saleable/Leasable Area:
0.14 Mn sq. ft.

EAST COURT
Saleable Area: 0.25 Mn sq. ft.

HOSPITALITY

THE ST. REGIS, MUMBAI
Keys: 395
Average Occupancy: 72%

COURTYARD BY MARRIOTT
Keys: 193
Average Occupancy: 57%

RESIDENTIAL

THE CREST - TOWER A, B & C
Saleable Area: 0.53 Mn sq. ft.

ONE BANGALORE WEST
Saleable Area: 2.20 Mn sq. ft.

KESSAKU
Saleable Area: 0.99 Mn sq. ft.

THE CREST - TOWER D
Saleable Area: 0.41 Mn sq. ft.
Yet to be Launched

*Refers to calendar year

THE PHOENIX EVOLUTION

1905
The Phoenix Mills Limited commences operations as a textile manufacturing company on 17.3 acres land at Lower Parel in Mumbai, with the objective of manufacturing cotton textile goods.

1959
The Phoenix Mills Limited, owned by the Ruia family, was listed on the Bombay Stock Exchange.

1986
Made operational Phoenix House commercial centre.

1987
The company entered into the growing real estate market where High Street Phoenix emerged as the most frequented destination in Mumbai.

1996
Opened doors to The Bowling Co., India's first bowling company with the largest 20-lane bowling concourse and gaming arcade, sports bar and night-club Fire & Ice, to add the crucial element of entertainment to the burgeoning HSP Complex.

2001
Introduced India's first hyper market concept with the launch of Big Bazaar's first store at the High Street Phoenix, Mumbai, along with Food Bazaar. With this, HSP gradually emerged as a model for India in terms of retail-led development centres.

2003
Launched Pantaloons and Lifestyle departmental stores within the HSP Complex, each covering approximately 50,000 sq. ft. of retail shopping.

2004
The High Street Phoenix Complex announced the launch of a multi-levelled SkyZone with anchor stores of leading national and international brand retail outlets.

2005
The Phoenix Group celebrated its centenary, 100 years of commencing operations as a textile mill in 1905. With a heritage lasting over 10 decades, the Group is proudly credited with having catalysed a wave of shopping revolution in India.

2006
Announced the launch of Palladium Hotel, a five-star luxury hotel, with a first-of-its-kind sky lobby. Set up a 7-screen multiplex within the HSP Complex at Lower Parel.

2007
Announced development of four Phoenix MarketCity Malls in Pune, Bengaluru, Mumbai and Chennai.

2009
Launched Palladium Mall, an architecturally designed first-of-its-kind super luxury premium and iconic mall in High Street Phoenix Complex, housing super luxury national and international brands. Launched East Court within the Phoenix MarketCity ecosystem in Pune, housing a blend of retail and commercial spaces.

2011
Launched Phoenix MarketCity at Pune, located in close proximity to the emerging upper middle-income group residential areas. Launched Phoenix MarketCity at Whitefield, Bengaluru's IT hub, and Phoenix MarketCity in Kurla, a mixed-use development asset in the eastern suburb of Mumbai, with over 300 national and international brands.

2012
Launched Palladium Hotel, a five-star luxury hotel, nestled above the premium Palladium Mall within the High Street Phoenix Complex. Launched One Bangalore West at Bengaluru, with 30-storey high-rise towers combining luxury and comfort. Launched Art Guild House and Phoenix Paragon Plaza, state-of-the-art commercial complexes within Phoenix MarketCity, Mumbai.

2013
Launched Phoenix MarketCity Mall at Velachery, Chennai, a mixed-use asset with 300-plus stores and four-and-a-half levels of shopping area, marking the convergence of shopping, dining, entertainment, art, architecture and design.

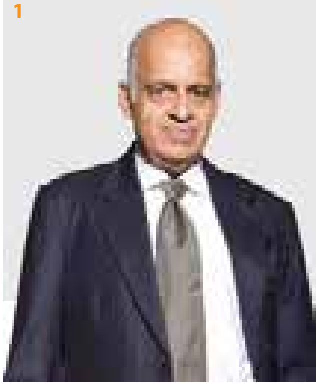
2014
HSP Complex clocked an average ticket size per customer of ₹ 700, as total footfalls jumped to 19.5 million. The monthly average footfall jumped to over 1.6 million vis-à-vis 1.4 million in the previous year.

2015
Launched Courtyard by Marriott at Agra; exclusive luxury residential project at Bengaluru; and operationalised 5 in-house F&B outlets at some of our retail assets.

2016
The St. Regis, Mumbai, the premiere most brand in Starwood Hotels portfolio begins operations from Sept'15. PML raised ₹ 2,830 mn via Qualified Institutional Placement (QIP) in July 2015.

2017
Partnered with CPPIB to develop, own and operate retail-led mixed-use developments across India through our 100% subsidiary that houses Phoenix MarketCity, Bengaluru (ISMDPL). CPPIB to invest over ₹ 16 Billion in ISMDPL.

BOARD OF DIRECTORS

1


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1. MR. ASHOKKUMAR RUIA

Chairman & Managing Director

Mr. Ashokkumar Ruia is a graduate from Cambridge and has pursued an active career in both business and sports. He has the unique distinction of representing the country in two sports, Bridge and Golf, demonstrating an inimitable desire to excel in whatever he undertakes. He has been on the Board of The Phoenix Mills Limited (PML) since 1963. He has vast experience in managing the Company's affairs and over the years has contributed significantly to its growth. He is actively involved in mentoring the leadership team and in various aspects of the Company's expansion plans. He has also played an ardent and active role in the textile industry, serving as a committee member of the Mill Owners' Association, Mumbai for several years.

2. MR. ATUL RUIA

Jt. Managing Director

Mr. Atul Ruia is a graduate in Chemical Engineering from the University of Pennsylvania and holds a degree in Business Management from the Wharton School of Finance. He joined the Board of PML in 1996 and is the key visionary, pioneer and force behind the development of High Street Phoenix, Mumbai's first retail-led mixed use destination. It was under his aegis that the Company embarked upon a pan-India asset creation strategy with the flagship brand of 'Phoenix MarketCity'.

3. MR. SHISHIR SHRIVASTAVA

Jt. Managing Director

Mr. Shishir Shrivastava graduated from IHM, Bengaluru and has been associated with the Phoenix Group since 2000 in various capacities. While he was instrumental in shaping up High Street Phoenix to its current reputation, he also laid the foundation for the service and advisory verticals and seen through the successful culmination of the Palladium Hotel and Phoenix Marketcity projects, launched in phases. As Joint Managing Director, he continues to drive strategy and oversee several critical functions of the Company.

4. MR. PRADUMNA KANODIA

Director – Finance

Mr. Pradumna Kanodia is a qualified Chartered Accountant and Company Secretary. He has over 27 years of experience in corporate management, finance and commercial matters, fiscal and strategic planning, budgeting and cash flow management. He heads the finance and accounts teams and plays a key role in fund raising and liaisoning with banks for debt funding.

5. MR. AMIT KUMAR DABRIWALA

Independent and Non-Executive Director

Mr. Amit Kumar Dabriwala graduated from the Calcutta University. As a Promoter Director of United Credit Securities Limited (UCSL), a member of the National Stock Exchange, Mr. Dabriwala has been associated with the capital markets since 1996. He was also responsible for setting up the Mumbai branch of UCSL. In 2004, he promoted JNR Securities Broking Pvt. Ltd. which is a member of the Bombay Stock Exchange. Through the United Credit group companies, he is also involved in real estate development, leasing and hire purchase.

6. MR. AMIT DALAL

Independent and Non-Executive Director

Mr. Amit N. Dalal has been the Managing Director of Amit Nalin Securities Pvt. Ltd. since October 1997 and also serves as its Director of Research. Mr. Dalal has been the Executive Director of Investments at Tata Investment Corporation Ltd since January 1, 2010. Mr. Dalal earned experience as an Investment Analyst in USA for 2 years. He obtained a Bachelor's Degree in Commerce from the University of Mumbai. He also completed a Post-graduate Diploma in Business Management from the University of Massachusetts and obtained a Master's Degree in Business Administration from the University of Massachusetts, USA.

7. MR. SIVARAMAKRISHNAN IYER

Independent and Non-Executive Director

Mr. Sivaramakrishnan Iyer is a qualified Chartered Accountant based in Mumbai. He is a partner of Patel Rajeev Siva & Associates which specializes in corporate finance and advises companies on debt and equity fund raising, mergers and amalgamations and capital structuring for new expansion projects. The firm also carries out due diligence work for various other companies.

8. MS. SHWETA VYAS

Independent and Non-Executive Director

Ms. Shweta Vyas has graduated with a bachelor's degree in commerce from the University of Mumbai and also holds a post graduate diploma in business management from the K.J. Somaiya Institute of Management Studies and Research. She is the Assistant Vice President of the W&IM division of Barclays in India. She joined Barclays W&IM in year 2008. She later worked with Standard Chartered Wholesale Banking where she moved within the organisation and worked in numerous functions. She is actively involved with the corporate training arm called APEX and MSME of the Art of Living foundation.

MANAGEMENT TEAM

CENTRAL RESOURCES

MR. DIPESH GANDHI

Dipesh has over 16 years of experience in business planning & development, market research, organization set-up etc. He is the Group Director – Business Development and is responsible for developing an overall strategic intent for future expansion. He is also responsible for liaisoning function and for driving the teams to achieve the overall objectives of the business.

MR. HARESH MORAJKAR

Haresh has over 29 years of experience with strong business management skills and profound experience in the field of human resource management and general management. He is the Group Director – HR/Admin & IT playing a key role in strategic HR planning, organizational development, building a high performance culture aligned to business strategy, training, performance management, cost management and overseeing the IT infrastructure of the group. He is also entrusted with other key responsibilities viz. insurance and fire life safety of the group.

MR. RAJESH KULKARNI

Rajesh has over 24 years of experience in driving development, planning and implementation of the project from an architectural perspective. He is the Director - Projects Delivery and is responsible for driving all projects of the Phoenix Group. He receives a steadfast support from experienced architects, engineers and other technical personnel in the design, project co-ordination and delivery to ensure that the projects are completed within time, cost and quality.

MS. RASHMI SEN

Rashmi has over 18 years of rich and varied experience in developing overall business plan, building innovative marketing strategies, leasing, sales, business development of retail, residential and commercial businesses. She is Group Director – Retail and is responsible for developing an overall strategic intent for future expansion of the mall business. She is also responsible for developing and implementing the right retailer mix and retail leasing plans for all Phoenix Marketcity malls and other malls of the Phoenix Group.

MR. P. VIDYA SAGAR

Vidya has over 26 years of experience across various industries in the areas of Corporate Law, M&A, Legal, Compliance, Corporate Governance etc. He is Senior Vice President – Corporate Affairs & Legal and is responsible for identifying, anticipating and mitigating legal risk, ensuring total compliance with relevant company laws, legislations and statutory requirements, effective arbitration and litigation management for the group.

MR. GAURAV SHARMA

Gaurav has over 18 years of experience in diverse industries including banking, retailing and real estate in functions such as sales & marketing, business development etc. He is Head – Commercial Business and is responsible for ensuring optimum occupancy and revenue maximization for commercial properties and achieving the P&L for the commercial business.

MALLS

MR. RAJENDRA KALKAR

Rajendra has over 26 years of experience with an expertise in P&L responsibility and driving the strategic intent for overall business of large retail and mall management companies. He is the President – West for Retail Business and is in-charge of High Street Phoenix, Phoenix Marketcity Kurla & Pune and Phoenix United Lucknow & Bareilly. He is responsible for driving the various functions viz. leasing, marketing, finance, operations etc. and achieving the P&L of all these centres.

MR. AMIT KUMAR

Amit has over 20 years of experience in strategic planning, new set-ups, operations management, business development & relationship management. At Phoenix, he holds the position of the Senior Centre Director, Kurla, Mumbai. He is responsible for driving various functions of the business and achieving the P&L for the Centre.

MR. RAJIV MALLA

Rajiv has over 31 years of experience with International Hotels and Resorts. He has extensive experience in operations, sales & business development. He has an excellent track record of managing large assets and streamlining workflow. He is the Centre Director for Phoenix Marketcity Pune and is responsible for driving various functions of the business and achieving the P&L for the Centre.

MR. GAJENDRA SINGH RATHORE

Mr. Gajendra Singh Rathore
Gajendra has over 16 years of rich experience in Business Development, Project Management, Operations, Sales, revenue maximization, customers & retailers satisfaction etc. He is Centre Director for Phoenix Marketcity, Bangalore and is responsible for driving various functions of the business and achieving the P&L for the Centre.

MR. MURUGAN RAJAN T.

Murugan has over 24 years of rich and varied experience with hospitality industry. He has extensive experience in Sales & Marketing and General management across various cities in India and Sri Lanka. He is Centre Director for Phoenix MarketCity, Chennai and is responsible for driving various functions of the business and achieving the P&L for the Centre.

PROJECTS

MR. PRABHU G

Prabhu has over 26 years of rich experience in project planning & management, commercial operations, resource planning & control. He is Vice President – Projects for Chennai Projects and is responsible for driving end-to-end project execution and ensures seamless and timely delivery within defined standards of cost & quality.

MR. SANJAY NARANG

Sanjay has over 26 years of extensive experience in execution of residential, office & hospital projects. He is Vice President – Projects for Bangalore Projects and is responsible for driving end-to-end project execution of One Bangalore West and ensure seamless and timely delivery of the project within defined standards of cost & quality.

MR. SANJAY WAGASKAR

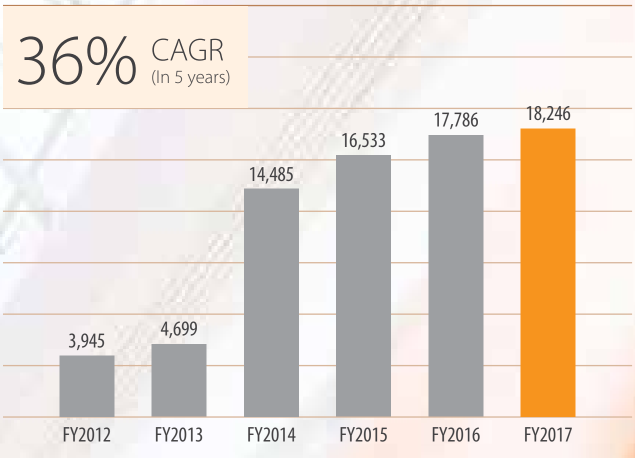
Sanjay has over 23 years of extensive experience in execution of hotels, commercial and mall properties. He is Vice President – Projects for Bangalore Projects and is responsible for driving end-to-end project execution of Kessaku and ensures seamless and timely delivery of the project within defined standards of cost & quality.

MR. SANJAY CHITTEKAR

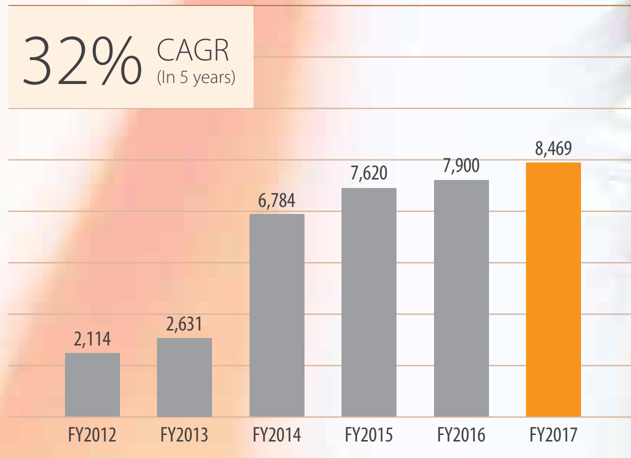
Sanjay has over 30 years of extensive experience in construction of malls, multi-stored residential and commercial buildings etc. He has a flair in adopting modern construction techniques, methodologies and systems. He is Senior Vice President – Projects and is responsible for ensuring seamless and timely delivery of Mall Upgrades across all Malls & end-to-end project execution of Pune Projects within defined standards of cost & quality.

KEY FINANCIAL INDICATORS

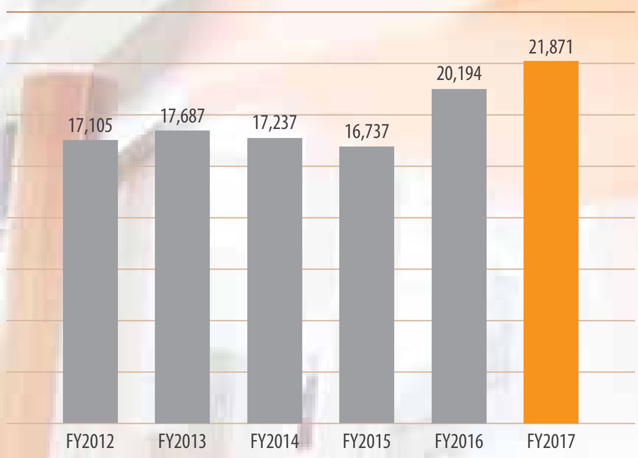
Income from Operations Consolidated (₹ Million)



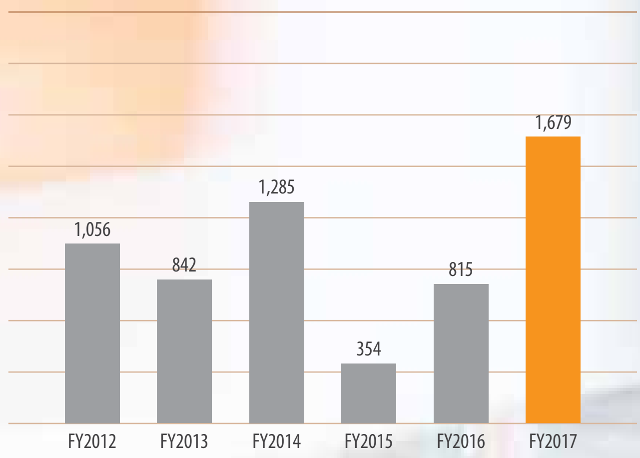
EBITDA Consolidated (₹ Million)



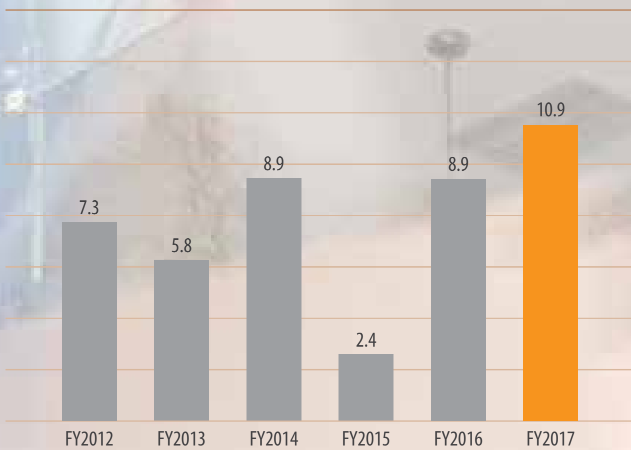
Networth Consolidated (₹ Million)



PAT Consolidated (₹ Million)

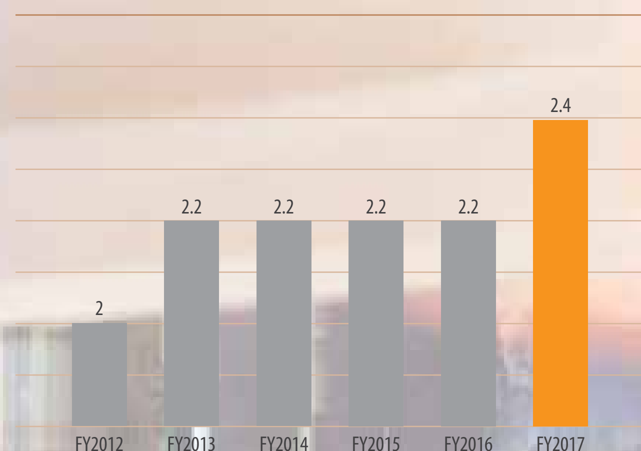


Earnings Per Share Consolidated* (₹/Share)



*(Diluted)

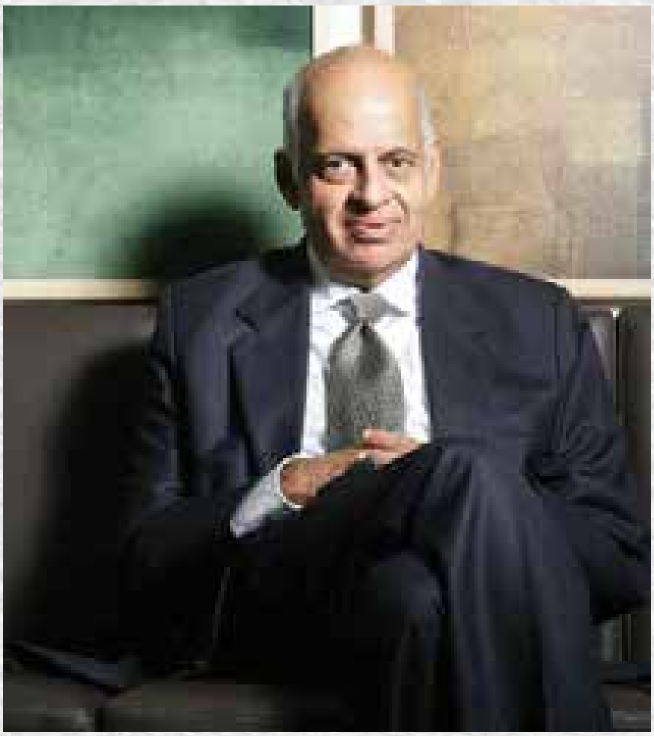
Dividend (₹/Share)



Phoenix delivered strong performance operationally, with consumption rising by 7% across all malls, and consolidated rental income increasing by 9%. The Company delivered an EBITDA growth of 8% to ₹ 8,469 million, and an EPS of ₹ 10.9. It also maintained a healthy payout of 22% for FY2017.

MESSAGE FROM THE CHAIRMAN

Today, India stands at an inflection point from where the retail consumption pie in the country is set to grow by almost twice the GDP growth rate for the next decade and our Company is best equipped to tap this huge opportunity.



ASHOKKUMAR RUIA
CHAIRMAN & MANAGING DIRECTOR

Dear Shareholders,

On behalf of our Board of Directors, it is my great pleasure to share with you our FY2017 Annual Report. While navigating through a challenging business environment, our management delivered commendable results during the year.

India Economic Growth

India's Gross Domestic Product (GDP) growth grew by 7.1% during FY2017. Growth was largely driven by Government spending and an improving agricultural economy. India remains the fastest growing major economy, placing us in a sweet spot within the global economic landscape.

With respect to consumer spending, the joint report, released by FICCI and PricewaterhouseCoopers, expects consumer spending to grow to US$ 3.6 trillion by 2020. India's retail sector alone is expected to touch US$ 1 trillion, growing at a CAGR of 12%. The Government's initiatives for relaxing FDI regulations in certain retail segments are providing further impetus for consumption growth. With increasing household incomes, consumer attitude towards discretionary spending is gradually shifting and consumers are increasingly vying for quality and premium products.

India today stands at an inflection point from where the retail consumption pie in the country is set to grow at almost twice the GDP growth rate for the next decade and our company is best equipped to tap this huge opportunity.

Our malls are becoming more than just shopping destinations. They are now fully integrated recreational centers, in which the whole community feels a sense of belonging - a place where they all come to share and create happy memories.

India's growing economy, rising disposable incomes and growing aspirations are feeding the engine called "urban consumption". Its retail infrastructure has come a long way and our Company is a responsible peer within it. Our malls are becoming more than just shopping destinations. They are now fully integrated recreational centers, in which the whole community feels a sense of belonging - a place where they all come to share and create happy memories.

Our Financial Performance

Our performance and prospects for future growth, are deeply rooted in a proven strategy focussed on creating long-term shareholder value. We delivered a strong set of results for FY2017. Our performance is the outcome of continuous operational improvements and our steadfast consistency in our strategies for profitable growth, innovation and efficiency. In FY2017, we reported excellent secular escalation on all fronts – in terms of retail consumption, rental income and earnings. Our standalone income from operations at ₹ 3,759 million grew by 6% over the previous financial year, while our standalone EBITDA rose from ₹ 2,391 million in FY2016, to ₹ 2,538 million in FY2017, up 6% year-on-year.

At a consolidated level, our Income from Operations grew from ₹ 17,795 million in FY2016 to ₹ 18,246 million. Profit After Tax at ₹ 1,679 million was up 29%. Our Retail Income from Operations and EBITDA have grown at a 6-year CAGR of 43% and 35%, respectively. Over the years, your Company has recorded superior year-on-year performance and managed to bring down the effective cost of debt from 12.3% in FY2014 to 10.16% on a blended basis by FY2017. We continue to re-finance our borrowings at attractive rates to further bring down the cost of debt. I am pleased to inform our shareholders that the Board has recommended a final dividend of ₹ 2.40 per equity share (120%) for the financial year 2016-17.

Propellant for Future Growth

In a landmark development in April 2017, our company joined hands with Canada Pension Plan Investment Board (CPPIB) to develop, own and operate retail led mixed-use developments across India. In CPPIB, we have found a like-minded partner who shares our vision of creating and managing world-class retail assets. Island Star Mall Developers Private Limited (ISMDPL), our 100% subsidiary that houses Phoenix MarketCity, Bengaluru, became the new investment platform in which CPPIB will be investing over ₹ 16 billion in multiple tranches for up to 49% stake in ISMDPL.

ISMDPL will develop, own and operate retail-led mixed-use assets across the key cities in India. Leveraging our operational excellence, growth pipeline and financial strength, we are now building greater scale, strength and market position in more cities. We expect to gain immensely from CPPIB's experience of owning and managing Grade A retail assets across the globe.

Our Leadership Position

Retail real estate in India has come a long way over the past two decades. Our malls have become urban consumption destinations, offering a holistic and premium experience. They provide consumers a variety of Indian and international brands, a plethora of food &

₹ 58 Billion

Total Retail Consumption

₹ 7.7 Billion

Total Rental Income

beverage options and multiple entertainment avenues. With 8 retail destinations in 6 cities spread across an area of close to 6.0 million square feet, The Phoenix Mills Limited is a clear leader amongst lifestyle retail consumption destinations. During FY2017, we reported an aggregate consumption of ₹ 58 billion, which has grown by a CAGR of 22% between FY2013 to FY2017.

Retail – Preferred Destination for Brands and Consumers

We take active interest in constantly maintaining our malls as modern and safe spaces through regular renovation and refitting. We take a keen interest in the well-being of all the brands at our malls, by promoting them through various promotional initiatives and brand-centric events. We work tirelessly to propagate consumption flow through our brand partners occupying our malls. To be current with the times and to keep our consumers interested, we routinely introduce more contemporary global brands and categories to enter India and set up shop. We are able to offer a multi-city entry strategy to established and emerging international brands, by offering them scarce premium spaces in the key gateway cities of India.

I am pleased to inform you that consumption, trading density and rental income at our malls has been growing steadily year on year. Consolidated consumption at the malls came in at ₹ 58 billion for the year, up 7% yoy while rental income was ₹ 7.7 billion, up 9% year-on-year.

We are particularly excited about the progress at Phoenix MarketCity, Mumbai. Having commenced operations in 2011, the mall initially witnessed a slow start. However, thanks to the relentless efforts of our management, leasing and marketing teams, the asset is currently out-performing all our other malls in terms of year-on-year growth. During FY2017, Phoenix MarketCity, Mumbai reported a 17% increase in consumption and a 18% rise in its trading density making it the fastest growing amongst our MarketCity malls. We are yet to see the full potential of this location and we are confident that, over the next few years, this property will see continuous all-round improvements in consumption and rentals.

Residential Projects – Strengthening Free Cash Flows

PML is in advanced stages of developing and delivering premium residential projects in Bengaluru and Chennai. One Bangalore West at Bengaluru city is the Group's flagship residential project. It has been established as "the best gated community in Bengaluru" with world-class facilities. Kessaku is also one-of-its-kind development, offering customers the convenience of a 'gated community' and luxurious single-level homes. During FY2017, we completed construction of Tower 1 to 5 at One Bangalore West and received Occupation Certificates (OCs) for the towers. The balance area, as and when sold, will keep generating substantial free cashflows for our company.

6.0 Million Sq. Ft.

Retail Space across 6 Cities

65%

Retail revenue contribution

We are yet to see the full potential of Phoenix MarketCity, Mumbai and we are confident that, over the next few years, this property will see continuous all-round improvements in consumption and rentals.

Hospitality – Improving Occupancy and ARR

We own and operate two hotels namely The St. Regis, Mumbai and Courtyard by Marriott in Agra. The vertical contributed 17% to our total revenues in FY2017. During the year, the number of available rooms increased to 395 rooms from 335 rooms. Despite higher inventory, the property maintained an average annual occupancy of 72% with the Average Room Rate (ARR) of this property growing by 14% YoY. The Hotel reported a growth of 16% in revenue (₹ 2,520 million) and EBITDA (₹ 907 million). The Agra property reported a revenue of ₹ 323 million, with its occupancy improving to 57% during FY2017 from 45% in the previous year.

Finally, I would like to briefly touch upon our Food & Beverages vertical. As a part of our initiatives to increase the area dedicated for entertainment and leisure across all our malls, we have actively launched appealing and innovative dining concepts. At the end of the year under review, our F&B portfolio comprised of 7 F&B brand concepts spread across 13 stores at our malls. Gradually, we plan to extend these new proven concepts across all our existing and upcoming retail assets.

Commercial Projects – Rising Annuity income

Our commercial portfolio amounts to 1.42 million square feet in Pune and Mumbai. Of this, we have already sold about 0.45 million square feet. Of the remaining area available for leasing, we leased out 0.54 million square feet during the year. Art Guild House, spread across 0.76 million square feet, is the Company's largest commercial project. It is a premium property offering opulent interiors with exquisite art installations. It showcases structural art infused within the infrastructure, and dynamic art amidst opulent business environments.

I feel privileged and proud of our management, leadership team and employees who keep giving their best every single day to take Brand Phoenix higher. On behalf of the management and the Board of Directors, we wish to thank all our staff, shareholders, business partners and associates for their continued commitment and support. We look forward to an exciting FY2018 as we commence our journey to consolidate our market position.

Sincerely,

ASHOKKUMAR RUIA
CHAIRMAN & MANAGING DIRECTOR

Leveraging our operational excellence, growth pipeline and financial strength, we are now building greater scale, strength and market position in more cities. We expect to gain immensely from CPPIB's experience of owning and managing Grade A retail assets across the globe.

Q&A WITH MR. ATUL RUIA, JOINT MANAGING DIRECTOR, THE PHOENIX MILLS LIMITED

"We look ahead with optimism and high hopes, grounded in solid strategies."

As India's largest retail asset developer and operator, what is it that gives Phoenix Mills the pole position within the malls landscape?

Today, we have 8 malls in 6 gateway cities, spread over 6 million square feet. In building this retail infrastructure, our focus has always been to create ascendant assets, and nothing less. We decided to not only excel in mall design and development, but also in their day-to-day management. After all, there's no point just having the most advanced F1 car, if your driver isn't skilled enough to get the most out of it on the race track.

A key aspect singling us out is the sheer scale at which we operate. This has many nuances. For instance, all our Phoenix MarketCity projects are of a certain size, being at least 1 million square feet and above, and housing over 250 stores of premium domestic and international brands at each location. All our malls have significantly large open spaces and courtyards, where shoppers can move about freely and feel a sense of community. These uncluttered areas contribute to a very positive customer experience. The scale of our operations also captures many efficiencies. Our in-house Mall Management Team can control costs most optimally, and replicate successful ideas across multiple sites to provide a uniform customer experience that is quintessentially "Phoenix".

Everything that we do is with a singular moto – To provide our customers with the best possible experience at our malls. Our intent is to ensure that our malls appeal to all age-groups. We carefully watch consumer behavior to gain continuous insights into people's consumption preferences, which are continuously moving targets. This also enables us to repeatedly sharpen our pencil for providing a delightful and fresh experience to customers, each time they visit us. For example, our in-house F&B brands, such as the highly successful "212 All Good" and "Shizusan", are some of our recent initiatives born out of consumer insights.

We maintain and increase the value of our malls through vital understanding of what turns consumers on. So, it is not uncommon to see the courtyards in our malls transform into performance venues for leading Bollywood singers or international artists, hosting corporate events and flea markets. As a result, our malls are no longer mere shopping destinations for consumers. They have evolved into modern-day urban sanctuaries of joy and entertaining neighborhoods which consumers keep re-visiting and inventing fond memories.

Our Retail Assets are no longer mere shopping destinations for consumers. They have evolved into modern-day urban sanctuaries of joy and entertaining neighborhoods which consumers keep re-visiting and inventing fond memories.

What makes our malls the "destination of choice" for retailers?

Retailing is a dynamic business that requires continuous reinvention. We are constantly evaluating how we can extract the best returns from our mall assets. Our greatest strength helping us win in this market is our business know-how and our ingrained philosophy on having strong partnerships with our retail partners. Being a pioneer in retail assets business gives us tremendous insights to innovate and explore new opportunities and remain relevant to our brands and customers. Our business equity often helps us rotate and upgrade to fresh and desirable trending brands and categories.

Another factor setting us apart is the magnetic allure we exude towards new entrants aspiring to penetrate into the Indian marketplace. Being a large pan-India mall operator makes us the "preferred" destination of choice for any premium domestic or global brands looking for a multi-city entry strategy. An association with just one single entity, such as us, enables them to enter multiple key consumption centres of Mumbai, Pune, Bengaluru and Chennai - in a single stroke. We give them the opportunity to capture discerning customers at a scale impossible for other retail centres to match. It's not surprising, therefore, that today we have emerged as

ATUL RUIA
JT. MANAGING DIRECTOR

the first choice for domestic and global retailers trying to tap India's rising consumption power.

In addition to this, our occupiers are very discerning about accessibility, visibility, functional design and excellent facilities. Being on top of each of these parameters makes us India's most desirable place for retailers to be. As a result, our malls offer an enormous variety of premium merchandise; an eclectic mix of domestic and international brands catering to discerning fashion-conscious customers; and a loyal customer base.

What are the key growth drivers for your existing malls?

At PML, we have four business verticals – Retail, Residential, Commercial and Hospitality. Each of these businesses are interlinked, but have a different growth cycle. Besides higher consumption-led growth in each of these verticals, a key growth driver is the upcoming renewals at our malls. Almost 54% of the leasable area at High Street Phoenix and Palladium in Mumbai; and 53% of the leasable area at Phoenix MarketCity, Chennai is projected to come up for renewal over the next three years. In addition to this, there is a balance development potential across our existing malls that we shall leverage upon at the appropriate time.

In the Hospitality portfolio, The St. Regis at Mumbai and Courtyard by Marriott, Agra continue to witness an improvement in occupancy and Average Room Rates. We are very proud to see The St. Regis becoming one of the best performing hotels in South Mumbai on several operational parameters.

We are developing top-notch and sizeable commercial and residential spaces, both alongside our malls as part of the mixed-use development and independently. We apply our high standards towards ensuring well-planned products, quality of construction and timely delivery of our city-centric, prime and upmarket luxury projects. These portfolios are enabling us create competitive advantages and deliver future growth.

What is your master plan for adding new assets? Can you share with us your business strategy behind the recent deal with the Canada Pension Plan Investment Board (CPPIB)?

In what can be termed as a landmark event in India's retail real estate sector, we partnered with the Canada Pension Plan Investment Board (CPPIB) to own and operate retail led mixed-use developments across India. Our subsidiary, Island Star Mall Developers Private Limited (ISMDPL), that owns Phoenix MarketCity, Bengaluru has become the investment platform wherein CPPIB will invest over ₹ 16 billion in multiple tranches to own up to 49%.

49%

Total Stake to be held by CPPIB in the Investment Platform

We are excited to have CPPIB as our partner, which manages over US$ 250 billion and an investment of US$ 10 billion in retail assets globally in the shopping centers across Europe, America and Asia. Through the strategic investment platform, our aim is to develop retail-led mixed-use assets in the top cities of India which have high consumption. The deal will catapult us in the league of leading mall developers across Europe and US. We will gain from CPPIB's experience in investing, developing and managing retail assets globally.

I'm pleased to share with you that we have acquired our first land parcel under the strategic platform with CPPIB. We acquired the land parcel, admeasuring approx. 13 acres located in Wakad Pune, for ₹ 161 cr. The new site is close to the dense and growing catchment of Hinjewadi, Aundh, Balewadi, Baner and Wakad which lack a Grade A retail destination.

We estimate that the total developable area on the new site to be approximately 1.6 million square feet of which at least 1 million square feet would be a retail mall development.

Together with the existing Phoenix MarketCity in East Pune, PML's malls will become the preferred shopping and entertainment destinations for residents of Pune.

We have learnt a lot in FY2017 – we carefully studied our performance, looked at the changes in the consumer market, and gained many insights. Many of our existing strategies are already focusing on changing consumer preferences and buying behaviours, and we are placing a greater level of urgency on evolving them. Our commitment to our customer continues to drive what we do and how we evolve. Over the past year, we have taken steps to operate more effectively and efficiently with an organisation that is flatter and faster. We are laying the foundation for renewed growth in 2017 and beyond. We look ahead with optimism and high hopes grounded in solid strategies and an intensified focus on agility within our organisation.

Moving ahead, we will remain focused on sharpening our execution and growing our underlying recurring income, while continuing to deepen our presence in key cities and ride on India's consumption growth. With a strong balance sheet and a wide portfolio of assets, we will continue to perform on a sustainable growth trajectory. In the coming year, we begin a new phase in our journey and aim to double our retail portfolio of 6.0 million square feet in the next five years.

ATUL RUIA
JT. MANAGING DIRECTOR

₹ 22 Billion

Enterprise value of ISMDPL

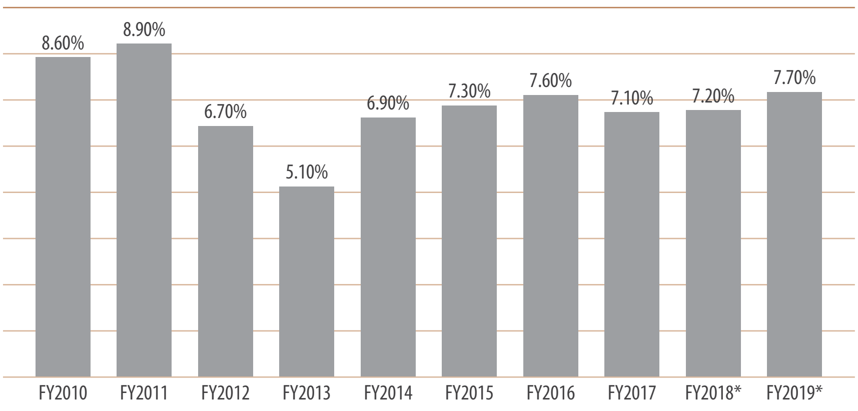
Over the past year, we took steps to operate more effectively and efficiently with an organisation that is flatter and faster. We are laying the foundation for renewed growth in 2017 and beyond. We look ahead with optimism and high hopes grounded in solid strategies.

India's US$ 2.2 trillion economy makes it the 7th largest in the world in terms of nominal GDP. As per a report by PriceWaterhouseCoopers, India is expected to edge past the United States to become the world's 2nd largest economy in purchasing power parity (PPP) by 2040.

ECONOMIC OVERVIEW

The Indian economy is growing strongly and remains a bright spot in the global landscape. The International Monetary Fund (IMF) projected GDP growth at 6.6% in 2016-17. On the external front, the current account deficit (CAD) has been narrowing down progressively from 1.7% of GDP in FY2016 to 1.1% in FY2017, primarily on account of lower trade deficit brought about by a larger decline in merchandise imports relative to exports.

India's Rising Economic Growth



*IMF projections for GDP Growth in India

The Reserve Bank of India has estimated India's Gross Value Added (GVA) growth to increase to 7.4% in FY2017-18, due to increasing capital expenditure, boosting of the rural economy, easing of crude oil prices, a normal monsoon and roll-out of Goods and Services Tax (GST) in 2017. Continued fiscal consolidation by reducing government deficits and debt accumulation, and an anti-inflationary monetary policy stance will cement macro-economic stability.

Introduction of GST

The Government made significant progress on important economic reforms, which will support strong and sustainable growth going forward. The implementation of Goods & Services Tax (GST) will help raise India's medium-term growth to above 8%, as it will enhance the efficiency of production and movement of goods and services across Indian states. GST will subsume a series of central taxes and state-level levies, and could benefit the nation in the long term, by way of a wider tax base and greater participation in the formal economy.

World's 7th Largest Economy

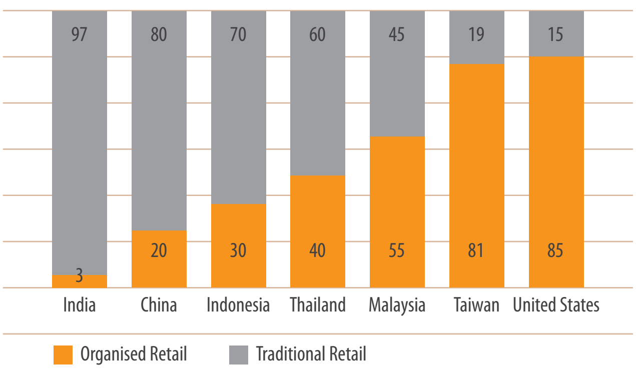
India's US$ 2.2 trillion economy makes it the 7th largest in the world in terms of nominal GDP. The global economic order is expected to shift from advanced to emerging economies over the next few decades. As per a report by PriceWaterhouseCoopers, India is expected to edge past the US to become the world's 2nd largest economy in purchasing power parity (PPP) by 2040. The Report estimates E7 economies, comprising of Brazil, China, India, Indonesia, Mexico, Russia and Turkey, to grow at an annual average rate of almost 3.5% over the next 34 years, compared to just 1.6% for the advanced G7 nations of Canada, France, Germany, Italy, Japan, the UK and the US. E7 could comprise almost 50% of world GDP by 2050, while the G7's share is expected to decline to just over 20%, according to John Hawksworth, PWC's chief economist and co-author.

Growing Urbanisation and Rising Consumer Spend

By 2020, nearly 35% of Indians will be living in urban areas and there will be a rapid rise in the number of nuclear families, according to a study titled 'Retail transformation: Changing Your Performance Trajectory' conducted by Confederation of Indian Industry (CII) and the consulting firm The Boston Consulting Group. As per the Report, urbanisation will increase to 40% in 2020, an increase from 31% in 2015, and more than 200 million households will be nuclear, representing a 25-50% higher consumption per capita expenditure. It expects the average household income to increase three times to US$18,448 by 2020, up from US$6,393 in 2010.

Backed by robust economic growth and rising household incomes, consumer spending in India is expected to touch US$ 3.6 trillion (about ₹ 240 trillion) by 2020, increasing India's share in global consumption to 5.8%—more than twice its current levels, according to a joint report released by FICCI and management consultancy PWC. Projections in the Report indicate that India's average household income will triple to US$ 18,500 in 2020, up from US$ 6,400 in 2010—acting as a major driver in retail growth and leading to the evolution of new consumer segments. Increasing disposable income levels and a rising number of sophisticated consumers gave rise to consumers seeking 'premium' products.

Share of Organised and Traditional Retail in India (%)



Source: IBEF; Ernst & Young Retail Report

India's average household income will triple to US$ 18,500 in 2020, up from US$ 6,400 in 2010—acting as a major driver in retail growth and leading to the evolution of new consumer segments. Increasing disposable income levels and a rising number of sophisticated consumers have given rise to consumers seeking 'premium' products.

Population to shape Growth Trajectory

India's millennial population of 400 million is the largest in the world, and is armed with approx. US$ 180 billion in spending power. With high smartphone adoption and widespread availability of mobile broadband infrastructure, it will become a disruptive force faster than most expect. Population dynamics will be a key force in shaping India's overall growth trajectory and also in shaping how product markets will develop as preferences of the population evolve, according to a Report by Morgan Stanley. With the growth of the Indian economy, discretionary spends will rise faster and premium products will gain share, akin to the emerging markets of Russia and China. Indian consumers will become more discerning and demanding, and will be ready to pay more for their choices. The Morgan Stanley Report projects India's economy to reach US$ 5 trillion by FY2025 and its per capita income to rise 125% to US$ 3,650 by FY2025.

With India's large 'young' population and high domestic consumption, the macro trends for the sector look favourable. Estimates suggest that by 2030, around 91 million households will be 'middle class', up from 21 million today. Also by 2030, 570 million people are expected to live in cities, nearly twice the population of the United States today. Consumer markets in emerging economies like India are growing rapidly owing to robust economic growth. India's modern consumption level is set to double within five years to US$ 1.5 trillion from the present level of US$ 750 billion. Thus, with tremendous potential and a huge population, India is set for high growth in consumer expenditure.

Consumption Boom to boost India Economy

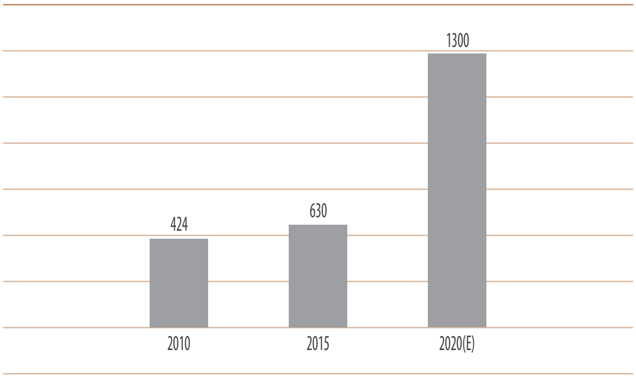
India will be a domestic consumption driven growth story. Rapid macroeconomic, demographic and lifestyle shifts in the country, bolstered by policy and regulatory changes, have a strong potential of taking India towards its goal of becoming the largest consumer market over the next decade, the Report by Morgan Stanley said. Declining interest rates, a near-normal monsoon leading to higher rural incomes and pay hikes for central government employees are key triggers for a consumption boom in India. Backed by higher rural income, growing purchasing power and rising aspirations will drive the consumption boom in India.

INDUSTRY OVERVIEW

India Retail

The retail sector accounts for 22% of India's GDP and contributes to 8% of the total employment. The country continues to be among the most attractive investment propositions for global retailers. It is one of the fastest growing across the globe, expected to grow to US$ 1.3 trillion by 2020, doubling from US$ 630 billion in 2015, according to a joint report by FICCI and PWC. The sector is seen registering a Compound Annual Growth Rate (CAGR) of 16.7% over 2015-20.

Market Size of India Retail (US$ Billion)



Source: IBEF, India Retail Report, January 2017

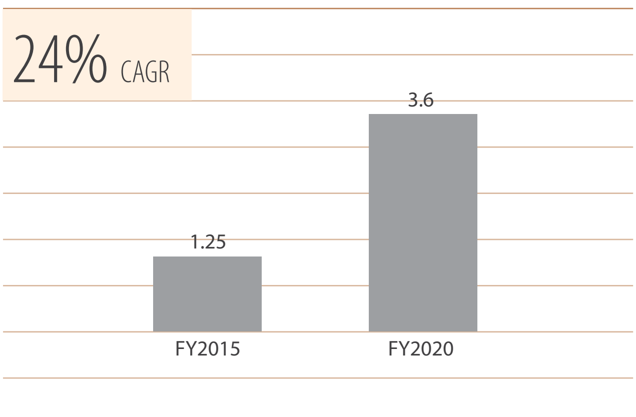
Break-up of India's Retail Market

	2015	2020 (Estimated)
Total retail market	630	1,100-1,200
Organised retail market	60	140-160
E-Commerce	8-12	45-50
Unorganised retail market	560	915-990

Figures in US$ Billion
Source: 'Retail transformation: Changing Your Performance Trajectory' conducted by CII and The Boston Consulting Group

India is the 5th largest preferred retail destination globally, and amongst the highest in the world in terms of per capita retail store availability. The retail sector is experiencing exponential growth in the country, with retail development taking place not only in metros and large cities, but also in Tier 2 & 3 towns. Healthy economic growth, changing demographic profiles, increasing disposable incomes, urbanisation, changing consumer tastes and preferences are some key factors driving growth in organised retail. According to 'Retail transformation: Changing Your Performance Trajectory', a study conducted by CII and The Boston Consulting Group, sales per square feet at Indian retail stores have much headroom to grow, compared to the international average.

Consumer Expenditure in India (US$ Trillion)



Key Growth Drivers

- India has occupied a remarkable position in global retail rankings; it has high market potential, low economic risk and moderate political risk
- India's net retail sales are quite significant among emerging and developed nations; the country is ranked third, after China and Brazil
- Overall, given its high growth potential, India compares favourably with global peers among foreign investors
- With an investment of around US$ 511.76 billion, the first half of 2016 witnessed the highest annual private equity (PE) in the retail sector, since 2008, according to a report by Cushman & Wakefield

(http://economictimes.indiatimes.com/industry/services/retail/retail-records-highest-pe-investments-in-h1-2016-since-2008/articleshow/54464645.cms)

Consumer expenditure is estimated to rise from US$ 1.25 trillion in 2015 to US$ 3.6 trillion by 2020 owing to rising income and demand for quality products.

Healthy economic growth, changing demographic profiles, increasing disposable incomes, urbanisation, changing consumer tastes and preferences are some key factors driving growth in organised retail.

Evolution of Retail in India

Pre-1990s INITIATION	1990-05 CONCEPTUALISATION	2005-10 EXPANSION	2010 onwards CONSOLIDATION
- Manufacturers opened their own outlets	- Pre-play retailers realised the potential of the market	- Substantial investment commitments by large Indian corporate	- Cumulative FDI inflow from April 2000 to September 2016, in the retail sector, reached US$ 909.12 million
	- Most of them in apparel segment	- Entry in food and general merchandise category	- Large-scale entry of international brands
		- Pan-India expansion to top 100 cities	- FDI in single-brand retail up to 100% from 51%
		- Repositioning by existing players	- Approval of FDI limit in multi-brand retail up to 51%

Growth in Organised Retail

Organised retail is a new phenomenon in India, and despite the downturns, the market is growing exponentially. Rising economic growth brings more of India's people into the consuming classes and organised retail lures existing shoppers into its open doors. By 2015, more than 300 million shoppers are said to have patronized organized retail chains. The growing middle class is an important factor contributing to the growth of organised retail in India. Even as the overall retail market is likely to grow at an annual rate of about 12%, organised retail is projected to grow by 20%, the CII-BCG study said. Organised retail is expected to account for about 12% of the retail market from 3% currently.

India Real Estate

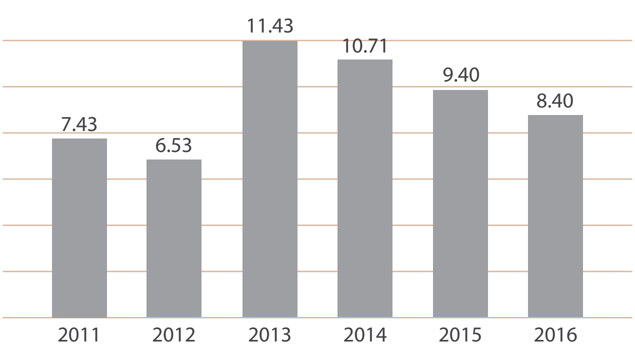
The real estate sector is the backbone of India's economy and the major contributor to its economic growth, contributing 8.53% of the country's total GDP. Real estate is the 2nd largest employer after agriculture, and slated to grow at 30% over the next decade. The Indian real estate market is expected to touch US$ 180 billion by 2020, up from US$ 93.8 billion in 2014, according to India Brand Equity Foundation (IBEF). The emergence of nuclear families, rapid urbanisation, positive demographics and rising household income levels are likely to remain the key drivers for growth in all spheres of real estate – residential, commercial and retail.

The market size of this sector is seen increasing by a CAGR of 11.2% during the period FY2008-2020. The sector has witnessed high growth in recent times with rising demand for office and residential spaces. It is the 5th largest destination to attract foreign investment into India, while the construction industry ranks 3rd among 14 major sectors in terms of direct and indirect effects in all sectors of the economy. The growth of India's real estate sector is well complemented by the growth of the corporate environment and the demand for office space and for urban and semi-urban accommodation.

According to data released by the Department of Industrial Policy and Promotion (DIPP), India's construction development sector received FDI equity inflows to the tune of US$ 24.19 billion during the period April 2000-March 2016. As per another report from Cushman & Wakefield, private equity investments in Indian real estate touched their highest level in 9 years at US$ 5.97 billion or ₹ 39,900 crore in 2016, registering a 26% year on year rise. The average deal size in real estate increased to ₹ 340 crore from ₹ 280 crore, signaling increased confidence among investors to make larger investments in the sector.

(Source: http://realty.economictimes.indiatimes.com/news/industry/private-equity-2016-investments-in-indian-realty-at-9-year-high-cushman-wakefield/57170088)

FDI in Construction Development (As % of Total FDI)



Year 2016 witnessed some of the biggest changes in decades – especially on the policy front. Some significant and biggest game-changing policies such as GST and RERA cleared hurdles, and are on their way to full implementation.

India's real estate market is definitely poised for growth in the medium-to-long term on the back of higher transparency and further consolidation. India's Tier-I cities moved up to the 36th rank in Jones Lang Lasalle's biannual Global Real Estate Transparency Index in 2016. This is attributed to improvements in structural reforms and liberalisation of the foreign direct investment (FDI) policy. India came 4th in developing Asia in terms of FDI inflows as per the World Investment Report 2016 by the United Nations Conference for Trade and Development. Thanks to a proactive government, keen on improving India's ranking on different indices and strengthening public institutions, the country is poised to become a modern economy.

Policy Framework

Real Estate (Regulation & Development) Bill

The Real Estate (Regulation and Development) Act came into effect on May 1, 2017, a positive development for the Indian economy. Each state and Union Territory will have its own regulatory authority which will frame regulations and rules according to the Act. It seeks to bring in transparency, clarity and fair practices that will protect the interest of buyers and impose penalty on errant builders.

Real Estate Investment Trusts (REITs)

Real Estate Investment Trusts (REITs), an important development in the real estate sector, will help smaller investors invest in Grade-A commercial real estate across India. Budget 2016-17 exempted dividend distribution tax (DDT) on special purpose vehicles (SPVs). Rules for REITs were relaxed, and the investment cap in under-construction projects was raised from 10% to 20%. SPVs can have holdings in other SPV structures, and the limit on number of sponsors has also been removed. Currently, around 229 million sq. ft. of office space can be seen as REIT-compliant.

Benami Transactions Act

The Benami Transactions Act will curb black money flow into real estate and also render holding of property under fictitious names a punishable offence. Budget 2015-16 further announced imposition of a heavy penalty on property transactions carried out in cash.

Goods and Services Tax

The GST is the single-largest taxation reform in modern India and promises to eliminate geographical barriers for businesses by mitigating differences in indirect taxes applicable across various states. Clarity on tax credit for real estate transactions, and allowing input credit, could bring about a reduction in home prices.

Foreign Direct Investment

The Government is progressively undertaking reforms and liberalising the retail sector, thereby attracting foreign investments. The regulatory and supervisory policies are being reshaped and reoriented to meet these new challenges and opportunities. To facilitate the flow of Foreign Direct Investments (FDI) inflow, instead of having to seek FIPB approval, FDI of up to 100% is now allowed under the automatic route for cash, and carry wholesale trading and export trading. The Government of India approved 51% FDI in multi-brand retail and increased the FDI limit to 100% (from 51%) in single brand retail. It plans to allow 100% FDI in E-Commerce, under the arrangement that the products sold must be manufactured in India to gain from the liberalised regime. The policy initiative is expected to provide further fillip to the sector.

Real Estate Sub-Sectors

A. RETAIL

In 2016, strong demand for retail space was observed across high streets as many international brands opened their first outlets in India, while other brands continued to expand operations across cities, according to the CBRE Research Paper on India Retail 2016. Global retailers expanded their portfolio with multi-store openings. The Indian retail real estate market witnessed continuous foray of international brands, launch of retail developments and robust demand for space. The second half of 2016 witnessed an addition of about 1.9 million sq. ft. of supply across the seven key cities, according to the Research Paper. A majority of this supply was concentrated in the National Capital Region (NCR), Bengaluru and Mumbai. Rental trends varied across high street markets in major cities. These cities also witnessed active leasing by large foreign retailers. 2017 is likely to see the highest mall space becoming operational, second to 2011.

Steady Retail Absorption Projected for Forecast Period of 2016-18

Year	New Completions (Million Sq. Ft.)	Net Absorption (%)
2009	6.5	4.2
2010	6.9	4.0
2011	13.8	10.7
2012	4.1	4.5
2013	5.7	5.1
2014	1.3	1.6
2015	3.6	3.3
2016F	2.0	3.4
2017F	9.2	6.6
2018F	8.2	6.4

Source: CBRE Research Paper on India Retail, 2016

B. COMMERCIAL

On the demand side, the office space requirements by sectors such as manufacturing, logistics, FMCG showed positive signs in 2016, and this is expected to continue in 2017. Office space required by E-Commerce/start-ups and consulting firms shot up, as these sectors are expected to continue with headcount addition to accommodate their business growth in the years to come. Higher FDI is expected to flow into India as it improves on the 'ease of doing business' rankings and policies are made more investor-friendly.

Supply and Absorption

The overall demand for commercial real estate in 2016 amounted to 34.2 million sq. ft. on the back of healthy absorption and pre-commitments. Out of this, the net Pan-India absorption up to 3Q16 stood at 26.4 million sq. ft. Although availability of the right space at the right location remains a challenge for many occupiers, about 38-40 million sq. ft. of new space will be added in 2017.

Demand for office space is evolving and more corporates across industries will adopt innovative workplaces in the near future. Collaborative office spaces with open areas to boost employee productivity geared to attract and retain talent will gain importance from 2017. Going ahead, tech-enhanced offices with a focus on sustainability and energy-efficiency will command higher rents.

The Indian retail real estate market witnessed continuous foray of international brands, launch of retail developments and robust demand for space. The second half of 2016 witnessed an addition of about 1.9 million sq. ft. of supply across the key cities.

The implementation of RERA has led to standardisation of space. This will, in turn, help these stakeholders to render their assets REIT-compliant. Due to RERA, REITs and demonetisation, more and more office assets will become institutionalized.

Quality spaces are already available at competitive rentals in tier-II cities compared to tier-III and tier IV cities, and the former will see more supply in the years ahead. Even as vacancy lowers across key cities, the supply of good quality assets continues to diminish. Vacancy in high-quality assets is far lower than average vacancy. Assets of poorer quality or at inferior locations or which are strata-sold (in Delhi-NCR and Mumbai) have a much higher vacancy, except in the IT cities like Bangalore, Pune, Hyderabad and Chennai. Developers, private equity funds and REITs will continue to invest in premium office assets. With the implementation of RERA, there will be standardisation of space. This will, in turn, help these stakeholders to render their assets REIT-compliant. Due to RERA, REITs and demonetisation, more and more office assets will become institutionalized.

Steady Commercial Absorption Projected for Forecast Period of 2016-18

Year	New Completions (Million Sq. Ft.)	Net Absorption (%)
2009	42.0	21.6
2010	40.5	30.9
2011	44.4	37.0
2012	30.0	26.8
2013	36.7	26.8
2014	29.4	29.9
2015	38.5	36.6
2016F	37.8	34.2
2017F	38.8	32.1
2018F	38.0	34.9

Source: Real Estate Intelligence Service (JLL)
Note: Figures covered for 7 metropolitan cities – NCR-Delhi, Mumbai, Bengaluru, Chennai, Hyderabad, Kolkata and Pune

C. RESIDENTIAL

The residential real estate segment had been witnessing sluggish demand, unsold inventory levels and a slump in project launches in the last 2-3 years. In 2016, the segment showed a visible comeback. Residential assets remained the most preferred asset class as over 52% or US$ 3.1 billion of the total private equity real estate investments was witnessed in the asset class during 2016. Within residential, Mumbai was the most preferred location accounting for 34% of the total share, followed by Delhi and Bengaluru accounting for 26% and 20%.

India's cities will continue to expand, driven by urbanisation, rising disposable incomes and mounting consumption of goods and services. From the perspective of resultant pricing shifts, cities and micro-markets that are end-user driven are likely to remain stable. For intending home buyers, 2017 started on a positive note with banks lowering their lending rates. The softening of interest rates bodes well for the growth of the residential real estate sector. More borrowers are now eligible for loans and reduction in home loan EMIs, in addition to reduced tenures for existing borrowers, wherever applicable.

D. HOSPITALITY

The Indian hospitality industry is one of the key industries driving growth of India's services sector. Tourism is the foremost demand driver of India's hospitality industry. It recorded healthy growth, fuelled by robust inflow of foreign tourists as well as increased tourist movement within India and has become one of the leading players in the global industry. The travel and tourism sector's contribution to India's GDP is seen increasing from US$ 136.3 billion in 2015 to US$ 275.2 billion by 2025. Travel and tourism is the 3rd largest foreign exchange earner for India. In 2014, the country received foreign exchange earnings of US$ 19.7 billion from the sector.

The Government is making serious efforts to boost investments in the sector. In the hotel and tourism sector, 100% FDI is allowed through the automatic route. A five-year tax holiday has been offered for 2, 3 and 4-star category hotels located around UNESCO World Heritage sites (except Delhi and Mumbai). The investment in tourism sector is expected to be US$ 12.4 billion in the 12th Five Year Plan, of which the private sector is seen contributing around US$ 9.2 billion. The penetration of Internet usage and smart phones in India has led to increased booking of hotels through online portals and applications in recent times.

COMPANY OVERVIEW

About Us

We are an active owner, developer and manager of prime retail-led assets in the key gateway cities of India. Our strategy has been to establish and maintain a market leading position as an active owner, developer and manager of prime retail-led assets in the city centers of India and deliver strong long-term returns to shareholders through income and capital growth. Over the last decade, we have demonstrated our capabilities in the creation of large-scale world-class retail destinations and the delivery of multiple projects across various city-centers of India within time and budget

During the year, business consumption at our malls stood at ₹ 58 billion in FY2017, a 7% increase from ₹ 54 billion in FY2016. Rental income has increased from ₹ 7.1 billion in FY2016 to ₹ 7.7 billion in FY2017.

The retail portion of our portfolio contributed 65% of our total revenue of ₹ 18,246 million in FY2017, followed by hospitality assets at 17%, residential 13% and commercial 4%. Our gross leasable area currently stands at approx. 6.0 million sq. ft. with 7 operational malls in Mumbai, Bengaluru, Chennai, Pune, Lucknow and Bareilly, while one mall in Chennai is under fit-out.

Our hospitality assets consolidated their market-leading positions during the year. The St. Regis, Mumbai reported total revenue of ₹ 2,520 million during FY17, up 16% yoy, while Operating EBITDA came in at ₹ 907 million during FY17, up 26% yoy. The hotel witnessed an increase in the number of available rooms from 335 rooms in FY16 to 395 rooms in FY17. Despite higher inventory, the hotel clocked an average occupancy of 72% during FY17 (flat yoy), with an ADR of ₹ 10,594 (up 14% yoy), resulting in room revenue growth of 26% over FY16. Courtyard by Marriott, Agra, recorded 57% occupancy with an ADR of ₹ 4,336 and has established itself as one of the prime properties in a short span of time.

During the year under review, we completed the construction of our premier office space Art Guild House and handed over the property for fit-outs. In the commercial segment, of the total leasable area of 1.42 million sq. ft., an area of 0.45 million sq. ft. has been sold, while 0.54 million sq. ft. area has been leased. In the residential segment, we have completed the construction of Towers 1-5 in One Bangalore West and handed them over to the buyers. The construction of The Crest (Towers A, B & C) atop the Phoenix MarketCity at Chennai is also complete. Across our residential portfolio, we recorded total cumulative sale of 1.78 million sq. ft. amounting to an aggregate sale value of ₹ 17,893 million.

During the financial year FY2017, consumption at our malls stood at ₹ 58 billion, a 7% increase from ₹ 54 billion in FY2016. Rental income increased from ₹ 7.1 billion in FY2016 to ₹ 7.7 billion in FY2017.

Leveraging our Collective Strengths

a. Integrated and diversified business model

We are leveraging our strong management, execution capabilities and a rich pool of talent, we continue to extend our leadership in mixed-use development assets across the region. We are focused on delivering stable returns through development, ownership and active management of our development assets. Through a sustainable and integrated business model under-pinned by strong recurring income and city-centric locations, we remain well positioned to ride on the growth of consumption in India.

b. Fostering a culture

We design the future of people's lives by transcending the framework of facilities not only for shopping, but also in terms of meeting people and fostering local culture. We contribute to the revitalisation of local communities, leveraging our overwhelming track record in malls and the retail expertise we have developed in mature domestic markets. We seek to explore new demand and create new markets.

c. **Creating preferred destinations**
PML has malls in the right size and at the right places with an excellent retailer mix, which makes our malls a preferred destination for international brands entering India. Over the years, we maintain and increase the value of our malls through revitalisation (new age retailers replacing older formats) and strategic expansion, which are permissible by changes in local development norms.

d. **Leadership in retail-led mixed use format**
The source of our strong ability to attract customers is the operation of malls from a long-term perspective, based on our ability and leadership in retail-led mixed use format and our strategic city-centric locations that place us in a pole position in the organised retail sector. We continue to provide the necessary values for the lives of customers, leveraging our collective strengths as a real estate developer engaged in development to management and operation of malls.

e. **Capitalising on growing rental income**
We expect our rental income to grow in sync with the rising consumption at our malls. Over the last 4 years, consumption has grown at a CAGR of 25%, while rental income has increased at a CAGR of 19% over the same period.

f. **Qualified project management team**
We have one of the most capable and professional in-house design and mall management team which oversees, manages and implements all the projects. With vast experience in property design, management and development, the Mall Management Team overlooks retail development and asset enhancement works, and well aligns project design, planning and execution to meet our strategic and business objectives.

OPERATIONAL REVIEW

High Street Phoenix and Palladium, Mumbai

Touching the Hearts of Millions of Visitors

The HSP Complex is one of the largest shopping destinations in Mumbai and is India's first retail-led consumption centre developed over a sprawling 3.3 million sq. ft. It is well established as one of the most premium malls due to the presence of high-end national and international brands, urban appeal and a stylish neighbourhood. The mall recorded an aggregate business consumption of ₹ 16,264 million, higher by 5% as compared to ₹ 15,438 million during FY2016. It recorded a rental income of ₹ 2,837 million during the year and a trading density of ₹ 2,894 psf per month.

Operational Metrics

Brand positioning, footfalls, quality of stores and their performance is what makes the Complex command a premium. All the new brands that made their foray into the mall during the year are superior in terms of sale, quality and customer popularity, which have led to direct rise in consumption. It led to holistic improvement not only in rentals, but also in the customer profile and look and feel of the store. A horde of mall events and a wide range of fashion and F&B brands is what brings a novelty factor to the Complex. The ambience and feel-good factor created by music, seasonal decors, brand equity, brand mix and its prime location is what keeps driving people to the mall every single day.

Key Brands

Among categories, a key focus during FY2017 was on Kids, Accessories, Women's Fashion, Footwear and Watches. We also focussed on creating space for international brands to mark their entry, particular in the western region of India. The year witnessed some major brands being launched at the mall including Hunkemoller, Coach, Johnston and Murphy, H&M, Muji, True Blue, Papabubble, Rado, Scotch & Soda and Jamie's Pizzeria. During the year, we also undertook renovation at the Palladium, Grand Galleria and Sky Zone sections.

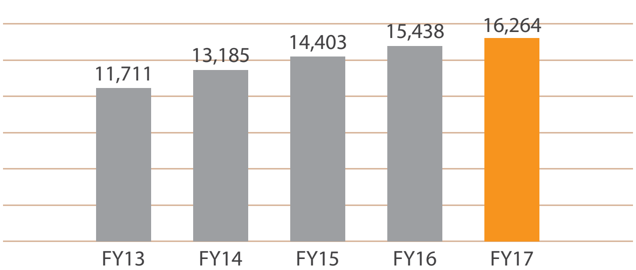
Outlook for FY2018

Major consumption triggers during the next financial year will be the addition of fresh F&B outlets and a positive impact on consumption due to the implementation of GST. During FY2018, we will focus on launching various F&Bs and speciality formats, women fashion brands and other popular jewellery brands

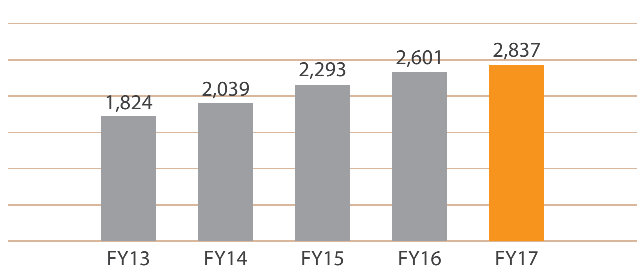
Sustainability Initiatives

During the year, some major upgrades were undertaken at the Complex such as changing LPG to PNG at all F&B outlets, new signages across the Mall, installation of LED screens, gantries, totems and periphery elements. Several other initiatives have been taken such as reuse of water through STP, multiple rainwater harvesting pits, zero discharge, installation of LED lights and maintaining of Unity Power Factor through the year. There is also effective segregation of garbage, installation of organic waste converter and sludge to cover into mature.

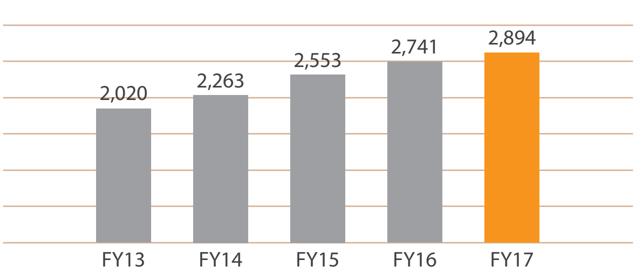
Consumption (₹ Mn)



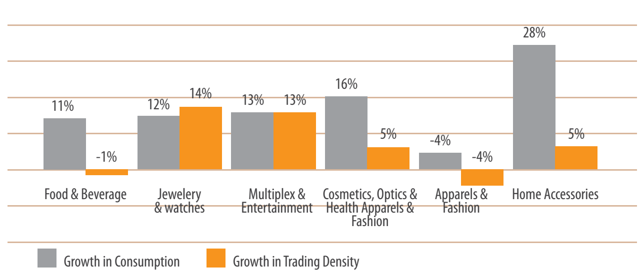
Rental Income (₹ Mn)



Trading Density (₹ psf pm)



Growth in Consumption & Trading Density for Top Categories



Awards Won during FY2017:

- Global Safety Summit BCToad Business & Skill Awards 2016 presented Safest Public Shopping Mall Award to The Phoenix Mills Ltd. – High Street Phoenix
- Global Marketing Excellence Awards presented Award for best use of Social Media in Marketing to #Oneforlove campaign – The Phoenix Mills Ltd. In 2016
- Global Marketing Excellence Awards presented Award for Marketing Excellence in Retail Sector to – The Phoenix Mills Ltd. In 2016
- Star Retailer Awards 2016 presented Regional Mall of the year – West to High Street Phoenix in 2016
- TAVF Awards 16 – The Activation Venues Forum presented Best Venue for the Activation Campaign to High Street Phoenix
- TAVF Awards 16 – The Activation Venues Forum presented Best Activation Campaign to High Street Phoenix
- TAVF Awards 16 – The Activation Venues Forum presented Highest Number of footfall venue of the year to High Street Phoenix
- TAVF Awards 16 – The Activation Venues Forum presented Best Festive Decor to High Street Phoenix
- TAVF Awards 16 – The Activation Venues Forum presented Best Premium Venue of the year to High Street Phoenix
- INDIA SHOPPING CENTRE AWARDS by Images Group Recognized High Street Phoenix & Palladium as "Shopping Centre of the Year (West) - Metro" In 2016
- INDIA SHOPPING CENTRE AWARDS by Images Group recognized High Street Phoenix & Palladium as "Shopping Centre of the Year – Sales Per Sq. Feet" In 2016
- RETAIL EXCELLENCE AWARDS recognized High Street Phoenix & Palladium as "Shopping Centre of the Year" In 2016

0.74 Million Sq. Ft.
Total Leasable Area

96%
Leased Occupancy

269
No of Stores

₹ 16,264 Million
Consumption

₹ 2,894 psf/pm
Trading Density

₹ 311 psf/pm
Rental Rate

₹ 2,837 Million
Rental Income

13%
Area due for Renewal in FY2018

Phoenix MarketCity, Chennai

Improving Customer Experiences through Consistent Innovation

In its fourth full year of operation, Phoenix MarketCity, Chennai has become the key consumption centre in the city. A superlative brand mix, premium shopping ambience and international level events and activations for consumer engagement are driving consumers to the mall. The mall witnessed occupancy of 92% during the year, registering aggregate consumption of ₹ 10,699 million, as compared to ₹ 11,289 million in FY2016. Trading density stood at ₹ 1,553 per sq. ft. per month, compared to ₹ 1,572 per sq. ft. per month, while the rental income was ₹ 1,286 million, compared to ₹ 1,196 million in the previous year.

Premium fashion was the key category of the year under review, with critical focus on women's fashion brands. With its exclusive brand mix and strategic marketing, the mall has positioned itself as the premium fashion destination of Chennai. A sprawling parking space for 1,200 four-wheelers and 1,000 two-wheelers and valet parking service further adds to attraction of the mall. We also bagged the award for "Best Premium Mall" in Chennai by Times of India during the year.

New Additions

The expansive 3.7 million sq. ft. of built-up area offers a lavish spread of shopping, entertainment and hospitality space. GAP, Mamagoto and Forever New were the star brands that commenced trading during the year. Other major brands added during the year were Funky Monkey, Zivame, USPA Kids, One Friday, Aeropostale and Lenskart. The Mall has been positioned as the dining destination of the city through focussed F&B campaigns.

Mall Upgrades

Food Court at the mall has been earmarked for renovation during FY2018 by implementing international level seating and layout. Besides adding new brands, a key strategy during renewal has been to renovate the existing F&B brand with new look and feel. A standard signage system is being designed to enhance as well as simplify customer experience. In addition to this, the washrooms, basement and customer service desks are also being refurbished. A customer service desk and Smile Centre has been installed to collect customer feedback and grievances with specified turnaround time.

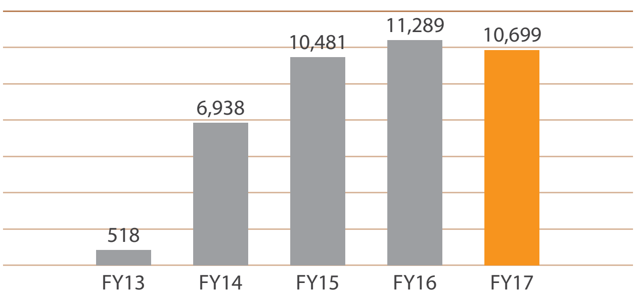
Moving Ahead

We will continue to focus on fashion-led events through the participation of premium fashion brands. The introduction of over 30,000 sq. ft. of area on the Mall's 2nd floor, and the replacement of under-performing brands with star fashion and F&B brands will lead to significant uptick in consumption. Our marketing initiatives and high-impact events are aimed at establishing a network of influencers among the core target audience, with a focus on driving differing sets of consumers to the mall.

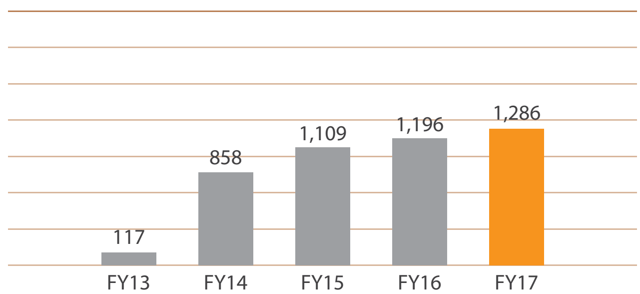
Sustainability Initiatives

We are regularly monitoring and analysing the utilisation of water and electricity. Water from the Sewage Treatment Plant is effectively recycled and used for cooling towers, flushes and landscape, with the aim of minimising the intake of fresh water. In addition, tube lights in basement are replaced with LED lights for power conservation and green energy. The organic waste convertor is being used to recycle wet garbage into manure to be used for landscaping, while dry garbage is effectively disposed through third-party vendor.

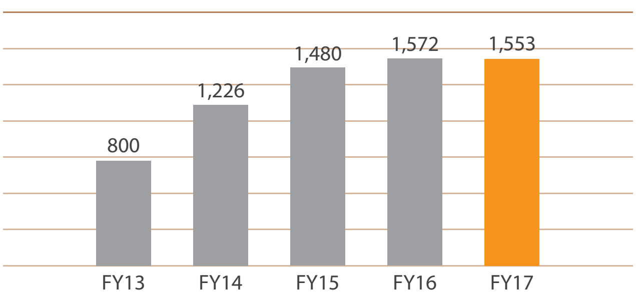
Consumption (₹ Mn)



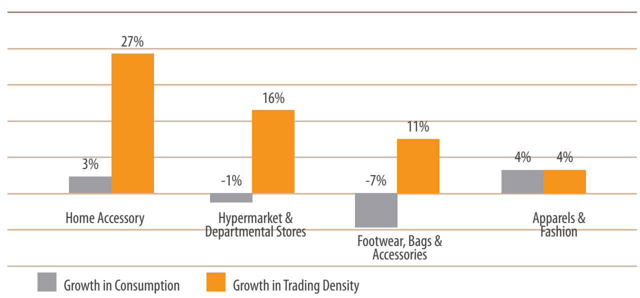
Rental Income (₹ Mn)



Trading Density (₹ psf pm)



Growth in Consumption and Trading Density of Top Categories



Awards & Recognition

- The Best Premium Mall in Chennai – Times of India

1.0 Million Sq. Ft.	99%	261	₹ 10,699 Million
Total Leasable Area	**Leased Occupancy**	**No of Stores**	**Consumption**
₹ 1,553 psf/pm	₹ 121 psf/pm	₹ 1,286 Million	46%
Trading Density	**Rental Rate**	**Rental Income**	**Area due for Renewal in FY2018**

Phoenix MarketCity, Bengaluru

Contributing to an Attractive Tenant Mix

With close to 300 options in shopping, dining and entertainment, Phoenix MarketCity located in Whitefield area has become the preferred shopping destination of Bengaluru for all ages. Consumption at the mall grew by 15% in FY2017 to ₹ 10,200 million, while Rental Income grew 14% to ₹ 1,090 million. The asset recorded an average Trading Density of ₹ 1,444 per sq. ft. per month, up 12% over the previous year, while the average trading occupancy stood at 90%. Domestic and international retailers expect a shorter pay-back time on their investment at the mall owing to rising footfalls and higher consumption.

New Additions

Prime categories which recorded strong consumption growth were fashion, cosmetics and accessories. Footfalls increased as customers preferred the enriching mall experience and good customer service over passive shopping. The mall witnessed a rise of 25% in consumption of F&B business, with rising footfalls and several food delivery options. The F&B outlets attracted footfalls, and Social (the pub) helped improve the nightlife experience. Key brands added during the year were Sephora, Asics, Mont Blanc, Vero Moda, G Star, Only, Mebaz and Lifestyle.

A key USP of the mall is that it houses multiple anchor brands representing a good mix of Indian and international brands with a loyal customer base. The open courtyard, large-scale musical and thematic events and ample and convenient parking spaces are an added attraction.

Year Ahead

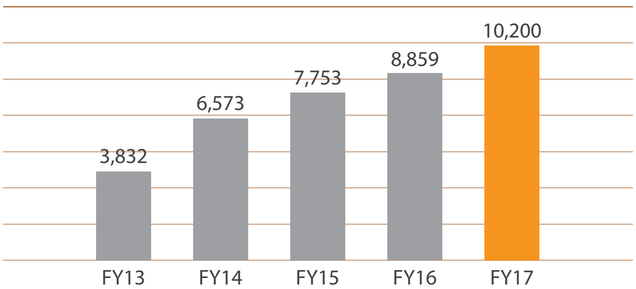
During FY2018, addition of new brands and exclusive and exciting deals and offers from various brands will be the key triggers for growth in consumption. We will continue our focus on the prime categories of F&B, fashion, books and toys. Our objective is to add more interesting F&B options with newer international island café concepts. We are also working towards relocating or resizing the existing courtyard facing stores with the aim of accommodating better concepts to complement the view and experience.

We will continue our focus on being a socially responsible mall by organising CSR activities with foundations such as Smile and UNICEF. We will also keep increasing customer awareness through aggressive marketing and PR activities.

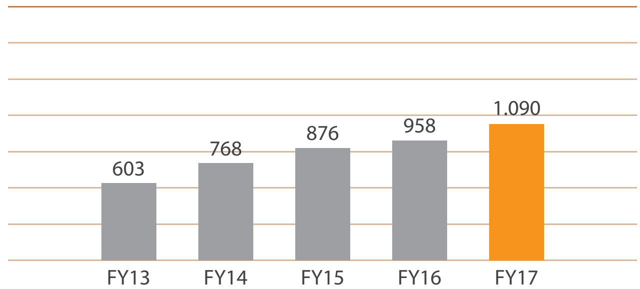
Sustainability Initiatives

The mall is undergoing a transformational change to enhance customer experience multi-fold. The makeover includes change in flooring tiles to granite, marble or similar tiles, conversion of CFL bulbs to LED to improve lighting and preserve energy, using 85% power from clean energy at lower cost, reducing the use of fresh water by using water from STP as an additional source, and introducing life size art pieces, trees and greenery, new direction signages and digital directories. These are aimed at offering our discerning customers an international feel and enhance their shopping and leisure experience at the Mall. All touchpoints are getting refurbished and new parking driveways are being put up with diversional and directional signage. We are also enhancing parking by adding space for 180 4-wheelers.

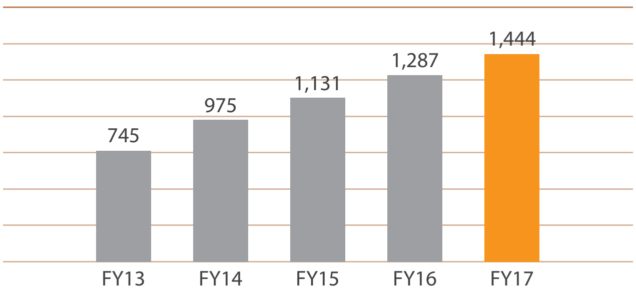
Consumption (₹ Mn)



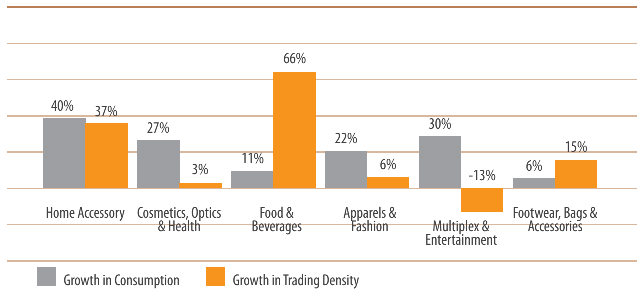
Rental Income (₹ Mn)



Trading Density (₹ psf pm)



Growth in Consumption & Trading Density of Top Categories



Awards & Recognitions

CMO Asia Shopping Centre & Mall Awards 2017

- Most Admired Shopping Centre of the Year – Marketing & Consumer Promotions
- Best Thematic Décor Shopping Centre
- Estate Avenue – 5th Annual India's Best Shopping Malls Issue – Operational - Destination Shopping Mall 2016-17

0.99 Million Sq. Ft.	97%	296	₹ 10,200 Million
Total Leasable Area	**Leased Occupancy**	**No of Stores**	**Consumption**
₹ 1,444 psf/pm	₹ 102 psf/pm	₹ 1,090 Million	8%
Trading Density	**Rental Rate**	**Rental Income**	**Area due for Renewal in FY2018**

Phoenix MarketCity, Pune

Bringing Aspirations to Life

Phoenix MarketCity in Pune is the most successful retail-led mixed-use destination in the city, providing an ultimate leisure, entertainment and shopping experience. The mall continues to attract excellent footfalls and registered a full-year average occupancy of 85%. It offers iconic brands across the globe under a single roof, leaving shoppers spoilt for choice, with 15 anchor stores, 300 brand stores offering an array of domestic and international brands. It is a model development for shopping, F&B options and fine dining, and a new entertainment hub. It offers the largest family entertainment centre, largest bowling alley with 17 lanes, one of the biggest multiplexes with 9 screens and 2,000 seats, hypermarket, premium casual and specialty concepts.

During the year, consumption at the mall grew 11% to ₹ 9,629 million, compared with ₹ 8,659 million in FY2016. Trading density was ₹ 1,208 per sq. ft. per month, compared to ₹ 1,077 per sq. ft. per month, a rise of 12%. The mall's strategic location on Nagar Road and proximity to IT/ITeS offices and integrated townships in the vicinity have contributed to rising footfalls and, therefore, improving consumption.

Key Achievements

The year witnessed major churn of anchor brands including Pantaloons, Ethnicity, Reliance Trends and Vama. There was relocation and resizing to accommodate new brands such as H&M, Lifestyle, Home Centre, GAP, Globus, Aeropostale, Bobbi Brown, G-Star, Rohit Bal, Meena Bazaar, Fossil and Pure Home. International fashion brands, cosmetics and F&B were the key categories that dominated the mall during the year.

The third floor of the mall was added exclusively for fine-dining restaurants, complementing the alfresco dining experience at Liberty Square. Indigo Deli, Copper Chimney, Cuba Libre and Keventers were some key new F&B brands that made a foray. The mall created unique consumer engagement sections under different pillars such as art & exhibitions, fashion events, musical delights, consumer connect initiatives and CSR activities.

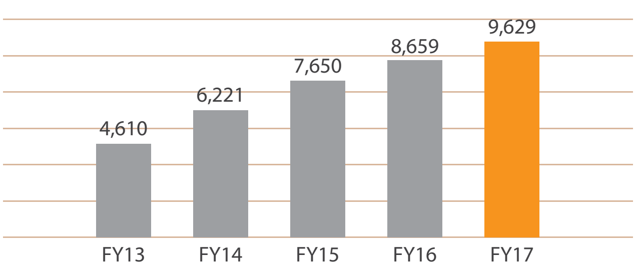
Future Strategy

Our key strategy for future growth is to target neighbouring cities with buying potential. More experiential and unique events will be added to attract the right target audience and engage with them. More category-led events, cross promotions, activations and strategic tie-ups will be planned to build brand loyalty and increase the frequency of visitors visiting the mall. Key triggers for rise in consumption are the mall upgrades, addition of new restaurants at Liberty Square and Courtyard, opening up of the 3rd floor, opening of HCMTR road to enable entry and exit and addition of 6 floors of parking MLCP to reduce waiting time for consumers with 4-wheelers visiting the mall. This is in line with our endeavour to constantly revamp and stay in touch with the market and with consumers' needs.

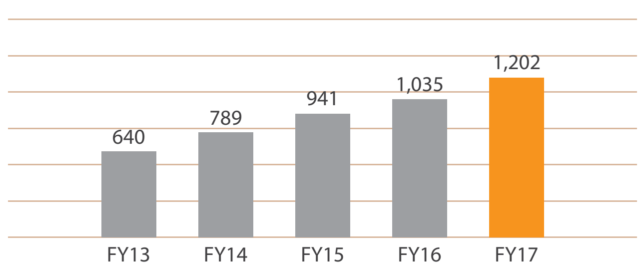
Sustainability Initiatives

An organic waste converter machine has been installed to convert wet waste to manure for our landscape to process over 500 kgs of waste to organic manure on a daily basis. We focus on enhancing the consumer experience by maintaining an ambient temperature in the shopping area, exclusive washrooms and fresh fragrance across the mall.

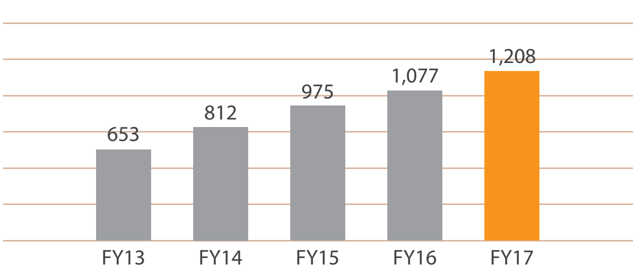
Consumption (₹ Mn)



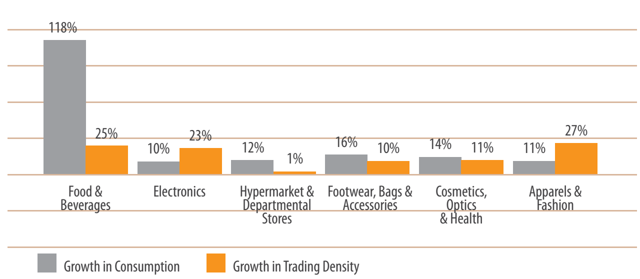
Rental Income (₹ Mn)



Trading Density (₹ psf pm)



Growth in Consumption & Trading Density for Top Categories



Awards & Recognition

- Awarded "Most Admired Marketing Campaign of the year – 100 Wishes Granted" campaign at Retail & Shopping Centre
- Awarded "Most Admired Asian Shopping mall of the Year" at The Golden Globe Tigers Awards 2017
- Awarded "Most Admired Asian Shopping mall of the Year (Marketing & Consumer Promotions)" at The Golden Globe Tigers Awards 2017
- Awarded IMAGES Most Admired Shopping Centre of the Year: NON-METROS (WEST) at Images Shopping Centre Awards 2017
- Awarded Best Shopping Mall of the Year – National at 6th Indian Retail & eRetail Awards 2017

1.19 Million Sq. Ft.
Total Leasable Area

96%
Leased Occupancy

341
No of Stores

₹ 9,629 Million
Consumption

₹ 1,208 psf/pm
Trading Density

₹ 99 psf/pm
Rental Rate

₹ 1,202 Million
Rental Income

4%
Area due for Renewal in FY2018

Phoenix MarketCity, Mumbai

The Fashion and Social Hub of Mumbai

As Phoenix MarketCity, Kurla, Mumbai entered its 5th year of operations, the mall has stepped in a league of its own. It is strongly positioned amongst the target audience as "a favourite destination" to fulfill an array of lifestyle and socialising needs with its fusion of fashion, food, fun, culture and ambience. Business consumption at the mall grew 17% at ₹ 6,957 million, compared to ₹ 5,957 million in the previous year. Trading density was higher by 18% at ₹ 942 per sq. ft. per month.

New Additions

Fashion is about constant re-invention and design evolution, and we at Phoenix Mills Ltd., understand this really well. Global fashion, beauty and F&B were the key categories under focus at the mall during the year under review. Iconic international brands such as H&M, Forever 21, Sephora, Aeropostale, Chillis, Pizza Express, Innisfree, Globus, Selected and Swatch were introduced during the year, replacing a few old brands. There was a strong growth in the categories of footwears, bags and accessories (up 17% yoy), Food & Beverages (up 15% yoy), Apparel & Fashion (up 8% yoy).

Several initiatives were taken to enhance mall ambience and offer a delightful shopping experience to the customers. Mall upgrades during the year included flooring, lighting, elevator lobbies, entrances, special elements and washrooms. In-mall navigation was enhanced by instilling new signage programs and structurally zoning several categories.

Locational Advantage

The mixed-use asset at Kurla is located in close proximity to Bandra-Kurla Complex (BKC), Mumbai's key commercial district, and is connected very well with the eastern and western suburbs.

Consumption and footfalls were largely driven by the Group's three commercial complexes – Centrium, Phoenix Paragon Plaza and Art Guild House – being housed in the premises. With more than 350 signature stores, the Mall offers an unmatched and seamless shopping experience with high-end domestic and international brands. With a good brand mix, mall ambience, shopping experience, mall accessibility, marketing promotions, a variety of dining options and entertainment places, the mall has emerged as an upscale destination attracting the hoi polloi.

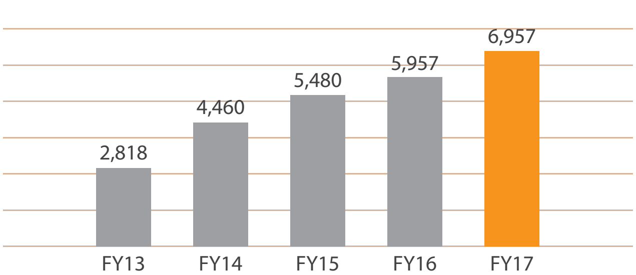
Focus Areas for FY2018

For FY2018, we are targeting some key brands in beauty, luxury fashion and F&B. Triggers for consumption growth at the mall include an enhanced shopping experience post upgrade, higher F&B sales due to new brands, increase in consumption owing to brands like H&M, Forever 21, Sephora and Aeropostale. Corporate connect programs, third-party events, direct marketing and sustenance campaigns are also resulting in increased consumption.

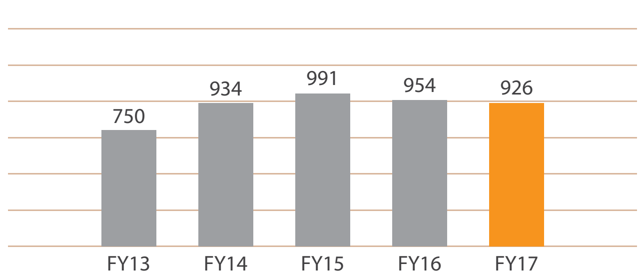
Sustainability Initiatives

Our mission is to create a more sustainable world and promote love and respect for the environment in an engaging manner. We are taking several steps to achieve this which includes – timely maintenance of AHUs, chillers and DG sets to reduce unit consumption; installation of LED lights; installation of preventive electrical maintenance to reduce breakdowns; optimised drainage from different points to recycle water; and installation of flow reducer to reduce water consumption in wash basins. We segregate dry and wet waste collection and have also installed OWC that turns waste into manure.

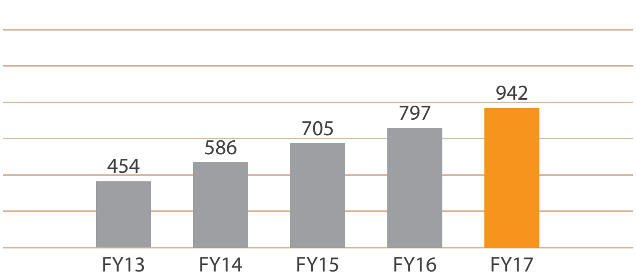
Consumption (₹ Mn)



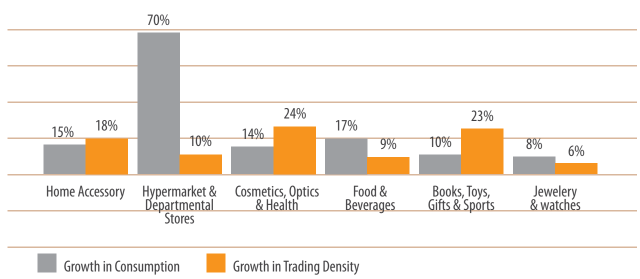
Rental Income (₹ Mn)



Trading Density (₹ psf pm)



Growth in Consumption & Trading Density for Top Categories



1.11 Million Sq. Ft.	93%	317	₹ 6,957 Million
Total Leasable Area	**Leased Occupancy**	**No of Stores**	**Consumption**
₹ 942 psf/pm	₹ 81 psf/pm	₹ 926 Million	9%
Trading Density	**Rental Rate**	**Rental Income**	**Area due for Renewal in FY2018**

Phoenix United, Lucknow

Phoenix United, Lucknow is located along National Highway NH25, leading to Kanpur, with approximately 0.33 million sq. ft. of leasable area. Phoenix United Lucknow has 128 stores and had a trading occupancy of 81% for FY2017 along with average rental of ₹ 72 per sq.ft. Rental Income for the full year was ₹ 230 million. Total consumption at the centre was ₹ 2,508 million with a trading density of ₹ 967 per sq. ft. per month.

Phoenix United, Bareilly

Phoenix United, Bareilly is located along the Pilibhit bypass road, on approximately 3.5 acres of freehold land, with approximately 0.31 million square feet of leasable area. The mall has more than 147 stores and a trading occupancy of 81% for FY2017 with an average rate of ₹ 60 per sq. ft. Rental Income for the full year was ₹ 177 million. Total consumption at the centre was ₹ 1,577 million with a trading density of ₹ 698 per sq. ft. per month.

One Stop Shop for Premium International Retailers

Accessibility, visibility, excellent facilities and amenities, in addition to attractive leasing rates and rentals, make us India's finest luxury shopping destination. With an eclectic mix of domestic and international brands catering to discerning fashion-conscious customers, we are the perfect shopping and entertainment destination for global retailers trying to tap on India's rising buying power.

The Indian retail landscape looks different today. The retail environment is as dynamic as it has ever been. The average consumers' purchasing decisions have dramatically altered, rapidly evolving to adopt international brands into their wardrobes. At The Phoenix Mills Limited, with a wealth of designer and premium merchandise, an eclectic mix of lifestyle products and services, and a loyal customer base, we remain the first choice for international retailers looking to set up shop in our retail assets. We offer a one-stop shop solution for top retailers to roll out their stores in the best retail locations in the key gateway cities of India. A fantastic response from Indian customers to adopt international trends into their wardrobes and a stronger economy is encouraging retailers to explore new markets in metros and beyond.

Touching Billions of Hearts

At The Phoenix Mills Ltd., we have transformed shopping from being a need-driven activity to a leisure time entertainment. We are following clear principles of being a retailer: consumer friendly destinations, super ambience and top-notch facilities. With an interesting blend of retailers, beautiful architecture, lavish interiors, aesthetically designed open spaces with wide corridors, parking adequacy and food joints serving as hang-out zones, we provide the complete experience to a discerning consumer.

We touch the hearts of billions of visitors throughout India; and have been constantly raising the bar of ideal consumer experience with exemplary facilities, unmatched services and top-notch infrastructure. Our functional design and size coupled with a plethora of choices across retail categories put us in a different league. The greatest strength underlying the business is our impressive track record, our retail expertise and the business know-how rooted in a retailer's perspective. We pursue an attractive tenant mix meeting the diverse array of needs of our customers.

Making Shopping Delightful

Our malls house some of the finest fashion, beauty and lifestyle brands, with a great mix of fine-dining restaurants, making shopping a delightful experience. We have innovated customer shopping by building our own platforms around the country with regional characteristics and large-scale renovations. We also reinvent and innovate to drive a luxury experience for the consumer.

Art and Culture

We believe in constant communication with our patrons. We also believe in celebrating every festival with our consumers by turning in a particular festive mood, transfiguring the décor and ambience. We conscientiously design our events and activities to suit the mood and raise consumer spirits. We engage with our customers through innovative and unique edutainment events and promotions.

H&M

The Swedish multinational fashion retailer Hennes & Mauritz AB (H&M) is set to increase its store strength in India to more than 20 stores during 2017. It considered High Street Phoenix Complex as an ideal location to launch its Mumbai stores. Their search for a well-defined space with a large footprint, the right kind of tasteful ambience to attract high value spenders, and the inclusion of top international brands, ended at Phoenix. The Indian unit of the Swedish fashion retailer H&M, the world's second biggest clothing retailer, set up its 30,000 sq. ft. store in High Street Phoenix, Lower Parel and another 37,000 sq. ft. store at Phoenix MarketCity, Kurla in August 2016. This was followed by the opening of their third store with PML at Phoenix Marketcity Pune in October 2016. These are full concept stores offering the latest in women's, men's and children's fashion. Globally, H&M has nearly 4,000 stores and plans to open nearly 500 more shortly. It aims to grow with its business concept of fashion and quality at the best price in a sustainable way. It offers casual to formal wear and has identified India as an important part of its global expansion plan.

Zara

Inditex SA of Spain, the parent company of the Spanish apparel chain Zara, leased 25,000 sq. ft. at Palladium Mall in High Street Phoenix Complex, and another 36,000 sq. ft. store at Phoenix MarketCity, Mumbai. One of the highest grossing in India, the two stores have been set up through its Indian joint venture, Inditex Trent Retail India Pvt. Ltd. In addition to the above, Zara has a 33,000 sq.ft store in Phoenix MarketCity Pune, 30,000 sq. ft. in Phoenix MarketCity Bengaluru and 34,000 sq. ft in Phoenix MarketCity Chennai.

Forever 21

Forever 21, the American fashion retail chain and a young apparel brand, launched its 4th store in India at Phoenix MarketCity, Mumbai spread over 18,000 sq. ft., as it strengthens its foothold in Mumbai and brings global trends and runway fashion closer to Indian fashionistas. The brand offers the full spectrum, from women's clothing to accessories, footwear, and also menswear. It is among the fastest growing fashion retailers in India with a network of more than 700 stores worldwide. Having established a strong affinity with fashionable Indians, Forever 21 is creating a new fashion destination for uber-stylish Mumbaikars. The brand is under discussion with our company to expand its presence to other malls.

Creating Concept-Oriented F&B Spaces

Times have changed, and so have consumer psyche, flavour profiles and spending power. Guests, today, are striving for healthy living, which equates to a healthy planet. As their tastes, values and choices veer towards well-being and sustainable living, the Phoenix Group is serving to meet new expectations.

Food is an innate part of the Indian culture. At The Phoenix Mills Ltd., our vision of making our malls a hub of urban entertainment, food & beverage (F&B) and a retail hub is progressing as planned. With the help of Bellona Hospitality Services Limited (BHSL), a 100% owned F&B arm of the Phoenix Mills Ltd., we are on top of consumer trends offering functional meeting spaces, and unique, innovative, tailor-made food choices – all of which are designed to experiment with flavours and texture, geared towards inspiring creative thinking. Changing demographics, increase in income, urbanisation and growth in organised retail is driving India's F&B sector.

Table Trends

We have 7 F&B brands rolled out across 4 malls in 3 cities of India. Our core brands – Craft, Shizusan Shophouse & Bar and 212 All Good – are the preferred venues for millions of food lovers. We remain committed to our innovative, concept driven spaces, with personified venues that break the clutter. Our restaurants are fast becoming the leading choice for guests who demand quality cuisine and an unforgettable experience. The energy and cool touches at all our locations create an addictive atmosphere, while the design styles and décor offer interesting features, creating a real sense of individualism.

Cutting through Clutter

We introduced a well-researched and concept-oriented brands 212 All Good, based on the novel hypothesis of clean eating and the philosophy of locally-sourced fresh produce. To break the clutter of Asian eateries, Shizusan adapted the look and feel of an Asian shophouse with a bar and a curated menu. It leverages on Pune's success, where it ranks first among all F&B brands in terms of trading density. The restaurant brand Craft is being extended to Art Guild House in a café format, serving quick meals, set meals and take-aways. We also forayed into Bengaluru with a penchant to welcome every culinary experiment.

Phoenix MarketCity, Mumbai, Pune and Bengaluru

India's first bar with wholesale pricing and an innovative concept driven space

Phoenix Marketcity Mumbai

Casual style café & bar that serves western comfort food and drinks

Phoenix MarketCity, Pune

A kid-friendly space and a haven for parents and shoppers

High Street Phoenix

Food which is good for the gut

PMC Mumbai

Premium Deli, Upmarket Bistro, Wine & Cocktail Bar

Phoenix MarketCity, Pune, Bengaluru and High Street Phoenix Complex

Asian Shophouse & Bar serving streetside food and Asian cocktails

Phoenix MarketCity, Pune

New chic café that offers an American spin to a classic French (European) experience

The St. Regis, Mumbai

Nothing but the Best

The St. Regis, Mumbai is famous for unsurpassed Indian luxury and bespoke service, creating exceptional experiences and contemporary feeling for guests. Located in Mumbai, The St. Regis, from the global hospitality major Marriott Hotels, offers panoramic views of the bustling metropolis. The Hotel is strengthening its outreach to affluent travellers and elevating India's luxury hospitality landscape. During the year, the Hotel registered an average room occupancy of 72% and average room rate of ₹ 10,594 per room per night.

Key Offerings

The Hotel's urban aristocratic design is complemented by warm tones and the specially commissioned artwork lends an elegant touch to public spaces. The property, with 395 keys and 10 restaurants and bars, consists of modern and under-stated guest rooms, 27 suites and 33 residential suites. The Hotel also houses a spa and salon, a fitness center and a 25-metre outdoor swimming pool with panoramic views. For business meetings and special events, there is a 3,900 sq. metres of event space.

During the year, the Hotel launched Luna Nudo Gusta, a modern European restaurant and an all-new culinary and bar offering, bringing the classic dining experience back to life. The restaurant epitomises elegant décor and an unparalleled view, offering the perfect dining experience for the gourmand. The alluring energy of modern European cuisine and the pulsating infusion bar seamlessly compliments the brand's classic sophistication and elegance.

₹ 10,594

Average Room Rate Per Day in FY2017

72%

Occupancy

395

Keys

The St. Regis, Mumbai is the **Tallest Hotel** building in India

Courtyard by Marriott, Agra

Intuitive Services in a World of Style

Our constant endeavour at Courtyard by Marriott, Agra, home to the world-renowned Taj Mahal, is to provide our guests with the best services and facilities, with the most vibrant F&B programme. In the two years of its operations, it has become a preferred getaway destination offering Indian hospitality with a global flair. The Hotel is setting new benchmarks in hospitality services and creative events.

During the year, the Hotel registered an average room occupancy of 57% and average room rate of ₹ 4,336 per room per night.

State-of-the-art Amenities

The property in Agra, which is only a four-hour drive from the national capital of India, is a part of the 1,000th Courtyard by Marriott globally and the 12th property in India. The property, with 193 rooms and 4 restaurants & bars, is designed to anticipate guests' basic needs – functionality, safety, consistency, comfort and value – providing a warm, sophisticated environment and a variety of options that allow guests to stay connected, productive and refreshed throughout their stay. The Hotel also offers large conference and banquet facilities, with more than 30,000 sq. ft. of indoor and outdoor banquet space, Magnificent lawn and extensive banqueting space make a perfect setting for social or business engagements.

A Royal Experience

The thoughtfully designed rooms provide the optimum balance between work and relaxation, with state-of-the-art amenities and views of the landscaped gardens or the pool, perfectly complemented by a selection of dining options, recreation and wellness facilities. The Hotel has recently launched an open-air Indian fine-dining specialty restaurant Anise, offering a delectable selection of authentic Awadhi and Northwest frontier cuisine and a gastronomic experience, with a warm and welcoming ambience.

Surrounded by lush green landscaping and expansive lawn with a beautiful backdrop, the restaurant provides its patrons a royal dining experience. With its ideal location supported by personalized service, the Hotel endeavours to become the most preferred for business and leisure travellers in the city.

₹ 4,336

Average Room Rate Per Day in FY2017

57%

Occupancy

193

Keys

Art Guild House, Mumbai

Challenging the Status quo

A distinctive feature of Art Guild House, an iconic premise, is its strategic location and unique value proposition. It is a part of the largest retail and commercial mixed-use development – the Phoenix MarketCity, Kurla, Mumbai. Spanning across 3.04 million sq. ft., it provides perfect work life balance to its occupants, being in the vicinity of the most premium retail, entertainment and food brands. Art Guild House is strategically located at the center of an infrastructure development with excellent connectivity to five mega infrastructure projects in Mumbai and being in close proximity to Bandra Kurla Complex.

Premium Amenities

The commercial premise, which commenced construction in March 2012, is now complete and the leased spaces are currently under fit-outs. About 0.26 million sq. ft. of the total area has been leased out of a total available area of 0.55 million sq. ft. Apart from its unique location, the six levels of office spaces with two levels of basement parking, premium amenities and artful environs make the "A" grade building one of the finest commercial destinations in Mumbai. It is an independent green building which offers scalability from 2,000 sq. ft. to 1.0 lakh sq. ft. on a single floor.

Sustainability Initiatives

Art Guild House is a green building aspiring LEED certification, a zero-water discharge site with energy efficient lighting fixtures. We aim for optimum electricity utilisation with the use of LED lights, while the Sewage Treatment Plant installed helps us achieve water conservation. The waste management SOP has been implemented. We also make use of building materials with a high recycled content. We have undertaken groundwater harvesting system to extract more water with less pumping power and directly discharge it into tanks. We are placing increased emphasis on time control on AHU and timings for lighting switch on-off. As a good practice, we have implemented automated access control system and visitor management system for all the employees.

0.55 Million Sq. Ft.

Total Available Area

06

Levels of Office Space

Centrium, Mumbai

Delivering Best-in-Class Experience

Centrium is a part of the integrated and retail-led mixed-use development at Phoenix MarketCity, Kurla, offering premium commercial spaces in the heart of the city. Located in Kurla, the Complex offers several locational advantages. It is located within a distance of 30 minutes from anywhere in Mumbai. It is connected well with all the premium residential projects anywhere in south, central, western or eastern part of Mumbai. The Complex provides easy access to shopping and entertainment, with several F&B options and break-out zones.

Key Amenities

The ultra-modern commercial destination is a "ready to move" block with 0.28 million sq. ft. saleable area with floor plates of 40,000 sq. ft. each, aiming to provide a spectacular amalgamation of stress free haven and anchor shops and showrooms. It offers a pleasant work environment with exclusive entrance lobby, centralised air-conditioning and 100% power back-up in common areas. Other key amenities increase the utility and style of this commercial complex.

Housed within India's largest mixed-use development which includes commercial complexes such as Art Guild House and Phoenix Paragon Plaza, the project has been designed by Benoy from Hong Kong.

Phoenix Paragon Plaza, Mumbai

Embedding Best Practices

Phoenix Paragon Plaza is a part of Phase 2 at the retail-led mixed-use development asset at the iconic Phoenix MarketCity, Mumbai. This state-of-the-art complex is spread across 0.42 million sq. ft and six levels and is housed within a mix of retail and high-street brands. It is ideal for local retail entrepreneurs, professionals and start-ups. It has shops ranging from 70 sq. ft. and offices from 300 sq. ft. for lease.

Key Features

The total saleable area at Phoenix Paragon Plaza comprises of a retail portion of 0.18 million sq. ft., with shop sizes ranging between 80 sq. ft. and 500 sq. ft. The asset is a planned development with contemporary and superior design and is in company of the most premium retail, entertainment and food brands, premium boutique office spaces, shops and cafes. There are dedicated zones for electronics, bridal wear, fashion and accessories, a dedicated food court, restaurants and ample car parking space.

Phoenix Paragon Plaza offers the privileges of a unique proposition – that of the retail and commercial sector. It is poised to benefit from the prominent infrastructure development taking place in and around Kurla. It offers other amenities such as storm water management, integrated monitoring system, duress alarm at sensitive areas and magnificently landscaped gardens throughout the Complex.

One Bangalore West, Bengaluru

Delivering on the Brand Promise

One Bangalore West at Bengaluru city is the Group's flagship and only standalone residential project. It has been established as "the best gated community in Bengaluru" with world-class facilities. Located at Dr. RajKumar Road, the company has a saleable area of 2.20 million sq. ft. (Phase I, II and III). Phase I of the project (Tower 1-5) has been completed and delivered, with occupancy certificate received. Tower 6 and 7 (Phase II) are currently under the approval process, while plans for Tower 8 and 9 (Phase III) have been frozen and construction work will soon commence. The project achieved a sales volume of 1.17 million sq. ft. at a weighted average price of ₹ 9,579 psf, resulting in an aggregate collection of ₹ 9,935 million.

Premium Amenities

Phoenix Club One, the state-of-the-art sprawling clubhouse built on 50,000-sq. ft. was, made operational during the year. It is considered to be amongst the best clubhouses in the city, with elegant interiors and state-of-the-art amenities.

The exclusive 2, 3 and 4 BHK flats and penthouses at the Complex are well ventilated. There are only 3 units per floor, offering complete privacy. Besides the superior design, a key USP is the Phoenix brand heritage and 17-acre green land in the heart of the city, built with 80% green spaces and a thriving community. It is being evaluated as a project with excellent location, good connectivity to the central business district and airport, close proximity to the mall, metro, cultural hub and city center, timely delivery and community living.

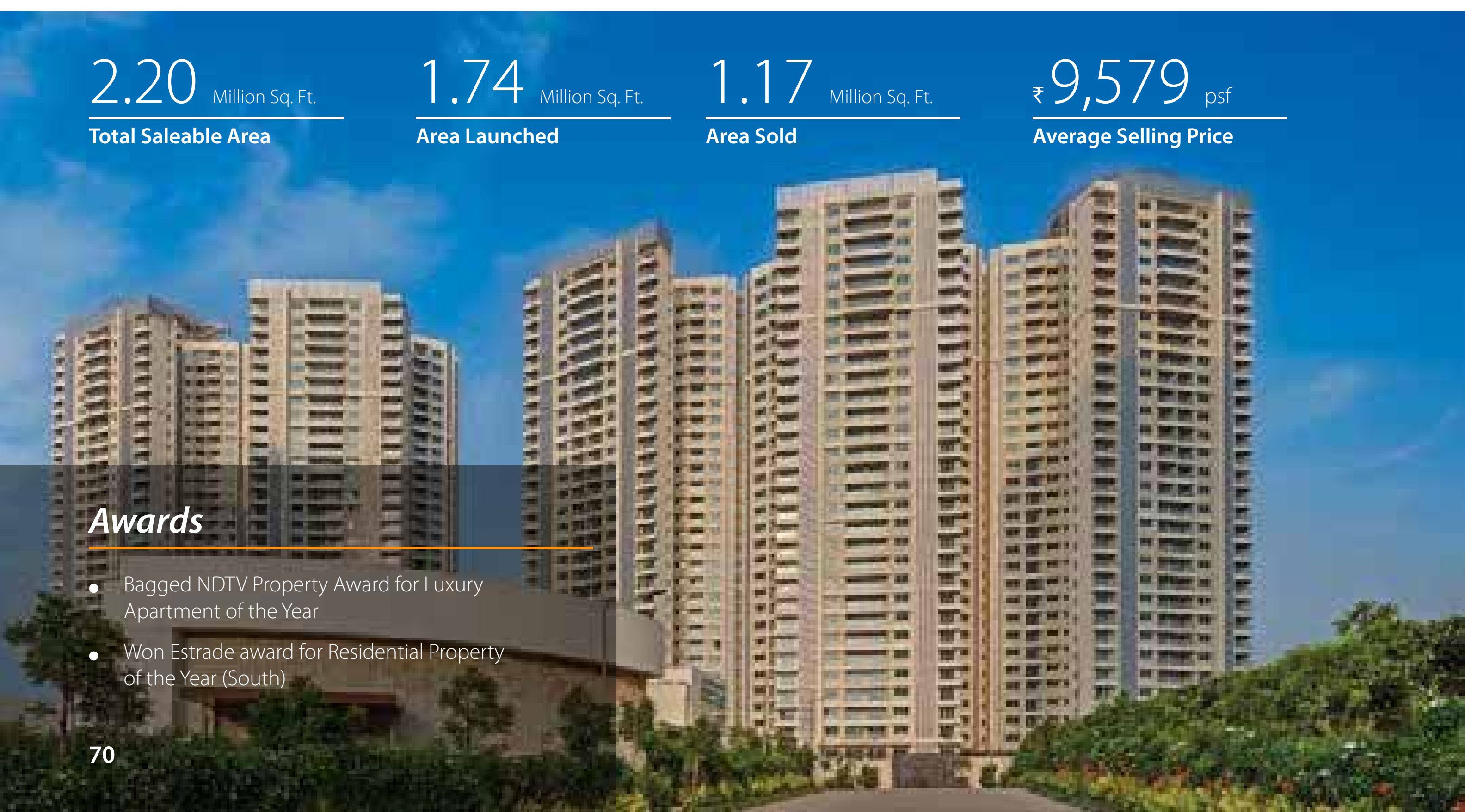
Esteemed Clientele

Our marquee clients include top industrialists and business class, professionals like doctors and lawyers, educationists, and working NRIs, among others. In-time project delivery and quality of construction continue to drive sales even after 4-5 years of the launch. A separate Customer Grievance redressal wing has been set up, where customer grievances are attended immediately. With the apartment ADDA software, all the software issues of residents are handled by the facility team in the shortest possible time.

Environmental Consciousness

The project has applied for Green Building Certification and makes use of all environment friendly components. Water collected from the rainwater harvest system is used for gardening and flushing purposes, while sewage water from Sewage Water Treatment plant is used for flushing. As a key feature, water efficient taps used in bathrooms and kitchens leading to water conservation. With the organic waste converter installed, the daily waste is converted into organic manure.

₹ 11,236 Million
Sales Value



2.20 Million Sq. Ft.
Total Saleable Area

1.74 Million Sq. Ft.
Area Launched

1.17 Million Sq. Ft.
Area Sold

₹ 9,579 psf
Average Selling Price

Awards

- Bagged NDTV Property Award for Luxury Apartment of the Year
- Won Estrade award for Residential Property of the Year (South)

One Bangalore West Towers 1-5
Construction Completed and Occupation Certificate (OC) Received

Kessaku, Bengaluru

Breaking Barriers.
Setting New Benchmarks.

Kessaku is a one-of-its-kind development offering its customers the concept of 'bungalow living', the convenience of a 'gated community' and luxurious single-level homes. Launched in 2015, the Project includes 5 exclusive towers with expansive living spaces ranging between 6,000 sq. ft. and 7,500 sq. ft., and artfully detailed duplex apartments of 12,000 sq. ft., an art-inspired lobby, optimum space utilization, state-of-the-art bespoke home automation, international concierge service and impeccably designed kitchens. It reflects the modern architectural vision of Callison of USA.

The project, built over a saleable area of 0.99 million sq. ft., has witnessed good sales velocity with 0.21 million sq. ft. being sold at an average price of ₹ 15,378 per sq. ft., with a good mix of cosmopolitan infrastructure.

The project is strategically located in the vicinity of a metro station, World Trade Centre, Hotel Sheraton, premium shopping destinations, reputed educational institutions and hospitals. The residents have access to two state-of-the-art club houses – Midori, based on a Verandah concept on the ground level garden; and Kaze, a sky club on the roof top, with an infinity edge indoor pool and a rooftop jogging track.

Key Features of Kessaku

- Exclusive access-controlled
- Elevators
- Personal lobby
- Cross ventilated living spaces
- Double height ceilings
- Dry kitchen and spacious
- Dining area
- Multiple expansive decks
- Four zone kitchen suite
- Master suites 1 and 2
- His and Her vanity suites
- Powder room
- Master bath suites 1 and 2
- Guest bath suite
- Library bath suite
- Children's bedroom
- Family entertainment room
- Library and study
- Guest bedroom
- Expansive decks with splash pools
- Separate service entrance and
- Elevator for staff
- Staff quarters

The Crest, Chennai

Passion for Innovation

The first phase of The Crest at Velachery, Chennai is complete. The premium residences are built on top of a luxury mall. The three residential towers (Tower A, B and C) are built on saleable area of 0.53 million sq. ft. Since launch, a cumulative area of 0.4 million sq. ft. has been sold for a total sales value of ₹ 3,464 million, translating into an aggregate collection of ₹ 3,209 million. Phase 2 of the project comprises of Tower D of 0.41 million sq. ft. of saleable area and is currently under planning stage.

Awards & Accolades

RETAIL PORTFOLIO

High Street Phoenix & Palladium Mall

Awards for FY2017:

- Global Safety Summit BCToad Business & Skill Awards 2016 presented **Safest Public Shopping Mall Award** to The Phoenix Mills Ltd. – High Street Phoenix
- Global Marketing Excellence **Awards presented Award for best use of Social Media** in Marketing to #Oneforlove campaign – The Phoenix Mills Ltd. In 2016
- Global Marketing Excellence **Awards presented Award for Marketing Excellence in Retail Sector** to – The Phoenix Mills Ltd. In 2016
- Star Retailer Awards 2016 presented **Regional Mall of the year** – West to High Street Phoenix in 2016
- TAVF Awards 16 – The Activation Venues Forum presented **Best Venue for the Activation Campaign to** High Street Phoenix
- TAVF Awards 16 – The Activation Venues Forum presented **Best Activation Campaign** to High Street Phoenix
- TAVF Awards 16 – The Activation Venues Forum presented **Highest Number of footfall venue of the year** to High Street Phoenix
- TAVF Awards 16 – The Activation Venues Forum presented **Best Festive Decor** to High Street Phoenix
- TAVF Awards 16 – The Activation Venues Forum presented **Best Premium Venue of the year** to High Street Phoenix
- INDIA SHOPPING CENTRE AWARDS by Images Group Recognized High Street Phoenix & Palladium as **"Shopping Centre of the Year (West) - Metro"** In 2016
- INDIA SHOPPING CENTRE AWARDS by Images Group recognized High Street Phoenix & Palladium as **"Shopping Centre of the Year – Sales Per Sq. Feet"** In 2016
- RETAIL EXCELLENCE AWARDS recognized High Street Phoenix & Palladium as **"Shopping Centre of the Year"** In 2016

Phoenix MarketCity, Chennai

- **The Best Premium Mall in Chennai** – Times of India
- **Construction Industry Award 2015** – Excellence in Commercial/Mixed Use-Development
- "**Best Malls & Shopping Centre of the Year 2015** – Operational Mixed Used Development" by Estate Avenues
- **"Most Admired Shopping Centre of the Year"** by CMO Asia's Shopping Centre & Mall Awards 2014
- "**Best Retail Project of the City** – CNBC Awaaz Real Estate 2013 Development" by Estate Avenues

Phoenix MarketCity, Bengaluru

- CMO Asia Shopping Centre & Mall Awards 2017
- – Most Admired Shopping Centre of the Year – Marketing & Consumer Promotions
- – Best Thematic Décor Shopping Centre
- – Estate Avenue – 5th Annual India's Best Shopping Malls Issue – Operational - Destination Shopping Mall 2016-17
- **Asia Shopping Centre & Mall Awards 2014** – Most admired marketing campaign of the year
- **CNBC Awaaz Real Estate Awards 2013** – Best retail project of the city – PMC Bengaluru

Phoenix MarketCity, Pune

- Most Admired Shopping Centre West, Non-Metro – Images Shopping Centre Award 2016
- Images Shopping Centre Award (ISCA) for the Most Admired Shopping Centre 2014
- Shopping Centre of the year at the CMO Asia Retail Excellence Award 2014
- Images Most Admired Shopping Centre of the Year" at Images Shopping Centre Awards 2013
- "IMAGES Most Admired Shopping Centre Marketing & Promotions of The Year" at Images Shopping Centre Awards 2013
- Best retail project in Pune at the CNBC AWAAZ Real Estate Awards 2012

Phoenix MarketCity, Mumbai

- "India's best existing neighbourhood shopping mall 2013-14" awarded by Estate Avenues
- "Best Thematic decoration" by Asia Shopping Centre & Mall Awards, awarded by CMO Asia

RESIDENTIAL PORTFOLIO

One Bangalore West

NDTV Property Award 2016
Luxury Apartment Project of the Year

Estrade Award 2016
Residential Property of the Year (South)

CNBC-AWAAZ Real Estate Awards 15-16
Best Residential Project in Bengaluru City (Luxury)

Asia Pacific Property Awards 2015
Architecture Multiple Residence
Residential High-rise Development

Estate Award 2015
Best Marketer of the year 2015

7th Estate Awards 2014
(Franchise India & ET NOW)
Regional Project of the Year – South

Asia Pacific Property Awards 2013
Developer Website

Kessaku
Estrade Award 2016
Luxury Project of the Year 2016

Estate Award 2015
Best Marketer of the year 2015

Asia Pacific Property Awards 2015
Development Marketing
Residential Property Interior (Show Home)

3rd Asian CEF Awards 2014
The Residential Project of the Year – Towers

7th Estate Awards 2014
(Franchise India & ET NOW)
Project of the Year – National

Designomics Awards 2014
Integrated Design Project / Marketing Strategy
Direct Response – Brochures / Catalogue

Fountainhead

3rd Asia CEF Awards 2014
The Residential Project of the Year – Residential Buildings

Asia Pacific Property Awards 2015
Apartment/Condominium
Developer Website
Development Marketing
Residential Interior (Show Home)
Designomics Awards 2014

Integrated Design Project / Marketing Strategy
Direct Response – Brochures / Catalogue

Estate Award 2015
Best Marketer of the year 2015

HOTELS & RESTAURANTS

2014

Times Food & Nightlife Awards

- **Seven Kitchens:** Winner of Best All Day **Restaurant** (South Mumbai, Fine Dining
- **By the Mekong:** Winner of Best **Thai Restaurant** (Newcomer, South Mumbai, Fine Dining)
- **Li Bai:** Winner of Best Bar (South Mumbai)

TripAdvisor
Certificate of Excellence 2014

Condé Nast Readers' Travel Awards 2014
Favorite New Leisure Hotel in India *(Runners Up)*

2015

Times Food & Nightlife Awards
The Sahib Room & Kipling Bar:
Winner of Best Indian *(Noteworthy Newcomer South Mumbai, Fine Dining)*

Yuuka: Winner of Best Japanese *(Noteworthy Newcomer South Mumbai, Fine Dining)*

Booking.com
Award of Excellence 2014, Preferred Hotel

ClearTrip
Award of Excellence 2014

2016

Times Food & Nightlife Awards
The Sahib Room & Kipling Bar: Winner of Best Indian Restaurant

EXO: Winner of Best Nightclub

LI BAI – Winner of Best Bar

By the Mekong – Winner of the best Thai restauran

TTJ Award
Jury Choice award, 2016 for Innovative Edge in creating luxury experiences in India

Conde Nast Reader's Travel Awards 2016
Favourite New Business Hotel

Asia SPA Awards 2016
Most Luxurious Spa (Hotel) – Iridium Spa

2017

Times Food Awards 2017 & Times Nightlife Awards 2017
By the Mekong - Best Thai - Fine Dine, South Mumbai
Luna Nudo – Best Cocktail Bar – Nightlife, South Mumbai
EXO – Best Nightclub – Night life, South Mumbai

BW Hotelier Awards
Best Hotel Manager

Our Sustainability Strategy

Serving the Society Little Better Everyday

When it comes to environmental protection and minimising our impact on the environment, our sustainability strategy in action makes all the difference. The values we live by ensure we serve our customers, employees and the society a little better every day. As a growing organisation, an important part of delivering this is to ensure we tackle the social and environmental challenges in communities we operate in.

At The Phoenix Mills Limited, sustainability is all about resource efficiency and improving the way our business is run. It is about using environmentally responsible products and managing their environmental impact. We conduct our operations in a manner that are ethical, transparent, proactive and sensitive to all stakeholders. The link is the little things we do to contribute to bigger initiatives.

Our Sustainability Strategy

a. Protecting and minimising impact on the environment

b. Protecting the health, safety and well-being of customers and employees

c. Investing and supporting the communities in which we operate

Key Focus Areas

1. **Resource Management**
   Environment protection and judicious resource management is our key motto. And eco-sensitivity is an integral part of our corporate responsibility. We operate in compliance with all regulatory requirements and follow green practices, as we recognise the perils of global climate change. We understand that a green building ensures a healthy environment, representing the optimum use of land, water, energy and sources. We make effective use of cost-efficient green technologies to create a building with a higher comfort level, low energy use and cost and low operating cost. By doing this, we validate our intent to pre-adopt futuristic infrastructure trends. Our latest office space Art Guild House is LEED compliant and is awaiting LEED certification.

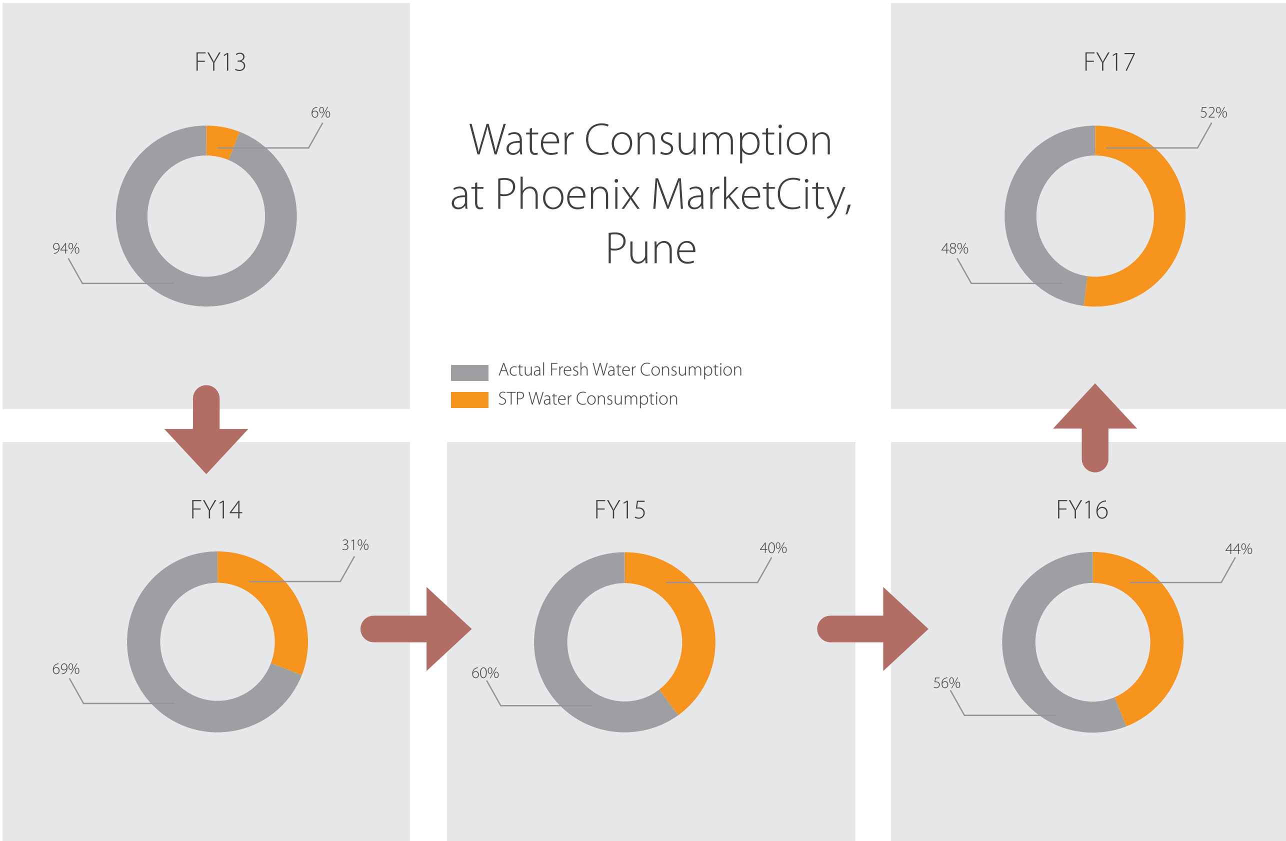
2. **Protecting the Environment**
   We have progressively invested in environment protecting plants and processes, strengthening our position as a responsible corporate citizen. We design and develop new malls with a distinctive characteristic and pursuing a unique charm. We are also actively working on revitalisation of the existing malls through refurbishment. As part of this, we are enhancing our floor spaces and promoting creation of people and environment-friendly spaces.

3. **Environment and Safety**
   A central ESH Team (Environment, Safety and Health) provides key directions and performance indicators towards sustainable living, including monitoring of carbon emissions. The sustainability framework we have worked upon provides strategic direction for our key focus areas. By implementation of energy-saving and waste control policies, we are constantly developing a culture where we are minimising the environmental load and creating a mechanism to protect the local ecology.

   Moving ahead, we will continue to focus on improving our performance in the areas of health, safety and environment. We will also focus on developing our people and in supporting our communities.

4. **Energy Conservation**
   We have converted halogen bulbs to LED-based lights at all the malls and commercial complexes. We have implemented capacitor banks for HT chillers to improve power. We have also implemented conversion starter-driven condenser pumps to VFD driven pumps. This is aimed at lessening energy consumption by plummeting the speed. A feasibility study for this is currently under progress.

5. **Water Optimisation**
   We are aiming at optimum water utilisation at each of our asset. All the sewage water is recycled and used for gardening and cleaning purposes. We discharge water and get treated back wash water from treatment plants. We undertake regular maintenance of cooling tower water and chillers and also maintain water quality through routine descaling. We also undertake weekly filter cleaning for AHU sets due to



Increasing usage of STP water has led to savings of over ₹ 11 Million in FY2017 at PMC Pune.

high-dust quantity. A quarterly thermography test and cable connection tightness is checked to avoid loose contacts and energy wastage.

Our Initiatives on Sustainability

High Street Phoenix and Palladium, Mumbai

Some key upgrades were carried out at the Complex such as installation of LED screens, gantries, totems and periphery elements, new revenue signages and changing LPG to PNG at all Food & Beverage outlets. Other significant initiatives included reuse of water through Sewerage Treatment Plant (STP), multiple rainwater harvesting pits, zero discharge, installation of LED lights and maintaining of Unity Power Factor. We have also taken other steps like effective segregation of garbage, installation of organic waste converter and sludge to cover into mature.

Phoenix MarketCity, Chennai

We undertook many energy conservation efforts during the year. We regularly monitor utilisation of water and electricity and over consumption is immediately addressed. Recycled water from STP is recycled and utilised for cooling towers, flushes and landscape to minimise the intake of raw water. Tubelights in the basement have been replaced with LED lights for power conservation. Nearly 64% of our total power consumption was from green energy, with wind energy sharing a major chunk. We installed 3,600 LED 15-watt tubelights from led to a saving of 655 units per day, while climate control sensors at MLCP contributed 175 units per day. About 158,563 KL water was recycled for cooling towers and for flush water purposes. Organic waste convertor was used to recycle wet garbage into manure for landscaping, while dry garbage is disposed through third-party vendor. Optimized use of wind power, along with lower Diesel Generator set usage, led to savings of ₹ 32 million during the year.

Phoenix MarketCity, Bengaluru

The mall witnessed a transformational change during the year. This was targeted at providing our discerning customers an international feel and enhancing their shopping and leisure experience. The makeover at the mall included installation of granite floor tiles, change of tubelights to LED, and installation of life size art pieces, trees and greenery, new direction signages and digital directories.

Phoenix MarketCity, Pune

An organic waste converter machine converts wet waste into manure and processes over 500 kgs of waste into organic manure on a daily basis. There is also a separate vendor to manage the garbage room.

Phoenix MarketCity, Kurla, Mumbai

We have a mission to create a more sustainable world and promote love and respect for the environment. Our efforts to achieve the above include – timely maintenance of AHUs, chillers and DG sets to reduce unit consumption; installation of LED lights; installation of preventive electrical maintenance to reduce breakdowns; optimizing drainage to recycle water; and installation of flow reducer to reduce water consumption in wash basins. We segregate dry and wet waste collection, while an Organic Waste Converter turns it into manure.

Corporate Social Responsibility

Helping People Cope with Social Challenges

At The Phoenix Mills Limited, we acknowledge our social responsibility well and remain committed towards the economic and social development of people of the society. Our focus is to demonstrate our commitment of "giving back to the disadvantaged sections of the society" seriously. We continue to live by our mission to extend the benefits of economic prosperity and realize the objectives of inclusive growth.

Corporate Social Responsibility is embedded in our vision statement of empowering the vulnerable sections of the society. Our CSR policy at The Phoenix Mills Limited is to function as a responsible corporate citizen, while discharging our social responsibilities. We utilise all opportunities to make any difference to people coping with social challenges.

We have a clear and robust governance framework for corporate responsibility and to focus on community well-being and empowerment is our key imperative. We maintain a close contact with local communities to solve their issues. We remain committed to meeting the needs of the local people. As a responsible corporate citizen, we share our success with the society and communities we live and work with. Our moto is to build a sustainable life for the underprivileged sections of the society and make their lives better.

- **Support the Cause:** We participate in the Standard Chartered Mumbai Marathon every year and run for the cause, along with the NGO 'Light of Life Trust'. The Trust works for the cause of development of rural under-privileged communities through a holistic approach leading to education, empowerment and employability.

- **Daan Utsav:** The "Joy of Giving Week" is celebrated across the country from October 2nd to October 8th. We also partnered with "Light of Life Trust" to celebrate the week across all our office locations. The money collected from employees was donated for the said cause.

Our Thrust Areas in CSR

- Education
- Women Empowerment
- Physical Well-being

High Street Phoenix and Palladium, Mumbai

- **Year of Giving:** Raised funds to encourage the spirit of giving and celebrate special occasions for special causes.
- **World Child Labour Day:** Tied up with Plan India to spread the cause of education of under-privileged children and eradication of child labour.
- **Palladium's 7th Anniversary:** The Mall donated 5% of its total sales towards a charitable cause.
- **OneForLove:** Leveraged social media to launch an initiative focussed on bringing social change.
- Other Events: Halloween and Christmas Party

Phoenix MarketCity, Mumbai

- Celebrated World Heart Day campaign in association with Fortis Healthcare, comprising cardiologists from hospitals and the Cause Ambassador, Raghu Dixit.
- Hosted a showcase of extraordinary art by painters from the Indian Mouth and Foot Painting Artist Association.
- Organised the 5th edition of Pinkathon, a movement carrying forward by a growing community of empowered women across India.
- Kick-started "Organ Donation Week" with doctors, students, army veterans and several renowned faces supporting of organ donation.
- UNICEF and Swachh Bharat Swachh Vidyalaya organised a social awareness campaign to spread awareness on diarrhea, to educate children not to open defecate and to learn the importance of hand washing.
- Mumbai University Department of Psychology organised a suicide prevention campaign on World Suicide Prevention Day.
- Organised "Daan Utsav" with 15 NGOs with school children, homemakers, opinion leaders and media personnel sharing their time, money, resources and skills with the society. Also, donated sale proceeds of 5th anniversary sale towards the NGO "Save the Children".

Phoenix MarketCity, Pune

- Organised 4th edition of "I Love Pune"
- Conducted an international Book Day celebration on World Environment Day, where shoppers donated books to under-privileged children.
- Conducted Green Ganesha Flashmob with Rotary Club and Zero Waste Campaign with Pune Police
- Celebrated X-Mas with NGO kids with free rides, meals and gifts
- Donation collected at the entrance of e-Washroom for NGOs like CPAA and Sarv Seva Sangh
- Conducted fund raising and Swachh Abhiyaan; Green Peace Environment; Living Free campaign for animals; Organ Donation Drive; Safety Week celebration; and Pinkathon, among other activities.

Phoenix MarketCity, Bengaluru

- Organised Freedom Vs Jam in association with Bangalore Traffic Police with art installations
- Organised Strisvara, a concert tour program, where international women musicians from different countries exchange music, culture and tradition
- Organised "U Quit, I Quit" campaign to quit smoking habits and spread awareness on heart disease on World Heart Day; conducted counselling with experts and distributed free samples of Nicotex
- Vigilance Awareness Week was conducted by Central Vigilance Commission and Hindustan Aeronautics Limited to promote integrity and eradication of corruption
- Conducted awareness campaign on violence against women conveyed through a set of tattoos
- Organised a musical live concert with Sona Mohapatra with Akshay Patra Foundation to raise funds for mid-day meals for children
- Organised Safety Women Drive with Radio Mirchi and Bangalore Police for promotion of women's welfare
- Organised signature and awareness campaign on Help for Children in Need Foundation on children's rights
- Organised women empowerment programs with Vidya Bhagini Society to raise funds for Vidya Integrated Development for Youth and Adults

Phoenix MarketCity, Chennai

- Conducted a CSR activity with the NGO Little Drops to raise funds for orphanages for children

Human Resource Management

Practicing our "People First" Strategy

The value of a company is determined by the quality of its employees. At Phoenix, we recognise Human Resource Development as a key area of our core competence and, hence, seek to pursue, nurture and retain talent. We build strong leadership talent pipelines and capability across levels in an environment fostering high performance and engagement across the workforce.

Human Resource is the most vital factor to achieve the goals of any organisation. Being a progressive organisation, we believe in the strength of our most vital asset – our strong workforce. To maintain our competitive edge in a highly dynamic industry, we recognise the importance of having a workforce which is consumer focussed, performance driven and future capable.

We continually strive to attract fresh talent to build a highly skilled and motivated pool of resources. Several initiatives are taken to ensure optimal development and management of human resources by imparting need-based training to employees across categories.

Learning and Development

Training for On Roll Employees

One of the focal points of the human resource policy at The Phoenix Mills Limited is continuous learning. This policy is progressively geared to meet the aspirations of our employees. To enhance efficiency and competence and to motivate our employees, we organise training programmes, which results in effective retention of the employees. In FY2017, training sessions were conducted comprising of 9,812 man hours.

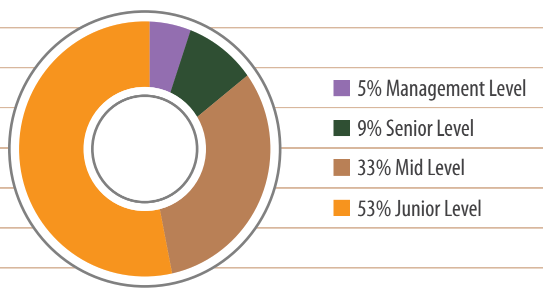
Training for Off Roll Employees

Customer centricity is the core of our Mall business. Outsourced employees at each mall play a pivotal role in delivering superior experience to all our customers. Regular trainings are conducted for Housekeeping, Security, Parking, and Floor Managers at each centre. This is aimed at addressing their need of development and to groom them as per the business requirements. During FY2017 about 2,429 sessions were conducted comprising of 47,508 Training Man-Hours. Internal Trainers are recognized for each month as a part of the Internal Trainer Recognition Policy for conducting training for outsourced staff. The objective is to promote the culture of learning and development and to recognize the performance of internal trainers.

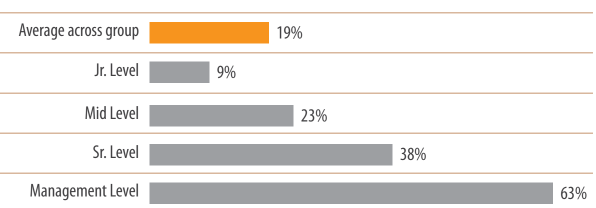
Talent Management

Talent and teamwork fuels our progress. We have created a formidable talent pool and provided them with learning and development opportunities to ensure capability building.

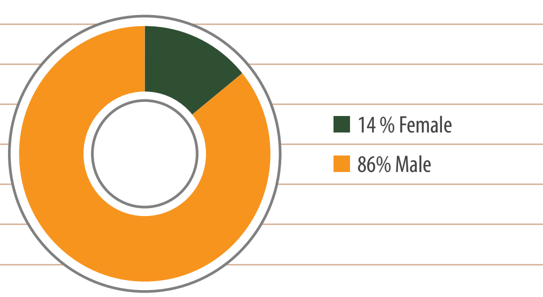
Bifurcation of Total Manpower over Different Levels



Employee with >5 years with PML at various levels



Break Up of Employees Strength by Gender



We continue to build on our efforts to provide a distinctive experience to our employees. Our focus has been to strengthen an integrated talent management approach. The aim behind this is to acquire, nurture and develop the best talent to prepare employees for leadership roles within the organisation.

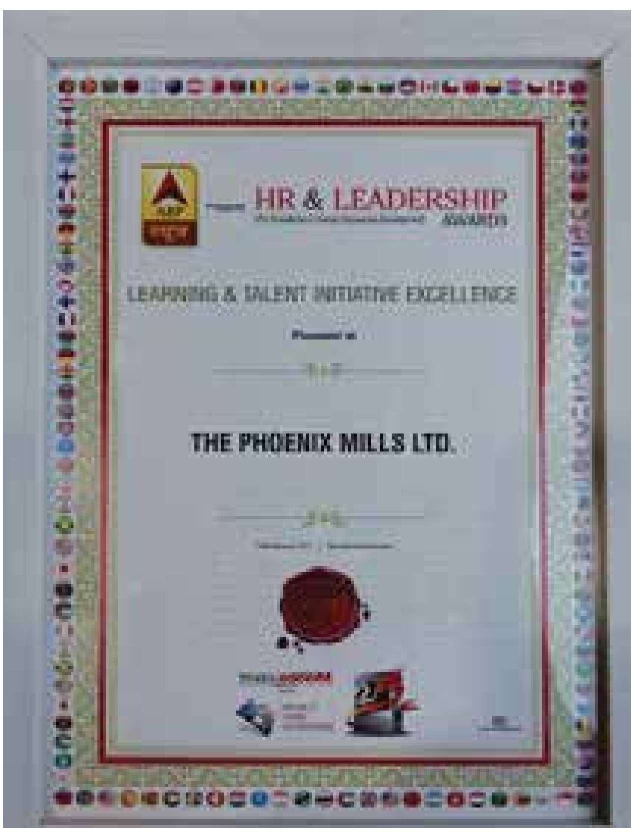
509
Training Sessions

7,443
Training Man-Hours

Employee Development

An Individual Development Plan is framed for selected employees. This is aimed at giving the internal talent and the hi-potential employees ample opportunities and structure their career path within the organization. This helps in developing employees in specific areas as part of the skill gap analysis. This also helps as a tool for effective succession planning within the organization.

For the efforts in the field of Learning & Development in FY2017, the Company has been awarded the HR & Leadership Award in the category of Learning & Talent Initiative Excellence by World HRD Congress.



Human Resource Management

The Recruitment Process

Our recruitment process is a detailed and comprehensive process that helps the organization get the right talent for the organization. The process involves various stakeholders at different stages to evaluate various functional and behavioural competencies for any role. Psychometric tests are utilized as a tool to hire right talent. A total of 554 employees were hired during the year across all the businesses. Our total employee count at the end of the year was 1,074.

Employee Well-Being

The health and well-being of our employees is crucial. A series of initiatives have been undertaken to constantly reiterate the importance of health to all our employees. As part of the Health & Wellness campaign, various initiatives such as the Annual Health Check-Up, Health & Wellness emailers and Talk Show by Dietician for all employees was organized. We provide health insurance to all our employees to take care of the unforeseen medical emergencies.

538

Training Man-Hours for Electrical Safety

812

Training Man-Hours for Evacuation process

2,377

Training Man-Hours for Crisis Management

Health & Safety – Our Top-Most Priority

We have developed a corporate risk safety-based Standard Operating Procedure manual. These are to be mandatorily followed by malls and are continuously being reviewed and monitored by the corporate office. We remain committed to zero fatalities to our employees, contractors, shoppers and communities in which we operate. Our goal is to achieve a Health & Safety benchmark in the retail industry.

We have zero tolerance on irregularities and an effective safety program to provide fire safety best practices for the malls. We have dedicated teams assigned at each mall for routine daily, weekly and monthly audits. This is monitored from the corporate office to eliminate fire safety violations.

We have implemented a Fire Life Safety process manual which is applicable to all malls and is reviewed annually. This includes standard processes to be followed at the retailer's premises, common area, electrical installations, fire-fighting, evacuation, crisis management, basement safety, kitchen safety, surveillance, pest control, preventive maintenance, internal & external audits and incident reporting procedures. We also have strong governance practices in place. We work diligently to ensure compliance with the applicable regulations and standards and stay updated with new regulations and industry best practices.

We have a continuous evaluation process for improvement in all aspects of the fire safety program. We intend to provide a safe environment and eliminate issues pertaining to fire life safety for our customers and the employees. Changes in design, renovation of existing structures and the need to retrofit existing buildings with new fire/life safety equipment are continually under review. Improvement or potential changes are reviewed and the requisite changes are implemented at frequent intervals.

Financial Overview

Income from Operations

On standalone basis, which includes operations of only High Street Phoenix and Palladium (HSP), Mumbai, income from Operations increased by 6% YoY to ₹ 3,759 million in FY2017 from 3,558 million in FY2016. On a Consolidated basis, Income from Operations increased by 3 % to ₹ 18,246 million from ₹ 17,795 Million in FY2016. Rental income from malls was at ₹ 7,748 million, up 9% YoY. Hospitality revenue was at ₹ 3,072 million, up 24% YoY. Revenue from residential was ₹ 2,449 million, while the commercial revenue was ₹ 1,431 million.

Earnings before Interest, Depreciation and Taxes (EBITDA) Standalone EBITDA increased by 6% YoY to ₹ 2,538 million in FY2017 from ₹ 2,391 million in FY2016. EBITDA margins were 68% in FY2017 as compared to 67% in FY2016. Consolidated EBITDA increased by 8% to ₹ 8,469 million in FY2017 from ₹ 7,869 million in FY2016. Consolidated margins increased to 46% in FY2017 from 44% in FY2016.

Interest and Depreciation

Standalone depreciation increased by 3% to ₹ 301 million in FY2017 from ₹ 293 million in FY2016, whereas consolidated depreciation increased by 10% YoY to 1,953 million in FY2017 from ₹ 1,773 million in FY2016. Standalone interest expense increased by 18% to ₹ 813 million in FY2017 from ₹ 689 million in FY2016. Consolidated interest expense decreased by 4% YoY to ₹ 4,203 million in FY2017 from ₹ 4,425 million in FY2016.

Profit after Tax and Minority Interest

Standalone Profit after Tax decreased to ₹ 1,335 million in FY2017 from ₹ 1,496 million in FY2016. Consolidated Profit After Tax and Minority Interest increased 28% YoY to ₹ 1,674 million in FY2017 from ₹ 1,295 million in FY2016.

Share Capital

During FY2016, Share Capital of the Company was at ₹ 306 million. Standalone Reserves and Surplus increased to ₹ 24,015 million in FY2017 from ₹ 22,650 million in FY2016, whereas Consolidated Reserves & Surplus Stood at ₹ 21,565 million in FY2017, as against ₹ 19,888 million in FY2016.

Non-Current & Current Liabilities

Standalone Non-Current (long term) borrowings increased to ₹ 5,751 million in FY2017 from ₹ 5,235 million in FY2016. Consolidated Non-Current (long-term) borrowings decreased to ₹ 31,066 million in FY2017 from ₹ 33,801 million in FY2016. Consolidated Current Liabilities decreased to ₹ 11,244 million in FY2017 from ₹ 12,245 million in FY2016.

Fixed Assets

Consolidated Tangible Assets decreased to ₹ 42,002 million in FY2017 from ₹ 43,512 million in FY2016 and CWIP increased to ₹ 3,277 million in FY2017 from ₹ 1,949 million in FY2016.

Current Assets

Consolidated Current Assets decreased to ₹ 14,068 million in FY2017 from ₹ 20,487 million in FY2016, due to a decrease in inventory. Consolidated Inventories decreased to ₹ 9,455 million in FY2017 from ₹ 13,240 million in FY2016.

Risk Management & Internal Controls

PML identifies new risks and re-evaluates old risks during the year, in the process of considering risk mitigating strategies. Some of the risks the Company's core businesses are exposed to include credit risk, market risk, operational risk and legal risk. It is also exposed to specific risks in connection with the management of investments and the environment within which it operates. The Company manages cost escalation risk through processes aimed at optimising costs through suppliers and through rigorous contracts and procurement. To manage project execution risk, PML evaluates track records and performance capabilities to ensure the right contracts are on board. As a part of the monitoring system, a project review is done every week on timelines and budgets to evaluate project cost and costs to completion.

The Company seeks to understand, limit and manage the adverse impacts arising from external and internal events. The risk management team safeguards and protects the Company's assets against unauthorized use or disposition, maintenance of proper accounting records and verification of authenticity of all transactions. Within the Company, the directors are responsible for maintenance of a sound system of internal controls. This is done by way of continuous process of identifying, evaluating and managing the risks faced by the company.

The Group's effectiveness on internal control and their internal control system is also checked by external agencies. This results in an unbiased and independent examination of the adequacy and effectiveness of the internal control system and aims to achieve the objective of optimal functioning of the Company.

Information Technology

Your Company well understands that an adequately equipped IT infrastructure, both technologically and quantitatively, is the foundation for stable IT systems and optimal IT support. It has the best-in-class IT systems and the entire IT backbone to manage administration and delivery of its services. A key hallmark of its IT systems is its ability to monitor and assist each retail store, helping them manage their business better and has a comprehensive package for managing its retail properties. This enables the entire operation to be on a centralised platform offering single-system property management and accounting integration.

The advanced IT system facilitates PML in establishing various business intelligence reports for investment management, electronic procurement, paperless transaction processing, budgeting, forecasting and cash flow modelling. The Company has adopted global standards in information automation, performance metrics and management excellence. The efficient enhancement of the application environment at different locations in the business processes and in sales network is just as vital as having a modern IT infrastructure. The technical staff is responsible not only for programming the systems, but also supporting the users in technical development. Expert teams develop solutions that can be applied across verticals to establish IT standards in business areas that are the basis for leveraging potential synergies.

Cautionary Statement

This document contains statements about expected future events, financial and operating results of The Phoenix Mills Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirely by the assumptions, qualifications and risk factors referred to in the management's discussion and analysis of The Phoenix Mills Limited's Annual Report, 2016-17.

BOARD'S REPORT

To
The Members,
The Phoenix Mills Limited

Your Directors are pleased to present the 112th Annual Report of the Company together with the Audited Financial Statements for the Financial Year ended March 31, 2017.

Financial Results (Standalone)

(₹ in Million)

Particulars	Year ended	
	March 31, 2017	March 31, 2016
Sales and other Income	**4,309.79**	4,542.91
Profit before Interest, Depreciation, Exceptional Items and Tax	**3,088.73**	3,376.46
Less: Interest & Finance Charges	**812.72**	688.63
Less: Depreciation	**300.66**	293.15
Profit Before Tax and Exceptional Items	**1,975.35**	2,394.68
Profit Before Tax and After Exceptional Items	**1,625.35**	2,114.68
Less: Provision for Taxation:		
Current Tax	**338.16**	639.00
Deferred Tax	**(48.28)**	(20.31)
Net Profit after Tax	**1,335.47**	1,495.99

Operations

The Phoenix Mills Ltd. today is one of the largest retail led real estate Company in India. We have 9 retail assets with a leasable area of over 6.0 million square feet in Mumbai, Bangalore, Chennai, Pune, Lucknow & Bareilly. Construction of our luxury mall Palladium at Chennai is complete and we are awaiting Occupation Certificate for it.

With a portfolio comprising of over 17.5 million square feet of Retail, Residential, Commercial and Hospitality assets spread over 100+ acres of land, our company is best positioned in the industry to serve the people of India, the fastest growing economy in the world. Our mixed-used model of development gives us a 5-6 years head start in building top quality assets in the key gateway cities of India.

The Phoenix Mills Ltd. is a proxy to the great Indian Consumption story. Our consumption has grown at a CAGR of 25% between FY13 and FY17 while Rental Income has shown a CAGR of 19%. During FY17, we clocked total retail consumption of ₹ 58 bn across our retail properties with a total rental income of ₹ 7.7 bn

During the year, The Phoenix Mills Ltd has signed Share Purchase Agreements with its private equity partners in different projects to increase its stakes. In the coming year, our shareholding in Phoenix Marketcity Mumbai and Pune along with Fountainhead project in Pune will go up in addition to increased stakes in The St.Regis and Courtyard by Mariott, Agra this year.

We have an on-going residential portfolio of 4.13 million square feet of which we have launched 2.84 million square feet and sold 1.78 million square feet in the Cities of Bangalore, Chennai and Pune. In addition to this, we have a 1.42 million square feet of completed commercial projects of which we have sold 0.45 million square feet. Our premium office space Art Guild House (0.76 million square feet) became operational in this year. We have witnessed good traction in leasing of this property.

The St. Regis, Mumbai completed one full year of operations this year. Total Income for the year was ₹ 2,520 mn, a 16% increase over last year. With a total of 395 rooms, the hotel clocked an average occupancy of 72% with an ARR of ₹ 10,594, showing strong growth in Room, F&B and Banquet revenues. Courtyard by Marriott continues to perform well and did revenues of ₹ 323 mn with 57% occupancy and ARR of ₹ 4,336.

During FY2017, our focus was to consolidate the position of our malls, improve the profitability of our Hotels business and timely delivery of our residential projects. We are pleased to share that soon after the end of the year under review, The Phoenix Mills Limited has entered into a strategic platform with Canada Pension Plan Investment Board (CPPIB) for retail real estate projects in India. In the coming years, our Company will look to expand its footprint across India and grow its portfolio by the way of Greenfield/ Brownfield retail led mixed-use Developments through this platform.

Management Discussion & Analysis (MDA), which forms a part of this report, deals comprehensively with our current operations and projects in the pipeline. It also deals with the current & future outlook of the Company.

There was no change in the nature of business of the Company.

Share Capital
During the year under review, the Company issued and allotted 78,055 Equity Shares of ₹ 2/- each pursuant to exercise of stock options. Consequently, the paid up equity share capital as on March 31, 2017 stood at ₹ 306,133,814 divided into 153,066,907 equity shares of ₹ 2 each.

During the year, the Company has not issued shares with differential voting rights nor sweat equity shares and hence no information as per the provisions of Section 43(a)(ii) and Section 54(1)(d) of the Companies Act, 2013 read with the relevant Rules is furnished.

Further, during the year under review, there were no instances of non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Companies Act, 2013 read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014.

Dividend
Subject to the approval of the Company's shareholders in the ensuing Annual General Meeting ('AGM'), the Board at its meeting held on May 10, 2017 has recommended a final dividend of ₹ 2.40/- per share for the Financial Year ended March 31, 2017, (@120%) for each fully paid up Equity Share of ₹ 2/-. The said dividend, if declared at the ensuing AGM, shall not be taxable in the hands of the shareholders.

The Register of Members and Share Transfer Books will remain closed from Wednesday, September 20, 2017 till Monday, September 25, 2017 (both days inclusive) for the purpose of payment of final dividend and the Annual General Meeting scheduled to be held on Monday, September 25, 2017.

Transfer to Reserves
The Board has not recommended any transfer to the General Reserves out of the amount available for appropriation and an amount of ₹ 1252.62 million is proposed to be carried forward to the Statement of Profit and Loss.

Deposits
The Company has not accepted or renewed any amount falling within the purview of provisions of Section 73 of the Companies Act, 2013 ('the Act') read with the Companies (Acceptance of Deposits) Rules, 2014 during the year under review. Hence, the requirement for furnishing of details of deposits which are not in compliance with Chapter V of the Act is not applicable.

Management Discussion and Analysis Report
Management's Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ['SEBI (LODR) Regulations, 2015'] is presented in a separate section forming part of the Annual Report.

Particulars of Contracts or Arrangement with Related Parties
All related party transactions that were entered into during the Financial Year 2016-17 were on an arm's length basis and in the ordinary course of business and were in compliance with the applicable provisions of the Companies Act, 2013 ('the Act') and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). There are no materially significant related party transactions made by the Company under Section 188 of the Act and the Listing Regulations, with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the Company at large. Consequent upon which details as prescribed in Form AOC-2 are not required to be disclosed.

The details of transactions/contracts/arrangements entered by the Company with related party(ies) as defined under the provisions of Section 2(76) of the Companies Act, 2013, during the Financial Year under review, is given under Note 32 of the Notes to Accounts, which forms part of the Annual Report.

Material changes and commitments affecting financial position between the end of the Financial Year and date of the Report
Except as disclosed elsewhere in this Report, no material changes and commitments which could affect the Company's financial position have occurred between the end of the Financial Year of the Company and date of this Report.

Performance of Subsidiary Companies, Associates and Joint Venture Companies
As on March 31, 2017, the Company has 17 direct subsidiaries, 7 indirect subsidiaries and 4 associates. During the year under review, Alyssum Developers Private Limited was incorporated on March 17, 2017 as a step-down subsidiary of the Company. Further, Classic Mall Development Company Private Limited ceased to be a subsidiary of the Company w.e.f March 31, 2017 and was classified as an associate from the same date. Further, Escort Developers Private Limited ceased to be an associate of the Company w.e.f March 31, 2017. During the year under review, your Company did not have any Joint Venture Company.

During the year, the Company's Board reviewed the affairs of its subsidiaries on a quarterly basis. The consolidated financial statements of the Company are prepared in accordance with Section 129(3) of the Companies Act, 2013 and include the financial statements of all its subsidiaries and forms part of the Annual Report. Further, a statement containing salient features of the financial statements of our subsidiaries and associates in the prescribed Form AOC-1 is given on page no. 267 of the Annual Report. The statement also provides the details of performance and financial position of each of the subsidiaries and associates.

In accordance with Section 136 of the Companies Act, 2013, the Audited Financial Statements including the Consolidated Financial Statements and related information of the Company and audited accounts of each of its Subsidiaries are available on the website of the Company. These documents will also be available for inspection during the business hours at our registered office.

Corporate Governance
The Company is committed to uphold the highest standards of Corporate Governance and adheres to the requirements set out

by the Securities and Exchange Board of India. A detailed Report on Corporate Governance forms part of the Annual Report. Certificate from M/s. Rathi & Associates, Practicing Company Secretaries, confirming compliance of conditions of Corporate Governance, as stipulated under Regulation 34(3) read with Para E of Schedule V of the SEBI (LODR) Regulations, 2015 is appended as Annexure I to this Report.

Particulars of Employees and Remuneration

The information required pursuant to Section 197(12) read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is appended as Annexure IIA to this Report.

A Statement containing the name of the top ten employees in terms of remuneration drawn and of employees employed throughout the Financial Year and who were in receipt of remuneration of ₹ 1 .02 Crores or more in a year in the aggregate and of employees employed for part of the Financial Year and who were in receipt of remuneration of ₹ 8.5 Lakhs or more per month and of employees employed throughout the Financial Year or part thereof, who were in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of the remuneration drawn by the Managing Director and /or Whole – time Director or Manager and holds by himself or along with his spouse and dependent children, not less than 2% of the Equity Shares of the Company as per Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is appended as Annexure IIB to this Report.

Payment of managerial remuneration/commission to Directors from Holding or Subsidiary Companies

The Company does not have a Holding Company. The managerial personnel i.e. Managing Director and Whole-time Directors of the Company are not in receipt of any managerial remuneration/ commission from any subsidiary of the Company.

Board of Directors

There was no change in the Board of Directors and Key Managerial Personnel of the Company during the year under review and none of the Directors of the Company have resigned from the post of Director of the Company.

Mr. Amit Kumar Dabriwala, Mr. Amit Dalal, Mr. Sivaramakrishnan Iyer and Ms. Shweta Vyas, Directors of the Company, qualify to be Independent Directors within the meaning of Section 149 of the Companies Act, 2013 ('Act'). The Company has received necessary declarations from all the Independent Directors under Section 149(7) of the Companies Act, 2013 that they continue to meet the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (LODR) Regulations, 2015. In accordance with the provisions of the Act, none of the Independent Directors are liable to retire by rotation.

As per the provisions of Section 152 of the Companies Act, 2013, Mr. Atul Ruia, Joint Managing Director, is retiring by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment. A brief profile of Mr. Atul Ruia who is proposed to be re-appointed in terms of Regulation 36(3) of the SEBI (LODR) Regulations, 2015 is given in the AGM Notice contained in the Annual Report. The Board recommends the aforesaid re-appointment for your approval in the ensuing AGM.

Board Meetings

The Board of Directors met 4 (Four) times during the Financial Year ended March 31, 2017 in accordance with the provisions of the Companies Act, 2013 and rules made thereunder, the details of which are given in the Corporate Governance Report that forms part of the Annual Report. The intervening gap between two consecutive Board meetings was within the period prescribed by the Companies Act, 2013 and Rules made thereunder.

Familiarization Program for Independent Directors

All new Directors inducted into the Board are given a detailed orientation and induction. Further, at the time of appointment of an Independent Director, the Company issues a formal letter of appointment setting out the role and responsibilities. The format of the letter of appointment is available on our website.

During the year under review, no new Independent Director was inducted on the Board of the Company.

Annual Evaluation of Directors, Committees and Board

Pursuant to the provisions of Section 134(3)(p) of the Companies Act, 2013 and pursuant to Regulation 17(10) of the SEBI (LODR) Regulations, 2015, the Board has adopted an Annual Performance Evaluation Policy. In terms of the Policy and as per the statutory provisions, the Independent Directors had a separate meeting on February 14, 2017 without the presence of the Management in which they discussed and evaluated the performance of the Chairman, Non-Independent Directors and the Board as a whole, through evaluation feedback forms. The Nomination and Remuneration Committee at its meeting held on February 14, 2017 also evaluated the performance of the individual Directors and the Board as a whole. On the basis of the feedback and report of the Independent Directors and the Nomination and Remuneration Committee, the Board at its meeting held on May 10, 2017 has also evaluated the performance of individual Directors, Board Committees and the Board and has noted its satisfaction on the outcome.

Nomination and Remuneration Committee

In accordance with the requirements of Section 178 of the Companies Act, 2013 and the rules made thereunder (including any statutory enactments thereof), the Board has constituted the Nomination and Remuneration Committee of the Board which comprises of Ms. Shweta Vyas as the Chairperson and Mr. Amit Kumar Dabriwala and Mr. Sivaramakrishnan Iyer as members of the Committee.

The Board has also formulated the policy setting out the criteria for determining qualifications, positive attributes, independence of directors and policy relating to remuneration for Directors, Key Managerial Personnel and other employees. The aforementioned detailed Policy duly approved and adopted by the Board is appended as Annexure III to this Report. The current Policy focuses on having an appropriate mix of Executive and Independent Directors to maintain the independence of the Board. There has been no change in the Policy since the last Financial Year. The Board affirms that the remuneration paid to the Directors is as per the terms laid out in the Policy and as reviewed and recommended by the Nomination and Remuneration Committee.

Audit Committee

The Audit Committee of the Board of Directors was constituted pursuant to the provisions of Section 177 of the Companies Act, 2013 ('the Act') and the rules made thereunder (including any statutory enactments thereof) and comprises of Mr. Amit Kumar Dabriwala as the Chairman of the Committee and Mr. Atul Ruia and Ms. Shweta Vyas as members of the Committee. The composition of the Audit Committee is in conformity with the provisions of the said section. The composition, scope and terms of reference of the Audit Committee as amended in accordance with the Act and the SEBI (LODR) Regulations 2015 is detailed in the Corporate Governance Report.

During the year under review, the Board of Directors of the Company have accepted all the recommendations of the Committee.

Whistle Blower Policy/Vigil Mechanism for the Directors and Employees

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. The Board of Directors of the Company have, pursuant to the provisions of Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, framed the Whistle Blower Policy/Vigil Mechanism for Directors and employees of the Company to provide a mechanism which ensures adequate safeguards to employees and Directors from any victimization on raising of concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation of any, financial statements and reports, etc. The employees of the Company have the right/option to report their concern/grievance to the Chairman of the Audit Committee. No personnel have been denied access to the Audit Committee during the Financial Year ended March 31, 2017.

Visit http://www.thephoenixmills.com/PMLWhistleblowerPolicy.pdf for more details related to Whistle Blower Policy/Vigil Mechanism.

The Phoenix Mills Code of Conduct for Regulating & Reporting Trading by Insiders, 2015

The Board of Directors at their meeting held on May 28, 2015 have approved and adopted 'The Phoenix Mills Code of Conduct for Regulating & Reporting Trading by Insiders, 2015' ('the Insider Trading Policy') in accordance with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015. The Insider Trading Policy lays down guidelines and procedures to be followed, disclosures to be made while dealing in the securities of the Company. The Policy also states the consequences of violation. The Policy has been formulated to regulate, monitor and ensure reporting of dealings by the employees and to maintain highest ethical standards.

The Insider Trading Policy along with the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information is available on the website of the Company.

Listing Agreement

The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 were notified by the Securities and Exchange Board of India on September 2, 2015 which came in effect from December 1, 2015. As per the new regulations, all listed companies were required to enter into a fresh Listing Agreement within a period of 6 months from the effective date. The Company entered into a Listing Agreement with BSE Limited and National Stock Exchange of India Limited on December 21, 2015.

Risk Management Policy

The Board of Directors of the Company has framed a Risk Management Policy and Guidelines to avoid events, situations or circumstances which may lead to negative consequences on the Company's businesses and defined a structured approach to manage uncertainty and to make use of these in their decision making pertaining to all business divisions and corporate functions. Key business risks and their mitigation are considered in periodic management reviews.

Corporate Social Responsibility Policy

As per the provisions of Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors have constituted a Corporate Social Responsibility ('CSR') Committee which comprises of Mr. Ashokkumar Ruia as the Chairman of the Committee and Mr. Atul Ruia and Ms. Shweta Vyas as members of the Committee. The Board of Directors of the Company has also adopted and approved a CSR Policy based on the recommendation of the CSR Committee. The Company has initiated activities in accordance with the said Policy, the details of which have been provided in the CSR Report appended as Annexure IV to this Report. The Report also contains the composition of the CSR Committee as per Section 135(2) of the Companies Act, 2013.

The CSR Policy of the Company is available on the Company's website and can be accessed at the link http://www.thephoenixmills.com/CSRPolicy.pdf

Revision of Financial Statement

There was no requirement of revising the financial statements of the Company for the Financial Year under review.

Disclosure of Orders Passed by Regulators or Courts or Tribunal

No orders have been passed by any Regulator or Court or Tribunal which can have an impact on the going concern status and the Company's operations in future.

Particulars of Loans, Guarantees, Investments and Securities

Particulars of loans, guarantees, investments and securities provided during the Financial Year under review along with the purposes for which such loans, guarantees and securities are proposed to be utilized by the recipients thereof under Section 186 of the Companies Act, 2013, has been given under Note 44 of the Notes to Accounts.

Employee Stock Option Scheme ('ESOP')

The details of Equity Shares issued under Employees Stock Option Scheme during the Financial Year under review as required under SEBI (Share Based Employee Benefits) Regulations, 2014 and as per the provisions of Section 62(1)(b) of the Act read with Rule 12(9) of the Companies (Share Capital and Debentures) Rules, 2014 and other applicable Regulations, is annexed as Annexure V to this report.

Details as required under Regulation 14 of the SEBI (Share Based Employee Benefits) Regulations, 2014 is available on the website of the Company at http://www.thephoenixmills.com/DisclosureunderRegulation14ofESOPRegulations2015for financialye.pdf

Internal Control Systems

Adequate internal control systems commensurate with the nature of the Company's business and size and complexity of its operations are in place and have been operating satisfactorily. Internal Control Systems comprising of policies and procedures are designed to ensure reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedure, applicable laws and regulations and that all assets and resources are acquired economically, used efficiently and adequately protected.

Further, the Internal Financial Controls with reference to the Financial Statements as designed and implemented by the Company are adequate. Proper policies and procedures are in place to ensure orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial disclosures. During the year under review, no material or serious observation has been received from the Internal Auditors of the Company for inefficiency or inadequacy of such controls.

Directors' Responsibility Statement

In terms of Section 134(5) of the Companies Act, 2013, in relation to the audited financial statements of the Company for the year ended March 31, 2017, the Board of Directors hereby confirm that:

a. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

b. such accounting policies have been selected and applied consistently and the Directors have made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2017 and of the profit of the Company for that period;

c. proper and sufficient care was taken for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d. the annual accounts of the Company have been prepared on a going concern basis;

e. internal financial controls have been laid down to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

f. proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Secretarial Audit

In terms of the provisions of Section 204 read with Section 134(3) of the Companies Act, 2013, and the rules made thereunder (including any statutory enactments thereof), the Board had appointed M/s. Rathi and Associates, Practicing Company Secretaries, to conduct the Secretarial Audit of the Company for the Financial Year 2016-17. Secretarial Audit Report issued by M/s Rathi and Associates in Form MR-3 for the Financial Year 2016-17 is appended as Annexure VI to this Report.

The said report does not contain any observation or qualification or adverse remark requiring explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

The Board has re-appointed M/s. Rathi and Associates, Practicing Company Secretaries as the Secretarial Auditors of the Company for the Financial Year 2017-18.

Statutory Auditors

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s. A. M. Ghelani and Company, Chartered Accountants (Firm Regn. No. 103173W) and M/s. Chaturvedi and Shah, Chartered Accountants (Firm Regn. No. 101720W), Joint Statutory Auditors of the Company hold office upto the conclusion of the ensuing Annual General Meeting. The term of office of both the aforesaid Statutory Auditors has concluded.

The Board recommends the appointment of M/s. DTS & Associates, Chartered Accountants (Firm Regn. No. 142412W), as the Statutory Auditors of the Company to hold office from the conclusion of the ensuing Annual General Meeting till the conclusion of the Company's 117th Annual General Meeting.

M/s D.T.S & Associates, Chartered Accountants, is a firm of talented professionals providing audit, assurance, taxation & advisory services. Mr. T. P. Ostwal is the founding partner of the firm who has been in practice since 1978 and in addition to audit and assurance, has extensive experience in advising national and multinational clients in direct tax, cross-border taxation, transfer pricing, business acquisitions, mergers etc. It has a team of partners assisted by skilled and dedicated professionals.

The said Statutory Auditors have confirmed their respective eligibility as per the provisions of the Companies Act, 2013 and their willingness to act as Statutory Auditors of the Company.

Auditors' Report

The matters of emphasis referred by the Auditors in their Report read with the relevant notes given in the Notes to Accounts for the year ended March 31, 2017, are detailed and self-explanatory and do not require any further explanation.

Fraud Reporting

During the year under review, there were no instances of material or serious fraud falling under Rule 13(1) of the Companies (Audit and Auditors) Rules, 2014, by officers or employees reported by the Statutory Auditors of the Company during the course of the audit.

Extract of Annual Return

Pursuant to the provisions of Section 134(3)(a) of the Companies Act, 2013, extract of the Annual Return for the Financial Year ended March 31, 2017 made under the provisions of Section 92(3) of the Act in the prescribed Form MGT-9 is appended as Annexure VII to this Report.

Conservation of Energy and Technology Absorption

In view of the nature of activities which are being carried on by the Company, the particulars as prescribed under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) (A & B) of Companies (Accounts) Rules, 2014 regarding Conservation of Energy and Technology Absorption are not applicable to the Company.

Code of Conduct

The Board of Directors have approved a Code of Conduct which is applicable to the Members of the Board and all employees in the course of day to day business operations of the Company. The Company believes in "Zero Tolerance" against bribery, corruption and unethical dealings/behaviours of any form. The Code has been posted on the Company's website. The Code lays down the standard procedure of business conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity at the work place, in business practices and in dealing with stakeholders. All the Board members and the Senior Management personnel have confirmed compliance with the Code.

Foreign Exchange Outgo and Earnings

Total Foreign Exchange used and earned for the financial year 2016-17:

(a) Total Foreign Exchange Earnings - ₹ 4.36 lakhs

(b) Total Foreign Exchange Outgo - ₹ 297.48 lakhs

Sexual Harassment Policy

The Company has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace and has also established an Internal Complaints Committee, as stipulated by The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules thereunder. During the year under review, no complaints in relation to such harassment at workplace have been reported.

Cautionary Statement

Statements in this Report, particularly those which relate to Management Discussion & Analysis as explained in the Corporate Governance Report, describing the Company's objectives, estimates and expectations may constitute "forward looking statements" within the meaning of the applicable laws and regulations. Actual results might differ materially from those expressed or implied in the statements depending on the circumstances.

Acknowledgement

The Board of Directors place on record their appreciation of the assistance, guidance and support extended by all the Regulatory Authorities including SEBI, Stock Exchanges, Ministry of Corporate Affairs, Registrar of Companies, Reserve Bank of India, the Depositories, Bankers and Financial Institutions, the Government at the Centre and States, as well as their respective Departments and Development Authorities in India and abroad connected with the business of the Company for their co-operation and continued support. The Company expresses its gratitude to the Customers for their trust and confidence in the Company.

In addition, your Directors also place on record their sincere appreciation of the commitment and hard work put in by the Registrar & Share Transfer Agents, all the suppliers, sub-contractors, consultants, clients and employees of the Company.

On behalf of the Board of Directors
For The Phoenix Mills Limited

Place: Mumbai
Date: August 2, 2017

Ashokkumar Ruia
Chairman & Managing Director
DIN: 00086762

Regd. Office Address:
462, Senapati Bapat Marg,
Lower Parel, Mumbai – 400 013,
CIN: L17100MH1905PLC000200
Tel.: (022) 2496 4307/8/9
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Email: corpaffairs@highstreetphoenix.com
Website: www.thephoenixmills.com

ANNEXURE I

Certificate on Corporate Governance

To

The Members of
The Phoenix Mills Limited
462 Senapati Bapat Marg,
Lower Parel, Mumbai – 400 013

We have examined the compliance of conditions of Corporate Governance by **The Phoenix Mills Limited** ('the Company') for the Financial Year ended March 31, 2017 as stipulated under Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the Management of the Company. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated under Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **Rathi & Associates,**
Company Secretaries

Himanshu S. Kamdar
Partner
FCS No.: 5171
COP No.: 3030

Place: Mumbai
Date: August 2, 2017

ANNEXURE II

Statement of particulars under Section 197(12) of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the year ended March 31, 2017

A. Information as per Rule 5(1) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014

i. Percentage increase in remuneration of Chief Executive Officer, Chief Financial Officer and other Executive Director and Company Secretary during the Financial Year 2016-17 and ratio of remuneration of each Executive Director to the median remuneration of the employees of the Company for the Financial Year 2016-17.

Sl. No.	Name of Executive Director/KMP	Designation	Ratio of remuneration of each Director to median remuneration of employees	Percentage increase in remuneration in FY 2016-17
1.	Mr. Ashokkumar Ruia	Chairman & Managing Director	14.17:1	Nil
2.	Mr. Atul Ruia	Joint Managing Director	14.17:1	Nil
3.	Mr. Pradumna Kanodia	Director Finance	NA	NA
4.	Mr. Shishir Shrivastava	Joint Managing Director	NA	NA
5.	Ms. Puja Tandon	Company Secretary	NA	15%

Notes:

- The ratio of remuneration to median remuneration is based on remuneration paid during the period April 1, 2016 to March 31, 2017.
- Mr. Shishir Shrivastava and Mr. Pradumna Kanodia do not draw any remuneration from the Company as per the terms of their appointment approved by the shareholders.
- The Independent Non-Executive Directors of the Company are entitled for sitting fee and commission as per the statutory provisions and within the limits approved by the shareholders. The details of remuneration of Independent Non-Executive Directors are provided in the Corporate Governance Report and are governed by the Nomination and Remuneration policy adopted by the Board. The ratio of remuneration and percentage increase for Independent Non-Executive Directors Remuneration is therefore not considered for the purpose above.
- Percentage increase in remuneration indicates annual compensation increases, as approved by the Nomination and Remuneration Committee of the Company during the Financial Year 2016-17.
- Remuneration of Employees and KMPs does not include perquisite value of stock options exercised during FY 2016-17.
- The Company has designated Mr. Atul Ruia, Joint Managing Director, Mr. Pradumna Kanodia, Director – Finance and Ms. Puja Tandon, Company Secretary as the key managerial personal of the Company in compliance with section 203 of Companies Act, 2013.

ii. **The percentage increase in the median remuneration of employees for the Financial Year 2016-17:** There has been an increase of 15.5% in median remuneration of employees in FY 2016-17 as compared to FY 2015-16.

iii. **The number of permanent employees on the rolls of the Company:** There were 100 permanent employees on the rolls of the Company as on March 31, 2017.

iv. **Average percentage increase already made in the salaries of employees other than the managerial personnel in FY 2016-17 and its comparison with the percentage increase in the managerial remuneration and justification thereof:** Average percentile increase in the salaries of employees other than the managerial personnel during the Financial Year 2016-17 was 13.42%. The average increase every year is an outcome of Company's market competitiveness as against its peer group companies. There has been no change in the managerial remuneration of Mr. Ashokkumar Ruia and Mr. Atul Ruia since the last Directors' Report.

v. **Affirmation that the remuneration is as per the remuneration policy of the Company:** It is hereby affirmed that the remuneration paid during the year to the Directors is as per the Remuneration Policy of the Company.

B. Statement pursuant to Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

I. Details of Top 10 employees in terms of remuneration drawn for the financial year ended March 31, 2017

Sl. No.	Name of employee	Designation	Remuneration received (₹)	Qualifications	Experience (in no. of years)	Date of commencement of employment	Age (in no. of years)	Previous employment and designation
1	Mr. Manish Ashok Singh	Group Head - Leasing	10,375,604	BA, 1998	16	Sept 5, 2011	40	Pioneer Property Zone Services Pvt. Ltd. as AGM - Retail Leasing Services
2	Mr. Rajendra Kalkar	President (West)	10,278,733	B.E. Electrical, 1988	21	Jan 11, 2010	50	DLF Services Ltd. as Sr. GM – Operations
3	Mr. Ashokkumar Ruia	Chairman and Managing Director	10,000,000	Graduate	54	Nov 8, 1963	73	NA
4	Mr. Atul Ruia	Joint Managing Director	10,000,000	Bachelors in Business Management	21	Nov 19, 1996	46	NA
5	Ms. Sabira Amjad Kadri	AVP - Legal	5,318,040	B.Sc, 1986, LLB, 1989, LLM, 1991	23	Apr 2, 2012	51	Mahindra & Mahindra Ltd. as DGM - Corporate Legal
6	Mr. Sameep Vijay Pathak	GM – Operations	3,893,480	BBA, 1999, PGDBM, 2004, Dip in Hotel Mgmt, 1999	14	Sep 25, 2014	40	VLCC Health Care Ltd. as Regional Head Operations – North
7	Mr. Pawan K Kakumanu	VP - Finance	3,802,404	B. Tech - Mining, 2004, PGDM, 2006	9	Apr 27, 2015	34	Philip Capital (India) Pvt. Ltd. as Vice President - Domestic Equity Sales.
8	Mr. Amit Surendra Sawant	GM - Marketing	2,872,008	B.Sc, 2002, MBA, 2008	13	Jan 22, 2015	35	Talwalkars Better Value Fitness Ltd. as National Head of Marketing & Communications.
9	Ms. Puja Tandon	Company Secretary	2,782,008	B.Com (Hons), CS, LLB.	9	July 28, 2014	34	Bharti Airtel Limited – Senior Manager
10	Mr. Ajit Aminbhavi	GM - Finance & Accounts	2,508,404	B.Com, 1994	16	Nov 22, 2010	44	Pioneer Property Zone Services Pvt. Ltd. as Finance & Admin Controller

Note:
1. There are no specific terms and conditions for employment.
2. None of the employees mentioned above are relative of any Director of the company except Mr. Ashokkumar Ruia and Mr. Atul Ruia who are promoter directors and father and son respectively
3. None of the employees mentioned above hold 2% or more share capital of the Company except Mr. Ashokkumar Ruia, who holds 2.39%.
4. Nature of employment for all the employees is permanent except for Mr. Ashokkumar Ruia and Mr. Atul Ruia which is contractual.

II. Details of employees, who (i) if employed throughout the Financial Year 2016-17, were in receipt of remuneration for that year which, in the aggregate, was not less than ₹ 1.02 Crores and (ii) if employed for a part of the Financial Year 2016-17, was in receipt of remuneration for any part of that year, at a rate, which, in the aggregate, was not less than ₹ 8.5 lakhs per month.

Sl. No.	Name of employee	Designation	Remuneration received (₹)	Qualifications	Experience (in no. of years)	Date of commencement of employment	Age	Previous employment and designation
1	Mr. Manish Ashok Singh	Group Head - Leasing	10,375,604	BA, 1998	16 yrs	Sept 5, 2011	40	Pioneer Property Zone Services Pvt. Ltd. as AGM - Retail Leasing Services
2	Mr. Rajendra Kalkar	President (West)	10,278,733	B.E. Electrical, 1988	21 yrs	Jan 11, 2010	50	DLF Services Ltd. as Sr. GM – Operations

Note:
1. None of the employees mentioned above is a relative of any Directors of the Company.
2. None of the employees mentioned above hold 2% or more share capital of the Company.
3. There are no specific terms and conditions for employment.
4. Nature of employment for all the employees is permanent.

ANNEXURE III

Nomination & Remuneration Policy

1. Preface

The Company understands the importance of attracting and retaining highly talented individuals at all levels of the organization. The Company and its management endeavor to recruit and retain employees who achieve operational excellence and create value for shareholders. The Company believes that a transparent, fair and reasonable process is vital for determining the appropriate remuneration at all levels of the Organization and is committed to ensure that all the stakeholders remain informed and confident in the management of the Company. The Board has constituted the Nomination and Remuneration Committee (the "Committee") to assist the Board in discharging its responsibilities relating to compensation of the Company's directors and other senior level employees.

2. Objectives

The objective and purpose of this policy are:

- To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Independent, Executive and Non-Executive) and persons who may be appointed in Senior Management and Key Managerial positions.
- To recommend to the Board, the appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- To determine criteria for remuneration of the Directors and Key Managerial Personnel based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies.
- To carry out evaluation of the performance of Directors, as well as Key Managerial and Senior Management Personnel and provide necessary report to the Board for further evaluation by the Board.
- To provide them rewards linked directly to their efforts, performance, dedication and achievement relating to the Company's operations and growth.
- To lay down policies to retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- To devise a policy on Board diversity.

3. Definitions

'Act' means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.

'Board' means Board of Directors of the Company.

'Committee' means the Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board from time to time.

'Company or the Company' means The Phoenix Mills Limited.

'Director(s)' mean Director(s) of the Company.

'Independent Director' means an Independent Director of the Company appointed pursuant to the provisions of Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 ['SEBI (LODR) Regulations, 2015'].

"Key Managerial Personnel" means a key-managerial personnel as defined under the Companies Act, 2013 and includes

(i) Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-time Director;

(ii) Company Secretary; and

(iii) Chief Financial Officer

'Senior Management' means senior management personnel of the Company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.

4. Policy

This Policy is divided in two sections Part A and Part B. Part A covers the appointment and nomination related policies. Part – B covers remuneration related policies.

4.1. Part A - Appointment and Nomination

4.1.1 Criteria for Board Membership

The Committee shall take into account following points for appointment of a person as Director, KMP or at Senior Management level and recommend to the Board his / her appointment accordingly.

- Shall possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.
- Shall possess the highest personal and professional ethics, integrity, values and moral reputation and be eligible to hold the office under the provisions of the Companies Act, 2013 and Rules made thereunder and the SEBI (LODR) Regulations, 2015 and the applicable policies of the Company.

4.1.2 Additional Criteria for Independent Directors

In addition to the criteria mentioned above, a person proposed to be appointed as an Independent Director shall meet all criteria specified in Section 149(6) of the Companies Act, 2013 and rules made thereunder and SEBI (LODR) Regulations, 2015.

4.1.3 Term / Tenure

The Term / Tenure of the Directors shall be in accordance with the provisions of the Companies Act, 2013 and rules made there under and SEBI (LODR) Regulations, 2015 as applicable and as amended from time to time.

4.1.4 Removal

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act, rules and regulations or the applicable policies of the Company, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

4.1.5 Retirement

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board shall have the discretion to retain a Director, KMP, Senior Management Personnel in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

4.1.7 Policy on Board diversity

The Company believes that a truly diverse Board would be necessary for effectively managing the affairs of the Company. Diversity in terms of the skills, regional and industry experience, background, gender and other diversities between Directors is essential to enable the Board, as a whole, to achieve the desired results for the Company. These distinctions shall be considered in determining the optimum composition of the Board and when possible shall be balanced appropriately. All Board appointments shall be made on merit, in the context of the skills, experience, independence and knowledge which the Board as a whole requires to be effective. The Board shall have at least one Board member who has accounting or related financial management expertise and at least three members who are financially literate.

4.2 Part B – Remuneration and Perquisites

The Committee shall recommend the remuneration to be paid to the Managing Director, Whole-time Director, KMP and Senior Management Personnel to the Board for their approval. The level and composition of remuneration so determined by the Committee shall be reasonable and sufficient to attract, retain and motivate directors, Key Managerial Personnel and Senior Management of the quality required to run the Company successfully. The relationship of remuneration to performance should be clear and meet appropriate performance benchmarks. The remuneration should also involve a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.

4.2.1 Managing Director/Whole-time Director/Executive Director

Besides the above criteria, the remuneration/ compensation/ commission etc to be paid to Managing Director/Whole-time Director/Executive Director etc shall be governed as per provisions of the Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force.

4.2.2 Non executive Independent Directors

The Non-Executive Independent Director may receive remuneration by way of sitting fees for attending meetings of Board or Committee thereof and commission based on the performance of the Company in each financial year and as approved by the Board and shareholders. Provided that the amount of such fees and commission shall be subject to ceiling/ limits as provided under the Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force. An Independent Director shall not be entitled to any stock options of the Company.

4.2.3 KMPs / Senior Management Personnel etc

The remuneration to be paid to KMPs/ Senior Management Personnel shall be based on the experience, qualification and expertise of the related personnel and governed by the limits, if any prescribed under the Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force.

5. Disclosure

The criteria for remuneration of Directors shall be disclosed in the Annual Report. The Policy shall be made available on the Company's website and the Policy and evaluation criteria shall be published in the Annual Report.

6. Review

The Board shall periodically review this Policy to determine its appropriateness to the needs of the Company. The Board shall have the authority to amend the Policy, if required.

ANNEXURE IV

Annual Report on CSR Activities

(Pursuant to Section 135 of the Companies Act, 2013 read with Rule 8(1) of the Companies (Corporate Social Responsibility Policy) Rules, 2014).

The Company is committed to actively contribute to the social and economic development of the communities in which it operates with willingness to build a society that works for everyone. The Company strives towards becoming a socially responsible corporate entity with a thrust on community development, and education through sustained business conduct. Further, the Company is also committed towards ensuring environmental sustainability through ecological conservation and regeneration and promoting biodiversity. The CSR policy of the Company articulates what CSR means to the Company, kind of projects to be undertaken, identifying broad areas of intervention, approach to be adopted to achieve the CSR goals and monitoring mechanism.

In line with the Company's vision, values and mission, the Board of Directors have identified the following core areas for CSR.

- Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation (including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation) and making available safe drinking water;
- Promotion of education, including special education and employment enhancing vocation skills (especially amongst children, women, elderly and differently-abled) and livelihood enhancement projects;
- Promotion of gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water (including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga);
- Promotion and development of traditional arts and handicrafts;
- Training to promote rural sports and nationally recognized sports, paralympic sports and Olympic sports;
- To undertake or to contribute for rural development projects;
- To undertake or to contribute for slum area development projects;
- Contribution to the Prime Minister's National Relief Fund or any other fund set-up by the Central Government for socioeconomic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;
- To contribute to other approved Funds undertaking activities and efforts in the aforesaid areas (as may be approved from time to time, in this regard).

Visit www.thephoenixmills.com for more details related to our CSR policy.

CSR Committee

The Board has constituted a CSR Committee that provides oversight of CSR policy execution to ensure that the CSR objectives of the Company are met. Our CSR Committee comprises of the following board members

Name	Category
Mr. Ashokkumar Ruia (Chairman)	Chairman and Managing Director
Mr. Atul Ruia	Joint Managing Director
Ms. Shweta Vyas	Independent Director

Financial Details

Section 135 of the Companies Act, 2013 and Rules made there under prescribe that every company having a net worth of ₹ 500 crore or more, or turnover of ₹ 1,000 crore or more or a net profit of ₹ 5 crore or more during any of the three preceding financial years shall ensure that the Company spends, in every financial year, at least 2% of the average net profits made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy. The provisions pertaining to corporate social responsibility as prescribed under the Companies Act, 2013 are applicable to The Phoenix Mills Limited. The financial details as sought by the Companies Act, 2013 are as follows:

Particulars	Amount (₹ Lacs)
Average net profit of the Company for last three financial years	17,661.98
Prescribed CSR expenditure (2% of the average net profit as computed above)	353.24
Details of CSR expenditure during the Financial Year	
Total amount to be spent for the Financial Year 2016-17	353.24
Amount Spent	90.35
Amount Unspent	262.89

Company's CSR Initiatives during the FY 2016-17

During the Financial Year ended March 31, 2017 the Company has incurred its CSR related expenditure in the areas of conservation of natural resources, maintaining quality of soil, air and water and promotion of education especially amongst underprivileged children and livelihood enhancement projects for women, which are among the areas identified and approved by the Company's Board for CSR related activities.

The Company has been working with Aakar Charitable Trust (a registered Trust with a track record of more than a decade) as the implementing agency for the purpose of carrying out its CSR activities relating to conservation of natural resources, etc. The Trust mostly works in the area of constructing water harvesting structures popularly known as 'check dams' in water starved rural areas and villages. These check dams involve comparatively small masonry constructions and extensive earthen bunds. The check dams have all the advantages of the larger dams and do not involve any displacement and rehabilitation of people, water logging, risk of breach thereby preventing extensive damage to life and property. These check dams ensure preservation of water for drinking, agriculture, cattle rearing purposes.

Apart from the above mentioned CSR activity, during the year ended March 31, 2017 the Company has also incurred CSR expenditure on its objective of promoting education (especially amongst underprivileged children, women, elderly and differently-abled) including special education and employment enhancing vocation skills and livelihood enhancement projects for women, setting up facilities for senior citizens and reducing inequalities faced by socially and economically backward groups. The Company collaborated with Plan International (India Chapter), Friends of Tribals Society and Light of Life Trust for attaining its CSR objectives.

Plan International (India Chapter), a member of Plan International Federation, is a nationally registered independent child development organization committed to create a lasting impact in the lives of vulnerable and excluded children, their families and communities. By collaborating with Plan International (India Chapter), the Company has helped the underprivileged children break the cycle of poverty and enabling them to live a life of dignity – a right that every child deserves.

Friends of Tribals Society is a non-government social administration, devoted to the reason for tribal and provincial upliftment by making them socially strong, educationally aware and economically vibrant and self-reliant and the Company has collaborated with them in this initiative.

During the last financial year, the Company has also collaborated with Light of Life Trust which is committed to educate rural underprivileged children under the project named "Anando" in the state of Maharashtra.

Manner in which the amount spent during the financial year is detailed below:

Sl. No	CSR Project or activity identified	Sector in which the project is covered	Project or programs 1. Local area or other 2. Specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise (in ₹ Lacs)	Amount spent on the projects or programs sub heads (₹ in Lacs)		Cumulative expenditure up to the reporting period	Amount spent directly or through implementing agency
					Direct Expenditure on project and program	Overheads		
1	Construction of Check Dams	Conservation of natural resources and maintaining quality of soil, air and water	Construction of 11 Check dams in Alwar, Pali, Jhunjhunu and Sikar district of Rajasthan	75	75	Nil	75	Aakar Charitable Trust
2	Promoting education and employment enhancing vocation skills amongst underprivileged children, enhancing vocation skills and livelihood enhancement projects for women and setting up facilities for senior citizens	Promotion of education employment enhancing vocation skills and livelihood enhancement projects amongst underprivileged children	Collaborated with Plan International (India Chapter) in the State of Maharashtra	10	10	Nil	10	Plan International (India Chapter)
			Collaborated with Light of Life Trust under the project named "Anando" in the State of Maharashtra	3.75	3.75	Nil	3.75	Light of Life Trust
3	Upliftment of Tribals and socially and economically backward groups	Measures for reducing inequalities faced by socially and economically backward groups	Collaborated with Friends of Tribals Society in the State of Maharashtra	1.6	1.6	Nil	1.6	Friends of Tribals Society
	Total			**90.35**	**90.35**	**Nil**	**90.35**	

Reason for unspent amount on CSR

During the FY 2016-17, the Company through the said Trust has focused on the water deprived villages of Rajasthan and has removed scarcity of water in certain villages by constructing check dams. Further, the Company has also collaborated with various agencies for implementing its CSR objectives.

The CSR committee has constantly monitored the activities of the Trust and the agencies and approved each of its proposals after due consideration.

Implementation of each check dam has taken about two to three months on an average. During the year, the Trust has been able to identify 11 villages to deploy its resources and has completed construction of 7 check dams and construction of 4 check dam is in progress. Aakar is in the process of identifying other needy villages for construction of check dams and the Company will provide the required funds immediately upon presentation of the proposals of the Trust to the CSR Committee and its approval thereof.

The Company has an unspent amount of ₹ 262.89 Lakhs for FY16-17. Going forward, while continuing to incur expenditure on the above projects, the Company will also endeavor to take up new initiatives to fulfil its CSR commitments.

Our CSR responsibilities

The CSR committee of the Board of Directors of the Company hereby affirms that the implementation and monitoring of Corporate Social Responsibility (CSR) Policy is in compliance with CSR objectives and policy of the Company.

Mr. Atul Ruia	**Ashokkumar Ruia**
Joint Managing Director	Chairman of CSR Committee
DIN 00087396	DIN: 00086762

ANNEXURE V

Disclosures pursuant to Section 62(1)(b) of the Companies Act, 2013 and SEBI (Share Based Employee Benefits) Regulations, 2014 for the Financial Year ended March 31, 2017.

1.	Total No. of Equity Shares covered by ESOP Scheme approved by the Shareholders on January 31, 2008.	33,90,000 (As per the Scheme approved, an aggregate number of 6,78,000 options convertible into One Equity Share of ₹ 10/- each were available for grant. Consequent to sub-division of the face value of the Equity Shares from ₹ 10/- per share to ₹ 2/- per share, necessary adjustments were made to the total number of options)
2.	Vesting requirements	As per the Plan
3.	Exercise price	Grant date - June 10, 2008 - ₹270/- Grant date - March 26, 2015 – ₹ 316.80/- Grant date – October 24, 2016– ₹ 333.90/-
4.	Pricing formula	Exercise Price not less than par value of Equity Share and not more than price prescribed under Chapter VII of the SEBI (Issue of Capital and Disclosure Requirements) Regulation, 2009 on Grant Date.
5.	Maximum term of options granted	Not exceeding a period of 5 years from the date of grant.
6.	Source of shares (primary, secondary or combination)	Primary
7.	Variation in terms of options	Reduction in exercise price by ₹ 35.20/- per share for grant of options on March 26, 2015. Reduction in exercise price by ₹ 37.10/- per share for grant of options on October 24, 2016
8.	i. Method of calculation of employee compensation cost	Fair Value
	ii. Difference between the employee compensation cost so computed at i) above and the employee compensation cost that shall have been recognized if it had used the fair value of the Options	Not Applicable
	iii. The impact of this difference on profits and on EPS of the Company.	Not Applicable
9.	Diluted Earnings Per Share (EPS) pursuant to issue of Equity Shares on exercise of options calculated in accordance with Accounting Standard (AS) 20 ' Earnings Per Share'	₹ 8.71
	Option movement during the Financial Year	
10.	Number of options outstanding at the beginning of the period	1,79,056
11.	Number of options granted during the year	12,40,000
12.	Number of options forfeited/ lapsed during the year	6,000
13.	Number of options vested during the year	99,888

14. Number of options exercised during the year	78,055
15. Number of Equity Shares arising as a result of exercise of options	78,055
16. Money realized by exercise of options (₹), if scheme is implemented directly by the Company	₹ 2,15,68,824/-
17. Loan repaid by the Trust during the Financial Year from exercise price received	Not Applicable
18. Number of options outstanding at the end of the Financial Year	13,35,001
19. Number of options exercisable at the end of the Financial Year	15,833
20. a. Weighted-average exercise prices of options b. Weighted-average fair values of options	₹ 333.90 ₹ 143.02

21. Employee wise details (name of employee, designation, number of options granted during the year, exercise price) of options granted to -

(a) Senior Managerial Personnel:	No. of Stock Options Granted
Mr. Haresh Morajkar (Group Director - HR, Admin / IT)	100,000
Mr. Rajesh Kulkarni (Director - Projects Delivery)	100,000
Mr. Rajendra Kalkar (President (West))	60,000
Ms. Rashmi Sen (Group Director – Retail)	60,000
Mr. Vidya Sagar Pingali (Sr. Vice President - Corporate Affairs & Legal)	60,000
Mr. Dipesh Mahesh Gandhi (Group Director - Business Development)	50,000
Mr. Raghav Vivek Bajoria (Development Director)	50,000
Mr. Shashiekumar S. (President - Retail (South & E Commerce)	50,000
Mr. Pawan K Kakumanu (VP - Finance)	20,000
Mr. Varun Jagdish Parwal (VP- Finance & Investor Relations)	20,000
Mr. Shishir Shrivastava (Joint Managing Director)	20,000
(b) Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during that year	
Mr. Haresh Morajkar (Group Director - HR, Admin / IT)	100,000
Mr. Rajesh Kulkarni (Director - Projects Delivery)	100,000

22. Fair Value of Options based on Black Scholes methodology after applying following weighted average assumptions	Grant Date - June 10, 2008	Grant Date – March 25, 2015	Grant Date – October 24, 2016
i. Risk free interest rate	8.07%	8.23%	6.85%
ii. Expected life	1 to 8 years	1 to 8 years	1 to 8 years
iii. Expected volatility	45%	35%	31%
iv. Expected dividend yield	0.63%	0.80%	0.66%
v. Price of underlying shares	₹ 274.07/-	₹ 352.47/-	₹ 371.06

Notes:

- The Company at its meeting held on December 19, 2007 has formulated and adopted The Phoenix Mills Employees Stock Option Plan 2007 which was approved by the shareholders on January 31, 2008. There were no changes in the Scheme since its adoption and the same is in compliance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.
- No employee was granted stock options equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of the grant, during the Financial Year.

On behalf of the Board of Directors
For The Phoenix Mills Limited

Place: Mumbai
Date: August 2, 2017

Ashokkumar Ruia
Chairman & Managing Director
DIN: 00086762

ANNEXURE VI

Secretarial Audit Report

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2017

To
The Members
The Phoenix Mills Limited
462 Senapati Bapat Marg,
Lower Parel, Mumbai - 400 013

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practices by **The Phoenix Mills Limited** (hereinafter called **'the Company'**). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's Books, Papers, Minutes Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended 31st March, 2017, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by The Phoenix Mills Limited ('the Company') as given in Annexure A, for the financial year ended on 31st March, 2017, according to the provisions of:

   (i) The Companies Act, 2013 (the Act) and the rules made thereunder;

   (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

   (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

   (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

      i. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

      ii. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

      iii. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; and

      iv. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

2. Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company under the financial year under report:-

   i. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.

   ii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

   iii. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

   iv. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client; and

   v. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.

3. Provisions of the Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder pertaining to Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings were not applicable to the Company under the financial year under report.

4. We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with other Acts, Laws and Regulations applicable specifically to the Company as per the list given in Annexure B.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India under the provisions of the Companies Act, 2013.

During the financial year under report, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:
The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. No changes in the composition of the Board of Directors took place during the financial year under report.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

None of the members have communicated dissenting views, in the matters / agenda proposed from time to time for consideration of the Board and its Committees thereof, during the year under the report, hence were not required to be captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the year under report, following events/actions occurred which had major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.:

Sr. No.	Date	Event
1.	14th December, 2016	Acquisition of 3.75% equity stake of Alliance Spaces Private Limited ('ASPL') from K2A Hospitality Limited resulting into effective shareholding of the Company in ASPL increasing from 33.01% to 36.76%.
2.	28th December, 2016	Acquisition of 8.72% equity stake of Island Star Mall Developers Private Limited ('ISMDPL') from Pinnacle Real Estate Development Private Limited resulting into effective shareholding of the Company in ISMDPL increasing from 91.28% to 100%.
3.	29th December, 2016	Acquisition of cumulative 3.04% equity stake of Offbeat Developers Private Limited ('ODPL') from Vistra ITCL (India) Limited and IIRF Holdings X Limited resulting into effective shareholding of the Company in ODPL increasing from 74.48% to 77.52%.
4.	11th January, 2017	Approval of Scheme of amalgamation of Gangetic Hotels Private Limited with Palladium Constructions Private Limited (Appointed date of 1st April, 2016) by the Board of Directors of the respective subsidiary companies.
5.	15th February, 2017	Acquisition of 39.15% equity stake of Gangetic Hotels Private Limited ('GHPL') by Palladium Constructions Private Limited ('PCPL') from Leine River Limited and Fuhse River Limited. PCPL is a Subsidiary of the Company in which the Company holds 79.52% of equity share capital. As a result, the Company's aggregate shareholding in GHPL, directly and indirectly, has increased from 42.98% to 74.11%.
6.	16th February, 2017	Acquisition of all the Compulsorily Convertible Debentures ('CCDs') of Pallazzio Hotels & Leisure Limited ('PHLL') from Aller River Limited (representing 14.47% holding, on a fully diluted basis) resulting into the Company's equity holding in PHLL increasing from 58.51% to 72.98% upon conversion of the CCDs.
7.	30th March, 2017	Acquisition of 0.80% equity stake of Offbeat Developers Private Limited ('ODPL') from Vistra ITCL (India) Limited resulting into effective shareholding of the Company in ODPL increasing from 77.52% to 78.32%.
8.	31st March, 2017	Acquisition of 5.27% equity stake of Offbeat Developers Private Limited ('ODPL') from IIRF Holdings X Limited resulting into effective shareholding of the Company in ODPL increasing from 78.32% to 83.59%.

For **Rathi & Associates**
Company Secretaries

Jayesh M. Shah
Partner
FCS No. 5637
COP No. 2535

Date: 9th May, 2017
Place: Mumbai

Note: This report should be read with our letter of even date which is annexed as Annexure-C and forms an integral part of this report.

ANNEXURE – A

List of documents verified

1. Memorandum & Articles of Association of the Company;
2. Annual Report for the financial year ended 31st March, 2017;
3. Minutes of the meetings of the Board of Directors, Audit Committee, Nomination & Remuneration Committee, Compensation Committee, Independent Directors' Remuneration Committee, Finance and Investment Committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee of the Company along with the respective Attendance Registers for meetings held during the financial year under report;
4. Minutes of General Body Meeting held during the financial year under report;
5. Proof of circulation and delivery of notice, agenda and notes to agenda for Board and Committee meetings.
6. Proof of circulation of draft as well as certified signed Board & Committee meetings minutes as per Secretarial Standards.
7. Policies framed by the Company viz:
   - Policy on Related Party Transactions
   - Policy on Material Subsidiaries
   - Whistle Blower Policy
   - Corporate Social Responsibility Policy
   - Risk Management Policy & Framework
   - Nomination & Remuneration Policy
   - Code of Conduct for Independent Directors
   - The Phoenix Mills Ltd – Code of Conduct for Employees
   - Internal Financial Controls
   - Policy for Determination of Material Events and
   - Archival Policy
   - Dividend Distribution Policy
   - Annual Evaluation Policy
8. Statutory Registers viz.
   - Register of Directors & Key Managerial Personnel and their shareholding
   - Register of Employee Stock Options,
   - Register of loans, guarantees and security and acquisition made by the Company (Form No. MBP-2),
   - Register of Contracts with related party and contracts and Bodies etc. in which directors are interested (Form No. MBP-4), and
   - Register of Charge (Form No. CHG-7).
9. Copies of Notice, Agenda and Notes to Agenda submitted to all the directors / members for the Board Meetings and Committee Meetings.
10. Declarations received from the Directors of the Company pursuant to the provisions of Section 184(1), Section 164(2) and Section 149(7) of the Companies Act, 2013;
11. Intimations received from directors and other insiders under the prohibition of Insider Trading Code;
12. E-Forms filed by the Company, from time to time, under applicable provisions of the Companies Act, 2013 and attachments thereof during the financial year under report;
13. Intimations / documents / reports / returns filed with the Stock Exchanges pursuant to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year under report;
14. Documents related to payments of dividend made to its shareholders during the financial year under report;
15. Documents related to issue of shares under ESOP Scheme viz. ESOP Scheme, Exercise forms, Listing applications, Corporate Action Form, etc. filed with Stock Exchanges and Listing approvals received thereon;
16. E-mails evidencing dissemination of information related to closure of Trading window;
17. Internal Code of Conduct for prevention of Insider Trading by Employees / Directors / Designated Persons of the Company;
18. Statement of Related Party Transactions entered into by the Company during the financial year under report;
19. Documents filed with Stock Exchanges;
20. Compliance Certificate placed before the Board of Directors from time to time;
21. Details of Sitting Fees paid to all directors for attending the Board Meetings and Committees.

ANNEXURE – B

List of applicable laws to the Company

1. Income Tax Act and Rules made thereunder
2. Service Tax Act and Rules made thereunder
3. Sexual Harassment of Women at Workplace Prevention Prohibition & Redressal Act and Rules made thereunder
4. Maharashtra Fire Prevention & Life Safety Measures Act and Rules made thereunder
5. Maharashtra Regional & Town Planning Act, 1966
6. Maharashtra Rent Control Act, 1999
7. Bombay Shops & Establishment Act and Rules made thereunder
8. Development Control Regulations for Mumbai Metropolitan Region, 1999
9. Development Control Regulations for Greater Bombay, 1991
10. Maharashtra Municipalities Act, 1965
11. Mumbai Municipal Corporation Act, 1888
12. Maharashtra State Tax On Professions Trades Callings & Employments Act and Rules made thereunder
13. Maharashtra Tax on Entry of Goods Into Local Areas Act and Rules made thereunder
14. Maharashtra Value Added Tax Act and Rules made thereunder
15. Indian Stamp Act 1899 and Bombay Stamp Act
16. Air Prevention & Control of Pollution Act and Rules made thereunder (Central and Maharashtra Rules)
17. Environment Protection Act and Rules made thereunder
18. Water Prevention & Control of Pollution Act and Rules made thereunder (Central and Maharashtra Rules)
19. Industrial Employment Standing Orders Act and Rules made thereunder (Central and Maharashtra Rules)
20. Building & Other Construction Workers Welfare Cess Act and Rules made thereunder
21. Building Other Construction Workers Regulation Of Employment & Condition of Service Act and Rules made thereunder (Central and Maharashtra Rules)
22. Contract Labour Regulation & Abolition Act and Rules made thereunder (Central and Maharashtra Rules)
23. Employees Compensation Act and Rules made thereunder
24. Employees Deposit Linked Insurance Scheme1976
25. Employees Pension Scheme 1995
26. Employees Provident Funds & Miscellaneous Provisions Act and Scheme made thereunder
27. Employees State Insurance Act, Rules, Regulations and Scheme made thereunder
28. Employers Liability Act, 1938
29. Personal Injuries Compensation Insurance Act, Rules and Scheme made thereunder
30. Central Sales Tax Act and Rules made thereunder (Central and Maharashtra Rules)
31. Equal Remuneration Act and Rules made thereunder
32. Maternity Benefit Act and State Rules made thereunder (Central and Maharashtra Rules)
33. Minimum Wages Act and Rules made thereunder (Central and Maharashtra Rules)
34. Payment of Bonus Act and Rules made thereunder
35. Payment of Gratuity Act and Rules made thereunder
36. Payment of Wages Act and Rules made thereunder
37. Bombay Labour Welfare Fund Act and Rules made thereunder
38. Bombay Lifts Act 1939
39. Maharashtra Workmen Minimum House Rent Allowance and Rules made thereunder
40. Indian Copyright Act and Rules made thereunder
41. Trade Marks Act and Rules made thereunder
42. Information Technology Amendment Act and Rules made thereunder
43. Electricity Act and Rules made thereunder
44. Industrial Dispute Act and Rules made thereunder
45. Selection Installation & Maintenance of First Aid Fire Extinguishers Code of Practice
46. Central Motor Vehicles Act and Rules made thereunder
47. Collection of Statistics Act and Rules made thereunder
48. Energy Conservation Act and Rules made thereunder
49. Employment Exchanges Compulsory Notification of Vacancies Act and Rules made thereunder
50. Competition Act, 2002
51. Cigarettes and Other Tobacco Products (Prohibition of Advertisement and Regulation of Trade and Commerce, Production, Supply and Distribution) Act, 2003 and Prohibition of Smoking in Public Places Rules, 2008
52. Maharashtra Private Security Guards (Regulation of Employment and Welfare) Act 1981, Maharashtra Private Security Guards (Regulation of Employment and Welfare) Rules, 1981 and Private Security Guards (Regulation of Employment and Welfare) Scheme, 2002
53. Maharashtra Mathadi, Hamal and Other Manual Workers (Regulation of Employment and Welfare) Act, 1969
54. Central Excise Act, 1944 and Cenvat Credit Rules, 2004
55. Essential Commodities Act, 1955
56. Prevention of Black Marketing & Maintenance of Supplies of Essential Commodities Act, 1980
57. Weekly Holidays Act, 1942
58. Right To Fair Compensation & Transparency In Land Acquisition Rehabilitation & Resettlement Act, 2013
59. Customs Act and Rules made thereunder
60. Customs Tariff Act, 1975

ANNEXURE – C

To,
The Members
The Phoenix Mills Limited
Mumbai

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Rathi & Associates**
Company Secretaries

Jayesh M. Shah
Partner
FCS No. 5637
COP No. 2535

Date: 9th May, 2017
Place: Mumbai

ANNEXURE VII

Form No. MGT - 9
Extract of Annual Return
As on financial year ended on 31st March 2017
[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

CIN	L17100MH1905PLC000200
Registration Date	January 27, 1905
Name of the Company	The Phoenix Mills Limited
Category / Sub-Category of the Company	Company limited by Shares/Non-govt Company
Address of the Registered office and contact details	462, Senapati Bapat Marg, Lower Parel, Mumbai Tel: 022-30016600 Fax: 022-30016818
Whether listed company	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any:	Link Intime India Private Limited C-101, 247 Park, L.B.S. Marg, Vikhroli (West),Mumbai – 400 083 Tel. No.: 022-49186270 Fax No.: 022-49186060

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:-

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/service	% to total turnover of the Company
1	Construction of Buildings carried out on own-account basis or on a fee or contract basis	41001	100%

Sl. No.	Name and address of the Company	CIN / GLN	% of shares held (effective holding)
Subsidiary Companies [Section 2(87)(ii)]			
1	Alliance Spaces Private Limited*	U55101MH2007PTC169101	33.01
2	Alyssum Developers Private Limited*	U70109MH2017PTC292588	100.00
3	Bellona Hospitality Services Limited*	U74999MH1995PLC085663	100.00
4	Big Apple Real Estate Private Limited#	U17125MH2007PTC2929992	100.00
5	Blackwood Developers Private Limited@	U45400MH2007PTC292992	100.00
6	Butala Farm Lands Private Limited&	U70200MH1996PTC104404	100.00
7	Enhance Holdings Private Limited*	U67120MH2007PTC169479	100.00
8	Gangetic Developers Private Limited%	U74899DL1951PTC001959	58.61
9	Gangetic Hotels Private Limited@	U55101UP2007PTC033633	74.11
10	Graceworks Realty and Leisure Private Limited^	U72900MH2000PTC126232	44.02

Sl. No.	Name and address of the Company	CIN / GLN	% of shares held (effective holding)
11	Island Star Mall Developers Private Limited*	U45200MH2006PTC161067	100.00
12	Market City Management Private Limited^	U74999MH2008PTC183667	100.00
13	Market City Resources Private Limited*	U55100MH2006PTC159544	100.00
14	Mugwort Land Holdings Private Limited*	U45202MH2007PTC169133	94.86
15	Offbeat Developers Private Limited*	U55200MH2000PTC124192	83.60
16	Palladium Constructions Private Limited*	U45400MH2008PTC178115	79.52
17	Pallazzio Hotels and Leisure Limited^	U67120MH1995PLC085664	58.51
18	Phoenix Hospitality Company Private Limited^	U55209MH2006PTC161066	56.92
19	Pinnacle Real Estate Development Private Limited^	U70100MH2006PTC161072	100.00
20	Plutocrat Assets and Capital Management Private Limited*	U65990MH1991PTC060487	100.00
21	Sangam Infrabuild Corporation Private Limited@	U45201UP2006PTC031651	100.00
22	Savannah Phoenix Private Limited*	U55101MH2012PTC235585	100.00
23	Upal Developers Private Limited@	U45201MH2006PTC292993	100.00
24	Vamona Developers Private Limited*	U45201MH2006PTC165253	86.55

Associate Company [Section 2(6)]			
1	Classic Housing Projects Private Limited*	U45400MH2005PTC156887	50.00
2	Classic Mall Development Company Private Limited*	U70100MH2005PTC156875	48.19
3	Mirabel Entertainment Private Limited^	U55101MH2007PTC172946	28.46
4	Starboard Hotels Private Limited*	U55101MH1996PTC101044	28.47

*Registered Office at C/o Marketcity Resources Private Limited, R.R. Hosiery Building, Shree Laxmi Woolen Mills Estate, Opp. Shakti Mills, Off. Dr. E- Moses Road, Mahalaxmi, Mumbai – 400 011

^ Registered Office at Phoenix Mills Premises, 462, Senapati Bapat Marg, Lower Parel, Mumbai -400013

Registered Office at Phoenix United Mall CP-8, Sector B, LDA Colony, 5th Floor, Kanpur Road, Lucknow - 226012

@ Registered Office at Mahmoodabad Estate Hazratganj, Lucknow, UP - 226001

& Registered Office at #30, Prestige Point, 1st Floor, 283 Shukrawar Peth, Pune - 411002

% Registered Office at C-11, Panchsheel Enclave IIIrd Floor, New Delhi - 110017

$ Registered Office at 3rd Floor, Block A, Orchid City Centre Mall, 225 Belasis road, Mumbai Central, Mumbai - 400008

IV i SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i. Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	10001920	-	10001920	6.54	10001920	-	10001920	6.53	-0.00
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	86208962	-	86208962	56.35	86208962	-	86208962	56.32	-0.03
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total(A)(1):	**96210882**	**-**	**96210882**	**62.89**	**96210882**	**-**	**96210882**	**62.86**	**-0.03**
(2) Foreign									
a) NRIs – Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A)(2):	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1) + (A) (2)	**96210882**		**96210882**	**62.89**	**96210882**		**96210882**	**62.86**	**-0.03**
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	4860049	-	4860049	3.18	4327783	-	4327783	2.83	-0.35
b) Banks / FI	1757	-	1757	0.00	1831	-	1831	0.00	0.00
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	25173638	-	25173638	16.45	5599956	-	5599956	3.66	-12.80
h) Foreign Venture Capital Funds	750000	-	750000	0.49	550000	-	550000	0.36	-0.13
i) Others (Foreign Portfolio Investor (Corporate))	19680028	-	19680028	12.86	40274953	-	40274953	26.31	13.45
Sub-total (B)(1):	**50465472**	**-**	**50465472**	**32.99**	**50754523**	**-**	**50754523**	**33.16**	**0.17**
(2) Non-Institutions									
a) Bodies Corp.									
i) Indian	2452544	4750	2457294	1.61	2153768	4750	2158518	1.41	-0.20
ii) Overseas	-	-	-	-	-	-	-	-	
b) Individuals									

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	2781919	520571	3302490	2.16	2692574	505121	3197695	2.09	-0.07
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	148300	-	148300	0.10	145050	-	145050	0.09	-0.00
c) Others									
i) Non Resident Indians (Repat)	180882	-	180882	0.12	31593	-	31593	0.02	-0.10
ii) Non Resident Indians (Non Repat)	105682	-	105682	0.07	110093	-	110093	0.07	0.00
iii) Clearing Member	20349	-	20349	0.01	316658	-	316658	0.21	0.19
iv) Directors / Relatives	49545	-	49545	0.03	90100	-	90100	0.06	0.03
v) Trusts	250	-	250	0.00	250	-	250	0.00	-0.00
vi) HUF	47706	-	47706	0.03	51545	-	51545	0.03	0.00
Sub-total(B)(2):	**5787177**	**525321**	**6312498**	**4.13**	**5591631**	**509871**	**6101502**	**3.99**	**-0.14**
Total Public Shareholding (B)=(B)(1)+(B)(2)	**56252649**	**525321**	**56777970**	**37.11**	**56346154**	**509871**	**56856025**	**37.14**	**0.03**
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	**152463531**	**525321**	**152988852**	**100.00**	**152557036**	**509871**	**153066907**	**100.00**	**-**

Note: There is no change in the number of shares held by the Promoters/Promoter Group during the year. However, percentage change in the promoter shareholding is due to increase in the paid-up share capital of the Company during the year.

IV. ii. SHAREHOLDING OF PROMOTERS

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	Ruia International Holding Company Private Limited	49347248	32.26	Nil	49347248	32.24	Nil	-0.02
2	Senior Holdings Pvt. Ltd.	15490049	10.12	Nil	15490049	10.12	Nil	-0.01
3	Radhakrishna Ramnarain Pvt. Ltd.	11667800	7.63	Nil	11667800	7.62	Nil	0.01
4	Ashok Apparels Pvt. Ltd.	9670665	6.32	Nil	9670665	6.32	Nil	0.00
5	Ashton Real Estate Development Private Limited	33200	0.02	Nil	33200	0.02	Nil	0.00
5	Ashokkumar Radhakrishna Ruia	3659594	2.39	Nil	3659594	2.39	Nil	0.00
6	Atul Ashok Ruia	2403501	1.57	Nil	2403501	1.57	Nil	0.00
7	Amla Ashokkumar Ruia	2125000	1.39	Nil	2125000	1.39	Nil	0.00
8	Gayatri Atul Ruia	1534890	1.00	Nil	1534890	1.00	Nil	0.00
9	Sharanya A.Ruia Beneficiary Trust	278935	0.18	Nil	278935	0.18	Nil	0.00
	Total	**96210882**	**62.89**		**96210882**	**62.86**		**-0.03**

IV. iii. CHANGE IN PROMOTERS' SHAREHOLDING:

Sl. No.	Shareholder's Name	Shareholding			Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year (April 1, 2016 to March 31, 2017)	% of total shares of the Company
		No. of shares at the beginning of the year (April 1, 2016) and at the end of the year (March 31, 2017)	% of total shares of the Company					
1	**Ruia International Holding Company Private Limited**							
	At the beginning of the year	49347248	32.26				49347248	32.26
					No Change			
	At the end of the year	49347248	32.24				49347248	32.24
2	**Senior Advisory Services Private Limited**							
	At the beginning of the year	15490049	10.12				15490049	10.12
					No Change			
	At the end of the year	15490049	10.12				15490049	10.12
3	**Radhakrishna Ramnarain Private Limited**							
	At the beginning of the year	11667800	7.63				11667800	7.63
					No Change			
	At the end of the year	11667800	7.62				11667800	7.62
4	**Ashok Apparels Private Limited**							
	At the beginning of the year	9670665	6.32				9670665	6.32
					No Change			
	At the end of the year	9670665	6.32				9670665	6.318
5	**Mr. Ashokkumar Ruia**							
	At the beginning of the year	3659594	2.39				3659594	2.39
					No Change			
	At the end of the year	3659594	2.39				3659594	2.391
6	**Mr. Atul Ruia**							
	At the beginning of the year	2403501	1.57				2403501	1.57
				30-Mar-17	-1257955	Interse Transfer between Promoters & Promoter Group	1145546	0.75
				30-Mar-17	-156445		989101	0.65
				30-Mar-17	1414400		2403501	1.57
	At the end of the year	2403501	1.57				2403501	1.57
7	**Ms. Amla Ruia**							
	At the beginning of the year	2125000	1.39				2125000	1.39
					No Change			
	At the end of the year	2125000	1.39				2125000	1.39
8	**Ms. Gayatri Ruia**							
	At the beginning of the year	1534890	1.00				1534890	1.00
				30-Mar-17	-1414400	Interse Transfer between Promoters & Promoter Group	120490	0.08
				30-Mar-17	-120490		0	0.00
				30-Mar-17	1257955		1257955	0.82
				31-Mar-17	276935		1534890	1.00
	At the end of the year	1534890	1.00				1534890	1.00

Sl. No.	Shareholder's Name	Shareholding			Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year (April 1, 2016 to March 31, 2017)	% of total shares of the Company
		No. of shares at the beginning of the year (April 1, 2016) and at the end of the year (March 31, 2017)	% of total shares of the Company					
9	**Sharanya A.Ruia Benificiary Trust**							
	At the beginning of the year	276935	0.18				276935	0.18
				30-Mar-17	120490	Interse Transfer between Promoters & Promoter Group	397425	0.26
				30-Mar-17	156445		553870	0.36
				31-Mar-17	-276935		276935	0.18
	At the end of the year	278935	0.18				278935	0.18
10	**Ashton Real Estate Development Private Limited**							
	At the beginning of the year	33200	0.02		No Change		33200	0.02
	At the end of the year	33200	0.02				33200	0.02

Note:

1. Paid up Share Capital of the Company (Face Value ₹ 2.00) at the end of the year is 153,066,907 shares
2. The details of holding has been clubbed based on PAN.
3. There has been no change in the shareholding of the Promoter and Promoter Group Companies during the last financial year except interse transfer of shares between certain promoters and promoter group.

IV. iv. SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND ADRS):

Sr No.	Name of the Shareholder	Shareholding		Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year (April 1, 2016 to March 31, 2017)	% of total shares of the Company
		Number of Shares at the beginning of the year (April 1, 2016) and end of the year (March 31, 2017)	% of total shares of the Company				No. of Shares	
1	**Nordea 1 Sicav - Emerging Stars Equity Fund**							
	At the beginning of the year	9168030	5.99				9168030	5.99
				27/May/16	321283	Purchase	9489313	6.20
				03/Jun/16	25315	Purchase	9514628	6.22

Sr No.	Name of the Shareholder	Shareholding		Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year (April 1, 2016 to March 31, 2017)	% of total shares of the Company
		Number of Shares at the beginning of the year (April 1, 2016) and end of the year (March 31, 2017)	% of total shares of the Company				No. of Shares	
				10/Jun/16	284	Purchase	9514912	6.22
				24/Jun/16	5491	Purchase	9520403	6.22
				30/Jun/16	7052	Purchase	9527455	6.22
				12/Aug/16	2903	Purchase	9530358	6.23
				19/Aug/16	2481	Purchase	9532839	6.23
				26/Aug/16	20686	Purchase	9553525	6.24
				09/Sep/16	2866	Purchase	9556391	6.24
				16/Sep/16	260170	Purchase	9816561	6.41
				23/Sep/16	36029	Purchase	9852590	6.44
				30/Sep/16	96062	Purchase	9948652	6.50
				07/Oct/16	-6975	Sale	9941677	6.49
				28/Oct/16	-5936	Sale	9935741	6.49
				11/Nov/16	-81079	Sale	9854662	6.44
				18/Nov/16	-35280	Sale	9819382	6.42
				25/Nov/16	88943	Purchase	9908325	6.47
				09/Dec/16	-2510	Sale	9905815	6.47
				06/Jan/17	25190	Purchase	9931005	6.49
				13/Jan/17	14144	Purchase	9945149	6.50
				03/Feb/17	-26490	Sale	9918659	6.48
				17/Feb/17	194572	Purchase	10113231	6.61
				03/Mar/17	67184	Purchase	10180415	6.65
				10/Mar/17	149000	Purchase	10329415	6.75
	At the end of the year	10329415	6.75				10329415	6.75
2	**Fidelity Investment Trust Fidelity Series Emerging Markets Fund**							
	At the beginning of the year	6758146	4.42				6758146	4.42
				20/May/16	-17102	Sale	6741044	4.40
				27/May/16	-68226	Sale	6672818	4.36
				03/Jun/16	-74405	Sale	6598413	4.31
				23/Sep/16	-19542	Sale	6578871	4.30
				30/Sep/16	-5230	Sale	6573641	4.29
				07/Oct/16	46175	Purchase	6619816	4.32
				23/Dec/16	50300	Purchase	6670116	4.36
				30/Dec/16	14	Purchase	6670130	4.36
	At the end of the year	6670130	4.36				6670130	4.36
3	**Reliance Capital Trustee Co. Ltd A/C - Reliance Regular Savings Fund - Equity Option**							
	At the beginning of the year	2000000	1.31				2000000	1.31
					No Change			
	At the end of the year	2000000	1.31				2000000	1.31
4	**Nordea Far East Fund**							
	At the beginning of the year	1399620	0.91				1399620	0.91
				03/Jun/16	131566	Purchase	1531186	1.00

Sr No.	Name of the Shareholder	Shareholding		Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year (April 1, 2016 to March 31, 2017)	% of total shares of the Company
		Number of Shares at the beginning of the year (April 1, 2016) and end of the year (March 31, 2017)	% of total shares of the Company				No. of Shares	
				10/Jun/16	1481	Purchase	1532667	1.00
				24/Jun/16	28534	Purchase	1561201	1.02
				30/Jun/16	36644	Purchase	1597845	1.04
				09/Sep/16	130681	Purchase	1728526	1.13
				16/Sep/16	18625	Purchase	1747151	1.14
				23/Sep/16	12710	Purchase	1759861	1.15
				23/Dec/16	39009	Purchase	1798870	1.18
				30/Dec/16	87566	Purchase	1886436	1.23
	At the end of the year	1886436	1.23				1886436	1.23
5	**Vaneck Funds - Emerging Markets Fund**							
	At the beginning of the year	1089500	0.71				1089500	0.71
				22/Apr/16	9884	Purchase	1099384	0.72
				29/Apr/16	38840	Purchase	1138224	0.74
				06/May/16	56707	Purchase	1194931	0.78
				13/May/16	94008	Purchase	1288939	0.84
				20/May/16	21071	Purchase	1310010	0.86
				27/May/16	27490	Purchase	1337500	0.87
				10/Jun/16	43500	Purchase	1381000	0.90
				17/Jun/16	35100	Purchase	1416100	0.93
				24/Jun/16	71400	Purchase	1487500	0.97
				30/Jun/16	10131	Purchase	1497631	0.98
				01/Jul/16	7883	Purchase	1505514	0.98
				08/Jul/16	27986	Purchase	1533500	1.00
				15/Jun/16	16300	Purchase	1549800	1.01
				22/Jul/16	28010	Purchase	1577810	1.03
				29/Jul/16	4090	Purchase	1581900	1.03
				05/Aug/16	3300	Purchase	1585200	1.04
	At the end of the year	1585200	1.04				1585200	1.04
6	**TIAA-Cref Funds - TIAA-Cref Emerging Markets Equity Fund**							
	At the beginning of the year	1090805	0.71				1090805	0.71
				08/Apr/16	-33330	Sale	1057475	0.69
				05/Aug/16	-16674	Sale	1040801	0.68
				16/Sep/16	503700	Purchase	1544501	1.01
	At the end of the year	1544501	1.01				1544501	1.01
7	**The Phoenix Mills Limited - Unclaimed Suspense Account**							
	At the beginning of the year	1717800	1.12				1717800	1.12
				15/Apr/16	-62750	Transfer	1655050	1.08
				29/Apr/16	-250	Transfer	1654800	1.08
				13/May/16	-500	Transfer	1654300	1.08

Sr No.	Name of the Shareholder	Shareholding		Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year (April 1, 2016 to March 31, 2017)	% of total shares of the Company
		Number of Shares at the beginning of the year (April 1, 2016) and end of the year (March 31, 2017)	% of total shares of the Company				No. of Shares	
				27/May/16	-1250	Transfer	1653050	1.08
				10/Jun/16	-18750	Transfer	1634300	1.07
				17/Jun/16	-250	Transfer	1634050	1.07
				08/Jul/16	-2750	Transfer	1631300	1.07
				19/Aug/16	-22500	Transfer	1608800	1.05
				02/Sep/16	-500	Transfer	1608300	1.05
				07/Oct/16	-250	Transfer	1608050	1.05
				21/Oct/16	-6750	Transfer	1601300	1.05
				11/Nov/16	-4250	Transfer	1597050	1.04
				18/Nov/16	-11500	Transfer	1585550	1.04
				16/Dec/16	-1000	Transfer	1584550	1.04
				23/Dec/16	-750	Transfer	1583800	1.03
				06/Jan/17	-2500	Transfer	1581300	1.03
				13/Jan/17	-4250	Transfer	1577050	1.03
				03/Feb/17	-7500	Transfer	1569550	1.03
				10/Feb/17	-7500	Transfer	1562050	1.02
				24/Feb/17	-10250	Transfer	1551800	1.01
				03/Mar/17	-8750	Transfer	1543050	1.01
				10/Mar/17	-500	Transfer	1542550	1.01
				31/Mar/17	-8500	Transfer	1534050	1.00
	At the end of the year	1534050	1.00				1534050	1.00
8	**Nordea International Fund Asian Sub-Fund**							
	At the beginning of the year	1112795	0.73				1112795	0.73
				03/Jun/16	152039	Purchase	1264834	0.83
				10/Jun/17	1711	Purchase	1266545	0.83
				24/Jun/17	32975	Purchase	1299520	0.85
				30/Jun/17	42347	Purchase	1341867	0.88
				12/Aug/16	11644	Purchase	1353511	0.88
				19/Aug/16	9951	Purchase	1363462	0.89
				26/Aug/16	44938	Purchase	1408400	0.92
				11/Nov/16	14382	Purchase	1422782	0.93
				03/Mar/17	7846	Purchase	1430628	0.93
				10/Mar/17	17300	Purchase	1447928	0.95
	At the end of the year	1447928	0.95				1447928	0.95
9	**Mondrian Emerging Markets Small Cap Equity Fund, L.P.**							
	At the beginning of the year	1345131	0.88				1345131	0.88
				08/Apr/16	35400	Purchase	1380531	0.90
				15/Apr/16	56622	Purchase	1437153	0.94
				22/Apr/16	33526	Purchase	1470679	0.96
				27/May/16	150071	Purchase	1620750	1.06

Sr No.	Name of the Shareholder	Shareholding		Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year (April 1, 2016 to March 31, 2017)	% of total shares of the Company
		Number of Shares at the beginning of the year (April 1, 2016) and end of the year (March 31, 2017)	% of total shares of the Company				No. of Shares	
				17/Jun/16	4572	Purchase	1625322	1.06
				24/Jun/17	105428	Purchase	1730750	1.13
				16/Sep/16	-241534	Sale	1489216	0.97
				17/Mar/17	-80000	Sale	1409216	0.92
	At the end of the year	1409216	0.92				1409216	0.92
10	**Sundaram Mutual Fund A/C Sundaram select Midcap**							
	At the beginning of the year	1436070	0.94				1436070	0.94
				26/Aug/16	-2949	Sale	1433121	0.94
				02/Sep/16	-4915	Sale	1428206	0.93
				09/Sep/16	-77672	Sale	1350534	0.88
				02/Dec/16	-42548	Sale	1307986	0.85
				09/Dec/16	-6000	Sale	1301986	0.85
				16/Dec/16	-40	Sale	1301946	0.85
				23/Dec/16	-20223	Sale	1281723	0.84
				06/Jan/17	-4337	Sale	1277386	0.83
				03/Mar/17	-15663	Sale	1261723	0.82
	At the end of the year	1261723	0.82				1261723	0.82
11	***College Retirement Equities Fund - Stock Account**							
	At the beginning of the year	1491129	0.97				1491129	0.97
				17/Jun/16	22310	Purchase	1513439	0.99
				24/Jun/16	136780	Purchase	1650219	1.08
				30/Jun/16	111096	Purchase	1761315	1.15
				01/Jul/16	55474	Purchase	1816789	1.19
				16/Sep/16	-329531	Sale	1487258	0.97
				23/Sep/16	-113681	Sale	1373577	0.90
				30/Sep/16	-52471	Sale	1321106	0.86
				07/Oct/16	-107237	Sale	1213869	0.79
				14/Oct/16	-42852	Sale	1171017	0.77
	At the end of the year	1171017	0.77				1171017	0.77
12	***Macquarie Emerging Markets Asian Trading Pte. Ltd.**							
	At the beginning of the year	1431000	0.93				1431000	0.93
				05/Aug/16	-540000	Sale	891000	0.58
				26/Aug/16	-850000	Sale	41000	0.03
				21/Oct/16	-40000	Sale	1000	0.00
				18/Nov/16	1000	Purchase	2000	0.00
				13/Jan/17	-1000	Sale	1000	0.00
	At the end of the year	1000	0.00				1000	0.00

Sr No.	Name of the Shareholder	Shareholding		Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year (April 1, 2016 to March 31, 2017)	% of total shares of the Company
		Number of Shares at the beginning of the year (April 1, 2016) and end of the year (March 31, 2017)	% of total shares of the Company				No. of Shares	
13	***Vanguard International Explorer Fund**							
	At the beginning of the year	1438800	0.94				1438800	0.94
				23/Dec/16	-54803	Sale	1383997	0.904
				30/Dec/16	-47365	Sale	1336632	0.873
				06/Jan/17	-21782	Sale	1314850	0.859
				13/Jan/17	-18487	Sale	1296363	0.847
				20/Jan/17	-9827	Sale	1286536	0.841
				27/Jan/17	-166791	Sale	1119745	0.732
				03/Feb/17	-7384	Sale	1112361	0.727
				10/Feb/17	-79821	Sale	1032540	0.675
				17/Feb/17	-68108	Sale	964432	0.630
				24/Feb/17	-194024	Sale	770408	0.503
				03/Mar/17	-201359	Sale	569049	0.372
				10/Mar/17	-77173	Sale	491876	0.321
				17/Mar/17	-72633	Sale	419243	0.274
				24/Mar/17	-112735	Sale	306508	0.200
				31/Mar/17	-306508	Sale	0	0
	At the end of the year	0	0.00				0	0.00

Note:
1. Paid up Share Capital of the Company (Face Value ₹ 2.00) at the end of the year is 153,066,907 Shares.
2. The details of holding has been clubbed based on PAN.
3. % of total shares of the Company is based on the paid up Capital of the Company at the end of the Year.
4. Details of top 10 shareholders are based on the data as on April 1, 2016 and March 31, 2017
* Not in the list of Top 10 shareholders as on March 31, 2017. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on April 1, 2016

IV. v SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Sl. No.	Name of Directors / KMP	Shareholding		Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year (April 1, 2016 to March 31, 2017)	% of total shares of the Company
		No. of shares at the beginning of the year (April 1, 2016) and at the end of the year (March 31, 2017)	% of total shares of the Company					
1	**Mr. Ashokkumar Ruia**							
	At the beginning of the year	3659594	2.39				3659594	2.39
					No Change			
	At the end of the year	3659594	2.39				3659594	2.39
2	**Mr. Atul Ruia**							
	At the beginning of the year	2403501	1.57				2403501	1.57
				30-Mar-17	-1257955	Interse Transfer between Promoters & Promoter Group	1145546	0.75
				30-Mar-17	-156445		989101	0.65
				30-Mar-17	1414400		2403501	1.57
	At the end of the year	2,403,501	1.57				2403501	1.57
3	**Mr. Pradumna Kanodia**							
	At the beginning of the year	Nil					Nil	
				12-Sep-16	10555	ESOP Allotment	10555	0.01
	At the end of the year	10555	0.01				10555	0.01

Sl. No.	Name of Directors / KMP	Shareholding: No. of shares at the beginning of the year (April 1, 2016) and at the end of the year (March 31, 2017)	Shareholding: % of total shares of the Company	Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year (April 1, 2016 to March 31, 2017)	% of total shares of the Company
4	**Mr. Shishir Shrivastava**							
	At the beginning of the year	47200	0.03				47200	0.03
				7-Jun-16	30000	ESOP Allotment	77200	0.05
	At the end of the year	77200	0.05				77200	0.05
5	**Mr. Amit Dalal**							
	At the beginning of the year	Nil					Nil	Nil
					No Change			
	At the end of the year	Nil					Nil	Nil
6	**Mr. Amit Kumar Dabriwalal**							
	At the beginning of the year	Nil					Nil	Nil
					No Change			
	At the end of the year	Nil					Nil	Nil
7	**Mr. Sivaramakrishnan Iyer**							
	At the beginning of the year	Nil					Nil	Nil
					No Change			
	At the end of the year	Nil					Nil	Nil
8	**Ms. Shweta Vyas**							
	At the beginning of the year	Nil					Nil	Nil
					No Change			
	At the end of the year	Nil					Nil	Nil
9	**Ms. Puja Tandon**							
	At the beginning of the year	Nil					Nil	Nil
					No Change			
	At the end of the year	Nil					Nil	Nil

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(In ₹)

Particulars	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	6,71,19,85,850	1,50,00,00,000	-	8,21,19,85,850
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	34,950,398	3,52,99,180	-	7,02,49,578
Total (i+ii+iii)	**6,74,69,36,248**	**1,53,52,99,180**		**8,28,22,35,428**
Change in Indebtedness during the financial year				
- Addition	798,183,471	-	-	798,183,471
- Reduction	-	(1,535,299,180)	-	(1,535,299,180)
Net Change	**798,183,471**	**(1,535,299,180)**	**-**	**(73,71,15,709)**
Indebtedness at the end of the financial year				
i) Principal Amount	7,506,559,484	-	-	7,506,559,484
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	38,560,235			38,560,235
Total (i+ii+iii)	**7,545,119,719**	**-**	**-**	**7,545,119,719**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager

Amount in ₹

Sl. No.	Particulars of Remuneration	Mr. Ashokkumar Ruia	Mr. Atul Ruia	Mr. Pradumna Kanodia#	Mr. Shishir Shrivastava#	Total Amount
1	Gross salary					
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	10,000,000	10,000,000	-	-	20,000,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-	-
	(c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961	-	-	-	-	-
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission					
	- as % of profit	-	-	-	-	-
	- others, specify	-	-	-	-	-
	Others, please specify	-	-	-	-	-
5	**Total (A)**	**10,000,000**	**10,000,000**	**-**	**-**	**20,000,000**
	Ceiling as per the Act*					**161,308,941**

*Being 10% of the Net Profit of the Company calculated as per Section 197 of the Companies Act, 2013
#Mr. Pradumna Kanodia has been granted 105,556 Stock Options on March 26, 2015
Mr. Shishir Shrivastava has been granted 20,000 Stock Options on October 24, 2016

B. Remuneration to Other Directors

Amount in ₹

Sl. No.	Particulars of Remuneration	Name of Director				Total Amount
		Mr. Amit Dalal	Mr. Amit Kumar Dabriwala	Mr. Sivaramakrishnan Iyer	Ms. Shweta Vyas	
1	Independent Directors					
	Fee for attending board / committee meetings	120,000	180,000	90,000	180,000	570,000
	Commission	325,000	325,000	325,000	325,000	1,300,000
	Others, please specify	-	-	-	-	-
	Total (1)	**445,000**	**505,000**	**415,000**	**505,000**	**1,870,000**
2	Other Non-Executive Directors					
	Fee for attending board / committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	TOTAL B = (1+2)	**445,000**	**505,000**	**415,000**	**505,000**	**1,870,000**
	Ceiling as per the Act*	**-**	**-**	**-**	**-**	**16,130,894**
	Total Managerial Remuneration (A+B)	**-**	**-**	**-**	**-**	**21,870,000**
	Overall Ceiling as per the Act**	**-**	**-**	**-**	**-**	**177,439,835**

*Being 1% of the Net Profit of the Company calculated as per Section 197 of the Companies Act, 2013
**Being 11% of the Net Profit of the Company calculated as per Section 197 of the Companies Act, 2013

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

Amount in ₹

Sl. No.	Particulars of Remuneration	Ms. Puja Tandon Company Secretary	Total Amount
1	Gross salary		
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	2,782,008	2,782,008
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission		
	- as % of profit	-	-
	- others, specify	-	-
	Others, please specify	-	-
5	**Total (A)**	**2,782,008**	**2,782,008**

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act, 2013	Brief Description	Details of Penalty/ Punishment/ Compounding Fees imposed	Authority (RD/ NCLT/Court)	Appeal made, if any (give details)
A. Company					
Penalty	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA
B. Directors					
Penalty	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA
C. Other Officers in Default					
Penalty	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA

On behalf of the Board of Directors
For The Phoenix Mills Limited

Place: Mumbai
Date: August 2, 2017

Ashokkumar Ruia
Chairman & Managing Director
DIN: 00086762

REPORT ON CORPORATE GOVERNANCE

Your Directors are pleased to present the Companies Report on Corporate Governance in compliance with the Corporate Governance provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR Regulations 2015').

Management's Philosophy on Corporate Governance

The Management is committed to good Corporate Governance and as a part of its growth strategy, it places the highest importance on strengthening and further developing Corporate Governance initiatives.

The Board believes that governance is a continuously evolving idea to continue doing business in a disciplined, legal and ethical way and it places its governance practices under continuous review and continues benchmarking it to the best practices around the globe. The Management's philosophy on corporate governance is directed at conducting business in an ethical and professional manner and to enhance confidence of all stakeholders, viz.; shareholders and investors, customers and clients, employees, regulatory bodies, all those who deal with the Company and public in general, since we believe that adhering to the standards of best Corporate Governance practice is essential to achieve long term corporate goals and enhance shareholders value. Our actions are governed by our values and principles, which are reinforced at all levels within the Company. The Company's philosophy on Corporate Governance oversees business strategies and ensures accountability, ethical corporate behaviour and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large. It is commitment of the management to values and ethical business conduct.

The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Part C of Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI LODR Regulations 2015, as applicable, with regard to corporate governance.

Board of Directors

Composition of the Board

Pursuant to Section 149(4) of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17 of the SEBI LODR Regulations 2015, the Company has a balanced Board, comprising of Executive and Non-Executive Directors which includes independent professionals with rich experience and expertise from diverse background relevant to the Company's business requirements, who have long standing experience and expertise in their respective fields.

The Board has an Executive Chairman and accordingly pursuant to the provisions of Regulation 17(1)(b) of SEBI LODR Regulations, 2015, half of the Board is required to consist of Independent Directors. As on March 31, 2017, the Company's Board comprised of four Executive Directors and four Independent Directors.

As per the declarations received by the Company from each of the Directors, none of the directors are disqualified from being appointed as a Director under Section 164(2) of the Companies Act, 2013.

None of the Directors on the Board hold directorships in more than ten public companies. Disclosures have been made by the Directors regarding their Chairmanships/Memberships of mandatory Committees of the Board and the same are within the permissible limits as stipulated under Regulation 26(1) of SEBI LODR Regulations 2015.

Composition and Attendance

The composition of the Board and other relevant details relating to Directors as on March 31, 2017 are given below:

Name of the Director	Nature of Directorship/ Designation	DIN	No. of Other Directorships*	Membership and Chairmanship of the Committees of the Board of other Companies (**)	
				Chairmanships	Memberships
Promoter Directors					
Mr. Ashokkumar Ruia	Chairman & Managing Director	00086762	16	Nil	Nil
Mr. Atul Ruia	Joint Managing Director	00087396	16	Nil	Nil
Executive Directors					
Mr. Shishir Shrivastava	Joint Managing Director	01266095	6	Nil	Nil
Mr. Pradumna Kanodia	Director- Finance	01602690	4	Nil	1

Name of the Director	Nature of Directorship/ Designation	DIN	No. of Other Directorships*	Membership and Chairmanship of the Committees of the Board of other Companies (**)	
				Chairmanships	Memberships
Independent Non-executive Directors					
Mr. Amit Kumar Dabriwala	Non-Executive Independent Director	00164763	13	1	7
Mr. Amit Dalal	Non-Executive Independent Director	00297603	8	1	2
Mr. Sivaramakrishnan Iyer	Non-Executive Independent Director	00503487	7	3	1
Ms. Shweta Vyas	Non-Executive Independent Director	06996110	Nil	Nil	Nil

*Directorships held by the Directors, as mentioned above: (i) do not include directorships held in the Company (ii) includes directorships held in foreign companies, private limited companies and companies under Section 8 of the Companies Act, 2013.

**Committees considered for the purpose of computing membership/chairmanship are those prescribed under Regulation 26(1) of SEBI LODR Regulations 2015 viz. Audit Committee and Stakeholders' Relationship Committee of the Indian Public Limited Companies (including Private Limited Companies, which are considered as Public Limited Companies in terms of Section 2(71) of the Companies Act, 2013). Committee membership details provided do not include chairmanship of committees as it has been provided separately. Further, it also excludes chairmanship and membership of committees of the Board of the Company.

Except Mr. Ashokkumar Ruia and Mr. Atul Ruia, who are father and son respectively and Promoter Directors, none of the Directors are relatives of any other Director.

None of the directors except the following, held equity shares in the Company as on March 31, 2017:

Mr. Ashokkumar Ruia – 36,59,594 equity shares
Mr. Atul Ruia – 24,03,501 equity shares
Mr. Shishir Shrivastava – 77,200 equity shares
Mr. Pradumna Kanodia – 10,555 equity shares

Appointment/Re-appointment of Directors
In terms of Section 149(13) of the Companies Act, 2013, the provisions of Section 152(6) and (7) of the said Act in respect of retirement of directors by rotation shall not be applicable to appointment of Independent Directors. Therefore, pursuant to Section 152 of the Companies Act, 2013, Mr. Atul Ruia is liable to retire by rotation at the ensuing Annual General Meeting. Proposal for his re-appointment is incorporated in the Notice of the ensuing Annual General Meeting.

Detailed profile and other information as required under Regulation 36(3) of the SEBI LODR Regulations 2015, of the proposed appointee is provided in the Notice of the ensuing Annual General Meeting.

Board Meetings and Annual General Meeting
During the Financial Year 2016-17, 4 (four) meetings of the Board of Directors were held i.e. on May 13, 2016, August 11, 2016, November 14, 2016 and February 14, 2017. The time gap between any two consecutive meetings was less than one hundred and twenty days. The previous Annual General Meeting of the Company was held on September 8, 2016. Necessary quorum was present for all the meetings. When deemed expedient, the Board also approves important and urgent items of business through resolution by circulation, which could not be deferred till the next Board Meeting.

Details of attendance of Directors in Board Meetings held during the Financial Year 2016-2017 and in the previous Annual General Meeting are as follows:

Name of the Director	No. of Board meetings attended (total held during tenure of Director in FY 2016-17)	Attendance at last Annual General Meeting held on 8th September, 2016
Mr. Ashokkumar Ruia	4 (4)	No
Mr. Atul Ruia	4 (4)	Yes
Mr. Shishir Shrivastava	4 (4)	Yes
Mr. Pradumna Kanodia	4 (4)	Yes
Mr. Amit Kumar Dabriwala	4 (4)	Yes
Mr. Amit Dalal	4 (4)	Yes
Mr. Sivaramakrishnan Iyer	3 (4)	Yes
Ms. Shweta Vyas	4 (4)	Yes

Separate meeting of the Independent Directors

Pursuant to Schedule IV of the Companies Act, 2013 read with the rules made thereunder and Regulation 25(3) of the SEBI LODR Regulations 2015, Independent Directors of the Company shall hold at least one meeting in a year, without the attendance of Non-Independent Directors and members of management. All the Independent Directors of the Company shall strive to be present at such meeting and shall, inter-alia:

i. review performance of Non-Independent Directors and the Board as a whole;

ii. review performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors;

iii. assess the quality, quantity and timeliness of flow of information between the Company's management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Accordingly, in compliance with the aforesaid requirements all Independent Directors of the Company met separately on February 14, 2017 without presence of any Non-Independent Directors or representatives of Management to review and discuss inter alia, the performance of Non-Independent Directors, Executive Directors, Chairman of the Board and performance of the Board as a whole. They have conveyed their satisfaction on the performances of Non-Independent Directors, Managing Directors, Joint Managing Directors and Board as a whole.

Information available to the Board of Directors

The Board has complete access to all the relevant information of the Company and to that of all our employees. The information/data/ updates shared with the Board includes:

i. Annual operating plans and budgets and any updates thereto.

ii. Capital budgets and any updates thereto.

iii. Quarterly results for the Company and its operating divisions or business segments.

iv. Minutes of meetings of the Board and Board Committees, resolutions passed by circulations and Board minutes of the unlisted subsidiary companies.

v. The information on recruitment and remuneration of senior officers just below the board level, appointment or removal of Chief Financial Officer and the Company Secretary.

vi. Show cause, demand, prosecution notices and penalty notices which are materially important.

vii. Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.

viii. Any material default in financial obligations to and by the Company.

ix. Any issue, which involves possible public or product liability claims of substantial nature, including any judgment or order which, may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company.

x. Details of joint venture and collaboration agreement.

xi. Transactions that may involve substantial payment towards goodwill, brand equity, or Intellectual Property (IP), if any.

xii. Significant labour problems and their proposed solutions. Any significant development in human resources/industrial relations front like signing of wage agreement, implementation of voluntary retirement scheme etc.

xiii. Sale of investments, subsidiaries, assets, which are material in nature and not in normal course of business.

xiv. Quarterly details of foreign exchange exposures and steps taken by management to limit the risks of adverse exchange rate movement, if material.

xv. Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc.

xvi. Compliance reports pertaining to all applicable laws to the Company and instances of non-compliances, if any, as well as steps taken to rectify such instances.

xvii. Updates on Succession Planning for appointment to the Board of Directors and Senior Management.

Board Procedures
The Board meetings are governed by structured agenda. The agenda along with comprehensive notes and background material are circulated well in advance to all the Directors for facilitating effective discussion and decision making. The Board members may bring up any matter for consideration of the Board, in consultation with the Chairman. Presentations are made by the management on the Company's operations and other important matters on a periodic basis. The proceedings of the meetings of the Board and its Committees are recorded in the form of minutes and the draft minutes are circulated to the Board for perusal. The important decisions taken at the Board/Committee meetings are communicated to the concerned departments/divisions promptly.

In line with the requirements of the SEBI LODR Regulations 2015 and the Companies Act, 2013, the Board at its meeting held on May 10, 2017 has evaluated the performance of all Independent Directors and has noted that the result of evaluation was satisfactory.

Code of Conduct
Code of Conduct is derived from three interlinked fundamental principles, viz.; good corporate governance, good corporate citizenship and exemplary personal conduct. The Board has laid down a Code of Conduct for all Board Members and Senior Management of the Company. The Code also provides for the duties of Independent Directors as laid down in the Companies Act, 2013. The Company has obtained confirmation of compliance with the Code from all members of the Board and Senior Management of the Company for the Financial Year 2016-17. As required under Regulation 34(3) read with Schedule V of the SEBI LODR Regulations 2015, the declaration on compliance of the Company's Code of Conduct signed by Joint Managing Director forms part of this Report as Annexure A.

Risk Assessment
The Board of Directors are responsible for framing, implementing and monitoring the risk management plan for the Company. The management has put in place the procedures to inform and update the Board about various risk identification, assessment and minimization procedures.

Induction and Familiarisation Programme for Independent Directors
Pursuant to Schedule IV of the Companies Act, 2013 and the SEBI LODR Regulations 2015, the Company has an Induction and Familiarization process for Independent Directors that includes background material, their roles, rights, responsibilities in the Company, nature of industry in which the Company operates, business model of the Company.

The Directors are provided with all necessary documents, brochures, reports and internal policies and procedures to enable them to understand the working of the Company. They are also given periodic presentation in the Board and Committee meetings in order to provide details on the business and performance updates, Company's strategy and operating plans, key issues on corporate governance, code of business conduct, risk management issues, etc.

The details of the above discussed induction and familiarisation programme are disclosed on the Company's website and can be accessed at http://www.thephoenixmills.com/ThePhoenixMillsDirectorsFamiliarizationProgramforIndependent Directors.pdf.

Board Committees

I. Audit Committee

Constitution
The Company's Board has an Audit Committee consisting of qualified members. As on March 31, 2017, the Committee comprised of one Executive and two Independent Non-Executive Directors. All members of the Audit Committee have financial knowledge and

expertise as mandated by Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI LODR Regulations 2015. Mr. Amit Kumar Dabriwala, Chairman of the Committee holds a bachelors' degree in Commerce from the Calcutta University and has expertise in accounting and financial management domain. The Company Secretary acts as the Secretary of the Committee.

Composition and Attendance

During the Financial Year 2016-17, 4 (four) Audit Committee meetings were held i.e. on May 13, 2016, August 11, 2016, November 14, 2016 and February 14, 2017. The composition of the Audit Committee and the number of meetings attended by each member is as follows:

Committee Members	Category	No. of Meetings Attended (total held)
Mr. Amit Kumar Dabriwala (Chairman)	Independent Director	4 (4)
Mr. Atul Ruia	Joint Managing Director	4 (4)
Ms. Shweta Vyas	Independent Director	4 (4)

Attendees

The Audit Committee invites such executives, as and when it considers appropriate to be present at the meetings. The Director – Finance, the Internal Auditors and the Statutory Auditors also remain present as invitees for the meetings of Audit Committee. Mr. Amit Kumar Dabriwala, Chairman of the Audit Committee attended the last Annual General Meeting of the Company held on 8th September, 2016.

Terms of Reference of the Audit Committee

The terms of reference of the Audit Committee are in accordance with all the items listed in Part C of Schedule II of SEBI LODR Regulations 2015 and Section 177 of the Companies Act, 2013 which are as follows:

i. Oversight of the Company's financial reporting process and disclosure of its financial information, to ensure that the financial statements are true and accurate and provide sufficient information;

ii. Recommending to the Board, appointment, re-appointment and, if required, replacement or removal of the Statutory Auditor and fixation of their terms of appointment and remuneration;

iii. Approval of payment to statutory auditors for any other services rendered by the statutory auditors, if any;

iv. Reviewing, with the management, the Annual Financial Statements and Auditors' Report thereon before submission to the Board for approval, with particular reference to:
   - Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
   - Changes, if any, in accounting policies and practices and reasons for the same;
   - Major accounting entries involving estimates based on exercise of judgment by management;
   - Significant adjustments made in the financial statements arising out of audit findings;
   - Compliance with listing and other legal requirements relating to financial statements;
   - Disclosure of any related party transactions;
   - Modified opinion(s)in the draft audit report.

v. Reviewing with the Management, quarterly Financial Statements before submission to the Board for approval;

vi. Reviewing with the Management, performance of Statutory and Internal Auditors, adequacy of internal control systems;

vii. Review and monitor the auditor's independence and performance, and effectiveness of audit process;

viii. Approval or any subsequent modification of transactions of the Company with related parties;

ix. Scrutiny of inter-corporate loans and investments;

x. Valuation of undertakings or assets of the Company, wherever it is necessary;

xi. Monitoring the end use of funds raised through public offers and related matters, if any;

xii. Evaluation of internal financial controls and risk management systems;

xiii. Reviewing the adequacy of internal audit function including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

xiv. Discussion with Internal Auditors with respect to the coverage and frequency of internal audits as per the annual audit plan, nature of significant findings and follow up thereof;

xv. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

xvi. Obtaining an update on the Risk Management Framework and the manner in which risks are being addressed;

xvii. Review all significant transactions and arrangements entered into by the unlisted subsidiary companies;

xviii. Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

xix. Review the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors, if any;

xx. Review of the functioning of Whistle Blower mechanism;

xxi. Approve appointment of CFO (i.e. the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

xxii. Reviewing the Management Discussion and Analysis of financial condition and results of operations;

xxiii. Review the statement of significant related party transactions (as defined by the Audit Committee), submitted by management;

xxiv. Review the financial statements, in particular, the investments made by unlisted subsidiaries;

xxv. Review the management letters/letters of internal control weaknesses issued by the statutory auditors;

xxvi. Review the appointment, removal and terms of remuneration of the Chief Internal Auditor;

xxvii. Review the Internal Audit Report relating to internal control weaknesses;

xxviii. Review quarterly statement of deviations including report of monitoring agency, if applicable, submitted to Stock Exchange(s) in terms of Regulation 32(1) of the SEBI LODR Regulations 2015;

xxix. Review annual statement of deviations of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI LODR Regulations 2015;

xxx. Review, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter; and

xxxi. Carry out such other responsibility as may be provided by the Companies Act, 2013 and the SEBI LODR Regulations 2015.

II. Nomination and Remuneration Committee
Constitution
The Company's Board has constituted a Nomination and Remuneration Committee consisting of qualified members. As on March 31, 2017, the Committee comprises of three Non-Executive Independent Directors. Ms. Shweta Vyas, Non-Executive Independent Director is the Chairperson of the Committee. The Company Secretary acts as the Secretary of the Committee.

Composition and Attendance
During the Financial Year 2016-17, 2 (two) meetings of the Nomination and Remuneration Committee were held on May 13, 2016 and February 14, 2017.

The composition of the Nomination and Remuneration Committee and the number of meetings attended by each member is as follows:

Committee Members	Category	No. of Meetings Attended (total held)
Ms. Shweta Vyas (Chairperson)	Independent Director	2 (2)
Mr. Sivaramakrishnan Iyer	Independent Director	1 (2)
Mr. Amit Kumar Dabriwala	Independent Director	2 (2)

Ms. Shweta Vyas, Chairperson of the Nomination and Remuneration Committee attended the last Annual General Meeting of the Company held on 8th September, 2016.

Terms of reference of Nomination and Remuneration Committee

The terms of reference of the Nomination and Remuneration Committee are in accordance with Part D of Schedule II of the SEBI LODR Regulations 2015 and Section 178 of the Companies Act, 2013 which are as follows:

i. Formulate the criteria for determining qualifications, positive attributes and independence of a director;

ii. Identify persons who are qualified to become Directors and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in the policy;

iii. Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel;

iv. Review and recommend the structure, size and composition of the Board and Board Committees;

v. Formulation of criteria for evaluation of performance of all the Directors including Independent Directors;

vi. Carry out evaluation of every Director's performance and recommend to the Board appointment/removal based on his/her performance;

vii. Devising a policy on Board diversity;

viii. Recommend to the Board a policy relating to the remuneration of Directors, Key Managerial Personnel and other employees;

ix. Assist the Board in implementing corporate governance practices;

x. Development of a succession plan for the Board and to regularly review the plan;

xi. Whether to extend or continue the term of appointment of an Independent Director, on the basis of the report of performance evaluation of Independent Directors;

xii. To consider any other matters as may be requested by the Board.

Performance Evaluation of Directors

Pursuant to the provisions of the Companies Act, 2013 and SEBI LODR Regulations 2015, the Board has adopted an Annual Performance Evaluation Policy which is available on the Company's website at http://www.thephoenixmills.com/PMLAnnualPerformanceEvaluationPolicy.pdf. In terms of the criteria specified in the Policy and as per the statutory provisions, the Independent Directors had a separate meeting on February 14, 2017 without the presence of the Management in which they discussed and evaluated the performance of the Chairman, Executive Directors and Key Managerial Personnel and the Board as a whole through evaluation feedback forms. The Nomination and Remuneration Committee at its meeting held on February 14, 2017 also evaluated the performance of the Individual Directors including the Independent Directors and the Board as a whole. On the basis of the feedback and report of the Independent Directors and the Nomination and Remuneration Committee, the Board at its meeting held on May 10, 2017 has also evaluated the performance of individual directors, Board Committees and the Board and has noted its satisfaction on the outcome.

Nomination and Remuneration Policy

The Nomination and Remuneration Committee of the Board of Directors of the Company has formulated a policy for determining qualifications, positive attributes and independence of a director and other related matters provided under sub section (3) and (4) of Section 178 of the Companies Act, 2013 which is appended as Annexure III in the Board's Report.

The Company hereby affirms that the remuneration paid to the Directors is as per the terms laid in the duly approved and adopted Nomination and Remuneration Policy of the Company.

Details of remuneration to Directors during FY 2016-17:

Non-Executive Directors

Non-Executive Directors are eligible for sitting fees and commission which cannot exceed the limit prescribed in the Companies Act, 2013. The remuneration payable to Non-Executive Directors is decided by the Independent Directors' Remuneration Committee of the Board of Directors subject to the approval of members of the Company. The Independent Directors are eligible for sitting fees of ₹ 30,000/- and ₹ 15,000/- for attending each meeting of the Board and Audit Committee, respectively. Pursuant to the approval of the shareholders at their Annual General Meeting held on September 9, 2015, the Independent Directors' Remuneration Committee of the Board of Directors determines the quantum of commission payable to the Independent Directors and makes suitable recommendations to the Board in this regard.

The Committee has accordingly, recommended that a sum of 13,00,000/- be distributed equally among the four Independent Directors who have served on the Company's Board during the Financial Year 2016-17. As per provisions of the Companies Act 2013 and SEBI LODR Regulations 2015, Independent Directors are not entitled to any stock options. Except as disclosed, there are no pecuniary relationships or transactions between the non-executive directors and the Company during the last Financial Year 2016-17.

Details of sitting fees and commission paid to Non-Executive Independent Directors during the Financial Year 2016-17 are as under:

Name of the Director	Sitting Fees paid (₹)		*Commission to be paid (₹)
	Board Meeting	Audit Committee	
Mr. Amit Kumar Dabriwala	120,000	60,000	325,000
Mr. Amit Dalal	120,000	NA	325,000
Mr. Sivaramakrishnan Iyer	90,000	NA	325,000
Ms. Shweta Vyas	120,000	60,000	325,000
Total	**450,000**	**120,000**	**1,300,000**

*Commission will be paid to the Independent Directors after adoption of accounts for the Financial Year ended March 31, 2017 by the shareholders at the ensuing Annual General Meeting.

Executive Directors:

The appointment of Executive Directors is governed by resolutions passed by the Board of Directors and shareholders of the Company, which cover the terms of such appointment and are implemented in conjunction with the service rules of the Company. Remuneration paid to the Executive Directors i.e. Mr. Ashokkumar Ruia and Mr. Atul Ruia, which is recommended by the Nomination and Remuneration Committee and approved by the Board, is within the respective limits approved by the shareholders through Postal Ballot on May 25, 2015. Mr. Shishir Shrivastava, Joint Managing Director and Mr. Pradumna Kanodia, Director Finance do not draw any remuneration from the Company.

Details of remuneration paid by the Company to Executive Directors during the Financial Year ended March 31, 2017 are given below:

Name of the Director	Designation	Salary (₹)	Contribution to PF (₹)	Pension (₹)	Perquisites & Allowances (₹)	Commission Payable	Performance Linked Incentive	Bonus / Incentive	Total (₹)	Stock Options Granted
Mr. Ashokkumar Ruia	Chairman & Managing Director	10,000,000	Nil	Nil	Nil	Nil	Nil	Nil	10,000,000	Nil
Mr. Atul Ruia	Jt. Managing Director	10,000,000	Nil	Nil	Nil	Nil	Nil	Nil	10,000,000	Nil

Note: Severance fees and notice period is not applicable to the Executive Directors.

Details of Stock Options granted to the Executive Directors

Pursuant to The Phoenix Mills Employees Stock Option Plan 2007, Mr. Pradumna Kanodia, Director - Finance has been granted 1,05,556 stock options on March 26, 2015 at a discount of 10% to the market price of ₹ 352/- i.e at a price of ₹ 316.80/- per share. Further, Mr. Shishir Shrivasata, Joint Managing Directors has been granted 20,000 stock options on October 24, 2016 at a discount of 10% to the market price of ₹ 371/- i.e. at a price of ₹ 333.90/- per share. The options will vest over a period of 5 years from the date of grant as under:

Sr. No.	Vesting date	% of Options that shall Vest
1	12 months from the Grant Date	10%
2	24 months from the Grant Date	15%
3	36 months from the Grant Date	20%
4	48 months from the Grant Date	25%
5	60 months from the Grant Date	30%
	Total	**100%**

No other Director has been granted any stock options during the Financial Year 2016-17

III. Stakeholders' Relationship Committee

Constitution

The Stakeholders' Relationship Committee of the Company has been constituted for redressal and satisfaction of investors' grievances and approval of requests for transfer and transmission of shares, transposition and deletion of name in the Register of Members, addressing to the complaints of shareholders including, non-receipt of declared dividends, non-receipt of Annual Report, revalidation of dividend warrants, approval of requests for change of address, consolidation and split of shares, etc. The Stakeholders' Relationship Committee meets as often as required.

The Stakeholders' Relationship Committee comprises of three directors of whom one is an Independent Director. Mr. Amit Kumar Dabriwala, Independent Director chairs the meetings of the Stakeholders' Relationship Committee.

The Company Secretary acts as the Secretary to the Committee.

Composition and Attendance

During the Financial Year 2016-17, 7 (seven) meetings of Stakeholders' Relationship Committee were held i.e. on April 7, 2016, May 4, 2016, June 3, 2016, July 26, 2016, August 11, 2016, September 1, 2016 and March 3, 2017.

The present composition of the Stakeholders' Relationship Committee and the number of meetings attended by the Committee members are as under:

Name of Director	Category	No. of Meetings Attended (total held)
Mr. Amit Kumar Dabriwala (Chairman)	Independent Director	7 (7)
Mr. Ashokkumar Ruia	Chairman and Managing Director	7 (7)
Mr. Atul Ruia	Joint Managing Director	6 (7)

Mr. Amit Kumar Dabriwala, Chairman of the Stakeholders' Relationship Committee attended the last Annual General Meeting of the Company held on 8th September, 2016.

Compliance Officer

Ms. Puja Tandon, Company Secretary, acts as the Company's Compliance Officer and is responsible for complying with the requirements of the SEBI LODR Regulations 2015. Mr. Pradumna Kanodia, Director-Finance has been appointed as the Compliance Officer to ensure compliances with the Company's Code of Conduct for Regulating & Reporting Trading by Insiders 2015 adopted as per SEBI (Prohibition of Insider Trading) Regulations, 2015.

Investor Complaints

During the Financial Year 2016-17, the Company had received following 6 complaints from shareholders/investors which were solved to the satisfaction of the shareholders/investors. There were no complaints pending as at the end of the year.

Nature of Complaints	Received	Resolved	Closing
Non Receipt of Share Certificate(s)	4	4	0
Non Receipt of Dividend	2	2	0
Total	**6**	**6**	**0**

Share Transfers in Physical Mode

Shares received for physical transfer are generally registered and returned within a period of 15 days from the date of receipt, if the documents are clear in all respects.

IV.Corporate Social Responsibility Committee

Constitution

In accordance with Section 135 of the Companies Act, 2013, the Board of Directors of the Company have formed a Corporate Social Responsibility ('CSR') Committee. The Committee has framed a Corporate Social Responsibility Policy, the purpose of which is to articulate what CSR means to the Company, kind of projects to be undertaken, identifying broad areas of intervention, approach to be adopted to achieve the CSR goals and monitoring mechanism.

The framework enables to put in place, policies and practices in line with this Policy. The CSR Policy is an attempt to showcase the linkage of our social objectives with business strategy. The CSR Committee comprises of three directors of whom one is an Independent

Director. Mr. Ashokkumar Ruia, Chairman and Managing Director is the Chairman of the CSR Committee. The Company Secretary acts as the Secretary to the Committee.

Composition and Attendance

During the Financial Year 2016-2017, 3 (three) meetings of Corporate Social Responsibility Committee were held on May 13, 2016, August 11, 2016 and February 14, 2017.

The present composition of the Corporate Social Responsibility Committee and the number of meetings attended by the Committee Members are as under:

Committee members	Category	No. of Meetings Attended (total held)
Mr. Ashokkumar Ruia (Chairman)	Chairman and Managing Director	3 (3)
Mr. Atul Ruia	Joint Managing Director	3 (3)
Ms. Shweta Vyas	Independent Director	3 (3)

The Company's Corporate Social Responsibility Policy is disclosed on the Company's website and can be accessed at http://www.thephoenixmills.com/CSRPolicy.pdf.

V. Compensation Committee

Constitution

The Compensation Committee of the Board has been constituted in accordance with the SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, to formulate and monitor ESOP plans, decide on future grants, allot shares upon exercise of options and to do all such acts relating to stock options. As on March 31, 2017, the Committee comprises of four directors of whom three are Independent Directors. Mr. Sivaramakrishnan Iyer, Independent Director is the Chairman of the Compensation Committee. The Company Secretary acts as the Secretary to the Committee.

Composition and Attendance

During the Financial Year 2016-17, three meetings of the Compensation Committee were held on June 7, 2016, September 12, 2016 and October 24, 2016.

The present composition of the Compensation Committee and the number of meetings attended by the Committee Members are as under:

Committee Members	Category	No. ofMeetings Attended (total held)
Mr. Sivaramakrishnan Iyer (Chairman)	Independent Director	2 (3)
Mr. Atul Ruia	Joint Managing Director	2 (3)
Mr. Amit Kumar Dabriwala	Independent Director	3 (3)
Ms. Shweta Vyas	Independent Director	3 (3)

VI. Finance and Investment Committee

Constitution

The Finance and Investment Committee of the Company has been constituted to make investments in its subsidiary companies, place inter corporate deposits, advance loans to its subsidiaries or other bodies corporate and borrow or raise finance from various banks, financial institutions etc. from time to time. The Finance and Investment Committee meets as often as required. The Committee comprises of three directors, all of whom are Executive Directors. The Company Secretary acts as the Secretary of the Committee.

Composition and Attendance

During the Financial Year 2016-17, 13 (thirteen) meetings of the Finance and Investment Committee were held on April 1, 2016, July 12, 2016, July 30, 2016, September 29, 2016, October 12, 2016, November 7, 2016, November 24, 2016, December 13, 2016, December 22, 2016, January 2, 2017, February 23, 2017, March 22, 2017 and March 30, 2017.

The present composition of the Finance and Investment Committee and the number of meetings attended by the Committee Members are as under:

Committee Members	Category	No. of Meetings Attended (total held)
Mr. Atul Ruia	Joint Managing Director	11 (13)
Mr. Shishir Shrivastava	Joint Managing Director	13 (13)
Mr. Pradumna Kanodia	Director – Finance	12 (13)

Company Policies

I. Policy on Related Party Transactions

In compliance with the requirements of Section 188 of the Companies Act 2013 and Rules made thereunder and Regulation 23 of the SEBI LODR Regulations 2015, the Board of Directors of the Company have adopted policy and procedures with regard to Related Party Transactions in order to ensure transparency and procedural fairness of such transactions.

This policy is to regulate transactions between the Company and its Related Parties based on the applicable laws and regulations. The Policy intends to ensure proper approval and reporting of transactions as applicable, between the Company and its related parties in the best interest of the Company and its stakeholders.

Provisions of this policy are designed to govern the transparency of approval process and disclosures requirements to ensure fairness in the conduct of related party transactions, in terms of the applicable laws.

The Company's Policy on Related Party Transaction is uploaded for viewing on its website and can be accessed at http://www.thephoenixmills.com/RelatedPartyTransactionPolicy.pdf.

II. Policy on Material Subsidiaries

In line with the requirements of the SEBI LODR Regulations 2015, the Board of Directors of the Company have adopted the Policy on Material Subsidiaries which sets out the criteria to identify material subsidiaries of the Company and define processes and procedures for any transactions with it.

The Company's Policy on Material Subsidiaries is disclosed on its website and can be accessed at http://www.thephoenixmills.com/MaterialSubsidiariespolicy.pdf.

III. Policy on Whistle Blower/Vigil Mechanism

The 'Vigil Mechanism Policy' or the 'Whistle blower Policy' in line with Section 177(9) & (10) of the Companies Act, 2013 read with Rules made thereunder and Regulation 22 of the SEBI LODR Regulations 2015 is framed and implemented with a view to provide mechanism for employees and directors of the Company to raise genuine concerns on any violations of legal or regulatory requirements, incorrect or misrepresentation of any financial statements and reports, etc. and instances of unethical behaviour, actual or suspected or violation of the Company's code of conduct.

The Whistle Blower Policy allows the employees to raise concerns about unacceptable, improper or unethical practices being followed in the organization, without necessarily informing their superior. The Policy ensures that the employees are protected against victimization/any adverse action and/or discrimination as a result of such a reporting, provided it is justified and made in good faith. No personnel have been denied access to the Chairman of the Audit Committee during the FY 2016-17.

The Company's Policy on Whistle Blower/Vigil Mechanism is disclosed on its website and can be accessed at http://www.thephoenixmills.com/PMLWhistleblowerPolicy.pdf.

IV. Policy on Annual Performance Evaluation

In order to meet the expectations of all the stakeholders at large, the Board of Directors of the Phoenix Mills Limited have devised a Policy for evaluation of the performance of the individual members of the Company's Board as well as the Board Committees and the Board as a whole, which can contribute significantly to improve performance at three levels: the organizational, Board and individual Director level. It also helps in increased accountability, better decision making, enhanced communication and more efficient board operations.

Material Subsidiary Companies

As per Regulation 16(1)(c) of the SEBI LODR Regulations 2015, Palladium Constructions Private Limited qualifies to be a material unlisted Indian subsidiary of the Company for the Financial Year 2016-17. In terms of Regulation 24(1) of the SEBI LODR Regulations 2015, Mr. Amit Kumar Dabriwala, Independent Director of the Company is a Director on the Board of Palladium Constructions Private Limited.

General Body Meetings

I. Annual General Meetings

i. Location, time and date of the last three Annual General Meetings (AGMs) are given below:

Financial Year	Date	Time	Location of the Meeting
2013-14	26.08.2014	03.30 P.M.	Indian Merchants' Chamber, 4th floor, Walchand Hirachand Hall, Churchgate, Mumbai – 400 020
2014-15	09.09.2015		
2015-16	08.09.2016		

ii. Special Resolutions passed during previous three Annual General Meetings:

Financial Year	Particulars of Special Resolutions Passed
2013-14	(1) Power to Borrow monies in excess of paid up capital and free reserves of the Company in terms of section 180(1)(c) of the Companies Act, 2013 (2) Power to create security in excess of paid up capital and free reserves of the Company in terms of section 180(1)(a) of the Companies Act, 2013
2014-15	None
2015-16	None

iii. No special resolution is proposed to be passed at the ensuing Annual General Meeting.

II. Extra-Ordinary General Meeting

i. During the year under review, no Extra-ordinary General Meeting was held.

ii. There were no resolutions passed by the Company through postal ballot during the Financial Year 2016-17 post the date of the last Board's Report.

iii. As on the date of this Report, the Company does not propose to pass any resolution by way of postal ballot.

Means of Communication

I. The Company regularly publishes its quarterly and annual results in "Business Standard" (English daily) and "Mumbai Lakshadweep" (Marathi daily) and simultaneously posts them on the Company's corporate website (http://www.thephoenixmills.com/). In addition, the quarterly shareholding patterns, Annual Reports, Board meeting notices, press releases and other shareholder communications are also regularly posted on the corporate website of the Company. Significant events, if any, during the financial year, are reported to the Stock exchange and also posted on the website of the Company from time-to-time.

II. The quarterly results are submitted to the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) immediately after conclusion of respective Board Meetings at which the same are taken on record and approved by the Board of Directors of the Company.

III. Quarterly presentations made to institutional investors or to analysts during the year under review were promptly uploaded on the website of the Company.

IV. The Management Discussion and Analysis Report forms part of this Annual Report.

CEO/CFO Certification

In terms of the requirement of Regulation 17(8) of the SEBI LODR Regulations 2015, the Joint Managing Director and Director -Finance have submitted a certificate to the Board of Directors in the prescribed format for the year under review which is attached as Annexure B to this Report.

General Shareholder Information

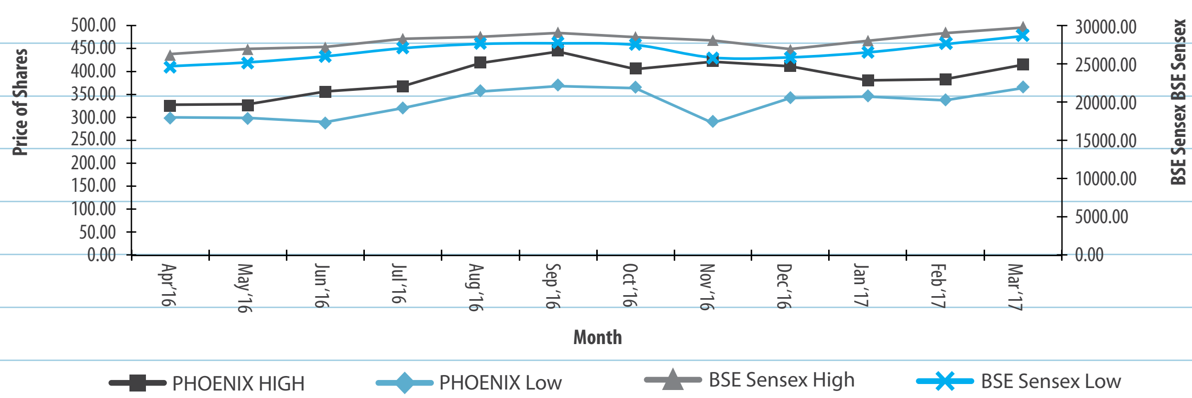
I	**Annual General Meeting**		
	Day, Date and Time	:	Monday, September 25, 2017 at 3.30 P.M.
	Venue	:	Indian Merchants' Chamber, 4th Floor, Walchand Hirachand Hall, Churchgate, Mumbai - 400 020
II.	**Financial Year**	:	The Company follows April-March as its financial year.
III.	**Unaudited financial reporting for the quarter ending (tentative);**		
	June 30, 2017	:	On or before 14th August, 2017
	September 30, 2017	:	On or before 14th November, 2017
	December 30, 2017	:	On or before 14th February, 2018
	March 31, 2018	:	On or before 30th May, 2018
	AGM for the year ending 31st March, 2018	:	On or before 30th September, 2018
IV.	**Book Closure**	:	September 20, 2017 to September 25, 2017 (both days inclusive)
V.	**Dividend**		₹ 2.40/- per equity share of ₹ 2/- each (120% of the face value of the shares)
VI	**Dividend Payment**	:	The Dividend, if declared, by the shareholders at the AGM shall be paid/credited within 30 days of the AGM.
VII.	**Listing on Stock Exchanges**	:	The Company's securities are listed on the following Stock Exchanges **BSE Limited ('BSE')** Phiroze Jeejeebhoy Towers, Dalal Street Mumbai – 400 001 **National Stock Exchange of India Limited ('NSE')** Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai – 400 051 The Company has already paid the annual listing fees for the Financial Year 2017-18 to the Stock Exchanges (BSE and NSE) as well as custodial fees to the depositories within the prescribed time.
VIII	**Traded Securities**		The securities of the Company have not been suspended from trading from any of the aforesaid Stock Exchanges during the financial year 2016-17
IX.	**Scrip Code/Symbol**	:	BSE : 503100 NSE : PHOENIXLTD
X.	**Corporate Identification Number (CIN)**	:	L17100MH1905PLC000200 Traded on the BSE Limited and National Stock Exchange of India Limited
XI.	**Plant Locations**		The Company does not carry any manufacturing activities and hence does not have any plant locations.

Performance in comparison with BSE Sensex and NSE Nifty

The monthly high and low quotations of shares traded on the BSE Limited and National Stock Exchange of India Limited along with the volumes is as follows:

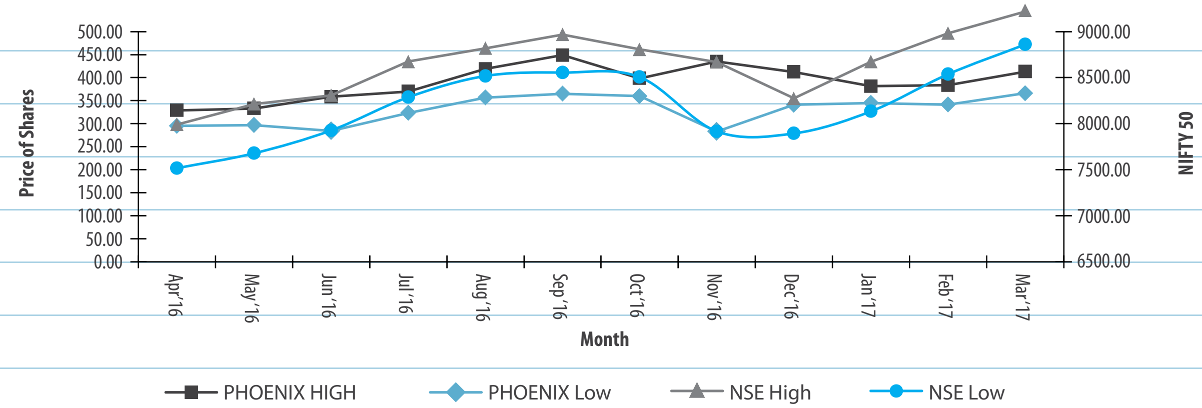
Month	Phoenix Mills on BSE		S & P BSE SENSEX		Volume (₹)
	High	Low	High	Low	
Apr-16	324.95	298.00	26,100.54	24,523.20	4,520,236
May-16	326.00	297.05	26,837.20	25,057.93	2,547,434
Jun-16	355.00	287.20	27,105.41	25,911.33	5,824,112
Jul-16	367.00	319.90	28,240.20	27,034.14	10,348,545
Aug-16	419.00	357.50	28,532.25	27,627.97	16,524,541
Sep-16	445.00	370.00	29,077.28	27,716.78	14,348,706
Oct-16	405.45	365.20	28,477.65	27,488.30	3,923,852
Nov-16	422.00	285.05	28,029.80	25,717.93	18,637,791
Dec-16	411.85	342.50	26,803.76	25,753.74	37,985,731
Jan-17	379.80	346.00	27,980.39	26,447.06	20,949,316
Feb-17	382.45	337.55	29,065.31	27,590.10	20,112,172
Mar-17	414.95	365.45	29,824.62	28,716.21	608,090,016

Monthly High-Low Share Price / BSE Sensex



Month	Phoenix Mills on NSE		NIFTY 50		Volume (₹ In Lacs)
	High	Low	High	Low	
Apr-16	328.90	295.05	7,992.00	7,516.85	1,455.79
May-16	333.00	297.00	8,213.60	7,678.35	4,577.40
Jun-16	358.70	284.50	8,308.15	7,927.05	3,489.58
Jul-16	369.85	323.30	8,674.70	8,287.55	1,503.90
Aug-16	419.00	356.70	8,819.20	8,518.15	8,742.54
Sep-16	448.95	365.10	8,968.70	8,555.20	6,187.29
Oct-16	398.45	360.00	8,806.95	8,506.15	1,743.02
Nov-16	434.90	283.10	8,669.60	7,916.40	3,215.20
Dec-16	412.45	341.10	8,274.95	7,893.80	2,681.20
Jan-17	381.25	345.00	8,672.70	8,133.80	3,857.82
Feb-17	383.45	341.25	8,982.15	8,537.50	4,036.38
Mar-17	413.00	366.00	9,218.40	8,860.10	13,533.41

Monthly High-Low Share Price / NSE Nifty



Share Transfer System:

The Registrars and Share Transfer Agent of the Company receives applications for transfer of shares held in physical form. They attend to share transfer formalities every fortnight.

Shares held in the dematerialized form are electronically traded in the Depository and the Registrars and Share Transfer Agent of the Company periodically receives the beneficiary holdings from the Depository, so as to enable them to update their records for sending all corporate communications, dividend warrants, etc. Physical shares received for dematerialization are processed and completed within a period of 21 days from the date of receipt, provided they are in order in every respect. Bad deliveries are immediately returned to Depository Participants under advice to the shareholders.

Category wise Shareholding as at March 31, 2017:

Sr. No.	Category	No. of Shares held	%
1.	Promoter and Promoter Group	9,62,10,882	62.86
2.	Mutual Funds/UTI	43,27,783	2.83
3.	Banks/ Financial Institutions	1,831	0.00
4.	Foreign Institutional Investors	55,99,956	3.66
5.	Foreign Venture Capital Investors	5,50,000	0.36
6.	Foreign Portfolio Investor (Corporate)	4,02,74,953	26.31
7.	Non-Residents	1,41,686	0.09
8.	Private Bodies Corporate	21,58,518	1.41
9.	Indian Public	33,42,745	2.18
10.	Others (Clearing Members, HUF & Trusts)	4,58,553	0.30
Total		**15,30,66,907**	**100**

Distribution of Shareholding as at March 31, 2017:

No. of Equity Shares	No. of Shareholders	%of Total	No. of Shares	% of Total
1-500	5462	83.8373	5,73,531	0.3747
501 – 1000	361	5.5411	2,93,721	0.1919
1001 – 2000	249	3.8219	3,61,857	0.2364
2001 - 3000	101	1.5503	2,57,518	0.1682
3001 - 4000	56	0.8596	1,99,595	0.1304
4001 – 5000	42	0.6447	1,94,542	0.1271
5001 – 10000	63	0.9670	4,68,669	0.3062
10001 and above	181	2.7782	15,07,17,474	98.4651
Total	**6515**	**100.00**	**15,30,66,907**	**100**

Dematerialization of Shares and Liquidity:
About 99.67% of the shares have been dematerialized as on March 31, 2017. The International Security Identification Number (ISIN) allotted to the Company's equity shares is INE211B01039.

The Company has not issued any GDRs/ADRs. There were no outstanding convertible warrants as on March 31, 2017.

Disclosure under Part F of Schedule V of the SEBI LODR Regulations 2015 in respect of unclaimed shares:
In compliance with Regulation 39(4) read with Schedule VI of the SEBI LODR Regulations 2015, the Company has opened a demat suspense account in the name of 'The Phoenix Mills Limited - Unclaimed Suspense Account' to which unclaimed shares have been transferred. Voting rights on these shares have been frozen till the rightful owner of such shares claims the shares.

The details of unclaimed shares as on March 31, 2017 are as follows:

Particulars	No. of shareholders	No. of equity shares
Unclaimed shares as on April 1, 2016	1476	1,717,800
Details of shareholders who approached the Company for unclaimed shares during the financial year 2016-17	41	1,83,750
No. of shares claimed during the financial year 2016-17	41	1,83,750
Unclaimed shares as on March 31, 2017	**1435**	**1,534,050**

Status of Dividend declared in the last five years

Status of the dividend declared by the Company for the last five years is as under:

Financial Year	Rate of Dividend	Total pay-out (in ₹)	Amount paid to the shareholders (in ₹)	Amount remaining unclaimed by shareholders as on March 31, 2017 (in ₹)
Final Dividend 2015-16	22.5%	68,875,358.40	68,217,989.40	657,369.00
Interim Dividend 2015-16	87.5%	267,730,491.00	265,201,426.00	2,529,065.00
Final Dividend 2014-15	110%	336,575,474.40	333,665,930.40	2,909,544.00
Final Dividend 2013-14	110%	318,659,979.00	315,978,165.80	2,681,813.20
Final Dividend 2012-13	110%	318,659,979.00	316,022,190.00	2,637,789.00
Final Dividend 2011-12	100%	289,690,890.00	287,272,232.00	2,418,658.00

Shares held in Physical Form

Please note that in terms of SEBI Circulars No. MRD/DoP/Cir-05/2009 dated May 20, 2009 and No. SEBI/MRD/DoP/SE/RTA/Cir-03/2010 dated January 7, 2010, it is mandatory for the shareholders holding shares in physical form to submit self-attested copy of PAN card in the following cases:

- Transferees' PAN Cards for transfer of shares;
- Surviving joint holders' PAN Cards for deletion of name of deceased shareholder;
- Legal heirs' PAN Cards for transmission of shares;
- Joint holders' PAN Cards for transposition of shares.

In compliance with the aforesaid circulars, requests without attaching copies of PAN card, for transfer/deletion/transmission and transposition of shares of the Company in physical form will be returned under objection.

Shares held in Electronic Form

Shareholders holding shares in electronic form may please note that:

- Instructions regarding bank details which they wish to have incorporated in future dividend warrants must be submitted to the Depository Participants (DP). As per the regulations of NSDL and CDSL, the Company is obliged to print bank details on the dividend warrants, as furnished by these depositories to the Company.
- Instructions already given by them for shares held in physical form will not be automatically applicable to the dividend paid on shares held in electronic form.
- Instructions regarding change of address, nomination and power of attorney should be given directly to the DP.

Other Disclosures

Disclosure on Materially Significant Related Party Transactions

Required statements/disclosures, with respect to the related party transactions, are placed before the Audit Committee on a quarterly basis in terms of Regulation 23 of the SEBI LODR Regulations 2015 and other applicable laws for approval/information. None of the transactions with any of the related parties were in conflict with the interests of the Company. Attention of members is drawn to the disclosure of transactions with the related parties set out in the Notes to Accounts in the financial statements for the Financial Year ended March 31, 2017.

Details of Non-compliance with regard to the Capital Market

The Company has complied with the requirements of regulatory authorities on Capital Markets and no penalty/stricture was imposed on the Company during the last three years.

Compliance with the mandatory requirements of the SEBI LODR Regulations 2015

The Company has complied with all the mandatory requirements of Corporate Governance as provided in the SEBI LODR Regulations 2015. The Company has also obtained a certificate from M/s. Rathi & Associates, Practicing Company Secretaries affirming the compliances which is enclosed with the Board's Report.

Disclosure on Commodity Price Risk and Commodity Hedging
Since the Company is not engaged in the field of manufacturing goods, disclosures on commodity price risk, foreign exchange risk and commodity hedging activity are not applicable to the Company.

Compliance with the Non-Mandatory Requirements
As per Regulation 27(1) read with Part E of Schedule II to the SEBI LODR Regulations 2015, the Company has complied with the non-mandatory requirements as under:

A. The Board
Mr. Ashokkumar Ruia is the Executive Chairman of the Company. Hence this provision is not applicable to the Company.

B. Shareholders' Rights
Since the quarterly and annual results are published in English and regional language newspapers and displayed on Company's website as well, half yearly financial results including summary of significant events in the past six months are presently not being sent to the Shareholders.

C. Audit Qualifications
The financial statements of the Company for the Financial Year ended March 31, 2017 are unqualified.

D. Separate Posts of Chairman and CEO
The positions of Chairman and CEO are separate. Mr. Ashokkumar Ruia performs the role of the Chairman and Mr. Atul Ruia performs the role of the CEO.

E. Reporting of Internal Auditor
The Internal Auditors directly report to the Audit Committee of the Company's Board of Directors.

Communication Address

I. Address for shares related correspondence
For any assistance regarding dematerialization of shares, share transfers, transmissions, change of address, non-receipt of dividend or any other query relating to shares:

Registrar & Share Transfer Agent
Link Intime India Private Limited
C 101, 247 Park,
L B S Marg, Vikhroli West,
Mumbai 400 083
Tel. No.: 022-49186000
Fax No.: 022-49186060
Email: mumbai@linkintime.co.in

II. Address for general correspondence
Mr. Mangesh Satvilkar
Investor Relations Officer
The Phoenix Mills Limited
462, Senapati Bapat Marg
Lower Parel, Mumbai - 400 013
Tel No.: 022-30016600
Fax No.: 022- 30016818
Email: investorrelations@highstreetphoenix.com

Ashokkumar Ruia
Chairman & Managing Director
DIN: 00086762

Place: Mumbai
Date: August 2, 2017

Annexure A

Code of Conduct Declaration

[Pursuant to Part D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

This is to certify that The Phoenix Mills Limited ('the Company') has laid down a Code of Conduct (the Code) for all Board Members and Senior Management Personnel of the Company and a copy of the Code is put on the Company's corporate website (http://www.thephoenixmills.com).

It is further certified that all the Board Members and Senior Management Personnel of the Company have affirmed their compliance with the Code for the Financial Year ended March 31, 2017.

Shishir Shrivastava
Joint Managing Director
DIN: 01266095

Place: Mumbai
Date: May 10, 2017

Annexure B

Certification issued by CEO/CFO with respect to the Financial Statements for the Financial Year ended March 31, 2017 pursuant to Regulation 17(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

We, Mr. Atul Ruia, Joint Managing Director and Mr. Pradumna Kanodia, Director- Finance & Group Chief Financial Officer of The Phoenix Mills Limited, to the best of our knowledge and belief, certify that:

1. We have reviewed the Audited Consolidated and Standalone Financial Results of the Company for the financial year ended March 31, 2017 along with the Audit Report from the Statutory Auditors, M/s A.M. Ghelani & Company and M/s Chaturvedi & Shah, Chartered Accountants and all the schedules and notes thereon, as well as the cash flow statements;
2. Based on our knowledge and information, these statements do not contain any materially untrue statement or omit to state a material fact necessary, to make the statements made, in light of the circumstances under which such statements were made, or contain statements that might be misleading;
3. Based on our knowledge and information, the financial statements and other financial information included in this report, presents in all material respects, a true and fair view of the Company's affairs, the financial condition, results of operation and cash flows of the Company as of, and for, the periods presented in this report, and are in compliance with the existing accounting standards and/or applicable laws and regulations.
4. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the period which are fraudulent, illegal or violative of the Company's code of conduct.
5. We are responsible for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have also disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and what we have done or propose to do to rectify these deficiencies.
6. We have disclosed based on recent evaluation, wherever applicable, to the Company's auditors and the audit committee instances of significant fraud of which we have become aware and the involvement therein, if any,of the management or an employee who has a significant role in the Company's internal control system over financial reporting;
7. We have indicated to the Auditors and the Audit Committee about significant changes, if any, in internal control over financial reporting during the current Financial Year 2016-17;
8. We have indicated to the Auditors and the Audit Committee about significant changes in the accounting policies during the period, if any, and the same has been disclosed in the notes to the financial statements;
9. We further declare that all Board Members and Senior Managerial Personnel have affirmed compliance with the code of conduct for the Financial Year 2016-17.

Atul Ruia
Joint Managing Director
DIN: 00087396

Pradumna Kanodia
Director – Finance & Group CFO
DIN: 01602690

Place: Mumbai
Date: May 10, 2017

BUSINESS RESPONSIBILITY REPORT

Section A: General Information about the Company

1.	Corporate Identity Number (CIN)	L17100MH1905PLC000200
2.	Name of the Company	The Phoenix Mills Limited
3.	Registered address	462, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013
4.	Website	www.thephoenixmills.com
5.	Email id	investorrelations@highstreetphoenix.com
6.	Financial year reported	2016-17
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	Real Estate Development (NIC code : 41001)
8.	List three Key products / services that the Company manufactures/ provides (as in balance sheet)	The Company is not engaged in manufacturing activities. The Company is engaged in the business of Real Estate Development.
9.	Total number of locations where business activity is undertaken by the Company	The Company, directly and through its subsidiaries, has developed and is operating retail malls and other real estate projects in Mumbai and other key gateway cities of India.
	Number of international locations (Provide details of major five)	The Company dose not have any operations in foreign countries.
	Number of national locations	The Company carries out its business at Mumbai, Maharashtra.
10.	Markets served by the Company - Local / State / National / International	The Company is carrying out its real estate development activities in the state of Maharashtra.

Section B: Financial Details of the Company

1.	Paid up capital of the Company	₹ 3061.34 Lakhs
2.	Total turnover	₹ 37,590.48 Lakhs
3.	Total profit after tax	₹ 13,354.77 Lakhs
4.	Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%):	0.68% (₹ 90.35 lakhs)*
5.	List of activities in which expenditure in four above was incurred:	Construction of Check Dams; Promoting employment enhancing vocation skills amongst underprivileged children, livelihood enhancement projects for women, upliftment of tribals and socially and economically backward groups.

*Please refer Annexure IV of the Board's Report viz. the Annual Report on CSR activities for details.

Section C: Other Details

1.	Does the Company have any Subsidiary Company / Companies?	Yes. The Company has 24 subsidiaries of which 15 are wholly owned.
2.	Does the subsidiary Company / Companies participate in the BR initiatives of the parent Company? If yes, then indicate the number of such subsidiary company(s).	The Company has the practice of encouraging its subsidiaries to participate in BR initiatives either directly or along with the Company.
3.	Does any other entity / entities (e.g. suppliers, distributors etc.), that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/ entities? [Less than 30%, 30-60%, More than 60%]	The Company supports and encourages its business and joint venture partners to undertake sustainability and CSR initiatives. A few initiatives have been undertaken by them as per common practice.

Section D: BR Information

1.	Details of Director / Directors responsible for BR	The Corporate Social Responsibility (CSR) Committee of the Board of Directors is responsible for implementation of BR activities.
a)	Details of the Director / Directors responsible for the implementation of the BR policy / policies	
	DIN	00086762
	Name	Mr. Ashokkumar Ruia
	Designation	Chairman and Managing Director
	DIN	00087396
	Name	Mr. Atul Ruia
	Designation	Joint Managing Director
	DIN	06996110
	Name	Ms. Shweta Vyas
	Designation	Independent & Non Executive Director
b)	Details of the BR head:	
	Name	Mr. Ashokkumar Ruia
	Designation	Chairman and Managing Director
	Telephone No.	(022) 2496 4307/8/9
	E-mail ID	corpaffairs@highstreetphoenix.com

1. Principle-wise (as per NVGs) BR Policy / policies (Reply in Y / N)

The National Voluntary Guidelines (NVGs) on Social, Environmental and Economic Responsibilities of Business released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility:

Principle 1	P1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability
Principle 2	P2	Businesses should provide goods and services that are safe, and contribute to sustainability throughout their life cycle
Principle 3	P3	Businesses should promote the wellbeing of all employees
Principle 4	P4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized
Principle 5	P5	Businesses should respect and promote human rights
Principle 6	P6	Businesses should respect, protect and make efforts to restore the environment
Principle 7	P7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner
Principle 8	P8	Businesses should support inclusive growth and equitable development
Principle 9	P9	Businesses should engage with and provide value to their customers and consumers in a responsible manner

		P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy/ policies for	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy been formulated in consultation with the relevant stakeholders?[1]	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to national / international standards? If yes, specify? (50 words) [1]	Y	Y	Y	Y	Y	Y	Y	Y	Y
4.	Has the policy been approved by the Board? If yes, has it been signed by the MD / Owner / CEO appropriate Board Director? [2]	Y	Y	Y	Y	Y	Y	Y	Y	Y
5.	Does the Company have a specified committee of the Board/ Director / Official to oversee the implementation of the policy? [3]	Y	Y	Y	Y	Y	Y	Y	Y	Y
6.	Indicate the link to view the policy online? [4]	*	*	*	*	*	*	Y	*	*
7.	Has the policy been formally communicated to all relevant internal and external stakeholders? [5]	Y	Y	Y	Y	Y	Y	Y	Y	Y
8.	Does the Company have in-house structure to implement its policy / policies? [6]	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy / policies to address stakeholders' grievances related to the policy/ policies? [7]	Y	Y	Y	Y	Y	Y	Y	Y	Y
10.	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency? [8]	Y	Y	Y	Y	Y	Y	Y	Y	Y

Notes

1. All the policies are formulated with detailed consultation and benchmarking across industry. The policies are in compliance majorly with all applicable laws. They are developed and aligned to applicable legal and regulatory requirements, and guidelines, SEBI listing regulations and our internal mandates.
2. As per company practice, all the policies are either approved by the Board or concerned authority (under supervision of the Board) depending upon the nature of policy and statutory requirements. The concerned authority could be either MD & CEO / Functional Head etc.
3. All the policies have a policy owner and the respective policy owners are responsible for implementation of the policy.
4. The following policies can be viewed on our website www.thephoenixmills.com
   i. Code of Conduct
   ii. CSR Policy
   iii. Vigil Mechanism Policy
5. Except the policies listed above, which are available on the website of the Company, all other policies being in-house are meant for internal consumption of employees and are available on the Company's intranet. All policies have been periodically communicated to the relevant stakeholders, are uploaded on the intranet and are accessible to all employees of the Company.
6. All policies are owned by the respective policy owners and respective senior leadership teams are responsible for the effective implementation of policy.
7. Any grievance relating to any of the policy can be escalated to the policy owner/ MD & CEO / Whistleblower Officer.
8. Implementation of policies is evaluated as a part of internal governance by policy owners.

2. If answer to question at Sr. No. 1 against any principle, is 'No', please explain why? (Tick up to two options) N.A.

		P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	The Company has not understood the Principles	--	--	--	--	--	--	--	--	--
2.	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified Principles	--	--	--	--	--	--	--	--	--
3.	The Company does not have financial or manpower resources available for the task	--	--	--	--	--	--	--	--	--
4.	It is planned to be done within next six months	--	--	--	--	--	--	--	--	--
5.	It is planned to be done within next one year	--	--	--	--	--	--	--	--	--
6.	Any other reason (please specify)	--	--	--	--	--	--	--	--	--

3. Governance related to BR

1.	Indicate the frequency with which the Board of Directors, Committee of the Board or the CEO assess the BR performance of the Company. Within 3 months, 3-6 months, annually, more than 1 year	The CSR Committee and Board assess and review the BR performance of the Company annually and provides a strategic direction to the Company on its BR initiatives, as required.
2.	Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing the report? How frequently it is published?	No. This is the first BR Report of the Company. The same will be published as per the statutory requirements.

- **Section E: Principle wise Performance**

Principle 1: Ethics, Transparency and Accountability
Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

1.	Does the policy relating to ethics, bribery and corruption cover only the Company? Yes / No. Does it extend to the Group / Joint Ventures / Suppliers / Contractors /NGOs / Others?	The Phoenix Mills Limited's commitment towards compliance to the highest governance standard is backed by an independent and fully informed board and audit committee, comprehensive processes, policies and communication. The Company adheres to the highest level of ethical business practices as articulated by its Code of Conduct to achieve its objectives with integrity. Policy relating to ethics, bribery and corruption is duly covered under Code of Conduct of the Company. This policy extends to the entire Phoenix Group and covers employees. Further, the Company has the practice of encouraging all its stakeholders including suppliers and contractors, service providers and their employees to adhere to this policy.
2.	How many stakeholder complaints were received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof in about 50 words or so.	No complaints were received from the stakeholders on ethics, transparency and accountability in the last financial year.

Principle 2: Product Lifecycle Sustainability
Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

1.	List three of your products or services whose design has incorporated social or environmental concerns, risks and / or opportunities	The Company is engaged in the development and operation of: 1. Retail Malls 2. Commercial Offices 3. Residential Apartment Complex
2.	For each such product, provide the following details in respect of resource use (energy, water, raw material and so on) per unit of product (optional)	The Company endeavors to source and use quality raw materials considered safe for usage. The Company has taken measures to reduce wastage of energy, materials and consumption in all phases of its operations. Use of Sewage Treatment Plant (STP) has reduced overall water requirements at the sites. LED lights have been installed to bring down energy consumption.
3.	Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also provide details thereof, in about 50 words or so	Yes, the Company has implemented standard operating procedures for sourcing quality material which ensures cost effective deliveries.
4.	Has the Company taken any steps to procure goods and services from local and small producers, including communities surrounding their place of work? If yes, what initiatives were taken to improve their capacity and capability of local and small vendors?	Yes, the Company sources most of its products locally and regional suppliers are engaged to provide services. Their capacities have improved over a period of time by the Company giving them more business in phases.
5.	Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling them (separately as <5%, 5-10%, >10%)? Also provide details thereof, in about 50 words or so	The Company is in the business of development & management of malls, commercial complexes. Used oil is the only hazardous waste being generated and is sold to recyclers authorized by the Central Pollution Control Board (CPCB). Other non-hazardous wastes are sold to recyclers. The domestic waste water which is generated is 100% recycled through Sewage Treatment Plants.

Principle 3: Employee Wellbeing
Businesses should promote the wellbeing of all employees

1.	Total number of employees.	As on March 31, 2017, the strength of The Phoenix Mills Limited on roll workforce stands at a total of 100 employees.
2.	Total number of employees hired on temporary / contractual / casual basis	As on March 31, 2017, the strength of the Company's workforce on temporary basis stands at a total of 538.
3.	Total number of permanent women employees	As on March 31, 2017, the strength of the Company's permanent women employees stands at a total of 25.
4.	Total number of permanent employees with disabilities	As on March 31, 2017, the Company does not have any permanent employees with disabilities.
5.	Do you have an employee association that is recognized by the Management?	No
6.	What percentage of your permanent employees are members of this recognised employee association?	Not Applicable
7.	Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year	No complaints were received by the Company in the mentioned category in the last financial year.

		Category	%
8.	What percentage of your under-mentioned employees that were given safety and skill up-gradation training in the last year?	Permanent employees (includes classroom and e-learning)	58%
		Permanent women employees	60%
		Casual / temporary / contractual employees	90%
		Employees with disabilities	NA

Principle 4: Stakeholder Engagement
Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised

1.	Has the Company mapped its internal and external stakeholders? Yes / No	Yes, the Company has mapped its stakeholders as a part of its stakeholder engagement process. Key categories are: Customers Shareholders/Investors Partners (Suppliers / Vendors / Landlords / Retailers) Employees Regulatory Bodies Industry forum Community at large including the disadvantaged groups and vulnerable sections like children /women and the civil society.
2.	Out of the above, has the Company identified the disadvantaged, vulnerable and marginalized stakeholders?	The Company takes a continuous endeavor to identify the disadvantaged, vulnerable and marginalised stakeholders, both directly and indirectly. All its beneficiaries through the social development projects implemented are centered around the marginalised, economically weak and disadvantaged sections of the society, especially the girl child, underprivileged women and persons with disabilities. The Company's community initiatives are being implemented in both rural and urban areas. Besides the direct project implementation through these organisations, the Company with the support of its employees also contributes funds to several other non-profit organisations.
3.	Are there any special initiatives undertaken by the Company to engage with the disadvantaged, vulnerable and marginalised stakeholders?	The Company's initiatives in the areas of Corporate Social Responsibility are targeted to bring meaningful difference in the lives of its associated stakeholders in thrust areas like conservation of resources, infrastructure support, education etc. Several initiatives towards, education, safe drinking water, integrated rural development, creation of sustainable livelihood, women empowerment, etc. have been taken by the Company.

Principle 5: Human Rights
Businesses should respect and promote human rights

1.	Does the policy of the Company on human rights cover only the Company or extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?	The Company's policy on human rights is covered in The Phoenix Mills Code of Conduct, which extends to all its employees and of its group companies.
2.	How many stakeholder complaints were received in the past financial year and what percent was satisfactorily resolved by the Management?	No complaints were received by the Company in this regard during the last financial year.

Principle 6: Environmental Management
Businesses should respect, protect, and make efforts to restore the environment

1.	Does the policies related to Principle 6 cover only the Company or extends to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?	The CSR policy of the Company presently extends only to the Company.
2.	Does the Company have strategies / initiatives to address global environmental issues, such as climate change, global warming, and others? If yes, please give hyperlink for webpage etc.	Yes, the Company has proactively taken several initiatives to create positive impact on the environment. Refer to CSR section of the report for complete details.
3.	Does the Company identify and assess potential environmental risks? Y / N	Yes
4.	Project(s) related to Clean Development Mechanism	The management of the Company is sensitive towards global environment issues. As part of its endeavor, the management is considering various alternatives that it can evolve for a Clean Development Mechanism.
5.	Has the Company undertaken any other initiatives on clean technology, energy efficiency, renewable energy and so on? If yes, please give hyperlink to web page and others.	Yes, the Company has taken positive initiatives to enhance energy efficiency and to use renewable energy at its site.
6.	Are the emissions / waste generated by the Company within the permissible limits given by CPCB / SPCB for the financial year being reported?	The Company in most of the cases is well within the permissible limits.
7.	Number of show cause / legal notices received from CPCB / SPCB, which are pending (i.e. not resolved to satisfaction) as on the end of the financial year	There has been 1 (one) show cause / legal notice received from CPCB / SPCB by the Company in FY 2016-17, which was duly replied and closed in May 2017.

Principle 7: Public Advocacy
Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1.	Does the Company represent in any trade and chambers/ association? If yes, name only those major ones that the Company deals with	The Company is inter alia a member of the following business associations: India Council of Shopping Centre (ICSC) Retailers Association of India (RAI) Confederation of Indian Industry (CII)
2.	Has the Company advocated / lobbied through the above associations for the advancement or improvement of public good? If yes, specify the broad areas (drop box: governance and administration, economic reforms, inclusive development polices, energy security, water, food security, sustainable business principles and others)	Whenever any consultation paper is released by any authority and / or policy / guideline related to real estate development and operations by any State or local authorities, the Company provides its inputs to the association for an appropriate representation to the regulator/ respective State Govt. or local authority.

Principle 8: Inclusive Growth
Businesses should support inclusive growth and equitable development

1. Does the Company have specified programmes / initiatives / projects in pursuit of the policy related to Principle 8? If yes, provide details thereof	Yes, the Company considers social development as an important aspect of its operations. It has aligned its thrust areas in line with the requirements of Schedule VII to the Companies Act, 2013. To oversee implementation of various initiatives, the Company has formed a Board Level Committee called Corporate Social and Responsibility (CSR) Committee. The Committee guides the Company to undertake and discharge its social responsibilities. The details of various CSR initiatives of the Company are given in the CSR Report.
2. Are the programmes / projects undertaken through in-house team / own foundation / external NGO / government structures / any other organisation?	The projects are undertaken through Aakar Charitable Trust as well as through/ in-coordination with external agencies like NGOs, other registered trusts, etc.
3. Has the Company done any impact assessment for its initiative?	Impact assessment is conducted on regular basis by the Trust and other implementing partners with whom the Company engages for its CSR activities. Based on these impact assessments, Company decides upon appropriate intervention to be undertaken to make the social responsibility initiatives more effective.
4. What is the Company's direct contribution to community development projects (Amount in? and the details of the projects undertaken)?	The Company has spent ₹ 90.35 Lakhs in various CSR activities during year 2016-17. The details of the amount incurred and areas covered are given in the report on Corporate Social Responsibility forming part of Directors' Report.
5. Has the Company taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in around 50 words	Yes. Company has a process of engaging with local community to understand their concerns. The CSR interventions are carried out on a need based approach which is developed after consultations with the local community to ensure that the activities are adopted by them.

Principle 9: Value for Customers
Businesses should engage with and provide value to their customers and consumers in a responsible manner

1. What percentage of customer complaints / consumer cases is pending, as on the end of the financial year?	The Company is sensitive towards the concerns of its customers and consumers. All the concerns are taken up and resolved immediately to the satisfaction of the consumer.
2. Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes / No / N.A. / Remarks (additional information)	Not applicable
3. Cases filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and / or anti-competitive behaviour during the last five years and pending as on the end of the financial year. If yes, provide details thereof, in about 50 words or so	The Company never indulges in any anti-competitive behaviour and understands that consumers are most important stakeholder for the Company. The Company is committed to protect interest of all its stakeholders in a legally compliant manner with high ethical standards.
4. Did the Company carry out any consumer survey / consumer satisfaction trends?	Consumer Satisfaction Survey is carried out by the Company every year to gauge consumer sentiments and to take appropriate measures to increase customer satisfaction.

AUDITORS' REPORT

To the Members of The Phoenix Mills Limited
Report on the Standalone Ind AS financial statements

We have audited the accompanying Standalone Ind AS financial statements of The **Phoenix Mills Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, and the Statement of Profit and Loss (including 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 "standalone Ind AS financial statements").

Management's Responsibility for the Ind AS financial statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and fair presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017, its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies 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 accounts 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 accounts.

    d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with relevant rules issued thereunder.

    e) On the basis of written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017, from being appointed as a director in terms of section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rules 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i) The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note no. 34 (b) to (e) and Note no. 35 to the Ind AS financial statements.

   ii) The Company did not have any material foreseeable losses on long-term contracts including derivative contracts that require provision under any law or accounting standards for which there were any material foreseeable losses.

   iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

   iv) The Company has provided requisite disclosures in the Standalone Ind AS financial statements as regards to its holdings and dealings in Specified Bank Notes as defined in the Notification S.O. 3407 (E) dated 8th November, 2016 of the Ministry of Finance, during the period from 8th November, 2016 to 30th December, 2016. Based on the audit procedures performed and representations provided to us by the management, we report that the disclosures are in accordance with the books of accounts maintained by the Company and as produced to us by the management.

For **A. M. Ghelani & Company**
Chartered Accountants
Registration No : 103173W

Chintan A. Ghelani
Partner
Membership No.: 104391

Place: Mumbai
Date: 10th May, 2017

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

Jignesh Mehta
Partner
Membership No.: 102749

Place: Mumbai
Date: 10th May, 2017

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

(i) In respect of its fixed assets :

a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.

b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such physical verification.

c) In our opinion and according to the information and explanations given to us, the title deeds of immovable properties are held in the name of the 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 loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the Clause (iii) 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 Sections 185 and 186 of the Companies Act, 2013 in respect of the grant of loans, making investments and providing guarantees and securities.

(v) According to the information and explanations given to us, the Company has not accepted any deposits within the meaning of provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Therefore, the clause (v) of paragraph 3 of the Order is not applicable to the Company.

(vi) To the best of our knowledge and explanations given to us, the Central Government has not prescribed the maintenance of cost records under sub section (1) of Section 148 of the Act in respect of the activities undertaken by the Company.

(vii) In respect of Statutory dues :

a) According to the records of the Company, undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues have been regularly deposited with appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues, were outstanding as at March 31, 2017 for a period of more than six months from the date they became payable.

b) According to the records of the Company and the information and explanations given to us, the disputed statutory dues on account of income tax, service tax, amounting to ₹ 2,929.30 lakhs that have not been deposited before appropriate authorities are as under :

Name of Statute	Nature of Dues	Rupees in Lakhs	Period to which the amount relates	Forum where dispute is pending
Income Tax 1961	Income Tax	2,236.17	A.Y 2011-12 to A.Y 2013-14	CIT (Appeals)
Income Tax 1961	Income Tax	490.05	AY 2004-05 to AY 2008-09	ITAT
Service Tax (Finance Act 1994)	Service Tax	203.08	F.Y 2006-07	CESTAT
	Total	**2,929.30**		

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

(ix) In our opinion and according to the information and explanations given to us, monies raised by way of the term loans during the year have been applied by the Company for the purposes for which they were raised.The company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year under report.

(x) Based on the audit procedures performed for the purpose of reporting the true and fair view of the standalone Ind AS financial statements and as per the 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 nidhi company. Therefore, clause (xii) of paragraph 3 of the Order is 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 details of related party transactions have been disclosed in the standalone Ind AS 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 neither made any preferential allotment or private placement of shares or fully or partly convertible debenture during the year under review. Therefore, the clause (xii) 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 them 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 **A. M. Ghelani & Company**
Chartered Accountants
Registration No : 103173W

Chintan A. Ghelani
Partner
Membership No.: 104391

Place: Mumbai
Date: 10th May, 2017

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

Jignesh Mehta
Partner
Membership No.: 102749

Place: Mumbai
Date: 10th May, 2017

"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.

We have audited the Internal Financial Controls over financial reporting of The Phoenix Mills Limited ("the company") as of 31st March, 2017 in conjunction with our audit of the standalone Ind AS 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 standalone Ind AS financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone Ind AS 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 standalone Ind AS 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 standalone Ind AS financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For **A. M. Ghelani & Company**
Chartered Accountants
Registration No : 103173W

Chintan A. Ghelani
Partner
Membership No.: 104391

Place: Mumbai
Date: 10th May, 2017

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

Jignesh Mehta
Partner
Membership No.: 102749

Place: Mumbai
Date: 10th May, 2017

BALANCE SHEET
AS AT 31ST MARCH 2017

(₹ in Lakhs)

Particulars	Note no.	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
ASSETS				
Non-current assets				
a) Property, plant and equipment	5	**60,575.63**	44,241.98	45,581.14
b) Capital work-in-progress	5	**14,343.24**	15,039.85	13,572.16
c) Other intangible assets	5	**0.72**	0.90	1.13
d) Financial assets				
i) Investments	6	**228,260.47**	166,061.31	123,437.61
ii) Loans	7	**789.76**	43,001.76	42,201.56
iii) Other Financial assets	8	**3,860.71**	3,188.54	3,188.54
e) Deferred tax assets (net)	9	**900.38**	417.57	214.42
f) Other non-current assets	10	**10,753.12**	18,730.54	17,376.04
(A)		**319,484.03**	**290,682.45**	**245,572.60**
Current assets				
a) Financial assets				
i) Trade receivables	11	**1,922.10**	2,419.97	2,122.29
ii) Cash and cash equivalents	12	**683.34**	7,127.10	2,043.19
iii) Bank Balance other than above	13	**14.84**	-	-
iv) Loans	7	**12,608.32**	30,037.54	25,931.74
v) Other Financial assets	8	**1,462.39**	1,465.20	1,461.74
b) Current Tax Assets (net)	14	**1,542.72**	325.47	469.41
c) Other current assets	10	**875.81**	908.21	1,126.71
(B)		**19,109.52**	**42,283.49**	**33,155.08**
TOTAL (A + B)		**338,593.55**	**332,965.94**	**278,727.68**
EQUITY AND LIABILITIES				
Equity				
a) Equity share capital	15	**3,061.34**	3,059.78	2,899.13
b) Other equity	16	**240,147.08**	227,326.23	192,054.19
(A)		**243,208.42**	**230,386.01**	**194,953.32**
Liabilities				
Non-current liabilities				
a) Financial liabilities				
i) Borrowings	17	**57,507.05**	52,354.60	53,190.00
b) Provisions	18	**73.56**	52.15	52.82
c) Other non-current liabilities	19	**11,004.37**	11,055.03	9,792.17
(B)		**68,584.98**	**63,461.78**	**63,034.99**
Current liabilities				
a) Financial liabilities				
i) Borrowings	20	**10,257.24**	24,464.46	7,882.50
ii) Trade payables	21	**1,689.92**	1,454.30	821.74
iii) Other financial liabilities	22	**8,169.31**	6,529.30	5,650.18
b) Provisions	18	**6.76**	23.03	43.16
c) Other liabilities	19	**6,676.92**	6,647.06	6,341.79
(C)		**26,800.15**	**39,118.15**	**20,739.37**
TOTAL (A+B+C)		**338,593.55**	**332,965.94**	**278,727.68**
Significant Accounting Policies and Notes on Financial Statements	**1 to 55**			

The notes referred to above form an integral part of the Financial Statements

As per our report of even date

For A.M.Ghelani & Company
Chartered Accountants
FRN : 103173W

Chintan A. Ghelani
Partner
M. No.:104391

For Chaturvedi & Shah
Chartered Accountants
FRN : 101720W

Jignesh Mehta
Partner
M. No.:102749

For and on behalf of the Board of Directors

Ashokkumar Ruia
(Chairman & Managing Director)
DIN - 00086762

Shishir Shrivastava
(Jt. Managing Director)
DIN - 01266095

Atul Ruia
(Jt. Managing Director)
DIN - 00087396

Pradumna Kanodia
(Director - Finance)
DIN - 01602690

Puja Tandon
(Company Secretary)
M.No.A21937

Place : Mumbai
Date: 10th May, 2017

STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31ST MARCH, 2017

(₹ in Lakhs)

Particulars	Note no.	For the year ended 31st March 2017	For the year ended 31st March 2016
Revenue from operations	23	**37,590.48**	35,578.99
Other income	24	**5,507.40**	9,850.12
Total Income		**43,097.88**	**45,429.11**
Employee Benefits Expense	25	**1,387.98**	1,141.94
Finance costs	26	**8,127.19**	6,886.29
Depreciation and Amortization expense	27	**3,006.60**	2,931.49
Other expenses	28	**10,822.59**	10,522.60
Total Expenses		**23,344.36**	**21,482.32**
Profit before exceptional items and tax		**19,753.52**	23,946.79
Less: Exceptional Items	40	**3,500.00**	2,800.00
Profit before Tax		**16,253.52**	**21,146.79**
Tax expense:			
- Current Tax		**3,381.56**	6,390.00
- Deferred Tax		**(482.81)**	(203.15)
Profit for the year from continuing operations		**13,354.77**	**14,959.94**
Other comprehensive income			
A) Items that will not be reclassified to Statement of Profit & Loss			
i) Re-measurment gain of the net defined benefit plans		**1.61**	19.91
ii) Gain/(Loss) on Equity instruments at fair value through Other Comprehensive Income		**(90.32)**	79.94
B) Income Tax relating to the Items that will not be reclassified to Statement of Profit & Loss		**(0.34)**	(4.25)
Total Comprehensive Income		**13,265.72**	**15,055.54**
Earnings Per Share			
Basic EPS (Face Value ₹2)	33	**8.73**	9.93
Diluted EPS (Face Value ₹2)		**8.71**	9.93
Significant Accounting Policies and Notes on Financial Statements	1 to 55		

The notes referred to above form an integral part of the Financial Statements

As per our report of even date

For A.M.Ghelani & Company
Chartered Accountants
FRN : 103173W

Chintan A. Ghelani
Partner
M. No.:104391

For Chaturvedi & Shah
Chartered Accountants
FRN : 101720W

Jignesh Mehta
Partner
M. No.:102749

For and on behalf of the Board of Directors

Ashokkumar Ruia
(Chairman & Managing Director)
DIN - 00086762

Shishir Shrivastava
(Jt. Managing Director)
DIN - 01266095

Atul Ruia
(Jt. Managing Director)
DIN - 00087396

Pradumna Kanodia
(Director - Finance)
DIN - 01602690

Place : Mumbai
Date: 10th May, 2017

Puja Tandon
(Company Secretary)
M.No.A21937

CASH FLOW STATEMENT
FOR THE YEAR ENDED ON 31ST MARCH, 2017

(₹ in Lakhs)

			For the year ended 31st March 2017		For the year ended 31st March 2016	
A	**Cash Flows from Operating Activities**					
	Net Profit before tax as per the Statement of Profit and Loss			**16,253.52**		21,146.79
	Adjustments for :					
	Depreciation		**3,006.60**		2,931.49	
	Exceptional Item		**3,500.00**		2,800.00	
	Profit on assignment of rights / transfer of property under development		**(24.69)**		-	
	Loss on Sale of PPE		**0.46**		-	
	Net gain arising on financial assets measured at FVTPL		**(96.62)**		52.53	
	Balances written back		**(98.03)**		(39.39)	
	Balances in Debtors/Advances written off		**22.91**		49.20	
	Provision for Doubtful Debts and Advances/(Reversal)		**(111.39)**		170.43	
	Interest Expenses		**8,317.54**		7,062.42	
	Interest Income		**(4,622.38)**		(9,649.42)	
	Dividend Income		**(5.68)**		(12.24)	
	Profit on sale of Investments		**(186.82)**		(174.50)	
				9,701.90		3,190.52
	Operating Cash flow before working capital changes			**25,955.42**		24,337.31
	Adjustment for Working Capital changes :					
	Trade and other Receivables		**(2,946.27)**		(1,653.33)	
	Trade and other Payables		**306.79**		(968.63)	
				(2,639.48)		(2,621.96)
	Cash generated from Operations			**23,315.94**		21,715.35
	Direct Taxes Paid			**(4,598.81)**		(6,246.07)
	Net Cash from Operating Activities	**A**		**18,717.13**		15,469.28
B	**Cash Flows from Investing Activities**					
	Purchases of Property, Plant & Equipments		**(10,575.30)**		(3,060.75)	
	Inter Corporate Deposits & Loans (placed)/refunded (Net)		**59,641.23**		(4,906.01)	
	Purchase of shares of Subsidiary/Associates		**(56,098.11)**		(44,619.63)	
	Sale of shares of Subsidiary/Associates		**330.17**		-	
	Sale of Short Term Investments		**6,141.15**		34,751.23	
	Purchase of short term Investments		**(6,125.00)**		(34,576.72)	
	Purchase of Investments others		**(6,085.00)**		1,995.93	
	Interest Received		**4,625.19**		9,645.96	
	Movement in Other Bank Balances [Net]		**(687.01)**		-	
	Dividend Received		**5.68**		12.24	
	Net Cash generated from/(used in) Investing Activities	**B**		**(8,827.00)**		(40,757.75)

(₹ in Lakhs)

		For the year ended 31st March 2017		For the year ended 31st March 2016	
C	**Cash Flows from Financing Activities**				
	Proceed from long term borrowings	**15,500.50**		5,425.21	
	Repayment of long term borrowings	**(7,554.76)**		(5,300.80)	
	Short term loans availed / (repaid)(Net)	**(15,000.00)**		16,581.96	
	Proceeds from Issue of Shares (Net of Issue expenses)	**215.69**		27,595.69	
	Interest paid	**(8,634.43)**		(6,758.70)	
	Dividend paid (including tax on Dividend)	**(860.88)**		(7,170.96)	
	Net Cash generated from/(used in) Financing Activities C		**(16,333.89)**		30,372.40
D	**Net Increase/(Decrease) in Cash and Cash Equivalents A+B+C**		**(6,443.76)**		5,083.90
	Cash and Cash equivalents at the beginning of the year		**7,127.10**		2,043.19
	Cash and Cash equivalents at the end of the year (Refer Note No.12)		**683.34**		7,127.10

The notes referred to above form an integral part of the Financial Statements

As per our report of even date

For A.M.Ghelani & Company
Chartered Accountants
FRN : 103173W

Chintan A. Ghelani
Partner
M. No.:104391

For Chaturvedi & Shah
Chartered Accountants
FRN : 101720W

Jignesh Mehta
Partner
M. No.:102749

For and on behalf of the Board of Directors

Ashokkumar Ruia
(Chairman & Managing Director)
DIN - 00086762

Shishir Shrivastava
(Jt. Managing Director)
DIN - 01266095

Atul Ruia
(Jt. Managing Director)
DIN - 00087396

Pradumna Kanodia
(Director - Finance)
DIN - 01602690

Puja Tandon
(Company Secretary)
M.No.A21937

Place : Mumbai
Date: 10th May, 2017

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31ST MARCH 2017

(a) Equity share capital

(₹ in Lakhs)

As at 1st April 2015	Changes in equity share capital during the year	As at 31st March 2016	Changes in equity share capital during the year	As at 31st March 2017
2,899.13	160.65	3,059.78	1.56	3,061.34

(b) Statement of changes in Other equity

(₹ in Lakhs)

Particulars	Retained Earnings	Capital Reserve	General Reserve	Securities Premium	Share Based Payment Reserve	Equity Instruments at FVOCI	Remeasurement of net defined benefit plans	Total Other Equity
Balance as at 1st April, 2015	61,782.23	184.14	22,917.65	106,890.78	0.58	278.81	-	192,054.19
Profit for the year	14,959.94							14,959.94
Remeasurements gains/(loss) on defined benefit plan	-	-	-	-	-	-	19.91	19.91
Change in fair value of Equity Instruments at FVOCI	-	-	-	-	-	79.94	-	79.94
Employee stock option expenses	-	-	-	-	41.98	-		41.98
Premium on issue of Shares during the year	-	-	-	28,207.42	-	-	-	28,207.42
Expense on issue of Shares	-	-	-	(772.37)	-	-	-	(772.37)
Transaction with shareholders								-
Interim Dividend	(2,673.70)	-	-	-	-	-	-	(2,673.70)
Final Dividend	(3,365.75)	-	-	-	-	-	-	(3,365.75)
Tax on Dividend	(1,225.31)	-	-	-	-	-	-	(1,225.31)
Balance as at 31st March, 2016	69,477.40	184.14	22,917.65	134,325.83	42.56	358.75	19.91	227,326.23
Profit for the year	13,354.77	-	-	-				13,354.77
Employee stock option expenses	-	-	-	-	169.25			169.25
Remeasurements gains/(loss) on defined benefit plan	-	-	-	-	-	-	1.61	1.61
Change in fair value of Equity Instruments at FVOCI	-	-	-	-	-	(90.32)	-	(90.32)
Premium on issue of Shares during the year	-	-	-	214.13	-	-	-	214.13
Transaction with shareholders								-
Final Dividend	(688.45)	-	-	-	-	-	-	(688.45)
Tax on Dividend	(140.15)	-	-	-	-	-	-	(140.15)
Balance as at 31st March 2017	82,003.57	184.14	22,917.65	134,539.96	211.81	268.43	21.52	240,147.08

The notes referred to above form an integral part of the Financial Statements

As per our report of even date

For A.M.Ghelani & Company
Chartered Accountants
FRN : 103173W

Chintan A. Ghelani
Partner
M. No.:104391

For Chaturvedi & Shah
Chartered Accountants
FRN : 101720W

Jignesh Mehta
Partner
M. No.:102749

For and on behalf of the Board of Directors

Ashokkumar Ruia
(Chairman & Managing Director)
DIN - 00086762

Shishir Shrivastava
(Jt. Managing Director)
DIN - 01266095

Atul Ruia
(Jt. Managing Director)
DIN - 00087396

Pradumna Kanodia
(Director - Finance)
DIN - 01602690

Puja Tandon
(Company Secretary)
M.No.A21937

Place : Mumbai
Date: 10th May, 2017

1) Corporate Information:

The Company is a public 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 462, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013.

The Company is engaged in the development & leasing of commercial and retail units and entertainment complex. The principal place of business is at High Street Phoenix, 462, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013.

These financial statements were approved and adopted by the Board of Directors of the Company in their meeting dated 10th May, 2017.

2) Basis of preparation of financial statements:

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

The Financial Statements for all the periods upto and including the year ended 31st March, 2016 were prepared in accordance with the accounting standards notified under the section 133 of the Companies Act, 2013 read together with the paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

These Financial Statements for the year ended 31st March, 2017 are the first financial statements of the Company prepared in accordance with Ind AS. Refer Note no. 54 for an explanation how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

The Financial statements provide comparative information in respect of the previous year. In addition, the company presents Balance sheet as at the beginning of the previous year, which is the transition date of Ind AS.

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.

3) 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 are 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. 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 the 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 Written down Value 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.

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

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) Financial Instruments:
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 investments are recognised in Other Comprehensive Income.

- Investment in Subsidiary and Associates:
  The company has accounted for its Investment in subsidiaries and associates at cost.

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

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

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

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

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.
Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the company could be required to repay.

iv) Trade receivables:
A receivable is classified as a 'trade receivable' if it is in respect to the amount due from customers on account of goods sold or services rendered in the ordinary course of business. Trade receivables are recognised initially at fair value and subsequently measured at fair value less provision for impairment. For Trade receivables, the Company obtains security in the form of security deposit which can be called upon if the counterparty is in default under the terms of the agreement.

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 and 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) Loans and Borrowings:
After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in the 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) Trade and other payables:
These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

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

h) Impairment of Financial assets:
The company assesses impairment based on expected credit losses (ECL) model to the following:

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

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

- Trade receivables or contract revenue receivables.
- 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 itstrade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

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

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

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

i) Cash and cash equivalents:
Cash and cash equivalents includes cash on hand and at bank, deposits 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.

j) 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 & loss.

k) Classification of assets and liabilities as current and non – current:
The Company presents assets and liabilities in Balance Sheet based on current/non-current classification.

An asset is classified as current when it is:

a) Expected to be realised or intended to be sold or consumed in normal operating cycle,

b) Held primarily for the purpose of trading,

c) Expected to be realised within twelve months after the reporting period, or

d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

a) It is expected to be settled in normal operating cycle,

b) It is held primarily for the purpose of trading,

c) It is due to be settled within twelve months after the reporting period, or

d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

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

l) Equity share capital:
Ordinary shares are classified as equity. Incremental costs net of taxes directly attributable to the issue of new equity shares are reduced from retained earnings, net of taxes.

m) Revenue Recognition:
Revenue is recognised to the extent that it is probable that the future economic benefits will flow to the entity and it can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Revenue from license fees and other operating services
Revenue from license fees and other operating services are recognised on a straight line basis over the license terms, except where the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary operating cost increases.

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.

n) Employees benefits:

(i) Short-term Employee benefits:
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 finance cost.

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 to the subsidiary companies of 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, other than in respect of options granted to employees of group companies, is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. The cost of options granted to employees of group companies is debited to the cost of the investment of the respective companies. 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 / Investment, with a corresponding adjustment to other equity.

o) 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.

p) Income Taxes:

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 Balance sheet approach, on temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred 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.

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

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

4. Use of significant accounting estimates, judgments and assumptions

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 recognised in the financial statements:

(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 property to the property held to earn 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. The Company considers these other services as significant in addition to the License fees charged. Based on such assessment, the management has considered the mall property as owner-occupied property and hence classified as Property, Plant & Equipment.

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

(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) Treatment of Security Deposit for Lease Rentals

In assessing the applicability of Ind AS 32-Financial Instruments to security deposits received, the management has considered the substance of the transactions, terms and conditions of agreement and historical experience to conclude whether such security deposits meet the criteria of a financial liability. These deposits are primarily intended to secure compliance of the licensees' obligations under the agreement and have no bearing on the license fees charged. Further, there is no contractual obligation to deliver cash or other financial asset to the said entity and can be adjusted against the dues, if any and therefore these have been treated as non- financial liability.

(f) 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.

(g) 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 judgment in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

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

(h) Fair Value measurement:

The Company measures financial instrument such as certain investments, at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

  For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

NOTE 5

PROPERTY, PLANT & EQUIPMENT

(₹ in Lakhs)

	Freehold Land	Right on Leasehold Land @	Building	Plant and Machinery	Vehicles	Office furniture and Equipment	Computer Softwares	Total	Capital Work In Progress
Gross Block									
As at 01.04.2015	106.70	697.61	56,058.39	3,178.15	338.24	5,005.26	2.82	65,387.19	
Additions	-	-	742.34	277.54	98.68	473.76	-	1,592.32	-
Disposals/Transfer	-	-	-	-	-	-	-	-	
As at 31.03.2016	**106.70**	**697.61**	**56,800.73**	**3,455.69**	**436.92**	**5,479.03**	**2.82**	**66,979.51**	**-**
Additions	-	-	18,433.87	269.77	135.27	522.80	-	19,361.70	-
Disposals/Transfer	-	-	-	-	-	114.49	-	114.49	
As at 31.03.2017	**106.70**	**697.61**	**75,234.60**	**3,725.46**	**572.19**	**5,887.33**	**2.82**	**86,226.72**	**-**
Accumulated Depreciation									
As at 01.04.2015	-	49.03	14,084.15	1,737.01	233.60	3,700.56	1.69	19,806.04	-
Depreciation charge for the year	-	0.42	2,075.91	340.13	24.16	490.64	0.23	2,931.49	-
Disposals/Transfer	-	-	-	-	-	-	-	-	
As at 31.03.2016	**-**	**49.45**	**16,160.05**	**2,077.15**	**257.76**	**4,191.20**	**1.92**	**22,737.53**	**-**
Depreciation charge for the year	-	-	2,100.99	308.84	74.85	521.74	0.18	3,006.60	-
Disposals/Transfer	-	-	-	-	-	93.04	-	93.04	
As at 31.03.2017	**-**	**49.45**	**18,261.04**	**2,385.98**	**332.60**	**4,619.90**	**2.10**	**25,651.09**	**-**
Net Book Value									
As at 01.04.2015	**106.70**	**648.58**	**41,974.25**	**1,441.13**	**104.65**	**1,304.70**	**1.13**	**45,581.14**	**13,572.16**
As at 31.03.2016	**106.70**	**648.16**	**40,640.68**	**1,378.54**	**179.16**	**1,287.83**	**0.90**	**44,241.98**	**15,039.85**
As at 31.03.2017	**106.70**	**648.16**	**56,973.55**	**1,339.48**	**239.59**	**1,267.43**	**0.72**	**60,575.63**	**14,343.24**

5.1) Capital Work in progress includes pre operative expenses of ₹ 3,324.24 Lakhs (31st March 2016 ₹ 3048.39 Lakhs, 1st April, 2015, ₹2,395.61 Lakhs) refer note no 37.

5.2) Building includes 10 shares in Sukhsagar Premises Co-op. Society Ltd. of ₹50 each - ₹500.

(₹ in Lakhs)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
NOTE 6			
NON CURRENT INVESTMENTS			
A. TRADE INVESTMENTS			
UNQUOTED			
1. IN EQUITY INSTRUMENTS			
i. SUBSIDIARY COMPANIES (At Cost)			
(Equity Shares of face value of ₹ 10/- each fully paid-up unless otherwise stated)			
4,387,120 (31st March 2016: 4,387,120 , 1st April 2015: 4,387,120) - Bellona Hospitality Services Limited (Formerly Known as Bellona Finvest Limited)	**440.15**	438.71	438.71
25,585,930 (31st March 2016: 25,585,930 , 1st April 2015: 19,245,020) - Big Apple Real Estate Pvt. Ltd.	**17,143.89**	17,143.89	11,257.16
10,000 (31st March 2016: 10,000 , 1st April 2015: 10,000) - Enhance Holdings Pvt. Ltd. (Formerly known as Kalani Holdings Pvt. Ltd.)	**3.85**	3.85	3.85
100,000 (31st March 2016: 100,000 , 1st April 2015: 100,000) - Market City Management Pvt Ltd.	**10.00**	10.00	10.00
10,000 (31st March 2016: 10,000 , 1st April 2015: 10,000) - Market City Resources Pvt. Ltd.	**121.55**	29.87	1.43
967,000 (31st March 2016: 967,000 , 1st April 2015: Nil) Gangetic Hotels Pvt Ltd	**630.20**	630.20	-
109,168,803 (31st March 2016: 26,176,473 , 1st April 2015: 19,105,862) - Island Star Mall Developers Pvt. Ltd. @$	**27,022.84**	26,492.67	14,561.88
9,280 (31st March 2016: 9,280 , 1st April 2015: 9,280) - Mugwort Land Holdings Pvt. Ltd	**0.93**	0.93	0.93
17,192,079 (31st March 2016: 17,192,079 , 1st April 2015: 15,836,664) - Palladium Constructions Pvt Ltd.	**21,900.78**	21,885.09	19,327.47
1,200,000 (31st March 2016: 1,200,000 , 1st April 2015: 1,200,000) - Pallazzio Hotels & Leisure Ltd. ₹100 each @	**1,203.59**	1,200.00	1,200.00
1,321,400 (31st March 2016: 1,321,400 , 1st April 2015: 1,321,400) Phoenix Hospitality Services Private Limited @	**15,416.35**	15,416.35	15,416.35
10,000 (31st March 2016: 10,000 , 1st April 2015: 10,000) - Pinnacle Real Estate Development Pvt. Ltd.	**399.94**	399.94	399.94
10,000 (31st March 2016: 10,000 , 1st April 2015: 10,000) - Plutocrate Asset & Capital Management Co. Pvt. Ltd.	**350.00**	350.00	350.00
1,250 (31st March 2016: 1,250 , 1st April 2015: 1,250) - Butala Farm Lands Pvt. Ltd. ₹ 100 each	**2,500.00**	2,500.00	2,500.00
26,398,456 (31st March 2016: 20,645,223 , 1st April 2015: 17,767,851) - Offbeat Developers Private Ltd @	**37,708.48**	26,635.71	20,645.60

(₹ in Lakhs)

	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
19,669,139 (31st March 2016: 19,669,139, 1st April 2015: 13,638,139)- Vamona Developers Pvt. Ltd. @	**11,918.28**		11,909.07		4,741.95	
75,000 (31st March 2016: Nil , 1st April 2015: Nil)Alliance Spaces Pvt Ltd.	**240.73**		-		-	
50,000 (31st March 2016: 50,000 , 1st April 2015: 25,000) Savannah Phoenix Pvt Ltd (Associate upto 6th April 2015)	**5.65**		5.65		2.50	
		137,017.20		125,051.93		90,857.75
ii. ASSOCIATES (At Cost)						
(Equity Shares of face value of ₹ 10/- each fully paid-up unless otherwise stated)						
3,709,416 (31st March 2016: 3,709,416 , 1st April 2015: 3,709,416) - Classic Mall Development Pvt. Limited (Subsidiary up to 31/03/2017)@	**8,161.46**		8,154.36		8,154.36	
5,208 (31st March 2016: 5,000 , 1st April 2015: 5,000)- Classic Housing Projects Pvt. Ltd.	**49.50**	**8,210.96**	0.50	8,154.86	0.50	8,154.86
2. INVESTMENT IN PREFERENCE SHARES						
i. SUBSIDIARY (At Cost)						
Redeemable Preference Shares of ₹ 10/- each fully paid-up unless otherwise stated						
784,000 (31st March 2016: 784,000 , 1st April 2015: Nil) Savannah Phoenix Private Limited (Associate upto 6th April 2015)		**78.40**		78.40		-
0.0001% Compulsory Convertible Preference shares of ₹ 10 each (CCPS) fully paid up						
3,089,759 (31st March 2016: Nil , 1st April 2015: Nil) Series A CCPS Island Star Mall Developers Pvt. Ltd. (Received as bonus Shares)						
3. INVESTMENT IN DEBENTURES						
i. SUBSIDIARY (At Cost)						
Compulsorily Convertible Debentures of ₹ 100/- each fully paid-up						
847,365 (31st March 2016: 847,365 , 1st April 2015: 847,365) Pallazzio Hotels and Leisure Ltd - Series C	**6,277.79**		6,277.79		6,277.79	
303,180 (31st March 2016: 303,180 , 1st April 2015: 303,180) Phoenix Hospitality Co. Pvt. Ltd.	**303.18**		303.18		303.18	
449,664 (31st March 2016: 449,664 , 1st April 2015: 449,664) Pallazzio Hotels and Leisure Ltd - Series G	**6,349.26**		6,349.26		6,349.26	
615,184 (31st March 2016: 615184 , 1st April 2015: Nil) Pallazzio Hotels and Leisure Ltd - Series H	**8,246.54**		8,246.54		-	
769,440 (31st March 2016: Nil , 1st April 2015: Nil) Pallazzio Hotels and Leisures Ltd.- CCD-B Series	**5,120.00**		-		-	
397,616 (31st March 2016: 397,616 , 1st April 2015: 224,000) Savannah Phoenix (P) Limited	**287.50**		287.50		224.00	

(₹ in Lakhs)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Non Convertible Debenture of ₹ 230,000,000/- each fully paid-up			
1 (31st March 2016: 1 , 1st April 2015: 1) Pallazzio Hotels and Leisure Ltd - Series F	**2,300.00**	2,300.00	2,300.00
Optionally Fully Convertible Debentures of ₹ 100/- each fully paid-up unless otherwise stated			
2,890,000 (31st March 2016: Nil , 1st April 2015: Nil)Alliance Spaces Pvt Ltd.	**2,890.00**	-	-
3,648,900 (31st March 2016: 20,82,500 , 1st April 2015: Nil) Bellona Hospitality Services Limited	**3,648.90**	2,082.50	-
4,250,000 (31st March 2016: Nil , 1st April 2015: Nil) Blackwood Developers Pvt Ltd. (₹10/- each fully paid up)	**425.00**	-	-
87,000,000 (31st March 2016: Nil , 1st April 2015: Nil) Gangetic Hotels Pvt Ltd. (₹10/- each fully paid up)	**8,700.00**	-	-
7,000,000 (31st March 2016: Nil , 1st April 2015: Nil) Graceworks Realty & Leisure Pvt Ltd.	**7,000.00**	-	-
16,046,066 (31st March 2016: Nil , 1st April 2015: Nil) Pallazzio Hotels & Leisures Ltd	**16,046.07**	-	-
2,325,000 (31st March 2016: Nil , 1st April 2015: Nil) Phoenix Hospitality Company Pvt. Ltd.	**2,325.00**	-	-
93,290 (31st March 2016: 32,920 , 1st April 2015: Nil) Savannah Phoenix Private Limited	**93.29**	32.92	-
ii. ASSOCIATES (At Cost)			
Compulsorily Convertible Debentures of ₹ 100/- each fully paid-up			
1,383,999 (31st March 2016: 1,383,999 , 1st April 2015: 1,383,999) Star Board Hotels Pvt Ltd	**1,384.00**	1,384.00	1,384.00
Optionally Convertible Debentures of ₹ 100/- each fully paid-up			
420,000 (31st March 2016: 420,000 , 1st April 2015: 420,000) Classic Housing Projects Pvt. Ltd.	**420.00**	420.00	420.00
	71,816.53	27,683.69	17,258.23

(₹ in Lakhs)

	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
B. NON TRADE INVESTMENTS						
i. At fair value through Profit & Loss						
QUOTED						
(Equity Shares of face value of ₹ 10/- each fully paid-up unless otherwise stated)						
36,325 (31st March 2016: 36,325 , 1st April 2015: 7,265) - I.C.I.C.I. Bank Limited - face value of ₹ 2 each (01 April 2015 ₹ 10 each)**	**100.66**		85.93		114.53	
20 (31st March 2016: 20 , 1st April 2015: 20)- Clariant Chemicals (India) Ltd.	**0.14**	**100.80**	0.12	86.05	0.16	114.70
UNQUOTED						
ii. At fair value through Other Comprehensive Income						
QUOTED						
(Equity Shares of face value of ₹ 10/- each fully paid-up, unless otherwise stated)						
60,192 (31st March 2016: 60,192 , 1st April 2015: 60,192) - GKW Limited	**304.91**		395.23		315.29	
200,641 (31st March 2016: 200,641 , 1st April 2015: 200,641) - Graphite India Limited - face value of ₹ 2 each	**225.12**		143.26		167.13	
		530.03		538.49		482.42
UNQUOTED						
(Equity Shares of face value of ₹ 10/- each fully paid-up unless otherwise stated)						
Nil (31st March 2016: 25,000 , 1st April 2015: 25,000) - Escort Developers Pvt. Ltd.	**-**		159.50		159.50	
5,000 (31st March 2016: 5,000 , 1st April 2015: 5,000) - Bartraya Mall Development Co. Pvt. Ltd	**0.50**		0.50		0.50	
20,593,192 (31st March 2016: 20,593,192 , 1st April 2015: 20,593,192) - EWDPL (India) Pvt. Ltd. (Refer Note 41)	**4,501.25**		4,501.25		4,501.25	
10 (31st March 2016: 10 , 1st April 2015: 10) - Treasure World Developers (India) Pvt. Ltd. (Refer Note 41)	**0.09**		0.09		0.09	
80 (31st March 2016: 80 , 1st April 2015: 80) ordinary shares of ₹ 25/- each -fully paid of Rashtriya Mazdoor Madhyavarti Sahakari Grahak Sangh (Maryadit)	**0.02**		0.02		0.02	

(₹ in Lakhs)

		As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Compulsorily Convertible Debentures of ₹ 100/- each fully paid-up				
34,000 (31st March 2016: 34,000 , 1st April 2015: 34,000) Escort Developers Pvt Limited	**34.00**		34.00	34.00
66,500 (31st March 2016: 66500 , 1st April 2015:66500) Phoenix Retail Pvt. Limited	**66.50**		66.50	66.50
38,545 (31st March 2016: 38,545 , 1st April 2015: 38,545) Vigilant Developers Pvt. Limited	**38.55**		38.55	38.55
Compulsory Convertible Debentures of ₹ 10/- each fully paid-up				
100,000,000 (31st March 2016: 100,000,000, 1st April 2015: 100,000,000) Treasure World Developers Pvt. Ltd. (Refer Note No 41)	**10,000.00**		10,000.00	10,000.00
Optionally convertible debentures of Rs. 100/- Each fully paid up				
41,000,000 (31st March 2016: Nil , 1st April 2015: Nil) Insight Hotels & Leisure Pvt Ltd. (₹10/- each fully paid up)	**4,100.00**		-	-
21,000,000 (31st March 2016: Nil , 1st April 2015: Nil) Roomy Constrution Company Pvt Ltd.(₹10/- each Fully paid up)	**2,100.00**		-	-
		20,840.90	14,800.40	14,800.40
C. INVESTMENT IN THE CAPITAL OF PARTNERSHIP FIRM (At Cost)				
Phoenix Construction Company		**190.65**	192.50	194.24
Total Investments		**238,785.47**	176,586.31	131,862.60
Less: Provision for diminution in the value of investments (Refer Note No 41)		**10,525.00**	10,525.00	8,425.00
		228,260.47	166,061.31	123,437.60

(₹ in Lakhs)

Particulars	**As at 31st March, 2017**	**As at 31st March, 2016**	**As at 1st April, 2015**
1. Aggregate Value of Quoted Investment			
Book Value	**630.83**	624.53	597.12
Market Value	**630.83**	624.53	597.12
2. Aggregate Book Value of other Unquoted Investment	**238,154.64**	175,961.77	131,265.48

@ 51% shares of Island Star Mall Developers Private Limited held by the Company , 30% shares of Pallazzio Hotels & Leisure Limited , 29.50% shares of Phoenix Hospitality Company private Limited & 48.19% shares of Classic Mall Developments Private Limited are held subject to a non-disposal undertaking to the lender bank stating that it shall not dispose / transfer /pledge /encumber these shares owned/held in the company until the loans taken by these companies are fully repaid to the bank.

** Out of 36,325 shares, 9,975 shares are held by a Bank in their name as security
$ Includes 80,492,330 bonus Shares received during the year

Investments in subsidiaries & Associates includes cost of ESOP granted to employees of respective subsidiaries & Associates as under :

(₹ in Lakhs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Marketcity Resources Pvt Ltd	**91.68**	28.44	0.39
Offbeat Developers Pvt Ltd	**16.45**	-	-
Palladium Construction Pvt Ltd	**15.69**	-	-
Island Star Mall Developers Pvt. Ltd.	**10.53**	-	-
Vamona Developers Pvt Ltd	**9.21**	-	-
Classic Mall Developers Company Pvt Ltd	**7.10**	-	-
Pallazzio Hotels & Leisures Ltd	**3.59**	-	-
Bellona Hospitality Services Ltd	**1.44**	-	-
	155.70	**28.44**	**0.39**

(₹ in Lakhs)

Category wise Non Current Investments	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Financial Assets Measured at Cost	**217,313.74**	161,161.38	116,465.08
Financial Assets Measured at Fair value through Other Comprehensive Income	**21,370.93**	15,338.88	15,282.82
Financial Assets Measured at Fair value through Profit & Loss account	**100.80**	86.05	114.70
Total	**238,785.47**	**176,586.31**	**131,862.60**

(₹ in Lakhs)

	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Current	Non Current	Current	Non Current	Current	Non Current
NOTE 7						
LOANS						
Inter Corporate Loans and Deposits (Unsecured)						
With Related Parties (Considered Good) #	**9,475.69**	**259.51**	28,122.55	42,471.51	24,035.13	41,486.31
With Others						
Considered Good	**1,287.08**	**300.00**	1,883.25	300.00	1,853.18	300.00
Considered Doubtful	**757.25**	**-**	757.25	-	57.25	-
	2,044.33	**300.00**	2,640.50	300.00	1,910.43	300.00
Less: Provision for Doubtful Receivables	**(757.25)**	**-**	(757.25)	-	(57.25)	-
	1,287.08	**300.00**	1,883.25	300.00	1,853.18	300.00
Other Loans	**1,845.54**	**230.25**	31.75	230.25	43.42	415.25
TOTAL	**12,608.32**	**789.76**	30,037.54	43,001.76	25,931.74	42,201.56

Refer Note 32

(₹ in Lakhs)

	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Current	Non Current	Current	Non Current	Current	Non Current
NOTE 8						
OTHER FINANCIAL ASSETS						
Interest Accrued on Fixed Deposits	**29.88**	**-**	32.69	-	29.23	-
Interest Accrued on Investments	**1,432.51**	**-**	1,432.51	-	1,432.51	-
Other Bank Balances *	**-**	**3,860.71**	-	3,188.54	-	3,188.54
	1,462.39	**3,860.71**	**1,465.20**	**3,188.54**	**1,461.74**	**3,188.54**

* Fixed Deposits of ₹ 3,818.17 Lakhs (31st March 2016: 3,146 Lakhs & 1st April 2015: 3,146 Lakhs) earmarked towards maintenance of DSRA as per loan agreement and Fixed deposits of ₹ 42.54 Lakhs (31st March 2016: 42.54 Lakhs & 1st April 2015: 42.54 Lakhs) is given as security for bank guarantee.

NOTE 9
DEFERRED TAX ASSETS (NET)

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

(₹ in Lakhs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
At start of year	**417.57**	214.42	**-**
Charge/(credit) to profit or loss (Refer Note 51)	**482.81**	203.15	-
At the end of the year	**900.38**	**417.57**	**214.42**
Deferred Tax Liability			
Related to Property, plant and Equipment	**-**	-	(89.00)
Deferred Tax Assets			
Related to Property, plant and Equipment	**567.19**	101.88	-
Disallowances under Income Tax Act, 1961	**333.19**	315.69	303.42
	900.38	**417.57**	**214.42**

NOTE 10
OTHER ASSETS

(₹ in Lakhs)

	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Current	Non Current	Current	Non Current	Current	Non Current
Deposits (Unsecured, Consider Good)						
Deposits with Related Parties #	**150.00**	**5,517.75**	150.00	5,517.75	150.00	6,892.75
Other Deposits	**-**	**379.86**	-	311.84	-	402.99
Capital Advances						
Advance for Capital Items to Related Parties #	**-**	**900.75**	-	9,124.74	-	9,124.74
Others	**-**	**681.56**	-	500.01	-	873.35
Other Advances						
Related Parties #	**-**	**3,200.00**	-	3,200.00	-	-
Others	**409.25**	**73.20**	344.01	76.20	757.84	82.21
Balances with Central Excise Authorities	**272.58**	**-**	390.16	-	126.91	-
Unbilled Revenue	**43.98**	**-**	24.04	-	91.96	-
TOTAL	**875.81**	**10,753.12**	908.21	18,730.54	1,126.71	17,376.04

Refer Note No. 32

Loans & Advances include rent deposit of ₹ 5,537.75 Lakhs (31st March, 2016 ₹ 8,545.33 Lakhs 1st April, 2015 ₹ 4,142.45 Lakhs) to Private limited companies in which any director is a Director/Member

NOTE 11
TRADE RECEIVABLES

(₹ in Lakhs)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Unsecured			
Considered Good	**1,922.10**	2,419.97	2,122.29
Considered Doubtful	**782.55**	893.94	794.09
	2,704.65	3,313.91	2,916.38
Less: Provision for Doubtful Receivables	**782.55**	893.94	794.09
TOTAL	**1,922.10**	2,419.97	2,122.29

Trade Receivables include ₹ 11.74 Lakhs (31st March 2016: ₹ 11.74 Lakhs & 1st April 2015: ₹ 11.74 Lakhs) from private companies in which a director is a director / member

NOTE 12
CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Cash on hand	**2.74**	2.06	2.02
Balances with Banks:			
In Current Accounts	**504.09**	6,916.26	1,879.29
Dividend Accounts	**176.51**	208.78	161.88
TOTAL	**683.34**	7,127.10	2,043.19

NOTE 13
BANK BALANCE OTHER THAN ABOVE

(₹ in Lakhs)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Deposit with Bank (Maturity more than 3 months & less than 12 months)	**14.84**	-	-
	14.84	-	-

Refer Note No. 34(d)

NOTE 14
CURRENT TAX ASSETS (NET)

(₹ in Lakhs)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Advance Tax (Net of Provisions)	**1,542.72**	325.47	469.41
TOTAL	**1,542.72**	325.47	469.41

NOTE 15

(₹ in Lakhs)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Equity share capital			
Authorized capital			
225,000,000 Equity Shares (31st March 2016: 225,000,000, 1st April 2015: 225,000,000) of ₹ 2 each	**4,500.00**	4,500.00	4,500.00
Total	**4,500.00**	**4,500.00**	**4,500.00**

(₹ in Lakhs)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Issued, subscribed and paid-up capital			
Equity share capital			
153,066,907 Equity Shares (31st March 2016: 152,988,852, 1st April 2015: 144,956,695) of ₹ 2 each	**3,061.34**	3,059.78	2,899.13
Total	**3,061.34**	**3,059.78**	**2,899.13**

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Note 15.1 Reconciliation of Shares.			
Equity Shares outstanding at the beginning the year	**152,988,852**	144,956,695	144,845,445
Add : Issued during the year on exercise of employee options	**78,055**	40,250	111,250
Add : Issued during the year under Qualified Institution Placement	-	7,991,907	-
Equity Shares outstanding at the end of the year	**153,066,907**	**152,988,852**	**144,956,695**

Note 15.2

The company has only one class equity shares having face value of ₹ 2 per share. Each holder of equity shares is entitled to one vote per share. Equity shareholders 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.

	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
Note 15.3 Shares in the Company held by each shareholder holding more than 5 % Shares						
Ruia International Holding Company Private Limited	**49,347,248**	**32.24**	49,347,248	32.26	49,207,037	33.95
Senior Holdings Private Limited.	**15,490,049**	**10.12**	15,490,049	10.12	15,142,550	10.45
Radhakrishna Ramnarain Private Limited.	**11,667,800**	**7.63**	11,667,800	7.63	11,617,930	8.01
Ashok Apparels Private Limited.	**9,670,665**	**6.32**	9,670,665	6.32	9,670,665	6.67

Note 15.4

During the Financial year 2015-16, the Company undertook Private Placement, as authorised by the Board of Directors, for issuance of 7,991,907 Equity Shares of face value of ₹ 2/- each to Qualified Institutional Buyers at a price of ₹ 353.60/- per Equity Share, including share premium of ₹ 351.60/- per Equity Share, aggregating to ₹ 282.59/- crores in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2009 (SEBI ICDR Regulations) and Section 42 of the Companies Act, 2013 and the Rules made there under. The Private Placement issue was closed on 14/07/2015 and consequently, the said Equity Shares were allotted on 17/07/2015.

NOTE 16
Other Equity

(₹ in Lakhs)

		As at 31st March, 2017		As at 31st March, 2016	As at 1st April, 2015
Capital Reserve					
As per last Balance Sheet		**184.14**		184.14	184.14
General Reserve					
As per last Balance Sheet		**22,917.65**		22,917.65	22,917.65
Securities Premium					
As per last Balance Sheet	**134,325.83**		106,890.78		-
Add: On issue of shares	**214.13**		28,207.42		-
Less : Expenses on the issuance of Shares	**-**		772.37		-
		134,539.96		134,325.83	106,890.78
Share Based Payment Reserve					
As per last Balance Sheet	**42.56**		0.58		-
Add: ESOP Cost for the year	**169.25**		41.98		-
		211.81		42.56	0.58
Retained Earnings					
Profit & Loss Account					
As per last Balance Sheet	**69,477.40**		61,782.23		-
Add : Profit for the Current Year	**13,354.77**		14,959.94		-
	82,832.17		76,742.16		-
Less : Appropriations					
Transferred to General Reserve					
Interim Dividend (P.Y. ₹ 1.75/- Per share)	**-**		(2,673.70)		-
Final Dividend (₹ 0.45/- Per share) (P.Y. ₹2.20/-)	**(688.45)**		(3,365.75)		-
Tax on Dividend	**(140.15)**		(1,225.31)		-
		82,003.57		69,477.40	61,782.23
Other Comprehensive Income					
Equity Instruments at FVOCI					
As per last Balance Sheet	**358.75**		278.81		-
Add/(Less) Change in fair value of Equity Instruments at FVOCI	**(90.32)**		79.94		-
At the end of Year		**268.43**		358.75	278.81
Remeasurement of net defined benefit plans					
As per last Balance Sheet	**19.91**		-		-
Add/(Less) Remeasurements gains/(loss) on defined benefit plan	**1.61**		19.91		-
		21.52		19.91	-
At the end of Year		**240,147.08**		227,326.23	192,054.19

Nature & Purpose of Other Equity

1) Capital Reserve: Capital reserve represents reserve created pursuant to the business combinations upto year end.
2) Securities Premium Reserve: Securities premium reserve represents premium received on equity shares issued, which can be utilised only in accordance with the provisions of the Companies Act, 2013 for specified purposes.
3) Share Based Payment Reserve: Reserve relates to stock options granted by the Group to employees under an employee stock options plan.
4) General Reserve: General reserve is created from time to time by transferring profits from retained earnings and can be utilised for purposes such as dividend payout, bonus issue, etc.

NOTE 17
BORROWINGS

(₹ in Lakhs)

	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Current	Non Current	Current	Non Current	Current	Non Current
SECURED						
Term Loans from Banks	**7,301.30**	**57,507.05**	5,300.80	52,354.60	4,341.00	53,190.00
(The term loans are secured by Equitable Mortgage of deposit of title deeds in respect of certain immovable properties situated at High Street Phoenix, Senapati Bapat Marg , Lower Parel, Mumbai and by hypothecation of rentals receivable from licencees as per pari passu basis.)						
Less: Amount disclosed under the head Other Current Liabilities	**(7,301.30)**		(5,300.80)		(4,341.00)	
TOTAL	**-**	**57,507.05**	-	52,354.60	-	53,190.00

Maturity Profile:

(₹ in Lakhs)

FY 2017-18	7,301.30	**FY 2018-19**	8,191.45	**FY 2019-20**	9,184.50
FY 2020-21	10,312.35	**FY 2021-24**	29,818.75		

NOTE 18
PROVISIONS

(₹ in Lakhs)

	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Current	Non Current	Current	Non Current	Current	Non Current
Provision for Employee Benefits						
Gratuity	**1.50**	**0.40**	-	4.95	26.92	13.95
Leave Encashment	**5.26**	**73.16**	23.02	47.20	16.24	38.87
	6.76	**73.56**	23.02	52.15	43.16	52.82

NOTE 19
OTHER LIABILITIES

(₹ in Lakhs)

	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Current	Non Current	Current	Non Current	Current	Non Current
Advance from Prospective Buyers	**652.42**	**-**	1,759.89	-	1,356.53	-
Income Received in Advance	**19.19**	**-**	78.38	-	63.38	68.03
Security Deposits from Occupants/Licencees	**3,196.83**	**11,004.37**	2,562.70	11,055.03	1,993.79	9,724.14
Statutory Dues	**188.11**	**-**	131.73	-	73.05	-
Others #	**2,620.37**	**-**	2,114.36	-	2,855.04	-
TOTAL	**6,676.92**	**11,004.37**	6,647.06	11,055.03	6,341.79	9,792.17

Others include Advance of ₹ 1,918.80 Lakhs (31st March 2016: 1,918.80 Lakhs , 1st April 2015: 1,918.80 Lakhs) Received against the Debentures of TWDL (Refer Note No.41)

NOTE 20
BORROWINGS

(₹ in Lakhs)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Secured			
Working Capital Loans	**10,257.24**	9,464.46	**2,382.50**
(Overdraft facility with HDFC Bank Limited for ₹ 2,968.22 Lakhs (31st March 2016: Nil , 1st April 2015: 1,399.22 Lakhs) and Kotak Mahindra Bank Limited for ₹7,289.02 Lakhs (31st March 2016: 9,464.46 Lakhs , 1st April 2015: 983.28 Lakhs) is secured by Equitable Mortgage of deposit of title deeds in respect of certain immovable properties situated at High Street Phoenix, Senapati Bapat Marg , Lower Parel, Mumbai and by hypothecation of rentals receivable from licencees on pari passu basis.)			
Unsecured			
From Related Party	**-**	15,000.00	**-**
Commercial Paper	**-**	-	**5,500.00**
	10,257.24	24,464.46	**7,882.50**

NOTE 21
TRADE PAYABLES

(₹ in Lakhs)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
TRADE PAYABLES			
Micro and Small Enterprises #	**-**	-	**-**
Others	**1,689.92**	1,454.30	**821.74**
	1,689.92	1,454.30	**821.74**

There are no Micro and Small Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days during the year or as at March 31, 2017. The above information, regarding Micro and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the Auditors.

The disclosure pursuant to the said Act is given as under:

(₹ in Lakhs)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
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	**-**	-	**-**

NOTE 22
OTHER FINANCIAL LIABILITIES

(₹ in Lakhs)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Current Maturities of Long Term Debts (Refer Note 17)	**7,301.30**	5,300.80	**4,341.00**
Interest Accrued but not due	**385.60**	702.50	**398.78**
Unpaid Dividends #	**176.50**	208.78	**161.88**
Creditors for Capital Items	**305.91**	317.22	**748.52**
TOTAL	**8,169.31**	6,529.30	**5,650.18**

These figures do not include any amounts, due and outstanding to be credited to Investor Education & Protection Fund

NOTE 23
REVENUE FROM OPERATIONS

(₹ in Lakhs)

	2016-17	2015-16
License Fees and Rental Income	**28,370.73**	26,009.93
Service Charges	**4,291.38**	4,560.42
Others	**4,928.37**	5,008.64
TOTAL	**37,590.48**	35,578.99

NOTE 24
OTHER INCOME

(₹ in Lakhs)

		2016-17	2015-16
Interest Income			
From Investments in Debt Instruments	0.00		0.00
(Current Year ₹ 156 & Previous Year ₹32)			
From Financial Instruments carried at amortised cost	4,622.38		9,649.42
From Income Tax Refund	263.52		-
		4,885.90	9,649.42
Dividend Income		**5.68**	12.24
Net gain / (loss) arising on financial assets measured at FVTPL		**96.62**	(52.53)
Other Non-operating Income			
Profit on sale of Investments		**186.82**	174.50
Miscellaneous Receipts		**209.67**	27.11
Profit on assignment of rights / transfer of property under development		**24.69**	-
Sundry Balances written back		**98.02**	39.38
TOTAL		**5,507.40**	9,850.12

NOTE 25
EMPLOYEE BENEFITS EXPENSE

(₹ in Lakhs)

	2016-17	2015-16
Salaries, Wages & Bonus	**1,295.92**	1,042.79
Contribution to Provident Fund & Other Funds	**27.60**	24.74
Gratuity and Leave encashment	**18.98**	24.79
Share based payments cost	**27.28**	-
Staff Welfare Expenses	**18.20**	49.62
TOTAL	**1,387.98**	1,141.94

NOTE 26
FINANCE COSTS

(₹ in Lakhs)

	2016-17	2015-16
Interest Expense	**8,087.58**	6,356.09
Other Borrowing Costs	**39.61**	530.20
	8,127.19	6,886.29

NOTE 27
DEPRECIATION AND AMORTISATION EXPENSE

(₹ in Lakhs)

	2016-17	2015-16
Depreciation and Amortisation	**3,006.60**	2,931.49
	3,006.60	2,931.49

NOTE 28
OTHER EXPENSES

(₹ in Lakhs)

		2016-17	2015-16
Electricity		**4,132.56**	4,141.62
Repairs and Maintenance:-			
Buildings	584.52		639.41
Plant & Machinery	336.27		332.09
Others	151.01		118.82
		1,071.80	1,090.32
Insurance		**69.15**	69.35
Rent		**24.00**	28.98
Rates & Taxes		**792.40**	751.75
Water Charges		**257.04**	353.29
Legal and Professional charges		**984.42**	779.02
Travelling Expenses		**123.69**	179.76
Auditors' Remuneration		**60.00**	56.76
Directors' sitting fees & Commission		**18.85**	23.80
Compensation		**157.40**	151.18
Donation		**111.00**	58.04
Loss on Sale of Property, Plant and Equipment		**0.46**	-
Advertisement & Sales Promotion		**1,302.00**	1,049.03
Bad debts & Sundry balances written off/(Writen Back)(Net)	22.91		49.20
Provision for Doubtful Debts/(Reversal)	(111.39)	**(88.48)**	170.43
Rebates and settlement		**81.17**	50.14
Bank charges		**3.98**	11.93
Housekeeping and other services		**866.82**	798.44
Security Charges		**490.36**	355.72
Share of Loss from a Partnership Firm		**1.85**	1.74
Miscellaneous Expenses		**362.12**	352.08
TOTAL		**10,822.59**	10,522.60

29. Disclosure as per Ind As – 19 "Employee Benefits".

(A) Expenses recognised for Defined Contribution Plan :

Employer's Contribution to Provident and Pension Fund ₹25.37 Lakhs (PY ₹ 22.87 Lakhs).
Employer's Contribution to ESIC ₹ 0.44, Lakhs (PY ₹ 0.24 Lakhs)

The Company makes contributions towards provident fund and pension fund for qualifying employees to the Regional Provident Fund Commissioner.

(B) Expenses recognised Defined Benefit Plan:

The company provides gratuity benefit to it's employees which is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is recognised in the same manner as gratuity.

i) Change in Defined Benefit Obligation during the year

(₹ in Lakhs)

Particulars	2016-17	2015-16
	Gratuity (Funded)	Gratuity (Funded)
Present value of the obligation at the beginning of the year	**91.89**	105.27
Current Service Cost	**7.55**	8.72
Interest Cost	**7.47**	7.79
Actuarial (Gain) / Loss on Obligation	**(2.15)**	(18.49)
Benefits Paid	**(2.97)**	(11.40)
Present value of the obligation at the end of the year	**101.79**	91.89

ii) Change in Fair Value of Assets and Obligations

(₹ in Lakhs)

Particulars	2016-17	2015-16
	Gratuity (Funded)	Gratuity (Funded)
Fair value of Plan Assets at the beginning of the year	**86.95**	64.40
Expected Return on plan assets	**6.51**	3.95
Contribution	**9.94**	28.58
Benefits paid during the year	**(2.96)**	(11.40)
Actuarial (gain)/loss on Plan Asset	**(0.54)**	1.42
Fair value of Plan Assets at the end of the year	**99.89**	86.95

iii) Amount to be recognized in Balance sheet

(₹ in Lakhs)

Particulars	2016-17	2015-16
	Gratuity (Funded)	Gratuity (Funded)
Present Value of Defined Benefit Obligation	**101.79**	91.89
Fair value of Plan Assets at the end of the year	**99.89**	86.95
Amount to be recognized in Balance sheet	**1.90**	4.94

iv) Current/Non-Current bifurcation

(₹ in Lakhs)

Particulars	2016-17	2015-16
	Gratuity (Funded)	Gratuity (Funded)
Current Benefit Obligation	1.50	-
Non - Current Benefit Obligation	0.40	4.94

v) Expense recognised in the statement of financial position for the year

(₹ in Lakhs)

Particulars	2016-17 Gratuity (Funded)	2015-16 Gratuity (Funded)
Current Service Cost	**7.55**	8.72
Interest cost on Obligation	0.96	3.84
Net Actuarial (Gain) / Loss recognised in the year	-	-
Net Cost Included in Personnel Expenses	8.51	12.56

vi) Recognised in Other Comprehensive (Income)/Loss at Period-End

(₹ in Lakhs)

Particulars	2016-17 Gratuity (Funded)	2015-16 Gratuity (Funded)
Amount recognized in OCI, Beginning of Period	(19.91)	-
Remeasurement due to :		
Effect of Change in financial assumptions	1.44	(8.93)
Effect of Change in demographic assumptions	-	(4.68)
Effect of experience adjustments	(3.59)	(4.88)
Actuarial (Gains)/Losses	(2.15)	(18.49)
Return on plan assets (excluding interest)	0.54	(1.42)
Total remeasurements recognized in OCI	(1.61)	(19.91)
Amount recognized in OCI, End of Period	(21.52)	(19.91)

vii) Maturity profile of defined benefit obligation

(₹ in Lakhs)

Particulars	2016-17	2015-16
Within the next 12 months	**9.52**	14.90
between 2 to 5 Years	47.39	35.83
between 5 to 10 Years	39.24	30.05

viii) Actuarial Assumptions used for estimating defined benefit obligations

Particulars	2016-17	2015-16
Discount Rate	**7.70% P.A.**	7.75% P.A.
Salary Escalation Rate	7.50% P.A.	10% P.A.
Expected Return on Plan Assets	8.50%	8.50%
Mortality Rate	IALM (2006-08)	IALM (2006-08)
Withdrawal Rate	5.00%	5.00%
The Weighted Average Duration of the Plan	10.89 years	10.89 years
No. of Employees	102	97
Average Age	39	39
Total Salary	47.09	43.14
Average Salary	0.46	0.44
Average Service	8	8
Accrued Benefit	125.09	109.87
Actuarial Liability	101.79	91.89

Notes:

1. Salary escalation rate is arrived after taking into account regular increments, price inflation and promotion and other relevant factors such as supply and demand in employment market.
2. Discount rate is based on prevailing market yields of Indian Government Securities as at balance sheet date for estimated term of obligations.
3. Attrition rate/ withdrawal rate is based on Company's policy towards retention of employees, historical data and industry outlook.
4. Expected contribution to defined benefit plans for financial year 2017-18 is ₹ 1.50/- Lakhs.
5. The above information is certified by actuary.

ix) Sensitivity analysis:

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

(₹ in Lakhs)

Particulars	Change in assumption	Effect on Gratuity obligation	
		2016-17	**2015-16**
Discount rate	+1%	**94.98**	85.95
	-1%	**109.59**	98.67
Salary Escalation rate	+1%	**104.74**	94.66
	-1%	**98.43**	88.69
Withdrawal rate	+1%	**103.54**	93.26
	-1%	**99.74**	90.27

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) Unfunded Schemes – Earned Leaves

(₹ in Lakhs)

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Present value of unfunded obligations	78.42	70.22
Expenses recognised in the statement of profit and loss	10.22	17.07
In Other comprehensive income		
Actuarial (Gain) / Loss - Plan liabilities	-	-
Actuarial (Gain) / Loss - Return On Plan Assets	-	-
Net (Income)/ Expense For the period Recognized in OCI	-	-
Discount rate (per annum)	7.50%	7.70%
Salary escalation rate (per annum)	7.50%	7.50%

30. The Company is mainly engaged in real estate activities catering to Indian customers. Accordingly, the Company has only one identifiable segment reportable under Ind AS 108 - Operating Segments.

Managing Director (the 'Chief Operational Decision Maker' as defined in Ind AS 108) 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 the company's revenues.

31. The company provides units at its mall on License basis for which it charges license fee. The license agreements are generally for the period of 1 year to 5 years. The terms also provide for escalation of License fees and other charges on a periodical basis. Generally, the company has a right to terminate the license agreement by giving 6 months notice.

32. In view of the Ind As 24 "Related Parties Disclosures", the disclosure in respect of related party transactions for the year ended on 31st March 2017 is as under:

a) RELATIONSHIPS

Category I : Subsidiaries of the Company (Control Exists)

Alliance Spaces Private Limited
Alyssum Developers Private Limited (Subsidiary from 17/03/2017)
Blackwood Developers Private Limited
Bellona Hospitality Services Limited
Big Apple Real Estate Private Limited
Butala Farm Lands Private Limited
Gangetic Developers Private Limited
Gangetic Hotels Private Limited
Graceworks Realty & Leisure Private Limited
Island Star Mall Developers Private Limited
Enhance Holding Private Limited
Market City Management Private Limited
Marketcity Resources Private Limited
Mugwort Land Holdings Private Limited
Offbeat Developers Private Limited
Palladium Constructions Private Limited
Pallazzio Hotels and Leisure Limited
Pinnacle Real Estate Development Private Limited
Plutocrat Assets and Capital Management Private Limited
Phoenix Hospitality Company Private Limited
Sangam Infrabuild corporation Private Limited
Savannah Phoenix Private Limited
Upal Developers Private Limited
Vamona Developers Private Limited

Category II : Associates of the Company

Classic Housing Projects Private Limited
Classic Mall Development Company Pvt Ltd (Subsidiary upto 31/03/2017)
Escort Developers Private Limited (up to 31/03/2017)
Mirabel Entertainment Private Limited
Starboard Hotels Private Limited

Category III : Key Managerial Personnel

Key Person	Designation
Ashokkumar Ruia	Chairman & Managing Director
Atul Ruia	Jt. Managing Director
Shishir Shrivastava	Jt. Managing Director

Category IV : Enterprises over which Key Managerial Personnel are able to exercise significant control
Ashok Apparels Private Limited
R.R.Hosiery Private Limited
R.R. Hosiery
Padmashil Hospitality & Leisure Private Limited
Phoenix Retail Private Limited
Vigilant Developers Private Limited
Winston Hotel Private Limited
Phoenix Construction Company

Category V : Relatives of Key Managerial Personnel
Gayatri Ruia

b. Transactions during the year:

(₹ in Lakhs)

	TRANSACTIONS	Category I	Category II	Category III	Category IV	Category V	Total
1	Rent,Compensation & Other recoveries	170.63	66.89	-	-	19.19	256.71
		(381.59)	(80.66)	-	-	(20.73)	(482.98)
2	Interest Received	3,428.55	580.48	-	-	-	4,009.03
		(8,844.62)	(355.18)	-	-	-	(9,199.80)
3	Administrative & other exp.	730.04	-	-	55.69	-	785.73
		(457.72)	-	-	(55.99)	-	(513.71)
4	Interest Paid	-	1,116.16	-	-	-	1,116.16
		-	(392.21)	-	-	-	(392.21)
5	Remuneration/Salaries/Other Expense	-	-	201.38	-	-	201.38
		-	-	(135.26)	-	-	(135.26)
6	Loss from Firm	-	-	-	(1.85)	-	(1.85)
		-	-	-	(1.74)	-	(1.74)
7	ICD Taken	-	100	-	-	-	100
		-	(1,500)	-	-	-	(1,500)
8	ICD Repaid	-	15,100	-	-	-	15,100
		-	-	-	-	-	-
8	ICD returned by parties	85,725.71	9,084.18	-	-	-	94,809.89
		(44,579.90)	(1598.21)	-	-	-	(46,178.11)
9	ICD Given	31,787.35	2,600				34,387.35
		(42,011.16)	(6,305)	-	-	-	(48,316.16)
10	Investment in OFCD/CCD	44,132.84	-	-	-	-	44,132.84
		(10,361.96)	-	-	-	-	(10,361.96)
11	ICD Interest Written Off	3,500	-	-	-	-	3,500
		-	-	-	-	-	-
12	Advances Given	-	-	-	-	-	-
		(3,200)	-	-	-	-	(3,200)
13	Advances Returned by the Parties	-	-	-	-	-	-
		(14,061.82)	-	-	-	-	(14,061.82)
14	Deposit Given	100	-	-	-	-	100
		(1,250)	-	-	(725)	-	(1,975)
15	Deposit Returned by the Parties	16,457.54	-	-	-	-	16,457.54
		(3,450)	-	-	-	-	(3,450)

(₹ in Lakhs)

TRANSACTIONS	Category I	Category II	Category III	Category IV	Category V	Total
16 Investment in Shares / application money pending allotment	-	-	-	-	-	-
	(78.40)	-	-	-	-	(78.40)
17 Application money given	39,012.84	-	-	-	-	39,012.84
	(2,325)	-	-	-	-	(2,325)
18 Application money Refund Received/Converted	-	-	-	-	-	-
	(2,325)	-	-	-	-	(2,325)

c) **The following balances were due from / to the related parties as on 31-03-2017**

(₹ in Lakhs)

Sr. No.	TRANSACTIONS	Category I	Category II	Category III	Category IV	Category V	Total
1	Investment in Equity Shares / Pref shares	1,37,095.60	8,210.96	-	-	-	1,45,306.56
		(1,25,130.33)	(8,154.86)	-	-	-	(1,33,285.19)
2	Investment in OCD/CCD	70,012.53	1,804.00	-	105.05	-	71,921.58
		(25,879.69)	(1,804.00)	-	105.05	-	(27,788.74)
3	Investment in Capital of Partnership Firm	-	-	-	190.65	-	190.65
		-	-	-	(192.50)	-	(192.50)
4	Capital Advances	880.75	20.00	-	-	-	900.75
		(9,104.74)	(20.00)	-	-	-	(9,124.74)
5	ICD Taken	-	-	-	-	-	-
		-	(15,352.99)	-	-	-	(15,352.99)
6	Inter Corporate Deposits	9,735.21	-	-	-	-	9,735.21
		(64,632.31)	(5,961.75)	-	-	-	(70594.06)
7	Advances Given	3,200.00	-	-	-	-	3,200.00
		(3,200.00)	-	-	-	-	(3,200.00)
8	Advances Received	1.50	-	-	1.50	-	3.00
		(1.50)	-	-	(1.50)	-	(3.00)
9	Trade Receivables	143.09	-	-	11.74	-	154.83
		(48.06)	-	-	(11.74)	-	(59.80)
10	Trade Payables	4.60	1.32	-	219.24	-	225.16
		-	(1.32)	-	(219.70)	-	(221.02)
11	Deposits Given	150.00	-	-	5,517.75	-	5,667.75
		(150.00)	-	-	(5,517.75)	-	(5,667.75)

Note : Figures in brackets indicates previous year figure.

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.
3. Administrative expenses paid to subsidiaries include ₹ 503.21 Lakhs (P.Y. ₹ 371.23 Lakhs) paid to Marketcity Resources Pvt Ltd towards the provision of personnel services including one of the key managerial personnel.

Compensation of Key management personnel:
The remuneration of director and other member of key management personnel during the year was as follows:

(₹ in Lakhs)

Particulars	2016-17	2015-16
Short-term benefits	201.38	135.26
Other long term benefits	53.50	51.72

33. EARNING PER SHARE (EPS)

Basic as well as Diluted EPS	2016-17	2015-16
Net Profit after Tax (₹ in Lakhs)	13,354.77	14,959.94
Weighted Average No. of Equity Shares for Basic EPS	15,30,49,774	15,05,58,554
Dilution due to ESOPs Granted	2,86,219	106,028
Weighted Average No. of Equity Shares for Diluted EPS	153,335,993	150,664,582
Nominal Value of Equity Shares (₹)	2	2
Basic Earning Per Share (₹)	8.73	9.93
Diluted Earning Per Share (₹)	8.71	9.93

34. CONTINGENT LIABILITIES NOT PROVIDED FOR IN RESPECT OF:-

a. Estimated amount of contracts remaining to be executed on capital account and not provided for in the accounts is ₹ 2,987.26 Lakhs (P.Y. ₹ 10,863.56 Lakhs) net of advance paid.

b. The Income tax assessments of the Company have been completed up to Assessment Year 2014-15. The disputed tax demand outstanding upto the said Assessment Year is ₹ 2,726.22 Lakhs. The Company as well as the Income Tax Department are in appeal before the Appellate Authorities. The impact thereof, if any, on the tax position can be ascertained only after the disposal of the appeals. Accordingly, the accounting entries arising there from will be passed in the year of the disposal of the said appeals.

c. The Service Tax Department had issued a Demand Notice of ₹ 203.08 Lakhs (P.Y. ₹ 203.08 Lakhs) to the company, against which the company has filed an appeal with the Service Tax Tribunal.

d. Demand notices received on account of arrears of Provident Fund dues aggregating to ₹ 24.72 Lakhs (P.Y. ₹ 24.72 Lakhs) are disputed by the Company. The Company has paid ₹ 10 Lakhs and has also furnished a Bank Guarantee for ₹ 14.71 Lakhs against the said P.F. demands to the P.F. authorities.

e. Other Claims against the company not acknowledged as debts of ₹ 83.96/- Lakhs (P.Y ₹83.96/- Lakhs)

f. Outstanding guarantees given by Banks of ₹27.70 Lakhs (P.Y. ₹ 27.70 Lakhs).

The above litigations are not expected to have any material adverse effect on the financial position of the company.

35. Municipal Corporation of Greater Mumbai has raised demand of ₹ 1193.13 Lakhs towards property tax up to 31st March, 2017 As per the interim order of Bombay High Court 50% of the property tax demand has been paid by the company. The balance amount would be payable on the final outcome of the petition. Company has provided full amount of demand in the books on conservative basis.

36. The Auditors' Remuneration includes:

(₹ in Lakhs)

Particulars	2016-17	2015-16
Audit fees	53.50	50.25
Tax Audit fees	6.50	6.50
QIP Related Fees adjusted against Security Premium	-	70.00
Total	**60.00**	**126.75**

37. Project Development Expenditure

(In respect of Projects upto 31st March 2017, included under Capital Work-in-Progress)
Preoperative Income / Expenses transferred to capital work-in-progress:-

(₹ in Lakhs)

Particulars	2016-17	2015-16
Opening Balance Expenditure	**3,048.39**	2,395.62
Interest & Finance Charges	**229.95**	706.33
Property Taxes Provision/ net of Reversal	**45.90**	(53.56)
Closing Balance	**3,324.24**	3048.39

38. Loans and Advances in the nature of Loans given to Subsidiaries and Associates:

(₹ in Lakhs)

Sr. No.	Particulars	Relationship	As at 31st March 2017	Maximum balance during the year	As at 31st March 2016	Maximum balance during the year
1	Pinnacle Real Estate Developers Private Limited	Subsidiary	12.80	531.08	531.08	531.08
2	Enhance Holding Private Limited	Subsidiary	1,293.22	1,293.22	1,293.22	1,93.22
3	Butala Farm Lands Private Limited	Subsidiary	2.00	2.00	2.00	2.00
4	Vamona Developers Private Limited	Subsidiary	Nil	5,791.14	2,798.97	7,947.16
5	Marketcity Resources Private Limited	Subsidiary	Nil	Nil	Nil	652.51
6	Bellona Hospitality Services Limited	Subsidiary	4,873.21	4,873.21	4,873.21	6,419.36
7	Phoenix Hospitality Co. Private Limited	Subsidiary	316.73	2,505.70	2505.70	2505.70
8	Pallazio Hotels & Leisures Limited	Subsidiary	1,861.00	33,748.54	32,660.03	35,008,0.81
9	Graceworks Realty & Leisures Limited	Subsidiary	785.68	11,073.63	6,611.63	6,611.63
10	Upal Developers Private Limited	Subsidiary	Nil	1,819.79	928.85	928.85
11	Offbeat Developers Private Limited	Subsidiary	259.51	11,453.58	3,823.58	1,5060.02
12	Big Apple Real Estate Private Limited	Subsidiary	Nil	2,448.17	2,433.17	2,679.06
13	Gangetic Hotels Private Limited	Subsidiary	Nil	8,837.40	5,293.41	5,293.41
14	Blackwood Developers (P) Ltd	Subsidiary	65.86	1,266.30	851.32	851.32
15	Alliance Spaces Private Limited	Subsidiary	265.19	4,050.00	Nil	Nil
16	Starboard Hotels Private Limited	Associate	Nil	8,461.75	5,961.75	7,413.88

Notes :

(i) Butala Farm Lands Private Limited is having investment in equity shares of subsidiary company - Vamona Developers Private Limited.

(ii) Phoenix Hospitality Co. Private Limited is having investment in equity shares of Subsidiary - Gracework Realty & Lesiure Private Limited, Alliance Spaces Private Limited, Palladium Constructions Private Limited & Associates – Starboard Hotels Private Limited, Gangetic Hotels Private Limited.

39. The Company has created a charge, by way of mortgage, on 17,853 square meters of its land for the loan taken by its wholly owned subsidiary, Pallazzio Hotels and Leisure Limited (PHLL) from the banks. The Company has developed a mixed use retail structure on the said land. The Company has transferred the rights of development of 2/3rd portion of 17,853 square meters of the said land to PHLL for the construction of a hotel, vide a Land Development Agreement dated 30th March 2007. The conveyance of the said portion of Land, in favour of PHLL, is pending.

40. Exceptional items for the year ended 31st March, 2017 pertains to reversal of interest accrued of ₹ 3,500 lakh upto previous financial year on loan advance to wholly owned subsidiary Pallazzio Hotels & Leisure Ltd. For the year ended 31st March, 2016 pertains to impairment provision of ₹ 2,100 Lakhs on Investment in Entertainment World Developers Ltd, Treasure World Developers Pvt Ltd and provision for doubtful loans & advances of ₹700 Lakhs. (Refer Note No. 41)

41. The Company carries, as at the year end, Investments of ₹. 4,501.25 lakhs in the equity shares of Entertainment World Developers Limited (EWDL), ₹ 10,000 lakhs in FCDs of Treasure world Developers Pvt. Ltd. (TWDPL), subsidiary of EWDL and interest accrued thereon, upto 31-03-2012, of ₹ 1,432.51 lakhs (net of TDS). The company had exercised the put option available as per the Share and Debenture Subscription Deed for the said FCDs in earlier year against which EWDL has paid a part amount of ₹ 1,918.80 Lakhs in November 2013. Pending receipt of the balance consideration, the amount received has not been adjusted against the investments/ accrued Interest and has been shown under other liability. The Networth of EWDL/TWDPL has been eroded as per latest available unaudited accounts as at 31-03-2015. The Company's Board has, out of abundant caution and as a prudent practice in line with the standard accounting practices, made an impairment provision of ₹ 2,100 Lakh in the year ended 31st March 2016 and ₹ 8,425 Lakh for the year ended 31st March 2015. While the Company would continue its efforts for the recovery of the dues against the put option exercised by it on the FCDs, in the opinion of the Board, considering the realisable value of assets of EWDL & its subsidiaries, the impairment provisions against these investments are adequate.

42. Capital work in progress includes ₹ 10,465.39 Lakhs (P.Y. ₹ 10,417.49 Lakhs) comprising mainly the cost incurred on acquiring long term tenancies on the plot of land admeasuring 7617.51 sq mtrs at High Street Phoenix. The Company is exploring various alternatives for the development of the said plot of land.

43. The balances in respect of Trade Receivables & Payables, loans and advances, as appearing in the books of accounts are subject to confirmations by the respective parties and adjustments/reconciliation arising there from, if any.

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

a. Investment made in Body Corporate are mentioned in Note 6.

b. No Guarantee is given by the Company.

c. Loans given by the company to Body Corporate or Person are as under:

(₹ in Lakhs)

Particulars	As at 31s March, 2017	Purpose
Accuraform Pvt Ltd	**72.60**	General Corporate Purpose
Alpha Stich-Art Pvt.Ltd.	**163.55**	General Corporate Purpose
Anushikha Investments Pvt. Ltd.	**278.90**	General Corporate Purpose
Bartraya Mall Development Co. Pvt. Ltd	**300.00**	General Corporate Purpose
Bellona Hospitality Services Limited	**4,873.21**	General Corporate Purpose
Blackwood Developers Pvt Ltd	**65.86**	General Corporate Purpose
Butala Farm Lands Private Limited	**2.00**	General Corporate Purpose
CGS Apparel Pvt Ltd	**49.86**	General Corporate Purpose
Enhance Holding Private Limited	**1,293.22**	General Corporate Purpose
Graceworks Realty & Leisures Limited	**785.68**	General Corporate Purpose
GTN Textiles Limited	**50.00**	General Corporate Purpose
Kalani Industries Pvt Ltd	**941.98**	General Corporate Purpose
Mukand Limited	**0.32**	General Corporate Purpose
Offbeat Developers Private Limited	**259.51**	General Corporate Purpose
Pallazio Hotels & Leisures Limited	**1,861**	General Corporate Purpose
Phoenix Hospitality Co. Private Limited	**316.74**	General Corporate Purpose
Pinnacle Real Estate Developers Private Limited	**12.80**	General Corporate Purpose
Supreet Vyapaar Pvt.Ltd.	**59.13**	General Corporate Purpose
Swaran Financial Pvt Ltd	**166.47**	General Corporate Purpose
Treasure World Developers Pvt.Ltd.	**57.25**	General Corporate Purpose
York Financial Services Pvt. Ltd.	**93.83**	General Corporate Purpose
ERP Infrastructure Projects Pvt Ltd	**110.44**	General Corporate Purpose
Alliance Spaces Pvt Ltd	**265.19**	General Corporate Purpose
Shailaja Finance Limited	**1302.82**	General Corporate Purpose

(₹ in Lakhs)

Particulars	As at 31s March, 2017	Purpose
Ganjam Trading Company Pvt Ltd	**265.87**	General Corporate Purpose
Sona Promoters Pvt Ltd	**52.90**	General Corporate Purpose
Sunflag Commercial Enterprises Ltd	**204.42**	General Corporate Purpose
Dharani Developers Pvt Ltd	**16.95**	General Corporate Purpose
Sharyans Resources Ltd	**2.56**	General Corporate Purpose

45. The Company is a partner in a partnership firm M/s. Phoenix Construction Company. The accounts of the partnership firm have been finalised upto the financial year 2015-16. The details of the Capital Accounts of the Partners as per the latest Financial Statements of the firm are as under:-

(₹ in Lakhs)

Sr. No.	Name of the Partners	Profit Sharing Ratio	Total Capital on		
			31-03-2016	31-03-2015	31-03-2014
1	The Phoenix Mills Ltd	50%	192.50	194.24	195.23
2	Gold Seal Holding Pvt. Ltd.	50%	113.08	114.93	116.67

The Company has accounted for its share of loss amounting to ₹ 1.85 Lakhs (P.Y.₹ 1.74 Lakhs) pertaining to the financial year 2015-16 in the year. The share of profit/loss for the current financial year will be accounted in the books of the Company on the finalisation of the accounts of the firm.

46. Event after Reporting date :

The Board of Directors have recommended dividend of ₹ 2.40 per fully paid up equity share of ₹ 2 /- each, aggregating ₹ 4,421.18 lakhs, including ₹ 747.58 lakhs dividend distribution tax for the financial year 2016-17, which is based on relevant share capital as on March 31, 2017. The actual dividend amount will be dependent on the relevant share capital outstanding as on the record date / book closure.

47. Corporate Social Responsibility:

(a) CSR amount required to be spent as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof by the company during the year is ₹ 353.24 Lakhs (P.Y. ₹ 332.03 Lakhs).

(b) Expenditure related to Corporate Social Responsibility is ₹ 90.13/- Lakhs (Previous Year ₹ 36.27) Lakhs.

Details of Amount spent towards CSR given below:

(₹ in Lakhs)

Particulars	2016-17	2015-16
Construction of check dams	**75.00**	26.24
Promoting Employment enhancing vocation skills amongst differently – abled children	**15.13**	10.03
Total	**90.13**	36.27

48 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, 2017		As at March 31, 2016		As at April 1, 2015	
	Carrying Value	Fair Value"	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets designated at fair value through Profit and Loss						
Investments						
- in Equity shares	**100.80**	**100.80**	86.05	86.05	114.70	114.70

(₹ in Lakhs)

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets designated at fair value through Other Comprehensive Income						
Investments						
- in Equity shares*	**5,031.88**	**5,031.88**	5,199.84	5,199.84	5,143.77	5,143.77
- Compulsorily Convertible Debentures	**10,139.05**	**10,139.05**	10,139.05	10,139.05	10,139.05	10,139.05
- Optionaly Convertible Debentures	**6,200.00**	**6,200.00**	-	-	-	-
Financial assets designated at amortised cost						
Investments						
- Capital Investment in Partnership Firm	**190.65**	**190.65**	192.50	192.50	194.24	194.24
Trade Receivables	**1,922.10**	**1,922.10**	2,419.97	2,419.97	2,122.29	2,122.29
Cash and Cash Equivalents	**683.34**	**683.34**	7,127.10	7,127.10	2,043.19	2,043.19
Loans and Advances	**13,398.08**	**13,398.08**	73,039.31	73,039.31	68,133.30	68,133.30
Deposits with Banks	**3,875.56**	**3,875.56**	3,188.54	3,188.54	3,188.54	3,188.54
Other financial assets	**1,462.39**	**1,462.39**	1,465.20	1,465.20	1,461.74	1,461.74
Total	**43,003.85**	**43,003.85**	102,857.56	102,857.56	92,540.82	92,540.82
Financial liabilities designated at amortised cost						
Borrowings - Fixed rate	**75,065.59**	**75,065.59**	97,119.86	97,119.86	65,413.50	65,413.50
Trade payables and others	**1,689.42**	**1,689.42**	1,455.30	1,455.30	821.74	821.74
Other financial liabilities	**868.01**	**868.01**	1,228.49	1,228.49	1,309.18	1,309.18
Total	**77,623.02**	**77,623.02**	99,803.65	99,803.65	67,544.42	67,544.42

*In respect of Investment in equity shares of EWDL having carrying value of ₹ 4501.24 Lakhs and in CCD's of TWDPL having carrying value of ₹ 10,000 Lakhs, the financial information on the assets and liabilities position of these companies for determining the fair value for the current period is not available, same has been carried at cost.

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 the Equity Shares are based on price quoted on stock exchange.
2. Fair value of unquoted equity shares and CCD's is taken at intrinsic value.
3. Fair value of Long term Borrowings is calculated based on discounted cash flow.
4. Fair value of Financial Assets & Financial Liability(except Long term Borrowings) are carried at amortised cost and 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). 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)

Particulars	As at March 31, 2017			As at March 31, 2016		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Assets /Liabilities measured at fair value						
Financial Assets:						
Investments						
- in Equity shares	630.83	-	4,501.86	624.53	-	4,661.35
- Compulsorily Convertible Debentures	-	-	6200.00	-	-	-
- Optionally Convertible Debenture	-	-	10,139.05	-	-	10,139.05

(₹ in Lakhs)

Particulars	As at 1st April, 2015		
	Level 1	Level 2	Level 3
Assets /Liabilities measured at fair value			
Financial Assets:			
Investments			
- in Equity shares	597.12	-	4,661.35
- Compulsorily Convertible Debentures	-	-	10,139.05
- Optionally Convertible Debenture	-	-	-

Reconciliation of fair value measurement categorised within level 3 of the fair value hierarchy

(₹ in Lakhs)

Particulars	
Fair value as at 1st April, 2015	14,800.40
Purchase / Sale of financial instruments	-
Amount transferred to / from Level 3	-
Fair value as at 31st March, 2016	14,800.40
Purchase / Sale of financial instruments	6,040.51
Amount transferred to / from Level 3	-
Fair value as at 31st March, 2017	20,840.91

49 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

  Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk pertaining to funds borrowed at both fixed and floating interest rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings.

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, 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 to make an assessment of recoverability. Receivables are provided as doubtful / written off, when there is no reasonable expectation of recovery. Where receivables have been provided / written off, the Company continues regular followup , engage with the customers, legal options / any other remedies available with the objective of recovering these outstandings. The Company is not exposed to concentration of credit risk to any one single customer since services are provided to vast specturm. The Company also takes security deposits, advances , post dated cheques etc from its customers, which mitigate the credit risk to an extent.

  Cash and cash equivalents an other investments

  The Company is exposed to counter party risk relating to medium term deposits with banks.
  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.

  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, 2017 and March 31, 2016 is as follows:

(₹ in Lakhs)

	As at 31/03/2017	**As at 31/03/2016**
Financial assets for which loss allowances are measured using 12 months Expected Credit Losses (ECL):		
Other Investments	**309.43**	309.43
Cash and cash equivalents	**683.34**	7,127.10
Bank Deposits	**3,875.56**	3,188.54
Loans	**13,398.08**	73,039.31
Other financial assets	**1,462.39**	1,465.20
Financial assets for which loss allowances are measured using Life time Expected Credit Losses (ECL):		
Trade receivables	**1,922.10**	2,419.97

Life time Expected credit loss for Trade receivables under simplified approch

(₹ In Lakhs)

Ageing of Trade Receivables	**Past Due**				**Total**
	0-90 days	**90-180 days**	**180 - 360 days**	**over 360 days**	
As at 31st March, 2017					
Gross Carrying Amount	1,303.14	145.44	105.57	1,150.50	2,704.65
Expected credit losses (Loss allowance provision)	11.12	2.72	20.74	747.97	782.55
Net Carrying Amount	1,292.01	142.73	84.83	402.53	1,922.10
As at 31st March, 2016					
Gross Carrying Amount	1,570.87	484.58	209.65	1,048.81	3,313.90

Ageing of Trade Receivables	**Past Due**				**Total**
	0-90 days	**90-180 days**	**180 - 360 days**	**over 360 days**	
Expected credit losses (Loss allowance provision)	12.77	8.86	20.34	851.96	893.94
Net Carrying Amount	1,558.09	475.72	189.30	196.85	2,419.97
As at 1st April, 2015					
Gross Carrying Amount	1,620.17	239.99	306.76	749.47	2,916.38
Expected credit losses (Loss allowance provision)	12.40	0.76	31.46	749.47	794.09
Net Carrying Amount	1,607.77	239.22	275.29	-	2,122.29

(₹ in Lakhs)

	2016-17	**2015-16**
Reconciliation of Changes in the life time expected credit loss allowance:		
Loss allowance on 1 April,	893.94	794.09
Provided during the year	-	170.43
Reversal of provision	(111.39)	(70.59)
Loss allowance on 31st March,	782.55	893.94

Cash and Cash equivalents, other Investments, Loans and other financial assets are neither past due nor impaired. Management is of the view that these financial assets are considered good and 12 months ECL is, accordingly, not provided.

- **Liquidity risk**

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

  The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company relies on a mix of borrowings, capital infusion and excess operating cash flows to meet its needs for funds. The current borrowings are sufficient to meet its short to medium term expansion needs. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

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

(₹ in Lakhs)

Particulars	**As at March 31, 2017**					
	Carrying Amount	**On Demand**	**Less than 12 months**	**2- 5 years**	**>5 years**	**Total**
Borrowings	75,065.59	10,257.24	7,301.30	39,228.60	18,278.45	75,065.59
Other Financial Liabilities	868.01	868.01	-	-	-	868.01
Trade and other payables	1,689.42	-	1,689.42	-	-	1,689.42

(₹ in Lakhs)

Particulars	**As at March 31, 2016**					
	Carrying Amount	**On Demand**	**Less than 12 months**	**2- 5 years**	**>5 years**	**Total**
Borrowings	97,119.86	24,464.46	5,300.80	34,989.60	32,365.00	97,119.86
Other Financial Liabilities	1,228.49	1,228.49	-	-	-	1,228.49
Trade and other payables	1,455.30	-	1,455.30	-	-	1,455.30

(₹ in Lakhs)

Particulars	As at March 31, 2015					
	Carrying Amount	On Demand	Less than 12 months	2- 5 years	>5 years	Total
Borrowings	65,413.50	7,882.50	4,341.00	23,301.00	29,889.00	65,413.50
Other Financial Liabilities	1,309.18	1,309.18	-	-	-	1,309.18
Trade and other payables	821.74	-	821.74	-	-	821.74

50 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, 2017 and March 31, 2016.

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.

(₹ in Lakhs)

Particulars	As At 31-03-2017	As At 31-03-2016
Loans and Borrowings	**75,065.59**	97,119.86
Less: Cash and cash equivalents + Bank Deposits	**4,558.89**	10,315.64
Net Debt	**70,506.70**	86,804.22
Total Capital	**243,208.42**	229,557.40
Capital+Net Debt	**313,715.12**	316,361.62
Gearing Ratio	**22%**	27%

51 Taxation

Income tax related to items charged or credited to profit or loss during the year:

(₹ in Lakhs)

	Particulars	2016-17	2015-16
A	**Statement of Profit or Loss**		
	1. Current Income Tax (Including Tax Adjustments of earlier years)	**3,381.56**	6,390.00
		3,381.56	6,390.00
	2. Deferred Tax expenses/ (benefits):		
	Relating to origination and reversal of temporary differences	**(482.81)**	(203.15)
		(482.81)	(203.15)
	Total Income tax Expenses (1 to 2)	**2,898.74**	6,186.85
B	**Reconciliation of Current Tax expenses:**		
	Profit /(Loss) from Continuing operations	**16,253.52**	24,076.13
	Applicable Tax Rate	**34.608%**	34.608%
	Computed tax expenses	**5,625.02**	**8,332.27**
	Additional allowances for tax purpose	**(262.67)**	(222.82)
	Additional allowances for House Property Income	**(2,996.13)**	(2,662.46)
	Income not allowed/exempt for tax purposes	**(52.62)**	(3.84)
	Expenses not allowed for tax purposes	**785.14**	1,017.28
	Other temporary (allowances)/Disallowances	**130.22**	(10.04)
	Tax paid at lower rate	**(5.90)**	(60.39)
	Additional Tax payable due to MAT provisions	**158.50**	-
		3,381.56	**6,390.00**
	Effective Tax Rate	**23.11%**	25.16%

C	**Deferred Tax Recognised in statement of profit and Loss relates to the following:**		
	Difference between book & tax depreciation	**465.32**	190.88
	Expenses allowable on payment basis	**17.50**	12.27
	Deferred Tax Asset	**482.81**	203.15
D	**Reconciliation of deferred tax asset / (liabilites):**		
	Balance at the beginning of the year	**417.57**	214.42
	Tax expenses / (income) during the period	**482.81**	203.15
	Balance at the closing of the year	**900.38**	417.57

52. Details of Specified Bank Notes (SBN) held and transacted during the period 8/11/2016 to 30/12/2016:

(₹ in Lakhs)

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	**8.76**	**0.28**	**9.04**
(+) Permitted receipts	-	55.06	55.06
(-) Permitted payments	-	15.80	15.80
(-) Amount deposited in Banks	8.76	37.03	45.79
Closing balance 30.12.2016	-	2.51	2.51

53. Share-based payment arrangements:

A. Description of share-based payment arrangements

i. Share option programmes (equity-settled)

"The Company has granted stock options under the following employee stock option scheme:

ESOP 2007

Date of grant	Number of options (Gross)	Exercise Price	Date of vesting	Vesting period	Fair Value of Option
10-Jun-08	650,000	270.00	9-Jun-16	12	153.26
26-Mar-15	10,556	316.80	25-Mar-16	12	118.69
26-Mar-15	15,833	316.80	25-Mar-17	24	138.36
26-Mar-15	21,111	316.80	25-Mar-18	36	154.97
26-Mar-15	26,389	316.80	25-Mar-19	48	169.26
26-Mar-15	31,667	316.80	25-Mar-20	60	181.67
9-Jun-16	124,000	333.90	23-Oct-17	12	112.84
9-Jun-16	186,000	333.90	23-Oct-18	24	128.32
9-Jun-16	248,000	333.90	23-Oct-19	36	144.12
9-Jun-16	310,000	333.90	23-Oct-20	48	158.33
9-Jun-16	372,000	333.90	23-Oct-21	60	171.52

B. Measurement of fair value

i. Equity-settled share-based payment arrangements

The fair value of the employee share options has been measured using the Black-Scholes formula. Service and non-market performance conditions attached to the arrangements were not taken into account in measuring fair value. The requirement that the employee has to save in order to purchase shares under the share purchase plan has been incorporated into the fair value at grant date by applying a discount to the valuation obtained. The discount has been determined by estimating the probability that the employee will stop saving based on historical behavior.

	ESOP 2007		
Grant Date	**9-Jun-16**	**26-Mar-15**	**10-Jun-08**
Vesting Period/ Expected Life	From grant date - 12 months to 60 months	From grant date - 12 months to 60 months	1 to 8 years
Fair value of option at grant date	112.84 - 171.52	118.69 - 181.67	153.26
Share price at grant date	371.00	353.05	274.07
Exercise price	333.90	316.80	270.00
Historical volatility	31.1% - 29.6%	35%	45%
Time to Maturity (Years)	2.50 years to 6.50 years	2.50 years to 6.50 years	1 years to 8 years
Dividend Yield	0.66%	0.80%	0.63%
Risk-free Rate	6.85%	8.23%	8.07%

Weighted average remaining contractual life of the options as at 31-Mar-17 - 2.34 (31-Mar-16 - 2.10) years

VALUATION METHODOLOGY, APPROACH & ANALYSIS:

Particulars	Description of the inputs used
Market Price of the optioned Stock	For ESOP weighted average market price as available from the website of BSE as on the date of grant. This price holds good for our Black Scholes Fair Valuation analysis for the grants made by the company on 21st October, 2016.
Exercise price	The exercise price as per the Employees Stock Option Scheme 2007 formulated by the Company per equity share is ₹ 333.90/-
Time to Maturity/ Expected Life of the Option	It is the period for which the Company expects the options to be alive. The minimum life of stock option is the minimum period before which the options cannot be exercised and the maximum life is the period after which the option cannot be exercised. As per the' scheme, options are vested to the employees over a period of five years as under:

Vesting Date	Maximum % of Option that shall vest
12 Months from Grant Date	10%
24 Months from Grant Date	15%
36 Months from Grant Date	20%
48 Months from Grant Date	25%
60 Months from Grant Date	30%

The following table lists the average inputs to the models used for the plans for the year ended 31 March 2017

Particulars	Description of the inputs used
Expected volatility (weighted-average)	Expected volatility of the option is based on historical volatility, during a period equivalent to the option life, of the observed market prices of the Company's publicly traded equity shares.
Expected dividends	Dividend yield of the options is based on recent dividend activity.
Risk-free interest rate (based on government bonds)	Risk-free interest rates are based on the government securities yield in effect at the time of the grant.
Option Exercise Period	Option can be Exercise anytime in three year from the Vesting date.

C. Reconciliation of outstanding share options

The number and weighted-average exercise prices of share options under the share option programmes were as follows.

	ESOP 2007			
	Number of options 31 March, 2017	Weighted average exercise price 31 March, 2017	Number of options 31 March, 2016	Weighted average exercise price 31 March, 2016
Options outstanding as at the beginning of the year	179,056	302.54	219,306	292.53
Add: Options granted during the year	1,240,000	333.90	-	-
Less: Options lapsed during the year	6,000	270.00	-	-
Less: Options exercised during the year	78,055	276.33	40,250	270.00
Options outstanding as at the year end	1,335,001	332.68	179,056	302.54

54 Disclosure as required by Ind AS 101 - First time adoption of Indian Accounting Standards

Exemptions Applied:

Ind AS 101 allows first time adopters certain exemptions from the retrospective application of certain Ind AS, effective for April 1, 2015 opening balance sheet.

The following exceptions to the retrospective application of other Ind AS as per Appendix D of Ind AS 101 are applied by the company :-

1 Deemed cost of Property,Plant and Equipment: (PPE)
The Company has opted to continue with the carrying value for all of its PPE as recognised in the financial statements as at the date of transition to Ind AS and measured as per previous GAAP and use that as its deemed cost as at the date of transition to Ind AS.

2 The Company has decided to disclose prospectively from the date of transition the following as required by Ind AS 19

i) The present value of the defined benefit obligation, the fair value of the plan assets and the surplus or deficit in the plan, and

ii) The experience adjustments arising on;

a) The plan liabilities expressed as either an amount or a percentage of the plan liabilities at the end of the reporting period; and

b) The plan assets expressed as either an amount or a percentage of the plan liabilities at the end of the reporting period.

3 Financial assets and liabilities:
The Company has financial receivables and payables that are non-derivative financial instruments. Under previous GAAP, these were carried at transactions cost less allowances for impairment, if any. Under Ind AS, these are financial assets and liabilities are initially recognised at fair value and subsequently measured at amortised cost, less allowance for impairment, if any. For transactions entered into on or after the date of transition to Ind AS, the requirement of initial recognition at fair value is applied prospectively.

4 Business Combination Exemption:
The Company has applied the exemption as provided in Ind AS 101 on non-application of Ind AS 103, “Business Combinations” to business combinations consummated prior to April 1, 2015 (the “Transition Date”), pursuant to which goodwill/capital reserve arising from a business combination has been stated at the carrying amount prior to the date of transition under Indian GAAP. The Company has also applied the exemption for past business combinations to acquisitions of investments in subsidiaries / associates / joint ventures consummated prior to the Transition Date.

5 Share-based payment transactions:
Ind AS 101 encourages, but does not require, first time adopters to apply Ind AS 102 Share based Payment to equity instruments that were vested before the date of transition to Ind AS. The Company has elected not to apply Ind AS 102 to options that vested prior to April 1, 2015.

6 Investments in subsidiaries and associates:
The Company has elected to measure investment in subsidiaries and associates at cost.

Impact of transition to Ind AS

The following is a summary of the effects of the differences between Ind AS and Indian GAAP on the Company's total equity shareholders' funds and profit and loss for the financial periods previously reported under Indian GAAP following the date of transition to Ind AS. There is no material impact of Ind AS transactions on the Cash flow statement.

Reconciliation of Balance sheet as on 1st April 2015 (i.e. date of transition to Ind AS)

(₹ In Lakhs)

Particulars	Notes	Indian GAAP	Adjustments	Ind AS
ASSETS				
Non-current assets				
a) Property, plant and equipment		45,581.14	-	**45,581.14**
b) Capital work-in-progress		13,572.16	-	**13,572.16**
c) Other intangible assets		1.13	-	**1.13**
d) Financial assets				
i) Investment	II	123,149.53	288.08	**123,437.61**
ii) Loans		42,201.56	-	**42,201.56**
iii) Other Financial assets		3,188.54	-	**3,188.54**
e) Deferred tax assets (Net)		214.42	-	**214.42**
f) Other non-current assets		17,376.04	-	**17,376.04**
(A)		**245,284.53**	**288.08**	**245,572.60**
Current assets				
a) Financial assets				
i) Trade receivables	I	2,192.87	(70.59)	**2,122.29**
ii) Cash and cash equivalents		2,043.19	-	**2,043.19**
iii) Other balances with bank		25,931.74	-	**25,931.74**
iv) Other financial assets		1,461.74	-	**1,461.74**
b) Current Tax Assets (net)		469.41	-	**469.41**
c) Other current assets		1,126.71	-	**1,126.71**
(B)		**33,225.66**	**(70.59)**	**33,155.08**
TOTAL (A + B)		**278,510.18**	**217.49**	**278,727.67**
EQUITY AND LIABILITIES				
Equity				
a) Equity Share capital		2,899.13	-	**2,899.13**
b) Other equity		187,998.43	4,055.75	**192,054.19**
(A)		**190,897.57**	**4,055.75**	**194,953.32**
Liabilities				
Non-current liabilities				
a) Financial liabilities				
i) Borrowings		53,190.00	-	**53,190.00**
b) Provisions		52.82	-	**52.82**
c) Other non-current liabilities		9,792.17	-	**9,792.17**
(B)		**63,034.99**	**-**	**63,034.99**
Current liabilities				
a) Financial liabilities				
i) Borrowings		7,882.50	-	**7,882.50**
ii) Trade Payables		821.74	-	**821.74**
iii) Other financial liabilities		5,650.18	-	**5,650.18**
b) Provisions	V	3,881.42	(3,838.26)	**43.16**
c) Other current liabilities		6,341.79	-	**6,341.79**

(₹ in Lakhs)

Particulars	Notes	Indian GAAP	Adjustments	Ind AS
(C)		**24,577.62**	**(3,838.26)**	**20,739.37**
TOTAL (A+B+C)		**278,510.18**	**217.49**	**278,727.68**

Reconciliation of Other Equity as at April 1, 2015

(₹ in Lakhs)

Particulars	Notes	Total
As at April 1, 2015 (IGAAP)		187,998.43
Fair valuation of Investment as per Ind AS	II	287.69
Share option outstanding	IV	0.39
Expected credit loss provision as per Ind AS	I	(70.59)
Proposed Dividend (Including tax thereon)	V	3,838.26
As at April 1, 2015 (Ind AS)		**192,054.19**

Reconciliation of Balance sheet as on 31st March 2016

(₹ in Lakhs)

Particulars	Notes	Indian GAAP	Adjustments	Ind AS
ASSETS				
Non-current assets				
a) Property, plant and equipment		44,241.98	-	**44,241.98**
b) Capital work-in-progress		15,039.85	-	**15,039.85**
c) Other intangible assets		0.90	-	**0.90**
d) Financial assets				
i) Investment	II	165,717.38	343.94	**166,061.31**
ii) Loans		43,001.76	-	**43,001.76**
iii) Other financial assets		3,188.54	-	**3,188.54**
e) Deferred tax assets (Net)		417.57	-	**417.57**
f) Other non-current assets		18,730.54	-	**18,730.54**
(A)		**290,338.53**	**343.94**	**290,682.45**
Current assets				
a) Financial assets				
i) Trade receivables	I	2,547.47	(127.50)	**2,419.97**
ii) Cash and cash equivalents		7,127.10	-	**7,127.10**
iii) Other balances with bank		-	-	**-**
iv) Loans		30,037.54		**30,037.54**
v) Other financial assets		1,465.20	-	**1,465.20**
b) Current Tax Assets (net)		325.47		**325.47**
c) Other current assets		908.21	-	**908.21**
(B)		**42,410.99**	**(127.50)**	**42,283.49**
TOTAL (A + B)		**332,749.52**	**216.44**	**332,965.94**
EQUITY AND LIABILITIES				
Equity				
a) Equity Share capital		3,059.78	-	**3,059.78**
b) Other equity		226,281.19	1,045.04	**227,326.23**
(A)		**229,340.96**	**1,045.04**	**230,386.00**

(₹ in Lakhs)

Particulars	Notes	Indian GAAP	Adjustments	Ind AS
Liabilities				
Non-current liabilities				
a) Financial liabilities		52,354.60	-	**52,354.60**
Borrowings				
b) Provisions		52.15	-	**52.15**
c) Other non-current liabilities		11,055.03	-	**11,055.03**
(B)		63,461.78	**-**	**63,461.78**
Current liabilities				
a) Financial liabilities				
i) Borrowings		24,464.46	-	**24,464.46**
ii) Trade Payables		1,454.30	-	**1,454.30**
iii) Other financial liabilities		6,529.30	-	**6,529.30**
b) Provisions	V	851.63	(828.60)	**23.03**
c) Other current liabilities		6,647.06	-	**6,647.06**
(C)		39,946.74	(828.60)	**39,118.15**
TOTAL (A+B+C)		**332,750.48**	**216.44**	**332,966.91**

Reconciliation of Other Equity as at March 31, 2016

(₹ In Lakhs)

Particulars	Notes	Total
As 31st March 2016 (IGAAP)		226,281.19
Fair valuation of Investment as per Ind AS	II	315.10
Expected credit loss provision as per Ind AS	I	(127.50)
Share option outstanding	IV	28.83
Remeasurement gain/ (loss) on defined benefit plans classifed in Other Comprehensive Income	III	19.91
Other Comprehensive income	III	(19.91)
Proposed Dividend (Including Tax thereon)	V	828.60
As 31st March 2016 (Ind AS)		**227,326.23**

Reconciliation of Statement of profit and loss for the year ended 31st March 2016

(₹ in Lakhs)

Particulars		Indian GAAP	Adjustments	Ind AS
Revenue from operations		35,578.99	-	35,578.99
Other income	II	9,902.64	(52.52)	9,850.12
Total revenue		**45,481.63**	**(52.52)**	**45,429.11**
Employee Benefits Expense	III	1,129.82	12.12	1,141.94
Finance costs		6,878.50	7.79	6,886.29
Depreciation and Amortization expense		2,931.49	-	2,931.49
Other expenses	I	10,465.69	56.91	10,522.60
		21,405.50	**76.82**	**21,482.32**
Profit before exceptional items and tax		**24,076.13**	**(129.34)**	**23,946.79**
Less: Exceptional Items		2,800.00	-	2,800.00
Profit before Tax		**21,276.13**	**(129.34)**	**21,146.79**
Tax expense:				
- Current Tax		6,390.00	-	6,390.00

(₹ in Lakhs)

Particulars	Notes	Indian GAAP	Adjustments	Ind AS
- Deferred Tax		(203.15)	-	(203.15)
Profit for the period from continuing operations		**15,089.28**	**(129.34)**	**14,959.94**
Other comprehensive income				
A) Item that will not be reclassified to Profit & Loss A/c				
i) Re-measurment gain of the net defined benefit plans	III	-	15.66	15.66
ii) Change in fair value of Investments	II	-	79.94	79.94
Total comprehensive Income for the period		**15,089.28**	**(33.74)**	**15,055.54**

(e) Footnotes to the reconciliation of equity as at 1st April 2015 and 31st March 2016 and Statement of profit and loss for the year ended 31st March 2016:

Notes:

I Expected Credit Loss (ECL) Provision : The Company has provided ECL as per Ind AS. Impact of ECL as on date of transition is recognised in opening reserves and changes thereafter are recognised in Statement of Profit and Loss .

II Fair Valuation of Financial Asset : The Company has valued Financial assets (other than investment in subsidiaries, associates which are accounted at cost) at fair value. Impact of fair value changes on the date of transition is recognised in opening reserve and changes thereafter are recognised in statement of Profit and Loss or Other Comprehensive Income as the case may be.

III Remeasurement gain/ (loss) on defined benefit plans : Under Ind AS, such obligation is recognised in other comprehensive income. Under previous Indain GAAP it was recorded in Statement of Profit and Loss.

IV Fair value of Employee Stock Option: Employee Stock Option has been accounted at fair value under Ind AS which were earlier accounted at intrinsic value under previous Indian GAAP.

V Dividend and dividend distribution tax:-
Under Indian GAAP, proposed dividends were recognised as an adjusting event occurring after the balance sheet date however under the Ind AS proposed dividend are non adjusting events after the balance sheet date and hence recognised as and when approved by the Shareholders In the case of the Company, the declaration of dividend occurs after period end. Therefore, the liability for dividend for the year ended on 31st March, 2015 has been derecognised with corresponding impact in the retained earnings on 1st April, 2015

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

As per our report of even date

For A.M.Ghelani & Company
Chartered Accountants
FRN : 103173W

Chintan A. Ghelani
Partner
M. No.:104391

For Chaturvedi & Shah
Chartered Accountants
FRN : 101720W

Jignesh Mehta
Partner
M. No.:102749

For and on behalf of the Board of Directors

Ashokkumar Ruia
(Chairman & Managing Director)
DIN - 00086762

Shishir Shrivastava
(Jt. Managing Director)
DIN - 01266095

Atul Ruia
(Jt. Managing Director)
DIN - 00087396

Pradumna Kanodia
(Director - Finance)
DIN - 01602690

Puja Tandon
(Company Secretary)
M.No.A21937

Place : Mumbai
Date: 10th May, 2017

AUDITORS' REPORT

To The Members of THE PHOENIX MILLS LIMITED
Report on the Consolidated Ind AS financial statements

We have audited the accompanying consolidated Ind AS financial statements of **THE PHOENIX MILLS LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its Associates comprising the Consolidated Balance Sheet as at 31st March, 2017, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

Management's Responsibility for the Consolidated Ind AS financial statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and changes in the equity of the Group including its Associates in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder.

The respective Board of Directors of the companies included in the Group and of its associates are responsible for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Holding Company's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (1) and (2) of the Other Matters paragraph below, are sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and it's associates as at 31st March, 2017, and their consolidated profit including total comprehensive income, their consolidated cash flows and the statement of changes in equity for the year ended on that date.

Other Matters

1. Consolidated Ind AS financial statements includes nineteen subsidiaries, whose financial statements reflect total assets of ₹ 4,15,325.39 lakhs as at March 31, 2017, total revenue of ₹ 75,348.18 Lakhs and net cash inflow of ₹ 812.63 lakhs for the year ended on that date and include financial statements of three associates in which the total share of profit of the Group is ₹ 3738.70 lakhs, which have been audited by one of us.

2. We did not audit the financial statements of two subsidiaries, whose financial statements reflect total assets of ₹ 1,15,399.88 lakhs as at 31st March, 2017, total revenues of ₹ 25,586.32 lakhs and net cash inflow of ₹ 1,837.43 lakhs for the year ended on that date, as considered in the consolidated Ind AS financial statements. These financial statements and other financial information have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-sections (3) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

3. We have relied upon unaudited financial statements of two subsidiaries, whose financial statements reflect total assets of ₹ 94,583.16 lakhs as at 31st March, 2017, total revenues of ₹ 26,443.97 lakhs and net cash outflow of ₹ 43.32 lakhs for the year ended on that date, as considered in the consolidated Ind AS financial statements. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, is based solely on such unaudited financial statements certified by the management.

   Our opinion on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, 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 of the aforesaid consolidated Ind AS financial statements.

b) In our opinion, proper books of accounts as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.

d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act read with relevant rules issued thereunder.

e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2017 and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and associate companies incorporated in India, none of the directors of the Group companies and its associate companies incorporated in India is disqualified as on 31st March, 2017 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 Group and its associates and the operating effectiveness of such controls, refer to our separate Report in "Annexure A", which is based on the auditors' reports of the subsidiary companies, associate companies and jointly controlled companies incorporated in India.

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i. The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associates – Refer Note 42(ii) to (iv) to the consolidated Ind AS financial statements.

   ii. The Group and its associates did not have any material foreseeable losses on long-term contracts including derivative contracts.

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group and its associates.

   iv. The Holding Company has provided requisite disclosures in its consolidated Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the 8th November, 2016 of the Ministry of Finance, during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures performed and the representations provided to us by the management we report that the disclosures are in accordance with the books of accounts maintained by the Holding Company and the respective group entities, as produced to us and based on the reports of other auditors.

For **A. M. Ghelani & Company**
Chartered Accountants
Registration No : 103173W

Chintan A. Ghelani
Partner
Membership No.: 104391

Place: Mumbai
Date: 10th May, 2017

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

Jignesh Mehta
Partner
Membership No.: 102749

Place: Mumbai
Date: 10th May, 2017

"Annexure A" 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 Controls over financial reporting of The Phoenix Mills Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies and its associate companies, which are companies incorporated in India as of 31st March, 2017 in conjunction with our audit of the consolidated Ind AS financial statements of the Company for the year then ended.

Management's Responsibility for Internal Financial Controls
The respective Board of Directors of the Holding company, its subsidiary companies and its associate companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal controls 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 the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the 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 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting
A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls over financial reporting includes those policies and procedures that pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company, 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 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 controls 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 Holding Company, its subsidiary companies and its associate companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2017, based on the internal controls

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.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to 2 subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies.

For **A. M. Ghelani & Company**
Chartered Accountants
Registration No : 103173W

Chintan A. Ghelani
Partner
Membership No.: 104391

Place: Mumbai
Date: 10th May, 2017

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

Jignesh Mehta
Partner
Membership No.: 102749

Place: Mumbai
Date: 10th May, 2017

CONSOLIDATED BALANCE SHEET
AS AT 31ST MARCH 2017

(₹ in Lakhs)

	Particulars	Note no.	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
	ASSETS				
1	**Non-current assets**				
	Property, plant and equipment	5	**420,022.59**	435,115.13	412,777.89
	Capital work-in-progress	5	**32,774.64**	19,486.12	21,377.73
	Goodwill		**33,404.56**	19,308.63	2,071.29
	Other Intangible assets	5	**289.06**	373.25	253.49
	Intangible assets under development	5	**72.00**	-	-
	Financial assets				
	- Investments	6	**40,957.40**	13,974.06	18,219.96
	- Loan	7	**889.76**	6,914.26	1,493.21
	- Other	8	**11,641.26**	7,288.85	6,264.66
	Deferred tax assets (Net)	9	**12,517.17**	14,506.68	12,877.50
	Other non-current assets	10	**11,274.47**	24,099.82	19,858.77
	(A)		**563,842.91**	541,066.80	495,194.50
2	**Current assets**				
	Inventories	11	**94,549.67**	132,396.19	117,830.86
	Financial assets				
	- Investments	12	**-**	2,135.34	1,900.00
	- Trade receivables	13	**14,701.15**	27,858.46	21,251.37
	- Cash and cash equivalents	14	**6,412.83**	10,682.60	5,696.66
	- Bank Balance other than above	15	**1,711.37**	5,620.85	1,076.85
	- Loans	7	**3,397.81**	1,891.33	4,247.63
	- Other	8	**2,291.18**	1,734.61	3,034.52
	Current Tax Assets (net)	16	**12,196.33**	13,859.21	8,490.43
	Other current assets	10	**5,419.74**	8,693.08	9,147.03
	(B)		**140,680.08**	204,871.67	172,675.35
	TOTAL (A + B)		**704,522.99**	745,938.47	667,869.85
	Equity and Liabilities				
	Equity				
	Equity Share capital	17	**3,061.34**	3,059.78	2,899.13
	Other equity	18	**215,657.49**	199,670.68	167,129.22
	Equity attributable to the owners		**218,718.78**	**202,730.46**	**170,028.35**
	Non-controlling interest		**27,965.28**	47,894.11	66,765.29
	(A)		**246,684.11**	**250,624.57**	**236,793.64**
	Liabilities				
2	**Non-current liabilities**				
	Financial liabilities				
	- Borrowings	19	**310,657.55**	338,009.34	280,100.89
	- Trade Payables	20	**388.78**	567.58	812.01
	- Other financial liabilities	21	**966.46**	290.56	126.99
	Provisions	22	**4,426.15**	3,120.30	2,223.27
	Deferred tax liabilities (Net)	23	**-**	3,548.13	2,313.02
	Other non-current liabilities	24	**28,964.37**	28,157.17	28,742.71
	(B)		**345,403.31**	**373,693.06**	**314,318.89**
3	**Current liabilities**				
	Financial liabilities				
	- Borrowings	25	**24,763.88**	24,319.04	22,712.29
	- Trade Payables	20	**10,770.89**	12,100.79	10,507.95
	- Other financial liabilities	21	**30,304.99**	33,013.72	42,050.32
	Other current liabilities	24	**42,590.44**	49,801.26	40,100.19
	Provisions	22	**3,452.03**	2,375.63	1,204.91
	Current tax Liabilities (net)	26	**553.34**	10.38	181.66
	(C)		**112,435.57**	**121,620.81**	**116,757.32**
	TOTAL (A+B+C)		**704,522.99**	**745,938.47**	**667,869.85**

Significant Accounting Policies and Notes on Financials Statements 1 to 63

The notes referred to above form an integral part of the Financial Statements

As per our report of even date

For A.M.Ghelani & Company
Chartered Accountants
FRN : 103173W

Chintan A. Ghelani
Partner
M. No.:104391

For Chaturvedi & Shah
Chartered Accountants
FRN : 101720W

Jignesh Mehta
Partner
M. No.:102749

For and on behalf of the Board of Directors

Ashokkumar Ruia
(Chairman & Managing Director)
DIN - 00086762

Shishir Shrivastava
(Jt. Managing Director)
DIN - 01266095

Atul Ruia
(Jt. Managing Director)
DIN - 00087396

Pradumna Kanodia
(Director - Finance)
DIN - 01602690

Puja Tandon
(Company Secretary)
M.No.A21937

Place : Mumbai
Date: 10th May, 2017

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31ST MARCH, 2017

(₹ in Lakhs)

Sr No.	Particulars	Note		For the year ended 31st March, 2017	For the year ended 31st March, 2016
I	Revenue from Operations	27		**182,460.70**	177,951.46
II	Other Income	28		**4,716.91**	3,023.58
III	**TOTAL INCOME**			**187,177.61**	180,975.04
IV	**Expenses:**				
	Cost of Materials/Construction	29		**28,272.88**	43,312.86
	Change in Inventory	30		**(3,608.71)**	(14,835.24)
	Employee Benefits Expense	31		**14,026.05**	12,442.29
	Depreciation and Amortistion	5		**19,530.73**	17,728.21
	Finance Costs	32		**42,302.52**	44,246.45
	Other Expenses	33		**59,076.98**	58,341.53
	TOTAL EXPENSES			**159,600.45**	161,236.10
V	**PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX**			**27,577.16**	19,738.94
	Add/(Less): Exceptional Item	34		**-**	(3,872.74)
VI	**PROFIT BEFORE TAX**			**27,577.16**	15,866.20
VIII	**TAX EXPENSES**	35			
	Current Income Tax		**7,925.16**		10,696.82
	Deferred Tax		**1,994.30**		(309.47)
	Minimum Alternate Tax Credit Entitlement		**(1,250.06)**		(2,717.16)
	Short Tax Provisions for earlier years		**(93.64)**	**8,575.76**	(1.20)
IX	**PROFIT AFTER TAX**			**19,001.40**	8,197.21
	Add : Share of Profit/(Loss) in Associates			**95.07**	167.98
	PROFIT FOR THE YEAR			**19,096.47**	8,365.19
X	**OTHER COMPREHENSIVE INCOME**				
	A) Items that will not be reclasified To Profit or Loss				
	a) Re-measurment gain of the net defined benefit plans			**(18.02)**	152.98
	b) Gain/(Loss) on Equity instruments at fair value through Other Comprehensive Income			**(53.79)**	(51.34)
	B) Income tax relating to items that will not be reclassified to Profit or Loss			**10.30**	(8.05)
	OTHER COMPREHENSIVE INCOME/(LOSS)			**(61.51)**	93.60
	TOTAL COMPREHENSIVE INCOME FOR THE YEAR			**19,034.96**	8,458.78
	Net Profit attributable to				
	a) Owners of the Company			**16,792.13**	12,892.96
	b) Non controlling interest			**2,304.34**	(4,527.77)
	Other comprehensive income attributable to				
	a) Owners of the Company			**(57.11)**	56.92
	b) Non controlling interest			**(4.40)**	36.68
	Total comprehensive income attributable to				
	a) Owners of the Company			**16,735.02**	12,949.88
	b) Non controlling interest			**2,299.94**	(4,491.09)
	Basic and Diluted EPS (Face Value of ₹2 each)	41			
	Basic EPS (Face Value of ₹2 each)			**10.97**	8.56
	Diluted EPS (Face Value of ₹2 each)			**10.97**	8.56

Significant Accounting Policies and Notes on Financials Statements 1 to 63

The notes referred to above form an integral part of the Financial Statements

As per our report of even date

For A.M.Ghelani & Company
Chartered Accountants
FRN : 103173W

For Chaturvedi & Shah
Chartered Accountants
FRN : 101720W

For and on behalf of the Board of Directors

Chintan A. Ghelani
Partner
M. No.:104391

Jignesh Mehta
Partner
M. No.:102749

Ashokkumar Ruia
(Chairman & Managing Director)
DIN - 00086762

Shishir Shrivastava
(Jt. Managing Director)
DIN - 01266095

Atul Ruia
(Jt. Managing Director)
DIN - 00087396

Pradumna Kanodia
(Director - Finance)
DIN - 01602690

Place : Mumbai
Date: 10th May, 2017

Puja Tandon
(Company Secretary)
M.No.A21937

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED ON 31ST MARCH, 2017

(₹ in Lakhs)

		2016-2017		2015-2016	
CASH FLOWS FROM OPERATING ACTIVITIES					
Net Profit before tax as per the Statement of Profit or Loss			**27,577.15**		15,866.20
Adjustments for :					
Depreciation		**19,530.73**		17,728.21	
(Profit)/Loss on Assets sold/discarded		**778.96**		271.23	
Balances in Debtors/Advances written off		**92.55**		214.59	
Provision for Doubtful Debts and Advances		**1,120.35**		3,341.64	
Interest Expenses		**42,302.52**		44,246.45	
Interest Income		**(3,212.82)**		(1,878.06)	
Dividend Income		**(41.29)**		(53.74)	
Profit on sale of Investments		**(368.46)**		(709.29)	
Investment Impairment		**-**		3,872.74	
Net gain arising on financial assets measured at FVTPL		**(96.62)**		52.53	
Compensation on relinquishment of rights		**(24.69)**		-	
Balances written back		**(440.97)**		(307.86)	
			59,640.26		66,778.44
Operating Cash flow before working capital changes			**87,217.41**		82,644.64
Adjustment for Working Capital changes :					
Trade and other Receivables		**27,414.63**		(18,064.80)	
Inventories		**37,846.52**		(14,565.33)	
Trade and other Payables		**(6,729.84)**		13,228.11	
			58,531.31		(19,402.02)
Cash generated from Operations			**145,748.72**		63,242.62
Direct Taxes Paid			**(4,375.63)**		(13,518.52)
Net Cash from Operating Activities	**A**		**141,373.09**		49,724.10
CASH FLOWS FROM INVESTING ACTIVITIES					
Additions/Purchases of Fixed Assets		**(18,576.65)**		(38,621.37)	
Sale of Fixed Assets		**107.84**		56.55	
Inter Corporate Deposits & Loans (placed)/refunded (Net)		**4,518.01**		(3,064.74)	
Purchase of Investments		**(26,951.15)**		488.62	
Sale of Investments		**330.17**		-	
Sale of Current Investments(Mutual Fund)		**2,333.15**		473.94	
Interest Received		**2,841.78**		1,724.18	
Dividend Received		**41.29**		53.74	
Net Cash generated from/(used in) Investing Activities	**B**		**(35,355.56)**		(38,889.09)

(₹ in Lakhs)

		For the year ended 31st March 2017		For the year ended 31st March 2016	
CASH FLOWS FROM FINANCING ACTIVITIES					
Proceeds from long term borrowings		50,653.26		148,497.87	
Repayment of long term borrowings		**(77,492.68)**		(99,410.04)	
Short term loans availed / (repaid)(Net)		**444.86**		1,606.75	
Interest paid		**(43,206.96)**		(44,687.43)	
Proceeds from Minorities		**(40,072.85)**		(33,408.22)	
Issue of Equity Share		**215.69**		27,595.69	
Dividend paid (including tax on Dividend)		**(828.60)**		(7,264.76)	
Net Cash generated from/(used in) Financing Activities	**C**		**(110,287.30)**		(7,070.15)
Net Increase/(Decrease) in Cash and Cash Equivalents	**A+B+C**		**(4,269.77)**		3,764.86
Cash and Cash equivalents at the beginning of the year			**10,682.60**		5,696.66
Add : on Amalgamation / Acquisition of New Subsidiaries			**-**		1,221.08
Cash and Cash equivalents at the end of the year			**6,412.83**		10,682.60

The notes referred to above form an integral part of the Financial Statements

As per our report of even date

For A.M.Ghelani & Company
Chartered Accountants
FRN : 103173W

Chintan A. Ghelani
Partner
M. No.:104391

For Chaturvedi & Shah
Chartered Accountants
FRN : 101720W

Jignesh Mehta
Partner
M. No.:102749

For and on behalf of the Board of Directors

Ashokkumar Ruia
(Chairman & Managing Director)
DIN - 00086762

Shishir Shrivastava
(Jt. Managing Director)
DIN - 01266095

Atul Ruia
(Jt. Managing Director)
DIN - 00087396

Pradumna Kanodia
(Director - Finance)
DIN - 01602690

Puja Tandon
(Company Secretary)
M.No.A21937

Place : Mumbai
Date: 10th May, 2017

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED ON 31ST MARCH, 2017

(a) Equity share capital

(₹ in Lakhs)

Particulars	As at 1st April, 2015	Changes in equity share capital during the year	As at 31st March, 2016	Changes in equity share capital during the year	As at 31st March, 2017
Equity Share Capital	2,899.13	160.65	3,059.78	1.56	3,061 .34

(b) Statement of changes in Other equity

(₹ in Lakhs)

Particulars	Reserves and Surplus					Items of Other Comprehensive Income		Total Other Equity	Non Controlling Interest	Total
	Capital Reserve	Securities Premium	General Reserve	Share based payment reserve	Retained earning	Re-measurment gain of the net defined benefit plans	Gain/(Loss) on Equity instruments at fair value			
Balance as at 1st April, 2015	**185.25**	**106,890.78**	**22,918.36**	**0.19**	**36,986.31**	**-**	**148.33**	**167,129.22**	**66,765.29**	**233,894.51**
Securities Premium On Issue of Shares	-	28,207.42	-	-	-	-	-	28,207.42	-	28,207.42
Expense on Issue of Shares	-	(772.37)	-	-	-	-	-	(772.37)	-	(772.37)
ESOPs Cost for the year	-	-	-	42.37	-	-	-	42.37	-	42.37
Profit for the year	-	-	-	-	12,892.96	-	-	12,892.96	(4,527.77)	8,365.19
Interim Dividend	-	-	-	-	(2,673.70)	-	-	(2,673.70)	-	(2,673.70)
Final Dividend	-	-	-	-	(3,365.75)	-	-	(3,365.75)	-	(3,365.75)
Tax on Dividend	-	-	-	-	(1,225.31)	-	-	(1,225.31)	-	(1,225.31)
Other Comprehensive Income	-	-	-	-	-	19.91	37.01	56.92	36.68	93.60
Impact in Acquisition/Disposal/Change in Controling Interest	-	-	-	-	(621.07)	-	-	(621.07)	(14,380.09)	(15,001.17)
Balance as at 31st March, 2016	**185.25**	**134,325.83**	**22,918.36**	**42.56**	**41,993.43**	**19.91**	**185.34**	**199,670.68**	**47,894.11**	**247,564.79**
Securities Premium On Issue of Shares	-	214.13	-	-	-	-	-	214.13	-	214.13
Final Dividend	-	-	-	-	(688.45)	-	-	(688.45)	-	(688.45)
Tax on Dividend	-	-	-	-	(140.15)	-	-	(140.15)	-	(140.15)
ESOPs Cost for the year	-	-	-	295.56	-	-	-	295.56	-	295.56
Profit for the year	-	-	-	-	16,792.13	-	-	16,792.13	2,304.33	19,096.46
Other Comprehensive Income	-	-	-	-	-	1.61	(58.72)	(57.11)	(4.40)	(61.51)
Impact in Acquisition/Disposal/Change in Controling Interest	-	-	-	-	(435.58)	-	6.27	(429.30)	(22,228.76)	(22,658.06)
Balance as at 31st March 2017	**185.25**	**134,539.96**	**22,918.36**	**338.12**	**57,521.38**	**21.52**	**132.89**	**215,657.49**	**27,965.28**	**243,622.42**

Significant Accounting Policies and Notes on Financials Statements 1 to 63

The notes referred to above form an integral part of the Financial Statements

As per our report of even date

For A.M.Ghelani & Company
Chartered Accountants
FRN : 103173W

Chintan A. Ghelani
Partner
M. No.:104391

For Chaturvedi & Shah
Chartered Accountants
FRN : 101720W

Jignesh Mehta
Partner
M. No.:102749

For and on behalf of the Board of Directors

Ashokkumar Ruia
(Chairman & Managing Director)
DIN - 00086762

Shishir Shrivastava
(Jt. Managing Director)
DIN - 01266095

Atul Ruia
(Jt. Managing Director)
DIN - 00087396

Pradumna Kanodia
(Director - Finance)
DIN - 01602690

Puja Tandon
(Company Secretary)
M.No.A21937

Place : Mumbai
Date: 10th May, 2017

NOTE 1:

SIGNIFICANT ACCOUNTING POLICIES

1. Corporate and General Information

The Phoenix Mills Ltd ("PML" or "Parent") is domiciled and incorporated in India and its shares are publicly traded on the National Stock Exchange ('NSE') and the Bombay Stock Exchange ('BSE'), in India. The registered office of the company is at 462 Senapati Bapat Marg, Lower Parel, Mumbai – 400013, Maharashtra, India.

Group is engaged in operation and management of mall, construction of commercial and residential property, hotel business in India.

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.

The Financial Statements for all the periods upto and including the year ended 31st March, 2016 were prepared in accordance with the accounting standards notified under the section 133 of the Companies Act, 2013 read together with the paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

These Financial Statements for the year ended 31st March, 2017 are the first financial statements of the Group prepared in accordance with Ind AS. Refer note no. 62 for an explanation how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

The Financial statements provide comparative information in respect of the previous year. In addition, the company presents Balance sheet as at beginning of the previous year, which is the transition date of Ind AS.

The significant accounting policies used in preparing financial statements are set out in Note 3 of the Notes to Financial Statements. The accounting policies have been applied consistently over all the periods presented in this consolidated financial statement.

3. Significant Accounting Policies

3.1. Basis of Measurement

The consolidated financial statements have been prepared on an accrual basis and under the historical cost convention except following which have been measured at fair value:

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

The consolidated financial statements are presented in Indian Rupees ("in Lakhs"), which is the Group's functional currency and all amounts are rounded to the nearest rupees in lakhs

3.2. Basis of consolidation

The consolidated financial statements of the Group incorporate the financial statements of the Parent Company and its subsidiaries and associates. The Parent Company has control over the subsidiaries as it is exposed, or has rights, to variable returns from its involvement with the investee; and has the ability to affect its returns through its power over the subsidiaries. Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including the contractual arrangement with the other vote holders of the investee, rights arising from other contractual arrangements, the Group's voting rights and potential voting rights and the size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders. The Company re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but has no control or joint control over those policies.

Consolidation Procedure:

a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

b) Consolidation of a subsidiary begins when the Parent Company obtains control over the subsidiary and ceases when the Parent Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Parent Company gains control until the date when the Parent Company ceases to control the subsidiary.

c) Profit or loss and each component of other comprehensive income are attributed to the owners of the Parent Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Parent Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

d) Adjustments are made to the financial statements of subsidiaries, as and when necessary, to bring their accounting policies into line with the Group's accounting policies.

e) All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

f) Carrying amount of the Parent's investment in each subsidiary and the Parent's portion of equity are eliminated. Business combinations policy explains how the related goodwill is accounted at the time of acquisition of subsidiary.

g) Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Parent Company.

h) Investment in Associates has been accounted under the equity method as per Ind AS 28 - Investments in Associates and Joint Ventures. The Company accounts for its share of post acquisition changes in net assets of associates, after eliminating unrealised profits and losses resulting from transactions between the Company and its associates to the extent of its share, through its Consolidated Statement of Profit and Loss, to the extent such change is attributable to the associates' Statement of Profit and Loss and through its reserves for the balance based on available information.

3.3. Business Combinations

The acquisitions of businesses are accounted for using the acquisition method. The cost of the acquisition is measured at the aggregate of the fair values at the date of exchange of assets given, liabilities incurred or assumed and equity instruments issued by the Group in exchange for control of the acquiree. The acquiree 's identifiable assets, liabilities and contingent liabilities that meet the condition for recognition are recognized at their fair values at the acquisition date except certain assets and liabilities required to be measured as per the applicable standard. Goodwill arising on acquisition is recognized as an asset and initially measured at cost, being the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets acquired, liabilities recognized and contingent liabilities assumed. In the case of bargain purchase, resultant gain is recognized in other comprehensive income on the acquisition date and accumulated to capital reserve in equity. The interest of non-controlling shareholders in the acquiree is initially measured at the non-controlling shareholders proportionate share of the acquiree 's identifiable net assets.

3.4. 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 the 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 group 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

Leasehold land is amortized over the period of lease. Depreciation on other fixed assets (excluding land and lease land in perpetuity) is provided on written down value method as per the useful life specified in schedule II to the Companies Act, 2013, in the manner state therein. 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. In some of the Subsidiaries, the Depreciation is provided on the straight line method as per the useful life specified in schedule II to the Companies Act, 2013, in the manner state therein.

High end operating supplies acquired prior to commencement of the hotel operations and opening of new restaurants / outlets are considered as a part of fixed assets and are depreciated over a period of three years on straight line method.

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 the statement of profit or loss.

3.5. Intangible Assets

Identifiable intangible assets are recognized a) when the Group controls the asset, b) it is probable that future economic benefits attributed to the asset will flow to the Group and c) the cost of the asset can be reliably measured.

Intangible Assets comprising Computer software, License & Franchise and acquired goodwill are amortised over the period not exceeding five years on straight line basis. The assets' useful lives are reviewed at each financial year end.

3.6. 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 group 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 group'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 ofprofit & 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 other than in associates are initially measured at fair value. Any subsequent fair value gain /loss is recognised through profit or loss if such investments are held for trading purposes. The fair value gains or losses of all other equity investments are recognised in Other Comprehensive Income.

- Investment in Associates:
The Group has accounted for its Investment in associates at cost

iii) Derecognition:
A financial asset is primarily derecognised i.e. removed from Group's financial statements when:

- The rights to receive cash flows from asset have expired, or
- The Group 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 Group has transferred substantially all the risks and rewards of the assets,

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

When the Group 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 Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group 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 Group 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 group could be required to repay.

iv) Trade receivables:
A receivable is classified as a 'trade receivable' if it is in respect to the amount due from customers on account of goods sold or services rendered in the ordinary course of business. Trade receivables are recognised initially at fair value and subsequently measured at fair value less provision for impairment. For some trade receivables, the Group may obtain security in the form of security deposit which can be called upon if the counterparty is in default under the terms of the agreement.

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 Group'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 and 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) Loans and Borrowings:
After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in the 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) Trade and other payables:
These amounts represent liabilities for goods and services provided to the group prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

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

3.7. Impairment of Assets

An asset is considered as impaired when at the date of Balance Sheet there are indications of impairment and the carrying amount of the asset, or where applicable the cash generating unit to which the asset belongs exceeds its recoverable amount (i.e. the higher of the net asset selling price and value in use).

Impairment of Goodwill

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or when there is an indication that the unit may be impaired. The recoverable amount of cash generating unit is determined for each legal entity based on a value in use calculation which uses cash flow projections and appropriate discount rate is applied. The discount rate takes into account the expected rate of return to shareholders, the risk of achieving the business projections, risks specific to the investments and other factors. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Impairment of Non – Financial Asset:
The Group 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.

Impairment of Financial asset:
The Group 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 Group follows 'simplified approach' for recognition of impairment loss allowance on

- Trade receivables or contract revenue receivables.

The application of simplified approach does not require the Group 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 Group uses a provision matrix to determine impairment loss allowance on its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

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

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

For assessing increase in credit risk and impairment loss, the group 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.

3.8. Cash and cash equivalents
Cash and cash equivalents includes cash on hand and at bank, deposits 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.

3.9. Inventories
Inventories are valued at lower of cost or net realisable value. Cost is determined on FIFO basis.

Cost of realty construction / development includes all costs directly related to the project and other expenditure as identified by the management which are incurred for the purpose of executing and securing the completion of the Project (net off incidental recoveries/ receipts).

Stock of food, beverages, stores and operating supplies are valued at lower of cost (computed on weighted average basis) and net realizable value.

Cost of inventories also includes all other costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

3.10. 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 or loss, except in respect of long term foreign currency monetary items which are outstanding as on transition date, where the group has availed the optional exemption under Ind AS 101 for capitalization of exchange difference to the cost of property, plant & equipment and intangible assets.

3.11. Classification of assets and liabilities as current and non – current:

The Group 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.

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

3.12. Equity share capital

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

3.13. Revenue recognition

Revenue is recognised to the extent that it is probable that the future economic benefits will flow to the entity and it can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Revenue from license fees and other operating services

Revenue from license fees and other operating services are recognised on a straight line basis over the license terms, except where the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary operating cost increases.

Revenue from sale of properties

Revenue from sale of properties under construction is recognized on the basis of percentage of completion method subject to transfer of significant risk and rewards to the buyer and outcome of the real estate project can be estimated reliably. Percentage of completion is determined with reference to the entire project cost incurred versus total estimated project cost determined based upon the judgment of management. Accordingly, cost of construction / development is charged to Statement of Profit and Loss in proportion to the revenue recognized during the year and balance costs are carried as part of 'Project Work in Progress' under inventories. Amounts receivable/received are reflected as Debtors/Advances from Customers, respectively, after considering income recognized in the aforesaid manner. The estimates of saleable area and costs are revised periodically by the management and are considered as change in estimate accordingly, the effect of such changes to estimates is recognized in the year when such changes are determined.

Revenue from sale of completed properties (Finished Realty Stock) is recognised upon the transfer of significant risks and rewards to the buyer.

Revenue from hotel component of sale of rooms, foods and beverages
Revenue from hotel component of sale of rooms, banquets, foods and beverages, allied services relating to hotel operations are recognized upon rendering of the services. Sales and services are recorded inclusive of excise duty (wherever applicable) and net of sales tax, service tax and luxury tax. Revenue yet to be billed is recognised as unbilled revenue. Initial non-refundable membership fee is recognised as income over the period of validity of membership which reflects the expected utilization of membership benefits. Annual membership fees are recognised as income on time proportion basis. Contribution to customer loyalty programs calculated as per agreed percentages of qualifying revenues are accounted on accrual basis and the same is reduced from the revenue.

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.

3.14. Borrowing Costs

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.

3.15. Employee Benefits

(i) Short-term Employee benefits:
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 Group contributes fixed contribution to a government administered fund and will have no legal or constructive obligation to pay further contribution. The Group's defined contribution plan comprises of Provident Fund, Labour Welfare Fund and Employee State Insurance Scheme. The Group'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 Group has defined benefit plans comprising of gratuity. Group'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 Group'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 finance cost.

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 Group's employees have 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*

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 group 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.

3.16. Income Taxes:

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 Balance sheet approach, on temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred 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.

3.17. Provisions and contingencies

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.

3.18. Earnings per share:

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

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

4. Use of significant accounting estimates, judgments and assumptions

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

(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 Group'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 property to the property held to earn 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. The Group considers these other services as significant in addition to the License fees charged. Based on such assessment, the management has considered the mall property as owner-occupied property and hence classified as Property, Plant & Equipment.

(c) Recoverability of trade receivables

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

(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) Treatment of Security Deposit for Lease Rentals

In assessing the applicability of Ind AS 32-Financial Instruments to security deposits received, the management has considered the substance of the transactions, terms and conditions of agreement and historical experience to conclude whether such security deposits meet the criteria of a financial liability. These deposits are primarily intended to secure compliance of the licensees' obligations under the agreement and have no bearing on the license fees charged. Further, there is no contractual obligation to deliver cash or other financial asset to the licensees and can be adjusted against the dues, if any and therefore these have been treated as non-financial liability.

(f) 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.

(g) Impairment of financial assets

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

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

(h) Fair Value measurement

The Group measures financial instrument e.g. investments, at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Note 5

Property, plant and equipment

(₹ in Lakhs)

	Tangible Assets						Intangible Assets			Total	Capital Work In Progress
	Free Hold Land	LeaseHold Land	Buildings	Plant & Machinery	Motor Car, Lorries & Vehicles	Office Furniture & Equipments	Software	Goodwill (Acquired)	Licenses & Franchises		
Gross Block :											
As at 1st April 2015	57,306.20	697.61	300,058.16	63,913.04	736.67	40,446.56	469.28	17.05		463,644.57	
Opening Balance Acquired Durind the Year	1,790.65		8,907.84	3,393.10	28.85	8,504.24	122.62			22,747.30	
Addition	1,623.95		6,123.16	3,015.64	172.00	8,104.87	105.71		10.50	19,155.83	
Adjustments/Deletions	1,077.57		148.17	20.15	76.89	494.56	0.64			1,817.98	
As at 31st March 2016	**59,643.23**	**697.61**	**314,940.99**	**70,301.63**	**860.63**	**56,561.11**	**696.97**	**17.05**	**10.50**	**503,729.72**	
Addition	1,752.89		46,641.84	2,049.26	203.25	6034.29	32.28			56,713.82	
Adjustments/Deletions	6,742.56		36,487.44	12,025.97	44.72	3,381.71	38.32	17.05		58,737.77	
As at 31st March 2017	**54,653.56**	**697.61**	**325,095.39**	**60,324.92**	**1,019.16**	**59,213.69**	**690.93**	**-**	**10.50**	**501,705.77**	
Accumulated depreciation:											
As at 1st April 2015		**49.03**	**25,529.77**	**11,612.64**	**392.24**	**12,796.66**	**229.43**	**3.41**		**50,613.19**	
Acquired Durind the Year			0.97	34.78	5.76	103.65				145.17	
Depreciation charge for the year		0.42	6,263.75	5,098.26	91.78	6,155.39	114.32	3.41	0.88	17,728.21	
Deductions / Adjustments			3.13	6.19	63.98	171.73	0.19			245.22	
As at 31st March 2016	**-**	**49.45**	**31,791.36**	**16,739.49**	**425.80**	**18,883.96**	**343.56**	**6.82**	**0.88**	**68,241.35**	
Depreciation charge for the year			7,267.12	5,347.25	135.69	6,714.29	65.36	-	1.02	19,530.73	
Deductions / Adjustments			2,393.09	2,741.02	7.69	1,230.88	-	17.05		6,389.74	
As at 31st March 2017	**-**	**49.45**	**36,665.39**	**19,345.72**	**553.80**	**24,367.38**	**410.46**	**-**	**1.90**	**81,394.12**	
Net Book Value											
As at 1st April 2015	**57,306.20**	**648.58**	**274,528.39**	**52,300.41**	**344.42**	**27,649.89**	**239.85**	**13.64**		**413,031.38**	**21,377.73**
As at 31st March 2016	**59,643.23**	**648.16**	**283,149.62**	**53,562.14**	**434.83**	**37,677.14**	**353.41**	**10.23**	**9.62**	**435,488.37**	**19,486.12**
As at 31st March 2017	**54,653.56**	**648.16**	**288,430.00**	**40,979.20**	**465.36**	**34,846.31**	**280.47**		**8.60**	**420,311.65**	**32,846.65**

Note:

i) Certain property, plant and equipment are pledged as collateral against borrowings, the details related to which have been described in Note 19 (A) and Note 25

ii) Capital Work in Progress includes pre-operative expenses of ₹ 3,324.24 Lakhs (31st March 2016 ₹ 3,048.39 lakhs 1st April, 2015, ₹ 2,395.62 lakhs)

iii) Building Includes 10 shares in Sukhsagar Premises Co-op. Society Ltd. of `10 each

iv) The Group has opted to continue the policy to capitalise foreign currency fluctuation on long term borrowings which was followed as per previous Indian GAAP as per optional election of Ind AS -101, on all long term foreign currency borrowings outstanding on transition date (i.e 1st April 2015). Accordingly during the year exchange loss aggregating to ₹ 58.24 lakhs has been added to the cost of fixed assets by transferring from opening capital work in progress and in the previous year exchange loss aggregating to ₹ 1,100.95 lakhs (including transfer from opening Capital work in progress) has been added to the cost of fixed assets.

(₹ in Lakhs)

		As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015
NOTE 6						
NON CURRENT INVESTMENTS						
A. TRADE INVESTMENTS						
(i) Investment in Equity instruments (Measured at cost)						
a) Investment in Associates : Equity shares of ₹ 10/- each fully Paid up, unless otherwise stated.						
Unquoted						
5,208 (31st March 2016: 5,000; 1st April 2015: 5,000) Classic Housing Projects Pvt. Ltd.	**1,392.58**		1,013.19		777.88	
Nil (31st March 2016: NIL; 1st April 2015: 2,070,800) Gangetic Hotels Pvt. Ltd. (subsidiary from 04th November, 2015)	**-**		-		1,041.70	
2,500,626 (31st March 2016: 2,500,626; 1st April 2015: 2,500,626) Star Board Hotels Pvt. Ltd.	**378.47**		243.54		249.34	
5,000 (31st March 2016: 5,000; 1st April 2015: 5,000) Mirabel Entertainment Pvt Ltd.	**13.03**		13.15		18.43	
Nil (31st March 2016: 25,000; 1st April 2015: 25,000) Escort Developers Pvt. Ltd.	**-**		159.50		159.35	
37,09,416 (31st March 2016:Nil; 1st April 2015: NIL) - Classic Mall Development Pvt. Ltd. (Subsidiary upto 31st March, 2017)	**18,172.72**		-		-	
		19,956.80		1,429.38		2,246.69
(ii) Investment in Debentures (in associates)						
a) Compulsorily Fully Convertible Debentures (CCD)						
7,000 (31st March 2016:7,000; 1st April 2015: 7,000) CCD's in Mirabel Entertainment Pvt Ltd. Face value ₹ 100 each.	**7.00**		7.00		7.00	
351,564 (31st March 2016: 351,564; 1st April 2015: 351,564) CCD's in Star Board Hotels Pvt Ltd. - Face value ₹ 100 each.	**351.56**		351.56		351.56	
NIL (31st March 2016: Nil; 1st April 2015: 224,000) 0.0001% - Savannah Phoenix Pvt Limited - Face value ₹ 100 each. (Susidiary w.e.f 7th April 2015)	**-**		-		224.00	
1,383,999 (31st March 2016:1,383,999; 1st April 2015: 1,383,999) 0.0001% - Star Board Hotels Pvt Ltd - Face value ₹ 100 each.	**1,384.00**		1,384.00		1,384.00	
		1,742.56		1,742.56		1,966.56
b) Optionally Convertible Debentures (in associates)						
300,000 (31st March 2016:300,000; 1st April 2015: 300,000), 0.001% Series B Optionally Convertible Debentures of ₹ 100 each fully paid in Classic Housing Projects Pvt. Ltd.	**300.00**		300.00		300.00	
120,000 (31st March 2016: 120,000; 1st April 2015:120,000) 0.001% Series C Optionally Convertible Debentures of ₹ 100 each Fully paid in Classic Housing Projects Pvt. Ltd.	**120.00**		120.00		120.00	
		420.00		420.00		420.00
B) NON TRADE INVESTMENTS						
(i) Investment in Equity instruments						
(Measured At Fair Value through Other Comprehensive Income)						
Quoted						
36,86,484 (31st March 2016: 36,86,484; 1st April 2015: 36,86,484) Equity shares of ₹ 10/- each fully paid up of Galaxy Entertainment Corporation Ltd.	**707.80**		76.16		767.84	
1,949,090 (31st March 2016: 1,949,090; 1st April 2015: 1,949,090) Graphite India Limited face value of ₹ 2 each	**2,186.88**		1,742.48		1,623.59	
584,726 (31st March 2016: 584,726; 1st April 2015: 584,726) GKW Limited	**2,575.10**		3,408.08		2,985.90	
		5,469.78		5,226.71		5,377.34

(₹ in Lakhs)

			As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015
	Unqouted						
	10 (31st March 2016: 10; 1st April 2015: 10) Equity shares of ₹ 10/- each fully paid up of Treasure World Developers Pvt. Ltd. (Refer Note No. 47)	**0.09**		0.09		0.09	
	25,356,940 (31st March 2016: 25,356,940; 1st April 2015: 25,356,940) Entertainment World Developers Ltd (Refer Note No. 47)	**5,792.70**		5,792.70		5,792.70	
	5,000 (31st March 2016: 5000 & 1st April 2015: 5000) Bartraya Mall Development Co. Pvt. Ltd **	**0.50**		0.50		0.50	
	2,500,000 (31st March 2016: 2,500,000; 1st April 2015:.2,500,000) Galaxy Entertainment India Pvt Ltd.	**250.00**		250.00		249.58	
	80 (31st March 2016: 80; 1st April 2015: 80) ordinary shares of ₹ 25/- each -fully paid of Rashtriya Mazdoor Madhyavarti Sahakari Grahak Sangh (Maryadit)	**0.02**		0.02		0.02	
	1,000 (31st March 2016: 1000; 1st April 2015:1000) The Cosmos Co-operative Bank Ltd Shares of ₹ 100 Each fully paid	**1.00**		1.00		-	
	5,000 (31st March 2016: 5000; 1st April 2015:5000) shares of ₹ 10/- each in The Saraswat Co-op Bank Ltd	**0.50**		0.50		0.50	
			6,044.81		6,044.81		6,043.39
(ii)	Investment in Equity instruments						
	(Measured At Fair Value through Statement of Profit or Loss)						
	Quoted						
	36,325 (31st March 2016: 36,325; 1st April 2015: 7,265) - I.C.I.C.I. Bank Limited - face value of ₹ 2 each **	**100.66**		85.93		114.53	
	20 (31st March 2016: 20; 1st April 2015: 20) Clariant Chemicals (India) Ltd.	**0.14**		0.12		0.16	
			100.80		86.05		114.70
(iii)	Investment in Preference shares						
	(Measured At Fair Value through Other Comprehensive Income)						
	Unquoted						
	1,000,000 (31st March 2016: 1,000,000; 1st April 2015: 1,000,000) 7% Cumulative Optionally Convertible Preference Shares fully paid up of Galaxy Entertainment India Pvt Ltd.	**100.00**		100.00		100.00	
	250,000 (31st March 2016: 250,000; 1st April 2015: 250,000) 7% Cumulative Optionally Convertible Preference Shares each Re. 0.50 paid up of Galaxy Entertainment India Pvt Ltd.	**1.25**		1.25		1.25	
	50,000 (31st March 2016: 50,000; 1st April 2015:50,000) 10.50% Perpetual Non-cumulative Preference shares of ₹ 10 each in The Saraswat Co-Operative Bank Limited	**5.00**		5.00		5.00	
			106.25		106.25		106.25
(iv)	Investment in Debentures						
a)	Compulsorily Fully Convertible Debentures (Measured At fair value through Other Comprehensive Income)						
	66,500 (31st March 2016: 66500; 1st April 2015:66500) 0.0001% - Phoenix Retail Pvt. Limited - Face value ₹ 100 each.	**66.50**		66.50		66.50	
	38,545 (31st March 2016: 38,545; 1st April 2015: 38,545) 0.0001% - Vigilant Developers Pvt. Limited - Face value ₹ 100 each.	**38.55**		38.55		38.55	
	NIL (31st March 2016: Nil; 1st April 2015: 7,25,0000) Padmashil Hospitality Face Value of 10 Each	**-**		-		725.00	
	4,000 (31st March 2016: 4000; 1st April 2015: 4,000) CCD's in ACME Hospitality Services Pvt Ltd. - Face value ₹ 100 each.	**4.00**		4.00		4.00	
	7,000 (31st March 2016: 7000; 1st April 2015:7,000) Insight Hotels & Leisure Pvt. LTD. - Face value ₹ 100 each.	**7.00**		7.00		7.00	

(₹ in Lakhs)

		As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015
34,000 (31st March 2016: 34,000; 1st April 2015: 34,000) 0.0001% - Escort Developers Pvt Limited - Face value ₹ 100 each.	**34.00**		34.00		34.00	
100,000,000 (31st March 2016: 100,000,000; 1st April 2015:100,000,000) Treasure World Developers Pvt. Ltd. - Face value ₹ 10 each. (refer note no. 47)	**10,000.00**		10,000.00		10,000.00	
		10,150.05		10,150.05		10,875.05
b) Optionally Convertible Debentures (Measured At fair value through Other Comprehensive Income)						
61,000,000 (31st March 2016: Nil; 1st April 2015: Nil) 0.0001% Optionally Convertible Debentures of ₹10 each Fully paid in Insight Hotels Leisures Pvt Ltd	**6,100.00**		-		-	
21,000,000 (31st March 2016: Nil 1st April 2015: Nil) 0.0001% Optionally Convertible Debentures of ₹10 each fully paid in Roomy Constrution Company Pvt Ltd.	**2,100.00**		-		-	
		8,200.00		-		-
(v) Investment in Capital of Partnership Firm (At Cost)						
Phoenix Construction Company		**190.65**		192.50		194.24
vi) Others						
(i) Unquoted						
7 years - National Savings Certificates		**0.70**		0.75		0.75
(Deposited with State Government and other authorities as security)						
		52,382.40		25,399.06		27,344.96
Less: Aggregate provision for dimunition in value of investments (Refer Note No. 47)		**(11,425.00)**		(11,425.00)		(9,125.00)
Total Non- Current Investments		**40,957.40**		13,974.06		18,219.96

(₹ in Lakhs)

Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
1. Aggregate value of Quoted Investments:			
Book Value	**5,570.58**	5,312.76	5,492.03
Market Value	**5,570.58**	5,312.76	5,492.03
2. Aggregate book value of other Unquoted Investments:	**46,811.82**	20,086.30	21,852.93

** Out of 36,325 shares, 9,975 shares are held by a Bank in their name as security

48.19% shares of Classic Mall Developments Private Limited are held subject to a non-disposal undertaking to the lender bank stating that it shall not dispose / transfer /pledge /encumber these shares owned/held in the company until the loans taken by these companies are fully repaid to the bank

Investments in Equity Shares of Classic Mall Development Company Pvt Ltd includes cost of ESOP granted to employees of ₹ 7.10 lakh (31st March 2016 Nil ; 1st April 2015 Nil)

(₹ in Lakhs)

Category wise non current investments	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Financial Assets Measured at Cost	**22310.71**	3,785.19	4,828.23
Financial Assets Measured at Fair value through Other Comprehensive Income	**29,970.89**	21,527.82	22,402.03
Financial Assets Measured at Fair value through Profit & Loss account	**100.80**	86.05	114.70
Total	**52,382.40**	25,399.06	27,344.96

NOTE 7
Financial Assets- Loans

(₹ in Lakhs)

	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Non Current	Current	Non Current	Current	Non Current	Current
(Unsecured Considered Good)						
Inter Corporate Deposits to						
Related Parties #	259.51	-	6,033.14	8.09	1,093.21	2,646.90
Others	630.25	**3,397.81**	881.12	1,883.24	400.00	1,600.73
	889.76	**3,397.81**	6,914.26	1,891.33	1,493.21	4,247.63

Refer Note no. 40

NOTE 8
Financial Assets - Other

(₹ in Lakhs)

	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Non Current	Current	Non Current	Current	Non Current	Current
Fixed Deposit with Bank (Maturity more than 12 Months)*	11,410.42	-	7,057.55	-	6,182.23	1,286.59
Interest accrued but not due on Fixed Deposit	100.84	152.43	231.30	88.59	82.43	77.93
Interest accrued on Investments	-	1,432.51	-	1,432.50	-	1,432.51
Interest accrued on ICD's	-	437.67	-	0.00	-	5.65
Unbilled revenue	-	268.57	-	213.50	-	221.80
Others	130.00	-	-	-	-	10.04
	11,641.26	2,291.18	7,288.85	1,734.61	6,264.66	3,034.52

* Fixed Deposits of The Phoenix Mills Ltd of ₹ 3,817.63 Lakhs (31st March 2016: 3,146 Lakhs & 1st April 2015: 3,146 Lakhs) earmarked towards maintenance of DSRA as per loan agreement and Fixed deposits of ₹ 42.54 Lakhs (31st March 2016: 42.54 Lakhs & 1st April 2015: 42.54 Lakhs) is given as security for bank guarantee.

* Deposit of Offbeat Developers Pvt Ltd of ₹ 2000 lacs (31st March 2016 - ₹ 2000 lacs; 1st April 2015 - ₹ 2039 lacs) earmarked toward maintenance of DSRA

* Deposit of Pallazio Hotel & Leisure Ltd of ₹ 2228.24 lakhs (31st March 2016 - ₹ 349.39 lakhs; 1st April 2015 - ₹ 300.78 lakhs) earmarked for EPCG license, liquor license and bank guarantee given to pollution control board & electricity distribution company.

NOTE 9
Deferred Tax Assets (Net)

(₹ in Lakhs)

	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
Deferred Tax Assets						
Disallowance under the Income Tax Act. 1961	**5,286.05**		60.83		4,365.27	
Carry Forward of Losses & Depreciation	**7,243.25**		14,344.34		8,601.23	
Related to Fixed Assets	-		101.51		-	
		12,529.30		14,506.68		12,966.50
Deferred Tax Liability						
Related to Fixed Assets	**12.13**		-		89.00	
		12.13		-		89.00
		12,517.17		14,506.68		12,877.50

NOTE 10
Other Non Financial Assets
(Unsecured Considered Good)

(₹ in Lakhs)

	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Non Current	Current	Non Current	Current	Non Current	Current
Capital Advances						
Others	**639.56**	**-**	-	-	5,896.80	-
With Related Party #	**2,207.70**	**-**	9,884.46	-	5,670.79	-
Deposits						
Deposits with related parties #	**471.42**	**-**	5,550.75	-	4,792.76	11.00
Security Deposits	**1,005.27**	**229.69**	1,383.28	117.54	1,177.61	14.09
Other Deposits	**307.14**	**-**	575.93	-	521.43	1.08
Other						
Advances recoverable in cash or kind	**3,871.51**	**702.39**	5,559.06	1,970.67	1,673.35	6,404.39
Prepaid Expenses	**0.50**	**738.14**	0.50	774.72	0.03	423.86
Advace to Vendors	**471.83**	**1,265.41**	909.90	2,419.57	111.59	897.35
Balance with statutory/government authorities	**2,299.54**	**2,484.11**	235.94	3,410.58	14.41	1,395.26
	11,274.47	**5,419.74**	24,099.82	8,693.08	19,858.77	9,147.03

Refer Note no. 40

NOTE 11
Inventories

(₹ in Lakhs)

	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
Realty Work- In- Progress	**65,655.76**		78,676.06		57,964.18	
Finished Realty Stock	**28,361.22**		53,058.99		59,310.21	
Food & Beverages	**505.24**		598.52		434.67	
Stores and spares	**27.45**	**94,549.67**	62.62	132,396.19	121.80	117,830.86
		94,549.67		132,396.19		117,830.86

NOTE 12
Current Investments (Quoted) (Measured at Fair Value Through Profit & loss)

(₹ in Lakhs)

	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
Investments in Mutual Funds units of ₹ 100/- each, Growth unless otherwise stated						
Nil (31st March 2016: Nil; 1st April 2015: 85,194) DSP Blackrock Liquidity Fund Int'nl Plan- Growth-Regular plan units of 1000 each	-		-		1,700.00	
Nil (31st March 2016:5187259.97 units; 1st April 2015 Nil) DHFL Pramerica Mutual Fund - Common Collection Account	-		676.29		-	
Nil (31st March 2016: 18,340 units; 1st April 2015 Nil) Kotak Floater Short Term - Growth (Regular Plan)	-		455.27		-	
Nil (31st March 2016: 27,236units; 1st April 2015 5,877) Reliance Liquid Fund - Treasury Plan (Growth), units of ₹ 1,000/- each	-		1,003.78		200.00	
		-		2,135.34		1,900.00
		-		2,135.34		1,900.00

NOTE 13
Trade Receivables

(₹ in Lakhs)

	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Non Current	Current	Non Current	Current	Non Current	Current
Unsecured, considered good #	-	**14,701.15**		27,858.46		21,251.37
Unsecured, considered doubtful	-	**3,778.00**		7,144.90		7,109.76
	-	**18,479.15**	-	35,003.35	-	28,361.13
Less : Provision for Doubtful Debts		**(3,778.00)**		(7,144.90)		(7,109.76)
	-	**14,701.15**	-	27,858.46	-	21,251.37

Trade Receivables include ₹ 11.74 Lakhs (31st March 2016: 11.74 Lakhs & 1st April 2015: 11.74 Lakhs) from private companies in which a director is a director / member

NOTE 14
Cash and Cash Equivalents

(₹ in Lakhs)

	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
Balances with banks						
In Current Accounts	5,825.25		10,180.29		5,482.37	
In Fixed Deposits			-		-	
Deposits with original maturity of less than three months	381.85		239.51		-	
In unpaid dividend account	176.50		208.78		161.88	
Cash on hand	29.23		51.37		52.41	
Cheques on hand	-		2.65		-	
		6,412.83		10,682.60		5,696.66
		6,412.83		10,682.60		5,696.66

NOTE 15
Bank Balance other than above

(₹ in Lakhs)

	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
In Fixed Deposits						
Deposits with Bank (Maturity more than 3 months & less than 12 months) #	1,711.37		5,620.85		1,076.85	
		1,711.37		5,620.85		1,076.85
		1,711.37		5,620.85		1,076.85

Fixed Deposit of Offbeat Developers Pvt Ltd of ₹ 290.63 Lacs (31st March 2016 ₹ 290.63 Lacs ;1st April 2015 ₹ NIL) earmarked toward maintaining of DSRA as per loan agreement with IndusInd Bank and Fixed Deposit of ₹ 150.00 Lacs (31st March 2016 - 150.00 Lacs;1st April 2015 - NIL) given as security for Bank gurantee.

NOTE 16
Current Tax Assets (Net)

(₹ in Lakhs)

	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
Advance income tax (net of provision)	9,921.98		8,456.66		5,805.04	
Minimum Alternate Tax Credit Receivable	2,274.35		5,402.55		2,685.39	
		12,196.33		13,859.21		8,490.43
		12,196.33		13,859.21		8,490.43

NOTE 17
Equity Share Capital

(₹ in Lakhs)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Authorised Share Capital			
225,000,000 Equity Shares (31st March 2016: 225,000,000 & 1st April 2015: 225,000,000) of ₹ 2 each	**4,500.00**	4,500.00	4,500.00
Issued, subscribed and paid up			
153,066,907 Equity Shares (31st March 2016: 152,988,852 & 1st April 2015: 144,956,695) of ₹ 2 each	**3,061.34**	3,059.78	2,899.13
	3,061.34	3,059.78	2,899.13
Note 17.1 Reconciliation of number of shares outstanding is set out below:-			
Equity Shares outstanding at the beginning the year	**152,988,852**	144,956,695	144,845,445
Add : Issued during the year on exercise of employee options	**78,055**	40,250	111,250
Add : Issued during the year under Qualified Institutional Placement	-	7,991,907	-
Shares outstanding at the end of the year	**153,066,907**	**152,988,852**	**144,956,695**

Note 17.2 Terms and Rights attached to equity shareholders:-

The company has only one class equity shares having face value of ₹ 2 per share. Each holder of equity shares is entitled to one vote per share. Equity shareholders 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.

Note 17.3

	31st March, 2017		31st March, 2016		1st April, 2015	
	Number of shares	% of Holfings	Number of shares	% of Holdings	Number of shares	% of Holdings
Ruia International Holding Company Private Limited	49,347,248	32.24	49,347,248	32.26	49,207,037	33.95
Senior Holdings Private Limited.	15,490,049	10.12	15,490,049	10.12	15,142,550	10.45
Radhakrishna Ramnarain Private Limited.	11,667,800	7.63	11,667,800	7.63	11,617,930	8.01
Ashok Apparels Private Limited.	9,670,665	6.32	9,670,665	6.32	9,670,665	6.67

Note 17.4

During the Financial year 2015-16, the Company undertook Private Placement, as authorised by the Board of Directors, for issuance of 7,991,907 Equity Shares of face value of ₹ 2/- each to Qualified Institutional Buyers at a price of ₹ 353.60/- per Equity Share, including share premium of ₹ 351.60/- per Equity Share, aggregating to ₹ 282.59/- crores in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2009 (SEBI ICDR Regulations) and Section 42 of the Companies Act, 2013 and the Rules made there under. The Private Placement issue was closed on 14/07/2015 and consequently, the said Equity Shares were allotted on 17/07/2015.

NOTE 18
Other Equity

(₹ in Lakhs)

	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
Capital Reserves						
As per Last Balance Sheet		**185.25**		185.25		185.25
Securities Premium Account						
As per Last Balance Sheet	134,325.83		106,890.78		106,890.78	
Add:- On Issue of Shares	214.13		28,207.42		-	
Less:- Expense On Issue of Shares	-		(772.37)		-	
		134,539.96		134,325.83		106,890.78
Share Based Payment Reserve						
As per last Balance Sheet	42.56		0.19		0.19	
Add: ESOPs Cost for the year	295.56		42.37		-	
		338.12		42.56		0.19
General Reserve						
As per Last Balance Sheet		**22,918.36**		22,918.36		22,918.36
Surplus/(defecit) in the Statement of profit and loss						
As per Last Balance Sheet	41,993.43		36,986.31		-	
Net Profit for the year	16,792.13		12,892.96		-	
Impact of Acquisition/Disposal/Change in Controlling Interest	(435.58)		(621.07)		-	
Interim Dividend (P.Y. ₹ 1.75/- Per share)	-		(2,673.70)		-	
Final Dividend (₹ 0.45/- Per share) (P.Y. ₹2.20/-)	(688.45)		(3,365.75)		-	
Tax on Dividends	(140.15)		(1,225.31)		-	
		57,521.38		41,993.43		36,986.31
Other Comprehensive Income						
As per Last Balance Sheet	205.25		148.33		-	
Add/(less) :Movement in OCI (net)during the year	(57.11)		56.92		-	
Impact of Disposal of Controlling Interest	6.27	**154.41**	-	205.25	-	148.33
Total Other Equity		**215,657.49**		199,670.68		167,129.22

Description of nature and purpose of each reserve

Capital Reserve: Capital reserve represents reserve created pursuant to the business combinations upto year end.

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

Share Based Payment Reserve: Reserve relates to stock options granted by the Group to employees under an employee stock options plan.

General Reserve: General reserve is created from time to time by transferring profits from retained earnings and can be utilised for purposes such as dividend payout, bonus issue, etc.

NOTE 19
Borrowings

(₹ in Lakhs)

	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Non Current	Current	Non Current	Current	Non Current	Current
Secured						
Loans from Financial Institution	**8,649.43**	**520.73**	9,170.15	397.30	16,946.00	4,315.31
Loans from Banks						
Term Loans - Indian Rupees	**293,571.60**	**26,611.55**	281,298.05	26,190.68	248,592.04	29,463.01
Term Loans - Foreign Currency	**-**	**-**	-	-	12,048.73	1,643.01
Vehicle Loans	**25.07**	**-**	64.54	31.93	37.52	19.20
9.95% Non- Convertible Debentures of ₹ 10,00,000 each issued by subsidiary	**-**	**-**	45,000.00	-	-	-
Unsecured						
0.0001% Series A Optionally Convertible Debentures of ₹ 100 each	**176.60**	**-**	176.60	-	176.60	-
Zero Coupon Non Convertible Fully Redeemable Non Transferrable Debentures series "F"	**2,300.00**	**-**	2,300.00	-	2,300.00	-
Optionally Fully Convertible Unsecured Debentures (OFCD) "Series I"	**5,934.85**	**-**	-	-	-	-
Less: Amount disclosed under the head "Other Current Liabilities" (Note 21)	**-**	**(27,132.28)**	-	(26,619.91)	-	(35,440.53)
	310,657.55	**-**	338,009.34	-	280,100.89	-

A) (i) Loans of ₹ 64,808.35 lakhs (31st March 2016; ₹ 57,655.4 Lakhs, 1st April 2015; ₹ 57,531 Lakhs of The Phoenix Mills Limited by Equitable Mortgage of deposit of Title deeds in respect of certain immovable properties situated at High Street Phoenix, Senapati Bapat Marg , Lower Parel, Mumbai and by hypothecation of rentals receivable from licencees.

(ii) Loans of ₹ 62,573.29 Lakhs (31st March 2016; ₹ 53,351.29 Lakhs; 1st April 2015; ₹ 57,187.45 Lakhs)for Pallazzio Hotels & Leisure Limited, are secured by Equitable Mortgage of deposit of title deeds in respect of certain immovable properties goods, movable properties, including movable machinery, machinery spares, tools and accessories both present and future.

(iii) Loan of ₹ 48,871.39 Lakhs (31st March 2016; ₹ 45,740 Lakhs; 1st April 2015; ₹ 35,760 Lakhs) of Vamona Developer Pvt Ltd, secured by future Lease Rent Receivables and a pari passu charge over the land and building of the Mall i.e. Phoenix Marketcity at Viman Nagar, Pune.

(iv) Loans of ₹ Nil (31st March 2016; ₹ 1,198.7 Lakhs; 1st April 2015; ₹1,800 Lakhs) for Alliance Spaces Private Limited is secured by future receivables against sale consideration and property being an aggregate area admeasuring 3,28,106 sq. ft. saleable area which will comprise of two buildings constructed/to be constructed alongwith un-demarcated and undivided pieces or parcels of non-agricultural freehold land admeasuring 10,322.27 square meter

(v) Loans of ₹69,725.82 Lakhs (31st March 2016; ₹ 72,065.54 Lakhs; 1st April 2015; ₹66,937.67 Lakhs for Offbeat Developer Private Limited are secured by pari passu charge over specified area of land and building of Retail mall and fi₹t pari passu charge on escrow of lease rental from mall, Loans of ₹12,500 Lakhs (31st March 2016; ₹ 12,500 Lakhs; 1st April 2015; ₹ 5,455 Lakhs is secured by exclusive charge by way of registered mortgage on entire land of phase II (Art Guild House) along with the super structures built thereon (present and future) and on all moveable fixed assets and current assets including receivables/future receipts and excrow receipts pertaining to Art Guild House project.

(vi) Loans of ₹16,681.04 Lakhs(31st March 2016; ₹ 16,605.26 Lakhs; 1st April 2015; ₹18,598.39 Lakhs) of Upal Developer Private Limited and Blackwood Developer Private Limited are secured by Equitable motgage of Shopping Mall and Multiplex Complex known as Phoenix United Mall, and assignement of future rental.

(vii) Loans of ₹11,371.91 Lakhs (31st March 2016; ₹13,257.1 Lakhs; 1st April 2015; ₹ Nil) for Gangetic Hotels Private Limited is Secured by first charge by way of mortgage of land building, structures thereon and other immovable properties, present and future of the company and hypothecation of all movable assets on parri passu basis with other term lender and first parri-passu charge on all bank accounts of the project and peronal guarantee of two director of the company.

(viii) Loans of ₹ 44,427.19 lakhs (31st March 2016 ₹ 46,682.87 lakhs, 1st April 2015 ₹ 32,998.25 Lakhs) for Island Starmall Developer Private Limited, is secured by equitable mortgage of immovable properties namely 'Mall Building' and 'Multiplex Building', admeasuring approximately 1,28,711 sq. mts. in aggregate and Oberhaus - 1, alongwith an undivided interest to the extent of approximately 27,946.63 Sq. Mts. in the land appurtenant to the said structures forming an undivided part of the plot area of approximately 59,930.15 sq. mts., situated at Whitefield, Bengaluru and hypothecation of lease rental/ sales receivable from retailer, sales receivable of Oberhaus - 1.

(ix) Loans of ₹ 9,000 Lakhs (31st March 2016, ₹ 10,500 Lakhs; 1st April 2015; ₹ 12,200 Lakhs) for Graceworks Realty & Leisure Private Limited, is secured by first and exclusive registered mortgage of immovable property situated at Kurla (Mumbai), and hypothecation of lease rental, lease deposit and sales proceeds.

B Vehicle Loans are secured by the hypothecation of respective vehicles.

c Maturity Profile of Long Term Borrowings are as under:

1) Repayment of Loans from Financials Institutions will be as under:

Island Starmall Developer Private Limited will repay the loans of ₹9,170.15 Lakhs as follows FY 2017-2018 ₹520.72, FY 2018-2019 ₹661.10, FY 2019-2020 ₹801.48, FY 2020-2021 ₹952.98, FY 2021-2022 ₹1,123.73, FY 2022-2023 ₹1,316.73, FY 2023-2024 ₹1,534.27, FY 2024-2025 ₹1,778.83, FY 2025-2026 ₹480.28.

2) Repayment of Loans from Banks will be as under:

Phoenix Mills Limited will repay the loans of ₹64,808.35 Lakhs as follows FY 2017-2018 ₹7,301.3 Lakhs, FY 2018-2019 ₹8,191.45 Lakhs, FY 2019-2020 ₹9,184.5 Lakhs, FY 2020-2021 ₹10,312.35 Lakhs, FY 2021-2024 ₹29,818.75 Lakhs

Blackwood Developer Private Limited will repay loans of ₹8,351.68 Lakhs as follows FY 2017-2018 ₹ 1,160.89 Lakhs, FY 2018-2019 ₹1,600.29 Lakhs, FY 2019-2020 ₹1,805.97 Lakhs, FY 2020-2021 ₹2,024.16 Lakhs, FY 2021-2022 ₹1,760.37 Lakhs

Vamona Developer Private Limited will repay loans of ₹48,871.39 Lakhs repayable in ten year starting from Financial Year 2016-17 in the ratio of 1.93%, 6.16%, 6.78%, 8.27%, 10.80%, 11.87%, 13.99%, 17.36%, 19.08% & 3.76% respectively.

Offbeat Developer Private Limited will repay loans of ₹69,725.82 Lakhs as follows, FY 2017-2018 ₹9,404.53 Lakhs, FY 2018-2019 ₹10,593.8 Lakhs, FY 2019-2020 ₹6,355.82 Lakhs, FY 2020-2021 ₹6,981.03 Lakhs, FY 2021-2022 ₹8,772.27 Lakhs, FY 2022-2023 ₹10,399.7 Lakhs, FY 2023-2024 ₹10,884.67 Lakhs, FY 2024-2025 ₹6,334 Lakhs

Upal Developer Private Limited will repay loans of ₹8,329.36 Lakhs as follows, FY 2017-18 ₹382.38 Lakhs, FY 2018-19 ₹597.65 Lakhs, FY 2019-20 ₹661.87 Lakhs, FY 2020-21 ₹737.15 Lakhs, FY 2021-22 ₹818.79 Lakhs, FY 2022-23 ₹909.48 Lakhs, FY 2023-24 ₹1,009.23 Lakhs, FY 2024-25 ₹1,121.98 Lakhs, FY 2025-26 ₹1,246.24 Lakhs, FY 2026-27 ₹927.47 Lakhs

Pallazzio Leisure & Hotels Limited will repay loans of ₹62,573.29 Lakhs as follows FY 2018-2019 ₹1,249.97 Lakhs, FY 2019-2020 ₹1,875 Lakhs,FY 2020-2021 ₹2,500 Lakhs, FY 2021-2022 ₹ 3,125 Lakhs, FY 2022-2023 ₹3,750 Lakhs,FY 2023-2024 ₹4,374.99 Lakhs, FY 2024-2025 ₹5,624.99 Lakhs, FY 2025-2026 ₹5,624.99 Lakhs, FY 2026-2027 ₹6,874.99 Lakhs, FY 2027-2028 ₹ 8,124.99 Lakhs, FY 2028-2029 ₹9,374.99 Lakhs, FY 2029-2030 ₹9,999.99 Lakhs

Graceworks Realty & Leisure Private Limited will repay loans of ₹8,856.24 Lakhs as follows FY 2017-18 ₹14.36 Lakhs, FY 2018-19 ₹106.39 Lakhs, FY 2019-20 ₹235.2 Lakhs, FY 2020 onwards ₹8,500.28 Lakhs

Gangetic Hotels Private Limited will repay loans of ₹12,317.42 Lakhs as follows FY 2017-18 ₹1,116.4 Lakhs, FY 2018-19 ₹1,258 Lakhs, FY 2019-20 ₹1,258 Lakhs, FY 2020-21 ₹1,258 Lakhs, FY 2021-24 ₹7,427.02 Lakhs

Island Starmall Developer Private Limited will repay the loans of ₹35,257.04 Lakhs as follows FY 2017-2018 ₹2,428.27, FY 2018-2019 ₹3,082.89, FY 2019-2020 ₹3,737.51, FY 2020-2021 ₹4,444.01, FY 2021-2022 ₹5,240.26, FY 2022-2023 ₹6.140.26, FY 2023-2024 ₹7.154.72, FY 2024-2025 ₹789.36, FY 2025-2026 ₹2,239.71

3) Vehicle Loans are repayable within 3 to 5 years.

C Terms & Conditions of Debentures are as under :

I) Secured

Classic Mall Developers Private Limited has issued 45,000, 9.95% Non convertible Debentures of series 1 are redeemable at par after 84 months from the date of allotment i.e. 19.08.2015. The company has an option to redeem these debentures earlier by giving 10 days notice; however, no redemption will take place before the end of 15th day of the 12th month from the date of allotment. The Company has exercised early partial repayment option and repaid ₹ 262,500,000 during the year. The debentures are secured by registered first ranking equitable pari-passu mortgage on the undivided share of 34,136.72 sq. mtr. out of larger extent of land admeasuring 66,915.90 sq. mtr. situated at 142, Velachery Road, Chennai. Further the loan is secured by exclusive and first ranking charge on the Charged Accounts, all Permitted Investments and the Receivables. The debentures are further secured by pledge of shares held by Phoenix Mills Ltd. and Crest Ventures Ltd. in the company. Classic Housing Projects Private Limited, a group company has given debenture holders/ Debenture trustees as a put option in terms of which they can call upon the option provider to buy an amount remaining outstanding in respect of debentures at expiry of 50th month from deemed date of allotment. The put option is also secured by mortgage on properties and shares stated in above.

II) Unsecured

Pallazzio Leisure & Hotels Limited has issued zero coupon fully redeemable non convertible unsecured debentures "Series F" to body corporate of ₹ 230,000,000 each with an underlying right to occupy the certain portion of Company's premises. The Company has an option but not an obligation to redeem the series F debentures, only collectively during the option window period of three months from (a) the expiry of 7 years from the date of which Company receives all the statutory approvals to commence business and the debenture holders are allowed to take possession upon payment of the face value of the debentures along with the premium which will be computed as per the terms mentioned in the debenture certificate [for each 12 month period commencing from the date of issue of debentures till redemption] by the Company at an annualized rate equivalent to the average interest rate by the lenders for that year plus 2.5%, quarterly compounded (b) the expiry of 14 years from the date of which Company receives all the statutory approvals to commence business and the debenture holders are allowed to take possession upon payment of the face value of the debentures along with the premium which will be computed as per the terms mentioned in the debenture certificate [for each 12 month period commencing from the date of issue of debentures till redemption] by the Company at an annualized rate equivalent to the average interest rate by the lenders for that year plus 2%, quarterly compounded.

Pallazzio Leisure & Hotels Limited has issued 5,934,846 Optionally Fully Convertible "Series I" Unsecured Debentures (OFCD) of ₹ 100 each . The Company has an option to convert OFCD into Equity shares of the Company at any time after 30th March 2017 . In case of conversion, 1 OFCD of ₹ 100 each will be converted into such number of Equity shares of ₹ 100 each at a premium of ₹ 575 per share. Further at the option of the Company, OFCD may be redeemed within 10 years from the date of allotment in one or more tranches at a premium not exceeding ₹ 10 per OFCD. The OFCDs carries coupon rate @4% which will accrue only at the time of redemption & it will be payable at the time of redemption of the instrument by the Company. OFCD are convertible into fixed number of equity shares at fixed price and at the option of the Company and hence meet the definition of equity based on the management intention / judgement that it would exercise the option of conversion.

Graceworks Realty & Leisure Private Limited has issued 176,600, 0.0001% Series A Optionally Convertible Debentures, Debenture holders have an option to convert the debentures into equity shares on or after February, 2015. Each debenture is convertible into equity shares of ₹ 10 each fully paid at price not less than fair market value as on the date of conversion. The company has an option to redeem the shares in one or more tranches at the redemption premium not exceeding ₹ 10/- per Optionally Convertible Debenture.

NOTE 20

Trade Payables

(₹ in Lakhs)

	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Non Current	Current	Non Current	Current	Non Current	Current
Micro and Small Enterprises*		**14.18**	-	25.25	-	15.87
Others	388.78	**10,756.71**	567.58	12,075.54	812.01	10,492.08
	388.78	**10,770.89**	567.58	12,100.79	812.01	10,507.95

(₹ in Lakhs)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
***The disclosure pursuant to the said Act under:**			
a) Principal amount due to supplier under MSMED Act, 2006	**14.18**	25.25	15.87
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	**-**	-	-

NOTE 21
Other financial liabilities

(₹ in Lakhs)

	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Non Current	Current	Non Current	Current	Non Current	Current
Current maturities of long-term borrowings		27,132.28		26,619.91		35,440.53
Retention Payable to Contractors	949.12	-	35.05	28.67	53.45	-
Interest accrued but not due on borrowings		977.10		1,165.91		1,269.23
Interest accrued and due on borrowings		425.64		1,141.27		1,478.93
Creditors for Capital Expenditure	17.34	1,769.97	255.51	4,057.96	73.54	3,861.62
	966.46	**30,304.99**	**290.56**	**33,013.72**	**126.99**	**42,050.32**

NOTE 22
Provisions:

(₹ in Lakhs)

	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Non Current	Current	Non Current	Current	Non Current	Current
Provision for Employee Benefits						
Gratuity	170.21	**37.52**	77.23	34.43	172.31	77.57
Leave Encashment	314.95	**226.87**	255.61	226.20	207.49	207.34
Other Provisions						
Property Tax #		**2,874.00**		1,897.00		920.00
Others	165.38	**313.64**		218.00		
Provision for premium on redemption of zero coupon non convertible debentures series "F" **	3,775.61		2,787.46		1,843.47	
	4,426.15	**3,452.03**	3,120.30	2,375.63	2,223.27	1,204.91

**The Subsidiary company Pallazzio Hotels & Leisure has an option but not an obligation to redeem the NCD collectively only during the specified window period along with redemption premium. Considering the long term nature of the instrument, other uncertainties as regards exercising of the option, the company is of the view that the event is contingent in nature. However in order to comply with the requirements of the generally accepted accounting principles, the company has made a provision for redemption premium payable (if any) and the same is being adjusted against the securities premium account in accordance with section 52 of the Companies Act, 2013 till 31st March 2015 and after 1st April 2015 the said premium has been debited to statement of profit and loss."

 # Provision for Property Tax

(₹ in Lakhs)

Particulars	For the year ended 31st March 2017	For the year ended 31st March 2016
Opening Balance	**1897.00**	920.00
Add: Provision during the year	**977.00**	977.00
Less: Paid / Utilized		
Less: Written back		
Closing Balance	**2874.00**	1,897.00

NOTE 23
Deferred Tax Liability

(₹ in Lakhs)

	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
Related to Fixed Assets	-	-	4,236.25	4,236.25	3,290.18	3,290.18
Deferred Tax Assets						
Disallowance under the Income Tax Act. 1961	-		317.65		285.47	
Carry Forward of Losses & Depreciation	-		370.47		691.69	
		-		688.12		977.16
		-		3,548.13		2,313.02

NOTE 24
Other Non Financial Liabilities

(₹ in Lakhs)

	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Non Current	Current	Non Current	Current	Non Current	Current
Statutory Dues		**3,659.77**		4,267.91		2,773.52
Other Payables #		**15,271.01**		14,493.95		5,303.68
Security Deposits/Advance From Occupants/ Licensees or Customers	28,579.07	**23,332.58**	27,660.20	30,620.77	27,196.44	31,738.28
Other Deposit	1.00		140.26		1,387.17	
Income Received in Advance	384.30	**150.57**	356.71	209.85	159.10	122.83
Unpaid Dividends*		**176.50**		208.78		161.88
	28,964.37	**42,590.44**	28,157.17	49,801.26	28,742.71	40,100.19

* These figures do not include any amounts, due and outstanding to be credited to Investor Education & Protection Fund
# Others include Advance Received against the sale/redemption of Investments of ₹ 191.88 Lakhs (31st March 2016: ₹ 191.88 Lakhs , 1st April 2015: ₹ 191.88 Lakhs)

NOTE 25
Short Term Borrowings:

(₹ in Lakhs)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Secured			
Loans from Bank	**24,170.37**	21,966.01	12,266.26
Unsecured			
Commercial Papers	-	-	5,500.00
Loans and Advances from related parties	**170.90**	2,260.79	330.37
Loan from Others	**422.61**	92.24	4,615.66
	24,763.88	24,319.04	22,712.29

Bank Overdraft/Cash credit facility of ₹ 21,689.49 Lakhs are secured against assets stated in Note 19 (A) (i) to (ix) above.

NOTE 26
Current Tax Liabilities

(₹ in Lakhs)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Tax Provision (net of taxes paid)	**553.34**	10.38	181.66
	553.34	10.38	181.66

NOTE 27
REVENUE FROM OPERATIONS

(₹ in Lakhs)

	2016-17	2015-16
Realty Sales	**32,050.13**	41,733.60
License Fees and Rental Income	**78,459.06**	71,279.83
Service Charges	**33,812.43**	32,381.88
Room Rent Income	**12,296.62**	9,438.04
Food, Beverages and Banquet Income	**15,388.63**	12,507.50
Other Operating Income	**10,453.83**	10,610.61
	182,460.70	177,951.46

NOTE 28
OTHER INCOME

(₹ in Lakhs)

	2016-17	2015-16
Interest	**3,212.82**	1,878.06
Dividend Income	**41.29**	53.74
Net gain arising on financial assets measured at FVTPL	**96.62**	(52.53)
Others non operating Income		
Profit on assignment of rights / transfer of property under development	**24.69**	-
Profit on sale of Assets	**0.44**	7.83
Profit on sale of Investments	**368.46**	709.29
Miscellaneous Receipts	**531.62**	119.33
Sundry Balances/(Provision) written back	**440.97**	307.86
	4,716.91	3,023.58

NOTE 29
COST OF MATERIALS/CONSTRUCTION

(₹ in Lakhs)

	2016-17	2015-16
Food and Beverages		
Purchases	**4,358.68**	3,594.22
Realty		
Construction & Other related costs	**23,914.20**	39,718.64
	28,272.88	43,312.86

NOTE 30
CHANGE IN INVENTORY

(₹ in Lakhs)

		2016-17	2015-16
Food and Beverage Consumed			
Stocks at Begning of the year	**603.05**		387.84
Stocks at closing of the year	**506.08**		578.21
Net (Increase)/Decrease		**96.97**	(190.37)
Realty			
Opening Work In Progress	**106,834.01**		88,360.44
Closing work in progress	**96,671.59**		106,121.80
Less: Inventory capitalised/Transfer to CWIP	**13,927.37**		-
Net (Increase)/Decrease		**(3,764.89)**	(17,761.35)
Opening Finish Goods	**25,243.78**		28,360.26
Closing Finish Goods	**128.15**		25,243.78
Less: Inventory capitalised/Transfer to CWIP	**25,056.42**		-
Net (Increase)/Decrease		**59.21**	3,116.48
		(3,608.71)	(14,835.24)

NOTE 31
EMPLOYEE BENEFITS EXPENSE

(₹ in Lakhs)

	2016-17	2015-16
Salaries, Wages & Bonus	**12,813.09**	11,465.43
Contribution to Provident Fund & Other Funds	**451.40**	361.77
Gratuity and Leave encashment	**211.65**	216.74
Staff Welfare Expenses	**389.12**	398.35
Share based payments cost	**160.79**	-
	14,026.05	12,442.29

NOTE 32
FINANCE COSTS

(₹ in Lakhs)

	2016-17	2015-16
Interest Expenses	**40,737.36**	41,703.75
Premium on Non Convertible Debentures	**988.15**	943.99
Other Borrowing Costs	**577.01**	1,598.71
	42,302.52	44,246.45

NOTE 33

OTHER EXPENSES

(₹ in Lakhs)

		2016-17	2015-16
Electricity		**19,372.57**	18,769.65
Repairs and Maintenance:-			
Buildings	**1,724.77**		1,755.60
Machinery & Vehicles	**2,866.55**		3,014.30
Others	**890.56**		780.10
		5,481.88	-
Foreign Exchange (Gain)/Loss		**(7.41)**	0.11
Insurance		**464.31**	412.18
Stores and Operating Supplies		**1,547.48**	1,557.40
Rent, Rates & Taxes		**628.37**	1,329.84
Property Tax		**4,398.20**	2,891.83
Water Charges		**900.24**	1,055.15
Communuication expenses		**410.59**	349.43
Postage & Courier		**6.04**	24.63
Prinitng & stationary expenses		**129.61**	90.08
Legal and Professional charges		**2,337.83**	2,478.93
Travelling Expenses		**614.55**	821.64
Auditors' Remuneration		**173.70**	154.16
Car Hire charges		**321.08**	270.80
Directors' sitting fees & Commission		**23.65**	24.80
Compensation		**433.86**	151.18
Donation		**122.22**	69.49
Loss on Assets Sold/Discarded		**779.40**	279.06
Advertisement & Sales Promotion		**8,357.64**	7,474.47
Bank charges		**87.05**	77.81
Brokerage		**209.18**	600.47
Rebate & Settlement		**780.03**	1,074.44
Bad debts & Sundry balances written off	**92.55**		214.59
Provision for Doubtful Debts & Advances	**1,120.35**	**1,212.90**	3,341.64
Parking Expenses		**390.20**	240.16
Office Expenses		**44.50**	77.20
Management Fee		**782.39**	671.63
Security Charges		**3,324.60**	2,554.76
Housekeeping Expenses		**3,170.78**	3,052.24
General Expenses		**970.07**	1,006.14
Other Miscellaneous Expenses		**1,607.62**	1,303.25
Miscellaneous/Preliminary Expenditure written off		**-**	370.63
Share of Loss from a Partnership Firm		**1.85**	1.74
		59,076.98	58,341.53

34. Details of the Exceptional Items

(₹ in Lakhs)

Particulars	2016-17	2015-16
Provision for the diminution in the value of investment (Refer Note No. 48)	-	2,300.00
Project Development Expenditure transferred to profit & loss account for change of business of subsidiary Gangetic Developers Pvt Ltd	-	77.57
Provision for loan given to related concern	-	700.00
Provision for Settlement between Pallazzio Hotels and Leisure Limited ("Pallazzio") and Shangri-La International Hotel Management Pte Ltd	-	737.65
Write off of loans in respect of Upal Developers Pvt Ltd	-	37.52
Provision for Loans & advance in respect of Blackwood Developers Pvt Ltd	-	20.00
Net Exceptional Expenses	-	**3,872.74**

35. Taxation

Income tax related to items charged or credited to profit or loss during the year:

A Statement of Profit or Loss

(₹ in Lakhs)

		2016-17	2015-16
1.	Current Income Tax	**7,925.16**	10,696.82
		7,925.16	10,696.82
2.	Deferred Tax expenses/ (benefits):		
	Relating to origination and reversal of temporary differences	**1,994.30**	(309.47)
		1,994.30	(309.47)
3.	Adjustments in respect of Income Tax of previous year		
	Current Income Tax	**(93.64)**	(1.20)
	Deferred Tax	-	-
		(93.64)	(1.20)
4.	Minimum Alternate Tax credit entitlement	**(1,250.06)**	(2,717.16)
		(1,250.06)	(2,717.16)
Total Income tax Expenses (1 to 4)		**8,575.76**	7,668.99
B	**Reconciliation of Current Tax expenses:**		
	Profit /(Loss) from Continuing operations	**27,577.16**	15,866.20
	Applicable Tax Rate	**34.608%**	34.608%
	Computed tax expenses	**9,543.90**	5,490.97
	Additional allowances As per Income Tax Act	**(9,578.73)**	(9,945.32)
	Income not allowed/exempt for tax purposes	**(1,061.95)**	(102.56)
	Expenses not allowed for tax purposes	**1,806.78**	1,876.60
	Carry Forward Loss utilised	**2,457.91**	4,217.99
	Other temporary allowances	**268.60**	109.02
	Additional Tax payable due to MAT provisions	**1,434.61**	1,535.82
	Non Taxable Subsidiarie and Effect of Differential Tax Rate	**3,704.63**	4,486.46
		8,575.76	7,668.99
	Effective Tax Rate	**31.10%**	48.34%
C	**Deferred Tax Recognised in statement of profit and Loss relates to the following:**		
	Accelerated depreciation for tax purpose	**3,118.47**	3,482.87
	Expenses allowable on payment basis	**(511.53)**	(1,926.77)
	Provision for loss allowance	**2,802.21**	2,482.90
	Other temporary differences	**(2,328.28)**	(3,659.44)
	Unused Carry Forward losses	**(1,086.57)**	(689.03)
	Deferred Tax Liabilities/ (Asset)	**1,994.30**	(309.47)

(₹ in Lakhs)

		2016-17	2015-16
D	**Reconciliation of deferred tax liabilites/(asset) net:**		
	Opening balance as on 1st April	**(10,958.55)**	(10,564.48)
	Tax expenses/ (income) for the year	**1,994.30**	(309.47)
	Add/(Less): On Account of Acquisition/Disposal of Subsidiary	**(3,552.92)**	(84.60)
	Closing balance as on 31st March	**(12,517.17)**	(10,958.55)

E. The Group has not recognised any deferred tax liabilities for taxes that would be payable on the Group's share in unremitted earnings of certain of its subsidiaries because the Group controls when the liability will be incurred and it is probable that the liability will not be incurred in the foreseeable future.

F. In case of certain Subsidiaries Deferred Tax Assets has not been recognised on Carry Forward Losses

36. 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 reognised in the financial statements.

(₹ in Lakhs)

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets designated at fair value through Profit and Loss						
Investments						
- in Equity shares	100.80	100.80	86.05	86.05	114.70	114.70
Financial assets designated at fair value through Other Comprehensive Income						
Investments						
- in Equity shares	11,515.29	11,515.29	11,272.27	11,272.27	11,421.48	11,421.48
- Preference Shares	106.25	106.25	106.25	106.25	106.25	106.25
- Compulsorily Convertible Debentures	10,150.05	10,150.05	10,150.05	10,150.05	10,875.05	10,875.05
- Optionally Compulsorily Convertible Debentures	8,200.00	8,200.00	-	-	-	-
- Capital Investment in Partnership Firm	190.65	190.65	192.50	192.50	194.24	194.24
Trade Receivables	14,701.15	14,701.15	27,858.46	27,858.46	21,251.37	21,251.37
Cash and Cash Equivalents	6,412.83	6,412.83	10,682.60	10,682.60	5,696.66	5,696.66
Loans and Advances	4,287.58	4,287.58	8,805.59	8,805.59	5,740.85	5,740.85
Deposits with Banks	1,711.37	1,711.37	5,620.85	5,620.85	1,076.85	1,076.85
Other financial assets	13,932.43	13,932.43	9,023.45	9,023.45	9,299.19	9,299.19
Total	**71,308.40**	**71,308.40**	**83,798.06**	**83,798.06**	**65,776.62**	**65,776.62**
Financial liabilities designated at amortised cost						
Borrowings	362,553.71	362,553.71	388,948.29	388,948.29	338,253.72	338,253.72
Trade payables and others	11,159.67	11,159.67	12,668.38	12,668.38	11,319.95	11,319.95
Other financial liabilities	4,139.18	4,139.18	6,684.37	6,684.37	6,736.77	6,736.77
Total	377,852.56	377,852.56	408,301.04	408,301.04	356,310.44	356,310.44

*In respect of Investment in equity shares of EWDL having carrying value of ₹ 5792.70 Lakhs and in CCD's of TWDPL having carrying value of ₹ 10,000 Lakhs, the financial information on the assets and liabilities position of these companies for determining the fair value for the current period is not available, same has been carried at cost.

Fair valuation techniques:

The Group maintains procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the easurement date.

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

1 Fair value of the Equity Shares are based on price quoted on stock exchange.

2 Fair value of unquoted equity shares and CCD's is taken at intrinsic value.

3 Fair value of Long term Borrowings is calculated based on discounted cash flow.

4 Fair value of Financial Assets & Financial Liability(except Long term Borrowings) are carried at amortised cost and 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). 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)

Particulars	As at March 31, 2017			As at March 31, 2016			As at April 1, 2015		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Assets /Liabilities measured at fair value									
Financial Asset:									
Investments									
- in Equity shares	5,571.28	-		5,313.51	-		5,492.78	-	
- Compulsorily Convertible Debentures			10,150.05			10,150.05			10,875.05
- Optionally Compulsorily Convertible Debentures			8,200.00			-			-
- Preference Shares			106.25			106.25			106.25

Reconciliation of fair value measurement categorised within level 3 of the fair value hierarchy

Particulars	(₹ in Lakhs)
Fair value as at 1st April, 2015	10,981.30
Purchase / Sale of financial instruments	(725.00)
Amount transferred to / from Level 3	-
Fair value as at 31st March, 2016	10,256.30
Purchase / Sale of financial instruments	8,200.00
Amount transferred to / from Level 3	-
Fair value as at 31st March, 2017	18,456.30

37. Financial risk Management:

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

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

Foreign currency risk

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

Interest rate risk

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

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

(₹ in Lakhs)

Change in Rate of Interest	Effect on Profit/(Loss) before tax		
	2016-17	**2015-16**	**2014-15**
+1%/-1%	3,377.90	3,646.29	3,155.41

- **Credit Risk**

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

Trade and other recivables:

The Company extends credit to customers in normal course of business. The Company considers factors such as credit track record in the market and past dealings for extension of credit to customers. To manage credit risk, the Company periodically assesses the financial reliability of the customer, taking into account the financial condition, current economic trends, and analysis of historical bad debts and aging of accounts receivables. Outstanding customer receivables are regularly monitored to make an assessment of recoverability. Receivables are provided as doubtful / written off, when there is no reasonable expectation of recovery. Where receivables have been provided / written off, the Company continues regular followup , engage with the customers, legal options / any other remedies available with the objective of recovering these outstandings.

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

Cash and cash equivalents an other investments

The Company is exposed to counter party risk relating to medium term deposits with banks and investment in mutual funds. The Company considers factors such as track record, size of the institution, market reputation and service standards to select the banks with which balances and deposits are maintained. Generally, the balances are maintained with the institutions with which the Company has also availed borrowings. The Company does not maintain significant cash and deposit balances other than those required for its day to day operations.

Exposure to credit risk

The gross carrying amount of financial assets, net of impairment losses recognised represents the maximum credit exposure. The maximum exposure to credit risk as at March 31.2017; March 31, 2016 and April 1 2015 is as follows:

(₹ in Lakhs)

	As at 31st March, 2017	**As at 31st March, 2016**	**As at 1st April, 2015**
Other Investments			
Cash and cash equivalents	**6,412.83**	**10,682.60**	5,696.66
Bank Deposits	**1,711.37**	**5,620.85**	1,076.85
Loans	**4,287.58**	**8,805.59**	5,740.85
Other financial assets	**13,932.43**	**9,023.45**	9,299.19
Financial assets for which loss allowances is measured using Life time Expected Credit Losses (ECL):			
Trade receivables	**14,701.15**	**27,858.46**	21,251.37

Life time Expected credit loss for Trade receivables under simplified approach

(₹ In Lakh)

Ageing of Trade Receivables	Past Due				Total
	0-90 days	90-180 days	180 - 360 days	over 360 days	
As at 31st March, 2017					
Gross Carrying Amount	10,217.92	2,163.28	1,390.35	4,707.60	18,479.15
Expected credit losses (Loss allowance provision)	20.84	25.77	150.57	3,580.82	3,778.00
Net Carrying Amount	10,197.08	2,137.51	1,239.78	1,126.78	14,701.15
As at 31st March, 2016					
Gross Carrying Amount	18,046.63	3,463.88	2,807.21	10,685.64	35,003.36
Expected credit losses (Loss allowance provision)	26.16	28.27	130.77	6,959.70	7,144.90
Net Carrying Amount	18,020.47	3,435.61	2,676.44	3,725.94	27,858.46
As at 1st April, 2015					
Gross Carrying Amount	12,034.24	2,654.88	2,616.35	11,055.66	28,361.13
Expected credit losses (Loss allowance provision)	20.20	13.37	110.05	6,966.14	7,109.76
Net Carrying Amount	12,014.04	2,641.51	2,506.30	4,089.52	21,251.37

(₹ in Lakhs)

	2016-17	2015-16
Reconciliation of Changes in the life time expected credit loss allowance:		
Loss allowance on 1 April,	7,144.90	7,109.76
Provided during the year	1,120.35	3,341.65
Amount written off during the year/Adjusted against provision	(4,356.39)	(3,306.51)
On Account of Disposal of Subsidiary	(130.86)	-
Loss allowance on 31st March,	3,778.00	7,144.90

- **Liquidity risk**

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

  The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company relies on a mix of borrowings, capital infusion and excess operating cash flows to meet its needs for funds. The current borrowings are sufficient to meet its short to medium term expansion needs. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

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

(₹ in Lakhs)

Particulars	As at March 31, 2017					
	Carrying Amount	On Demand	Less than 12 months	2- 5 years	>5 years	Total
Borrowings	362,553.71	21,362.59	32,351.19	107,205.02	201,634.91	362,553.71
Other Financial Liabilities	4,139.18	3,665.48	473.70	-	-	4,139.18
Trade and other payables	11,159.67	4,653.08	6,249.22	257.37	-	11,159.67

(₹ in Lakhs)

Particulars	As at March 31, 2016					
	Carrying Amount	On Demand	Less than 12 months	2- 5 years	>5 years	Total
Borrowings	388,948.29	24,319.09	26,619.91	107,797.14	230,212.20	388,948.29
Other Financial Liabilities	6,684.37	4,068.39	2,556.99	58.99	-	6,684.37
Trade and other payables	12,668.38	4,109.52	7,711.68	847.18	-	12,668.38

(₹ in Lakhs)

Particulars	As at April 1, 2015					
	Carrying Amount	On Demand	Less than 12 months	2- 5 years	>5 years	Total
Borrowings	338,253.72	22,712.29	35,440.53	159,122.34	120,978.55	338,253.72
Other Financial Liabilities	6,736.77	5,114.72	1,622.05	-	-	6,736.77
Trade and other payables	11,319.95	2,594.65	7,928.56	796.74	-	11,319.95

38. 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, 2017 and March 31, 2016.

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.

(₹ in Lakhs)

Pariculars	As At 31-03-2017	As At 31-03-2016
Loans and Borrowings	**362,553.71**	388,948.29
Less: Cash and cash equivalents + Bank Deposits	**8,124.20**	16,303.45
Net Debt	**354,429.51**	372,644.84
Total Capital	**218,718.78**	202,730.46
Capital+Net Debt	**573,148.29**	575,375.30
Gearing Ratio	**61.84%**	64.77%

39. Segment Reporting

The Group's primary segment is identified as business segment based on nature of products, risks, returns and the internal business reporting system as per Ind AS 108. The Group has two reportable segments as under:

Reportable Segment	Nature of operations
Property and related services	Providing mall /office areas on licence basis and development of commercial / residential properties
Hospitality	Operation of hotels and restaurants

Operating segment disclosures are consistent with the information provided to and reviewed by the chief operating decision maker. The measurement principles of segments are consistent with those used in Significant Accounting Policies with following additional policies for segment reporting.

a) Revenue and Expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and Expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".

b) Segment Assets and Segment Liabilities represent Assets and Liabilities in respective segments. Investments, tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocable".

(₹ in Lakhs)

Sr no.	Particulars	Property & Related Services		Hospitality Services		Unallocted		Total	
		2016-2017	2015-2016	2016-2017	2015-2016	2016-2017	2015-2016	2016-2017	2015-2016
A	**Revenue**								
	Revenue From Operations	151,928.70	156,005.92	30,532.00	21,945.54			182,460.70	177,951.46
	Other Income					4,716.91	3,023.58	4,716.91	3,023.58
	Total	**151,928.70**	**156,005.92**	**30,532.00**	**21,945.54**	**4,716.91**	**3,023.58**	**187,177.61**	**180,975.04**
B	**Results**								
1	Profit Before Tax & Interest	60,932.32	62,783.95	4,230.45	(1,822.14)	4,716.91	3,023.58	69,879.68	63,985.39
2	Less: Interest					(42,302.52)	(44,246.45)	(42,302.52)	(44,246.45)
	Profit Before Tax & Exceptional Item	**60,932.32**	**62,783.95**	**4,230.45**	**(1,822.14)**	**(37,585.61)**	**(41,222.87)**	**27,577.16**	**19,738.94**
	Add/(less) Exceptional Item					-	(3,872.74)	-	(3,872.74)
	Less: Provision for Tax					(8,575.76)	(7,668.99)	(8,575.76)	(7,668.99)
	Net Profit after Tax	**60,932.31**	**62,783.93**	**4,230.45**	**(1,822.14)**	**(46,161.38)**	**(52,764.59)**	**19,001.40**	**8,197.21**
	Add/(less) Share of Profit/(loss) from Associates							95.07	167.98
	Profit After Tax	**60,932.31**	**62,783.93**	**4,230.45**	**(1,822.14)**	**(46,161.38)**	**(52,764.59)**	**19,096.47**	**8,365.18**
C	**Other Information**								
	Segment Assets	475,139.20	532,398.34	131,988.48	137,613.39	97,395.32	75,926.72	704,522.99	745,938.45
	Segment Liabilities	359,790.03	386,126.24	98,049.53	105,639.53	-	3,548.13	457,839.56	495,313.90
D	**Other Disclosures**								
	Capital Expenditure	53,017.66	8,170.93	3,078.13	11,702.52	-	-	56,095.79	19,873.45
	Investment in Associates	-	-	-	-	-	-	19,956.80	1,429.38
	Depreciation	12,069.61	11,640.56	7,461.12	6087.65	-	-	19,530.73	17728.21

All the activities of the Group and its subsidiaries are located in India. There are no secondary reportable segments.
The revenue from transactions with single customer dose not exceed 10% or more of the groups revenue.

40. Related Party Disclosure

In view of the Ind As 24 "Related Parties Disclosures", the disclosure in respect of related party transactions for the year ended on 31st March, 2017 is as under:

a) RELATIONSHIPS

Category I: Associates

Classic Housing Projects Private Limited
Mirabel Entertainment Private Limited
Starboard Hotels Private Limited
Classic Mall Development Pvt Ltd (Associate from 31/03/2017)

Category II: Key Managerial Personnel

Key Person	Designation
Ashokkumar R Ruia	Chairman & Managing Director
Atul Ruia	Jt. Managing Director
Shishir Shrivastava	Jt. Managing Director

Category III: Other Related Parties where common control exists
R.R.Hosiery Private Limited
R.R. Hosiery
Phoenix Retail Private Limited
Ruia International Holdings Company Private Limited
Phoenix Construction Company
Winston Hotel Private Limited
Ashok Apparels Private Limited
Vigilant Developers Private Limited
Padmshil Hospitality & Lesiure Private Limited

Category IV : Relatives of Key Managerial Personnel
Gayatri A Ruia
B. R. International.

b) Transactions During the year

(₹ in Lakhs)

Sr. No.	TRANSACTIONS	Category I	Category II	Category III	Category IV	Total
1	Rent,Compensation & Other recoveries	226.50	-	-	19.19	245.69
		(311.44)	-	-	(20.73)	(332.17)
2	Interest Received	770.27	-	-	-	770.27
		(359.93)	-	-	-	(359.93)
3	Remuneration/Salaries/Other Expense	-	201.38	-	5.03	206.40
		-	(135.26)	-	-	(135.26)
4	Administrative & Other Charges paid (Excluding Service Tax)	2.60	11.91	56.00	-	70.51
		(2.70)	-	(125.26)	-	(127.96)
5	ICD Given	15,139.18	-	-	-	15,139.18
		(7,565.00)	-	-	-	(7,565.00)
6	ICD returned by Parties	21,473.21	-	-	-	21,473.21
		(2,848.21)	-	-	-	(2,848.21)
7	Share of Loss from partnership firm	-	-	(1.85)	-	(1.85)
		-	-	(1.74)	-	(1.74)
8	Advances Given	61.83	-	-	-	61.83
		(155.00)	-	-	-	(155.00)
9	Redemption/Transfer of OCD/CCD	-	-	-	-	-
		-	-	(725.00)	-	(725.00)
10	Advances Refunded by party	-	-	-	-	-
		(155.00)	-	-	-	(155.00)

c) The following balances were due from / to the related parties as on 31-03-2017

(₹ in Lakhs)

Sr. No.	Balances	Category I	Category II	Category III	Category IV	Total
1	Investment in Equity Shares / pref shares	19,956.80	-	-	-	19,956.80
		(2,178.65)	-	-	-	(2,178.65)
2	Investment in OCD/CCD	2,162.56	-	105.05	-	2267.61
		(2,196.56)	-	(105.05)	-	(2,301.61)
3	Investment in Capital of Partnership Firm	-	-	190.65	-	190.65
		-	-	(192.50)	-	(192.50)
4	Loans Taken	170.89	-	92.24	-	263.13
		(2,260.79)	-	(92.24)	-	(2,353.03)

Sr. No.	Balances	Category I	Category II	Category III	Category IV	Total
5	Inter Corporate Deposits Given	259.51	-	-	-	259.51
		(9,495.98)	-	-	-	(9,495.98)
6	Advances Received	-	-	1.50	-	1.50
		-	-	(1.50)	-	(1.50)
7	Trade receivables	453.14	-	11.74	-	464.88
		(351.54)	-	(11.74)	-	(363.28)
8	Trade Payables	3.66	-	234.92	-	238.57
		(1.32)	-	(235.38)	-	(236.70)
9	Deposits Given/Capital Advance	-	-	2,679.13	-	2,679.13
		-	-	(5,550.75)	-	(5,550.75)

* Figures in bracket are of previous year.

Compensation of Key management personnel

The remuneration of director and other member of key management personnel during the year was as follows:

(₹ in Lakhs)

Particulars	2016-17	2015-16
Short-term benefits	**201.38**	135.26
Other long term benefits	**53.50**	51.72

Note: Figures in brackets indicates previous year figure.

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.

41. Earnings Per Share

(₹ in Lakhs)

Basic as well as Diluted EPS	2016-17	2015-16
Net Profit after Tax	**16,792.13**	12,892.96
Weighted Average No. of Equity Shares for Basic EPS	**15,30,49,774**	15,05,58,554
Dilution due to ESOPs Granted	**2,86,219**	106,028
Weighted Average No. of Equity Shares for Diluted EPS	**153,335,993**	150,664,582
Nominal Value of Equity Shares	**2**	2
Basic Earning Per Share	**10.97**	8.56
Diluted Earning Per Share	**10.97**	8.56

42. Contingent liabilities not provided for in respect of:-

i) Estimated amount of contracts remaining to be executed on capital account and not provided for in the accounts is ₹ 5814.10 lakhs (P.Y. ₹ 13,341.21 lakhs) net of advance paid.

ii) Disputed Statutory demands on account of :

(₹ in Lakhs)

Sr. No.	Particulars	31st March 2017	31st March 2016
1	Income Tax	**2,863.32**	3,815.79
2	Service Tax	**1,081.75**	3,165.91
3	VAT	**1,523.96**	104.69
4	Property tax	**6,023.23**	1,085.90

iii) Demand notices received on account of arrears of Provident Fund dues ₹ 82.12 lakhs (P.Y. ₹ 24.72 lakhs) are disputed by the Company. The Company has paid ₹ 10 Lakhs and has also furnished a Bank Guarantee for ₹ 14.71 Lakhs against P.F. demands to the P.F. authorities.

iv) Other Claims against the company not acknowledged of ₹ 105.41 lakhs (P.Y ₹ 83.96 lakhs)

v) Outstanding guarantees given by Banks ₹ 437.97 lakhs (P.Y. ₹ 264.76 lakhs).

vi) Guarantees given by the company for EPCG Licence ₹ 1614.09 Lakhs (P.Y. ₹ 2612.11 lakhs).

vii) The above litigations are not expected to have any material adve effect on the financial position of the company.

43. Expenditure incurred during construction period :

The Group's various projects relating to construction of commercial, retail, hotel and entertainment complexes are in progress. The expenditure incurred during the construction period is treated as "Project Development Expenditure" pending capitalisation. The same has been included under Capital Work In Progress and will be apportioned to fixed assets on the completion of the project.

The details of Project Development Expenditure as on the date of Balance sheet are as under:

(₹ in Lakhs)

Particulars	2016-17	2015-16
Opening Balance Expenditure	**3,048.38**	2,395.62
Interest & Finance Charges	**229.96**	706.33
Property Taxes Provision/ net of Reversal	**45.90**	(53.56)
Closing Balance	**3,324.24**	3048.39

44. The Subsidiary companies considered in these consolidated financial statements are:

Sr. No.	Name of the Company	Country of incorporation	Proportion of Ownership 2016-2017	Proportion of Ownership 2015-2016
1	Alliance Spaces Private Limited (Subsidiary of PHCPL)	India	33.01%	33.01%
2	Blackwood Developers Private Limited (Subsidiary of BARE)	India	100.00%	100.00%
3	Bellona Hospitality Services Limited	India	100.00%	100.00%
4	Big Apple Real Estate Private Limited (BARE)	India	100.00%	100.00%
5	Butala Farm Lands Private Limited	India	100.00%	100.00%
6	Classic Mall Development Company Private Limited (Subsidiary upto 31/03/2017)	India	-	50.01%
7	Enhance Holdings Private Limited	India	100.00%	100.00%
8	Gangetic Developers Private Limited (Subsidiary of BARE)	India	58.61%	58.61%
9	Grace Works Realty & Leisure Private Limited (Subsidiary of PHCPL)	India	44.02%	44.02%
10	Island Star Mall Developers Private Limited (ISML)	India	100.00%	100.00%
11	Market City Resources Private Limited	India	100.00%	100.00%
12	Market City Management Private Limited	India	100.00%	100.00%
13	Mugwort Land Holding Private Limited	India	94.86%	94.86%
14	Offbeat Developers Private Limited	India	83.60%	65.37%
15	Palladium Constructions Private Limited	India	79.52%	79.52%
16	Pallazzio Hotels & Leisure Limited	India	58.51%	58.51%
17	Phoenix Hospitality Company Private Limited (PHCPL)	India	56.92%	56.92%
18	Pinnacle Real Estate Development Private Limited	India	100.00%	100.00%
19	Plutocrat Assets And Capital Management Private Limited	India	100.00%	100.00%
20	Sangam Infrabuild Corporation Private Limited (Subsidiary of BARE)	India	100.00%	100.00%
21	Upal Developers Private Limited (Subsidiary of BARE)	India	100.00%	100.00%
22	Vamona Developers Private Limited	India	86.55%	86.55%
23	Gangetic Hotels Private Limited (Associate upto 03/11/2015)	India	74.11%	42.98%
24	Savannah Phoenix Pvt Ltd (Associate upto 06/04/2015)	India	100.00%	100.00%
25	Alysum Developers Pvt Ltd (Subsidiary of ISML from 17/03/2017)	India	100.00%	-

45. The associate companies considered in the consolidated financial statements are:

Sr no.	Name of the Company	Country of incorporation	Proportion of Ownership 2016-2017	Proportion of Ownership 2015-2016
1	Classing Housing Projects Pvt ltd	India	50.00%	50.00%
2	Starboard Hotels Private Limited	India	28.47%	28.47%
3	Mirabel Entertainment Private Limited (Associate through PHCPL)	India	28.46%	28.46%
4	Classic Mall Development Company Private Limited (Subsidiary upto 31/03/2017)	India	48.19%	-
5	Galaxy Entertainment Corporation Ltd (upto 31/03/2016)	India	-	23.56%
6	Galaxy Entertainment (India) Private Ltd (upto 31/03/2016)	India	-	49.02%
7	Escort Developers Pvt Ltd (upto 31/03/2017)	India	-	50.00%

46. Capital work in progress includes ₹ 10,465.39 Lakhs (P.Y. ₹ 10,417.49 Lakhs) comprising mainly the cost incurred on acquiring long term tenancies on the plot of land admeasuring 7,617.51 sq mtrs at High Street Phoenix. The Company is exploring various alternatives for the development of the said plot of land.

47. The Group carries, as at the year end, investments of ₹ 5,792.70 lakhs (including through wholly owned subsidiary) in the equity shares of Entertainment World Developers Limited (EWDL), ₹ 10,000 lakhs in FCDs of Treasure world Developers Pvt. Ltd. (TWDPL), subsidiary of EWDL and interest accrued thereon, upto 31-03-2012, of ₹ 1,432.51 lakhs (net of TDS). The company had exercised the put option available as per the Share and Debenture Subscription Deed for the said FCDs in earlier year against which EWDL has paid a part amount of ₹ 1,918.80 Lakhs in November 2013. Pending receipt of the balance consideration, the amount received has not been adjusted against the investments/ accrued Interest and has been shown under other liability. The Networth of EWDL/ TWDPL has been eroded as per latest available unaudited accounts as at 31-03-2015. The Company's Board has, out of abundant caution and as a prudent practice in line with the standard accounting practices, made an impairment provision of ₹ 2,300.00 Lakh in the year ended 31st March 2016 and ₹ 9,125.00 Lakh for the year ended 31st March 2015. While the Company would continue its efforts for the recovery of the dues against the put option exercised by it on the FCDs, in the opinion of the Board, considering the realisable value of assets of EWDL & its subsidiaries, the impairment provisions against these investments are adequate.

Group had also made provision for loan given to one of the related concern of ₹ 700 lakhs for 31st March 2016 which is consider adequate.

48. The balances in respect of Trade Receivables & Payables and loans and advances, as appearing in the books of accounts are subject to confirmations from the respective parties and are pending reconciliations/adjustments arising there from, if any.

49. The Group provides units at its mall on License basis for which it charges license fee. The license agreements are generally for the period of 1 year to 5 years. The terms also provide for escalation of License fees and other charges on a periodical basis. Generally, the company has a right to terminate the license agreement by giving 6 months' notice.

50. The Company is a partner in a partnership firm M/s. Phoenix Construction Company. The accounts of the partnership firm have been finalised upto the financial year 2015-16. The details of the Capital Accounts of the Partners as per the latest Financial Statements of the firm are as under:-

(₹ in Lakhs)

Sr. No.	Name of the Partners	Profit Sharing Ratio	Total Capital on		
			31-03-2016	31-03-2015	31-03-2014
1	The Phoenix Mills Ltd	50%	161.64	163.49	165.23
2	Gold Seal Holding Pvt. Ltd.	50%	113.08	114.93	116.67

The Company has accounted for its share of loss amounting to ₹ 1.85 Lakhs (P.Y.₹ 1.74 Lakhs) pertaining to the financial year 2015-16 in the year. The share of profit/loss for the current financial year will be accounted in the books of the Company on the finalisation of the accounts of the firm.

51. Event after Reporting date :

The Board of Directors have recommended dividend of ₹ 2.40 per fully paid up equity share of ₹ 2 /- each, aggregating ₹ 4,421.18 lakhs, including ₹ 747.58 lakhs dividend distribution tax for the financial year 2016-17, which is based on relevant share capital as on March 31, 2017. The actual dividend amount will be dependent on the relevant share capital outstanding as on the record date / book closure.

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

Investment made in Body Corporate are mentioned in Note 6.
No Guarantee is given by the Company.
Loans given by the company to Body Corporate or Person are as under:

(₹ in Lakhs)

Particulars	As at 31s March, 2017	Purpose
Accuraform Pvt Ltd	72.60	General Corporate Purpose
Alpha Stich-Art Pvt.Ltd.	163.55	General Corporate Purpose
Anushikha Investments Pvt. Ltd.	278.90	General Corporate Purpose
Bartraya Mall Development Co. Pvt. Ltd	300.00	General Corporate Purpose
CGS Apparel Pvt Ltd	49.86	General Corporate Purpose
GTN Textiles Limited	50.00	General Corporate Purpose
Kalani Industries Pvt Ltd	941.98	General Corporate Purpose
Mukand Limited	0.32	General Corporate Purpose
Supreet Vyapaar Pvt.Ltd.	59.13	General Corporate Purpose
Swaran Financial Pvt Ltd	166.47	General Corporate Purpose
Treasure World Developers Pvt.Ltd.	57.25	General Corporate Purpose
York Financial Services Pvt. Ltd.	93.83	General Corporate Purpose
Shailaja Finance Limited	1302.82	General Corporate Purpose
Ganjam Trading Company Pvt Ltd	265.87	General Corporate Purpose
Sona Promoters Pvt Ltd	52.90	General Corporate Purpose
Sunflag Commercial Enterprises Ltd	204.42	General Corporate Purpose
Dharani Developers Pvt Ltd	16.95	General Corporate Purpose
Sharyans Resources Ltd	2.56	General Corporate Purpose

53. Corporate Social Responsibility:

a. CSR amount required to be spent by the company as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof during the year is ₹ 353.24 Lakhs (P.Y. ₹ 332.03 Lakhs).

b. Expenditure related to Corporate Social Responsibility is ₹ 90.35/- Lakhs (Previous Year ₹ 36.27 Lakhs).
Details of Amount spent towards CSR given below:

(₹ In Lakhs)

Particulars	2016-17	2015-16
Construction of check dams	75.00	26.24
Promoting Employment enhancing vocation skills amongst differently – abled children	15.35	10.03
Total	**90.35**	**36.27**

54. Investment In Associates

The Group has a 48.19% interest in Classic Mall Development Company Private Limited. Classic Mall Development Company Private Limited is a private entity incorporated in India and that is not listed on any public exchange. The Company's interest in Classic Mall Development Company Private Limited is accounted for using the equity method in the consolidated financial statements. The summarized financial information of the Company's investment in Classic Mall Development Company Private Limited is as follows:

(₹ in Lakhs)

Summarised balance sheet	As at 31st March, 2017
Current assets	25,997.92
Current Liabilities	2,621.62
Net current assets	**23,376.30**
Non-current assets	66,423.08
Non-current liabilities	52,088.81
Net non-current assets	**14,334.27**
Net assets	**37,710.57**

(₹ in Lakhs)

Reconciliation to carrying amounts	For the year ended 31st March, 2017
Opening net assets	30,166.62
Profit for the year	7,547.06
Other comprehensive income	**(3.12)**
Closing net assets	37,710.57
Company's share in %	48.19%
Carrying amount	**18,172.72**

55. Acquisition Details

A) Acquisition during the year ended 31st March, 2017
There are no Acquisition during the year ended 31st March. 2017

B) Acquisition during the year ended 31st March, 2016:

On 03rd November 2015, the Group acquired 60.85% of voting shares of Gangetic Hotels Private Limited ("GHPL"), a non-listed company based in India. This acquisition will enable the Group to enlarge Hospitality segment of the Group.

Purchase Consideration

Total purchase consideration of ₹ 1671.90 lakhs for acquisition of Gangetic Hotels Private Limited is paid in cash

Assets acquired and liabilities assumed

The fair values of the identifiable assets and liabilities of Gangetic Hotels Private Limited as at the date of acquisition were:

(₹ In lakhs)

Particulars	Fair Value Recognized
Assets	
Property, plant and equipment	21,176.89
Inventories	23.74
Trade receivable	221.02
Cash and cash equivalents	1,133.76
Other assets	164.93
	22,720.34
Liabilities	
Borrowings	19,280.32
Trade payable	116.62
Provisions	7.20
Other financial liabilities	1,904.66
Other liabilities	69.44
	21,378.24
Net Identifiable Assets	**1,342.10**

Calculation of Goodwill

(₹ In Lakhs)

Purchase Consideration	1671.90
Less: Net Identifiable Assets	1342.10
Goodwill	**329.80**

Non-controlling Interest

For non-controlling interest in Gangetic Hotels Private Limited, the Group elected to recognize the non-controlling interest at its proportionate share of the acquired net identifiable assets.

Revenue and Profit Contribution

Gangetic Hotels Private Limited has contributed revenue of ₹ 1,987.40 lakhs and loss of ₹ (1,741.24) lakhs for the period from 03rd November, 2015 to 31st March, 2016.

56. Non-Controlling Interest:

a. Details of non-wholly owned subsidiaries that have material non-controlling interests (NCI):

(₹ In lakhs)

Particulars	Place of incorporation and principal place of business	Proportion of ownership interests by NCI	Proportion of voting interest held by NCI	Total comprehensive income allocated to NCI	Accumulated NCI
Pallazio Hotels & Leisure Limited	Mumbai - India	Nil	41.49%	(977.47)	2,253.50
Gangetic Hotels Private Limited#	Agra – India	Nil	25.89%	(1,421.93)	-
Offbeat Developers Private Limited	Mumbai - India	16.40%	16.40%	574.74	4,830.90
Vamona Developers Private Limited	Pune - India	13.45%	13.45%	301.87	2,512.51

Subsidiary from 03/11/2015

b. **Information relating to Non-Controlling Interest:**

Summarised financial information before intragroup eliminations in respect of each of the Group's subsidiaries that has material non-controlling interests is set out below.

(₹ In lakhs)

Particulars	Pallazio Hotels & Leisure Limited			Gangetic Hotels Private Limited		
	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Current Assets	4,945.42	6,319.87	2,430.12	864.87	901.03	-
Non Current Assets	110,452.40	113,344.39	112,696.81	20,262.07	21,610.45	-
Total Assets	**115,397.82**	**119,664.26**	**115,126.93**	**21,126.95**	**22,511.48**	**-**
Current Liabilities	17,498.73	52,470.45	25,627.92	1,766.51	9,423.40	-
Non Current Liabilities	70,815.81	59,737.63	78,404.38	11,391.90	12,754.80	-
Total Liabilities	**88,314.54**	**112,208.08**	**104,032.31**	**13,158.41**	**22,178.20**	**-**
Equity attributable to owners of the Company	24,829.78	4,362.77	6,189.44	7,968.54	333.28	-
Non-controlling interests	2,253.50	3,093.41	4,905.19	-	-	-

(₹ In lakhs)

Particulars	Offbeat Developers Private Limited			Vamona Developers Private Limited		
	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Current Assets	33,847.01	44,466.71	37,556.54	6,121.10	6,564.88	5,855.98
Non Current Assets	99,209.58	98,931.54	99,203.16	77,780.84	69,793.69	68,288.68
Total Assets	**133,056.59**	**143,398.25**	**136,759.70**	**83,901.94**	**76,358.57**	**74,144.66**
Current Liabilities	33,997.76	40,338.94	33,154.37	14,452.19	14,897.04	23,433.08
Non Current Liabilities	68,229.65	75,469.97	72,315.73	50,756.15	45,021.50	35,478.11
Total Liabilities	**102,227.41**	**115,808.91**	**105,470.10**	**65,208.35**	**59,918.54**	**58,911.18**
Equity attributable to owners of the Company	25,998.28	18,433.71	17,831.87	16,181.08	14,229.38	9,529.04
Non-controlling interests	4,830.90	9,155.63	13,457.73	2,512.51	2,210.64	5,704.44

(₹ In lakhs)

Particulars	Pallazio Hotels & Leisure Limited		Gangetic Hotels Private Limited	
	Year ended 31st March, 2017	Year ended 31st March, 2016	Year ended 31st March, 2017	Year ended 31st March, 2016
Revenue	25,586.12	22,213.38	3,304.08	2,881.85
Expenses (including tax)	27,942.16	37,230.47	5,798.33	6,823.93
Profit for the year	(2,356.04)	(15,017.09)	(2,494.24)	(3,942.08)
Other Comprehensive Income	(1.37)	78.64	-	-
Total Comprehensive Income	**(2,357.41)**	**(14,938.44)**	**(2,494.24)**	**(3,942.08)**
Total Comprehensive Income attributable to NCI	(977.47)	(6,197.64)	(1,421.93)	(992.85)
Net cash (outflow) from operating activities	8,593.55	9,384.82	574.26	448.44
Net cash (outflow) / inflow from investing activities	473.37	(7,748.22)	(191.30)	(107.89)
Net cash inflow from financing activities	(6,697.92)	(2,391.86)	(553.51)	(526.44)
Net cash (outflow) / inflow	2,369.00	(755.26)		

(₹ In lakhs)

Particulars	Offbeat Developers Private Limited		Vamona Developers Private Limited	
	Year ended 31st March, 2017	Year ended 31st March, 2016	Year ended 31st March, 2017	Year ended 31st March, 2016
Revenue	24,423.68	23,441.18	19,897.47	18,518.07
Expenses (including tax)	21,195.49	27,143.12	17,640.39	17,311.45
Profit for the year	3,228.19	(3,701.94)	2,257.08	1,206.62
Other Comprehensive Income	(4.80)	1.68	(12.72)	(0.08)
Total Comprehensive Income	**3,223.39**	**(3,700.26)**	**2,244.35**	**1,206.54**
Total Comprehensive Income attributable to NCI	574.74	(1,506.92)	301.87	268.57
Net cash (outflow) from operating activities	17,813.58	2,544.97	10,209.63	5,840.37
Net cash (outflow) / inflow from investing activities	(4,531.76)	(842.49)	(8,309.25)	(3,401.37)
Net cash inflow from financing activities	(12,340.63)	(1,714.50)	(1,820.46)	(2,459.35)
Net cash (outflow) / inflow	941.18	(12.03)	79.92	(20.35)

57. Disclosure as per Ind As – 19 "Employee Benefits".

i) Change in Defined Benefit Obligation during the year

(₹ In lakhs)

Particulars	2016-17 Gratuity (Funded)	2015-16 Gratuity (Funded)
Present value of the obligation at the beginning of the year	489.17	474.35
Current Service Cost	108.93	147.07
Interest Cost	43.00	46.48
Actuarial (Gain) / Loss on Obligation	7.30	(95.64)
Acquisition/Business Combination/Divestiture	(33.86)	(53.39)
Benefits Paid	(35.65)	(29.70)
Present value of the obligation at the end of the year	578.89	489.17

ii) Change in Fair Value of Assets and Obligations

(₹ In lakhs)

Particulars	2016-17 Gratuity (Funded)	2015-16 Gratuity (Funded)
Fair value of Plan Assets at the beginning of the year	400.35	289.75
Expected Return on plan assets	32.55	51.87
Contribution	92.72	104.13
Benefits paid during the year	(35.64)	(18.45)
Actuarial (gain)/loss on Plan Asset	(12.24)	0.00
Fair value of Plan Assets at the end of the year	477.74	427.29

iii) Amount to be recognized in Balance sheet (Net)

(₹ In lakhs)

Particulars	2016-17 Gratuity	2015-16 Gratuity
Present Value of Defined Benefit Obligation	578.89	489.17
Fair value of Plan Assets at the end of the year	477.75	427.29
Amount to be recognized in Balance sheet	101.14	61.87

iv) Current/Non-Current bifurcation (net of fund value/assets)

(₹ In lakhs)

Particulars	2016-17 Gratuity	2015-16 Gratuity
Current Benefit Obligation	18.60	11.25
Non - Current Benefit Obligation	82.54	50.62

v) Expense recognized in the statement of financial position for the year

(₹ In lakhs)

Particulars	2016-17 Gratuity (Funded)	2015-16 Gratuity (Funded)
Current Service Cost	144.41	182.57
Interest cost on Obligation	31.84	38.92
Expected Return on plan assets	(10.86)	(14.85)
Net Actuarial (Gain) / Loss recognised in the year	11.54	(7.17)
Net Cost Included in Personnel Expenses	176.94	199.46

vi) Recognised in Other Comprehensive (Income)/Loss at Period-End

(₹ In lakhs)

Particulars	2016-17 Gratuity (Funded)	2015-16 Gratuity (Funded)
Amount recognized in OCI, Beginning of Period	(146.91)	0.69
Remeasurement due to :		
Effect of Change in financial assumptions	55.81	7.62
Effect of Change in demographic assumptions	(21.24)	39.87
Effect of experience adjustments	(9.51)	(192.92)
Actuarial (Gains)/Losses	(30.75)	(153.05)
Return on plan assets (excluding interest)	12.73	0.07
Total remeasurements recognized in OCI	(18.02)	(152.98)
Amount recognized in OCI, End of Period	(164.93)	(152.29)

58. Details of Specified Bank Notes (SBN) held and transacted during the period 8/11/2016 to 30/12/2016:

(₹ In lakhs)

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	39.44	96.89	136.32
(+) Permitted receipts	-	309.88	309.88
(-) Permitted payments	0.04	233.63	233.67
(-) Amount deposited in Banks	39.40	147.26	186.66
Closing balance 30.12.2016	-	25.88	25.88

59. Details required as per Schedule III of the Companies Act 2013 as below:-

i) Details of Net Assets & share in profit or loss

(₹ In lakhs)

Sr. No.	Name of the entity in the	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share In other Comprehensive Income		Share In Total Comprehensive Income	
		As % of consolidated net assets	Amount	As % of consolidated Profit	Amount	As % of consolidated Profit	Amount	As % of consolidated Profit	Amount
	1. Parent	98.59%	243,208.42	69.93%	13,354.78	144.78%	-89.05	69.69%	13,265.73
	Subsidiaries								
	A) Indian								
1	Alliance Spaces Private Limited	5.90%	14,550.70	0.36%	68.41	0.00%	-	0.36%	68.41
2	Blackwood Developers Private Limited	1.76%	4,342.24	0.53%	101.71	0.28%	-0.17	0.53%	101.54
3	Bellona Hospitality Services Limited	0.93%	2,292.11	-6.96%	-1,328.87	-59.39%	36.53	-6.79%	-1,292.34
4	Big Apple Real Estate Private Limited	4.88%	12,036.61	-0.03%	-5.95	0.00%	-	-0.03%	-5.95
5	Butala Farm Lands Private Limited	0.20%	498.02	0.00%	-0.25	0.00%	-	0.00%	-0.25
6	Classic Mall Development Company Private Limited #	0.00%	-	39.50%	7,547.06	5.07%	-3.12	39.62%	7,543.94
7	Enhance Holdings Private Limited	-0.37%	-902.08	0.00%	-0.24	0.00%	-	0.00%	-0.24
8	Gangetic Developers Private Limited	1.28%	3,153.57	-0.01%	-1.90	0.00%	-	-0.01%	-1.90
9	Gangetic Hotels Private Limited	3.23%	7,969.04	-13.06%	-2,493.74	0.00%	-	-13.10%	-2,493.74
10	Grace Works Realty & Leisure Private Limited	3.03%	7,479.19	-8.87%	-1,693.20	-1.49%	0.92	-8.89%	-1,692.28
11	Island Star Mall Developers Private Limited	9.48%	23,384.27	-24.80%	-4,736.38	-40.70%	25.03	-24.75%	-4,711.35
12	Market City Resources Private Limited	0.37%	923.36	-0.46%	-87.03	21.06%	-12.95	-0.53%	-99.98
13	Market City Management Private Limited	0.00%	10.10	0.00%	0.10	0.00%	-	0.00%	0.10
14	Mugwort Land Holding Private Limited	0.00%	8.88	0.00%	-0.51	0.00%	-	0.00%	-0.51
15	Offbeat Developers Private Limited	12.50%	30,829.18	16.90%	3,228.19	7.81%	-4.80	16.93%	3,223.39
16	Palladium Constructions Private Limited	22.39%	55,232.61	26.23%	5,009.16	0.00%	-	26.32%	5,009.16
17	Pallazzio Hotels & Leisure Limited	10.98%	27,083.27	-12.34%	-2,356.04	2.22%	-1.37	-12.38%	-2,357.41
18	Phoenix Hospitality Company Private Limited	7.28%	17,966.73	-0.87%	-165.92	0.00%	-	-0.87%	-165.92
19	Pinnacle Real Estate Development Private Limited	0.00%	-1.22	0.00%	0.06	0.00%	-	0.00%	0.06

Sr. No.	Name of the entity in the	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share In other Comprehensive Income		Share In Total Comprehensive Income	
		As % of consolidated net assets	Amount	As % of consolidated Profit	Amount	As % of consolidated Profit	Amount	As % of consolidated Profit	Amount
20	Plutocrat Assets And Capital Management Private Limited	0.00%	-0.34	0.00%	-0.24	0.00%	-	0.00%	-0.24
21	Sangam Infrabuild Corporation Private Limited	0.13%	318.84	0.00%	-0.27	0.00%	-	0.00%	-0.27
22	Savannah Phoenix Pvt. Ltd.	0.02%	46.37	-1.09%	-208.77	0.00%	-	-1.10%	-208.77
23	Upal Developers Private Limited	0.72%	1,779.47	2.97%	567.79	-0.33%	0.20	2.98%	568.00
24	Vamona Developers Private Limited	7.58%	18,693.59	11.82%	2,257.08	20.69%	-12.72	11.79%	2,244.35
25	Alysum Developers Pvt Ltd	0.00%	1.00	-	-	-	-	-	-
	Minority Interest in all subsidiaries	11.34%	27,969.68	12.07%	2,304.33	7.16%	-4.40	12.08%	2,299.94
	Associates (investment as per Equity Method)								
1	Classic Housing Projects Private Limited	2.03%	5,003.50	0.54%	104.06	0.00%	-	0.54%	104.06
2	Mirabel Entertainment Private Limited	0.02%	43.91	-0.02%	-3.50	0.00%	-	-0.02%	-3.50
3	Starboard Hotels Private Limited	5.62%	13,862.66	-0.03%	-5.49	0.00%	-	-0.03%	-5.49

Due to dilution in shareholding the status of the company is changed from subsidiary to associate w.e.f. 31st March, 2017.

60. Goodwill Impairment

Goodwill is tested for impairment on annual basis and whenever there is an indication that the recoverable amount of a cash generating unit (CGU) is less than its carrying amount based on a number of factors including business plan, operating results, future cash flows and economic conditions. The recoverable amount of cash generating units is determined based on higher of value in use and fair value less cost to sell. For the purpose of impairment testing, goodwill is allocated to a CGU representing the lowest level within the Group at which Goodwill is monitored for internal management purposes, and which is not higher than the Group's operating segment.

Goodwill (excluding Capital Reserve) is allocated to the following CGU for impairment testing purpose.

(₹ In lakhs)

Particulars	As at 31st March, 2017	As at 31st March, 2016
Goodwill relating to Property & Related Services	1,259.91	554.04
Goodwill relating to Hospitality Services	33,968.97	27,723.50
Total	**35,228.88**	**28,277.54**

The Group uses discounted cash flow based methods to determine the recoverable amount. These discounted cash flow calculations use five year projections that are based on financial forecasts. Cash flow projections take into account past experience and represent management's best estimate about future developments.

Management estimates discount rates using pre-tax rates that reflect current market assessments of the risks specific to the CGU, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Company and its operating segments and is derived from its weighted average cost of capital (WACC).

61. Share-based payment arrangements:

A. Description of share-based payment arrangements

i. Share option programmes (equity-settled)

"The Company has granted stock options under the following employee stock option scheme:

ESOP 2007

Date of grant	Number of options (Gross)	Exercise Price	Date of vesting	Vesting period	Fair Value of Option
10-Jun-08	650,000	270.00	9-Jun-16	12	153.26
26-Mar-15	10,556	316.80	25-Mar-16	12	118.69
26-Mar-15	15,833	316.80	25-Mar-17	24	138.36
26-Mar-15	21,111	316.80	25-Mar-18	36	154.97
26-Mar-15	26,389	316.80	25-Mar-19	48	169.26
26-Mar-15	31,667	316.80	25-Mar-20	60	181.67
9-Jun-16	124,000	333.90	23-Oct-17	12	112.84
9-Jun-16	186,000	333.90	23-Oct-18	24	128.32
9-Jun-16	248,000	333.90	23-Oct-19	36	144.12
9-Jun-16	310,000	333.90	23-Oct-20	48	158.33
9-Jun-16	372,000	333.90	23-Oct-21	60	171.52

B. Measurement of fair value

i. Equity-settled share-based payment arrangements

The fair value of the employee share options has been measured using the Black-Scholes formula. Service and non-market performance conditions attached to the arrangements were not taken into account in measuring fair value. The requirement that the employee has to save in order to purchase shares under the share purchase plan has been incorporated into the fair value at grant date by applying a discount to the valuation obtained. The discount has been determined by estimating the probability that the employee will stop saving based on historical behavior.

	ESOP 2007		
Grant Date	**9-Jun-16**	**26-Mar-15**	**10-Jun-08**
Vesting Period/ Expected Life	From grant date - 12 months to 60 months	From grant date - 12 months to 60 months	1 to 8 years
Fair value of option at grant date	112.84 - 171.52	118.69 - 181.67	153.26
Share price at grant date	371.00	353.05	274.07
Exercise price	333.90	316.80	270.00
Historical volatility	31.1% - 29.6%	35%	45%
Time to Maturity (Years)	2.50 years to 6.50 years	2.50 years to 6.50 years	1 years to 8 years
Dividend Yield	0.66%	0.80%	0.63%
Risk-free Rate	6.85%	8.23%	8.07%

Weighted average remaining contractual life of the options as at 31-Mar-17 - 2.34 (31-Mar-16 - 2.10) years

VALUATION METHODOLOGY, APPROACH & ANALYSIS:

Particulars	Description of the inputs used
Market Price of the optioned Stock	For ESOP weighted average market price as available from the website of BSE as on the date of grant. This price holds good for our Black Scholes Fair Valuation analysis for the grants made by the company on 21st October, 2016.
Exercise price	The exercise price as per the Employees Stock Option Scheme 2007 formulated by the Company per equity share is ₹ 333.90/-
Time to Maturity/ Expected Life of the Option	It is the period for which the Company expects the options to be alive. The minimum life of stock option is the minimum period before which the options cannot be exercised and the maximum life is the period after which the option cannot be exercised. As per the' scheme, options are vested to the employees over a period of five years as under:

Vesting Date	Maximum % of Option that shall vest
12 Months from Grant Date	10%
24 Months from Grant Date	15%
36 Months from Grant Date	20%
48 Months from Grant Date	25%
60 Months from Grant Date	30%

The following table lists the average inputs to the models used for the plans for the year ended 31 March 2017

Particulars	Description of the inputs used
Expected volatility (weighted-average)	Expected volatility of the option is based on historical volatility, during a period equivalent to the option life, of the observed market prices of the Company's publicly traded equity shares.
Expected dividends	Dividend yield of the options is based on recent dividend activity.
Risk-free interest rate (based on government bonds)	Risk-free interest rates are based on the government securities yield in effect at the time of the grant.
Option Exercise Period	Option can be Exercise anytime in three year from the Vesting date.

C. Reconciliation of outstanding share options

The number and weighted-average exercise prices of share options under the share option programmes were as follows.

	ESOP 2007			
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
	31 March, 2017	31 March, 2017	31 March, 2016	31 March, 2016
Options outstanding as at the beginning of the year	179,056	302.54	219,306	292.53
Add: Options granted during the year	1,240,000	333.90	-	-
Less: Options lapsed during the year	6,000	270.00	-	-
Less: Options exercised during the year	78,055	276.33	40,250	270.00
Options outstanding as at the year end	1,335,001	332.68	179,056	302.54

62.

Disclosure as required by Ind AS 101 - First time adoption of Indian Accounting Standards

Transition to Ind AS

Basis of preparation:

For all period up to and including the year ended March 31, 2016, the Group has prepared its financial statements in accordance with generally accepted accounting principles in India (Indian GAAP). These financial statements for the year ended March 31, 2017 are the Group's first annual Ind AS financial statements and have been prepared in accordance with Ind AS.

Accordingly, the Group has prepared financial statements which comply with Ind AS applicable for periods beginning on or after April 1, 2015 as described in the accounting policies. In preparing these financial statements, the Group's opening Balance Sheet was prepared as at April 1, 2015 the Group's date of transition to Ind AS. This note explains the principal adjustments made by the Group in restating its Indian GAAP Balance Sheet as at April 1, 2015 and its previously published Indian GAAP financial statements for the year ended March 31, 2016.

Exemptions Applied:

Ind AS 101 "First-time Adoption of Indian Accounting Standards" allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Group has applied the following exemptions:

Property, plant and equipment and intangible assets :-

The Group has elected to apply Indian GAAP carrying amount as deemed cost on the date of transition to Ind AS for its property, plant and equipment and intangible assets.

Investments in associates :-
The Group has elected to apply Indian GAAP carrying amount of its investments in associates as deemed cost on the date of transition to Ind AS.

Business combinations:-
Ind AS 101 provides the option to apply Ind AS 103 "Business Combinations" prospectively from the date or from a specific date prior to the transition date. This provides relief from full retrospective application that would require restatement of all business combinations prior to the transition date. The Group elected to apply Ind AS 103 prospectively to business combination
Mandatory exceptions applied

The following mandatory exceptions have been applied in accordance with Ind AS 101 in preparing the financial statements.

Non-controlling interests:-
"Ind AS 110 ""Consolidated Financial Statements"" requires entities to attribute the profit or loss and each component of other comprehensive income to the owners of the parent and to the non-controlling interests. This requirement needs to be followed even if this results in the non-controlling interests having a deficit balance. Ind AS 101 requires the above requirement to be followed prospectively from the date of transition. Consequently, the group has applied the above requirement prospectively.

Classification and measurement of financial assets:-
The Group has classified the financial assets in accordance with Ind AS 109 " Financial Instruments" on the basis of facts and circumstances that exist at the date of transition to Ind AS.

Estimates:-
The Group's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with Indian GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at 1st April, 2015 are consistent with the estimates as at the same date made in conformity with Indian GAAP except where Ind AS required a different basis for estimates as compared to the Indian GAAP.

Impact of transition to Ind AS
The following is a summary of the effects of the differences between Ind AS and Indian GAAP on the Group's total equity shareholders' funds and profit and loss for the financial periods previously reported under Indian GAAP following the date of transition to Ind AS. There is no material impacts of Ind AS transactions on the Cash flow statement.

Reconciliation of Balance sheet as on 1st April 2015 (i.e. date of transition to Ind AS)

₹ in Lakhs

Particulars	Note no.	As Per IGAAP	Adjustment	As per IND As
ASSETS				
Non-current assets				
Property, plant and equipment		412,777.89	-	412,777.89
Capital work-in-progress		21,377.73	-	21,377.73
Goodwill	**VII**	-	2,071.29	2,071.29
Other Intangible assets		253.49	-	253.49
Financial assets		-	-	-
- Investments	**II**	18,071.64	148.32	18,219.96
- Loan		1,493.21	-	1,493.21
- Other		6,264.66	-	6,264.66
Deferred tax assets (Net)	**VIII**	10,473.27	2,404.23	12,877.50
Other non-current assets	**VI**	20,022.98	(164.21)	19,858.77
(A)		**490,734.87**	**4,459.63**	**495,194.50**

₹ in Lakhs

Particulars	Note no.	As Per IGAAP	Adjustment	As per IND As
Current assets				
Inventories		117,830.86	-	117,830.86
Financial assets				
- Investments		1,900.00	-	1,900.00
- Trade and other receivables	I	21,920.53	(669.16)	21,251.37
- Cash and cash equivalents		5,696.66	-	5,696.66
- Bank Balance other than above		1,076.85	-	1,076.85
- Loans		4,247.63	-	4,247.63
- Other		3,034.52	-	3,034.52
Current Tax Assets (net)		8,490.43	-	8,490.43
Other current assets	VI	9,196.19	(49.16)	9,147.03
(B)		**173,393.67**	**(718.32)**	**172,675.35**
TOTAL (A + B)		**664,128.54**	**3,741.31**	**667,869.85**
Equity				
Equity Share capital		2,899.13	-	2,899.13
Other equity		164,469.92	2,659.30	167,129.22
Equity attributable to the owners		**167,369.05**	**2,659.30**	**170,028.365**
Non-controlling interest	VII	62,121.60	4,643.69	66,765.29
(A)		**229,490.65**	**7,302.99**	**236,793.64**
Liabilities				
Non-current liabilities				
Financial liabilities				
- Borrowings	VII	281,903.21	(1,802.32)	280,100.89
- Trade Payables		812.01	-	812.01
- Other financial liabilities		126.99	-	126.99
Provisions		2,223.27	-	2,223.27
Deferred tax liabilities (Net)	VIII	-	2,313.02	2,313.02
Other non-current liabilities	V	28,982.95	(240.24)	28,742.71
(B)		**314,048.43**	**270.46**	**314,318.89**
Current liabilities				
Financial liabilities				
- Borrowings		22,712.29	-	22,712.29
- Trade Payables	V	10,501.83	6.12	10,507.95
- Other financial liabilities		42,050.32	-	42,050.32
Other current liabilities		40,100.19	-	40,100.19
Provisions	X	5,043.17	(3,838.26)	1,204.91
Current tax Liabilities (net)		181.66	-	181.66
(C)		**120,589.46**	**(3,832.14)**	**116,757.32**
TOTAL (A+B+C)		**664,128.54**	**3,741.31**	**667,869.85**

Reconciliation of Other Equity as at April 1, 2015

₹ in Lakhs

Other Equity	Note No.	Total impact on other equity
Balances at April 1, 2015 -IGAAP (A)		**164,469.92**
Adjustments:-		
Fair Value for Financial Assets	II	8.88
Fair Value Change in Investment through OCI	II	139.45
Preliminary Expenses w/off	VI	(205.14)
Deferred Tax Liability Recognised	VIII	71.42
Transfer to Non Controlling due to change in shareholding	VII	(830.94)
Proposed dividend (Including Tax Thereon)	X	3,838.26
Expected Credit Loss (ECL) on receivables	I	(362.63)
Total IndAS Adjustments (B)		**(2,659.30)**
Balances at April 1, 2015 -IndAS (A+B)		**167,129.22**

Reconciliation of Balance sheet as on 31st March 2016

₹ in Lakhs

Particulars	Note no.	As Per IGAAP	Adjustment	As per IND AS
ASSETS				
Non-current assets				
Property, plant and equipment	XII	434,785.33	329.80	435,115.13
Capital work-in-progress		19,486.12	-	19,486.12
Goodwill	XII & VII	2,604.20	16,704.43	19,308.63
Other Intangible assets		383.48	(10.23)	373.25
Financial assets				
- Investments	II	13,900.76	73.30	13,974.06
- Loan		6,914.26	-	6,914.26
- Other		7,288.85	-	7,288.85
Deferred tax assets (Net)	VIII	11,084.10	3,422.58	14,506.68
Other non-current assets	V & VI	24,423.81	(323.99)	24,099.82
(A)		**520,870.91**	**20,195.89**	**541,066.80**
Current assets				
Inventories		132,396.19	-	132,396.19
Financial assets			-	-
- Investments	II & IX	2,096.88	38.46	2,135.34
- Trade receivables	I & V	32,006.67	(4,148.21)	27,858.46
- Cash and cash equivalents		10,682.60	-	10,682.60
- Bank Balance other than above		5,620.85	-	5,620.85
- Loans		1,891.33	-	1,891.33
- Other		1,734.61	-	1,734.61
Current Tax Assets (net)	VIII	13,996.24	(137.03)	13,859.21
Other current assets	V	8,818.17	(125.09)	8,693.08
(B)		**209,243.54**	**(4,371.87)**	**204,871.67**
TOTAL (A + B)		**730,114.45**	**15,824.02**	**745,938.47**

₹ in Lakhs

Particulars	Note no.	As Per IGAAP	Adjustment	As per IND AS
Equity				
Equity Share capital		3,059.78	-	3,059.78
Other equity		183,802.95	15,867.73	199,670.68
Equity attributable to the owners		**186,862.73**	**15,867.73**	**202,730.46**
		-	-	-
Non-controlling interest	VII	45,107.06	2,787.05	47,894.11
(A)		**231,969.79**	**18,654.78**	**250,624.57**
Liabilities				
Non-current liabilities				
Financial liabilities				
- Borrowings	VII	340,039.45	(2,030.11)	338,009.34
- Trade Payables		567.58	-	567.58
- Other financial liabilities		290.56	-	290.56
Provisions		3,120.30	-	3,120.30
Deferred tax liabilities (Net)	VIII	-	3,548.13	3,548.13
Other non-current liabilities	V	31,609.57	(3,452.37)	28,157.17
(B)		**375,627.46**	**(1,934.38)**	**373,693.08**
Current liabilities				
Financial liabilities				
- Borrowings		24,319.04	-	24,319.04
- Trade Payables	V	12,168.57	(67.78)	12,100.79
- Other financial liabilities		33,013.72	-	33,013.72
Other current liabilities		49,801.26	-	49,801.26
Provisions	X	3,204.23	(828.60)	2,375.63
Current tax Liabilities (net)		10.38	-	10.38
(C)		**122,517.20**	**(896.38)**	**121,620.81**
TOTAL (A+B+C)		**730,114.45**	**15,824.02**	**745,938.47**

Reconciliation of Other Equity as at April 1, 2015

(₹ In lakhs)

Other Equity	Note No.	Total impact on other equity
Balances at March 31, 2016 -IGAAP (A)		**183,802.95**
Adjustments:-		
Premium on redemption of Non-convertible debentures (NCD)	III	(552.33)
Fair Value for Financial Assets	II	306.92
Fair Value Change in Investment through OCI	II	(270.63)
Remeasurments gains defined benefit plan	IV	26.70
Preliminary Expenses w/off	VI	(195.58)
Deferred Tax Liability Recognised	VIII	40.45
Transfer to Non Controlling due to change in shareholding	VII	16,355.70
Expected Credit Loss (ECL) on receivables	I	(672.10)
Proposed dividend (Including Tax Thereon)	X	828.60
Total (B)		**15,867.73**
Balances at March 31, 2016 -IndAS (A+B)		**199,670.68**

Reconciliation of Statement of profit or loss for the year ended 31st March 2016

₹ in Lakhs

	Note No.	Indian GAAP	Adjustments	Ind AS
Revenue from operations	III & XI	177,855.51	95.95	177,951.46
Other income	II	3,120.30	(96.72)	3,023.58
Total revenue		**180,975.81**	**(0.77)**	**180,975.04**
Expenses				
Cost of materials consumed	XI	43,303.42	9.44	43,312.86
Changes in inventories of finished goods, work in progress and stock-in-trade		(14,835.24)	-	(14,835.24)
Emloyee benefit expense	IV	12,327.30	114.99	12,442.29
Depreciation and amortisation expense		17,728.21	-	17,728.21
Finance cost	III	43,051.12	1,195.33	44,246.45
Other expense	VI	58,056.55	284.98	58,341.53
		159,631.36	**1,604.74**	**161,236.10**
Profit / (Loss) before finance costs, depreciation, prior period items, exceptional items and tax		**21,344.45**	**(1,605.51)**	**19,738.94**
Add / (Less):- Exceptional Items		(3,872.74)	-	(3,872.74)
		-	-	-
Profit/ (loss) before tax		**17,471.71**	**(1,605.51)**	**15,866.20**
Tax expense:				
Current Income Tax		10,695.81	1.01	10,696.82
Deferred Tax	VIII	(529.84)	220.37	(309.47)
Minimum Alternate Tax		(2,707.25)	(9.91)	(2,717.16)
Tax Adjustments of earlier years		(1.20)	-	(1.20)
Profit/(Loss) for the year		**10,014.19**	**(1,816.98)**	**8,197.21**
Add : Share of Profit/(Loss) in Associates		167.98	-	167.98
Other comprehensive income				
A) Items that will not be reclasified To Profit or Loss				
a) Re-measurment gain of the net defined benefit plans	IV	-	152.98	152.98
b) Gain/(Loss) on Equity instruments at fair value through Other Comprehensive Income	II	-	(51.34)	(51.34)
B) Income tax relating to items that will not be reclassified to Profit or Loss	IV & VIII	-	8.05	(8.05)
Total comprehensive loss for the period		**10,182.17**	**(1,723.39)**	**8,458.78**

Footnotes to the reconciliation of equity as at 1st April 2015 and 31st March 2016 and Statement of profit and loss for the year ended 31st March 2016:

I) Expected Credit Loss (ECL) Provision: The Group has made provision on trade receivables as per IndAS 109. Impact of ECL as on date of transition is recognised in opening reserves and changes thereafter are recognised in Statement of Profit and Loss.

II) Fair Valuation for Financial Asset: The Group has valued financial assets (other than investment in subsidiaries, associate which are accounted at cost), at fair value. Impact of fair value changes on the date of transition, is recognised in opening reserve and changes thereafter are recognised in statement of Profit and Loss or Other Comprehensive Income, as the case may be.

III) Premium on redemption of Non-convertible debentures (NCD) : Under Indian GAAP, premium on redemption of NCD was adjusted against securities premium account and under Ind AS, it is debited to statement of profit and loss from date of transition.

IV) Remeasurement gain/(loss) on defined benefit plans: Under IndAS, such obligation is accounted in Other Comprehensive Income, whereas under previous Indian GAAP, same was charged to Profit and Loss account.

V) Offseting of financial asset & Liability: Financial asset & Liability that can be legally offset & which Compnay intends to settle on net basis are offsetted as per IndAS 39

VI) Derecognition of Miscellanoues Expenditure: Miscellaneoues Expenses incurred as not been recognised as asset as per IndAS 101. Impact on the date of transition is recognised in opening reserve and for the period thereafter in Statement of Profit and Loss.

VII) Changes in amount allocated to Non Controlling Interest: The Group's interest in a wholly owned subsidiary has been reworked considering the potential equity shares to be issued to non controlling interest and their share in net reserves of subsidiary on the transition date has been adjsuted in opening reserves and their share in profit/loss for the year in the Statement of Profit and Loss.

VIII) Deferred Tax/Current Tax: The above Ind AS adjustments have resulted into changes in deferred tax/current tax for the respective periods .

IX) Fair Value of Employee Stock Option : Employee Stock Option has been accounted at fair value under IndAS, which were earlier accounted at intrinsic value under previous Indian GAAP.

X) Dividend and dividend distribution tax:-
Under Indian GAAP, proposed dividends were recognised as an adjusting event occurring after the balance sheet date however under the Ind AS proposed dividend are non adjusting events after the balance sheet date and hence recognised as and when approved by the Shareholders In the case of the Company, the declaration of dividend occurs after period end. Therefore, the liability for dividend for the year ended on 31st March, 2015 has been derecognised with corresponding impact in the retained earnings on 1st April, 2015

XI) Excise duty: Under previous GAAP , total revenue from sale of product was presented exclusive of excise duty. This change has resulted in an increase in total revenue of Food & Beverages consumption for the year ended 31 March 2016.

XII) Asset acquired on acquisition of one subsidiary are stated at fare value as per Ind AS 103.

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

Significant Accounting Policies and Notes on Financials Statements 1 to 63

The notes referred to above form an integral part of the Financial Statements

As per our report of even date

For A.M.Ghelani & Company
Chartered Accountants
FRN : 103173W

Chintan A. Ghelani
Partner
M. No.:104391

For Chaturvedi & Shah
Chartered Accountants
FRN : 101720W

Jignesh Mehta
Partner
M. No.:102749

For and on behalf of the Board of Directors

Ashokkumar Ruia
(Chairman & Managing Director)
DIN - 00086762

Shishir Shrivastava
(Jt. Managing Director)
DIN - 01266095

Atul Ruia
(Jt. Managing Director)
DIN - 00087396

Pradumna Kanodia
(Director - Finance)
DIN - 01602690

Puja Tandon
(Company Secretary)
M.No.A21937

Place : Mumbai
Date: 10th May, 2017

ANNEXURE - I - FORM AOC - I

The Phoenix Mills Limited
Form AOC - I
(Pursuant to first proviso to sub-section 129 read with rule 5 of Companies (Accounts) Rules,2014)
Statement containing salient features of the financial subsidiaries/ associate company/joint ventures
Part "A":Subsidiaries
(Information in respect of each subsidiary to be presented with amount in Lakhs)

Sr No.	Name of Subsidiary Co	Reporting Currency	Share Capital	Reserve & Surplus	Total Asset	Total Liabilities	Investment	Turnover/ Total Income	Profit Before Tax	Provision for Tax	Profit After Tax	Proposed Dividend	% Shareholding
	Subsidiary												
1	Alliance Spaces Private Limited	INR	199.87	14,350.83	15,146.30	595.60	-	413.34	107.53	39.12	68.41	-	33.00%
2	Blackwood Developers Private Limited	INR	1,873.17	2,469.07	15,497.83	11,155.59	-	3,246.74	113.38	11.67	101.71	-	100.00%
3	Bellona Hospitality Services Limited	INR	438.71	1,853.39	8,359.58	6,067.48	-	2,057.55	-1,365.40	-	-1,365.40	-	100.00%
4	Big Apple Real Estate Private Limited	INR	2,558.59	9,478.02	14,864.59	2,827.98	10,755.26	154.53	-5.15	0.80	-5.95	-	100.00%
5	Butala Farm Lands Private Limited	INR	1.25	496.77	501.45	3.43	500.00	-	-0.25	-	-0.25	-	100.00%
6	Enhance Holdings Private Limited	INR	1.00	-903.08	391.55	1,293.63	391.46	-	-0.24	-	-0.24	-	100.00%
7	Gangetic Developers Private Limited	INR	898.60	2,254.97	3,153.76	0.19	-	0.02	-1.90	-	-1.90	-	58.61%
8	Gangetic Hotels Private Limited	INR	499.20	7,469.84	21,126.95	13,157.91	-	3,304.08	-2,810.74	-317.00	-2,493.74	-	74.11%
9	Grace Works Realty & Leisure Private Limited	INR	6.76	7,472.43	27,275.85	19,796.66	-	1,809.70	-1,772.98	-79.79	-1,693.20	-	44.02%
10	Island Star Mall Developers Private Limited	INR	11,225.86	12,158.42	78,527.74	55,143.46	1.00	17,181.91	-4,308.35	428.03	-4,736.38	-	100.00%
11	Market City Resources Private Limited	INR	1.00	922.36	1,461.76	538.40	-	2,103.11	-93.93	-6.90	-87.03	-	100.00%
12	Market City Management Private Limited	INR	10.00	0.10	10.25	0.15	0.01	0.29	0.15	0.05	0.10	-	100.00%
13	Mugwort Land Holding Private Limited	INR	1.00	7.88	101.27	92.39	-	0.14	-0.02	0.49	-0.51	-	94.86%
14	Offbeat Developers Private Limited	INR	3,157.98	27,671.20	133,056.59	102,227.41	1.25	24,423.68	4,770.36	1,542.17	3,228.19	-	83.60%

Sr No.	Name of Subsidiary Co	Reporting Currency	Share Capital	Reserve & Surplus	Total Asset	Total Liabilities	Investment	Turnover/ Total Income	Profit Before Tax	Provision for Tax	Profit After Tax	Proposed Dividend	% Shareholding
15	Palladium Constructions Private Limited	INR	3,277.86	51,954.75	73,456.21	18,223.60	1,929.55	23,139.89	7,107.39	2,098.23	5,009.16	-	79.52%
16	Pallazzio Hotels & Leisure Limited	INR	1,200.00	25,883.27	115,397.82	88,314.54	5.95	25,586.12	-2,356.04	-	-2,356.04	-	58.51%
17	Phoenix Hospitality Company Private Limited	INR	232.14	17,734.59	18,486.06	519.33	18,435.55	5.41	-165.92	-	-165.92	-	56.92%
18	Pinnacle Real Estate Development Private Limited	INR	1.00	-2.22	2.06	3.29	0.01	0.20	0.06	-	0.06	-	100.00%
19	Plutocrat Assets And Capital Management Private Limited	INR	1.00	-1.34	0.53	0.87	-	-	-0.24	-	-0.24	-	100.00%
20	Sangam Infrabuild Corporation Private Limited	INR	334.60	-15.76	452.47	133.64	-	-	-0.27	-	-0.27	-	100.00%
21	Savannah Phoenix Pvt. Ltd.	INR	83.40	-37.03	178.00	131.63	-	87.58	-105.35	103.41	-208.77	-	100.00%
22	Upal Developers Private Limited	INR	1,960.00	-180.53	13,957.87	12,178.41	-	3,966.71	567.79	-	567.79	-	100.00%
23	Vamona Developers Private Limited	INR	2,500.00	16,193.59	83,901.94	65,208.35	4,005.00	19,897.47	2,634.10	377.02	2,257.08	-	86.55%
24	Alysum Developers Pvt. Ltd.	INR	1.00	-	1.00	-	-	-	-	-	-	-	100%

Notes:

1 Names of subsidiaries which are yet to commence operations:
- a) Butala Farm Lands Private Limited
- b) Enhance Holdings Private Limited
- c) Mugwort Land Holding Private Limited
- d) Pinnacle Real Estate Development Private Limited
- e) Plutocrat Assets And Capital Management Private Limited
- f) Sangam Infrabuild Corporation Private Limited

Part "B": Associates and Joint Ventures:
"Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures"

Sl. No.	1	2	3	4	5
Name of Associates / Joint Ventures	**Classic Housing Projects Private Limited**	**Mirabel Entertainment Private Limited**	**Classic Mall Development Company Private Limited**	**Starboard Hotels Private Limited**	**Escort Developers Private Limited**
Latest Audited Balancesheet Date	31.3.2017	31.3.2017	31.3.2017	31.3.2017	31.3.2017
Shares of Associates/Joint Ventures held by the Company/ Subsidiary Companies on the year end					
(i) No.	5,208	5,000	3,709,416	2,500,626	
(ii) Amount of Investment in Associates / Joint Venture	1,392.58	13.03	18,173	378.47	
(iii) Extend of Holding	48.00%	28.46%	48.19%	28.45%	50.00%
Description of how there is significant influence	Refer Note 2	Refer Note 2	Refer Note 3&5	Refer Note 2	Refer Note 1
Reason why the associate/joint venture is not consolidated	Consolidated	Consolidated	Consolidated	Consolidated	Refer Note 1
Networth attributable to Shareholding as per latest audited Balancesheet	5,003.50	43.91	37,798.68	13,862.66	NA
Profit/Loss for the Year	221.54	-12.34	N.A	-19.28	
(i) Considered in Consolidation	104.06	-3.50		-5.49	
(i) Not Considered in Consolidation	-	-	-	-	-

Notes:
1. Name of associates or joint venture which have been liquidated or sold during the year — a) Escort Developers Private Limited
2. There is a significant influence due to percentage (%) of shareholding.
3. Companies are subsidiary in current year
4. Figures consider are unaudited
5. Classic Mall Development Company Private Limited was a subsidiary upto 31-March-17. Hence share of profit has not been considered for the purpose of this note.

NOTICE

NOTICE is hereby given that the 112th Annual General Meeting of the shareholders of The Phoenix Mills Limited will be held on Monday, the 25th day of September, 2017 at 3:30 P.M. at Indian Merchants' Chamber, 4th Floor, Walchand Hirachand Hall, Churchgate, Mumbai – 400 020 to transact the following business:

Ordinary Business(es)

To consider and, if thought fit, to pass the following resolutions as Ordinary Resolutions:

1. To receive, consider and adopt:

   a. the audited Financial Statements of the Company for the Financial Year ended March 31, 2017, together with the Reports of the Board of Directors and Auditors thereon; and

   b. the Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2017, together with the Report of the Auditors thereon.

   "**Resolved that** the following financial statements of the Company be and are hereby received, considered and adopted:

   a. the Audited Financial Statements for the Financial Year ended March 31, 2017, together with the Reports of the Board of Directors and Auditors thereon; and

   b. the Audited Consolidated Financial Statements for the Financial Year ended March 31, 2017, together with the Report of the Auditors thereon."

2. To declare dividend on Equity Shares for the Financial Year ended March 31, 2017.

   "**Resolved that** a final dividend of ₹ 2.40 per equity share of ₹ 2/- each fully paid for the financial year 2016-17, as recommended by the Board, be and is hereby approved and declared."

3. To appoint a Director in place of Mr. Atul Ruia (DIN: 00087396), who retires by rotation and being eligible, has offered himself for re-appointment.

   "**Resolved that** Mr. Atul Ruia (DIN: 00087396), who retires by rotation and being eligible, offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company liable to retire by rotation."

4. To appoint M/s. DTS & Associates, Chartered Accountants (Registration no. 142412W) as the Statutory Auditors of the Company, to hold office from the conclusion of this meeting until conclusion of the 117th Annual General Meeting and to authorize the Board of Directors to fix their remuneration.

   "**Resolved that** pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder and pursuant to the recommendation of the Board of Directors, M/s. DTS & Associates, Chartered Accountants (Registration no. 142412W) be and is hereby appointed as the Statutory Auditors of the Company to hold office for a term of five (5) years i.e. from the conclusion of the 112th Annual General Meeting (AGM) till the conclusion of 117th AGM of the Company, subject to ratification of their appointment by the members at every AGM held during their tenure of appointment, at such remuneration as may be fixed by the Board of Directors of the Company from time to time."

On behalf of the Board of Directors

Place: Mumbai
Date: August 2, 2017

Ashokkumar Ruia
Chairman & Managing Director
DIN: 00086762

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT PROXY/PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH PROXY/PROXIES NEED NOT BE A MEMBER OF THE COMPANY.

2. A person can act as proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company. A member holding more than 10% of the total share capital carrying voting rights may appoint a single person as Proxy and such person cannot act as proxy for any other member.

3. The instrument of Proxy, if any, in order to be valid and effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours (forty eight hours) before the time fixed for the commencement of the meeting.

   A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.

4. In case of joint holders attending the meeting, any such joint holder who is higher in the order of names will be entitled to vote.

5. As per Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 on General Meetings, information regarding re-appointment of Director (Item no. 3) is annexed hereto.

6. The Company's Registrar and Share Transfer Agents for its share registry work (Physical and Electronic) are M/s. Link Intime India Private Ltd having their office premises at C 101, 1st Floor, 247 Park, L B S Marg, Vikhroli West, Mumbai – 400 083.

7. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their queries to the Registered Office of the Company at least seven days before the date of the meeting, to enable the Company to make available the required information at the meeting, to the extent possible.

8. The Register of Members and Share Transfer Books will remain closed from Wednesday, September 20, 2017 to Monday, September 25, 2017 (both days inclusive) for the annual closing and for the purpose of determining the entitlement for payment of dividend.

9. Dividend for the Financial Year ended March 31, 2017, if declared at the Annual General Meeting, shall be paid on or before 30th day from the date of declaration to those shareholders, whose names appear:

    a. As beneficial owners at the end of business day on Tuesday, September 19, 2017 as per lists furnished by NSDL and CDSL in respect of shares held in dematerialised form.

    b. On the register of members of the Company at the end of business day on Tuesday, September 19, 2017 in respect of shares held in physical form.

10. In order to enable the Company to remit dividend through National Electronic Clearing Services (NECS), shareholders are requested to provide details of their bank accounts indicating the name of the bank, branch, account number and the nine-digit MICR code (as appearing on the cheque). It is advisable to attach a photocopy of the cheque leaf/cancelled cheque leaf. The said information should be submitted on or before Tuesday, September 19, 2017 to the Company, if the shares are held in physical form and to the concerned Depository Participant (DP), if the same are held in electronic form. Payment through NECS shall be subject to availability of NECS Centres and timely furnishing of complete and correct information by members.

11. Shareholders are requested to:

    a. Intimate the Company's Registrar and Share Transfer Agent, M/s. Link Intime India Private Ltd at the above mentioned address, of changes, if any, in their registered address at an early date for shares held in physical form.

    b. Intimate to the respective DPs, changes, if any, in their registered addresses at an early date, in case of shares held in electronic form.

    c. Quote ledger folio numbers/DP ID and Client ID numbers in all their correspondence.

    d. Approach the Company for consolidation of various ledger folios into one.

    e. Get the shares transferred in joint names, if they are held in a single name and/or appoint a nominee.

    f. Bring with them to the meeting, their copy of the Annual Report and Attendance Slip. No copies will be distributed at the meeting as a measure of economy.

    g. Send their email ID's to the Registrar and Share Transfer Agent of the Company/to the Company (for members holding shares in physical form).

    h. Send/update their email ID's to the Depository Participant/Registrar and Share Transfer Agent of the Company (for members holding shares in Demat Form).

12. Green Initiative in Corporate Governance
    As a measure towards Green Initiative, it is proposed that documents like Notices of Meetings/Postal Ballot, Annual Reports, Directors Report and Auditors' Report and other shareholder communications will be sent electronically to the email address provided by the shareholders and/or made available to the Company by the Depositories viz., NSDL/CDSL. Shareholders holding shares in dematerialized form are requested to keep their Depository Participant (DP) informed and updated of any change in their email address.

    For shares held in physical form, shareholders can register their email address by sending a duly signed letter mentioning their name(s), folio no(s). and email address to the Company's Registrar & Share Transfer Agent, M/s Link Intime India Private Limited, C 101, 1st Floor, 247 Park, L B S Marg, Vikhroli West, Mumbai 400 083 or by sending an email to phoenixmillsgogreen@linkintime.co.in or alternatively can register their email address on the website of the Company at http://www.thephoenixmills.com/green/greenadd.asp

13. Pursuant to Sections 124 of the Companies Act, 2013 (Corresponding Section 205A and 205C of the Companies Act, 1956) and other applicable provisions of the Companies Act, 2013, if any, any money transferred to the unpaid dividend account which remains unpaid or unclaimed for a period of seven years from the date of such transfer, is required to be transferred to the Investor Education and Protection Fund set up by the Central Government.

    Accordingly, the unpaid/unclaimed dividend for the Financial Year 2009-2010 onwards will become transferrable at the end of respective seven years to the said Fund. Shareholders are requested to send their claims, if any, for the Financial Year 2009-2010 onwards before the amount becomes due for transfer to the above Fund. Shareholders are requested to encash the dividend warrants well in advance.

14. Please note that in terms of SEBI Circulars No. MRD/DoP/Cir-05/2009 dated May 20, 2009 and No. SEBI/MRD/DoP/SE/RTA/Cir-03/2010 dated January 7, 2010, it is mandatory for the shareholders holding shares in physical form to submit self-attested copy of PAN card in the following cases:

    a. Transferees' PAN Cards for transfer of shares,

    b. Surviving joint holders' PAN Cards for deletion of name of deceased shareholder,

    c. Legal heirs' PAN Cards for transmission of shares,

    d. Joint holders' PAN Cards for transposition of shares.

    In compliance with the aforesaid circulars, requests without attaching copies of PAN card, for transfer/deletion/transmission and transposition of shares of the Company in physical form will be returned under objection.

15. Members may also note that the Notice of the 112th Annual General Meeting and the Annual Report for 2017 will also be

available on the Company's website www.thephoenixmills.com for download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Mumbai for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor correspondence email id: investorrelations@highstreetphoenix.com. For members who have not registered their email id, physical copy of the Annual Report for the Financial Year 2016-17 is being sent in the permitted mode.

16. Members can avail of the facility of nomination in respect of shares held by them in physical form pursuant to the provisions of Section 72 of the Companies Act, 2013. Members desiring to avail of this facility may send their nomination in the prescribed Form SH-13 duly filled in to M/s. Link Intime India Private Ltd at the above mentioned address. Members holding shares in electronic form may contact their respective Depository Participant for availing this facility.

17. **Voting through electronic means**
In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Secretarial Standard on General Meetings (SS-2) and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide its members, facility to exercise their right to vote at the 112th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by Central Depository Services (India) Limited (CDSL).

The instructions for e-voting are as under:

I. In case of shareholders receiving the Notice by e-mail:
   i. The e-voting period commences on Friday, September 22, 2017 [9:00 A.M. (IST)] and ends on Sunday, September 24, 2017 [05:00 P.M. (IST)]. During this period, shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date, i.e. Tuesday, September 19, 2017, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast, the shareholder shall not be allowed to change it subsequently. Any person who becomes a member of the Company after dispatch of the Notice of meeting and holding shares as on the cut-off date may obtain their User Id and password in the manner as mentioned hereinafter. Person who is not a member as on the cut-off date should treat this Notice for information purposes only.

   ii. Launch internet browser by typing the URL: www.evotingindia.com.

   iii. Click on 'Shareholders'

   iv. Enter your Login credentials:
      a. For CDSL: 16 digits beneficiary ID
      b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID
      c. Shareholders holding shares in physical form should enter Folio Number registered with the Company.

   v. Next, enter the image verification as displayed and Click on 'Login'

   vi. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any other company, then your existing password is to be used.

   vii. If you are a first time user follow the steps given below:

For shareholders holding shares in Demat Form and Physical Form

PAN	- Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (applicable for both demat shareholders as well as physical shareholders) - Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and 8 digits of the sequence number in the PAN field - In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. if your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
	Enter the Date of Birth as recorded in your demat account or in the Company's records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details or Date of Birth (DOB)	Enter the Dividend Bank details as recorded in your demat account or in the Company records for the said demat account or folio. Please enter the DOB or Dividend Bank details in order to login. If the details are not recorded with the depository or the Company, please enter the member id/folio number in the Dividend Bank details field as mentioned in instruction (iv).

   viii. After entering these details appropriately, click on 'Submit' tab.

ix. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

x. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

xi. Click on the EVSN for 'The Phoenix Mills Limited'.

xii. On the voting page, you will see 'Resolution Description' and against the same option 'Yes/No' for voting. Select the option as desired. The option 'Yes' implies that you assent to the Resolution and the option 'No' implies that you dissent to the Resolution.

xiii. On the voting page enter the number of shares (which represents no. of votes) as on the cut-off date under 'For/Against'.

xiv. Click on the 'Resolutions File Link' if you wish to view the entire Resolution details.

xv. After selecting the resolution you have decided to vote on, click on 'Submit'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Ok', else to change your vote, click on 'Cancel' and accordingly modify your vote.

xvi. Once you 'Confirm' your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

xvii. Shareholders holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat account.

xviii. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.

xix. During the voting period, shareholders can login any number of times till they have voted on the resolution(s).

xx. You can also take out print of the voting done by you by clicking on "Click here to print" option on the voting.

xxi. If demat account holder has forgotten the same password then enter the User ID and the image verification code and click on 'Forgot Password' and enter the details as prompted by the system.

xxii. Note for non–individual shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts, they would be able to cast their vote.
- They are also required to upload a scanned certified true copy of the board resolution/authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the system for the Scrutinizer to verify the same. They may also send across a hard copy of the document to the Scrutinizer.

II. In case of shareholders receiving the Notice by post: For shareholders whose email IDs are not registered with the Company/Depository Participant(s) and who receives the physical copy of the AGM Notice, the following instructions may be noted:
   i. The User ID and initial password is provided at the bottom of the AGM Notice.
   ii. Please follow all the steps from i to xxii mentioned above to cast your vote successfully.

III. In case the shareholders have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

IV. Details of person to be contacted for issues relating to voting through Physical Ballot and e–voting:
Mr. Mangesh Satvilkar
Investor Relations Officer,
The Phoenix Mills Limited,
462, Senapati Bapat Marg,
Lower Parel, Mumbai – 400 013
Tel No.: 022-30016600
Fax No.: 022-30016818
Email: evoting@highstreetphoenix.com

V. The voting rights of shareholders shall be in proportion to their shares in the paid up equity share capital of the Company as on the cut-off date (record date) of Tuesday, September 19, 2017. The facility for voting through ballot shall also be made available at the meeting and shareholders attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their voting right at the meeting. The shareholders who have cast their votes by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

VI. Mr. Himanshu S. Kamdar, Company Secretary (Membership No. F5171) - Partner, M/s. Rathi & Associates, Company Secretaries in practice has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

VII. The Scrutinizer will, immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company and within a period of forty eight hours from the conclusion of the meeting, make a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman of the Company.

VIII. In order to enable its members, who do not have access to e-voting facility, to send their assent or dissent in writing in respect of the resolutions as set out in this Notice, a Ballot Form is annexed. A member desiring to exercise vote by Ballot shall complete the enclosed Ballot Form with assent (for) or dissent (against) and send it to Mr. Himanshu S. Kamdar, Scrutinizer, C/o Link Intime India Private Limited, Unit: The Phoenix Mills Limited, C101,247 Park, L B S Marg, Vikhroli (West), Mumbai - 400 083, so as to reach him on or before Sunday, September 24, 2017 by 5.00 p.m. Any Ballot Form received after the said date shall be treated as if the reply from the Members has not been received.

IX. The results shall be declared by the Chairman and Managing Director or any other person authorized by him in this regard on or after the AGM of the Company. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website www.thephoenixmills.com and on the website of CDSL, immediately after the result is declared and communicated to the National Stock Exchange of India Ltd and BSE Limited, who are required to place them on their website.

18. The certificate from the Statutory Auditors of the Company certifying that the Company's Employee Stock Option Scheme– 2007 is being implemented in accordance with Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and in accordance with the resolutions passed by the members of the Company will be available for inspection by the members at the Annual General Meeting.

19. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which the Directors are interested maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting.

20. All documents referred to in the accompanying Notice will remain open for inspection at the Registered Office of the Company during normal business hours (9.30 A.M. to 6.00 P.M.) on all working days up to and including the date of the Annual General Meeting of the Company.

On behalf of the Board of Directors

Place: Mumbai
Date: August 2, 2017

Ashokkumar Ruia
Chairman & Managing Director
DIN: 00086762

Annexure

Name	Mr. Atul Ruia
DIN	00087396
Age	46
Qualification	Graduate in Chemical Engineering from the University of Pennsylvania and degree in Business Management from Wharton School of Finance
Profile and Experience	Mr. Atul Ruia, joined the Board of the Company in 1996 and is the key visionary, pioneer and force behind the development of High Street Phoenix , Mumbai's first retail-led mixed use destination. It is under his direction that the Company has substantially completed its pan-India asset creation strategy with the flagship brand of 'Phoenix Marketcity'.
Expertise in specific functional area	General Management
Disclosure of relationships between directors inter se with other Directors, Manger and Key Managerial Personnel	Mr. Ashokkumar Ruia, Chairman & Managing Director is father of Mr. Atul Ruia.
Terms and conditions of re-appointment	As per the Nomination and Remuneration Policy (annexed to the Director's Report)
Remuneration	As mentioned in Corporate Governance Report
Number of meetings of the Board attended during the year	As mentioned in Corporate Governance Report
Details of Directorships held in other companies	• R R Hosiery Private Limited • Ashok Apparels Private Limited • Senior Advisory Services Pvt Ltd • Ashbee Investments and Finance Private Limited • Bowling and Billiards Association of India • Excelsior Hotels Private Limited • Padmashil Hospitality and Leisure Private Limited • Caravan Realty Private Limited • Pinnacle Real Estate Development Private Limited • Phoenix Hospitality Company Private Limited • Radhakrishna Ramnarain Private Limited • Ruia International Holding Company Private Limited • Thana Properties Private Limited • Upal Hotels Private Limited • Destiny Hospitality Services Private Limited • Phlox Developers Private Limited
Details of Chairmanship/ Membership held in Committees*	• The Phoenix Mills Limited - Audit Committee – Member • The Phoenix Mills Limited - Stakeholders Relationship Committee - Member
Shareholding in the Company as on the date of Notice	24,03,501 Equity Shares

*Directorships held by the Directors, as mentioned above; (i) do not include directorships held in the Company, Foreign Companies, Private Limited Companies and Companies under Section 8 of the Companies Act, 2013 (ii) include directorship in Private Limited Companies, which are considered as Public Limited Companies in terms of Sec 2(71) of the Companies Act, 2013.

*Committees considered for the purpose are those prescribed under Regulation 26(1)(b) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 viz; Audit Committee and Stake Holders' Relationship Committee of the Indian public limited companies (including private limited companies, which are considered as public limited companies in terms of Section 2(71) of the Companies Act, 2013).

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Route Map to the Venue of AGM

Venue: Indian Merchants' Chamber, 4th Floor, Walchand Hirachand Hall, Churchgate, Mumbai – 400 020

Landmark: Opposite Churchgate Station

Distance from Chhatrapati Shivaji Terminus: 2.2 Km

Distance from Churchgate Station: 30 Mtrs

The Phoenix Mills Limited

Registered Office: 462, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013 CIN: L17100MH1905PLC000200
Tel: (022) 2496 4307 / 8 / 9 Fax: (022) 2493 8388 Email: info@thephoenixmills.com Website: www.thephoenixmills.com

Form No. MGT-11

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: L17100MH1905PLC000200
Name of the Company: The Phoenix Mills Limited
Registered office: 462, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013

Name of the Member(s)	
Email ID	
Registered address	
DP ID/ Client Id/ Folio No.	

I/We, being the member(s) of ………… shares of the above named company, hereby appoint

1. Name: ______________________________
Address: ______________________________
E-mail Id: ______________________ Signature:______________ or failing him/her__________

2. Name: ______________________________
Address: ______________________________
E-mail Id: ______________________ Signature:______________ or failing him/her__________

3. Name: ______________________________
Address: ______________________________
E-mail Id: ______________________ Signature:______________

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 112th Annual General Meeting of the Company, to be held on Monday, September 25, 2017 at 3.30 P.M. at Indian Merchants' Chamber, 4th Floor, Walchand Hirachand Hall, Churchgate, Mumbai – 400 020 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Description	For*	Against*
Ordinary Business			
1	Adoption of financial statement (including the consolidated financial statement) for the year ended March 31, 2017.		
2	Declaration of dividend on equity shares.		
3	To appoint a Director in place of Mr. Atul Ruia who retires by rotation and being eligible, has offered himself for re-appointment.		
4	Appointment of M/s. DTS & Associates, Chartered Accountants as Statutory Auditors of the Company.		

Signed this________________day of________ 2017
Signature of shareholder ____________________
Signature of proxy holder(s) ____________________

Affix Re.
1 revenue
Stamp

Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

*2. The proxy may vote for or against the agenda items specified in the notice.

ANNUAL REPORT 2016-17

THE PHOENIX
MILLS LIMITED

Shree Laxmi Woollen Mills Estate,
2nd Floor, R. R. Hosiery Bldg.,
Off Dr. E. Moses Road,
Mahalaxmi, Mumbai - 400 011.

www.thephoenixmills.com