

INDEPENDENT AUDITOR'S REPORT

To the Members of Market City Resources Private Limited Report on the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of **Market City Resources Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 March 31, 2020, its profit including Other Comprehensive Income, its Cash Flows and the Statement of Changes in Equity for the year ended on that date.

Basis for Opinion

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

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board of Directors Report including Annexures but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other

information is materially inconsistent with the Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. When we read the Board of Director's Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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 Ind AS Financial Statements that give a true and fair view of the Financial Position, Financial Performance including Other Comprehensive Income, Cash Flows and the Statement Of Changes in Equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of the appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and fair presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility

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

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

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit

evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. The Balance Sheet, Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this report are in agreement with the books of account;
 - d. In our opinion, the aforesaid Ind AS financial statements comply with the accounting standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - e. On the basis of written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020, from being appointed as a director in terms of section 164(2) of the Act;
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rules 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The Company does not have any pending litigations on its financial position.
 - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

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

For **Chaturvedi & Shah LLP**
Chartered Accountants
Firm Registration No. 101720W/W100355

Jignesh Mehta
Partner
Membership No.: 102749

UDIN:
Mumbai
Date:

“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 & 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 & nature of its assets. No material discrepancies were noticed on Physical Verification.
 - c. As the company had no Immovable Property during the year, Clause (c) (i) of paragraph of the order is not applicable.
- ii) As the Company had no Inventories during the year, clause (ii) of paragraph of 3 of the Order is not applicable to the Company
- iii) The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Consequently, the requirement of clause (iii) (a) to clause (iii) (c) of paragraph 3 of the Order is not applicable to the Company.
- iv) Company has not granted any loans, investments, guarantees and securities covered under section 185 and 186 of the Act.
- v) According to the information and explanations given to us, the Company has not accepted any deposits within the meaning of provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Therefore, the clause (v) of paragraph 3 of the Order is not applicable to the Company.
- vi) According to information and explanations provided to us, the Company is not required to maintain accounts and cost records pursuant to the Companies (Cost Accounting Records) Rules, 2011 and as specified by the Central Government of India under Section 148(1) of the Companies Act, 2013. Accordingly, paragraph 3(vi) of the Order is not applicable.
- vii) **In respect of Statutory dues :**
- a. According to the records of the Company, undisputed statutory dues including Provident Fund, Employees’ State Insurance, Income-Tax, Goods and Service Tax, Customs Duty, Cess, and any other statutory dues have been generally regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2020 for a period of more than six months from the date of becoming payable.

- b. According to the information and explanations given to us, there are no dues of income tax, goods and service tax, duty of customs, cess on account of any dispute, which have not been deposited.
- viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to a bank. The Company did not have any outstanding loans or borrowings in respect of financial institution or Government Company or dues to Debenture Holders.
- ix) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) or terms loans, and hence Clause (ix) of paragraph 3 is not applicable to the company.
- x) Based on the audit procedures performed for the purpose of reporting the true and fair view of the Ind AS financial statements and as per information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- xi) In our opinion and according to the information and explanations given to us, Company has not paid any managerial remuneration and hence Clause (xi) of paragraph 3 of the Order is not applicable to the Company.
- xii) In our opinion company is not a Chit Fund/ Nidhi company. Therefore, the provisions of clause (xii) of paragraph 3 of the Order are not applicable to the company.
- xiii) In respect of transactions with related parties :
- a) In our opinion and according to the information and explanations given to us, section 177 is not applicable to the company
- b) In our opinion and according to the information and explanations given to us, all transactions with related parties are in compliance with section 188 of the Act and their details have been disclosed in the 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 not made preferential allotment of any debentures during the year and hence clause (xiv) is not applicable to the company.
- xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transaction with the directors or persons connected with him and covered under section 192 of the Act. Hence, clause (xv) of the paragraph 3 of the Order is not applicable to the Company.

- xvi) To the best of our knowledge and as explained, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **Chaturvedi & Shah LLP**
Chartered Accountants
Firm Registration No. 101720W/ W100355

Jignesh Mehta
Partner
Membership No.: 102749

UDIN:
Mumbai
Date:

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

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

We have audited the Internal Financial Control over financial reporting of **Market City Resources Private Limited** (“the company”) as of 31st March, 2020 in conjunction with our audit of the 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 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 a reasonable assurance regarding the reliability of financial reporting and the preparation of 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 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 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, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For **Chaturvedi & Shah LLP**

Chartered Accountants

Firm Registration No. 101720W/ W100355

Jignesh Mehta

Partner

Membership No.: 102749

UDIN:

Mumbai

Date:

Market City Resources Private Limited
(CIN : U55100MH2006PTC159544)
Balance Sheet as at 31st March, 2020

(Amount in ₹)

Particulars	Note	As at 31st March, 2020	As at 31st March, 2019
ASSETS			
Non-Current Assets			
Property, Plant & Equipment	5	4,83,73,869	5,22,10,974
Intangible Assets	5	65,06,694	85,34,136
Intangible Assets Under Development	5	18,50,000	21,57,713
Financial Assets			
Investments	6	55,50,000	55,50,000
Deferred Tax Assets (Net)	7	86,78,851	49,48,685
Other Non Current Assets	8	47,37,382	13,83,499
		7,56,96,796	7,47,85,007
Current Assets			
Financial Asset			
Investments	9	2,67,67,151	4,64,01,885
Trade Receivables	10	9,54,92,824	2,360
Cash and Cash Equivalents	11	2,34,78,586	1,08,32,992
Others	12	1,88,09,291	3,31,60,346
Current Tax Assets (Net)	13	2,94,98,588	2,95,56,616
Other Current Assets	14	37,86,331	22,95,446
		19,78,32,772	12,22,49,645
Total Assets		27,35,29,568	19,70,34,651
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	15	1,00,000	1,00,000
Other Equity	16	18,79,41,083	14,99,27,104
		18,80,41,083	15,00,27,104
Non-Current Liabilities			
Financial Liability			
Borrowings	17	-	39,706
Provisions	18	2,52,02,790	1,58,84,979
		2,52,02,790	1,59,24,685
Current Liabilities			
Financial Liability			
Trade Payables			
a. total outstanding dues of micro enterprises and small enterprises	19	73,828	-
b. total outstanding dues of creditors other than micro enterprises and small enterprises	19	12,91,383	19,82,256
Others Financial Liabilities	20	3,19,588	12,31,058
Other Current Liabilities	21	5,27,95,773	2,43,27,663
Provisions	22	58,05,123	35,41,885
		6,02,85,695	3,10,82,862
Total Equity & Liabilities		27,35,29,568	19,70,34,651
See accompanying notes to financial Statements	1 to 35		
As per our Report of even date			
For Chaturvedi & Shah LLP	For and on behalf of the Board of Directors		
Chartered Accountants (Firm Registration No: 101720W/W100355)			
Jignesh Mehta Partner (Membership No.:102749) Place : Mumbai Date : 24th June, 2020	Varun Parwal Director DIN. 07586435	Prashant Khandelwal Director DIN. 08067106	

Market City Resources Private Limited
(CIN : U55100MH2006PTC159544)
Statement of Profit and Loss for the period ended 31st March, 2020

(Amount in ₹)

Particulars	Notes	2019-20	2018-19
INCOME			
Revenue from Operations	23	50,59,63,223	41,72,25,010
Other Income	24	19,13,431	11,62,747
Total Revenue		50,78,76,654	41,83,87,757
Expenditure :			
Employee Benefit Expense	25	36,80,38,954	30,24,05,899
Finance cost	26	50,902	2,20,287
Depreciation and Amortisation	5	1,52,85,806	1,34,90,992
Other Expense	27	8,92,44,083	8,44,36,097
Total Expenses		47,26,19,746	40,05,53,275
Profit/ (Loss) before tax		3,52,56,908	1,78,34,482
Less : Tax expenses			
Current Tax		1,27,59,932	68,52,111
Deferred Tax	30	(37,30,166)	(24,49,081)
Excess Provision Written Back / Income Tax for Earlier year		(5,39,398)	53,810
Profit/ (Loss) for the year (A)		2,67,66,540	1,33,77,642
Other comprehensive income			
Items that will not be reclassified to Profit & Loss A/c Income tax relating to items that will not be reclassified to profit or loss		(47,95,504)	(41,15,812)
Items that will be reclassified to profit or loss Income tax relating to items that will be reclassified to profit or loss		12,06,932	10,70,111
Other Comprehensive Income for the year (B)		(35,88,572)	(30,45,701)
Total comprehensive income for the year (A + B)		2,31,77,968	1,03,31,941
Earnings per equity share (Face Value of ₹10/- each)			
Basic EPS (In ₹.)	34	2,676.65	1,337.76
Diluted EPS (In ₹)		2,676.65	1,337.76

See accompanying notes to financial Statements

1 to 35

As per our Report of even date

For Chaturvedi & Shah LLP
Chartered Accountants
(Firm Registration No: 101720W/W100355)

For and on behalf of the Board of Directors

Jignesh Mehta
Partner
(Membership No.:102749)
Place : Mumbai
Date : 24th June, 2020

Varun Parwal
Director
DIN. 07586435

Prashant Khandelwal
Director
DIN. 08067106

Market City Resources Private Limited
(CIN : U55100MH2006PTC159544)
Notes on Financial Statements for Year Ended 31st March, 2020.

		(Amount in ₹)	
Note	Particulars	As at 31st March, 2020	As at 31st March, 2019
6	Investments		
	Investments measured at cost		
	Investments in Equity Instruments		
	Associate Company		
	5,000 (P.Y. 5,000) Columbus Investment Advisory Pvt Ltd.	55,50,000	55,50,000
		55,50,000	55,50,000
7	Deferred Tax Assets / (Liability)		
	Deferred Tax is Calculated in full on all temporary timing difference under the liability method prevailing tax rate. The Movement on the deferred tax account is as follows :		
	At Start of Year	49,48,685	24,99,604
	Charge / (Credit) to profit Or loss (Refer Note 30)	37,30,166	24,49,081
	Excess Provision Written Back / Income Tax for Earlier year	-	-
	At the end of the year	86,78,851	49,48,685
	Deferred Tax Liability		
	Related to fixed assets	(8,75,523)	(2,191)
	Financial assets measured at FTVPL and reduced from disallowance under IT Act	78,03,328	49,46,494
	Deferred Tax Assets (Net)	86,78,851	49,48,685
8	Other Non Current Assets		
	(Unsecured. and considered good)		
	Security Deposit	44,89,627	13,81,499
	Prepaid Expenses	2,47,755	2,000
		47,37,382	13,83,499
9	Investments		
	Investments In Mutual Funds		
	NIL Units (P.Y.4690.996) of Invesco India Money Market Fund	-	1,00,17,049
	NIL Units (P.Y 4987.128) of Reliance Money Market Fund	-	1,37,47,214
	NIL Units (P.Y 4869.327) of Reliance Liquid Fund	-	2,26,37,622
	1054.7816 Units (P.Y NIL UNITS) of Axis Overnight Fund	1,97,79,436	-
	107.0489 (P.Y NIL UNITS) of Nippon India Overnight fund	69,87,715	-
		2,67,67,151	4,64,01,885
10	Trade Receivables		
	(Unsecured and Considered Good)		
	From Related Parties	9,54,92,824	-
	From Others	-	2,360
		9,54,92,824	2,360
11	Cash & Cash Equivalent		
	Balances with Banks	2,34,10,571	1,07,58,346
	Cash on hand	68,015	74,646
		2,34,78,586	1,08,32,992
12	Other Current Financial Assets		
	Unbilled Revenue	1,88,09,291	3,31,60,346
		1,88,09,291	3,31,60,346
13	Current Tax Assets (Net)		
	Advance Income Tax (net of provision for taxation)	2,94,98,588	2,95,56,616
		2,94,98,588	2,95,56,616
	Movement :		
	At Start of the year	2,95,56,616	2,95,56,616
	Charge for the year	1,27,59,932	(69,05,921)
	Tax Paid/(refund) during the year	(1,28,17,960)	1,85,32,218
	At the end of the year	2,94,98,588	4,11,82,913
14	Other Current Assets		
	Balance with Statutory Authorities	1,20,472	4,396
	Prepaid Expenses	27,50,355	22,00,782
	Advances to Vendors	9,07,004	82,768
	Advances to employees	8,500	7,500
		37,86,331	22,95,446

Market City Resources Private Limited
(CIN : U55100MH2006PTC159544)
Notes on Financial Statements for Year Ended 31st March, 2020.
(Amount in ₹)

Note	Particulars	As at 31st March, 2020	As at 31st March, 2019
15	Share Capital		
	Authorised		
	10,000 (PY : 10,000) Equity Shares of Rs.10/- each	1,00,000	1,00,000
		1,00,000	1,00,000
	Issued, Subscribed and Paid up		
	10,000 (PY : 10,000) Equity Shares of Rs.10/- each	1,00,000	1,00,000
		1,00,000	1,00,000
	a) Reconciliation of the Shares outstanding	31st March,2020	31st March,2019
	Equity Shares outstanding at the beginning the year	10,000	10,000
	Shares Issued during the year	-	-
	Equity Shares at the end of the year	-	-
		10,000	10,000
	b) Terms and Rights attached to shares.		
	The company has only one class equity shares having face value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share. Equity shares holders are also entitled to dividend as and when proposed by the Board of Directors and approved by Share holders in Annual General Meeting. In the event of liquidation of the Company, the holders of Equity shares will be entitled to receive remaining assets of the Company, after distribution of all Preferential amounts which shall be in proportion to the number of shares held by the Shareholders.		
	c) Details of shareholders holding more than 5% shares		
Name of Shareholder	As at 31st March, 2020	As at 31st March, 2019	
	Number of shares	% of Holdings	
	Number of shares	% of Holdings	
The Phoenix Mills Limited	10,000	100	
	10,000	100	
d) Details of Shares held by Holding Company			
Name of Shareholder	As at 31st March, 2020	As at 31st March, 2019	
	Number of shares	% of Holdings	
	Number of shares	% of Holdings	
The Phoenix Mills Limited (Holding Company)	10,000	100	
	10,000	100	
16	Other Equity	As at	As at
		As at 31st March, 2020	As at 31st March, 2019
	Profit and Loss Account		
	As per last Balance Sheet	9,37,02,398	8,03,24,756
	Add : Profit / (Loss) for the Year	2,67,66,540	1,33,77,642
		12,04,68,937	9,37,02,398
	Other Comprehensive Income		
	As per last Balance Sheet	(17,12,977)	13,32,724
	(+) Acturial Gain / (Loss) on Employee Benefits (net)	(35,88,572)	(30,45,701)
	Closing Balance	(53,01,548)	(17,12,977)
	Stock Option Reserve		
	As per last Balance Sheet	5,79,37,683	3,23,49,319
	(+) Recognition of Share Based Payments	1,48,36,011	2,55,88,364
	Closing Balance	7,27,73,694	5,79,37,683
	Total Other Equity (a+b+c+d)	18,79,41,083	14,99,27,104
16.1 Stock Option Reserve in respect of ESOP issued by The Phoenix Mills Ltd (Holding Company)to the Company's employees.			

Market City Resources Private Limited
(CIN : U55100MH2006PTC159544)
Notes on Financial Statements for Year Ended 31st March, 2020.
(Amount in ₹)

Note	Particulars	As at 31st March, 2020	As at 31st March, 2019
17	Long Term Borrowings		
	(Secured)		
		As at 31st March, 2020	As at 31st March, 2019
		Non Current Current	Non Current Current
	Vehicle Loan from Bank	- 39,706	39,706 11,66,032
	- 39,706	39,706 11,66,032	
	17.1 Vehicle Loan are recurred against the		
	17.2 Maturity Profile of Secured Loan is given below		
	Particulars	2020-21	2021-22
	Secured Loan		
	Vehicle Loan from Bank	39,706	-
	Total	39,706	-
18	Long Term Provisions		
	Provision for Compensated absences	1,39,31,524	92,22,726
	Provision for Gratuity	1,12,71,266	66,62,253
		2,52,02,790	1,58,84,979
19	Trade Payables		
	Micro and Small Enterprises	73,828	-
	Others	12,91,383	19,82,256
		13,65,211	19,82,256
	There are no Micro and Small Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days during the year March 31,2020 or as at March 31, 2019. 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 under:		
	a) Principal amount due to supplier under MSMED Act, 2006	73,828	-
	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	-	-
20	Other Financial Liability		
	Current Maturities of Long Term Loan	39,706	11,66,032
	Interest accrued but not due	330	8,416
	Creditors for Capital Assets	2,79,552	56,610
	3,19,588	12,31,058	
21	Other Current Liabilities		
	Deposit received from Related parties	1,25,00,000	1,25,00,000
	Statutory Liabilities	1,98,49,956	99,45,423
	Advance from Cutomers	-	73,673
	Outstanding Liabilities	2,04,45,817	18,08,567
	5,27,95,773	2,43,27,663	
22	Short Term Provision		
	Provision for Gratuity	50,00,000	29,85,587
	Provision for Compensated absences	8,05,123	5,56,298
		58,05,123	35,41,885

Market City Resources Private Limited

(CIN : U55100MH2006PTC159544)

Notes on Financial Statements for the Period Ended 31st March,2020

(Amount in ₹)

Notes	PARTICULARS	For the year ended 31st March 2020	For the year ended 31st March 2019
23	Revenue from Operations		
	Sale of Services	50,59,63,223	41,72,25,010
		50,59,63,223	41,72,25,010
	Particulars of Sale of Services		
	Project Management Consultancy / Shared Services	50,59,63,223	41,72,25,010
		50,59,63,223	41,72,25,010
24	Other Income		
	Interest on Income Tax Refund	10,05,375	-
	Profit on Sale of Assets	-	29,811
	Profit on Sale of Investment	9,05,101	7,31,051
	Net gain arising on Financial assets measures at FVTPL	2,954	4,01,885
		19,13,431	11,62,747
25	Employee Benefits Expense		
	Salaries, wages and bonus	33,87,69,089	26,54,99,180
	Contribution to Provident Fund and Other funds	75,78,738	53,78,674
	Staff welfare expenses	68,55,116	59,39,681
	Share based payments to Employees	1,48,36,011	2,55,88,364
		36,80,38,954	30,24,05,899
26	Finance Costs		
	Interest on ICD	-	34,247
	Interest on Car Loan	50,902	1,86,040
		50,902	2,20,287
5	Depreciation and Amortisation Expenses		
	Depreciation and Amortisation Expenses	1,52,85,806	1,34,90,992
		1,52,85,806	1,34,90,992
27	Operation and Other Expenses		
	Electricity charges	24,97,412	26,45,182
	Rent	2,06,64,198	1,38,36,722
	Rates and Taxes	8,10,195	27,337
	Insurance	15,34,818	12,55,676
	General Expenses	45,17,646	38,37,817
	Repairs and maintenance		
	Others	1,03,59,427	1,04,21,279
	Travelling and Conveyance	92,28,937	78,21,043
	Communication expenses	93,34,836	1,06,80,270
	Postage & Courier	9,63,387	6,81,136
	Printing & stationery expenses	7,33,302	5,71,581
	Legal & Professional fees	2,44,99,814	2,98,35,658
	Payment to Auditor	4,07,500	4,07,500
	Interest on Service Tax	3,03,215	-
	Interest on GST	81,680	29,228
	Miscellaneous expenses	31,07,180	23,85,667
	Loss on Sale of Assets	2,00,538	-
		8,92,44,083	8,44,36,097
	Payments to Auditors		
	Audit Fees	4,07,500	4,07,500
	Tax Audit Fees	50,000	50,000
	Taxation Matters	2,10,000	2,10,000
	Total	6,67,500	6,67,500

Market City Resources Private Limited
(CIN : U55100MH2006PTC159544)
Cash Flow Statement for the Financial Year ended 31st March, 2020

		(Amount in ₹)	
Sr. No.	Particulars	Year ended 31st March, 2020	Year ended 31st March, 2019
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit Before Tax as per Profit and Loss Account	3,52,56,908	1,78,34,482
	Adjusted for:		
	Interest Income	(10,05,375)	-
	(Profit)/Loss on sale of Property, Plant & Equipment	2,00,538	(29,811)
	Profit on Sale of Investment	(9,05,101)	(7,31,051)
	Gain on fair valuation of investments measured at fair value through profit or loss	(2,954)	(4,01,885)
	Actuarial Gain/(Loss) through OCI	(35,88,572)	(30,45,701)
	Other Equities - Salary	1,48,36,011	2,55,88,364
	Finance Cost	50,902	2,20,287
	Depreciation	1,52,85,806	1,34,90,992
	Operating Cash flow before Working Capital Changes	6,01,28,163	5,29,25,677
	Movements in Working Capital		
	Trade and Other Receivables	(8,59,84,177)	2,40,28,309
	Trade and Other Payables	3,94,32,115	(31,04,486)
B	Cash generated from / (Used In) Operations	1,35,76,101	7,38,49,500
	Less : Taxes Paid	(1,21,62,506)	(1,85,32,218)
	Net Cash generated / (used in) from Operating Activities (A)	14,13,594	5,53,17,282
	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of Property, Plant & Equipment	(97,68,595)	(1,78,81,419)
	Purchase of Mutual Investment	(2,12,00,000)	(10,45,00,000)
	sale of mutual	4,33,87,702	5,92,31,051
	Sale of Property, Plant & Equipment	29,827	52,980
	Interest Income	-	29,811
	Net Cash generated from (used in) Investing Activities (B)	1,24,48,935	(6,30,67,577)
	CASH FLOW FROM FINANCING ACTIVITIES		
	Repayment of Long Term Borrowings	(11,66,032)	(13,02,484)
	Interest Expense	(50,902)	(2,29,314)
	Net Cash generated from (Used in) Financing Activities (C)	(12,16,935)	(15,31,798)
	Net Increase/ (Decrease) in Cash and Cash Equivalents (A + B + C)	1,26,45,594	(92,82,094)
C	Cash and cash equivalents at beginning of the year	1,08,32,992	2,01,15,086
	Cash and cash equivalents at the end of the year (Note No. 11)	2,34,78,586	1,08,32,992
	Notes to Cash Flow		
	Componets of Cash & Cash equivalents :		
	Cash on hand	68,015	74,646
	Balance with Scheduled Bank	2,34,10,571	1,07,58,346
	Cash and Cash equivalents at the end of the year		
	(Refer Note no. 11)	2,34,78,586	1,08,32,992
	2 Change in Liability arising from financing activities	01st April 2019	Cash Flow
	Borrowings - Non Current *	12,05,738	31st March 2020
			(11,66,032)
			39,706
	3 Change in Liability arising from financing activities	01st April 2018	Cash Flow
	Borrowings - Non Current *	25,08,222	31st March 2019
			(13,02,484)
			12,05,738
	* It includes Current maturity of Long Term Borrowings which is classified under other financial liability		

As per our Report of even date

For **Chaturvedi & Shah LLP**
Chartered Accountants
(Firm Registration No.101720W/W100355)

For and on behalf of the Board of Directors

Jignesh Mehta
Partner
Membership No. 102749
Place : Mumbai
Dated : 24th June, 2020

Varun Parwal
Director
DIN. 07586435

Prashant Khandelwal
Director
DIN. 08067106

Market City Resources Private Limited

(CIN : U55100MH2006PTC159544)

Notes to financial statements for the Period 31st March,2020

Note 5 Property, Plant & Equipments

(Amount In ₹)											
		Gross Block				Accumulated Depreciation				Net Block	
	Fixed Assets	Balance as at 1 April 2019	Additions	Disposals	Balance as at 31st March,2020	Balance as at 1st April 2019	Depreciation charge for the Period	On disposals	Balance as at 31st March,2020	Balance as at 31st March,2020	Balance as at 31st March 2019
a	Tangible Assets										
	Leasehold Improvements	8,39,80,976	-	2,87,000	8,36,93,976	4,67,26,653	38,80,942	99,358	5,05,08,237	3,31,85,739	3,72,54,323
	Air Conditioner	1,05,40,481	48,857	-	1,05,89,338	88,87,795	7,47,262	-	96,35,057	9,54,281	16,52,686
	Electrical Installation	32,23,205	17,550	-	32,40,755	26,67,447	1,26,335	-	27,93,782	4,46,973	5,55,758
	Computers - Hardware	2,75,22,418	42,68,348	9,73,437	3,08,17,329	2,35,05,961	33,37,999	8,73,355	2,59,70,606	48,46,724	40,16,456
	Elevator	12,22,955	-	-	12,22,955	10,35,144	39,885	-	10,75,029	1,47,926	1,87,811
	Office equipment	76,85,555	10,16,309	62,257	86,39,607	64,64,767	6,35,263	56,382	70,43,648	15,95,958	12,20,788
	Vehicles	1,49,35,474	32,15,000	-	1,81,50,474	86,85,699	34,59,368	-	1,21,45,067	60,05,407	62,49,775
	Furniture & Fixtures	1,00,08,544	4,45,827	2,86,200	1,01,68,171	89,35,167	2,74,605	2,32,668	89,77,103	11,91,067	10,73,377
	Total (A)	15,91,19,608	90,11,891	16,08,894	16,65,22,605	10,69,08,634	1,25,01,660	12,61,763	11,81,48,530	4,83,73,869	5,22,10,974
b	Intangible Assets										
	Computers - Software	2,13,24,804	7,56,704	-	2,20,81,508	1,27,90,668	27,84,145	-	1,55,74,813	65,06,694	85,34,136
	Total (B)	2,13,24,804	7,56,704	-	2,20,81,508	1,27,90,668	27,84,145	-	1,55,74,813	65,06,694	85,34,136
	Total (A+ B)	18,04,44,411	97,68,595	16,08,894	18,86,04,112	11,96,99,301	1,52,85,805	12,61,763	13,37,23,344	5,48,80,564	6,07,45,110
c	Intangible Assets Under Development										
		21,57,713	3,19,500	6,27,213	18,50,000	-	-	-	-	18,50,000	21,57,713
	Total (C)	21,57,713	3,19,500	6,27,213	18,50,000	-	-	-	-	18,50,000	21,57,713
									-	-	-
	Previous year	16,49,94,141	1,57,28,245	2,77,975	18,04,44,411	10,64,63,115	1,34,90,992	2,54,806	11,96,99,301	6,07,45,110	5,85,31,026

Market City Resources Private Limited.
(CIN : U55100MH2006PTC159544)
Statement of changes in equity for the Year ended 31st March,2020

A. Equity share capital

(Amount In ₹)

	Opening balance as at 1 Apr 2019	Changes in equity share capital during the year	Closing balance as at 31st March,2020
10,000 (P.Y. 10,000) Equity Shares of Rs.10/- each	1,00,000	-	1,00,000
	1,00,000	-	1,00,000

	Opening balance as at 1st Apr 2018	Changes in equity share capital during the year	Closing balance as at 31 Mar 2019
10,000 (P.Y. 10,000) Equity Shares of Rs.10/- each	1,00,000	-	1,00,000
	1,00,000	-	1,00,000

B. Other Equity

(Amount In ₹)

Other Equity	Reserves and Surplus		Other Comprehensive Income Items that will not be reclassified to profit and loss	Total
	Share Based Payment Reserve	Retained Earning	Re-measurement of the net defined benefit Plans	
Balances at April, 2018	3,23,49,319	8,03,24,756	13,32,724	11,40,06,799
Profit/ (Loss) for the year	-	1,33,77,642	-	1,33,77,642
Remeasurement gain / (loss) on defined benefit Plans	-	-	(30,45,701)	-30,45,701
Recognition of Share Based Payments	2,55,88,364	-	-	2,55,88,364
Balances at April, 2019	5,79,37,683	9,37,02,398	(17,12,977)	14,99,27,104
Profit/ (Loss) for the year	-	2,67,66,540	-	2,67,66,540
Remeasurement gain / (loss) on defined benefit Plans	-	-	(35,88,572)	(35,88,572)
Employee Stock Compensation Cost	1,48,36,011	-	-	1,48,36,011
Balances at March 31, 2020	7,27,73,694	12,04,68,937	(53,01,548)	18,79,41,083

As per our Report of even date
For **Chaturvedi & Shah LLP**
Chartered Accountants
(Firm Registration No.101720W/W100355)

For and on behalf of the Board of Directors

Jignesh Mehta
Partner
Membership No. 102749
Place : Mumbai
Date : 24th June, 2020

Varun Parwal
Director
DIN. 07586435

Prashnat Khandelwal
Director
DIN. 08067106

28 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.

Particulars	As at March 31, 2020		As at March 31, 2019	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets designated at fair value through Profit and Loss Investments in Mutual Fund	2,67,67,151	2,67,67,151	4,64,01,885	4,64,01,885
Financial assets designated at amortised cost				
Trade Receivables	9,54,92,824	9,54,92,824	2,360	2,360
Cash and Cash Equivalents	2,34,78,586	2,34,78,586	1,08,32,992	1,08,32,992
Other financial assets	1,88,09,291	1,88,09,291	3,31,60,346	3,31,60,346
Total	#####	#####	9,03,97,583	9,03,97,583
Financial liabilities designated at amortised cost				
Borrowings	39,706	39,706	12,05,738	12,05,738
Trade payables and others	13,65,211	13,65,211	19,82,256	19,82,256
Other financial liabilities	2,79,882	2,79,882	65,026	65,026
Total	16,84,799	16,84,799	32,53,020	32,53,020

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 financial assets and liabilities (except long term borrowings) are carried at amortised cost is not materially different from its carrying cost.
- 2 Fair value of Long term borrowings is calculated based on the discounted cash flow.
- 3 Fair Value of Current Investment in Mutual Funds is calculated based on NAV declared by the fund.

Fair Value hierarchy:

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

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

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

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

Particulars	2019-20			2018-19		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Assets /Liabilities measured at fair value						
Financial Asset:						
Investments						
- in Mutual Fund	2,67,67,151	-	-	4,64,01,885	-	-

29 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 not exposed to interest rate risk as the Company has fixed rate of borrowings as at the respective reporting dates.

Increase / (decrease) in interest Cost of Long term borrowings for the year (Amount in ₹)

Change in Rate of Interest	Effect on Profit / (Loss) before Tax	
	2019-20	2018-19
+1%/-1%	397	12,057

Commodity and other price risk

Company is not exposed to commodity and other price risk.

● **Credit Risk**

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

Trade and other receivables:

The Company extends credit to customers in normal course of business. Company deals with group companies only and therefore is not exposed to credit risk

Cash and cash equivalents and other investments

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

Exposure to credit risk

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

	(Amount In ₹)
	As at
	31/03/2020
Financial assets for which loss allowances is measured using 12 months Expected Credit Losses (ECL):	As at
	31/03/2019
Cash and cash equivalents	2,34,78,586
Other financial assets	1,88,09,291
Trade receivables	9,54,92,824
	1,08,32,992
	3,31,60,346
	2,360

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

● **Liquidity risk**

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses

The Company's objective is to at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company relies on a mix of borrowings, capital infusion and excess operating cash flows to meet its needs for funds. The current borrowings are sufficient to meet its short to medium term expansion needs. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

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

(Amount In ₹)						
Particulars	As at March 31, 2020					
	Carrying Amount	On Demand	Less than 6 months	6- 12 months	>1 years	Total
Borrowings	39,706	-	-	39,706	-	39,706
Other Financial Liabilities	2,79,882	2,79,882	-	-	-	2,79,882
Trade and other payables	13,65,211	-	13,65,211	-	-	13,65,211

(Amount In ₹)						
Particulars	As at March 31, 2019					
	Carrying Amount	On Demand	Less than 6 months	6- 12 months	>1 years	Total
Borrowings	12,05,738	-	-	11,66,032	39,706	25,08,222
Other Financial Liabilities	65,026	65,026	-	-	-	70,323
Trade and other payables	19,82,256	-	19,82,256	-	-	27,60,887

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, 2020.

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

	(Amount In ₹)
	As At
	31-03-2020
Particulars	As At
	31-03-2019
Loans and Borrowings	39,706
Less: Cash and cash equivalents + Bank Deposits	2,34,78,586
Net Debt	(2,34,38,881)
Total Capital	18,80,41,083
Capital+Net Debt	16,46,02,202
Gearing Ratio	-14.24%
	12,05,738
	1,08,32,992
	(96,27,254)
	15,00,27,104
	14,03,99,850
	-6.86%

		(Amount in ₹)	
Particulars	2019-20	2018-19	
30 Taxation			
Income tax related to items charged or credited to profit or loss during the year:			
A Statement of Profit or Loss			
1 Current Income Tax	1,27,59,932	68,52,111	
	<u>1,27,59,932</u>	<u>68,52,111</u>	
2 Deferred Tax expenses/ (benefits): Relating to origination and reversal of temporary differences	(37,30,166)	(24,49,081)	
	<u>(37,30,166)</u>	<u>(24,49,081)</u>	
3 Adjustments in respect of Income Tax of previous year Current Income Tax	(5,39,398)	53,810	
	<u>(5,39,398)</u>	<u>53,810</u>	
Total Income tax Expenses (1 to 3)	84,90,368	44,56,840	
B Reconciliation of Current Tax expenses:			
Profit /(Loss) from Continuing operations	3,52,56,908	1,78,34,482	
Applicable Tax Rate	25.17%	27.82%	
Computed tax expenses	88,73,459	49,61,553	
Additional allowances for tax purpose	8,91,578	4,87,390	
Income not allowed/exempt for tax purposes	12,06,932	10,70,111	
Expenses not allowed for tax purposes	2,78,062	- 1,11,575	
Other temporary allowances	15,09,901	10,97,683	
Carry Forward Loss utilised	-	(6,53,051)	
	<u>1,27,59,932</u>	<u>68,52,111</u>	
C Deferred Tax Recognised in statement of profit and Loss relates to the following:			
Difference between books & tax depreciation	(8,75,523)	(4,59,286)	
Expenses allowable on payment basis	(78,04,072)	(19,89,795)	
Tax on Net gain arising on Financial assets measures at FVTPL	743	-	
Opening Deferred Tax on Losses	49,48,685	18,34,930	
Deferred Tax Asset	<u>(37,30,166)</u>	<u>(24,49,081)</u>	
D Reconciliation of deferred tax (liabilities)/assets :			
Opening balance as on 1st April, 2019	49,48,685	24,99,604	
Tax expenses / (income) during the period	37,30,166	24,49,081	
Closing balance as on 31st March, 2020	<u>86,78,851</u>	<u>49,48,685</u>	
31 Employees Benefits:			
Expenses recognised for Defined contribution plan:			
Company's Contribution to Provident Fund	47,25,728	34,87,213	
Company's Contribution to Labour welfare fund	972	540	
	<u>47,26,700</u>	<u>34,87,753</u>	

Expenses recognised for Defined benefits plan:

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

		Gratuity (Funded)
	2019-20	2018-19
1 Change in Defined Benefit Obligation during the year		
Defined Benefit Obligation at the beginning of the year	1,51,85,737	98,72,116
Interest Cost	12,35,143	8,36,860
Current Service Cost	13,17,806	6,82,356
Benefits paid during the year	(7,78,846)	(1,69,615)
Past Service Cost	-	-
Actuarial (gain)/loss on Defined Benefit Obligation	44,78,452	39,64,020
Defined Benefit Obligation at the end of the year	2,14,38,292	1,51,85,737
2 Change in fair value of Plan Assets during the year		
Fair value of Plan Assets at the beginning of the year	55,23,484	51,43,589
Expected Return on plan assets	5,00,439	4,52,337
Contribution	2,18,112	2,48,965
Benefits paid during the year	(7,78,846)	(1,69,615)
Actuarial (gain)/loss on Plan Asset	(3,17,052)	(1,51,792)
Fair value of Plan Assets at the end of the year	51,46,137	55,23,484
3 Amount to be recognized in Balance sheet:		
Present value of Defined Benefit Obligation	2,14,38,292	1,51,85,737
Fair Value of plan assets at the end of the year	51,46,137	55,23,484
Amount recognized in Balance sheet	1,62,92,155	96,62,253
4 Current / Non - current bifurcation:		
Current benefit obligation	50,00,000	29,85,587
Non - current benefit obligation	1,12,92,155	66,62,253
5 Expenses recognised in the statement of Financial position for the year		
Current Service Cost	13,17,806	6,82,356
Interest cost on obligation	12,35,143	8,36,860
Expected Return on plan assets	(5,00,439)	(4,52,337)
Expense recognized in the statement of Profit & Loss account	20,52,510	10,66,879
6 Recognised in Other Comprehensive income for the year		
Remeasurement due to:		
Effect of change in financial assumptions	8,85,092	5,32,696
Effect of change in demographic assumptions	-	-
Effect of experience adjustments	35,93,360	34,31,324
Return on plan of assets(excluding interest)	3,17,052	1,51,792
Net Actuarial (gain)/loss recognized for the year	-	-
7 Maturity profile of defined benefit obligation		
Within the next 12 months	14,49,891	11,32,419
Between 2 to 5 years	80,21,219	52,03,683
Between 5 to 10 years	1,11,72,023	95,49,471
8 Acturial assumptions used for estimating defined benefit obligations		
Discount Rate	6.70%	7.75%
Salary Escalation Rate	0.00% for the first year, 5.00% for the next year & 7.00% thereafter.	7.50%
Expected Rate of Return on Assets	6.70%	7.75%
Attrition/ Withdrawal Rate	5%	5%
Mortality Rate	IALM (2006-08) Ultimate	IALM (2006-08) Ultimate
The weighted average duration of plan	11.79 years	12.15 years

Notes:

- Salary escalation rate is arrived after taking into account regular increaments, price inflation and promotion and other relevant factors such as supply and demand in employment
- Discount rate is based on prevailing market yields of Indian Government Securities as at balance sheet date for estimated term of obligations.
- Attrition rate/ withdrawal rate is based on Company's policy towards retention of employees, historical data and industry outlook.
- Expected contribution to defined benefit plans for the financial year 2019-20 is ₹ 50,00,000/-
- The above information is certified by Actuary

9 Sensitivity analysis:

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

	Change in assumption	Effect on Gratuity obligation 2019-20	2018-19
Discount rate	+1%	(15,26,970)	10,34,558
	-1%	17,35,464	(11,68,293)
Salary Escalation rate	+1%	5,32,571	(3,37,470)
	-1%	(4,71,909)	3,51,655
Withdrawal rate	+1%	4,73,701	(4,30,369)
	-1%	(5,36,604)	4,80,971

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

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.

Other Long Term benefit plan - Compensated absences

Particulars	2019-20	2018-19
Present value of unfunded obligations	1,47,36,647	97,79,024
Expenses recognised in the statement of profit and loss	55,03,607	97,79,024
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)	6.70%	7.75%
Salary escalation rate (per annum)	0.00% for the first year, 5.00% for the next year & 7.00% thereafter.	7.50%

32 Related party Disclosure:

In accordance with the requirements of IND AS 24, on related party disclosures, name of the related party, related party relationship, transactions and outstanding balances including

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

Sr. No.	Name of the party	Relationship
1	The Phoenix Mills Limited	Holding Company
2	Vamona Developers Private Limited	Fellow Subsidiary
3	Palladium Constructions Private Limited	Fellow Subsidiary
4	Island Star Mall Developers Private Limited	Fellow Subsidiary
5	Offbeat Developers Private Limited.	Fellow Subsidiary
6	Blackwood Developers Private Limited.	Fellow Subsidiary
7	Upal Developers Private Limited.	Fellow Subsidiary
8	Pinnacle Real Estate Private Limited	Fellow Subsidiary
9	Insight Mall Developers Pvt Ltd	Fellow Subsidiary
10	Sparkle One Mall Developers Pvt Ltd	Fellow Subsidiary
11	Alyssum Developers Pvt Ltd	Fellow Subsidiary
12	Columbus Investment Advisory Pvt Ltd	Associate
13	Classic Mall Development Co Ltd	Associate
14	Pallazzio Hotels & Leisures Limited.	Fellow Subsidiary
15	Enhance Holding Pvt Ltd	Fellow Subsidiary
16	Shishir Shrivastava	Key Managerial Personnel
17	Pradumna Kanodia	Key Managerial Personnel

b) **Transactions during the year:**

Sr. No.	Nature of transactions	Name of Related parties						Total
		Payment of Rent	Project Management Consultancy Fees / Shared Services	Security Deposit repaid	Investment in Equity Shares	Remuneration to Key Managerial Personnel	Service Charges	
1	The Phoenix Mills Limited	1,13,61,468 (1,07,69,796)	7,75,00,000 (6,30,26,000)	- (50,00,000)	- (-)	- (-)	- (-)	8,88,61,468 (7,87,95,796)
2	Vamona Developers Private Limited	- (-)	3,83,00,000 (3,36,44,000)	- (-)	- (-)	- (-)	- (-)	3,83,00,000 (3,36,44,000)
3	Palladium Constructions Private Limited	- (-)	2,72,00,000 (2,92,29,000)	- (-)	- (-)	- (-)	- (-)	2,72,00,000 (2,92,29,000)
4	Island Star Mall Developers Private Limited.	- (-)	10,68,98,728 (17,52,78,993)	- (-)	- (-)	- (-)	- (11,63,997)	10,68,98,728 (17,64,42,990)
5	Offbeat Developers Private Limited.	- (-)	3,68,00,000 (3,38,44,000)	- (-)	- (-)	- (-)	- (-)	3,68,00,000 (3,38,44,000)
6	Blackwood Developers Private Limited.	- (-)	89,00,000 (87,04,000)	- (-)	- (-)	- (-)	- (-)	89,00,000 (87,04,000)
7	Upal Developers Private Limited.	- (-)	1,29,00,000 (81,82,000)	- (-)	- (-)	- (-)	- (-)	1,29,00,000 (81,82,000)
8	Key Managerial Personnel	- (-)	- (-)	- (-)	- (-)	5,17,28,568 (5,47,92,247)	- (-)	5,17,28,568 (5,47,92,247)
9	Pinnacle Real Estate Private Ltd	- (-)	- (-)	- (-)	- (-)	- (-)	15,000 (20,000)	15,000 (20,000)
10	Insight Mall Developers Pvt Ltd	- (-)	3,06,62,663 (55,80,517)	- (-)	- (-)	- (-)	- (-)	3,06,62,663 (55,80,517)
11	Sparkle One Mall Developers Pvt Ltd	- (-)	7,45,57,596 (96,18,235)	- (-)	- (-)	- (-)	- (-)	7,45,57,596 (96,18,235)
12	Alyssum Developers Pvt Ltd	- (-)	5,44,32,265 (94,35,565)	- (-)	- (-)	- (-)	- (-)	5,44,32,265 (94,35,565)
13	Classic Mall Development Co Ltd.	- (-)	3,78,12,000 (-)	1,25,00,000 (1,25,00,000)	- (-)	- (-)	- (-)	5,03,12,000 (1,25,00,000)
14	Pallazzio Hotels & Leisures Limited.	- (-)	- (-)	- (-)	- (-)	- (-)	2,94,686 (-)	2,94,686 (-)
15	Enhance Holding Pvt Ltd.	- (-)	- (-)	- (-)	- (-)	- (-)	20,000 (20,000)	20,000 (20,000)

c) Closing Balance as on March 31, 2020:							(Amount in ₹)
Sr. No.	Name of the Related Party	Nature of transactions				Unbilled Revenue	Total
		Advance from Customer	Trade Receivables	Security Deposits	Investment in Equity Shares		
1	The Phoenix Mills Ltd.	- (-)	37,85,059 (-)	- (-)	- (-)	- (-)	37,85,059 (-)
2	Blackwood Developers Pvt. Ltd.	- (-)	9,24,000 (-)	- (-)	- (-)	- (-)	9,24,000 (-)
3	Vamona Developers Pvt Ltd.	- (-)	43,89,000 (-)	- (-)	- (-)	- (-)	43,89,000 (-)
4	Upal Develoers Private Limited.	- (-)	10,80,000 (-)	- (-)	- (-)	- (-)	10,80,000 (-)
5	Island Star Mall Developers Pvt Ltd	- (73,673)	10,96,778 (-)	- (-)	- (-)	37,18,000 (85,26,029)	10,96,778 (-)
6	Columbus Investment Advisory Pvt Ltd.	- (-)	- (-)	- (-)	55,50,000 (55,50,000)	- (-)	55,50,000 (55,50,000)
7	Insight Mall Developers Pvt Ltd	- (-)	2,30,50,212 (-)	- (-)	- (-)	54,49,795 (55,80,517)	2,85,00,007 (-)
8	Sparkle One Mall Developers Pvt Ltd	- (-)	3,69,07,334 (-)	- (-)	- (-)	25,37,077 (96,18,235)	3,94,44,411 (-)
9	Alyssum Developers Pvt Ltd	- (-)	74,77,203 (-)	- (-)	- (-)	71,04,419 (94,35,565)	1,45,81,622 (-)
10	Classic Mall Development co Ltd	- (-)	1,27,40,738 (2,360)	- (-)	- (-)	- (-)	1,27,40,738 (2,360.0)
11	Offbeat Developers Pvt Ltd.	- (-)	40,42,500 (-)	- (-)	- (-)	- (-)	40,42,500 (-)

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

- The transaction with related parties are made on terms equivalent to those that prevail in arm's length transaction
- Review of outstanding balance is undertaken each financial year through examining the financial position of the related party and market in which related party operates. These

33 Segment reporting:

The Company is mainly engaged in Business Support Services services, catering to Indian customer. Accordingly, the Company has only one identifiable segment reportable under IndAS 108 "Operating Segment " Executive Director (the ' Chief Operational decision Maker as defined in INDAS108 - Operating Segments) monitor the operating results of the entity's business for the purpose of making decisions about resource allocation and performance.

The revenues from transactions with a single customer do not exceed 10 percent or more of an company's revenue. The company operates in a single geographical area i.e India

34 Earning per share:

Particulars	2018-19	2018-19
i) Net profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders	2,67,66,540	1,33,77,642
ii) Weighted Average number of equity shares used as denominator for calculating EPS	10,000	10,000
iii) Basic and Diluted Earnings per share (₹)	2,676.65	1,337.76
iv) Face value per equity share (₹)	10	10

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

As per our Report of even date

For **Chaturvedi & Shah LLP**

Chartered Accountants

(Firm Registration No.101720W/W100355)

For and on behalf of the Board of Directors

Jignesh Mehta

Partner

Membership No. 102749

Place : Mumbai

Date : 24th June, 2020

Varun Parwal

Director

DIN.07586435

Prashant Khandelwal

Director

DIN. 08067106