INDEPENDENT AUDITOR'S REPORT

To the Members of Classic Mall Development Company Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Classic Mall Development Company Limited** (the "Company"), which comprise the balance sheet as at 31 March 2023, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended,and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("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 31 March 2023, and its profit and other comprehensive income, changes in equity and its cash flows 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 Act. Our responsibilities under those SAs are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and theRules 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 obtained by us is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Information Other than the Standalone Financial Statements and Auditors Report Thereon

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information,we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibilities for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management and Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimatesand related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions

are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

We communicate with those charged with governance regarding, among other matters, the planned scope andtiming 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 ethicalrequirements regarding independence, and to communicate with them all relationships and other matters thatmay 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, 2020 ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the **"Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. (A) 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 it appears from our examination of those books.

   c) The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.

   d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors as on 31 March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**.

   g) In our opinion, the managerial remuneration for the year ended March 31, 2023 has been paid /provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

   (B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11of 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:

   a) The Company has disclosed the impact of pending litigations as at 31 March 2023 on its financial position in its financial statements - Refer Note 41 to the financial statements.

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

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

d) (i) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded inwriting or otherwise, that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ii) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:

- directly or indirectly, lend or invest in other persons or entities identified in any mannerwhatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

(iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d) (i) and (d) (ii) contain any material mis-statement.

e) The interim dividend paid by the company during the year is in accordance with section 123 of the Companies Act, 2013 to the extent it applies to payment of payment of dividend.

f) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the company with effect from April 01, 2023 and accordingly, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

For **D T S & Associates LLP**
Chartered Accountants
(Firm Reg. No.: 142412W/W-100595)

Sd/-
Parimal Kumar Jha
Partner
(Membership No. 124262)
UDIN: 23124262BGXPGH6104

Mumbai
Date: 22nd May, 2023

Annexure A to the Independent Auditor's Report of even date on the Financial Statements of Classic Mall Development Company Limited

(Referred to in our report of even date)

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment except in respect of certain items of furniture and fixtures and plant and machinery. As represented to us by the management, the Company is in the process of updating its Property, Plant and Equipment register to reflect these details.

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

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovableproperties where the Company is the lessee and the leases agreements are duly executed in favor of the lessee) disclosed in the financial statements, which is mortgage as a security, are held in the name of the Company jointly with Classic Housing Projects Private Limited and Starboard Hotels Private Limited.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment(including Right of Use assets) or intangible assets or both during the year.

(e) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Companyfor holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) As explained to us, physical verification of the inventories of stock of unsold residential units & food and beverages have been conducted at reasonable intervals by the management, which in our opinion is reasonable, having regard to the size of the Company and nature of its inventories. No material discrepancies were noticed on such physical verification.

(b) During the year, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets of the Company. The company was not required to file returns/ statements with the Banks/Financial institutions for the reasons stated in note no. 56(2) of financial statements and hence the provisions of clause 3(ii)(b) of the order are not applicable to Company.

(iii)

(a) On the basis of examination of records of the Company, during the year the Company has granted unsecured loans to and advances in the nature of loans to Companies as follows: -

	Loan Amount
Aggregate amount granted / provided during the year	
- Subsidiaries	N/A
- Associates / Joint Ventures	N/A
- Others	500 Lakhs
Balance outstanding as at Balance Sheet date in respect of above	
- Subsidiaries	N/A
- Associates / Joint Ventures	N/A
- Others	0

Based on the examination of records of the Company, the Company has not provided guarantee or provided security to any Company, Limited Liability Partnerships, Firms or any other parties.

(b) In our opinion and according to the information and explanation given to us, the investments made, guarantee provided and terms and conditions of loans granted during the year are not prejudicial to the interest of the Company.

(c) The Company has granted loans during the year to companies where the schedule of repayment of principal and receipt of interest has not been stipulated and accordingly, we cannot comment on whether the repayment or receipts are regular.

(d) Loans granted to companies are repayable on demand and there is no stipulation as regards due date of payment of interest. We have been represented that the company has not demanded interest or principal and hence, question of loans granted to companies becoming overdue does not arise.

(e) There were no loans which had fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.

(f) As disclosed in Note 17 to the Standalone Financial Statements, the Company has granted loans repayable on demand to companies. Following are the details of the aggregate amount of loans granted to related parties as defined in clause (76) of section 2 of the Companies Act, 2013:

	All parties	Related parties
Aggregate amount of loans granted during the year - Repayable on demand Agreement does not specify any terms or period of repayment	Rs. 500 Lakhs	Rs. 500 Lakhs
Percentage of loans to the total loans	100%	100%

(iv) The Company has not granted any loans or provide any guarantees or securities to parties covered under Section 185 of the Act. Further, provisions of sections 186 of the Companies Act, 2013 applicable to the company, in respect of loans, investments, guarantees and security have been complied with by the Company.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the services provided by it. Accordingly, clause 3(vi) of the Order is not applicable.

(vii)

(a) The Company has generally been regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, goods and services tax, duty of customs, duty of excise, value added tax, cess and other statutory dues as applicable to it.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of goods and services tax ('GST'), provident fund, employees' state insurance, income-tax and other statutory dues were in arrears as at 31 March 2023 for a period of more than six months from the date they became payable.

(b) There are no disputed dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues which have not been deposited on account of any dispute except as mentioned below:

Sr. No.	Name of Statue	Nature of Dues	Amount (₹ in Lakhs)	Period to which the amount relates	Forum where dispute is pending
1	Service tax (Finance Act, 1994)	Service Tax	564.03	FY 2007-08 to FY 2010-11	CESTAT
	Total		**564.03**		

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a willful defaulter by any bank or financial institution or government or government authority.

(c) Term loans raised during the year were applied for the purpose for which the loans were obtained.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) The Company does not hold any investment in any subsidiary, associate or joint venture (as defined under the Act) during the year ended 31 March 2023. Accordingly, clause 3(ix)(e) and 3(ix)(f) are not applicable.

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

(b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit.

(xi) (a) Based on the audit procedure performed by us and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company has beennoticed or reported during the course of the year.

(b) No report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year.

(c) As represented to us by the management, there are no whistle blower complaints received bythe Company during the year.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, all the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of itsbusiness.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) The Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in Section 192 of the Act. Accordingly, the requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the provisions of clause 3(xvi)(a) of the Order are not applicable to the Company.

(b) The Company has not conducted any Nonbanking Financial or Housing Finance activities during the year.

(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the provisions of clause 3(xvi)(c) of the Order are not applicable to the Company and hence not commented upon.

(d) As represented by the management, the group does not have any Core Investment Company (CIC) as part of the Group as per the definition of Group contained in the Core Investment Companies (Reserve Bank) Directions, 2016.

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios disclosed in Note no. 55 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meetingits liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act.

(b) The Company had transferred the amount of Corporate Social Responsibility remaining unspent under sub-section (5) of Section 135 of the Act pursuant to ongoing project/(s) to a special account in compliance with the provision of sub-section (6) of Section 135 of the Act. This matter has been disclosed in Note no. 49 to the financial statements.

For **D T S & Associates LLP**
Chartered Accountants
(Firm Registration No. 142412W/W-100595)

Sd/-
Parimal Kumar Jha
Partner

(Membership No. 124262)
UDIN: 23124262BGXPGH6104

Mumbai
Date: 22nd May, 2023

Annexure B to the Independent Auditors' report on the financial statements of Classic Mall Development Company Limited for the period ended 31 March 2023.

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

We have audited the internal financial controls with reference to financial statements of Classic Mall Development Company Limited ("the Company") as of 31 March 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 with reference to financial statements were established and maintained and whether 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financialstatements for external purposes in accordance with generally accepted accounting principles. A company'sinternal financial controls with reference to financial statements include those policies and procedures that
(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being madeonly in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatementsdue to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements 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, adequate internal financial controls with referenceto financial statements and such internal financial controls were operating effectively as at 31 March 2023,based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit ofInternal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the “Guidance Note”).

For **D T S & Associates LLP**
Chartered Accountants
(Firm Registration No. 142412W/W-100595)

Sd/-
Parimal Kumar Jha
Partner (Membership No. 124262)
UDIN: 23124262BGXPGH6104

Mumbai
Date: 22nd May, 2023

CLASSIC MALL DEVELOPMENT COMPANY LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2023

(Rs. In Lakhs)

Particulars	Notes	As At 31st March, 2023	As At 31st March, 2022
I. Assets			
Non-Current Assets			
Property, Plant and Equipments	5	15,683.78	16,892.28
Capital Work-in-Progress	6	15.92	38.68
Investment Property	7	34,238.15	34,468.06
Other Intangible Assets	5	-	0.17
Financial Assets			
Investments	8	19,699.97	20,350.07
Other Financial assets	9	1,036.37	3,699.06
Deferred Tax Assets (net)	10	2,156.01	2,889.37
Other Non-current Assets	11	839.81	810.53
Current Assets			
Inventories	12	1,223.21	1,831.52
Financial Assets			
Investments	13	21,457.01	-
Trade Receivables	14	2,118.17	4,243.66
Cash and Cash Equivalents	15	301.00	830.27
Other Bank Balances	16	179.86	174.95
Loans	17	28,308.74	53,910.00
Other Financial Assets	18	2,723.89	4,134.21
Current Tax Assets (Net)	19	977.87	1,434.90
Other Current Assets	20	614.31	415.58
TOTAL ASSETS		**1,31,574.05**	**1,46,123.30**
II. EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	21	769.81	769.81
Other Equity	22	78,656.71	70,411.97
Non-Current Liabilities			
Financial Liabilities			
Borrowings	23	37,535.39	55,177.41
Other Financial Liabilities	24	3,224.03	554.23
Other Non-current Liabilities	25	298.09	58.90
Provisions	26	62.03	63.63
Current Liabilities			
Financial Liabilities			
Borrowings	27	2,013.82	7,384.10
Trade Payables			
Total outstanding dues of micro enterprises and small enterprises	28	132.34	204.70
Total outstanding dues of creditors other than micro enterprises and small enterpris	28	2,586.23	2,889.75
Other Financial Liabilities	29	4,748.04	7,199.38
Other Current Liabilities	30	1,536.53	1,403.48
Provisions	31	11.04	5.94
TOTAL EQUITY AND LIABILITIES		**1,31,574.05**	**1,46,123.30**

The accompanying notes 1 to 58 are an integral part of Financial statements

As per our report of even date

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

Parimal Kumar Jha
Partner
(Membership No. : 124262)

For and on behalf of the Board of Directors

Sabri Nath
Managing Director
DIN: 09495574

Vidya Sagar Pingali
Director
DIN: 02710397

Place : Mumbai
Date : May 22, 2023

CLASSIC MALL DEVELOPMENT COMPANY LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2023

(₹ in Lakhs)

Particulars	Notes	2022-23	2021-22
INCOME			
Revenue from Operations	32	26,320.67	18,723.31
Other Income	33	4,262.89	5,238.85
Total Income		**30,583.56**	**23,962.16**
EXPENSES			
Change in Inventories	34	608.31	1,409.35
Cost of Construction/Materials	35	113.17	18.28
Employee Benefits Expenses	36	690.55	725.11
Finance Costs	37	5,039.26	5,457.32
Depreciation and Amortisation Expenses	38	1,895.77	1,899.40
Other Expenses	39	7,456.70	5,903.58
Total Expenses		**15,803.75**	**15,413.03**
Profit Before Tax		14,779.81	8,549.13
Less: Tax Expense			
Current Tax	52	2,490.28	1,600.08
Deferred Tax (including MAT credit reversal)	52	725.77	106.94
Taxes of earlier period	52	0.21	-
Profit for the year (A)		11,563.54	**6,842.11**
Other Comprehensive Income			
Items that will not be reclassified to Profit or Loss			
Remeasurement gain/(loss) on defined benefit plans		6.45	(5.03)
Gain/(Loss) on equity instruments at fair value through other comprehensive income		32.89	60.66
Income Tax related to items that will not be reclassified to Profit or Loss			
Tax on Remeasurement gain/(loss) on defined benefit plans		(1.88)	-
Tax on Gain/(Loss) on equity instruments at fair value		(7.59)	(14.05)
Other Comprehensive Income for the year (B)		**29.88**	**41.58**
Total Comprehensive Income for the year (A + B)		**11,593.42**	**6,883.68**
Earnings per equity share (Face value of ₹ 10 each) :			
Basic and Diluted	48	150.21	88.88

The accompanying notes 1 to 58 are an integral part of Financial statements

As per our report of even date

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

Parimal Kumar Jha
Partner
(Membership No. : 124262)

For and on behalf of the Board of Directors

Sabri Nath
Managing Director
DIN: 09495574

Vidya Sagar Pingali
Director
DIN: 02710397

Place : Mumbai
Date : May 22, 2023

CLASSIC MALL DEVELOPMENT COMPANY LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2023

A. EQUITY SHARE CAPITAL

(₹ in Lakhs)

Balance as at 1st April, 2021	Changes in Equity share capital during the year	Balance as at 31st March, 2022	Changes in Equity share capital during the year	Balance as at 31st March, 2023
769.81	-	769.81	-	769.81

B. OTHER EQUITY
For the year ended 31st March, 2023

(₹ in Lakhs)

Particulars	Reserves & Surplus			Other Comprehensive Income		Total Equity
	Securities Premium	Retained Earnings	Share Options outstanding account*	Remeasurement gain/(loss) on defined benefit plans	Classified as Fair Value through Other Comprehensive Income	
Balance as at 1st April, 2022	**14,192.61**	**55,886.42**	**31.42**	**6.80**	**294.75**	**70,411.99**
Profit for the year	-	11,563.54	-	-	-	**11,563.54**
Other Comprehensive Income/(Loss) for the year						-
Remeasurement gain/(loss) on defined benefit plans	-	-	-	4.57	-	**4.57**
Fair value gain/(loss) on FVOCI financial asset	-	-	-	-	25.31	**25.31**
Dividend Paid	-	(3,348.68)	-	-		**(3,348.68)**
Balance as at 31st March, 2023	**14,192.61**	**64,101.28**	**31.42**	**11.37**	**320.06**	**78,656.73**

For the year ended 31st March, 2022

Particulars	Reserves & Surplus			Other Comprehensive Income		Total Equity
	Securities Premium	Retained Earnings	Share Options outstanding account*	Remeasurement gain/(loss) on defined benefit plans	Classified as Fair Value through Other Comprehensive Income	
Balance as at 1st April, 2021	**14,192.61**	**49,044.32**	**31.42**	**11.83**	**248.13**	**63,528.30**
Profit for the year	-	6,842.11	-	-	-	**6,842.11**
Other Comprehensive Income/(Loss) for the year						-
Remeasurement gain/(loss) on defined benefit plans	-	-	-	(5.03)	-	**(5.03)**
Fair value gain/(loss) on FVOCI financial asset	-	-	-	-	46.61	**46.61**
Balance as at 31st March, 2022	**14,192.61**	**55,886.42**	**31.42**	**6.80**	**294.75**	**70,411.99**

* Refer Note 22 (B)
The accompanying notes 1 to 58 are an integral part of Financial statements
As per our report of even date

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

Parimal Kumar Jha
Partner
(Membership No. : 124262)

Place : Mumbai
Date : May 22, 2023

For and on behalf of the Board of Directors

Sabri Nath
Managing Director
DIN: 09495574

Vidya Sagar Pingali
Director
DIN: 02710397

CLASSIC MALL DEVELOPMENT COMPANY PRIVATE LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2023

(₹ in Lakhs)

	Particulars	2022-23	2021-22
A	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit before tax	14,779.81	8,549.13
	Adjustments for:		
	Interest Expense for financial liabilities at amortised cost	4,856.55	5,343.66
	Interest income	(3,039.82)	(5,123.89)
	Notional Interest	169.87	41.03
	Notional Lease rentals	(721.32)	(103.86)
	Gain on sale of investments in mutual funds	(801.79)	(1.53)
	Fair value (gain)/loss on investment	(291.33)	-
	Loss on Sale/write-off, of Property, Plant and Equipment	13.32	12.77
	Depreciation and Amortisation Expenses	1,895.77	1,899.40
	Provision for doubtful debts/advances	1.23	566.12
	Operating profit before working capital changes	16,862.29	11,182.83
	Movements in working capital :		
	Trade and other payables	359.31	(594.52)
	Trade and other receivables	2,683.04	1,069.86
		19,904.64	11,658.16
	Less: Taxes(paid)/received	(2,035.35)	(1,899.96)
	Net Cashflow from /(used in) operating activities (A)	**17,869.30**	**9,757.20**
B	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Payment for purchase of Property, plant and equipment and Capital work in progress	(483.11)	(103.50)
	Purchase of investments	(88,895.29)	(2,800.00)
	Proceeds from Sale of investments	69,219.99	3,501.53
	Inter Corporate Deposits (Net)	25,601.26	(4,140.00)
	Movement in Bank balances other than Cash and Cash Equivalents	2,942.76	(820.96)
	Interest received	4,702.43	7,867.36
	Net Cashflow from /(used in) investing activities (B)	**13,088.03**	**3,505.56**
C	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Proceeds from long term borrowings	57,000.00	-
	Repayment of long term borrowings	(82,135.54)	(6,937.60)
	Proceeds/(Repayments) in Short Term Borrowings	1,467.24	(462.72)
	Dividend Paid	(3,348.68)	-
	Interest Paid	(4,469.62)	(5,240.64)
	Net Cashflow (used in)financing activities (C)	**(31,486.59)**	**(12,640.97)**
	Net Increase/(Decrease) in Cash and cash equivalents (A + B + C)	(529.27)	621.80
	Opening balance of Cash and cash equivalents	830.27	208.47
	Closing balance of Cash and cash equivalents (Refer note 16)	**301.00**	830.27

Notes:-

		2022-23	2021-22
1	**Components of cash and cash equivalents:**		
	Cash on hand	3.30	3.80
	Balance with scheduled bank	297.70	826.47
		301.00	830.27

As per our report of even date

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

For and on behalf of the Board of Directors

Parimal Kumar Jha
Partner
(Membership No. : 124262)

Sabri Nath
Managing Director
DIN: 09495574

Vidya Sagar Pingali
Director
DIN: 02710397

Place : Mumbai
Date : May 22, 2023

CLASSIC MALL DEVELOPMENT COMPANY LIMITED
Notes to Financial Statement for the year ended 31st March, 2023

Note 5 : Property, Plant and Equipment

(₹ in Lakhs)

	Property, Plant and Equipment*							Intangible Assets
Particulars	**Building**	**Plant and Machinery**	**Computers**	**Office Equipment**	**Vehicles**	**Furniture and Fixtures**	**Total**	**Computer Software**
Gross Block:								
As at April 1, 2021	10,201.50	14,113.15	322.28	524.07	40.54	2,519.18	27,720.73	21.54
Addition during the year	-	135.22	3.98	6.15	-	-	145.35	-
Deductions/ Adjustments	-	1.50	1.44	24.32	-	0.09	27.35	-
As at March 31, 2022	10,201.50	14,246.86	324.82	505.91	40.54	2,519.10	27,838.73	21.54
Addition during the year	-	91.36	2.62	36.59	-	58.97	189.54	-
Deductions/ Adjustments	-	23.06	-	-	-	1.19	24.25	-
As at March 31, 2023	**10,201.50**	**14,315.16**	**327.44**	**542.50**	**40.54**	**2,576.88**	**28,004.02**	**21.54**
Accumulated Depreciation/ amortisation:								
As at April 1, 2021	1,256.46	6,328.03	275.74	287.29	28.74	1,392.10	9,568.35	20.96
Addition during the year	179.32	908.79	20.99	34.39	4.82	244.23	1,392.55	0.41
Deductions/ Adjustments	-	0.11	1.37	12.92	-	0.05	14.45	-
As at March 31, 2022	1,435.79	7,236.71	295.37	308.76	33.55	1,636.28	10,946.45	21.37
Depreciation for the year	179.32	918.29	11.66	37.93	2.93	234.59	1,384.72	0.17
Deductions/ Adjustments	-	10.40	-	-	-	0.54	10.93	-
As at March 31, 2023	**1,615.11**	**8,144.60**	**307.02**	**346.69**	**36.48**	**1,870.34**	**12,320.24**	**21.54**
Net Block								
As at March 31, 2023	**8,586.38**	**6,170.56**	**20.42**	**195.81**	**4.06**	**706.54**	**15,683.78**	**0.00**
As at March 31, 2022	8,765.71	7,010.15	29.46	197.15	6.99	882.82	16,892.28	0.17

* Certain Property, Plant and Equipments are under exclusive equitable mortgaged against borrowings. (Refer Note 23)

(₹ in Lakhs)

Particulars		**As at 31st March, 2023**	**As at 31st March, 2022**
6 Capital Work-in-Progress			
Opening gross carrying amount		38.68	57.60
` Additions during the year		67.64	38.68
Capitalised during the year		90.40	57.60
Closing gross carrying amount	**Total**	**15.92**	**38.68**

Aging of Capital work in progress is as under:

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in progress					
As on 31st March 2023	15.92	-	-	-	15.92
As on 31st March 2022	38.68	-	-	-	38.68

7 Investment Property

Particulars	**Freehold Land***	**Building**	**Total**
Gross carrying amount:			
As at April 1, 2021	6,742.56	32,013.78	38,756.34
Additions during the year	-	-	-
Deductions/ Adjustments	-	-	-
As at March 31, 2022	6,742.56	32,013.78	38,756.34
Additions during the year	-	280.96	280.96
Deductions/ Adjustments	-	-	-
As at March 31, 2023	6,742.56	32,294.74	39,037.30
Accumulated Depreciation:			
As at April 1, 2021	-	3,781.83	3,781.83
Depreciation during the year	-	506.44	506.44
Deductions/ Adjustments	-	-	-
As at March 31, 2022	-	4,288.28	4,288.28
Depreciation during the year	-	510.88	510.88
Deductions/ Adjustments	-	-	-
As at March 31, 2023	-	4,799.16	4,799.16
Net Carrying Amount:			
As at March 31, 2023	6,742.6	27,495.59	34,238.15
As at March 31, 2022	6,742.6	27,725.51	34,468.06

i) * Land admeasuring 34,211.40 sq. mtrs. (Cost ₹ 6,296.94 in Lakhs)) is jointly owned with Classic Housing Projects Private Limited and Starboard Hotels Private Limited.

ii) Out of the above, 1117 sq. mtrs of land has been leased to Tamil Nadu Generation and Distribution Corporation Ltd. for setting up an electrial sub-station for the period of 99 years on an annual lease of Rs. 100/-.

iii) Investment properties are under exclusive equitable mortgage against borrowings (Refer Note no. 23)

iv) Amounts recognised in the statement of profit and loss for investment properties

Particulars		
Rental Income derived from investment properties	17,457.27	11,672.79
Direct operating Expenses generating rental income	629.63	281.14
Profit arising from investment properties before Depreciation	16,827.65	11,391.65
Depreciation	510.88	506.44
Profit arising from investment properties	16,316.77	10,885.21

v) Leasing arrangements

Investment Properties are leased to tenants under long-term operating leases with monthly rental payments.

Refer note 45 for details on further minimum lease rentals.

vi) Fair Value

Investment Property	2,27,360.00	1,92,950.00

vii) Estimation of Fair Value

The fair value of investment property has been determined by external, independent property valuers, having appropriate recognised professional qualification and recent experience in the location and category of the property being valued.

The Company obtains independent valuations for its investment properties annually and fair value measurement has been categorised as Level 3.

The fair value has been arrived using discounted cash flow projections based on reliable estimates. Estimates used for calculating future cash flows are as follows:

Growth in rental income	5.00%	5.00%
Capitalisation rate	9.00%	8.75%
Discount rate	12.58%	13.40%

CLASSIC MALL DEVELOPMENT COMPANY LIMITED
Notes to Financial Statements for the year ended 31st March, 2023

(₹ in Lakhs)

Particulars		As at 31st March, 2023	As at 31st March, 2022
8 Non- current investments			
Unquoted			
Investment measured at fair value through Other Comprehensive Income			
Investment in Equity Shares			
Array Land Developers Private Limited		422.92	390.02
61,500 (P. Y. 61,500) Equity Shares of ₹ 10 each fully paid			
Investment measured at cost			
Investment in Associates of Same Group			
(Investment in 0.0001% Optionally Fully Convertible Debentures of ₹ 100 each fully paid)			
Classic Housing Projects Private Limited		-	250.00
Nil (P. Y. 2,50,000)			
Starboard Hotels Private Limited		13,222.00	19,710.00
1,32,22,000 (P. Y. 1,97,10,000)			
(Investment in 0.0001% Optionally Convertible Debentures of ₹ 10 each fully paid)			
Starboard Hotels Private Limited		6,055.00	-
60,55,000 (P. Y. Nil)			
Other Investments			
Investment in Government Securities			
National Saving Certificate*		0.05	0.05
	Total	**19,699.97**	**20,350.07**
Aggregate amount of unquoted investments		19,699.97	20,350.07
* Pledged with Chennai Metropolitan Development Authority			
Category-wise Non-current Investments			
Financial Assets measured at cost		19,277.05	19,960.05
Financial Assets measured at fair value through other comprehensive income		422.92	390.02
9 Other Financial Assets (Non - current)			
Deposit with original maturity of more than 12 months*		720.00	3,667.66
License Fees Equalisation Asset		316.37	31.40
	Total	**1,036.37**	**3,699.06**
* Given as Margin money for maintaining Debt Service Reserve Account (DSRA) for Term loan			
10 Deferred Tax Assets (Net)			
The movement on the deferred tax amount is as follows:			
At start of the year		**2,889.37**	**3,010.36**
Charge/(credit) to profit or loss (Refer note 51)		(725.77)	(106.94)
Charge to other comprehensive income		(7.59)	(14.05)
At the end of the year		**2,156.01**	**2,889.37**
Deferred Tax Asset/(Liability) in relation to			
Property, plant and equipment		(2,095.51)	(2,160.36)
Disallowances under Income Tax Act and provisions		183.90	823.61
Fair valuation of unrealised assets		(84.84)	-
Lease Equilisation asset		(174.06)	-
Other comprehensive income		(96.74)	(89.15)
Minimum Alternate Tax credit entitlement		4,423.25	4,315.27
	Total	**2,156.01**	**2,889.37**
11 Other Non-current Assets			
Security Deposits			
(Unsecured and considered good)			
Security Deposit to Related Party (Refer Note No . 47)		125.00	125.00
Security Deposit - Others		711.26	684.36
Balances with Employees Gratuity Trust Fund		0.15	0.15
Others		3.41	1.02
	Total	**839.81**	**810.53**

CLASSIC MALL DEVELOPMENT COMPANY LIMITED
Notes to Financial Statements for the year ended 31st March, 2023

(₹ in Lakhs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
12 Inventories		
(Valued at lower of cost or net realisable value)		
Stock of unsold residential units:		
Cost of Construction	1,177.37	1,782.46
Land	23.90	36.59
Food & Breverages	21.94	12.47
Total	**1,223.21**	**1,831.52**
13 Current investments		
Investment measured at fair value through Profit and Loss:		
Other Investments		
Unquoted		
Investment in Mutual Funds		
Aditya Birla Sun Life - Liquid Fund- Direct - Growth 3,23,766.843 units (P. Y. Nil units)	1,175.54	-
Axis Liquid Fund - Direct - Growth 41,362.515 units (P. Y. Nil units)	1,034.43	-
HDFC Liquid Fund - Direct - Growth 34,083.880 units (P.Y. Nil units)	1,507.60	-
HDFC Money Market Fund -Direct - Growth 10,687.377units (P. Y. Nil units)	517.72	-
ICICI Prudential Liquid Fund - Direct - Growth 3,83,576.306 units (P. Y. Nil units)	1,278.02	-
Bandhan Liquid Fund - Direct - Growth 21,108.026 units (P. Y. Nil units)	573.84	-
Invesco India Liquid Fund - Direct - Growth 33,930.224 units (P Y Nil units)	1,048.48	-
Kotak Liquid Fund - Direct - Growth 28,158.164 units (P Y Nil units)	1,280.75	-
LIC Mutual Fund Liquid Fund - Direct - Growth 12,577.997 units (P Y Nil units)	514.14	-
Nippon India Liquid Fund - Direct - Growth 14,216.600 units (P Y Nil units)	782.90	-
SBI Liquid Fund - Direct - Growth 33,397.388 units (P. Y. Nil units)	1,176.69	-
Sundaram Liquid Fund - Direct - Growth 25,858.997 units (P Y Nil)	514.04	-
Tata Liquid Fund - Direct - Growth 34,602.895 units (P Y Nil units)	1,228.89	-
Quoted		
Investment in Debt Securities		
5.37% Kotak Mahindra Prime Limited 2023 - NCD - 20/07/2023 - Face Value ₹ 10,00,000 100 units (P. Y. Nil units)	991.15	-
5.4911% Kotak Mahindra Prime Limited 2023 - NCD - 06/11/2023 - Face Value ₹ 10,00,000 100 units (P. Y. Nil units)	986.58	-
4.71% HDFC LTD Sr Z 003- NCD - 07/09/2023 - Face Value ₹ 10,00,000 100 units (P. Y. Nil units)	985.91	-
L&T Finance Limited Series A - NCD - 03/07/2023 - Face Value ₹ 10,00,000 250 units (P. Y. Nil units)	2,993.01	-
Shriram Transport Finance Co Ltd - NCD - 18/11/2023 - Face Value ₹ 10,00,000 100 units (P. Y. Nil units)	1,147.05	-
Muthoot Fincorp Limited SR IX BR - NCD - 03/01/2024 - Face Value ₹ 10,00,000 1,500 units (P. Y. Nil units)	1,720.26	-
Total	**21,457.01**	**-**
Aggregate amount of unquoted investments	12,633.05	
Market Value of unquoted investments	12,633.05	
Aggregate amount of quoted investments	8,823.96	-
Market Value of quoted investments	8,823.96	-
Category-wise Current Investments		
Financial Assets measured at fair value through the statement of profit and loss account	21,457.01	-

CLASSIC MALL DEVELOPMENT COMPANY LIMITED
Notes to Financial Statements for the year ended 31st March, 2023

(₹ in Lakhs)

Particulars		As at 31st March, 2023	As at 31st March, 2022
14 Trade Receivables (Current)*			
(Unsecured)			
a) Considered good		2,599.42	4,821.33
Less: Allowances for expected credit loss		524.00	867.81
		2,075.42	3,953.52
b) Credit Impaired		77.20	507.60
Less: Allowances for expected credit loss		34.46	217.46
		42.74	290.14
	Total	**2,118.17**	**4,243.66**
* Trade receivables are exclusively hypothecated against borrowings (Refer Note No. 23)			
For Expected Credit Loss refer note 43			
For ageing of Trade receivables refer Note 50			
15 Cash and Cash Equivalents			
Balances with Banks			
in Current Account		297.70	826.47
Cash on hand		3.30	3.80
	Total	**301.00**	**830.27**
16 Other Bank balances			
Bank Balances other than cash and cash equivalent mentioned above #		179.86	174.95
	Total	**179.86**	**174.95**
# Funds earmarked for CSR			
17 Loans (at amortised cost)			
(Unsecured and considered good)			
Inter Corporate Deposits to Related Party*		28,133.74	53,735.00
Inter Corporate Deposits to others		175.00	175.00
	Total	**28,308.74**	**53,910.00**
* Refer Note 47 and 57			
Inter Corporate Deposit given @ 9.25% to 11.00% p.a. (P.Y. @ 9.25% p.a.to 11.00%)			
18 Other Financial Assets (Current)			
Accrued Interest on Deposit with banks and Government authorities*		22.48	55.36
Accrued Interest on Inter Corporate Deposits (Refer note 47)		2,334.41	4,055.37
Accrued Interest on Debt Securities		85.64	-
License Fees Equalisation Asset		281.35	23.48
	Total	**2,723.89**	**4,134.21**
* Interest accrued on Fixed Deposit given as margin money for maintaining DSRA for Term loan			
19 Current Tax Assets (Net)			
Advance Income Tax (Net of provision for taxation)		977.87	1,434.90
	Total	**977.87**	**1,434.90**
Movement in Income Tax Assset:			
At start of the year		**1,434.90**	**1,135.02**
Charge for the year		(2,490.28)	(1,600.08)
Taxes pertaining to previous year		(0.21)	-
Provision for tax on other comprehensive income		(1.88)	-
Tax paid during the year		2,035.35	1,899.96
At the end of the year		**977.87**	**1,434.90**
20 Other Current Assets			
(Unsecured, considered good unless otherwise stated)			
Advance to Vendors		426.34	105.31
Other recoverable		187.96	310.27
	Total	**614.31**	**415.58**

(₹ in Lakhs)

Particulars		As at 31st March, 2023	As at 31st March, 2022
21 Share Capital			
Authorised, Issued, Subscribed and Paid up Share Capital:			
Authorised			
77,00,000 (P. Y. 77,00,000) Equity Shares of ₹ 10 each		770.00	770.00
Issued, Subscribed and Paid up Share Capital:			
76,98,116 (P. Y. 76,98,116) Equity Shares of ₹ 10 each		769.81	769.81
	Total	**769.81**	**769.81**
a The reconciliation of number of shares outstanding is set out below:		**No. of shares**	**No. of shares**
Shares outstanding at the beginning of the year		76,98,116	76,98,116
Add: Shares issued during the year		-	-
Shares outstanding at the end of the year	**Total**	**76,98,116**	**76,98,116**

b Shareholders holding more than 5% of total shares of the Company:

Name of Shareholder	As at 31st March, 2023 No of shares held	As at 31st March, 2023 % of Holding	As at 31st March, 2022 No of shares held	As at 31st March, 2022 % of Holding
The Phoenix Mills Limited	76,98,116	100.00%	38,49,058	50.00%
Crest Ventures Limited	-	-	35,68,234	46.35%

c Details of Shares held by promoter at the end of the year

Promoter name	**No. of shares held as at 31st March, 2023**	**No. of shares held as at 31st March, 2022**	**% of total shares**	**% change during the year 2022-23**	**% change during the year 2021-22**
The Phoenix Mills Limited	76,98,116	38,49,058	100.00%	50%	-
Crest Ventures Ltd.	-	35,68,234	0.00%	-46.35%	-
Escort Developers Private Limited*	-	2,80,824	0.00%	-3.65%	-

* Wholly owned subsidiary of Crest Ventures Limited.

c Terms and Rights of Equity Shareholders:

The company has only one class of equity shares having face value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. Equity shares are also entitled to dividend as and when proposed by Board of Directors and approved by shareholders 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, 2023	As at 31st March, 2022
22 Other Equity			
A Security Premium Account			
As per Last Balance sheet		**14,192.61**	**14,192.61**
B Share Options outstanding account *			
As per Last Balance sheet		31.42	31.42
Closing balance	**Total**	**31.42**	**31.42**

* Stock Option outstanding account in respect of ESOP issued by The Phoenix Mills Ltd. to the Company's employees and disclosed as investment in equity by parent company.

C Retained Earnings			
As per Last Balance sheet		55,886.42	49,044.32
Add: Profit for the year		11,563.54	6,842.11
Add: Transfer to retained earnings		-	-
Less: Dividend paid*		(3,348.68)	-
Closing balance	**Total**	**64,101.28**	**55,886.42**

* Interim Dividend paid during the year ₹ 43.5 per share approved in Extra Ordinary General Meeting dated 23rd May, 2022

(₹ in Lakhs)

Particulars		As at 31st March, 2023	As at 31st March, 2022
D Other Comprehensive Income			
As per Last Balance sheet		301.52	259.94
Additions/ Transfer during the year		29.88	41.58
Closing balance	**Total**	**331.40**	**301.52**
	Total (A to D)	**78,656.71**	**70,411.97**

Description of nature and purpose of each reserve

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

23 Borrowings (Non - Current)

Particulars		As at 31st March, 2023	As at 31st March, 2022
Secured (at amortised cost)			
Term Loan from Bank (Refer Note a and b)		37,535.39	36,354.62
Term Loan from Others (Refer Note b)		-	18,822.79
	Total	**37,535.39**	**55,177.41**

a) The Term loan of ₹ 19,887.08 Lakhs (P. Y. ₹ Nil) and bank overdraft facility of ₹ 4.67 Lakhs from ICICI Bank is secured by immovable and movable assets of the Company. Refer note 23 (c) for security/mortgage/hypothecation details for the said facilities.
The satisfation of the charge for repayment of ₹ 20,000 lakhs for said facilities is pending with MCA.

b) The Term loan of ₹ 18,500.00 Lakhs (P. Y. ₹ Nil) and bank overdraft facility of ₹ 1,462.57 Lakhs from Kotak Mahindra Bank is secured by immovable and movable assets of the Company. Refer note 23 (c) for security/mortgage/hypothecation details for the said facilities.
The creation of the charge for said facilities and registeration with MCA is pending.

c) i) First and pari-passu charge over the assets, both movable and immovable assets (including mortgage) of the Project, present and future (Charge to be created over entire retail portion i.e. existing approx. 0.96 million sq. ft. chargeable area, along with proportionate Undivided Share of Land (UDS)

ii) First and pari-passu charge by way of hypothecation/ assignment or creation of security interest in:
a. all the rights, title, interest, benefits, claim and demands whatsoever of the Borrower in the project contracts, project agreements in the clearances; loss protection covers etc. with respect to project.
b. all the rights, title, interest, benefits, claim and demands whatsoever of the Borrower in any letter of credit, guarantee, performance bond provided by any counterparts (to the borrower/ project contracts with respect to Project.
c. all the rights, title, interest, benefits, claim and demands whatsoever of the Borrower in the insurance contracts, policies, insurance proceeds, procured by the Borrower or procured by any of its contractors favouring the Borrower with respect to Project

iii) First and pari-passu charge on the trust and retention account / escrow account / debt service reserve account (as applicable) /and/or any other bank account of the Borrower with respect to Project;

iv) First and pari-passu charge on the current assets of the Borrower with respect to Project;

Note: Pari-passu charge to be shared amongst the participating Lenders in the Facility (if any)

d) The loan of ₹ Nil Lakhs (P. Y. ₹ 635.23 Lakhs) is secured by first ranking equitable pari-passu charge by way of registered mortgage of Phoenix Marketcity Mall building, Velachery, Chennai having approx. 9.6 lacs sft leasable area and the Hotel inside the mall along with proportionate unidentified undivided share of underlying land admeasuring 34,136.72 sq. mtr. out of larger extent of land admeasuring 66,915.90 sq. mtr. along with car parking slots proportinate to mall area and hotel, all present, future and additional /incremental FSI/FAR and further potential development and entitlement to the current project and proportinate undivided share of land . Further the loan is secured by first pari-passu charge over Phoenix Marketcity Mall at Chennai and the Hotel inside the mall along with proportionate undivided share of underlying land admeasuring 34,136.72 sq. mtr. Also Hypothecation & Escrow of receivables from Mall and NDU on 100% Shares of the company is offered as security.

e) Interest is calculated on REPO + applicable margin. Rate of Interest varies in the range of 7.35% Per annum to 8.95% Per annum (P.Y. 7.35% Per annum to 8.9% Per annum)

f) **Maturity profile of Secured Term Loan are as set out below:**

Term Loan - from Banks and others*

(₹ in Lakhs)

Year	Amount	Year	Amount
2023-24	578.14	2028-29	4,876.65
2024-25	898.31	2029-30	5,646.65
2025-26	1,283.35	2030-31	6,673.35
2026-27	2,053.35	2031-32	7,699.96
2027-28	3,593.31	2032-33	5,084.03

* Above amount includes prepaid processing expenses of ₹ 305.12 lakhs (Current ₹ 31.56 lakhs and non- current ₹ 273.56 lakhs)

(₹ in Lakhs)

Particulars		As at 31st March, 2023	As at 31st March, 2022
24 Other Financial Liabilities (Non - Current)			
Security deposit for Lease Rentals		3,224.03	554.23
	Total	**3,224.03**	**554.23**
25 Other Liabilities (Non - Current)			
Advance rentals		298.09	58.90
	Total	**298.09**	**58.90**
26 Provisions (Non- current)			
Employee benefits:			
Provision for compensated absences		38.03	40.34
Provision for gratuity		23.99	23.30
	Total	62.03	63.63
27 Borrowings (Current)			
Secured at amortised cost			
Current maturities of long term debts (Refer Note No. 23)		546.57	7,384.10
Overdraft Facilities*		1,467.24	-
	Total	**2,013.82**	**7,384.10**
* Refer note 23 (a) and (b) for details of security/ mortgage clause			
28 Trade payables (Current)			
Total outstanding dues of micro enterprises and small enterprises*		132.34	204.70
Total outstanding dues of creditors other than micro enterprises and small enterprises		2,586.23	2,889.75
	Total	**2,718.57**	**3,094.45**

For aging of Trade payables refer note 51

* There are no Micro and small enterprises, to whom the Company owes dues, which are outstanding for more than 45 days during the year as at March 31, 2023. 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.

Particulars		As at 31st March, 2023	As at 31st March, 2022
The disclosure pursuant to the said Act			
a) Principal amount due to supplier under MSMED Act, 2006		132.34	204.70
b) Interest accrued and due on the above amount, unpaid		-	-
c) Payment made beyond the appointed day during the year		-	-
d) Interest paid		-	-
e) Interest due and payable for the period of delay		-	-
f) Interest remaining due and payable in succeeding year		-	-
29 Other Financial Liabilities (Current)			
Payable for purchase of Property, Plant and Equipment		1.38	36.74
Security deposit for lease rentals		4,729.11	6,876.03
Interest accrued but not due		17.56	286.61
	Total	**4,748.04**	**7,199.38**
30 Other Current Liabilities			
Advances from customers		146.38	389.09
Statutory dues		447.32	295.05
Income received in advance		21.53	15.59
Advance rentals		344.05	47.80
Other payables		577.25	655.96
	Total	**1,536.53**	**1,403.48**
31 Provisions (Current)			
Employee benefits			
Provision for compensated absences		10.04	4.94
Provision for gratuity		1.00	1.00
	Total	**11.04**	**5.94**

CLASSIC MALL DEVELOPMENT COMPANY LIMITED
Notes to Financial Statements for the year ended 31st March, 2023

(₹ in Lakhs)

Particulars		2022-23	2021-22
32 Revenue from Operations			
Sale of Services		25,127.74	17,058.71
Income from Property Development		791.10	1,511.46
Other Operating Revenues		401.84	153.14
	Total	**26,320.67**	**18,723.31**
a) Disaggregation of Sale of Service			
License Fees and Rental Income*		17,457.27	11,672.79
Hotel Management Fees		30.00	-
Revenue from operation of club		115.50	58.23
Service Charges		5,935.26	4,450.20
Others (including Parking and Food & Breverages income)		1,589.71	877.49
	Total	25,127.74	17,058.71
* Refer note 45 for variable component of License Fees and Rental Income			
33 Other Income			
Interest income on financial asstes measured at amortised cost			
Interest on Term Deposit		164.05	220.48
Interest on Inter Corporate Deposits		2,842.25	4,903.40
Interest on Bond/ Debentures		33.52	-
Interest Income - Others		20.59	15.35
Interest on Income Tax Refund		92.71	-
Income from financial assets measured at fair value through profit and loss			
Gain on sale of Mutual Funds/ Bonds		801.79	1.53
Gain on revaluation of investment		291.33	-
Excess provision written back		-	94.64
Sale of scrap		16.65	3.44
	Total	**4,262.89**	**5,238.85**
34 Changes in Inventories			
Realty Stock			
Stock of unsold inventory at the beginning of the year		1,819.05	3,231.45
Less: Stock of unsold inventory at the end of the year		1,201.27	1,819.05
		617.78	1,412.39
Food & Breverages Consumed			
Stock at the beginning of the year		12.47	9.42
Stock at the end of the year		21.94	12.47
		(9.47)	(3.05)
	Total	**608.31**	**1,409.35**
35 Cost of Construction/Materials			
RCC and Civil work		-	15.23
Food and Beverages purchased		113.17	3.05
	Total	**113.17**	**18.28**
36 Employee Benefits Expenses			
Salaries, wages and bonus (Refer note 47)		651.37	696.66
Contribution to provident and other welfare fund (Refer Note 52)		26.49	20.04
Staff welfare expenses		12.68	8.40
	Total	**690.55**	**725.11**

CLASSIC MALL DEVELOPMENT COMPANY LIMITED
Notes to Financial Statements for the year ended 31st March, 2023

(₹ in Lakhs)

	Particulars	2022-23	2021-22
37	**Finance cost**		
	Interest expense for financial liabilities at amortised cost		
	Interest on loan	4,856.55	5,343.66
	Other charges	182.71	113.66
	Total	**5,039.26**	**5,457.32**
38	**Depreciation and Amortisation Expenses**		
	Depreciation and Amortisation Expenses	1,895.77	1,899.40
	Total	**1,895.77**	**1,899.40**
39	**Other Expenses**		
	Electricity charges	1,490.60	868.13
	Water charges	64.97	64.89
	Repairs and Maintenance:		
	Building	421.78	236.41
	Plant and machinery	805.39	644.11
	Others	61.44	68.70
	Rent, rates and taxes	356.87	17.64
	Insurance	162.47	176.98
	Security charges and other manpower services	1,212.36	892.38
	Legal and professional fees	1,309.51	657.53
	Telephone charges and other communication expenses	9.68	12.80
	Travelling and conveyance expenses	20.71	13.81
	Foreign exchange loss	0.08	-
	Payment to auditor (Refer note 40)	15.30	13.00
	Directors sitting fees	0.40	1.60
	Selling and marketing expenses	406.93	148.53
	Advertisement and business promotion	684.48	279.15
	Expenditure on Corporate Social Responsibilities (Refer Note 49)	144.04	142.40
	Loss on Sale/write-off, of Property, Plant and Equipment	13.32	12.77
	Donation	20.00	-
	Rebates and settlements	245.02	981.78
	Provision for doubtful debts/advances	1.23	660.76
	Miscellaneous expenses	10.11	10.20
	Total	**7,456.70**	**5,903.58**
40	**Payment to Auditors**		
	As Auditor:		
	a) for Audit (excluding GST)	13.80	11.50
	b) for Tax Audit	1.50	1.50
	Total	**15.30**	**13.00**

41 Contingent liabilites and Capital commitments

a Estimated amount of contracts remaining to be executed on capital account not provided for ₹ Nil in lakhs (P. Y. ₹ 9.32 in lakhs)

b The Service Tax department had issued a demand notice of ₹ 609.76 Lakhs (P. Y. ₹ 609.76 Lakhs) to the company, against which the company has filed appeal with the Service Tax Tribunal.

c The above litigation is not expected to have any material adverse impact on the financial position of the company.

CLASSIC MALL DEVELOPMENT COMPANY PRIVATE LIMITED
Notes to Financial Statements for the year ended 31st March, 2023

(₹ in Lakhs)

42 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, 2023		As at March 31, 2022	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets designated at fair value through Profit and Loss				
Investments				
- in mutual funds	12,633.05	12,633.05	-	-
- in debt securities	8,823.96	8,823.96	-	-
Financial assets designated at fair value through Other Comprehensive Income				
Investments*				
- in Equity shares	422.92	422.92	390.02	390.02
Financial assets designated at amortised cost				
Trade Receivables	2,118.17	2,118.17	4,243.66	4,243.66
Cash and cash equivalents	301.00	301.00	830.27	830.27
Loans and advances	28,308.74	28,308.74	53,910.00	53,910.00
Deposits with banks	899.86	899.86	3,842.61	3,842.61
Other Financial assets	2,723.89	2,723.89	4,134.21	4,134.21
Total	**56,231.58**	**56,231.58**	**67,350.77**	**67,350.77**
Financial liabilities designated at amortised cost				
Borrowings - Variable rate	39,549.21	39,549.21	62,561.51	62,561.51
Trade payables and others	2,718.57	2,718.57	3,094.45	3,094.45
Other financial liabilities	7,972.07	7,972.07	7,753.60	7,753.60
Total	**50,239.85**	**50,239.85**	**73,409.57**	**73,409.57**

* Exclude Company's investments ₹19,277.00 lakhs (P Y ₹ 19,960.05 lakhs) measured at cost (Refer Note 8)

Fair valuation techniques:

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The following methods and assumptions were used to estimate the fair values

1 Fair value of investment in mutual funds and debt securities are based on NAV price/quoted on stock exchange.
2 Fair value of investment in unquoted equity shares are taken at net asset value.
3 Fair Value of Long Term Borrowing is calculated based on Discounted Cash Flow.
4 Fair value of financial assets and financial liabilities (except which are shown at their fair value) are carried at amortised cost is not materially different from it's carrying cost.

Fair value hierarchy:

The following table provides the fair value measurement hierarchy of Company's assets 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 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 relay 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 asset or liability that are not based on obseravable market data (that is, unobservable inputs). If one or more of significant inputs is not based on observable market data, the instrument is included in level 3.

Particulars	2022-23			2021-22		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Assets/ Liabilities measured at fair value						
Finanical Assets:						
Investments						
- in mutual funds	-	12,633.05	-	-	-	-
- in debt securities	-	8,823.96	-	-	-	-
- in equity shares	-	-	422.92	-	-	390.02

(₹ in Lakhs)

During the year ended March 31, 2023, there were no transfers between Level 2 and Level 3 fair value measurements, and no transfer into and out of level 3 of fair value measurement.

Following tables describes the valuation techniques used and key inputs to valuation for level 3 of the fair value hierarchy as at March 31, 2023

Particulars	Fair Value hierarchy	Valuation Technique	Input used
Finanical Assets:			
Investments			
- in equity shares	Level 3	Net asset value*	Not applicable

* Based on audited financial statement for the year ended 31st March, 2022

Reconciliation of fair value measurement categorised within level 3 of the fair value hierarchy

Particulars	As at 31st Mar 2023	As at 31st Mar 2022
Fair value as on 1st April,	390.02	329.36
Fair Value gain recognised in other comprehensive income	32.89	60.66
Fair value as on 31st March,	422.92	390.02

43 Financial Risk Management:

The Company's activities expose it to credi 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 cashflows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: currency rate risk, interest rate riskand other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings and investmens in securities.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.
The Company is exposed to foreign exchange risk through purchases of goods or services from overseas supplier in foreign currency. The Company generally transacts in US dollar. The foreign exchange rate exposure is balanced by purchasing of goods or services in the respective currency. The Company is exposed to insignificant foreign exchange risk as at the respective reporting dates.

Interest rate risk

Fluctuation in fair value or future cash flows of a financial instrument because of changes in market interest rates gives rise to interest rate risk.
Company's borrowings are linked to REPO + 2% spread. 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:

	Effect on Profit/(Loss) before tax	
Change in Rate of Interest	**2022-23**	**2021-22**
+1%/-1%	380.82	625.62

Commodity and Other price risk

The 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. 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. The Company collects and maintains adequate security deposits from customers as part of execution of leave and license arrangements with them. At the end of each reporting period, the Company individually monitors the security deposit balances as against the outstanding dues from customers. Accordingly, the Company makes specific provisions against such trade receivables wherever required and monitors the same at periodic intervals. The Company established an allowance for impairment that represents its estimate of expected losses in respect of trade receivables.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 has also taken advances and security deposits from its customers, which mitigate the credit risk to an extent.

Cash and cash equivalents on other investments:
The Company is exposed to counter party risk relating to medium term deposits with banks and investment in mutual funds and debt securities. The Company considers factors such as track record, size of 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, 2023 and March 31, 2022 is as follows:

	As at 31st Mar 2023	As at 31st Mar 2022
Financial assets for which loss allowances is measured using 12months Expected Credit Losses (ECL):		
Cash and cash equivalents	301.00	830.27
Loans and advances	28,308.74	53,910.00
Deposits with banks	899.86	3,842.61
Other Financial assets	2,723.89	4,134.21
Financial assets for which loss allowances is measured using Life time Expected Credit Losses (ECL):		
Trade Receivables	2,118.17	4,243.66

Life time expected credit losses for Trade receivables under simplified approch:

	Past Due				
Aging of Trade Receivables	**0-90 days**	**90-180 days**	**180-360 days**	**Over 360 days**	**Total**
As at 31st March, 2023					
Gross carrying amount	1,766.58	179.73	396.70	333.60	2,676.62
Expected credit losses (Loss allowance provision)	7.01	3.98	24.40	523.07	558.46
Net carrying amount	1,759.57	175.76	372.30	(189.47)	2,118.17
As at 31st March, 2022					
Gross carrying amount	3,149.43	726.62	633.88	819.01	5,328.93
Expected credit losses (Loss allowance provision)	20.44	15.33	52.27	997.24	1,085.27
Net carrying amount	3,128.99	711.29	581.61	(178.23)	4,243.66

Reconciliation of changes in the life expected credit loss allowance:	2022-23	2021-22
Loss allowance on 1st April,	1,085.28	476.44
Provided during the year	1.23	660.76
Amount written off during the year	(528.05)	(51.92)
Reversal of provision	-	-
Loss allowance on 31st March,	558.46	1,085.28

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 and also cash deposits with banks to mitigate the risk of default in repayments. In the event of any failture 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.

	As at March 31, 2023					
Particulars	Carrying Amount	on Demand	Less than 12 months	1-5 years	> 5years	Total
Borrowings*	39,854.34	-	2,045.38	7,828.31	29,980.64	39,854.33
Other Financial Liabilities	7,972.07	0.00	4,748.04	3,224.03	-	7,972.07
Trade and other payables	2,718.57	77.55	2,641.02	-	-	2,718.57

	As at March 31, 2022					
Particulars	Carrying Amount	on Demand	Less than 12 months	1-5 years	> 5years	Total
Borrowings*	63,522.63	-	7,528.61	36,716.58	19,277.43	63,522.63
Other Financial Liabilities	7,753.60	0.00	7,162.64	590.96	-	7,753.60
Trade and other payables	3,094.45	114.29	2,980.16	-	-	3,094.45

* Above amount includes prepaid processing expenses of ₹ 305.12 lakhs (P Y ₹ 961.10 lakhs)

44 Capital Management

The primary objective of the Company's capital management is to maximise tbe shareholder value. The Company's primary objective when managing capital is to ensure that it maintains an effective capital structure and healthy capital ratios and safeguard the Company's ability to continue as going concern in order to support its business and provide maximum returns for shareholders. The Comapany 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, 2023 and March 31, 2022.

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

Particulars	**As at 31st Mar 2023**	**As at 31st Mar 2022**
Loans and borrowings	39,549.21	62,561.51
Less: Cash and cash equivalenets + Bank deposits	1,200.86	4,672.88
Net Debt (A)	38,348.35	57,888.63
Total Capital (B)	79,426.52	71,181.78
Capital + Net Debt (C = A+B)	1,17,774.87	1,29,070.41
Gearing ratio (A / C)	32.56%	44.85%

45 Lease:

The company provides units at its mall on license basis for which it charges license fees. The license agreements are generally for the period of 1 years to 5 years. The terms also provides for escalation of license fees and other charges on periodical basis. Generally, the company has right to terminate the license agreement by giving advance notice as stipulated therein.

Future minimum License Fees receivable under Leave and License agreements for non-expired lock in period as at 31st March 2023 are as

Particulars	Within one year	After one year but not more than five years	More than five years	Total
As on 31st March 2023	9,193.86	9,387.09	-	18,580.95
As on 31st March 2022	2,552.45	2578.04	-	5,130.49

Contingent License Fees comprising of Revenue Share income (computed as a % of sales) charged to the Licensees during the year is ₹ 1,101.38 Lakhs (P.Y. ₹ 747.70 Lakhs)

46 Segment reporting:

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

Managing Director (the 'Chief Operational Decision Maker as defined in INDAS - 108 "Operating Segments" monitors the operating results of the entity's business for the purpose of making decisions about resource allocation and performance assessment.

The revenue from transctions with a single customer does not amount to 10 per cent or more of an entity's revenues. For broad category of services rendered Refer No. 32.

The Company operates in a single geographical area i.e. India

47 Related party disclosure:

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

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

	Name of the party	**Relationship**
1	The Phoenix Mills Limited	Holding company (with effect from 5th May,2022) Enterprise having significant influence (upto 4th May 2022)
2	Offbeat Developers Private Limited	Fellow Subsidiary (w.e.f. 5th May 2022) Related to Enterprise having significant influence (upto 4th May 2022)
3	Marketcity Resources Private Limited	Fellow Subsidiary (w.e.f. 5th May 2022) Related to Enterprise having significant influence (upto 4th May 2022)
4	Palladium Constructions Priavate Limited	Fellow Subsidiary (w.e.f. 5th May 2022) Related to Enterprise having significant influence (upto 4th May 2022)
5	Fine Estates Private Limited	Related to Enterprise having significant influence (upto 4th May 2022)
6	Crest Venture Limited	Enterprise having significant influence (upto 4th May 2022)
7	Priyanka Finance Private Limited	Related to Enterprise having significant influence (upto 4th May 2022)
8	Starboard Hotels Private Limited	Associates of Holding Company (w.e.f. 5th May, 2022) Related to Enterprise having significant influence (upto 4th May 2022)
9	Classic Housing Projects Private Limited	Associates of Holding Company (w.e.f. 5th May, 2022)
10	SGH Realty LLP	Fellow Subsidiary (w.e.f. 5th May 2022)
11	Finesse Mall and Commercial Real Estate Private Limited	Fellow Subsidiary (w.e.f. 5th May 2022)
12	A R Parnership	Enterprise having significant influence
13	Sharmila Dalmia	Relative of KMP of holding company
14	Kavita Khaitan	Relative of KMP of holding company
15	Pooja Patti	Key Managerial Personnel (upto 31st March, 2022)
16	Mukesh Jethwani & Co. (Proprietary)	Key Managerial Personnel (upto 23rd May, 2022)
17	Sabri Nath	Key Managerial Personnel
18	Aakar Charitable Trust	Enterprise over which Key Managerial Personnel or their relatives having significant influence

CLASSIC MALL DEVELOPMENT COMPANY PRIVATE LIMITED
Notes to Financial Statements for the year ended 31st March, 2023

(₹ in Lakhs)

b) Transactions during the year:

Sr. No.	Nature of Transation	2022-23	2021-22
1	Issuance of Optionally Convertible Debentures		
	Starboard Hotels Private Limited	6,055.00	-
2	Redemption of Optionally Fully Convertible Debentures		
	Classic Housing Projects Private Limited	250.00	700.00
	Starboard Hotels Private Limited	6,488.00	-
3	Inter Corporate Deposit given		
	The Phoenix Mills Limited	-	13,575.00
	Priyanka Finance Private Limited	-	1,155.00
	Starboard Hotels Private Limited	-	1,605.00
	Finesse Mall and Commercial Real Estate Private Limited (at 0% interest)	500.00	-
4	Repayment of Inter Corporate Deposit		
	Offbeat Developers Private Limited	-	12,175.00
	Crest Venture Limited	750.00	-
	Fine Estates Private Limited	11,016.25	-
	Priyanka Finance Private Limited	10,930.00	-
	Starboard Hotels Private Limited	2,905.00	-
	Finesse Mall and Commercial Real Estate Private Limited (at 0% interest)	500.00	
5	Advance received against sale of residential units		
	Crest Venture Limited	818.07	-
6	Leasing /rental Income	2.70	-
	SGH Realty LLP		
7	Common Maintenance Charges Income		
	Classic Housing Projects Private Limited	1.31	-
8	Interest on Inter Corporate Deposits		
	Offbeat Developers Private Limited	-	90.31
	The Phoenix Mills Limited	1,255.69	1,153.69
	Palladium Constructions Pvt Ltd.	1,047.56	1,047.56
	Crest Venture Limited	6.46	67.93
	Fine Estates Private Limited	122.78	1,318.13
	Priyanka Finance Private Limited	94.18	1,008.05
	Starboard Hotels Private Limited	25.03	196.55
9	Interest on Optionally Fully Convertible Debentures/Optionally Convertible Debentures		
	Classic Housing Projects Private Limited	0.00	0.00
	Starboard Hotels Private Limited	0.02	0.02
10	Remuneration to key managerial personnel		
	Pooja Patti	-	53.85
	Sabri Nath	51.10	39.64
11	Business Support Services		
	Marketcity Resources Private Limited	515.67	180.00
	Classic Housing Projects Private Limited	4.83	-
	Starboard Hotels Private Limited	-	158.05
12	Professional Fees		
	Mukesh Jethwani & Co. (Proprietary)	-	33.00
13	Reimbursement of expenses (including electricity)		
	Starboard Hotels Private Limited	332.30	341.30
14	Common Maintenance Charges and other expenses		
	Starboard Hotels Private Limited	31.00	-
15	Donation towards CSR activities		
	Aakar Charitable Trust	137.50	-
16	Dividend paid		
	The Phoenix Mills Limited	3,348.68	-

CLASSIC MALL DEVELOPMENT COMPANY PRIVATE LIMITED
Notes to Financial Statements for the year ended 31st March, 2023

(₹ in Lakhs)

C) Closing Balance as on March 31, 2023

Sr. No	Nature of Transation	2022-23	2021-22
1	Optionally (Fully) Convertible Debentures		
	Starboard Hotels Private Limited	19,277.00	19,710.00
7	Security deposit given		
	Marketcity Resources Private Limited	125.00	125.00
3	Trade receivables		
	Starboard Hotels Private Limited	43.48	35.16
	Classic Housing Projects Private Limited	7.01	-
	SGH Realty LLP	3.19	-
4	Inter Corporate Deposits		
	The Phoenix Mills Limited	13,575.00	13,575.00
	Palladium Constructions Pvt Ltd.	11,325.00	11,325.00
	Crest Venture Limited	-	750.00
	Fine Estates Private Limited	3,233.74	14,250.00
	Priyanka Finance Private Limited	-	10,930.00
	Starboard Hotels Private Limited	-	2,905.00
5	Interest Accrued on Inter Corporate Deposits/OFCD/OCD		
	The Phoenix Mills Limited	1,130.12	763.77
	Palladium Constructions Pvt Ltd.	942.81	960.61
	Crest Venture Limited	-	47.76
	Fine Estates Private Limited	244.13	1,208.72
	Priyanka Finance Private Limited	-	762.45
	Starboard Hotels Private Limited	0.02	294.41
6	Trade payables		
	Marketcity Resources Private Limited	271.01	488.66
	Fine Estates Private Limited	-	113.40
	A R Parnership	-	43.20
	Crest Venture Limited	-	54.00
	Starboard Hotels Private Limited	-	43.29
	Classic Housing Projects Private Limited	93.31	-
	Mukesh Jethwani & Co. (Proprietary)	8.91	26.51
7	Corpus fund received		
	Fine Estates Private Limited	3.00	3.00
	Sharmila Dalmia	1.50	1.50
	Kavita Khaitan	1.50	1.50

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

48 Earing per share:

	Particulars	2022-23	2021-22
i)	Net Profit after tax as per statement of profit and loss attributable to equity shareholders	11,563.54	6,842.11
ii)	Weighted average number of equity shares used as denominator for calculating EPS	76,98,116	76,98,116
iii)	Basic and diluted earings per share (₹)	150.21	88.88
iv)	Face value per equity share (₹)	10	10

49 Corporate Social Responsibility (CSR):

	Particulars	2022-23	2021-22
i)	CSR amount required to be spent as per section 135 of the Companies Act, 2013 read with Schedule VII by the company during the year	144.04	142.40

ii)

Amount spent during the year on:	In cash	Yet to be paid in cash	Total
Promoting eduction among differently abled children	144.04	0	144.04
Environmental substainability*	137.50	0	137.50

* Refer note No. 48

iii) Yearwise breakup of CSR amount to be sepent, amount spent and excess/shortfall if any:

Particulars	**Amount to be spent**	**Amount spent**	**Excess/Short spent**	**Cumulative balance**
2020-21	174.95	137.50	-	37.45
2021-22	142.40	-	-	179.85
2022-23	144.04	145.01	0.97	178.88

iv) Reason for shortfall: On recommendation of CSR Committee of the Company, Board has identified ongoing projects with respect to CSR activity and considering the size of the project, same will be spent over the period of three years. Till date same is transferred to the Unspent CSR Account for the respective financial years.

(₹ In Lakhs)

50 Ageing of Trade receivables is as follows:

As at 31st March, 2023

A) Ageing of Trade Receivable where due date of payment is specified

Particulars	Outstanding for the periods from the due date of payment: Not less than 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	1,062.31	178.67	207.46	21.45	134.53	1,604.43
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	63.80	2.88	9.20	0.66	0.67	77.20
(iv) Disputed Trade receivables - considered good	137.07	167.91	35.18	7.46	7.55	355.17
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	28.83	28.83
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-
Total	1,263.18	349.46	251.84	29.57	171.58	2,065.63
B) Unbilled Revenue						611.00
					Total	2,676.62

As at 31st March, 2022

A) Ageing of Trade Receivable where due date of payment is specified

Particulars	Outstanding for the periods from the due date of payment: Not less than 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	3,885.65	36.20	26.76	33.61	257.87	4,240.08
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired	275.44	152.27	76.79	2.90	0.20	507.60
(iv) Disputed Trade receivables - considered good	-	-	-	-	-	-
(v) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade receivables - credit impaired	-	-	-	-	-	-
Total	4,161.09	188.47	103.55	36.51	258.07	4,747.68
B) Unbilled Revenue						581.24
					Total	5,328.93

51 Ageing of Trade payables is as follows:

As at 31st March, 2023

A. Ageing of Trade Payables where due date of payment is specified

Particulars	Outstanding for the periods from the due date of payment: Not less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	103.92	9.95	4.40	14.07	132.34
(ii) Others	443.49	31.41	36.74	166.69	678.34
(iii) Disputed dues - MSME	-	-	-	-	
(iv) Disputed dues - Others	-	-	-	-	
B. Unbilled dues					1,907.89
Total					2,718.57

As at 31st March, 2022

A. Ageing of Trade Payables where due date of payment is specified

Particulars	Outstanding for the periods from the due date of payment: Not less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	188.65	1.77	8.26	6.02	204.70
(ii) Others	701.18	326.23	187.34	196.22	1,410.96
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
B. Unbilled dues					1,478.78
Total					3,094.45

CLASSIC MALL DEVELOPMENT COMPANY LIMITED
Notes to Financial Statements for the year ended 31st March, 2023

(₹ in lakhs)

Particulars	2022-23	2021-22
52 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	2,490.28	1,600.08
	2,490.28	1,600.08
2 Deferred Tax expenses/(benefits):		
Relating to origination and reversal of temporary differences	833.76	(238.90)
Relating to minimum alternate tax credit entitlement	(107.98)	345.85
	725.77	106.94
3 Adjustments in respect of Income Tax of previous year		
Current Income Tax	0.21	-
	0.21	-
Total Income Tax expenses (1 to 3)	**3,216.27**	**1,707.03**
B Reconciliation of Current Tax expenses:		
Profit/(Loss) from continuing operations	14,779.81	8,549.13
Applicable Tax Rate	29.12%	29.12%
Computed tax expenses	**4,303.88**	**2,489.51**
Additional allowances for tax purposes	(1,189.81)	(792.57)
Additional allowances for capital gain	(1.89)	(1.74)
Income not allowed/exempt for tax purposes	(294.89)	(30.24)
Expenses not allowed for tax purposes	86.85	312.64
Other temporary allowances	(481.74)	(31.59)
Utilisation of carry forward losses	-	-
Tax on deemed rental on unsold flats	0.46	0.60
Tax paid at lower rate	(1.82)	(1.67)
Availment of MAT Credit	69.24	(344.86)
	2,490.28	**1,600.08**
C Deferred Tax recognised in statement of profit and loss relates to the following:		
Accelerated depreciation for tax purposes	(64.85)	(26.40)
Expenses allowable on payment basis	84.84	-
Provision for loss allowance	153.41	(177.29)
Other temporary differences	486.30	(35.21)
Lease equalisation asset	174.06	-
MAT credit entitlement	(107.98)	345
Deferred Tax Liabilities/(Assets)	**725.77**	**105.96**
D Reconciliation of deferred tax liabilities/(asset) net:		
Opening balance as on 1st April	(2,890.36)	(3,010.36)
Tax expenses/ (income) during the period	725.77	105.96
Charge to other comprehensive income	7.59	14.05
Closing balance as on 31st March	**(2,156.99)**	**(2,890.36)**

53 Employees Benefits:

	2022-23	2021-22
Expenses recognised for Defined contribution plan:		
Company's contribution to Provident Fund	14.62	12.23
Company's contribution to Labour Welfare Fund	0.01	0.05

(₹ in lakhs)

Expenses recognised for Defined Benefit Plans:

The company provides gratuity benefit to its employees which is a defined benefit plan. The present value of obligations is determined based on acturial valuation using the projected unit credit method:

		Gratuity (Funded)	
		2022-23	**2021-22**
1	**Change in Defined Benefit Obligation during the year**		
	Defined Benefit Obligation at the beginning of the year	38.80	38.06
	Current Service cost	9.39	6.51
	Interest cost	3.44	3.05
	Benefits paid during the year	(14.96)	(12.99)
	Actuarial (gain)/loss on Defined benefits plan	(6.75)	4.17
	Past service cost	-	-
	Defined Benefit Obligation at the end of the year	**29.92**	**38.80**
2	**Change in fair value of Plan Assets during the year**		
	Fair value of Plan Assets at the beginning of the year	14.51	26.27
	Expected return on plan aaets	0.99	1.80
	Contribution	4.69	0.30
	Benefits paid during the year	(14.96)	(12.99)
	Actuarial gain/(loss) on plan asset	(0.30)	(0.87)
	Fair value of Plan Assets at the end of the year	**4.93**	**14.51**
3	**Amount to be recognised in Balance sheet**		
	Fair value of Defined Benefit Obligation	29.92	38.80
	Fair value of Plan assets at the end of the year	4.93	14.51
	Amount recognised in Balance sheet	**24.99**	**24.29**
4	**Current / Non- current bifurcation**		
	Current benefit obligations	1.00	1.00
	Non - current benefit obligations	23.99	23.30
5	**Expenses recognised in the statement of profit and loss for the year**		
	Current service cost	9.39	6.51
	Interst cost on obligation	3.44	3.05
	Expected return on plan assets	(0.99)	(1.80)
	Past service cost	-	-
	Total Defined benefit cost/ (Income) included in profit and loss	**11.84**	**7.76**
6	**Recognised in other comprehensive income for the year**		
	Remeasurement due to:		
	Effect of change in financial assumptions	0.21	0.91
	Effect of change in demographic assumptions	-	(0.02)
	Effect of experience adjustments	(6.96)	3.27
	Return on plan if assets (excluding interest)	0.30	0.87
	Net Acturial (gain)/loss recognised for the year	**(6.45)**	**5.03**
7	**Maturity profile of defined benefit obligations**		
	Within the next 12 months	2.62	3.31
	Between 2 to 5 years	11.73	20.36
	Between 5 to 10 years	13.47	16.57
8	**Actuarial assumptions used for estimating defined benefit obligations**		
	Discount Rate	7.30%	7.40%
	Salary Escalation Rate	7.00%	7.00%
	Expected rate of return on assets	7.30%	7.40%
	Attritions/ withdrawal rate	10.00%	10.00%
	Mortality Rate	IALM(2012 -14) Ultimate	IALM(2012 -14) Ultimate
	The weighted average duration of plan	9.33 years	12.68 years

(₹ in lakhs)

Notes:

1 Salary escalation rate is arrived after taking into account regular increament, 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 terms of
3 Attrition rate/ withdrawal rate is based on company's policy towards retention of enployees, historical data and industry outlook.
4 Expected contibution to defined benefit plans for the next financial year 2023 - 24 is ₹ 1,00,000.
5 The above information is certified by actuary.

9 **Sesitivity analysis:**

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

	Change in assumption	Effect on Gratuity obligation 2022-23	2021-22
Discount rate	+1%	(2.02)	(2.36)
	-1%	2.29	2.64
Salary escalation rate	+1%	1.83	2.11
	-1%	(1.73)	(2.22)
Withdrawal rate	+1%	(0.05)	(0.02)
	-1%	0.03	0.01

These gratuity plan typically expose to 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 corporte 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 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 benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in salary of plan participants will increase the plan's liability.

Unfunded scheme - Earned Leaves

Particulars	2022-23	2021-22
Present value of unfunded obligations	48.07	45.27
Expenses recognised in the statement of profit	19.46	31.96
In other comprehenive income		
Acturial (Gain)/Loss - plan liabilities	-	-
Acturial (Gain)/Loss -return on plan assets	-	-
Net (Income)/Expenses for the period		
Discount rate (per annum)	7.30%	7.40%
Salary escalation rate (per annum)	7.00%	7.00%

54 **Additional information as required under 186(4) of the Companies Act, 2013 during the year :**

The Company has complied with provisions of Section 186(1) of the Act with respect to investments made. The Company being infrastructure facilities provider as defined under Section 186 of the Act read with Schedule VI to the Act, the provisions of Section 186 (except clause 1) of the Act with respect to investment, loans given, guarantees and security provided are not applicable.

(₹ in lakhs)

55 Analytical Ratios:

Sr No	Pariculars	Numerator	Denomentor	As At 31st Mar 2023	As At 31st Mar 2022	Variance	Reason for Variance
1	Current ratio	Current Asset	Current Liabilities	5.25	3.51	49.64%	Refer Note 1
2	Debt- Equity ratio	Total Debt	Shareholder's Equity	0.50	0.88	-43.35%	Refer Note 2
3	Debt service coverage ratio	Earnings available for debt Service	Debt Service	0.72	1.28	-43.95%	Refer Note 2
4	Return on equity ratio	Net profit after Tax	Average Shareholder's Equity	0.15	0.10	52.03%	Refer Note 3
5	Inventory turnover ratio	Cost of goods sold	Average Inventory	0.47	0.56	-16.08%	
6	Trade Receivables turnover ratio	Net Credit Sales	Average Accounts Receivables	8.27	4.30	92.47%	Refer Note 4
7	Trade payable turnover ratio	Net credit purchases	Average trade payables	2.85	1.86	52.97%	Refer Note 5
8	Net capital turnover ratio	Net Sales	Working Capital	0.56	0.39	43.61%	Refer Note 6
9	Net Profit ratio	Net Profit After Tax	Net Sales	43.93%	36.54%	20.22%	
10	Return on capital employed	Earnings before interest and taxes	Capital employed*	16.97%	10.70%	58.50%	Refer Note 7
11	Return on investment	Income on investments	Average Cash, Cash and Cash Equivalents and Marketable	5.25%	5.72%	-8.26%	

* Capital employed = Total Net worth + Total Debt + Deferred tax Liabilities

Reasons for variance where variance is greater than 25%

1 Reduction in current maturities of long term debts by approx. 75%
2 Reduction of debt by approx. 40%
3 Reduction of debt leads to reduction in finance cost and increase in profit due to better business performance as compare to last year.
4 Turover increased by approx. 40% and improvement in collection policy reduces debtors outstanding.
5 Cost of operating expenses increased by approx. 40% and trade payable decreases by approx. 10%
6 Turover of the company increased by approx. 40%
7 For reasons refer point no. 2 and 3 above

56 Additional regulatory information required by Schedule III

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

2) Borrowing secured against current assets
Company is not obligated to file quarterly return/statements with ICICI Bank Limited and Kotak Mahindra Bank Limited, hence reporting quarterly return/statements reconciliation with books of accounts is not applicable.

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

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

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

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

7) Utilisation of borrowed funds and share premium
The company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

(₹ in lakhs)

The company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries

8) Undisclosed income

The Company has not surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

9) Details of crypto currency or virtual currency

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

10) Valuation of PP&E, intangible asset and investment property

The Company has not revalued its investment property, property, plant and equipment (including right-of-use assets) or intangible assets during the current or previous year.

57 Loans and advance to Specified person - Repayable on Demand

Type of Borrower	Amount of Loan or advance in the nature of loan outstanding as at 31/03/2023	Percentage to the total Loans and Advances in the nature of loans	Amount of Loan or advance in the nature of loan outstanding as at 31/03/2022	Percentage to the total Loans and Advances in the nature of loans
Starboard Hotels Private Limited	-	0.00%	2,905.00	5.39%
Royal Land & Developers Private Limited	175.00	0.62%	175.00	0.32%
Priyanka Finance Private Limited	-	0.00%	10,930.00	20.27%
The Phoenix Mills Limited	13,575.00	47.95%	13,575.00	25.18%
Palladium Constructions Pvt Ltd.	11,325.00	40.01%	11,325.00	21.01%
Fine Estates Private Limited	3,233.74	11.42%	14,250.00	26.43%
Crest Ventures Limited.	-	0.00%	750.00	1.39%

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

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

For and on behalf of the Board of Directors

Parimal Kumar Jha
Partner
(Membership No. : 124262)

Sabri Nath
Managing Director
DIN: 09495574

Vidya Sagar Pingali
Director
DIN: 02710397

Place : Mumbai
Date : May 22, 2023

CLASSIC MALL DEVELOPMENT COMPANY LIMITED
Notes to Financial Statements for the year ended 31st March 2023

1. Corporate Information:

The Company is a limited company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the company is located at 2nd floor, R.R. Hosiery Building, off Dr. Annie Besant Road, Mahalaxmi (W), Mumbai – 400011.

The Company is mainly engaged in development and leasing of retail space, real estate and hospitality services. The principle place of business is located at 142, Velachery main road, Velachery, Chennai – 600042.

For Company's principal shareholders, refer note 21.

These financial statements were approved and adopted by board of directors of the Company in their meeting dated May 22, 2023.

2. Basis of Preparation of Financial Statement:

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

The significant accounting policies used in preparing financial statements are set out below in Note 3 of the Notes to financial statements. Except for the changes below, the Company has applied accounting policies consistently to all the periods presented.

Ministry of Corporate Affairs (MCA), on March 31, 2023, through the Companies (Indian Accounting Standards (Ind AS)) Amendment Rules, 2023 amended certain existing Ind ASs on miscellaneous issues with effect from 1st April 2023. Following are few key amendments relevant to the Company:

i. Ind AS 1 –Presentation of Financial Statements & Ind AS 34– Interim Financial Reporting –
   Material accounting policy information (including focus on how an entity applied the requirements of Ind AS) shall be disclosed instead of significant accounting policies as part of financial statements.
ii. Ind AS 107 – Financial Instruments: Disclosures –
   Information about the measurement basis for financial instruments shall be disclosed as part of material accounting policy information.
iii. Ind AS 8 – Accounting policies, changes in accounting estimate and errors-
   Clarification on what constitutes an accounting estimate provided.
iv. Ind AS 12 – Income Taxes –
   This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences.

The Company does not expect the effect of this on the financial statements to be material, based on preliminary evaluation.

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 in rupees in lakhs.

b) Basis of measurement:

The financial statements have been prepared on historical cost basis, except the following:

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

c) Use of estimates:

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

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

d) Property, Plant and Equipment:

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

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

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

Depreciation methods, estimated useful lives and residual value

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

Estimated useful lives of the assets are as follows:

Particulars	Estimated useful life (in years)
Buildings	60 years
Plant and Equipment	15 Years

Office Equipment	5 Years
Computers	3 Years
Furniture and Fixtures	10 Years
Vehicles	8 Years

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

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

e) Investment Property:

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Freehold land is carried at historical cost. Investment properties are measured initially at cost, including transaction costs and wherever applicable borrowing cost. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 40's requirements for cost model. The cost of Investment property includes the cost of replacing parts and borrowing costs for long term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in Statement of Profit and Loss as incurred.

Investment properties are subsequently measured at cost less accumulated depreciation and accumulated impairment losses, if any. Depreciation on investment properties is provided on the straight-line method over the useful lives of the assets as follows:

Particulars	Estimated useful life
Building	60 years

The fair value of the investment is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer applying valuation model that is acceptable internationally.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in Statement of Profit and Loss in the period in which the property is derecognised.

f) Intangible asset:

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

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

Amortisation methods and periods

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

g) Impairment of Non – Financial Asset:

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generation unit's (CGU's) 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 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 transaction are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

h) Inventories:

Inventories comprise land and realty stock of unsold unit of residential project and stock of food and beverages and operating supplies.

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

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

i) Cash and cash equivalents:

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

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 and loss.

k) 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 instrument 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 at its fair value (other than financial asset at fair value through profit or loss) plus or minus, in the case of a, 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 profit or 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 statement of profit and 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 and loss and presented net in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

- **Equity instruments:**

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

iii) De-recognition:

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

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

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

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

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

Financial Liabilities:

i) Initial recognition and measurement:

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

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

ii) Subsequent measurement:

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

Financial liabilities at fair value through profit or loss

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

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

Financial liabilities at amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in the statement of profit and 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.

iii) De - recognition:

A financial liability is de-recognised 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 de-recognition 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.

l) Impairment of Financial asset:

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

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

The Company follows 'simplified approach' for recognition of impairment loss allowance on Trade receivables or contract revenue receivables.

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

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

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

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

m) 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) It is held primarily for the purpose of trading,
c) Expected to be realised within twelve months after the reporting period, or
d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

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

All other liabilities are classified as non-current.

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

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

n) 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.

o) Revenue Recognition:

Revenue from license fees and other operating services

Revenue from license fees is recognized in the Statement of Profit and Loss on straight line basis over the non-cancellable lease term, unless there is another systematic basis which is more representative of the time pattern of the lease.

Revenue from operating services is recognized on satisfaction of performance obligation upon transfer of control of promised services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those services, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and a receivable is recognized when it becomes unconditional (i.e., only the passage of time is required before payment of the consideration is due)

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer.

Revenue from property development activities:

Pursuant to the application of Ind AS 115 effective from 1st April, 2018, Revenue from property development activities is recognised is as under:

Revenue from sale of properties is recognised when performance obligation is satisfied, i.e. at a point of time when the control passes on to the customer. 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 and net of rebates and discounts. The Company has assessed and concluded that it is acting as a principal in all its revenue arrangements. Cost of construction/ development is charged to Statement of Profit and Loss in consonance with the concept of matching cost and revenue during the year and balance costs are carried as part of ‘Stock of unsold residential unit’ under inventories.

Interest income

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

Dividends

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

Contract asset

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

Contract liability

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is received. Contract liabilities are recognised as revenue when the Company performs under the contract.

p) 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, shot 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 obligations

a. Defined benefit plans

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 employees benefit expenses.

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

b. Defined contribution plans

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 and loss in the period in which employees have rendered services.

(iii) Long term Employee 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 Option Plan of The Phoenix Mills Ltd.

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 entity 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 statement of profit or loss, with a corresponding adjustment to other equity.

q) 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.

r) 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.

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

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

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

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

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

t) 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. Critical accounting estimates, assumptions and judgements:

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

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

In the process of applying the Company's accounting policies, management has made the following estimates and judgement, 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) Recoverability of trade receivable

Judgements 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 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.

(d) Defined Benefit plans

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

(e) Provisions:

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

(f) Impairment of financial assets:

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

(g) Fair Value measurement:

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

Estimates and judgements 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 continually evaluated.