Dated: **07th September 2020**

To,

National Stock Exchange of India Limited	**BSE Limited**
Exchange Plaza	Listing Department
Bandra Kurla Complex, Bandra (E)	P.J. Towers, Dalal Street, Fort
Mumbai 400 051	Mumbai 400 001
Scrip: PROZONINTU	**Scrip: 534675**

Sub: Compliance under Regulation 30 and 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Dear Sir/Madam,

Pursuant to Regulation 30 and 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached Annual Report of the Company for the financial year 2019-20 along with the Notice convening Thirteenth Annual General Meeting, which is being sent through email to the Members whose email ids are registered with the Company/Registrar and Transfer Agent/Depository Participant, in compliance with Ministry of Corporate Affairs Circular no 20/2020 dated 5 May, 2020 read with Circular no. 14/2020 dated 8 April, 2020 and Circular no 17/2020 dated 13 April, 2020 and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020.

The Thirteenth Annual General Meeting of the Company is scheduled to be held on Tuesday, September 29, 2020, at 3.00 p.m. (IST), through Video Conferencing (VC) or Other Audio Visual Means (OAVM).

The Annual Report of the Company for the Financial Year 2019-20 including, the Notice of the Thirteenth AGM is also available on the website of the Company, viz., www.prozoneintu.com.

This is for your information and record.

Thanking you,

Yours truly,

For Prozone Intu Properties Limited

AJAYENDRA JAIN
Digitally signed by AJAYENDRA JAIN
Date: 2020.09.07 23:28:25 +05'30'

Ajayendra Pratap Jain

CS and Chief Compliance Officer

Encl: as above

prozone intu

2020

PROZONE INTU PROPERTIES LIMITED
ANNUAL REPORT

RESOLUTE & RESILIENT

Resolute
and Resilient.

Prozone Intu Properties Limited

Annual Report 2019-20

View Online:
http://www.prozoneintu.com

At Prozone Intu, we have always been committed to providing great shopping and leisure experiences to our visitors. Our iconic destinations are nested within highly vibrant cities of India, offering world-class ambiences that are welcoming, relaxing, friendly, and filled with experiences beyond just shopping.

Over the last decade, we have amassed a winning land bank located in strategic emerging micro-markets. We have also progressed steadily with building a high-quality portfolio of retail-led mixed-use assets that have become the centre-piece landmark for leisure seeking city populations. We have also excelled in managing the operations of our assets, looking after the best interests of our brand occupiers and visitors. Being a consumption-lead company, we are continuously enhancing the experience that we offer people visiting our malls. Our consistent effort in creating the best value for all our stakeholders has been the driving force in our journey of steady performance.

FY2020 was a challenging year due to various macroeconomic factors that have affected the industry we operate in. This was further aggravated by the unprecedented outbreak of the COVID-19 pandemic, which has severely impacted lives, businesses and economies across the world. Not surprisingly, as a consumer facing business, footfalls and consumption took a dramatic downturn at Prozone Intu's malls. To contain the spread of the virus, we have been fully compliant with the Indian Government's imposed nationwide lockdown. As we gradually recover and resume operations from this shutdown, we expect our business operations to ramp up gradually due to evolving consumer behaviour, resetting of disrupted supply chain and inventory levels. Nevertheless, we are optimistic that footfalls to our malls will steadily return to normalcy once we and our occupiers have resumed activities in our malls. In the readiness of this restart, we have strengthened our systems and processes to ensure that our destinations are reliable places where our visitors, occupiers and employees can operate without worrying about their safety. Parallelly, we are continuously monitoring our malls to ensure that our visitors follow prescribed social distancing norms, along with the health and safety guidelines issued by Government Authorities.

Furthermore, with the growing importance of digitalisation, mainly in times like these, we have initiated several strategic digital interventions that make our customers lives much more convenient. In particular, we have introduced a mobile App to give consumers appointment-based safe access to shopping in the stores within our malls. We are also expanding our Customer Relationship Management (CRM) platform to strengthen our engagement and relationship nurturing with occupiers and visitors alike.

Our purpose is to emerge as the destination of choice for populations within our target markets. In a world dramatically changed due to the current pandemic, we are singularly focused on making our malls safe and trusted destinations for our consumers to shop and enjoy. We have seen many major external disruptions through our history and have always emerged stronger from them. With a strong balance sheet with low leverage, and with a strong commitment to the consumption story of India, our long-term business model and ability to deliver sustained shareholder value remains secured and intact.

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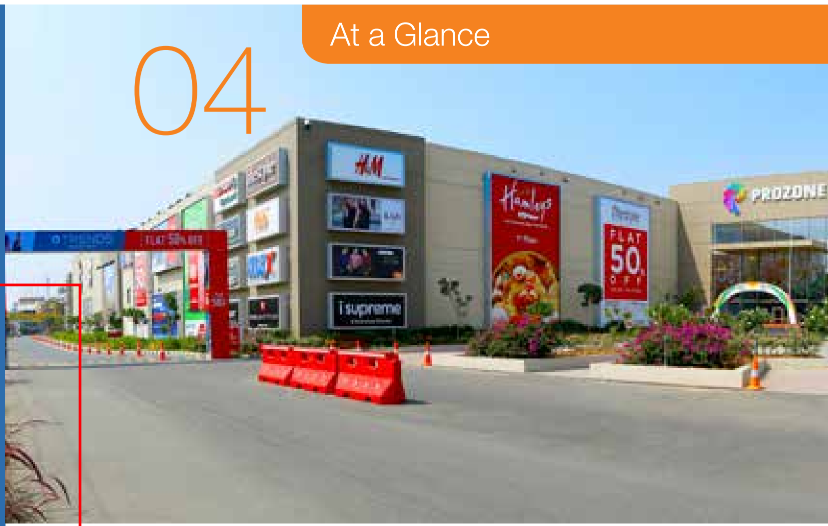
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Corporate Information

Board of Directors

Mr. Punit Goenka
Chairman and Independent Director

Ms. Deepa Misra Harris
Woman Independent Director

Mr. Nikhil Chaturvedi
Managing Director

Mr. Salil Chaturvedi
Deputy Managing Director

Mr. Umesh Kumar
Independent Director

Mr. Dushyant Singh Sangar
Non-executive Director

Chief Financial Officer

Mr. Anurag Garg

Company Secretary & Chief Compliance Officer

Mr. Ajayendra Pratap Jain

Statutory Auditors

M/s B S R & Co LLP
Chartered Accountants
Lodha Excelus,
Apollo Mills Compound
N.M. Joshi Marg, Mahalaxmi
Mumbai – 400 011

Bankers

Bank of Baroda
LIC Housing Finance Limited
HDFC Bank Limited
PNB Housing Finance Limited

Registered Office

Prozone Intu Properties Limited
105/106, Ground Floor, Dream Square,
Dalia Industrial Estate, Off New Link Road,
Andheri (West), Mumbai 400 053 India
Phone: +91-22-68239000/9001,
Email ID: investorservice@prozoneintu.com
Website: www.prozoneintu.com

CIN: L45200MH2007PLC174147
ISIN: INE195N01013
GSTIN: 27AADCC2086L1ZG

Registrar and Share Transfer Agent

Link Intime India Private Limited
C-101, 247 Park, L.B.S. Marg
Vikhroli (W), Mumbai – 400 078
Phone: +91-22- 49186000,
Fax: +91-22- 49186060
Email id : rnt.helpdesk@linkintime.co.in
Website : www.linkintime.co.in

At a Glance

At Prozone Intu, we create, develop and manage world-class regional shopping centres and associated mixed-use developments across India.

Our business strategy is to acquire and develop land parcels in both high-growth emerging city corridors and mature Tier I cities, with a focus on mixed-use development. Our goal is to capitalise on the rising consumption of India by building and operating iconic multi-purpose leisure destinations.

90+
Team Size

2.02 Mn Sq.ft.
Projects Developed

2.0 Mn Sq.ft.
Projects Under Development

Expertise

Over the years, we have developed iconic leisure destinations in the emerging cities of India that offer diverse experiences beyond just shopping.

Presence

Total potential of developing 17.8 MSFT on its fully paid land bank of which 2.02 MSFT developed till date and more than 15.8 MSFT balance to be monetised, which is being developed in different phases.

Vision

To become India's leading developer and manager of high quality shopping centers in emerging urban cities pan-India, incorporating mixed-use developments to facilitate the business model.

110+

Leading Brands in Our Malls

Message from the Managing Director

> In this pandemic-led environment, we believe that our balance sheet strength provides us with the headroom to navigate through this crisis with resilience.

Dear Shareholders,

It gives me immense pleasure to present to you the Annual Report for Prozone Intu Properties Limited for FY2020.

FY2020 was an encouraging year for your Company. For the first three quarters, our performance was consistently buoyant. We recorded healthy numbers across both our malls in terms of trading densities and footfalls. However, the sudden breaks imposed by the COVID-19 pandemic whiplashed individuals, businesses and economies across the world. As a measure to contain the spread of the virus, the Government of India wisely imposed a nationwide lockdown, which suspended economic activity universally. Likewise, the operations at our malls also came to a standstill, resulting in the total evaporation of footfalls and consumption. With the Indian Government gradually lifting the shutdown in a phased manner, we regrouped ourselves by taking all necessary steps that could keep our occupiers and visitors safe. Thankfully, our Aurangabad mall restarted on 6th of August, and Coimbatore mall become operational on 1st September 2020. While we recognise that the next few quarters will still be challenging, we are optimistic that our malls will soon regain their pre-COVID operational volumes, and the footfalls should eventually revert to normalisation.

Macro Scenario

During 2019, the retail real estate sector witnessed an annual rise of 170%, attracting US$ 1 billion of private equity investment. Furthermore, the Foreign Direct Investment (FDI) in multi-brand retail has led to an increase in demand. It is estimated that the retail real estate will further add up more 39 million square feet of space by 2022. Even with massive investments flowing in, the organised retail is still in its growing phase in India and has a long runway ahead of it.

While there is room for several growth opportunities in the sector, it has also been facing challenges on account of various macroeconomic factors. This was further aggravated by the unprecedented outbreak of the COVID-19 pandemic that

11%
Growth in Retailers Sales

16%
Increase in Mall EBITDA Margin

emerged in early 2020 and resulted in a massive loss of lives and disruptions across the economies globally. The adverse impact of the pandemic is also clearly visible on the Indian retail industry, especially the non-essential outlets and malls. The consumer spending has taken a backseat owing to the ongoing lockdown, which restricts the movement along with fear of contracting the virus, gripping the consumers. Further to a prolonged lockdown, the State Governments are now relaxing the lockdown guidelines to kickstart the economy. To this end, malls have started to reopen gradually from July 2020 onwards, subject to the decisions based on the active cases in the respective States. With operations restarting across several malls, the footfalls are showing slow signs of recovery to the pre-COVID-19 levels. However, we still expect medium-term pain due to the pandemic to persist. Following the lockdown and malls being forced to have their shutters down for months, recovery across the retail real estate sector will take some time.

Our Financial Performance

During the year, the first three quarters of FY2020 gave us some of our best quarterly results ever reported. We witnessed a steady trajectory in our performance numbers across both our malls with respect to trading densities, consumption and footfalls. The leasing at both the centres had also been shaping up along with a growth in the performance of our brands. Until February 2020, the response that we were observing across our malls was very encouraging. Unfortunately, due to the COVID-19 pandemic, our performance has been considerably impacted. The full-year revenue in FY2020 was ₹1,052 million as against ₹1,338 million in the previous fiscal. The EBITDA stood at ₹686 million as compared to ₹761 million recorded in FY2019. The EBITDA margin has improved from 64.4% in FY2019 to 80.6% in FY2020. The Cash profit for the year is ₹292 million as against ₹405 million for FY2019.

Our Strategic Initiatives in FY2020

During the year, we focused on the execution of our existing asset pipeline. We took various strategic steps across our assets to improve their operational performance.

For our retail assets, we continued to concentrate on enhancing our mall destinations to offer unique experiences to our visitors. To this end, we continuously improve our service quality and offerings to attract and satiate our customers. We placed an equally important emphasis on ensuring the right tenant mix with the correct category mix to augment overall consumption for local consumer communities.

With our residential assets, we continued to focus on delivering quality infrastructure that encompasses all the necessary amenities that meet the expectations of our homeowners. During the year, we completed the construction work of our project in Nagpur. We are now in the process of acquiring part OC and preparing to hand over the project to customers once the ongoing litigation is settled. Furthermore, we launched our Coimbatore project and have recorded a positive response from the customers. In the light of the lockdown, we initiated new marketing schemes for the project via digital and online channels, and have received an encouraging response.

With the world increasingly moving towards digitisation, we have started some strategic technological interventions to stay connected with our evolving consumers. To this end, we have developed we have introduced a mobile App to give consumers appointment-based safe access to shopping in the stores within our malls. We are also planning to expand our Customer Relationship Management (CRM) platform to strengthen our engagement and relationship nurturing with occupiers and visitors alike.

Amidst all these developments, we continue to keep a close watch on managing our capital base conservatively and more effectively. We aim to strengthen our strong balance sheet, with a view to operate our existing assets and explore new growth opportunities. In this pandemic-led environment, we believe that our balance sheet strength provides us with the headroom to navigate through this crisis with resilience.

In Closing

Moving ahead, we expect that the COVID-19 pandemic will have a significant medium-term impact on our business operations. Further to a prolonged lockdown and the severity of the virus, the footfalls and consumption across our malls are expected to remain flat before they gradually start to recover. However, in the readiness of a post-COVID world, we have put together stringent health and safety guidelines to ensure that our customers, occupiers and employees are in the most secured surroundings. We are taking measures to confirm that our premises are regularly sanitised and abide by the social distancing norms issued by the Government Authorities.

Finally, I would like to extend my sincere gratitude to all our stakeholders for their constant trust and support. It is their undeterred faith in Prozone Intu that has motivated us to remain resilient throughout our business journey.

Warm Regards,

Nikhil Chaturvedi
Managing Director

Message from the Deputy Managing Director

6.5%

YoY growth in Revenue from Mall Operations

33%

Increase in the footfalls in our Coimbatore mall in FY2020

Dear Shareholders,

It is my pleasure to report the performance of the Company for the financial year 2020. We have always focused on creating a high-quality real estate business that can attract consumers and deliver consistent value to them. To this end, we have continuously worked on creating landmark destinations in the emerging Tier I catchment areas, which have welcomed people for experiences that are beyond just shopping.

Our journey, over the years, has been a mix of opportunities and challenges. While we have welcomed every scope of possibility, we have also remained resolute at the times of crisis. More recently, the outbreak of the COVID-19 pandemic has posed another significant challenge for our business operations. Being a customer-focused Company, our operations were disrupted on account of the declining consumption and footfalls across our malls. The severity of the virus has impacted the way people shop and socialise, thereby challenging our business model that is founded on the consumption story of India. However, in times like these, our role as a responsible Company as at its most critical. With the gradual relaxations in the lockdown and resuming operations, it is our vital responsibility to ensure that we provide our customers, occupiers and employees with the most secured environments within our properties. Accordingly, we have advanced our systems and processes to meet strict health and safety norms. We are making every possible effort to ensure that we can offer our people with spaces they can trust and rely on, in a post-COVID world.

Our Response to the Pandemic

Despite the good first three quarters of the fiscal year, the emergence of the pandemic caused major disruptions in the way people and businesses operate. The initial period of the nationwide lockdown was expected to last for a short duration. However, with a spike in the number of positive cases, the Government was forced to extend the lockdown, which is now being gradually lifted in a phased manner. On another note, there are prevailing uncertainties in terms of how things will normalise in the coming time since there has been a global impact of the pandemic in terms of how people would previously function.

At Prozone Intu, we understand the severity of this situation. We have assessed the possible impact of this pandemic-led crisis on our business and have worked on devising our defence strategies. We understand that with respect to the global scenario, this could be a situation where the effects can last longer than what was initially perceived. As an immediate response, we prudently brought down our fixed costs since it was essential for us to ensure that we can sustain an indefinite period of non-operations. Additionally, we also ensured that we adhered to the regulations issued by the Government Authorities. As a Company that is centred around its people, we made sure to maintain constant communication with them and update them with all the relevant developments. We understand the valuable relationship that we share with our retailers. Therefore, we ensured that we interacted with each one of them to understand the actions that can be immediately implemented. Furthermore, we are working together with our occupiers to ensure that both the parties can sum up with the arrangements, which will support the business eventually. We have also undertaken forward analysis to understand the business scenario in the year 2020. Consequently, we have armed ourselves with sufficient cash flows and balance sheet strength to navigate us through these trying times. On a positive note, we have been able to start the construction of our Coimbatore residential project in June, 2020. To this end, we have taken strict precautionary measures to ensure the safety of the labourers at the site. Furthermore, we initiated attractive digital channels to launch our residential asset in Coimbatore, for which we have been successful in closing over 20 sales deals to date.

Going Forward

As we move ahead, we have fully geared ourselves in the readiness of this year. While we believe the impact of the crisis will prevail for a medium-term, we have also prepared ourselves to overcome the challenges that are yet to come. Our adequate liquidity positions and resilient business model will provide us with the strength to sail through these times. Additionally, our prudent business strategies will enable us to overcome the shortfall in our operations by offering us new growth opportunities. Furthermore, I am humbled by the commitment and dedication of our employees who have been the cornerstone of our success in all these years.

Finally, I want to thank our shareholders for their continued support. I am confident that your faith in our growth story will take us to greater heights in the future.

Sincerely,

Salil Chaturvedi
Dy. Managing Director

"While we believe the impact of the crisis will prevail for a medium-term, we have also prepared ourselves to overcome the challenges that are yet to come. Our adequate liquidity positions and resilient business model will provide us with the strength to sail through these times.


ALCOTT

Our Asset Summary

Aurangabad

Retail

Aurangabad Mall

- ❖ Gross leasable area of 0.7 MSFT with 76% leased out space
- ❖ House of 110+ brands, including F&B segment

Commercial

- ❖ Overall 190,528 sq. ft. of Commercial Area launched in Phase 1 and 76% has been sold out
- ❖ OC obtained in Q2 FY2019

Nagpur

Residential

- ❖ Project complied with RERA requirement
- ❖ 336 units will be delivered under the project with revenue recognition in a phased manner
- ❖ Application for part OC of 264 apartments submitted

Retail

- ❖ Finalised the retail design and approvals have been applied

Coimbatore

Retail

- ❖ Gross leasable area of 0.5 MSFT with 93% leased out space
- ❖ Houses 110+ globally renowned brands including F&B segment

Residential

- ❖ Project complied with RERA requirement, 540 units launched in phase 1.
- ❖ Construction of Initial Infrastructure completed, Residential Tower construction in progress.

Indore

Residential

- ❖ Construction of sales office and site infrastructure completed, clubhouse work is in progress

Navigating through the COVID-19 pandemic

In the times of crisis, our role as a people-centric company is at its most critical. Hence, we are striving to ensure that our mall destinations are the safest sanctuaries for our visitors and employees to be in.

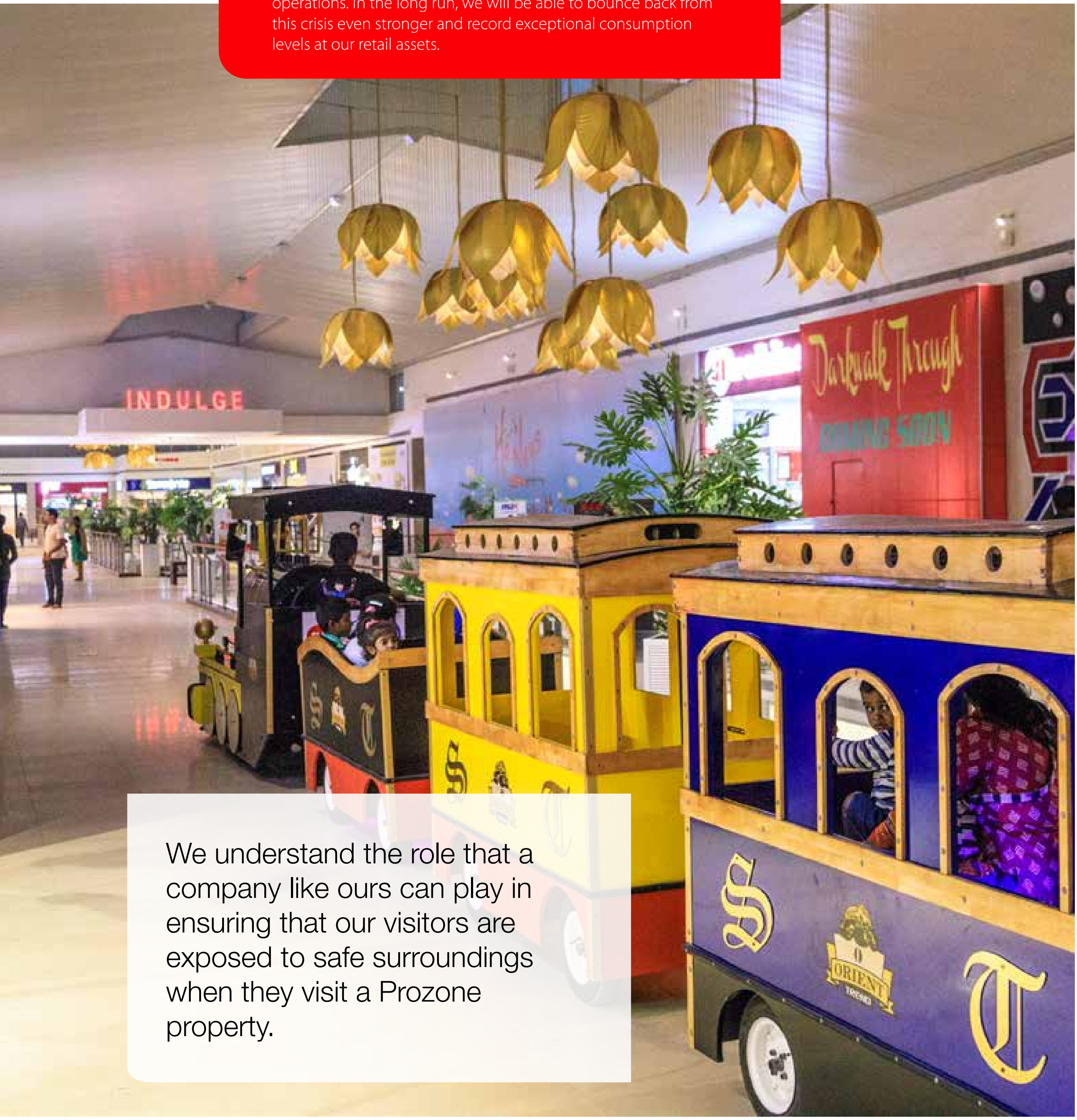
FY2020 was largely a steady year of growth and improvements until the unprecedented outbreak of the COVID-19 pandemic challenged human lives and economies. As a measure to contain the spread of the virus, the Government of India imposed a strict nationwide lockdown to protect individuals from the contagion. The lockdown paused several economic activities across the country resulting in the disruptions in business operations. Following the lockdown, at Prozone, we ceased mall operations in our Aurangabad and Coimbatore mall 16th March, 2020.

Further to a prolonged period of complete lockdown, the Indian Government decided to lift the shutdown in a phased manner in order to keep the economic activities running. To this end, we have resumed operations at both our malls. We understand the role that a company like ours can play in ensuring that our visitors are exposed to safe surroundings when they visit a Prozone property. Therefore, we have developed a set of health and safety guidelines to be followed across our premises. Additionally, we have taken steps to ensure safety and hygiene of staff at our sites by conducting regular medical check-ups and providing them with essential supplies and PPE kits. Use of face mask and thermal body temperature scanning has been made mandatory before entering the mall. Furthermore, our team ensures regular and contactless sanitisation of common touchpoints across the mall. As a measure to prevent the spread of the virus, we also ensure that everyone at our premises abide by the strict social distancing norms through real-time crowd monitoring.

₹5.52 Billion

Consumption at our malls in FY2020

At Prozone, our immediate objective is to protect our visitors and employees by ensuring that we provide them with the safest environments when they visit our malls. We are confident that when the world unlocks and normalcy returns, Prozone will be able to will gravitate visitors to its malls that have been the destinations for fun, shopping and entertainment over the years. We expect the pandemic to have a medium term impact on our operations. In the long run, we will be able to bounce back from this crisis even stronger and record exceptional consumption levels at our retail assets.



We understand the role that a company like ours can play in ensuring that our visitors are exposed to safe surroundings when they visit a Prozone property.

Management Discussion & Analysis

Economic Overview

The fiscal year 2020 marked an eventful year and end of a decade, which saw the world economy transform itself and grow to levels never seen before. With advancing technology and innovation, our lifestyle and functioning of the economic machinery have gone through significant and irreversible changes. The Indian economy was in the spotlight as one of the fastest-growing economies over the past decade. India's GDP grew from being as the 9th largest to becoming the 5th largest in the world, leapfrogging countries such as Brazil, Italy, France and the UK.

The Indian economy faced multiple challenges in FY2020, and India's real GDP growth rate decelerated to 4.2% compared to the 6.1% growth recorded in FY2019. The deceleration was caused by a slowdown across the manufacturing sector coupled with the general liquidity squeeze in the economy due to the weakness in the NBFC sector. This was further aggravated by a collapse in consumer spending in India, which is the bedrock of the economy.

The global economic growth declined in the previous year because of continued weakness in international trade and investment. As per the IMF, world GDP stood at 3.4% in 2019 (Jan-Oct). Slowing economies led to a weakened global growth rate of 2.4% - the lowest rate of expansion since the global financial crisis.

As economies were struggling with various challenges and trying to overcome existing obstacles, 2020 began with an unprecedented outbreak of the COVID-19 pandemic. The contagion has inflicted human and industrial loss worldwide.

3.1%

India's growth rate in Q4FY2020 due to the COVID-led lockdown

During March 2020, India took proactive measures and implemented a nationwide lockdown to arrest the spread of the COVID-19 virus.

To contain the spread of the virus, a significant portion of the world economy went in a complete shutdown. As per IMF, the global economy is projected to contract sharply by 3% in 2020, much worse than the 2008-09 financial crisis. In India, the COVID-19 induced disruptions (starting in February 2020), and the subsequent nationwide lockdown from 25th March 2020 dragged down the growth rate in Q4 FY2020 to 3.1% , which is the slowest recorded quarterly growth since Q4 FY2009.

Response to the Pandemic

India took proactive measures and implemented a nationwide lockdown to arrest the spread of the COVID-19 virus even before a spike in the positive cases. The lockdown spanned for two months, and the country started reopening in a phased manner from June 2020.

The Indian Government announced a massive ₹20 lakh crore stimulus package, equivalent to 10% of GDP, to kickstart the economy that has come to a standstill during the lockdown. The stimulus package comprises:

- ₹8.01 lakh crore of liquidity measures announced by the RBI
- The RBI also reduced the bank rate and repo rate by a significant 160 bps in FY2020 (75 bps in March 2020) to 4.65% and 4.4% respectively
- ₹5.94 lakh crore in the first tranche that provided credit line to small businesses and support to shadow banks and electricity distribution companies
- Free foodgrain to stranded migrant workers for two months and credit to farmers totalling ₹3.1 lakh crore
- Increased spending on agriculture infrastructure and allied sectors amounting to ₹1.5 lakh crore

Economic Outlook

Recovering from the setback caused by the pandemic and the lockdown will be an arduous process. The consumption makes up for almost 60% of India's economy and has fallen to a stuttering level. The Indian economy may see the first contraction in more than four decades. Fitch Ratings has revised its economic growth forecast for India down to 0.8% in the fiscal year ending March 2021 (FY2021). This is significantly lower from their forecast of 5.6% growth prior to the outbreak and is a direct consequence of the COVID-19 pandemic. Furthermore, it also expects economic activity to contract by 5% in the fiscal year ending March 2021 (FY2021) before rebounding by 9.5% in FY2022.

Management Discussion & Analysis...*(Continued)*

US$ 1 trillion

Market size of the real estate sector in India is by 2030

However, India's growth story for 2021 will be driven by an all-encompassing development emerging from the initiative 'Atmanirbhar Bharat'. The bold measures undertaken by the Government along with the comprehensive stimulus package to revitalise the economy, should have a positive impact in the times ahead. While the metro cities were majorly impacted by the pandemic and continue to see a rising number of cases, the tier 1-3 cities and rural India have been fortunate in terms of the severity of the spread of the virus. This can be inferred directly from the fact that the agricultural sector recorded a 5.9% growth   in the last fiscal against 1.6% in 2018-19 and continues to do well.

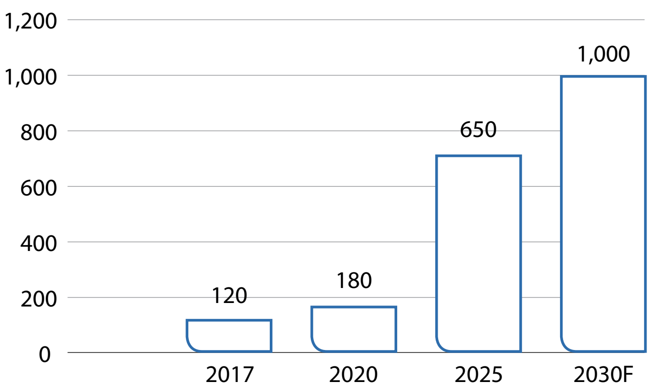
Industry Overview

India's Global Real Estate Transparency Index ranking improved by a notch to 34 in 2019 on the back of regulatory reforms, better market data and green initiatives according to property consultant JLL.

Over the last decade, between 2009-19, the Indian real estate sector attracted institutional investment worth US$ 30 billion and received US$ 5.15 billion in 2019.

Market size of real estate in India

(US$ million)



The Indian Government has launched 10 key policies which have been a boon for the real estate sector:

- Real Estate Regulatory Act (RERA)
- Benami Transactions Act
- Boost to affordable housing construction
- Interest subsidy to home buyers
- Change in arbitration norms
- Service tax exemption
- Dividend Distribution Tax (DDT) exemption
- Goods and Services Tax (GST)
- Demonetisation
- PR for foreign investors

Real estate sector in India is expected to reach a market size of US$ 1 trillion by 2030, up from US$ 120 billion in 2017. India's real estate market is estimated to grow at a CAGR of 19.5% during 2017- 2028.

Retail Real Estate: A Snapshot

The Retail Real Estate sector witnessed an annual rise of 170%, attracting US$ 1 billion of private equity investment in CY2019. The Foreign Direct Investment (FDI) in multi-brand retail has led to an increase in demand. It is estimated that retail real estate would add up more 39 million square feet of space by 2022. Even with huge investments flowing in, the organised retail is still in its nascent phase in India and has a long runway ahead of it. Following are some of the aspects which will enable the exponential growth of retail real estate market in the coming years:

- Organised retail real estate players are few, and are mostly developed by residential and office space developers.
- The organised retail sector is growing by 25-30%
- 100% FDI in single-brand retail, 100% FDI in the marketing of food products and revised Model Shops & Establishment Act, which aims to allow certain commercial activities open 24x7 are significant enablers for growth in organised retail

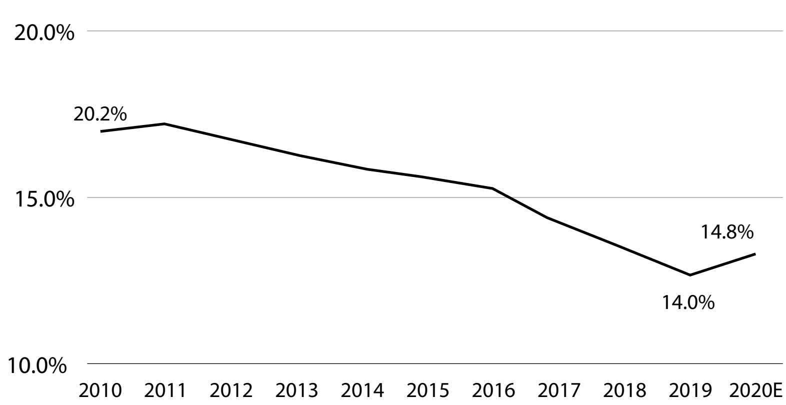
On account of the COVID-19 crisis, a short-term pain is likely to be seen in the retail sector and recovery across the retail real estate sector will take some time.

- India's majorly millennial and young working-age population is expected to drive demand. A substantial portion of the working population are globetrotters exposed to world-class mall infrastructure and brands. Hence the demand for the same in India is bound to rise.
- Malls are moving beyond being a transaction place for buying and selling of goods. Experiential setups, immersive experiences and multifaceted offerings are some aspects incorporated by malls to differentiate themselves and attract footfalls.

However, short-term pain is likely to be seen due to the pandemic. Following the lockdown and malls being forced to have their shutters down for months, recovery across the retail real estate sector will take some time. As per pre-COVID-19 ANAROCK estimates, around 8.4 MSFT mall space was planned to complete across the top 7 cities in 2020. In the years to come, a polarised absorption scenario is expected across malls at prime locations depicting higher occupancy. At the same time, retailers may move out of other locations, which do not generate significant footfalls. Also, even after the lockdown ends, there might be restrictions on the footfalls as the social distancing norms may extend for malls, which have a high population density. Amidst low footfalls, the leasing activity may continue to be slow in 2020.

Presently, malls across the top 7 cities (MMR, NCR, Kolkata, Pune, Hyderabad, Bengaluru, and Chennai) have an overall vacancy rate of around 14%, declining steadily over the last few years. It was due to a combination of factors including restricted supply and improving leasing activity. However, it is estimated that the vacancy levels may rise as some brands may calibrate their expansion strategy or close down stores to manage costs and debt.

Vacancy Levels *(US$ million)*



Management Discussion & Analysis...*(Continued)*

Residential Real Estate: Snapshot

The residential segment contributes ~80% of the real estate sector. The demand for residential properties has surged due to increased urbanisation and rising household income. India is among the top 10 price appreciating housing markets internationally.

In CY2019, sales surged by 6% y-o-y despite muted consumption expenditure. Remarkably, the sales exceeded the launches for the first-time post 2016 and reached 143,923 units, thereby demonstrating the innate growth potential of the sector.

At Prozone, our business strategy is to acquire and develop large land parcels at select locations in high growth corridors within city limits, with a focus on mixed-use development.

Units	2016	2017	2018	2019	YoY Growth
Launches	1,28,083	1,04,145	1,59,452	1,36,998	-14%
Sales	1,47,584	96,050	1,36,273	1,43,923	6%
Unsold Inventory	4,28,486	4,33,495	4,49,153	4,42,228	-2%

Going forward, new unit launches are expected to remain muted as developers, grappling with the liquidity crisis, continue to realign themselves with policy reforms and focus on clearing their unsold inventory. Additionally, consolidation in the residential market with an increasing number of joint developments will continue to be a significant trend in the near term.

The Government and the RBI undertook some positive initiatives to help revive the housing sector and protect homebuyer interest. Some of the major initiatives have been mentioned below:

- Creation of an alternative investment fund of ₹ 25,000 crore for last-mile funding of the stalled housing projects
- GST rates were slashed to 5% for under-construction projects but without the input tax credit (ITC) benefit
- Tax Holiday to first-time homebuyers – deduction limit on home loan interest for affordable housing increased to ₹ 3.5 lakh per annum (for loans taken before FY2020 end)
- Ban on subvention scheme by the NHB to bring in accountability
- RBI cut the repo rates by 135 bps in 2019, and the commercial banks were asked to adjust home loan rates accordingly

The COVID-19 pandemic has severely hit residential real estate business, and the sector has come to a standstill. With a screeching halt to site visits, discussions, documentation and closures, the early indicators depict that we are likely to face a tough time for the next few quarters and the sector's recovery has been pushed further by at least a couple of years. As per ANAROCK Research, residential PE investments' share of the overall inflows declined from 53% in 2015 to a mere 8% in 2019. Nearly 4.7 lakh units across top 7 cities of India were likely to complete in 2020 and face a high risk of being delayed to a later year.

Company Overview

Prozone Intu Properties Limited is a focused retail-led and residential mixed-use real estate development Company. It harnesses the domain expertise and ingrained experience of Intu Properties Plc. The Company has a strong presence in Tier II and Tier III cities in India.

Prozone Intu's strategic partnership with Intu properties enables the sharing of valuable knowledge inputs and guidance to execute projects effectively and efficiently.

Fully Paid-Up Land Bank

Prozone Intu has an aggregate of 169 acres across fully paid-up land bank, with a maximum saleable area of approximately 17.8 MSFT. The land parcels are located in prime locations such as major upcoming Tier-II cities such as Aurangabad, Nagpur, Indore, Coimbatore, Jaipur and Mysore. Of its 17.8 MSFT land bank, 2.02 MSFT has already been developed. With more than 15.8 MSFT of the land bank left to be monetised, new and exciting projects are under different stages of development and completion. Currently, the Company has broken ground in three locations – Nagpur, Coimbatore and Aurangabad.

All the land parcels are debt-free, placing Prozone Intu at an advantageous position to build, develop and manage these world-class, mixed-use development properties.

Strong Association with Leading National and International Retail Brands

The existing strong association with leading national and international brands helps the Company to continue to develop retail centres in the future. At the Prozone Mall in Aurangabad, there are 12 anchor tenants and 110 plus stores currently signed. In Coimbatore, there are 16 anchor tenants and 110 plus stores presently signed. Anchor stores at Aurangabad Mall includes H&M, M&S, Shoppers Stop, Croma, Globus, Pantaloon, Big Bazaar, Reliance Trendz, Inox Multiplex, Max and Hometown amongst others. The Prozone Mall at Coimbatore has seen reliable traction with various international and national brands such as H&M, M&S, Lifestyles, Hamleys, Pantaloons, Unlimited, Westside, Zudio, Fun unlimited, Max, Inox multiplex, SPAR and Reliance Digital, which are the anchor brands at the mall.

Our Business Model

Business Strategy

Our business strategy is to acquire and develop large land parcels at select locations in high growth corridors within city limits, with a focus on mixed-use development. The plan is to utilise one-third of the land parcel to build the Anchor Asset – a regionally dominant Retail Centre, which is primarily a 'Build and Long-Term Lease Asset'. Our intension is to utilise two-thirds of the conjugate land bank to develop mixed-use developments such as Residential Townships or Commercial Office blocks.

Both Residential and Commercial assets are developed from a 'Build & Sell' perspective, as it enables the Company to generate steady free cash flows. This perspective further facilitates the Retail 'Build & Lease' model, which results in Debt-Free Annuity Assets and free cash flows for future developments.

Mall Development Strategy

For our Retail Assets, our focus is to build regionally dominant shopping and leisure destinations. Our partners, Intu Properties, brings on board over 36 years of invaluable experience in design and mall management capabilities. We design our shopping centres on a Ground+1 floor horizontal model with a racetrack circulation. We build reliable supporting infrastructure, such as large and modern parking spaces to cater to future growth. Also, our focus is to place the right tenant mix with the correct category mix to augment overall consumption for local consumer communities.

Residential Projects Strategy

For the Residential projects, the Company first builds the necessary site infrastructure and facilities. It also makes sure to have all the approvals in place before the launch of the project. This prudence builds strong brand credibility and improves the overall sales velocity for the project, resulting in better cash flows.

Our strategy has proven to be successful and is validated by the response of our residential project launches in Nagpur and Coimbatore.

Construction work at our Nagpur project was completed last year. We are now in the process of acquiring part OC and preparing to hand over the project to customers once the ongoing litigation is settled.

The Coimbatore project launched in FY2020 has seen a good response from the customers. In light of the lockdown, we launched new schemes for marketing the project via digital and online channels, and have received a great response.

The existing strong association with leading national and international brands helps the Company to continue to develop retail centres in the future.

Segment Wise Performance – Project Portfolio Summary

SPV	Residential	Commercial	Retail
 Aurangabad *Ownership - 34.71%*		**PTC Phase 1** ❖ Launched PTC Phase 1 - 117 units (190,528 sq.ft.) - 76% booked at average rate of ₹3,258 per sq.ft. ❖ Development Status: ❖ OC Obtained. ❖ Sales Status: Total Sales Value - ₹525.98 mn, Amount Collected - ₹470.03 mn	**Mall** ❖ Leasing Status: GLA - ~5.28 lakh sq.ft. - 76% Area signed leased - 110 plus ❖ Financial Performance (FY2020): Net Revenue - ₹287.9 mn ❖ Operational Performance: Footfalls - ~8.98 mn ❖ Key Tenants – H&M, Inox, Marks & Spencer, Globus, Home Town Pantaloon, Reliance trends, Croma, Shopper Stop, Max **Saral Bazar** ❖ Project Launched - Total Carpet Area - 17,893 sq.ft. - 94% booked at average rate of ₹13,499 per sq.ft. ❖ Development Status: Phase 1 project delivered – 95 units have already commenced operations

SPV	Residential	Commercial	Retail
 Nagpur *Ownership - 61.50%*	❖ Residential Project Phase 1 - Launched 336 Units - 272 sold ❖ Development Status: Application for part OC of 264 apartments submitted		Retail design has been finalised and project approval are in process
 Indore *Ownership - 60.00%*	❖ Initiate the launch of plotted development and focus on faster monetisation ❖ Construction of Initial Infrastructure has been completed		
 Coimbatore *Ownership - 61.50%*	❖ Phase 1 Launch 540 units - 83 units booked. ❖ Development Status: Construction of Initial Infrastructure completed, Residential Tower construction in progress.		❖ Leasing Status: Leasing stand at 93%, working towards further increasing occupancy ❖ Key Brands: H&M, M&S, Lifestyles, Hamleys, Pantaloons, Unlimited, Westside, Zudio, Fun unlimited, Max, Inox, SPAR, Reliance trends, FBB amongst others ❖ Financial Performance (FY2020): Net Revenue - ₹357.5 mn ❖ Operational Performance: Footfalls - ~9.14 mn

We build reliable supporting infrastructure, such as large and modern parking spaces to cater to future growth.

Management Discussion & Analysis...*(Continued)*

Risks and Concerns

Economic Risk

Following the pandemic and ensuring lockdown, economic activity across the country came to a grinding halt, and the country is now slowly getting back on its feet. The slowdown in India's economic growth can affect the Company's performance. The Company's business is highly dependent on economic growth as it leads to a rise in disposable incomes and resultant consumption. The sale of residential property is also expected to be affected as project deliveries will be delayed, and financing will be constrained. The external shock to the job market is a negative bearing on residential sales as well. However, favourable population growth, a large pool of highly skilled workers, greater integration with the world economy and increasing domestic and foreign investment suggest that the Indian economy will continue its growth momentum for several years to come.

Our internal control system undergoes regular reviews by the management and well-documented policies and guidelines to ensure the reliability of all records to prepare financial statements and other data.

Business Risk

The Company operates in high growth urban centres, where retail consumption is fuelled by the substantial migration of the working population from smaller towns and rural areas. If the rate of urbanisation slows down, it will also slow down absorption rates of the real estate infrastructure in the development pipeline. However, through a carefully planned and phased development strategy, the management of the Company has reduced the risk to a minimal level.

Shopping Mall Risk

Our malls remained closed for operations for two weeks in March 2020, followed by the entire April- June 2020 quarter. Many brands may calibrate their expansion strategy, look to scale down existing stores to manage costs & debt. Large scale retail infrastructure's success is subject to well-designed architecture and services to meet the needs of retailers and consumers over the long term. The population numbers in the catchment areas in these Tier-II cities are continually growing, and therefore, it should present no significant long-term risk to the business. Besides, the Company is guided by the advice and expertise of Intu Properties Plc.'s Representative Directors on the Board. This partnership ensures that the architecture and services are designed with a long-term perspective to meet the needs of retailers and consumers alike, and therefore, do not represent a significant risk to the business.

Brand Risk

Any event that tarnishes the image of the Prozone Intu brand can lower the value of the brand and adversely affect the Company's business. The Company ensures that no characteristics or attributes of its brand are compromised through the Company's communication to customers or trade partners. The Company also gives a comprehensive focus on customer preferences and conducts extensive in-house research to maintain top-of-the-mind recall with the customer base concerning the brand. The Company believes that it has an appropriate mitigation plan in place to handle brand risk.

Internal Control Systems and Adequacies

The Company has adequate internal control procedures commensurate with the size and nature of its businesses. Supplemented by extensive internal audits, our internal control system undergoes regular reviews by the management and well-documented policies and guidelines to ensure the reliability of all records to prepare financial statements and other data. Moreover, the Company continuously upgrades these systems in line with the best accounting practices. The Company has independent audit systems to monitor the entire operations and the Audit Committee of the Board regularly review the findings and recommendations of internal audits.

Financial Performance for FY2020

The Company recorded Revenues of ₹ 850.4 million, EBITDA of ₹ 686 million during the year under review. This year EBITDA was 9.9% lowered compared to FY2019. The Company, however, maintained a healthy balance sheet, with low leverage with Gross Debt/Equity ratio of 0.80X on a consolidated basis.

₹850.4 million

Revenue from Operation for FY 2020

Particulars	FY 2020	FY 2019	Calculation	Remarks
Debtors turnover	3.15	2.37	Revenue from Operations / Average Trade Receivables	Improvement due to reduction in trade receivable on account of higher collections
Inventory turnover	0.25	0.56	Revenue from Operations / Average Inventory	Decrease due to lower revenue from Sale of Premises
Interest coverage ratio	1.65	2.22	EBIDTA / Finance Costs	Decrease due to decrease in EBIDTA and increase in Finance cost
Current ratio	1.47	1.66	Current Assets / Current Liabilities	Decrease due to increase in advance from customer due to application of IND AS 115
Debt equity ratio	0.80	0.71	Current Assets / Current Liabilities	Increase due to increase in debt for new projects
EBITDA Margin %	65%	57%	Total Debt / Equity	Increase due to Higher income from Mall portfolio.
Net profit margin %	-3.9%	4.9%	EBIDTA / Total Income	Negative net profit due to Reduction of income from Sale of Premises and increase in Finance cost
Return on Net Worth %	-0.8%	1.3%	Profit after tax / Total Income	Negative return on net worth due to loss after tax for the year

Human Resource at Prozone

Dedicated employees are crucially important in our efforts to create a dynamic corporate culture and drive innovation and results. We are a people-oriented company and we continue to strengthen the motivation of our employees and are committed to long tenure. As on 31st March 2020, the Company had a team size of 93 employees.

The Company regards its human resources as its most valuable assets and proactively invests in processes towards creating an encouraging work environment. The Company provides challenges and opportunities to its employees and recognises their performance and potentials. With new projects continually being taken up, our key focus areas continue to be recruitment, re-allocation and re-deployment of the existing workforce. Strengthening the business development team as well as the engineering team is also our prime focus. The key deliverables for the senior team and the project level management remained aligned with the overall objective of the Company and the Projects, respectively.

The prime goal of Prozone has always been to ensure work satisfaction for all the employees right from the junior level to top management. They should be happy and satisfied with the quality of work and able to generate productive output.

Employee Welfare Initiatives

Time and again, we carry out activities to develop the skills of our work force. To create an environment of fun and camaraderie among the employees, the organisation celebrates several events, festivals and get-togethers. During the year, around 25+ events, with fun and social intent, were organised. The Company continued to engage its employees with personalised and organisation-wide health initiative. We also encourage teamwork, good spirit and unity amongst our people and motivate them to work under any challenging conditions

Cautionary Statement

This document contains statements about expected future events, financial and operating results of Prozone Intu Properties Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the management's discussion and analysis of Prozone Intu Properties Limited Annual Report, FY 2020.

DIRECTORS' REPORT

DIRECTORS' REPORT

To,
The Members
Prozone Intu Properties Limited

Your Directors are delighted to present 13th Annual Report on the business and operations of your Company for the year ended March 31, 2020.

FINANCIAL RESULTS & OPERATIONS

Rs in Lakhs

Particulars	Standalone		Consolidated	
	31.03.2020	31.03.2019	31.03.2020	31.03.2019
Income from Operations	951.44	829.64	8503.88	11822.35
Add: Other Income	956.73	769.43	2014.17	1559.70
Total Income	**1908.17**	**1599.07**	**10518.05**	**13382.04**
Less: Total Expenditure	1321.54	1262.73	11152.80	12598.35
Profit/ (loss) before Tax	**586.53**	**336.34**	**(634.75)**	**783.69**
Less: Tax expenses/ (Credit)	69.96	94.16	(187.01)	148.79
Share of profit of joint venture	-	-	31.23	17.44
Profit/ (loss) after Tax	**516.57**	**242.18**	**(416.51)**	**652.35**

STATE OF COMPANY'S AFFAIRS / FINANCIAL PERFORMANCE

Standalone

The Company's gross (total) income for the financial year ended 31st March 2020 has increased to ₹ 1908.17 lakhs as against ₹ 1599.07 lakhs during the previous year, profit before tax increased to ₹ 586.53 lakhs against profit of ₹ 336.34 lakhs during previous year and the profit after tax was increased to ₹ 516.57 lakhs as compared to ₹ 242.18 lakhs in the previous year.

Consolidated

The Company's gross (total) income for the financial year ended 31st March 2020 decreased to ₹ 10518.05 lakhs from ₹ 13382.05 lakhs during the previous year, loss before tax of the reporting year stood at Rs. 634.75 lakhs against profit of ₹ 783.69 lakhs in previous year. The loss after tax of the reporting year stood at ₹ 416.51 lakhs against profit of ₹ 652.35 lakhs reported in previous year.

DIVIDEND

Considering the current financial position, your Directors decided, not to propose dividend for the year ended March 31, 2020, thus there is no appropriation of any amount to General Reserve during the year under review.

LISTING

The equity shares of the Company are listed on The BSE Limited (BSE) and The National Stock Exchange of India Ltd. (NSE) and the listing fees for the year 2020-21 had been paid.

SHARE CAPITAL

The paid-up equity share capital of your company stood at ₹ 3,052.06 lakhs consisting of 15,26,02,883 equity shares of ₹ 2/- each fully paid-up. During the year under review, the Company has not issued shares with differential voting rights nor has granted any stock options or sweat equity. As on 31st March 2020, none of the Directors of the Company hold instruments convertible into equity shares of the Company.

SUBSIDIARY AND JOINT VENTURE COMPANIES

The Company has 9 subsidiaries as on 31st March 2020 including 3 step-down subsidiaries and 2 Joint Venture Companies.

Direct Subsidiaries:

1. Alliance Mall Developers Co. Private Limited
2. Kruti Multitrade Private Limited
3. Royal Mall Private Limited
4. Prozone Developers & Realtors Private Limited
5. Prozone Intu Developers Private Limited
6. Prozone Liberty International Limited, Singapore (Foreign subsidiary)

Step-down subsidiaries:

7. Empire Mall Private Limited
8. Hagwood Commercial Developers Private Limited
9. Omni Infrastructure Private Limited

DIRECTORS' REPORT...*(Continued)*

Associate Companies / Joint Venture

1. Moontown Trading Company Private Limited
2. Emerald Buildhome Private Limited

The Board of Directors ('the Board') regularly reviews the affairs of the subsidiary/joint venture/associate companies. A statement containing the salient features of the financials statement of subsidiary/joint venture/associate companies pursuant to the provision of section 129 (3) of the Companies Act 2013 read with rule 8(1) of the Companies Accounts Rules, 2014, is provided in format AOC-1 to the consolidated financial statement and therefore not repeated to avoid duplication.

In accordance with Section 136 of the Companies Act, 2013, the audited financial statements, including the consolidated financial statements and related information of the Company and financial statements of each of its subsidiaries, will be made available on our website www.prozoneintu.com in due course of time. These documents will also be available for inspection during business hours at the registered office of the Company

The copies of accounts of subsidiaries companies can be sought by the member of the company by making a written request address to the Company Secretary at the registered office of the company.

CORPORATE GOVERNANCE

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out by the Securities and Exchange Board of India (SEBI). The Company has also implemented several best governance practices. The report on Corporate Governance as stipulated under the Listing Regulations forms an integral part of this Report. The requisite certificate from the Auditors of the Company confirming compliance with the conditions of Corporate Governance is attached to the report on Corporate Governance.

Business Responsibility Report (BRR):

The Company was not falling under the applicable criteria for Business Responsibility Report.

MANAGEMENT DISCUSSION AND ANALYSIS

A detailed review of operations, performance and future outlook of the Company and its business, as stipulated under Reg. 34 of the SEBI (LODR) Regulations, 2015, is presented in a separate section forming part of Annual Report under the head 'Management Discussion and Analysis'.

INTERNAL FINANCIAL CONTROL AND ITS ADEQUACY

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detention of fraud, error reporting mechanisms, the accuracy and completeness of the accounting records and the timely preparation of reliable financial disclosures.

SIGNIFICANT AND MATERIAL ORDERS

There were no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and company's operations in future during the year under review.

PUBLIC DEPOSITS

During the year under review, the Company has neither invited nor accepted any deposit from public within the meaning of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 amended from time to time.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

- **Resignation, subsequent re-appointment and retirement by rotation**

  Pursuant to the provisions of section 152 of the Companies Act, 2013, the office of Mr. Salil Chaturvedi, (DIN: 00004768) is liable to retire by rotation at the ensuing Annual General Meeting, and being eligible, he offered himself for re-appointment. Accordingly, the proposal of his re-appointment has been included in the Notice convening the Annual General Meeting of the Company.

  The first term of office of Ms. Deepa Misra Harris (DIN: 00064912), an Independent Director is going to expire on 8th February 2021. The Board recommends her re-appointment for a second term of five consecutive year i.e. upto 8th February 2026 for the approval of members of the by passing a special resolution.

  A brief resume along with other details about Mr. Salil Chaturvedi and Ms. Deepa Misra Harris as per the requirements of Reg. 36(3) of the SEBI (LODR) Regulations, 2015, are given in the section of notice of AGM forming part of the Annual Report.

- **Appointment and Remuneration of Directors**

  The appointment and remuneration of Directors is governed by the Remuneration Policy of the Company which also contains the criteria for determining qualifications, positive attributes and independence of Directors. The Policy aims at attracting and retaining high caliber personnel from diverse educational fields and with varied experience to serve on the Board for guiding the Management team to enhanced organizational performance.

- **Declaration by Independent Directors**

  The Company has received necessary declarations from all Independent Directors pursuant to the requirement of

(Currency : Indian Rupees in Lakhs)

DIRECTORS' REPORT...*(Continued)*

section 149(7) of the Companies Act, 2013 that they fulfill the criteria of independence laid down in section 149(6) read with Schedule IV to Companies Act, 2013 and Reg. 16 (1) (b) of the SEBI (LODR) Regulations, 2015.

- **Familiarization Programme**

  The details of programmes for familiarization of Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company and related matters are put up on the website of the Company at the link: http://www.prozoneintu.com/files/upload/ Familiarisaion-Programme-for-IDs.pdf

- **Key Managerial Personnel**

  There has been no change in Key Managerial Personnel during the financial year 2019-20. As on 31st March 2020, the following were the Key Managerial Personnel of the Company;

Name	Designation
Mr. Salil Chaturvedi	Dy. Managing Director
Mr. Anurag Garg	Chief Financial Officer
Mr. Ajayendra P. Jain	Company Secretary and Chief Compliance Officer

- **Board Evaluation**

  Pursuant to the Companies Act, 2013 a formal annual evaluation needs to be conducted by the Board of its own performance and that of its committees and individual directors. Schedule IV to the Companies Act 2013 states that the performance evaluation of Independent Directors shall be done by the entire Board of Directors, excluding the Director being evaluated.

  The Broad based on evaluation criteria recommended by the 'Nomination and Remuneration Committee' and 'Code for Independent Directors' and pursuant to applicable regulations of Chapter II and Chapter IV read with schedule IV to SEBI (LODR) Regulations, 2015, evaluated the performance of Board members.

  The Board after due discussion and taking into consideration of the various aspects such as performance of specific duties, obligations, Board's functioning, composition of the Board and its Committees and governance expressed their satisfaction with the evaluation process and performance of the Board.

- **Remuneration Policy**

  The Remuneration Policy of the Company is designed to attract, motivate, improve productivity and retain manpower, by creating a congenial work environment, encouraging initiatives, personal growth and team work, and inculcating a sense of belonging and involvement, besides offering appropriate remuneration packages and superannuation benefits. This Remuneration Policy applies to Directors, Senior Management Personnel including its Key Managerial Personnel (KMP) of the Company, is attached to this report as 'Annexure 1'.

Secretarial Standards

The Directors states that applicable Secretarial Standards, i.e. SS-1 and SS-2 relating to 'Meeting of the Board of Directors' and 'General Meetings', respectively, have been duly followed by the Company.

DIRECTORS RESPONSIBILITY STATEMENT

Your Directors state that:

a. in the preparation of the annual accounts for the year ended March 31 2020, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed along with proper explanation relating to material departures, if any;

b. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31 2020 and of the Profit of the Company for the year ended on that date;

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

d. the Directors have prepared the annual accounts on a 'going concern' basis;

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

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

AUDITORS

Statutory Auditors

The members of the Company in their Annual General Meeting held on September 28, 2017, appointed M/s B S R & Co LLP, Chartered Accountants, as Statutory Auditor of the Company for the period of five financial years from 2017-2018 to 2021-2022.

The observations and comments given by the Auditors in their report read together with notes to Accounts are self explanatory and hence do not require any further comments under section 134 (3) (f) of the Companies Act, 2013.

Prozone Intu Properties Limited - Annual Report - 2020 (Currency : Indian Rupees in Lakhs)

DIRECTORS' REPORT...*(Continued)*

Secretarial Auditor

Pursuant to Section 204 of Companies Act, 2013, the Board of Directors had appointed M/s. HS Associates, Practicing Company Secretaries to undertake the Secretarial Audit of the Company. The Secretarial Auditor's Report is attached to this report as 'Annexure 2'. The Secretarial Audit Report is self explanatory and thus does not require any further comments.

Internal Auditor

Pursuant to Section 138 of Companies Act, 2013 and as recommended by Audit Committee, the Board of Directors has appointed M/s CAS & Co (Firm Registration No. 111075W) Chartered Accountants, Mumbai to undertake the Internal Audit of the Company including performing internal audit of the activities of the Company's subsidiary.

DEMATERIALIZATION OF SHARES:

Break up of shares in physical and demat form as on 31st March 2020

Particulars	No. of Shares	% of Shares
Physical segment	64,142	0.04%
Demat segment	15,25,38,741	99.96%
Total	**15,26,02,883**	**100.00%**

Particulars	No. of Shares	% of Shares
NSDL	8,14,26,025	53.36%
CDSL	7,11,12,716	46.60%
Physical	64,142	0.04%
Total	**15,26,02,883**	**100.00%**

The Securities and Exchange board of India (SEBI) at its Board Meeting held on 28th March, 2018 revised the provisions relating to transfer of listed securities and decided that request for effecting transfer of listed securities shall not be processed unless the securities are held in the dematerialized form with a depository participant. The said measure of SEBI is aimed at curbing fraud and manipulation risk in physical transfer of securities by unscrupulous entities. Transfer of securities only in demat form will improve ease, convenience and safety of transactions for investors. The effective date of such amendment is yet to be confirmed

Shareholders who continue to hold shares in physical form are advised to dematerialise their shares at the earliest. For any clarifications, assistance or information, relating to dematerialization of shares the Company's RTA may be contacted

DISCLOSURES UNDER THE SEXUAL HARRASMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has been employing women employees in various cadres within its corporate office and in branch offices. The Company has in place a policy against Sexual Harassment in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaint Committees is set up to redress complaints if received and are monitored on regular basis.

During the year under review, Company did not receive any complaint regarding sexual harassment.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014 for the year ended March 31, 2020 is given below and forms part of the Directors' Report

A. Conservation of Energy

i) The steps taken or impact on conservation of energy: Nil

ii) The steps taken by the Company for utilizing alternate sources of energy: Nil

iii) The capital investment on energy conservation equipments: Nil

Your Company is not engaged in manufacturing activity and thus its operations are not energy intensive. However, adequate measures are always taken to ensure optimum utilisation and maximum possible saving of energy.

B. Technology Absorption

i) The efforts made towards technology absorption : Nil

ii) The benefits derived like product improvement, cost reduction, product development or import substitution : Nil

iii) in case of imported technology (imported during the last three years reckoned from the beginning of the Financial Year): Not Applicable

(a) Details of Technology Imported;

(b) Year of Import;

(c) Whether the Technology has been fully absorbed;

(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof.

DIRECTORS' REPORT...*(Continued)*

iv) Your Company has not incurred any expenditure on Research and Development during the year under review.

C. Foreign Exchange Earnings and Outgo

During the year under review the details of foreign exchange earnings & outgo are as follows:

Foreign Exchange Earnings: ₹ Nil

Foreign Exchange Outgo: ₹ 15.65 lakhs

The above does not include foreign exchange gain or loss arise due to change in foreign exchange rate.

DISCLOSURES UNDER COMPANIES ACT 2013

- **Extract of Annual Return:**

  In accordance with section 134(3) of the Companies Act 2013, an extract of the annual return in the prescribed format is appended as 'Annexure 3' to the Boards' Report.

- **Number of meetings of the Board:**

  The Board met four times during the financial year, the details of which are given in the Corporate Governance Report that forms part of this Annual Report. The intervening gap between any two meetings was within the period prescribed by the Companies Act 2013 and SEBI (LODR) Regulations, 2015.

- **Committees of the Board:**

  The Board has established committees as per the requirement of Companies Act 2013 and SEBI (LODR) Regulations, 2015, including Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee.

  A detailed note on the Board and its committees is provided under the Corporate Governance Report section in this Annual Report. The composition of the Committees as on 31st March 2020 as per the applicable provisions of the Act, Rules and SEBI (LODR) Regulations, 2015 was as under:

Committee Name	Composition of the Committee
Audit Committee	1. Mr. Umesh Kumar, Chairman
	2. Mrs. Deepa Misra Harris, Member
	3. Mr. Punit Goenka, Member
	4. Mr. Salil Chaturvedi, Member*
Nomination & Remuneration Committee	1. Mrs. Deepa Misra Harris, Chairperson
	2. Mr. Punit Goenka, Member
	3. Mr. Dushyant Singh Sangar, Member
Stakeholders Relationship Committee	1. Mrs. Deepa Misra Harris, Chairperson
	2. Mr. Punit Goenka, Member
	3. Mr. Nikhil Chaturvedi, Member
	4. Mr. Salil Chaturvedi, Member
Corporate Social Responsibility Committee	1. Mr. Nikhil Chaturvedi, Chairperson
	2. Mrs. Deepa Misra Harris, Member
	3. Mr. Salil Chaturvedi, Member

* With effect from 26th August 2020 Mr Nikhil Chaturvedi was appointed as member of the Audit Committee in place of Mr Salil Chaturvedi

- **Vigil Mechanism/ Whistle Blower Policy:**

  Your Company has established a Vigil Mechanism and implemented Whistle Blower Policy, the mechanism to provide adequate safeguards against victimisation of director(s)/employee(s) who use mechanism to report genuine issues and also provide direct access to the Chairman of the Audit Committee in exceptional cases. The Audit Committee of your Company oversees the Vigil Mechanism on regular basis.

  Your Company hereby affirms that no director/ employee have been denied access to the Chairman of Audit Committee and that no complaints were received during the quarter.

  The policy on Vigil Mechanism may be accessed on Company's website at the following link: http://www.prozoneintu.com/investor/policies

DIRECTORS' REPORT...*(Continued)*

- **Particulars of loans, guarantees and investments:**

  Particulars of loans given, investments made, guarantees given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient under the provisions of Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 amended from time to time, are form part of the notes to the financial statements provided in this Annual Report.

- **Particulars of contracts or arrangements entered into with related parties:**

  The particulars of contracts or arrangements made with related parties referred to in section 188(1) of the Companies Act 2013, in the prescribed form AOC-2 is appended as 'Annexure 4' to the Boards' Report.

- **Particulars of employees:**

  Details in terms of the provisions of Section 197 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration) Rules 2014 the names and other particulars of the employee is appended as 'Annexure 5' to the Boards' Report.

  The ratio of remuneration of each Director to the median employee's remuneration and other details in terms of Section 197(12) of the Companies Act, 2013 read along with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed herewith as 'Annexure 6' and forms part of this Report.

- **Transfer to Reserves:**

  During the year, Company was not required to transfer any amount to reserve.

- **Material changes and commitments:**

  In March 2020, World Health Organization has declared COVID 19 a pandemic. Consequent to this, Government of India declared lockdown on March 23, 2020 This has resulted in disruption to regular business operations due to disruptions in transportation, quarantines, social distancing and other emergency measures imposed by the government. The Company believes that the COVID 19 pandemic will only have a short to medium term impact on its operations and post easing of the lockdown, the business is expected to be normal gradually in 9-12 months.

  The Company has taken various measures to reduce its fixed cost for example, salary reductions, optimization of administrative costs etc. The Company management has considered the possible effects that may result from the COVID-19 pandemic on the carrying value of assets (including property, plant and equipment, investment property, capital work in progress, intangible assets, goodwill, investments, loans, receivables etc). In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the Company as at the date of approval of these financial results has used internal and external sources of information to assess the expected future performance of Company and expects that the carrying amount of these assets, as reflected in the balance sheet as at March 31, 2020, are fully recoverable.

  The management has also estimated the future cash flows with the possible effects that may result from the COVID-19 and does not foresee any adverse impact on realizing its assets and in meeting its liabilities as and when they fall due. The actual impact of the COVID-19 pandemic may be different from that estimated as at the date of approval of these financials.

  The Company will continue to closely monitor any material changes to future economic conditions.

- **Corporate Social Responsibility:**

  The CSR Policy of the Company and the details about the development of CSR Policy and initiatives taken by the Company on Corporate Social Responsibility during the year as per the Rule 9 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 have been appended as 'Annexure 7' attached to this report.

REMOTE E-VOTING FACILITY TO MEMBERS:

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 and Reg. 44 of SEBI (LODR) Regulations, 2015, the Company is pleased to provide members the facility to exercise their right to vote at the 13th Annual General Meeting (AGM) by electronic means and the business may be transacted through remote E-Voting Services to be provided by Link Intime India Private Limited.

ELECTRONIC FILING:

The Company periodically uploads the Annual Reports, Financial Results, Shareholding Pattern, Corporate Governance Reports and others reports and intimations filed with Stock Exchanges etc. and other information on its website viz. www.prozoneintu.com.

(Currency : Indian Rupees in Lakhs)

DIRECTORS' REPORT...*(Continued)*

DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT:

Pursuant to SEBI (LODR) Regulations 2015 the details of the shares lying with the Company in Unclaimed Suspense Account as on March 31 2020, are as under:

Sr. No	Description	No. of Shareholders	No. of Shares
1	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year;	17	3400
2	Number of shareholders who approached listed entity for transfer of shares from suspense account during the year;	0	0
3	Number of shareholders to whom shares were transferred from suspense account during the year	0	0
4	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	17	3400

During the financial year, Company has not declared any corporate benefit on above shares however, corporate benefits, if any accrued on above numbered unclaimed shares will be credited to the same account and the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

APPRECIATION:

Your Directors take this opportunity to express their gratitude and sincere appreciation for the dedicated efforts of all the employees of the Company. Your Directors are also thankful to the esteemed share holders for their support and confidence reposed in the Company and to the Stock Exchanges, Government Authorities, Banks, Solicitors, Consultants and other business partners.

For and on behalf of Board of Director

Date: 31st August 2020	**Nikhil Chaturvedi**	**Salil Chaturvedi**
Place: Mumbai	Managing Director	Dy. Managing Director
	DIN: 00004983	DIN: 00004768

ANNEXURE 1: Remuneration Policy

Preamble

The Remuneration Policy of Prozone Intu Properties Limited (the "Company") is designed to attract, motivate, improve productivity and retain manpower, by creating a congenial work environment, encouraging initiatives, personal growth and team work, and inculcating a sense of belonging and involvement, besides offering appropriate remuneration packages and superannuation benefits. The policy reflects the Company's objectives for good corporate governance as well as sustained long- term value creation for shareholders.

This Remuneration Policy applies to directors, senior management personnel including its Key Managerial Personnel (KMP) of the Company.

Principles governing the remuneration decisions

1. Support for strategic objective: Remuneration and reward frameworks and decisions shall be developed in a manner that is consistent with, supports and reinforces the achievement of the Company's vision and strategy.

2. Transparency: The process of remuneration management shall be transparent, conducted in good faith and in accordance with appropriate levels of confidentiality.

3. Flexibility: Remuneration and rewards offerings shall be sufficiently flexible to meet both the needs of individuals and those of the Company whilst complying with relevant tax and other obligations.

4. Internal equity: The Company shall remunerate the Board members and the executives in terms of their roles within the organization. Positions shall be formally evaluated to determine their relative weight in relation to other positions within the Company.

5. External equity: the company shall endeavor to pay equitable remuneration, capable of attracting and retaining high quality personnel. Therefore the Company will remain logically mindful of the ongoing need to attract and retain high quality personnel and the influence of external remuneration pressures.

6. Affordability and sustainability: the Company shall ensure that remuneration of affordable on a sustainable basis.

Procedure for selection and appointment

1. Criteria for Board Members:

The Nomination and Remuneration Committee ("the Committee'), along with the Board, will review of a annual basis, appropriate skills, characteristics and experience required by the Board as a whole and its individual member. The objective is to have a Board with diverse background and experience in business, government, academics, technology and in areas that are relevant for the company's operations.

In evaluating the sustainability of individual Board Members, the committees takes into account many factors including general understanding of the Company's business, social perspective, educational and professional background and personal achievements.

The Committee evaluates each individual with the objective of having a group that best enables the success of the Company's business. The Committee shall also identify suitable candidates in the event of a vacancy being created on the Board on account of retirement, resignation or demise of an existing Board Member. Based on the recommendations of the Committee, the Board shall evaluate the candidates and decides on the selection the appropriate member.

Criteria for evaluation of performance of Independent Directors:

1. Knowledge and skills in accounting and finance, business judgement, general management practices, crisis response and management, industry knowledge, strategic planning etc.
2. Personal characteristics matching the Company's values, such as integrity, accountability, financial literacy, and high performance standards
3. Commitment to attend a minimum of 75% of meetings which will include the attendance through audio/video conferencing.
4. Ability and willingness to represent the Stakeholders' long and short term interests
5. Awareness of the Company's responsibilities to its customers, employees, suppliers, regulatory bodies, and the communities in which it operates
6. Responsibility towards following objectives being an Independent Director
   i. Maintenance of independence and abstain himself from availing of benefits, directly or indirectly from the Company
   ii. Responsibilities of the Board as outlined in "Code for Independent Directors" as specified in Schedule IV to the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015
   iii. Accountability under the Directors' Responsibility Statement
   iv. Overseeing the maintenance of Corporate Governance standards of the Company and ethical conduct of business

DIRECTORS' REPORT...*(Continued)*

2. **Criteria for other executives:**

   a. The Committee shall actively liaise with the relevant departments of the company to understand the requirement of management personnel and produce a written document thereon.

   b. The Committee may conduct a wide ranging search for candidates for the positions of employees.

   c. The professional, academic qualifications, professional titles, detailed work experience and all concurrently held positions of the candidates shall be complied as written documents.

   d. The committee may examine the qualifications of the candidates on the basis of the conditions for appointment of the employees.

   e. The Committee may carry out other follow up tasks based on the decisions and feedback from the Board of Directors, if any.

Compensation structure

a. Compensation to non-executive directors including Independent Directors

   The non-executive directors shall be eligible for remuneration by way of payment of sitting fees only for attending the meetings of the Board of Directors and its committees. The amount of sitting shall be decided by the Board of Directors of the Company subject to the revisions from time to time within maximum permissible limit prescribed under the respective provisions of the Companies Act, 2013. Taking into account the financial positions of the Company, the Board of Directors shall be entitled to decide whether to reduce or waive the payment of sitting for a meeting or for a period specific or permanently until otherwise decided by the Board.

   Besides sitting fees, non-executive directors shall also be entitled to reimbursement of expenses incurred by them for attending the meeting of Board of Directors and its committees.

   All compensation, apart from sitting fees and reimbursement of expenses as stated above, if recommended by the Committee shall be fixed by the Board of Directors and shall require previous approval of the shareholders in general meeting, subject to the maximum limit and other compliances as prescribed under the Companies Act, 2013 and rules made there under.

   The special resolution shall specify the limits for the maximum numbers of stock options that can be granted to non-executive directors, in any financial year and in aggregate. However the independent directors shall not be entitled for any stock option.

b. Compensation to executive directors, key managerial personnel and senior management personnel

   The remuneration determined for managing directors, whole-time directors and key management personnel are subjected to the approval of Board of Directors in due compliance with the provisions of the Companies Act 2013. The remuneration of the KMP and SMP after the appointment shall be informed to the Board of Directors and subsequent increment shall be decided by the Managing Director of the Company as per the HR policy of the Company. The executive directors shall not be eligible for payment of any sitting fees.

   The Company shall formulate a credible and transparent framework in determining and accounting for the remuneration of the MD/ WTD/ KMPs and SMPs. Their remuneration shall be governed by the external competitive environment, track record, potential, individual performance and performance of the Company and well as industry standards.

Disclosure of information

Information on the total remuneration of members of the Company's Board of Directors, Whole Time Directors and KMP/ senior management personnel may be disclosed in the Company's annual financial statements as per statutory requirements.

Application and amendment to the policy

This Remuneration Policy shall continue to guide all future employment of Directors, Company's Senior Management including Key Managerial Personnel and other employees.

The Board of Directors as per the recommendations of the Committee can amend this Policy, as and when deemed fit. Any or all provisions of this Policy would be subject to revision / amendment in accordance with the rules, regulations, notifications etc. on the subject as may be issued by relevant statutory authorities, from time to time.

In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

Dissemination

The Company's Remuneration Policy shall be published on its website.

ANNEXURE 2

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2020

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

To,
The Members,
Prozone Intu Properties Limited
Mumbai.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by PROZONE INTU PROPERTIES LIMITED (hereinafter called "The Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit covering the financial year ended on 31st March, 2020, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers and minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2020, to the extent applicable provisions of:

I. The Companies Act, 2013 ("The Act") and the Rules made thereunder;

II. The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the Rules made thereunder;

III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act") to the extent applicable to the Company: -

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

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

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

   d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993

   e. The Company has complied with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

VI. The Management has identified and confirmed the applicable Acts, Laws and Regulations specifically applicable to the Company during the financial year ended 31st March 2020 as given below.

   ➢ Shop & Establishment Act, 1948;

We have also examined compliances with the applicable clauses of the following:

i. Secretarial Standards 1 and 2 issued by The Institute of Company Secretaries of India along with revised Secretarial Standards 1 and 2 as issued by The Institute of Company Secretaries of India with effect from 1st October, 2017,

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

iii. The Listing Agreement entered into with the BSE Limited & NSE Limited.

DIRECTORS' REPORT...*(Continued)*

During the year under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, and Standards as mentioned above except for:

- The company is yet to nominate an independent director from its Board to the Board of its three Material Unlisted Subsidiary Companies in compliance with Reg. 24(1) of SEBI (LODR) Regulations, 2015,

We further report that:

The Board of Directors of the Company is constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. During the year under audit there were changes in composition of the Board as follows:

a. Appointment of Mr. Umesh Kumar as Independent Director and Ms. Barbara Gibbes as Non-Executive Director w.e.f. 23rd May, 2019 and 4th July 2019 respectively.

b. Resignation of Mr. David Fischel and Ms. Barbara Gibbes, Non-Executive Directors w.e.f 3rd June, 2019 and 28th August, 2019 respectively.

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

We further report that during the audit period;

1. Certain loans given by the company prior to the commencement of the Act does not carry interest.

2. The Company has obtained shareholders' approval in the Annual General Meeting held on 30th September, 2019 for

   i] Appointment of Mr. Umesh Kumar [DIN: 01733695] as Non-Executive Independent Director for 1st term , for the period of 5 years w.e.f. 23rd May 2019 in Pursuance of Sections 149,150,152 & other applicable provisions, if any.

   ii] Re-appointment of Mr. Nikhil Chaturvedi [DIN: 00004983] as Managing Director for the period of 3 years w.e.f. 27th February,2020 by way of Special Resolution pursuant to Sections 196,197,203 read with Schedule V & other applicable provisions, if any.

   iii] Re-appointment of Mr. Salil Chaturvedi [DIN: 00004768] as Deputy Managing Director for the period of 3 years w.e.f.27th February, 2020 by way of Special Resolution pursuant to Sections 196,197,203 read with Schedule V & other applicable provisions, if any.

3 Certain properties transferred to the Company pursuant to Composite Scheme of Arrangement and Amalgamation effective from 27th February 2012, are yet to be registered in the name of the Company.

4 The Company has investments in Subsidiaries & Joint Venture Companies. During the year, the said investments were valued at Fair Value through Other Comprehensive Income [FVOCI] resulting into significant change in gains/losses on account of impact of Covid-19 & based on Valuation Report of an Independent Valuer.

For HS Associates
Company Secretaries

Hemant Shetye
Partner
FCS – 2827
COP – 1483
ICSI UDIN : F002827B000636075

Date: 31st August 2020
Place: Mumbai

Note: This report is to be read with our letter of even date which is annexed as Annexure A and forms as integral part of this report.

Annexure A

To,
The Members,
Prozone Intu Properties Limited
Mumbai.

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

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

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

We have not verified the correctness and appropriateness of financial records and Books of Accounts, and related documents of the Company.

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

The Compliance of the provisions of applicable laws, rules, regulations, standards is the responsibility of Management. Any fraud, error, misstatements arising, if any would be the responsibility of the Board and Management. Our examination was limited to the verification of procedures on test basis.

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

This Report is based on the data received from the Company partially through electronics mode as physical verification of the data & corresponding documents from the month of February 2020 could not be accessed during the course of Audit due to the ongoing nationwide lockdown on account of COVID-19 pandemic.

For HS Associates
Company Secretaries

Hemant Shetye
Partner
FCS – 2827
COP – 1483
ICSI UDIN : F002827B000636075

Date: 31st August 2020
Place: Mumbai

(Currency : Indian Rupees in Lakhs) Prozone Intu Properties Limited - Annual Report - 2020

DIRECTORS' REPORT...*(Continued)*

ANNEXURE 3

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
as on financial year ended on 31.03.2020
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I REGISTRATION & OTHER DETAILS:

i	CIN	L45200MH2007PLC174147
ii	Registration Date	14th September, 2007
iii	Name of the Company	Prozone Intu Properties Limited
iv	Category/Sub-category of the Company	Company Limited by share/ Indian Non-government Company
v	Address of the Registered office & contact details	105/ 106, Ground Floor, Dream Square, Dalia Industrial Estate, Off New Link Road, Andheri (West), Mumbai-400053. Contact No : +91-22-68239000/9001
vi	Whether listed company	Yes
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	Link Intime India Private Limited
		C-101, 247 Park, LBS Marg, Vikhroli (West), Mumbai - 400 083. Contact No : +91-22-4918 6000

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated

SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Management consultancy activities	7020	49.86%

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

Sl No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	Alliance Mall Developers Co. Pvt Ltd	U70101MH2007PTC173672	Subsidiary	61.50%	2(87)(ii)
2	Prozone Developers & Realtors Private Limited	U70100MH2011PTC221037	Subsidiary	100%	2(87)(ii)
3	Kruti Multitrade Pvt. Ltd.	U51909MH2006PTC159476	Subsidiary	100%	2(87)(ii)
4	Royal Mall Pvt Ltd.	U45202MH2007PTC174144	Subsidiary	100%	2(87)(ii)
5	Prozone Intu Developers Private Limited	U45201MH2007PTC174150	Subsidiary	100%	2(87)(ii)
6	Empire Mall Pvt Ltd	U52110MH2006PTC159594	Step Down Subsidiary	-	2(87)(i)
7	Hagwood Commercial Developers Pvt. Ltd.	U45201MH2006PTC164110	Step Down Subsidiary	-	2(87)(ii)
8	Omni Infrastructure Pvt. Ltd.	U45202MP2007PTC019196	Step Down Subsidiary	-	2(87)(ii)

Prozone Intu Properties Limited - Annual Report - 2020 (Currency : Indian Rupees in Lakhs)

DIRECTORS' REPORT...*(Continued)*

Sl No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
9	Prozone Liberty International Ltd.	Not Applicable	Foreign Subsidiary	100%	2(87)(ii)
10	Moontown Trading Company Pvt Ltd	U51900MH2005PTC157787	Associate Company	25%	2(6)
11	Emerald Buildhome Pvt. Ltd.	U45201RJ2006PTC023431	Associate Company	50%	2(6)

IV. SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	8,66,971	0	8,66,971	0.57%	1,42,984	0	1,42,984	0.09%	-0.47%
b) Central Govt.or State Govt.	0	0	0	0	0	0	0	0	0
c) Bodies Corporates	2,50,000	0	2,50,000	0.16%	2,37,000	0	2,37,000	0.16%	0.00
d) Bank/FI	0	0	0	0	0	0	0	0	0
e) Any other	4,60,17,183	0	4,60,17,183	30.15%	4,60,17,183	0	4,60,17,183	30.15%	0.00%
SUB TOTAL:(A) (1)	**4,71,34,154**	**0**	**4,71,34,154**	**30.89%**	**4,63,97,167**	**0**	**4,63,97,167**	**30.40%**	**-0.48%**
(2) Foreign									
a) NRI- Individuals	0	0	0	0	0	0	0	0	0.00
b) Other Individuals	0	0	0	0	0	0	0	0	0.00
c) Bodies Corp.	0	0	0	0	0	0	0	0	0.00
d) Banks/FI	0	0	0	0	0	0	0	0	0.00
e) Any other…	0	0	0	0	0	0	0	0	0.00
SUB TOTAL (A) (2)	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0.00**
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	**4,71,34,154**	**0**	**4,71,34,154**	**30.89%**	**4,63,97,167**	**0**	**4,63,97,167**	**30.40%**	**-0.48%**
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	0	0	0	0.00%	0	0	0	0.00%	0.00%
b) Banks/FI	2,98,332	0	2,98,332	0.20%	1,74,904	0	1,74,904	0.11%	-0.08%
C) Central govt	0	0	0	0.00%	0	0	0	0.00%	0.00%
d) State Govt.	0	0	0	0.00%	0	0	0	0.00%	0.00%
e) Venture Capital Fund	0	0	0	0.00%	0	0	0	0.00%	0.00%
f) Insurance Companies	0	0	0	0.00%	0	0	0	0.00%	0.00%
g) FIIs/FPI	1,17,13,548	0	1,17,13,548	7.68%	1,16,98,548	0	1,16,98,548	7.67%	-0.01%
h) Foreign Venture									
Capital Funds	0	0	0	0.00%	0	0	0	0.00%	0.00%
i) Others (specify)	0	0	0	0.00%	0	0	0	0.00%	0.00%

DIRECTORS' REPORT...*(Continued)*

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
SUB TOTAL (B)(1):	**1,20,11,880**	**0**	**1,20,11,880**	**7.87%**	**1,18,73,452**	**0**	**1,18,73,452**	**7.78%**	**-0.09%**
(2) Non Institutions									
a) Bodies corporates									
i) Indian	70,95,600	0	70,95,600	4.65%	64,07,010	0	64,07,010	4.20%	-0.45%
ii) Overseas	0	0	0	0	0	0	0	0	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.2 lakhs	1,93,56,243	11,267	1,93,67,510	12.69%	2,09,07,149	64,142	2,09,71,291	13.74%	1.05%
ii) Individuals shareholders holding nominal share capital in excess of Rs. 2 lakhs	1,76,10,414	52,875	1,76,63,289	11.57%	1,82,12,414		1,82,12,414	11.93%	0.36%
c) Others									
Hindu Undivided Family	24,93,260	0	24,93,260	1.63%	23,12,970	0	23,12,970	1.52%	-0.12%
Foreign Companies	4,39,95,788	0	4,39,95,788	28.83%	4,39,95,788	0	4,39,95,788	28.83%	0.00%
Foreign Nationals	0	0	0	0.00%	0	0	0	0.00%	0.00%
Non Resident Indians (Non Repat)	2,46,223	0	2,46,223	0.16%	3,09,601	0	3,09,601	0.20%	0.04%
Non Resident Indians (Repat)	19,20,930	0	19,20,930	1.26%	19,42,794	0	19,42,794	1.27%	0.01%
Clearing Member	6,63,748	0	6,63,748	0.43%	1,13,788	0	1,13,788	0.07%	-0.36%
NBFCs registered with RBI	10,501	0	10,501	0.01%	66,608	0	66,608	0.04%	0.04%
SUB TOTAL (B)(2):	**9,33,92,707**	**64,142**	**9,34,56,849**	**61.24%**	**9,42,68,122**	**64,142**	**9,43,32,264**	**61.82%**	**0.57%**
Total Public Shareholding									
(B)= (B)(1)+(B)(2)	**10,54,04,587**	**64,142**	**10,54,68,729**	**69.11%**	**10,61,41,574**	**64,142**	**10,62,05,716**	**69.60%**	**0.48%**
C. Shares held by Custodian for GDRs & ADRs	**0**	**0**	**0**	**0.00%**	**0**	**0**	**0**	**0.00%**	**0.00%**
Grand Total (A+B+C)	**15,25,38,741**	**64,142**	**15,26,02,883**	**100.00%**	**15,25,38,741**	**64,142**	**15,26,02,883**	**100.00%**	**0.00%**

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DIRECTORS' REPORT...*(Continued)*

(ii) SHARE HOLDING OF PROMOTERS

Sl No.	Shareholders Name	Shareholding at the beginning of the year (01.04.2019]			Shareholding at the end of the year (31.03.2020)			% change in share holding during the year
		No of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	Nikhil Chaturvedi Family Trust	1,40,50,955	9.21%	0.00	1,40,50,955	9.21%	0.00	0.00%
2	Salil Chaturvedi Family Trust	1,37,32,991	9.00%	0.00	1,37,32,991	9.00%	0.00	0.00%
3	Rakesh Rawat Family Trust	41,11,750	2.69%	0.00	41,11,750	2.69%	0.00	0.00%
4	Deep Gupta Family Trust	70,61,173	4.63%	0.00	70,61,143	4.63%	0.00	0.00%
5	Nigam Patel Family Trust	2,783	0.00%	0.00	2,783	0.00%	0.00	-0.03%
6	Akhil Chaturvedi Family Trust	26,96,720	1.77%	0.00	23,90,068	1.57%	0.00	-0.20%
7	Mr. Nikhil Chaturvedi And Mrs. Shital Chaturvedi	5,000	0.00%	0.00	5,000	0.00%	0.00	0.00%
8	Ms. Anisha Chaturvedi	5,83,560	0.38%	0.00	1,66,225	0.11%	0.00	-0.27%
9	Ms. Veena Gupta	70,005	0.05%	0.00	70,005	0.05%	0.00	0.00%
10	Ms.Vandana Vaidh	1,620	0.00%	0.00	1,620	0.00%	0.00	0.00%
11	Mr. Ghanshyam Rawat	20,000	0.01%	0.00	20,000	0.01%	0.00	0.00%
12	Ms. Pushplata Rawat	36,501	0.02%	0.00	36,501	0.02%	0.00	0.00%
13	Ms. Bala Chhabra	0	0.00%	0.00	0	0.00%	0.00	-0.02%
14	Mr. Sushant Chhabra	0	0.00%	0.00	0	0.00%	0.00	-0.04%
15	Mr.Virendra Chhabra	0	0.00%	0.00	0	0.00%	0.00	-0.26%
16	Ms. Ruchi Chhabra	1,34,600	0.09%	0.00	1,34,600	0.09%	0.00	0.09%
17	Meerut Festival City LLP	43,60,841	2.86%	0.00	43,60,841	2.86%	0.00	0.00%
18	Provogue (India) Limited	2,50,000	0.16%	0.00	2,37,000	0.16%	0.00	-0.01%
19	Ms. Santosh Subhash Gupta	10,000	0.01%	0.00	10,000	0.01%	0.00	0.00%
20	Mr. Subhash Gupta	5,685	0.00%	0.00	5,685	0.00%	0.00	0.00%
	Total	**4,71,34,154**	**30.89%**	**0.00**	**4,63,97,167**	**30.40%**	**0.00**	**-0.74%**

Note : Folios of Promoters in some cases have been clubbed on PAN basis

(Currency : Indian Rupees in Lakhs) Prozone Intu Properties Limited - Annual Report - 2020

DIRECTORS' REPORT...*(Continued)*

(iii) CHANGE IN PROMOTERS' SHAREHOLDING

Sl. No.	Particulars	Shareholding during the year		Cumulative Share holding		Reason
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company	
1	**Akhil Chaturvedi Family Trust**					
	At the beginning of the year	26,96,720	1.77%	26,96,720	1.77%	
	June 2019	(28,400)	(0.00%)	26,68,320	1.75%	
	August 2019	(9,134)	(0.00%)	26,59,186	1.74%	
	September 2019	(1,14,380)	(0.07%)	25,44,806	1.67%	
	November 2019	(33,548)	(0.02%)	25,11,258	1.65%	NA
	December 2019	(85,422)	(0.06%)	24,25,836	1.59%	
	February 2020	(16,010)	(0.00%)	24,09,826	1.58%	
	March 2020	(19,758)	(0.01%)	23,90,068	1.57%	
	At the end of the year	-	-	23,90,068	1.57%	
2	**Anisha Chaturvedi**					
	At the beginning of the year	5,83,560	0.38%	5,83,560	0.38%	NA
	November 2019	(1,96,953)	(0.13%)	3,86,607	0.25%	
	December 2019	(2,20,382)	(0.14%)	1,66,225	0.11%	
	At the end of the year	-		1,66,225	0.11%	
3	**Provogue (India) Limited**					
	At the beginning of the year	2,50,000	0.16%	2,50,000	0.16%	
	February 2020	(13,000)	0.00%	2,37,000	0.16%	NA
	At the end of the year	-		2,37,000	0.16%	

Note : There is no change in the Shareholding of remaining Promoter & Promoter Group

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DIRECTORS' REPORT...*(Continued)*

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)

Sl. No.	Top 10 Shareholders	Shareholding during the year		Cumulative Shareholding	
		No.of shares	% of total shares of the company	No of shares	% of total shares of the company
1	Nailsfield Limited	4,39,95,788	28.83%	4,39,95,788	28.83%
2	Intu India (Portfolio) Limited	54,15,000	3.55%	54,15,000	3.55%
3	Rakesh Jhunjhunwala	31,50,000	2.06%	31,50,000	2.06%
4	Aditya S Chandak	27,12,380	1.78%	27,12,380	1.78%
5	Unique States Development Company Limited	24,89,600	1.63%	24,89,600	1.63%
6	Rajesh R Narang	23,19,160	1.52%	23,19,160	1.52%
7	Acacia Partners, LP	22,43,375	1.47%	22,43,375	1.47%
8	Radhakishan Damani	19,25,000	1.26%	19,25,000	1.26%
	At the beginning of the year	0	0.00%	0	0.00%
	October 2019	1,58,629	0.10%	1,58,629	0.10%
	November 2019	5,76,371	0.33%	7,35,000	0.48%
	December 2019	6,28,179	0.41%	13,63,179	0.89%
	January 2020	60,262	0.04%	14,23,441	0.93%
	February 2020	3,45,998	0.23%	17,69,439	1.16%
	March 2020	1,55,561	0.10%	19,25,000	1.26%
	At the end of the year	-	-	19,25,000	1.26%
9	Fairprice Traders (India) Pvt Ltd	15,25,195	1.00%	15,25,195	1.00%
10	Cavendish Asset Management Ltd	13,19,007	0.86%	13,19,007	0.86%
11	Gopikishan Shivkishan Damani	12,67,625	0.83%	12,67,625	0.83%

Note:Folios of top 10 shareholders in some cases have been clubbed on PAN basis.

(v) Shareholding of Directors & KMP

Sl. No	For Each of the Directors & KMP	Shareholding during the year		Cumulative Shareholding		Reason
		No.of shares	% of total shares of the company	No of shares	% of total shares of the company	
1	Nikhil Chaturvedi, Director jointly with his wife					
	At the beginning of the year	5,000	0.00%	5,000	0.00%	NA
	At the end of the year	5,000	0.00%	5,000	0.00%	NA

Note: Except above none of the Other Directors and KMP's hold any shares in the Company as on 31.03.2019

DIRECTORS' REPORT...*(Continued)*

V. INDEBTEDNESS

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

(₹ in Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtness at the beginning of the financial year				
i) Principal Amount	43.39	1,729.49	-	1,772.88
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**43.39**	**1,729.49**	**-**	**1,772.88**
Change in Indebtedness during the financial year				
Additions	-	-	-	-
Reduction	30.66	-	-	30.66
Net Change	**(30.66)**	**-**	**-**	**(30.66)**
Indebtedness at the end of the financial year				
i) Principal Amount	12.73	1,729.49	-	1,742.22
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**12.73**	**1,729.49**	**-**	**1,742.22**

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A Remuneration to Managing Director, Whole time director and/or Manager:

(₹ in Lakhs)

Sl. No	Particulars of Remuneration	Name of the MD/WTD/Manager		Total Amount
		Mr. Nikhil Chaturvedi, Managing Director	Mr. Salil Chaturvedi, Dy. Managing Director	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	144.00	90.00	234.00
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-
2	Stock option	-	-	-
3	Sweat Equity	-	-	-
	Commission	-	-	-
4	as % of profit	-	-	-
	others (specify)	-	-	-
5	Others - Non Taxable allowances	36.00	30.00	66.00
	Total (A)	180.00	120.00	300.00
	Ceiling as per the Act			

DIRECTORS' REPORT...*(Continued)*

B Remuneration to other directors:

(₹ in Lakhs)

SN	Particulars of Remuneration	Name of the Directors			Total Amount
		Punit Goenka	Deepa Misra Harris	Umesh Kumar	
1	Independent Directors				
	(a) Fee for attending board committee meetings	1.20	1.80	1.80	4.80
	(b) Commission	-	-	-	-
	(c) Others, please specify	-	-	-	-
	Total (1)	1.20	1.80	1.80	4.80
2	Other Non Executive Directors				
	(a) Fee for attending board committee meetings	-	-		-
	(b) Commission	-	-		-
	(c) Others, please specify.	-	-		-
	Total (2)	**-**	**-**		**-**
	Total (B)=(1+2)	1.20	1.80	1.80	4.80
	Total Managerial Remuneration	-	-	-	-
	Overall Ceiling as per the Act.	Within the prescribed limits			

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

(₹ in Lakhs)

Sl. No	Particulars of Remuneration	Key Managerial Personnel		Total
		CFO	Company Secretary	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	29.62	23.88	53.50
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	as % of profit	-	-	-
	others, specify	-	-	-
5	Others, please specify	9.38	6.36	15.74
	Total	**39.00**	**30.24**	**69.24**

DIRECTORS' REPORT...*(Continued)*

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/ NCLT/Court)	Appeal made if any (give details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

No penalty or punishments was imposed or levied on the Company, its Directors or other officers due to any default/non compliance made by the Company under the provisions of the Companies Act during the current financial year

For and on behalf of Board of Director

Date: 31st August 2020
Place: Mumbai

Nikhil Chaturvedi
Managing Director
DIN: 00004983

Salil Chaturvedi
Dy. Managing Director
DIN: 00004768

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DIRECTORS' REPORT...*(Continued)*

ANNEXURE – 4

FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

SN	Name (s) of the related party & nature of relationship	Nature of contracts/ arrangements/ transaction	Duration of the contracts/ arrangements/ transaction	Salient terms of the contracts or arrangements or transaction including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in General meeting as required under first proviso to section 188
Not Applicable								

2. Details of material contracts or arrangements or transactions at Arm's length basis.

SN	Name (s) of the related party & nature of relationship	Nature of relationship	Nature of contracts/ arrangements/ transaction	Duration of the contracts/ arrangements/ transaction	Salient terms of the contracts or arrangements or transaction including the value, if any	Date of approval by the Board	Amount paid as advances, if any
- Not Applicable -							

Note 1 : For this purpose, a transaction with related party is considered material if the value of transaction(s) taken together during financial year exceeds 10% of annual consolidated turnover of the Company as per latest audited financial statement.

Note 2 : All related party transactions are being carried out within limit already approved by members of the Company, wherever applicable.

For and on behalf of Board of Director

Date: 31st August 2020	**Nikhil Chaturvedi**	**Salil Chaturvedi**
Place: Mumbai	Managing Director	Dy. Managing Director
	DIN: 00004983	DIN: 00004768

(Currency : Indian Rupees in Lakhs)

DIRECTORS' REPORT...*(Continued)*

ANNEXURE 5

PROZONE INTU PROPERTIES LIMITED

Statement of particulars of employees pursuant to the provisions of Section 197 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration) Rules 2014 and forming part of Directors' Report for the year ended 31st March 2020

A. Top 10 employees in term of remuneration drawn

Sr. No.	Name of Employee	Age	Designation	Qualification	Experience (In years)	Gross Remuneration (In Rs.)	Date of commencement of employment	Last Employment		% of Equity Shares held by employee in the Company	Relation with Director/ Manager of the Company
								Name of Employer	Position held		
1	Mr. Nikhil Chaturvedi	50	Director	B. Com	24+	1,80,00,000	27.02.2012	Prozone Enterprises Pvt. Ltd	Managing Director	5000 (0.003%)	Brother of Salil Chaturvedi
2	Mr. Bipin Gurnani	49	President	Associate Degree in Management	25+	1,26,80,004	01.04.2008	Pyramid Retail	Chief Executive Officer	NIL	-
3	Mr. Salil Chaturvedi	48	Director	B.Sc	19+	1,20,00,000	27.02.2012	Prozone Enterprises Pvt. Ltd	Dy. Managing Director	NIL	Brother of Nikhil Chaturvedi
4	Mr. Anurag Garg	45	Chief Financial Officer	C.A.	20+	42,00,000	21.04.2014	Future Consumer Enterprise Limited	Finance Controller	NIL	-
5	Mr. Ajayendra Jain	45	CS & Chief Compliance Officer	CS, LLB, MBA	20+	30,24,000	01.12.2015	Provogue India Limited	CS & Compliance Officer	NIL	-
6	Mr. Sudhanshu Chaturvedi	56	Vice President Operations	M.Com	20+	28,87,200	01.12.2010	Indian Army	Lt. Colonel	NIL	-
7	Ms. Shakuntala S. Shetty	42	A.G.M Accounts & Taxation	B.Com	15+	20,00,004	01.10.2011	Provogue India Limited	Senior Executive - Taxation		-
8	Mr. Pratik Shah	38	Assistant General Manager HR & Admin	MBA - HR	10+	13,20,000	15.11.2014	RNA Corp	Manager - HR & Admin	NIL	-
9	Ms. Anica Chaturvedi	27	Head - Marketing	MBA - Mgt Studies	-	12,00,000	14.02.2017	-	-	NIL	-
10	Ms. Akanksha Chaturvedi	23	Executive – Projects and Operations	MBA	-	12,00,000	16.02.2019	-	-	NIL	Daughter of Nikhil Chaturvedi

DIRECTORS' REPORT...*(Continued)*

B Employed throughout the financial year under review and were in receipt of gross remuneration for the financial year in aggregate of not less than Rs. 1.02 crore per annum.

Sr. No.	Name of Employee	Age	Designation	Qualification	Experience (In years)	Gross Remuneration (In Rs.)	Date of commencement of employment	Last Employment		% of Equity Shares held by employee in the Company	Relation with Director/ Manager of the Company
								Name of Employer	Position held		
1	Mr. Nikhil Chaturvedi	50	Managing Director	B. Com	24+	1,50,00,000	27.02.2017	Prozone Enterprises Pvt. Ltd	Managing Director	5000 (0.003%)	Brother of Salil Chaturvedi
2	Mr. Bipin Gurnani	49	President	Associate Degree in Management	25+	1,26,80,004	01.04.2008	Pyramid Retail	Chief Executive Officer	NIL	-
3	Mr. Salil Chaturvedi	48	Director	B.Sc	19+	1,20,00,000	27.02.2012	Prozone Enterprises Pvt. Ltd	Dy. Managing Director	NIL	Brother of Nikhil Chaturvedi

C Employed for the part of financial year and were in receipt of average gross remuneration not less than Rs. 8.5 lakhs per month

Sr. No.	Name of Employee	Age	Designation	Qualification & Experience	Experience (In years)	Gross Remuneration (In Rs.)	Date of commencement of employment	Last Employment		% of Equity Shares held by employee in the Company	Relation with Director/ Manager of the Company
								Name of Employer	Position held		
Not Applicable											

Notes:
1 Other terms and conditions as per Company's rules/ schemes and terms of individual appointment letter.
2 Detail required to be given under rule 5(2) (iii) of Chapter XIII, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is not applicable

For and on behalf of Board of Director

Date: 31st August 2020
Place: Mumbai

Nikhil Chaturvedi
Managing Director
DIN: 00004983

Salil Chaturvedi
Dy. Managing Director
DIN: 00004768

(Currency : Indian Rupees in Lakhs) Prozone Intu Properties Limited - Annual Report - 2020

DIRECTORS' REPORT...*(Continued)*

ANNEXURE 6

PARTICULARS OF EMPLOYEES AND RELATED DETAILS

(Pursuant to section 197(2) of the Companies Act, 2013 read with Rules 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

The ratio of the remuneration of each director to the median employee's remuneration and other details in terms of sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

No.	Requirements	Disclosures	
1	The ratio of remuneration of each Director to the Median remuneration of employees for the financial year	Mr. Nikhil Chaturvedi, MD	15 : 1
		Mr. Salil Chaturvedi, Dy. MD	10: 1
		Mr. Punit Goenka, ID	Nil
		Ms. Deepa Misra Harris. ID	Nil
		Mr. Umesh Kumar, ID	Nil
		Mr. Dushyant Singh Sangar, NED	Nil
2	Percentage increase in Remuneration of each director, CFO, CEO, CS in the Financial Year	Mr. Nikhil Chaturvedi, MD	0%
		Mr. Salil Chaturvedi, Dy. MD	0%
		Mr. Anurag Garg, CFO	0%
		Mr. Ajayendra P Jain, CS	0%
3	The Percentage increase in the median remuneration of employees in the financial year	No change	
4	The Number of permanent employees on the rolls of the Company	There were 17 employees as on 31st March 2020	
5	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	For managerial personnel : No change For employees Other than managerial personnel : Decrease of 6.31%	
6	Affirmation that the remuneration is as per the remuneration policy of the Company	It is confirmed that the remuneration is paid as per the remuneration policy of the Company.	

For and on behalf of Board of Director

Date: 31st August 2020
Place: Mumbai

Nikhil Chaturvedi
Managing Director
DIN: 00004983

Salil Chaturvedi
Dy. Managing Director
DIN: 00004768

DIRECTORS' REPORT...*(Continued)*

Annexure-7

Corporate Social Responsibility (CSR)

[Pursuant to clause (o) of sub-section (3) of section 134 of the Companies Act, 2013 read with Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

1	A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.	The Corporate Social Responsibility Policy ("Policy") of the Company is in line with the provisions of Section 135 of the Companies Act 2013 ("Act") read with Schedule VII to the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014. The Policy lays down the guiding principles that shall be applicable to the CSR projects/programme/activities of the Company. The Board of Directors approved this Policy, on the basis of the recommendations of the CSR Committee. The summary of the CSR policy is available at www.prozoneintu.com
2	The Composition of the CSR Committee.	The CSR Committee consists of following members:
		a. Mr. Nikhil Chaturvedi, Chairman
		b. Ms. Deepa Misra Harris, Member
		c. Mr. Salil Chaturvedi, Member
3	Average net profit of the Company for last three financial year	Rs. 256.66 lacs
4	Prescribed CSR Expenditure (2% of the amount as in item 3 above)	Rs. 5.13 lacs
5	Details of CSR spent during the financial year.	
	a Total amount to be spent for the financial year	Rs. 23.92 Lacs (including gross profit amount of Rs. 18.79 lacs of previous years.)
	b Amount unspent, if any	Rs. 23.92 lacs
	c Manner in which the amount spent during the financial year	
	CSR project or activity identified	Not applicable
	Sector in which the project is covered	Not applicable
	Projects or programs	Not applicable
	(1) Local area or other	
	(2) Specify the State and district where projects or programs was undertaken	
	Amount outlay (budget) project or Programs wise	Not applicable
	Amount spent on the projects or programs Sub - heads:	Not applicable
	(1) Direct expenditure on projects or programs	
	(2) Overheads	
	Cumulative expenditure upto the reporting period	INR 10.67 Lac
	Amount spent: Directly or through (give details of implementing agency)	Implementing agency- Saat Saath Arts.
6	In case company has failed to spend the two percent of the average net profit of the last three financial years or ant part thereof, the company shall provide the reasons for not spending the amount in Board report.	Though the company made its best efforts to spend the amount as per recommendation of CSR Committee, but Company is still under process of evaluating the projects to be undertaken, thus proposed amount could not be spent.
7	A responsibility statement of the CSR Committee that the implementation and monitoring of CSR policy is in compliance with CSR Objectives and policy of the Company	The implementation and monitoring of CSR policy is in compliance with CSR Objectives and policy of the Company.

For and on behalf of Board of Director

Nikhil Chaturvedi
Managing Director
DIN: 00004983

Salil Chaturvedi
Dy. Managing Director
DIN: 00004768

Date: 31st August 2020
Place: Mumbai

(Currency : Indian Rupees in Lakhs)

CORPORATE GOVERNANCE REPORT

The Board present the Company's Report on Corporate Governance for the year ended 31st March 2020, in terms of Regulation 34(3) read with schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulation").

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

The Company recognizes that good Corporate Governance is a continuing exercise and reiterates its commitment to achieve highest standards of Corporate Governance in the overall interest of all the stakeholders. One of the core missions of the Company is to achieve excellence in all spheres, be it profitability, growth in market share, superior quality of services to the satisfaction of the stakeholders through an efficient and effective code of governance. Company believes that sound Corporate Governance is critical to enhance and retain investors trust and faith in the Company.

The Corporate Governance Report of the Company for the year ended 31st March 2020 is as follows:

2. BOARD OF DIRECTORS:

a. Composition of the Board and Category of Director:

The Company has a judicious mix of Executive, Non- Executive and Independent Directors to ensure proper governance and management. As on 31st March 2020 the Board comprised of six Directors of which, two Executive Directors, One Non-executive Director and three Independent Directors including one woman director. Further Mr. Punit Goenka, an Independent Director heading the Board as Chairman. As on 31st March 2020, the Independent Directors of the Company, have confirmed that they satisfy the criteria of independence as prescribed under Reg. 16 (1) (b) of SEBI (LODR) Regulations 2015 and Companies Act, 2013.

The Board meets at regular intervals to discuss and decide on business strategies/policies and review the financial performance of the Company and its subsidiaries. In case of business exigencies, the Board's approval is taken through circular resolutions.

The notice and detailed agenda along with the relevant notes and other material information are sent in advance separately to each Director and in exceptional cases tabled at the Meeting with the approval of the Board. This ensures timely and informed decisions by the Board. The Board reviews the performance of the Company vis-à-vis the budgets/targets

.

During the financial year 2019-20, the Board met four times. The meetings were held on 29th May 2019, 12th August 2019, 13th November 2019 and 14th February 2020 and the intervening gap between two meetings did not exceed one hundred twenty days between any two consecutive meeting.

The constitution of Board of Directors as on 31st March 2020, details of meeting attended by Directors and their directorship in Indian public Companies and membership in Committees are as under:

Name of the Director	Category[1]	No. of Board Meetings attended	Last AGM Attended	No. of Directorships and Committee Memberships and Chairmanships (including the Company)[2]		
				Directorship[3]	Committee	
					Chairmanship[4]	Membership[4]
Mr. Punit Goenka	C & ID	3	NO	5[7]	-	3
Mr. Umesh Kumar	ID	4	YES	1		
Ms. Deepa Misra Harris	ID	4	NO	5[8]	1	1
Mr. Nikhil Chaturvedi	MD	4	Yes	2[9]	-	1
Mr. Salil Chaturvedi	Dy. MD	4	Yes	4[10]	1	2
Mr. Dushyant Singh Sangar	NED	2	No	1	-	-

Leave of absence was granted to the concerned Directors who had expressed their inability to attend the respective meetings

1. *In above table the term 'C&ID' refers to Chairperson & Independent Director, 'MD' refers to Managing Director, 'ID' refers to Independent Director, 'Dy. MD' refers to Deputy Managing Director; 'NED' refers to Non- executive Director.*
2. *None of the Directors is a member of more than 10 Board level Committees of Public Companies in which they are Directors nor is Chairman of more than 5 such Committees.*
3. *Only Directorships in Indian Public Limited Companies (listed or unlisted) have been considered.*
4. *In accordance with Reg. 26 of SEBI (LODR) Regulations, 2015, Membership / Chairmanship only in Audit Committees and Stakeholders Relationship Committees of all Public Limited Companies, have been considered.*
5. *Except Mr. Nikhil Chaturvedi, Managing Director and Mr. Salil Chaturvedi, Dy. Managing Director, no other Directors are related to each other.*
6. *No Shares of the Company are being held by any Non-Executive Director as on 31st March 2020.*
7. *Mr. Punit Goenka's number of Directorship includes three listed Companies viz; Prozone Intu Properties Limited, Zee Entertain*ment Enterprises Limited and Zee Media Corporation Limited holding position as Chairman and Independent Director, Managing Director and CEO and Additional Director respectively and two other unlisted public companies.
8. *Ms. Deepa Harris's number of Directorship includes Five listed Company namely, Jubilant Foodworks Limited, PVR Limited, TCPL Packaging Limited, ADF Foods Limited and Prozone Intu Properties Limited holding position as Independent Director*

Prozone Intu Properties Limited - Annual Report - 2020 (Currency : Indian Rupees in Lakhs)

CORPORATE GOVERNANCE REPORT...*(Continued)*

9. *Mr. Nikhil Chaturvedi's number of Directorship includes two listed Companies viz; Prozone Intu Properties Limited and Provogue (India) Limited holding position as Managing Director and Managing Director respectively.*
10. *Mr. Salil Chaturvedi's number of Directorship includes two listed Companies viz; Prozone Intu Properties Limited and Provogue (India) Limited holding position as Dy. Managing Director and Non Executive Director respectively.*

b. Independent Director:

In opinion of the Board, the Independent Directors fulfills the conditions of independence specified in Section 149 and Schedule IV of the Companies Act, 2013 and Regulation 16 (1) (b) of the Listing Regulation and are independent of the management. A formal letter of appointment to Independent Director as provided in Companies Act, 2013 and the Listing Regulation has been issued on their appointment.

c. Meetings of Independent Directors:

During the year 2019-20 a separate meeting of Independent Director was not held. Due to rapid spread of Corona Virus (COVID-19) in the Country and considering the need of temporary relaxations in Compliance requirements, Ms. Nirmala Sitharaman, Minister of Finance & Corporate Affairs, in an address made to the nation on March 24, 2020 announced certain reliefs on various compliances (especially related to FY 2019-20) which includes:

"the exemption from convening of an Independent Directors meeting during the financial year 2019-20; which implies that if Independent Directors of the company have not been able to hold even one meeting during the financial year 2019-20, the same shall not be viewed as a violation."

d. Familiarization Programme for Independent Directors:

At the time of appointing an Independent Director, a formal letter of appointment is given to him/her, which inter alia explains the role, function, duties and responsibilities to be performed by him/her as a Director of the Company. He also explained in detail the Compliance required from him/her under Companies Act, 2013, Listing Regulation and other various statutes and an affirmation is obtained. Further, on an ongoing basis as a part of Agenda of Board / Committee Meetings, presentations by internal auditors on financials and internal financial controls, are regularly made to the Independent Directors on various matters inter-alia covering the Company's and its subsidiaries/associates businesses and role, rights, responsibilities of the Independent Directors under various statutes and other relevant matters.

The details of Familiarization Programmes imparted to Independent Directors, have been hosted on website of the Company. Link: http://www.prozoneintu.com/files/upload/details-of-familiarization-programme-for-IDs.pdf

e. Payment of compensation to Non-Executive directors:

The Board of Directors in its meeting held on 13th February 2019 decided to pay a sitting fee of Rs. 30,000/- to the Independent Directors for attending every meeting of the Board and Audit Committee with effect from i.e. 13th February 2019.

f. Chart or matrix setting out skills/expertise/competence of the Board of Directors

A matrix setting out the core skills/ expertise/ competence as required in the context of the business or sector for the Company to function effectively in comparison with core skills/ expertise/ competence actually available with the Board of Directors of the Company as on March 31, 2020 are stated hereunder:

SN	List of core skills/ expertise/ competence	Mr Nikhil Chaturvedi	Mr Salil Chaturvedi	Mr Punit Goenka	Mr Umesh Kumar	Ms Deepa Misra Harris	Mr Dushyant Singh Sangar
1	Industry experience and Knowledge	√	√	√		√	√
2	Sales and Marketing Functions	√	√			√	√
3	Management of Business Operations	√	√	√			√
4	Business Development and Strategy Formation	√	√	√	√	√	√

(Currency : Indian Rupees in Lakhs)

CORPORATE GOVERNANCE REPORT...*(Continued)*

SN	List of core skills/ expertise/ competence	Mr Nikhil Chaturvedi	Mr Salil Chaturvedi	Mr Punit Goenka	Mr Umesh Kumar	Ms Deepa Misra Harris	Mr Dushyant Singh Sangar
5	Finance and Accounting	√		√	√	√	
6	Risk and compliance oversight	√	√	√	√	√	
7	Corporate Governance	√	√	√	√	√	√
8	Human Resource & Information Technology	√	√				

COMMITTEES OF THE BOARD:

The Board of Directors has constituted Committees to deal with specific areas and activities which concern the Company and requires a closer review. The Committees are formed with approval of the Board and functions under in accordance with powers it derived from the Board. These Committees play an important role in the overall management of day to-day affairs and governance of the Company. The Committees meet at regular intervals and take necessary steps to perform its duties entrusted by the Board. The Minutes of the Committee Meetings are placed before the Board for noting.

The Board currently has the following Committees:

3. Audit Committee:

The Audit Committee acts as a link between the Independent Auditors, Internal Auditors, the Management and the Board of Directors and entrusted with the responsibility to supervise the Company's internal controls and financial reporting process. The Audit committee interacts with the Internal Auditors, Statutory Auditors and reviews and recommends their appointment and remuneration. The Audit Committee is provided with all necessary assistance and information for enabling them to carry out its function effectively.

The Committee's composition meets the requirements of Section 177 of the Companies Act, 2013 and Reg. 18 of SEBI (LODR) Regulations 2015. Members of the Audit Committee possess financial / accounting expertise / exposure/ qualifications.

a. Term of Reference:

The term of reference of Audit Committee includes oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible, recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity, reviewing, with the management, the financial statements before submission to the board for approval; reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process, scrutiny of related party transactions and inter-corporate loans and investments, reviewing the adequacy of internal audit function, reporting structure, coverage and frequency of internal audit; reviewing with the management, the annual financial statements and auditor's report thereon before the same are forwarded to the board for approval, with primary focus on;

- Matters required to be included in the director's responsibility statement, to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013,
- Changes, if any, in accounting policies and practices and reasons for the same,
- Significant adjustments made in the financial statements arising out of audit findings,
- Disclosure of any related party transactions,
- Modified opinion(s) in the draft audit report.

b. Composition:

Presently, the Committee comprises of three Independent Directors namely Mr. Punit Goenka, Mr. Umesh Kumar and Ms. Deepa Harris, and one executive director Mr. Salil Chaturvedi, Dy. Managing Director of the Company. As on 31st March 2020, Mr. Umesh Kumar, Independent Director of the Company, heads the Audit Committee as Chairperson and Mr. Ajayendra P. Jain, Company Secretary acts as Secretary. The members of the Committee are well versed in finance, accounts, company law and general business practices.

c. Meetings and attendance of the Audit Committee:

Audit Committee met four times during the financial year 2019-20 on 29th May 2019, 12th August 2019, 13th November 2019 and 14th February 2020. The gap between

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CORPORATE GOVERNANCE REPORT...*(Continued)*

two Audit committee meetings was not more one hundred and twenty days between any two consecutive meetings.

The audit committee meetings are also generally attended by Managing Director, Dy. Managing Director, Chief Financial Officer and the representatives of Statutory and Internal Auditors. The minutes of every meeting of Audit Committee were discussed and taken note by the Board of Directors in subsequent meeting.

The details of attendance of the members in meetings are as follows:

Name of the Member	Category[1]	Position	Audit Committee Meetings	
			Held	Attended
Mr. Umesh Kumar	ID	Chairman	4	4
Ms. Deepa Harris	ID	Member	4	4
Mr. Punit Goenka	ID	Member	4	3
Mr. Salil Chaturvedi	Dy. MD	Member	4	4

1. In above table 'ID' refers to Independent Director and 'Dy. MD' refers to Deputy Managing Director.

The Audit Committee exercises all powers, performs such functions and reviews information as prescribed in Section 177 of the Companies Act, 2013 and Reg. 18(3) of SEBI (LODR) Regulations 2015 read with Part C of Schedule II to the Regulation.

Composition of the Committee is available on Company's website i.e. www.prozoneintu.com

4. Nomination and Remuneration Committee:

a. Term of Reference:

The Board had constituted the Nomination & Remuneration Committee which ensures effective compliances as mentioned in section 178 of the Companies Act, 2013 and Reg. 19 of SEBI (LODR) Regulations, 2015. The Board has defined terms of reference for the Nomination & Remuneration Committee, are as follows:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of performance of independent directors and the board of directors;
- Devising a policy on diversity of Board of Directors;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

b. Composition:

The Committee as on 31st March 2020 comprised of Mrs. Deepa Misra Harris Independent Director as Chairperson and Mr. Punit Goenka, Independent Director and Mr. Dushyant Singh Sangar, Non- executive Director as members of the Committee.

c. Meeting and attendance of the committee:

Nomination and Remuneration Committee met once on 12th August 2019 during the financial year under review.

d. Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of the Listing Regulations, the Board has carried out an annual evaluation of its own performance and that of its Committees as well as of performance of the Directors individually. Feedback was sought on various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. The evaluation was carried out based on responses received from the Directors

A separate exercise was carried out by the Board to evaluate the performance of individual Directors. The performance evaluation of the Non-Independent Directors and the Board as a whole was carried out by the Independent Directors. The performance evaluation of the Chairman of the Company was also carried out by the Independent Directors, taking into account the views of the Executive Director and Non-Executive Directors. The Directors expressed their satisfaction with the evaluation process.

(Currency : Indian Rupees in Lakhs) Prozone Intu Properties Limited - Annual Report - 2020

The Remuneration policy covers the following Criteria for evaluation of performance of Independent Directors:

1. Knowledge and skills in accounting and finance, business judgement, general management practices, crisis response and management, industry knowledge, strategic planning etc.

2. Personal characteristics matching the Company's values, such as integrity, accountability, financial literacy, and high performance standards

3. Commitment to attend a minimum of 75% of meetings which will include the attendance through audio/video conferencing.

4. Ability and willingness to represent the Stakeholders' long and short term interests

5. Awareness of the Company's responsibilities to its customers, employees, suppliers, regulatory bodies, and the communities in which it operates

6. Responsibility towards following objectives being an Independent Director

   i. Maintenance of independence and abstain himself from availing of benefits, directly or indirectly from the Company

   ii. Responsibilities of the Board as outlined in the Corporate Governance requirements prescribed under Clause 49 of the Listing Agreement

   iii. Accountability under the Directors' Responsibility Statement

   iv. Overseeing the maintenance of Corporate Governance standards of the Company and ethical conduct of business

e. Remuneration of Directors:

Executive directors of the Company are appointed by the Board of Directors subject to the approval of shareholders in the general meeting. The remuneration package of the executive directors is determined by the Nomination and Remuneration Committee within the permissible limits, subject to approval by the Board and shareholders in their respective meetings as per applicable provisions of the Companies Act, 2013.

The details of remuneration paid to Directors during the year 2019-20 are as under:

	Name of the Director	Basic Salary Paid (Rs.)	Allowances & perquisites (Rs.)	Sitting Fees paid (Rs.)	Total Remuneration (Rs.)
1	Mr. Punit Goenka	-	-	1,20,000	1,20,000
2	Mr. Nikhil Chaturvedi **	1,80,00,000	-	-	1,80,00,000
3	Mr. Salil Chaturvedi **	1,20,00,000	-	-	1,20,00,000
4	Ms. Deepa Harris	-	-	1,80,000	1,80,000
5	Mr. Umesh Kumar	-	-	1,80,000	1,80,000
6	Mr. Dushyant Singh Sangar	-	-	-	-

* except above no other component included in the remuneration drawn by the Directors

** Directors at serial nos. 2 & 3 are brothers

As informed to the Company, none of the non-executive Directors have any other pecuniary interest in the Company. The Company has not framed any scheme/ plan to grant stock option to its employee or directors. The Company did not pay any remuneration/ sitting fee to Non Executive Directors (except Independent Directors) of the Company.

5. Stakeholders Relationship Committee:

The Stakeholders Relationship Committee oversees the redressal of Shareholder's complaints relating to share transfers/ transmission and non receipt of Annual reports, etc.

a. Term of Reference:

The Committee shall consider and resolve the grievances of the security holders of the listed entity including complaints related to transfer of shares, non-receipt of annual report and non-receipt of declared dividends etc.

b. Composition:

The Stakeholders Relationship Committee comprises of two independent directors namely, Ms. Deepa Misra Harris and Mr. Punit Goenka, and two executive directors namely, Mr. Nikhil Chaturvedi and Mr. Salil Chaturvedi. Mrs. Deepa Misra Harris Independent Director is the Chairperson of the Committee. Mr. Ajayendra P. Jain, Company Secretary is a Compliance Officer of the Committee.

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c. Meetings and attendance of the Committee:

The Committee met four times during the financial year 2019-20 on 29th May 2019, 12th August 2019, 13th November 2019 and 14th February 2020. The details of attendance of the members in meetings are as follows:

Name of the Member	Category[1]	Position	SRC Meetings	
			Held	Attended
Ms. Deepa Harris	ID	Chairperson	4	4
Mr. Punit Goenka	ID	Member	4	3
Mr. Nikhil Chaturvedi	MD	Member	4	4
Mr. Salil Chaturvedi	Dy. MD	Member	4	4

1. In above table 'ID' refers to Independent Director, 'MD' refers to Managing Director and 'Dy. MD' refers to Deputy Managing Director.

d. Name and Designation of Compliance Officer:

Mr. Ajayendra Pratap Jain, Company Secretary, acts as Chief Compliance Officer of the Company.

e. Details of Shareholding Complaints:

The details of complaints received, resolved and pending are as under;

Particulars	No of Complaints
Number of Investors Complaints received during financial year 2019-20	Nil
Number of complaints not resolved to the satisfaction of the shareholders as on 31st March 2020	Nil
Number of pending complaints as on 31st March 2020	Nil

6. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

As on 31st March 2020, the Corporate Social Resoponsilbity (CSR) Committee consists of Mr. Nikhil Chaturvedi, Managing Director as 'Chairman' of the Committee and Mr. Salil Chaturvedi, Ms. Deepa Harris, Dy. Managing Director and Independent Directors respectively, as its members. The composition and role of the CSR Committee are in line with Section 135 of the Act, and Rules framed thereunder. The Company Secretary of the Company acts as Secretary to the Committee

a. Term of Reference:

The CSR Committee:

1) Reviews the existing CSR Policy from time to time and the activities to be undertaken by the Company towards CSR activities;

2) Recommends the project/ program to be undertaken, amount of expenditure to be incurred, roles and responsibilities of various stakeholders etc., in respect of CSR activities.

3) Monitors for ensuring implementation of the projects/ programs undertaken or the end use of the amount spent by the Company towards CSR activities.

The Company has adopted the CSR policy and hosted the same on Company's website at viz. www.prozoneintu.com. A detailed disclosure as per the requirements of section 135(3)(o) of the Companies Act 2013 read with rule 9 of the Companies (Corporate Social Responsibility) Rules 2014, is forming part of this report.

b. Meetings and attendance of the Committee:

No Corporate Social Responsibility Committee meeting was held during the financial year under review. However, during the year under review, the Committee vide its resolution passed by circulation approved the amount to be spent pursuant to section 135 of the Companies Act, 2013 in the financial year 2019-20.

c. Roles and Responsibilities of the CSR Committee:

1. To formulate and recommend to the Board, a CSR Policy which shall include the activities to be undertaken by the Company as envisaged in the Companies Act, 2013;
2. To recommend to the Board the amount of expenditure to be incurred on the activities as per the CSR Policy of the Company;
3. To monitor the projects and activities as per the CSR policy of the Company;
4. To review the performance of the Company in the area of CSR including the evaluation of the impact of the Company's CSR activities;
5. Review the CSR Report, with the Management, before submission to the Board for approval;
6. Establish a monitoring mechanism to ensure that the funds contributed by the Company are spent for the intended purpose only;

(Currency : Indian Rupees in Lakhs)

7. To consider other functions, as defined by the Board or as may be stipulated under any law, rule or regulation including the SEBI LODR Regulations and the Companies Act, 2013.

The Committee had also adopted CSR policy outlining the activities to be covered under CSR activities to be undertaken by the Company. The CSR Policy intends to strive for economic development that positively impacts the society at large with minimal resource footprints. The Policy is made available on the Company's website at http://www.prozoneintu.com

7. GENERAL BODY MEETING:

The location, date and time of Annual General Meeting held during the last 3 years are given hereunder:

Financial Year	Date	Time	Location	No. of Special Resolutions passed
Annual General Meetings:				
2016-17	28.09.17	1.00 p.m.	Eden Hall, The Classique Club, behind Infinity Mall, New Link Road, Andheri (W), Mumbai- 400 053	2
2017-18	26.09.18	11.00 a.m.	Eden Hall, The Classique Club, behind Infinity Mall, New Link Road, Andheri (W), Mumbai- 400 053	1
2018-19	30.09.19	2.00 p.m.	Eden Hall, The Classique Club, behind Infinity Mall, New Link Road, Andheri (W), Mumbai- 400 053	4

- None of the items transacted at the last Annual General Meeting held on 30th September 2019 were required to be passed by postal ballot, nor any resolution requiring postal ballot is proposed at the ensuing Annual General Meeting.

Postal Ballot including e-voting

During the financial year 2019-20, no resolution was passed by the Company through postal ballot.

8. MEANS OF COMMUNICATION:

The Company, from time to time and as and when required, communicates with its shareholders and investors through multiple channels of communications such as dissemination of information on the on-line portal of the Stock Exchanges, press releases, the Annual Reports and uploading relevant information on its website etc.

The unaudited quarterly results are announced within forty-five days of the close of quarter. The annual results are announced within 60 days from the close of the financial year as required under the SEBI (LODR) Regulations, 2015. The financial results are disseminated to the Stock Exchanges within thirty minutes from the close of the Board Meeting at which these were considered and approved. The results are generally published in English and one Marathi daily newspaper, i.e. Financial Express and Mumbai Lakshadeep respectively.

The Annual Report of the Company, the quarterly and the annual financial statements other information required to be disseminated on Company's website are regularly posted on the Company's website i.e. www.prozoneintu.com and can be downloaded.

The Company discloses to the Stock Exchanges, all information required to be disclosed under Regulation 30 read with Part A of Schedule III of the SEBI (LODR) Regulations, 2015 including material information having a bearing on the performance / operations of the listed entity or other price sensitive information. All information are filed electronically on BSE's online Portal i.e. 'BSE Corporate Compliance & Listing Centre (Listing Centre)' and NSE's online portal i.e. NSE Electronic Application Processing System (NEAPS), and all disclosures made to the stock exchanges are also made available on Company website. In addition to this, all official new releases are also posted on the Company's website.

SEBI Complaint Redressal Systems (SCORES):

SEBI has provided facility for investors to place their complaints / grievances on a centralized web-based complaints redressal system viz. SEBI Complaints Redress System (SCORES). The salient features of this system are: Centralized database of all complaints, online upload of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of actions taken on the complaint and its current status.

Presentations to institutional investors / analysts:

The Company is regularly holding meetings with institutional investors and analyst to discuss upon financials and future plan of action. The Detailed presentations made to institutional investors and financial analysts on the Company's performance during the period are hosted on Company's website and also have disseminated to the Stock Exchanges where the shares of the Company are listed.

Prozone Intu Properties Limited - Annual Report - 2020 (Currency : Indian Rupees in Lakhs)

9. GENERAL SHAREHOLDERS INFORMATION:

Annual General Meeting: Date, Time and Venue:

As indicated in the notice accompanying this Annual Report, the 13th Annual General Meeting of the Company will be held on Tuesday, 29th September 2020 at 3.00 p.m. at 105/106, Ground Floor, Dream Square, Dalia Industrial Estate, Off New Link Road, Andheri West, Mumbai – 400053.

Financial Year:

The Company follows a period from April 1 to March 31 as the financial year.

Dividend payment date:

The Company has not recommended any dividend for the financial year 2019-20.

Details of Stock Exchanges where Equity shares of the Company are listed

Stock Exchanges	Stock Code
BSE Ltd Listing Department P.J. Towers, Dalal Street, Fort Mumbai 400 001	534675
National Stock Exchange of India Limited Exchange Plaza Bandra Kurla Complex, Bandra (E) Mumbai 400 051	PROZONINTU
Demat ISIN in NSDL and CDSL for Equity Shares	INE195N01013

Listing fees have been paid for the Financial Year 2019-20.

The tentative dates for Board Meetings for consideration of quarterly financial results are as follows:

Un-audited results Q1 ending 30.06.2020	On or before 14th August 2020
Un-audited results Q2/half year ending 30.09.2020	On or before 14th November 2020
Un-audited results Q3/Nine months ending 31.12.2020	On or before 14th February 2021
Audited Results for the year ending 31.03.2021	On or before 30th May 2021

Book Closure Date:

The Company was not required to decide any book closure period during the financial year.

Market Price Data:

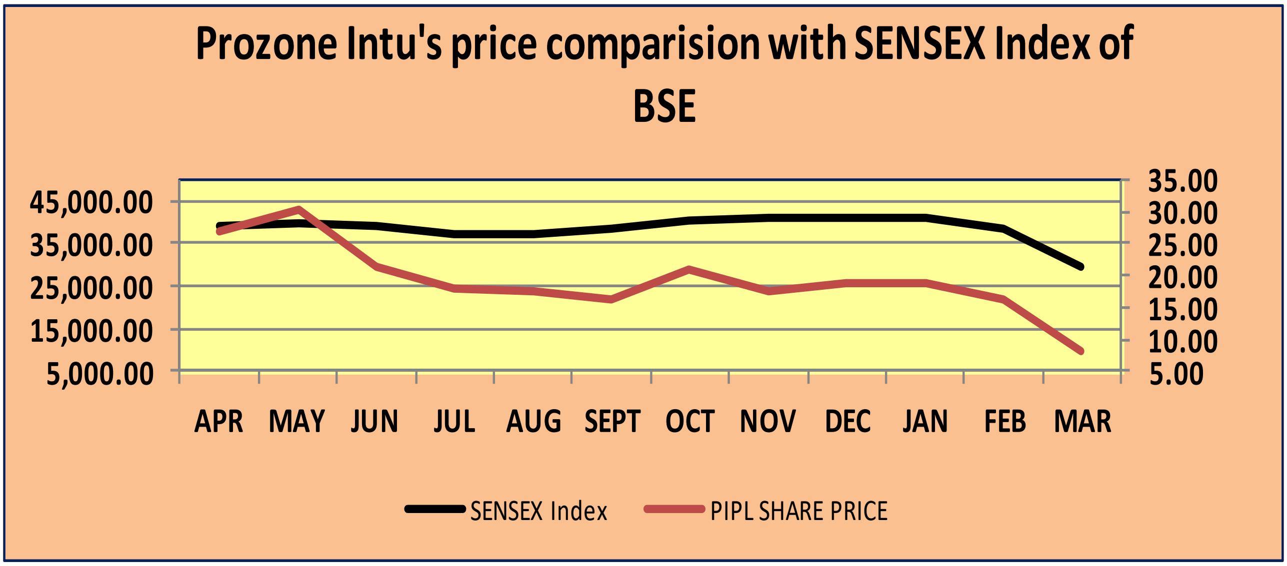
Market Price and Volume of the Company's Shares of face value of Rs 2 each traded in the Stock Exchanges where Company's shares are listed during the financial year 2019-20:

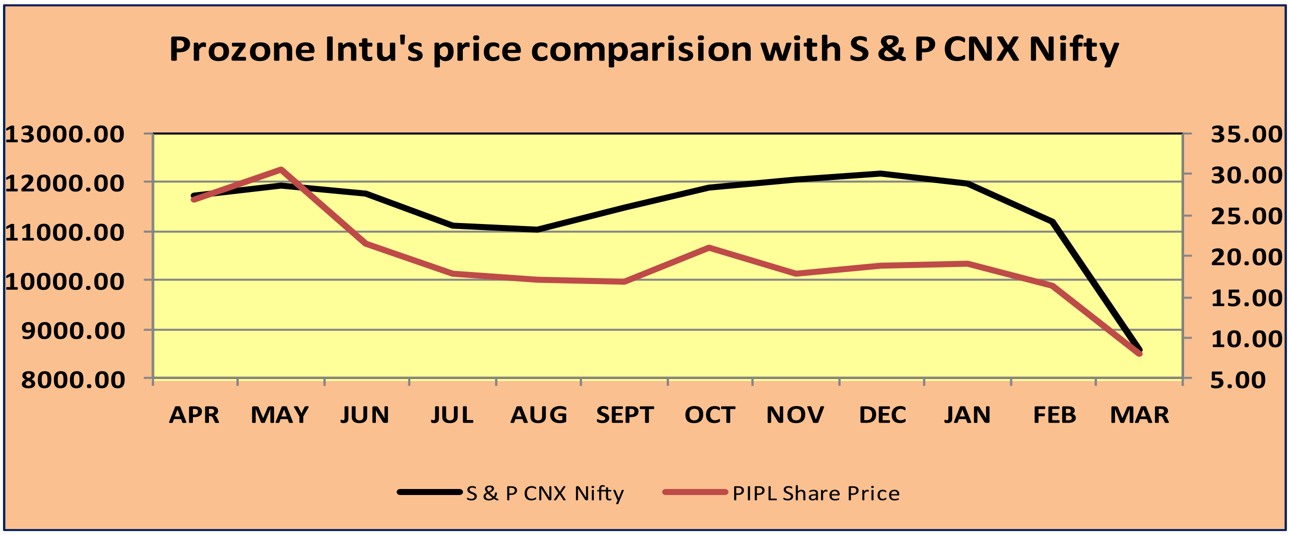
Month	BSE				NSE			
	Share Price (in Rs)			SENSEX	Share Price (in Rs)			NIFTY
	High	Low	Close	Close	High	Low	Close	Close
Apr-19	32.50	26.75	26.90	39,031.55	32.70	26.85	27.00	11748.15
May-19	33.70	22.40	30.30	39,714.20	33.65	22.05	30.55	11922.80
Jun-19	30.90	20.60	21.15	39,394.64	30.95	20.65	21.45	11788.85
Jul-19	22.00	15.60	17.95	37,481.12	22.00	15.40	17.85	11118.00
Aug-19	19.80	16.20	17.45	37,332.79	19.80	16.15	17.20	11023.25
Sep-19	20.40	16.15	16.40	38,667.33	20.50	16.15	16.75	11474.45
Oct-19	20.90	13.05	20.90	40,129.05	20.90	13.60	20.90	11877.45
Nov-19	22.00	17.40	17.50	40,793.81	21.90	17.50	17.85	12056.05
Dec-19	19.95	17.50	18.75	41,253.74	20.00	17.25	18.85	12168.45
Jan-20	21.40	18.60	18.75	40,723.49	21.45	18.60	18.95	11201.75
Feb-20	19.30	15.75	16.40	38,297.29	19.50	15.40	16.45	8597.75
Mar-20	17.00	7.45	8.25	29,468.49	17.35	7.25	8.00	11748.15

Source – Websites: BSE Ltd. (www.bseindia.com) and The National Stock Exchange of India Ltd. (www.nseindia.com)

CORPORATE GOVERNANCE REPORT...*(Continued)*

Performance in comparison to broad based indices such as BSE SENSEX Index & NSE S & P CNX Nifty (closing Price) :





The securities of the Company are not suspended from trading.

Registrar and Share Transfer Agent:
M/s Link Intime India Pvt. Ltd.
Unit: Prozone Intu Properties Limited
C-101, 247 Park, LBS Marg, Vikhroli (West), Mumbai - 400 083
Phone: 022- 49186000, Fax: 022- 49186060
Email id: mailto:rnt.helpdesk@linkintime.co.in

Shareholders holding shares in electronic mode should address their correspondence to their respective Depository Participants.

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CORPORATE GOVERNANCE REPORT...*(Continued)*

Share Transfer system:

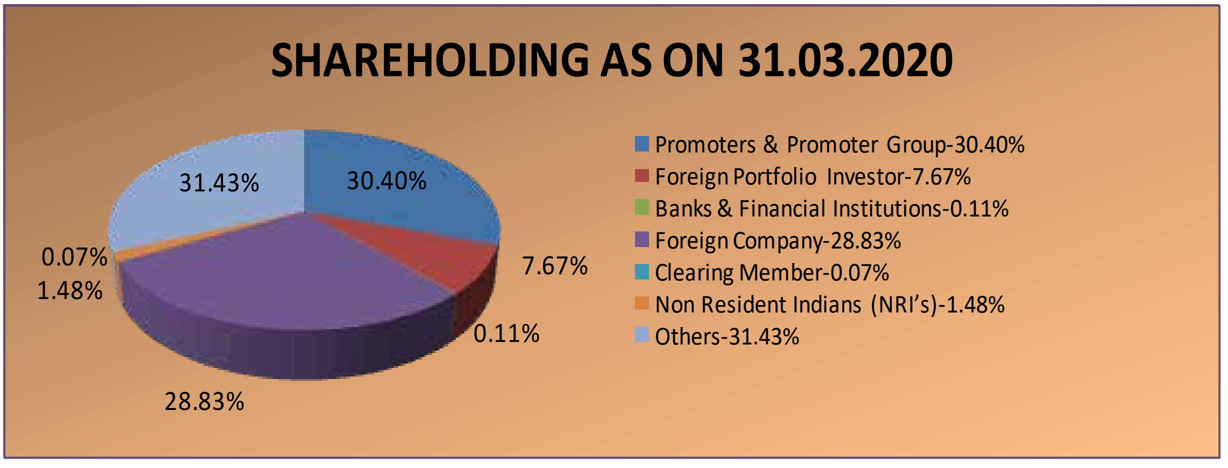
Share Transfer, Transmission and Duplicate issue of Shares in physical form are normally effected within a period of 15 days, 21 days (7 days if the transmission is in de-mat form) and 30 days respectively from the receipt of documents complete in all respects. Company has Link Intime India Pvt. Ltd as Registrar and Share Transfer Agent which handles the transfer, transmission and issue of duplicate share certificate other related matters from the lodgment of the documents.

Distribution of Shareholding as on March 31, 2020:

Share holding No. of Shares	Shareholders		Shares	
	Number	% to total share capital	No. of Shares	% to total share capital
(1)	(2)	(3)	(4)	(5)
1 to 500	24074	78.68%	3815399	2.50%
501 to 1000	2912	9.52%	2499886	1.64%
1001 to 2000	1633	5.34%	2592475	1.70%
2001 to 3000	622	2.03%	1626574	1.07%
3001 to 4000	246	0.80%	900593	0.59%
4001 to 5000	285	0.93%	1372034	0.90%
5001 to 10000	427	1.40%	3244414	2.13%
10001 to above	397	1.30%	136551508	89.48%
Total	**30596**	**100.00%**	**152602883**	**100.00%**

Categories of Shareholders as on 31.03.2020:

Category	No. of Shares	% of Shareholding
Promoters & Promoter Group	4,63,97,167	30.40%
Foreign Portfolio Investor	1,16,98,548	7.67%
Banks & Financial Institutions	1,74,904	0.11%
Foreign Company	4,39,95,788	28.83%
Clearing Member	1,13,788	0.07%
Non Resident Indians (NRI's)	22,52,395	1.48%
Others	4,79,70,293	31.43%
Total	**15,26,02,883**	**100.00%**



CORPORATE GOVERNANCE REPORT...*(Continued)*

Dematerialization of shares:

The Company has entered into a tripartite agreement with the National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL) to provide trading of shares in dematerialized form. As on 31st March 2020, 15,25,38,741 Equity shares of the Company, representing 99.96% of its issued capital, were held in dematerialized form and the balance 0.04% representing 64,142 equity shares were held in physical form.

Outstanding GDRs/ ADRs/ Warrants or any Convertible instruments:

Upto 31st March, 2020, the Company does not have any outstanding convertible instruments, which are likely to have an impact on the equity of the Company.

Commodity price risk or foreign exchange risk and hedging activities:

Disclosures on risks are forming part of Management Discussion and Analysis Report which is forming part of this Annual Report.

Plant Location: Not Applicable

Address for correspondence:

Registered office:
Prozone Intu Properties Limited
105/106, Ground Floor, Dream Square, Dalia Industrial Estate,
Off New Link Road,
Andheri (West) Mumbai 400 053
Phone: 022-6823 9000
Email id for investors: mailto:investorservice@prozoneintu.com
Website: www.prozoneintu.com

Credit Ratings

The Company has not obtained any credit rating.

10. OTHER DISCLOSURES

a. Related Party Transactions (RPTs):

All Related Party Transactions are placed before the Audit Committee and to the Board, wherever applicable, for their approval. Omnibus approvals of Audit Committee and Board of Directors are secured in most of the cases where RPTs are of repetitive nature and likely to be carried out throughout the financial year. Transactions entered into pursuant to omnibus approval are placed before the Audit Committee and/or the Board for review and approval on a quarterly basis.

All transactions entered with Related Parties during the year under review were in compliance with provisions of Section 188 of the Companies Act, 2013 and the rules made thereunder. Further as required under Section 134 of the Companies Act, 2013, all material related party transactions were disclosed in form AOC-2 which forms part of Board's Report.

The policy on Related Party Transactions as approved by the Board of Directors has been hosted on the website of the Company.

There are no materially significant related party transactions that may have potential conflict with the interests of the Company at large.

b. Statutory Compliance, Penalties and Strictures:

The Company has complied with all requirements of the SEBI (LODR) Regulations, 2015 to the extent applicable. There were no instances of material non-compliance observed by the Company and no strictures or penalties were imposed on the Company either by SEBI, Stock Exchanges or any statutory authorities on any matter related to capital markets during the last three years.

c. Vigil Mechanism and Whistle Blower Policy:

The Board of Directors has adopted a 'Whistle Blower Policy' to enable the Stakeholders (including Directors and Employees) to report their concerns about unethical behaviour, actual or suspected fraud or violation of Company's Code of conduct and provided a direct access to the Chairman of Audit Committee in exceptional cases.

Your Company hereby affirms that no Director/employee has been denied access to the Chairman of the Audit Committee and that no complaints were received during the year. The said policy has been disclosed on the Company's website.

d. Mandatory and Non-mandatory requirements:

The Company has complied with all mandatory requirements laid down under the provision of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

CORPORATE GOVERNANCE REPORT...*(Continued)*

The details of adoption of non-mandatory requirements are given below;

SN	Particulars	Remarks
1	The Board	The Company does not reimburse expenses incurred, if any, by the Non-Executive Chairman for maintenance of a separate Chairman's Office.
2	Shareholders' Rights	Quarterly financial results of the Company are furnished to the Stock Exchanges and are also published in the news papers and uploaded on website of the Company. Significant events are also posted on the Company's website under the Investors Section. A complete Annual Report is sent to every shareholder of the Company
3	Audit qualifications	There are no audit qualifications in the standalone financial statement for the period 2019-20. Standard practices and procedures are in place to ensure unqualified financial statements.
4	Reporting of Internal Auditor	The Internal Auditor quarterly places the Internal audit report before the Audit Committee for its review and comments.

e. Subsidiary monitoring framework:

The Company has 09 subsidiary companies (including 1 foreign company) as on 31st March, 2020 of which Alliance Mall Developers Co. Pvt. Ltd., Empire Mall Pvt Ltd and Hagwood Commercial Developers Pvt Ltd have been recognized as a 'Material unlisted Indian subsidiary company'. Accordingly, pursuant to Regulation 24 of the SEBI (LODR) Regulations, 2015 the Company is under the process of appointing one common independent Director from the Board of the Company to material unlisted Indian subsidiary Companies.

The performance and management of the subsidiary is monitored inter-alia by the following means:

a. Financial Statements and in particular the investments made by the unlisted subsidiary company are reviewed by the Audit Committee of the Company.

b. The minutes of the Board meetings of the subsidiary company are placed before the company's Board for its regular review.

The Policy for determining material subsidiaries have been hosted on website of the Company. Link: The above policy also covers a policy for determining 'material subsidiaries'. The web-link of the same is http://www.prozoneintu.com/investor/Policies

f. Weblink of policy on dealing with Related Party Transactions:

http://www.prozoneintu.com/files/upload/Policy-Governing-Related-Party-Transactions.pdf

g. Disclosure of commodity price risks and commodity hedging activities: Not applicable

h. Details of utilization of funds raised through preferential allotment or qualified institutions placement: Not Applicable

i. A certificate from M/s HS Associates, Practicing Company Secretaries stating that none of the Directors on the Board of the company have been debarred or disqualified from being appointed or continuing as Directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority is a forming part of this Corporate Governance Report.

j. Disclosure where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year: Not applicable

k. The Company has paid total fees of Rs. 61.20 lakhs for all services paid by the Company and its subsidiaries, on a consolidated basis, to their respective Statutory Auditors and all entities in the network firm/network entity of which the statutory auditor is a part.

l. Disclosures under the Sexual Harassment of Women at Workplace (prevention, prohibition and redressal) act, 2013

The Company has been employing women employees in various cadres within its corporate office and in branch offices. The Company has in place a policy against Sexual Harassment in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaint Committees is set up to redress complaints if received and are monitored on regular basis.

a.	number of complaints filed during the financial year	NIL
b.	number of complaints disposed of during the financial year	NIL
c.	number of complaints pending as on end of the financial year.	NIL

(Currency : Indian Rupees in Lakhs) Prozone Intu Properties Limited - Annual Report - 2020

CORPORATE GOVERNANCE REPORT...*(Continued)*

11. Non Compliance of any requirement of Corporate Governance Report of sub paras (2) to (10) above, with reasons thereof: Not Applicable

12. The corporate governance report shall also disclose the extent to which the discretionary requirements as specified in part E of schedule II have been adopted: Please refer point 10(d)

13. The disclosure of the compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 shall be made in the section on corporate governance of the annual report:

The Company is in compliance with applicable provisions specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI (LODR) Regulation, 2015 except Regulation 24(1) that requires the appointment of an Independent Director of the Company on the Board of its material non-listed subsidiary companies i.e. Alliance Mall Developers Co Private Limited, Empire Mall Private Limited and Hagwood Commercial Developers Private Limited.

14. CEO & CFO certification:

Mr. Nikhil Chaturvedi, Managing Director and Mr. Anurag Garg, Chief Financial Officer have provided certification on financial reporting and internal control to the Board as required under Regulation 17(8) of the SEBI (LODR) Regulations, 2015.

15. Code of Conduct:

The Board has implemented a Code of Conduct for all Board members and Senior Management Personnel of the Company. The Code has been circulated to all members of the Board and Senior Management Personnel and has also been uploaded on the website of the Company i.e. http://www.prozoneintu.com. The compliance of Code has been affirmed by all of them on annual basis. A declaration by the Managing Director of the Company in this respect is given below:

I, Nikhil Chaturvedi, Managing Director of Prozone Intu Properties Limited, in terms of provisions of Regulation 34 of SEBI (LODR) Regulations 2015, hereby confirm that all Board Members and Senior Management Personnel have affirmed the compliance with the "Code of Conduct and business ethics" of the Company during the financial year ended March 31, 2020.

Nikhil Chaturvedi, Managing Director
DIN: 00004983

16. Disclosures with respect to demat suspense account/unclaimed suspense account:

As on 31st March 2020, 3,400 Shares held by 17 Equity Shareholders were remained unclaimed in "Unclaimed Suspense Account". All those shareholders, whose shares are unclaimed, are required to contact the Company or M/s. Link Intime India Private Limited, Registrar and Transfer Agent of the Company with self attested copy of PAN Card and Address Proof. On receipt of the request letter and on verification of form, the Company shall arrange to credit the shares lying in the Unclaimed Suspense Account to demat account of concern shareholder or deliver the share certificate(s) after re-materialising the same.

During the year under report, the Company has not received any request from such shareholder for transfer of any shares from the Suspense Account and as such no shares were transferred from the said Account. The voting rights on such shares shall remain frozen till the rightful owner claims the shares.

Pursuant to SEBI (LODR) Regulations 2015 the details of the shares lying with the Company in Unclaimed Suspense Account as on March 31 2020, are as under:

Sr. No	Description	No. of Shareholders	No. of Shares
1	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year;	17	3400
2	Number of shareholders who approached listed entity for transfer of shares from suspense account during the year;	0	0
3	Number of shareholders to whom shares were transferred from suspense account during the year	0	0
4	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	17	3400

CORPORATE GOVERNANCE REPORT...*(Continued)*

During the financial year, Company has not declared any corporate benefit on above shares however, corporate benefits, if any accrued on above numbered unclaimed shares will be credited to the same account and the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

17. Disclosure of Accounting Treatment:

The Financial Statements, forming part of the Annual Report, have been prepared in accordance with IND AS prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and other relevant provisions of the Act and amendments, as applicable.

18. Management Discussion and Analysis Report:

A Management Discussion and Analysis Report forms part of the annual report and includes discussion on various matters specified under the SEBI (LODR) Regulation, 2015.

19. Risk Management:

Business risk evaluation and management is an ongoing process within the Company. The assessment is periodically examined by the Board.

GOVERNANCE CODES

Code of Conduct and Business Ethics

The Company has adopted Code of Conduct & Business Ethics ("the Code") which is applicable to the Board of Directors and Senior Managerial Personnel comprising all members of Core Management Team one level below the executive Directors including all Functional Heads (SMPs) of the Company. The Board of Directors and SMPs of the Company annually, are required to affirm the Compliance of this Code. The Code requires Directors and Employees to act honestly, fairly, ethically, and with integrity, conduct themselves in professional, courteous and respectful manner. The Code is hosted on the Company's website viz http://www.prozoneintu.com

Insider Trading Code:

The Company, with a view to regulate the trading in securities of the Company, by the insiders including promoters, directors and designated/specified employees, the Company, had adopted a Code of conduct for Insider Trading and Fair Disclosures of UPSI ("the Code") in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 (The PIT Regulations).

The Code is applicable to Promoters and Promoter's Group, all Directors and such Designated Employees/ specified employees who are expected to have access to unpublished price sensitive information relating to the Company. The Company Secretary is the Compliance Officer for monitoring adherence to the said PIT Regulations. The Code has been hosted on the Company's website viz. www.prozoneintu.com

For and on behalf of Board of Director

Nikhil Chaturvedi
Managing Director
DIN:00004983

Salil Chaturvedi
Dy. Managing Director
DIN:00004768

Date: 31st August 2020
Place: Mumbai

(Currency : Indian Rupees in Lakhs) Prozone Intu Properties Limited - Annual Report - 2020

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
PROZONE INTU PROPERTIES LIMITED,
105/106, Ground Floor,
Dream Square,
Dalia Industrial Estate, Andheri,
Mumbai – 400 053.

We have examined the relevant Registers, Records, forms, returns and disclosures received from the Directors of Prozone Intu Properties Limited having CIN: L45200MH2007PLC174147 and having registered office at 105/106, Ground Floor, Dream Square, Dalia Industrial Estate, Off New Link Road, Andheri (West), Mumbai - 400053 (hereinafter referred to as 'the Company') produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations,2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs,or any such other Statutory.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Mr. Salil Anupendra Chaturvedi	00004768	27/02/2012
2.	Mr. Nikhil Anupendra Chaturvedi	00004983	27/02/2012
3.	Mr. Punit Goenka	00031263	20/04/2012
4.	Ms. Deepa Misra Harris	00064912	08/02/2016
5.	Mr. Dushyant Singh Sangar	07347397	08/02/2016
6.	Mr. Umesh Kumar	01733695	23/05/2019

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Thanking You,

For **HS Associates**
Company Secretaries

Hemant Shetye
Partner
FCS: 2827
CP No: 1483
ICSI UDIN : F002827B000636097

Date: 31st August 2020
Place: Mumbai

REPORT ON CORPORATE GOVERNANCE

To,
The Members,
Prozone Intu Properties Limited

We have examined the compliance of conditions of Corporate Governance by Prozone Intu Properties Limited ("the Company"), for the year ended 31st March, 2020 as per Regulation 17-27, Clauses (b) to (i) of Regulation 46(2) and paragraph C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 ("Listing Regulations").

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the condition of Corporate Governance as stipulated in the above mentioned Listing Regulations, as applicable except for Regulation 24(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, with regards to non-appointment of one Independent Director on the Board of Directors of three unlisted material subsidiaries, Incorporated in India.

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

Thanking You,

For **HS Associates**
Company Secretaries

Hemant Shetye
Partner
FCS: 2827
CP No: 1483
ICSI UDIN: F002827B000636086

Date: 31st August 2020
Place: Mumbai

FINANCIAL REPORT
STANDALONE

Independent Auditors' Report

To the Members of
Prozone Intu Properties Limited
Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Prozone Intu Properties Limited ("the Company"), which comprise the standalone balance sheet as at 31 March 2020, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 2020, its loss (including 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 Standalone 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 standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Investments in subsidiaries and joint venture companies and loans to subsidiaries and joint venture companies (refer note 5 and 13 to the standalone financial statements)

The Key Audit Matter	How the matter was addressed in our audit
The carrying amount of the investments in subsidiaries and joint venture companies held at fair value through other comprehensive income (FVOCI) represents 89.32% and the loans to subsidiaries and joint venture companies represents 7.00% of the Company's total assets respectively. **Valuation of investment in subsidiaries and joint venture companies** The Company has investments in subsidiaries and joint venture companies which are considered to be associated with significant risk in respect of valuation of such investments. The investments are carried at FVOCI. The valuation process involves significant judgement by the Company including involvement of independent external valuers in estimating the underlying assumptions to be applied. The fair values of the investments is assessed based on the relative fair value of the underlying properties comprising of residential, commercial and retail units in these underlying entities located principally in Aurangabad, Coimbatore, Nagpur, Indore and Jaipur. This assessment is based on the projected cash flows of the real estate projects in these underlying entities, which involve significant estimates and judgement, due to the inherent uncertainty involved in forecasting future cash flows.	**Valuation of investment in subsidiaries and joint venture companies** **Our audit procedures included:** • We have inspected the valuation reports obtained from independent external valuers of the Company; • We have evaluated the qualifications and competence of the valuers and held inquiries with the valuers to understand their valuation methods and assumptions and basis used, where relevant; • We considered the valuation methodologies used against those applied by valuers for similar property types. We tested the integrity of inputs of the projected cash flows used in the valuation to underlying leases and other documents; • We have involved internal valuation specialists, who have evaluated the discount, capitalisation and terminal yield rates used in the valuation by comparing them against historical rates and available industry data, taking into consideration comparability and market factors;

Independent Auditors' Report...*(Continued)*

The Key Audit Matter	How the matter was addressed in our audit
There is significant judgment involved in also estimating the discount rate, terminal occupancy, future lease rentals, Covid-19 impact on rentals, capitalisation rate, average unit size, and average selling price. The fair value of the properties is further adjusted from the perspective of equity shareholders to arrive at the equity value. A change in the assumptions will have an impact on the valuation. In addition, considering the significance of the investments in subsidiaries and joint venture, vis-à-vis the total assets of the Company, this is considered to be key to our overall audit strategy and planning.	• We performed a sensitivity analysis over key assumptions, including the discount and growth rates; • We have considered the cash flow projections reflect the most recent forecast as approved by the Company in consultation with the valuer; and • We have considered the adequacy of disclosures in respect of the investment in subsidiaries and joint venture companies.
Recoverability of loans to subsidiaries and joint venture companies The Company has extended loans to subsidiaries and joint venture companies which require assessment for recoverability at each period end. Financial assets, which include non- current and current loans to subsidiaries and joint venture companies aggregated to ₹ 6,885.40 lakhs at 31 March 2020. Due to the nature of the business in the real estate industry, the Company is exposed to risk in respect of the recoverability of the loans and advances granted to the aforementioned related parties. There is also judgment involved as to the recoverability of the working capital and project specific loans.	**Recoverability of loans to subsidiaries and joint venture companies** **Our procedures included:** • We tested the controls in place for issuing new loans and evidenced the Board of Directors approval obtained. We obtained Company's assessment of the recoverability of the loans, which includes cash flow projections over the duration of the loans. These projections are based on underlying property development appraisals; • We tested cash receipts received in relation to these loans during the year through to bank statement; • Assessed the net worth of subsidiaries and joint ventures companies on the basis of the latest available financial statements; and • We have obtained independent confirmations to test completeness and existence of loans and advances held by related parties as on 31 March 2020.

Revenue recognition (refer note 25 to the standalone financial statements)

The Key Audit Matter	How the matter was addressed in our audit
The Company is engaged in providing consultancy services related to developing, owning and operating of shopping malls, commercial units and residential premises to its subsidiaries. Revenue is recognised at a point in time upon satisfaction of its performance obligations, which is typically upon rendering of services based on the contractual terms with its subsidiaries. We have identified revenue as a key audit matter because revenue is one of the key performance indicators of the Company. Revenue also gives rise to an inherent risk and could be subject to manipulation to meet targets or expectations. Revenue is computed based on employee's costs plus margin of the total employee's costs for employees working on the payroll of the Company. For employees working on the payroll of its subsidiaries, revenue is computed based on margin of the total employee's costs. The margin is determined based on recovery of operating expenses incurred by the Company. This computation involves significant judgement and estimates, in terms of time spent by the respective employees on the ongoing or completed projects and ascertaining the amount to be charged.	• We tested the design, implementation and operating effectiveness of key controls over revenue recognition; • We performed substantive analytical procedures such as recomputation of revenue; • We performed test of details involving basis of allocation of employee's costs to its subsidiaries; • We analysed time sheets maintained by the Company relating to its employees working on the ongoing/completed projects and obtained rationale for the margin charged to its subsidiaries; • We inspected agreements entered into between the Company and its subsidiaries to assess revenue is correctly accounted for; • We assessed and challenged key judgments involved in interpreting the contractual terms; • We evaluated journal entries for any evidence of override of controls and obtained evidence for any individually unusual and/or significant revenue journals;

Independent Auditors' Report...*(Continued)*

The Key Audit Matter	How the matter was addressed in our audit
	• We reconciled the employee costs with the underlying document such as salary register; and • We read the Transfer pricing report done by independent person and provided to us for justifying Arm Length Price.

Other Information

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 standalone financial statements and our auditors' report thereon.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone 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' Responsibility for the Standalone 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 standalone 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 accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone 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 Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone 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 standalone 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.

Independent Auditors' Report...*(Continued)*

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone financial statements 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 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 standalone 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 standalone financial statements, including the disclosures, and whether the standalone 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 and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government 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 standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this report are in agreement with the books of account;

d) in our opinion, the aforesaid standalone 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 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31 Match 2020 from being appointed as a director in terms of Section 164(2) of the Act and

f) with respect to the adequacy of the internal financial controls with reference to the standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

(B) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. the Company has disclosed the impact of pending litigations as at 31 March 2020 on its financial position in its standalone financial statements - Refer Note 32 to the standalone financial statements;

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

iii. there are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2020; and

iv. the disclosures in the standalone financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30

Independent Auditors' Report...*(Continued)*

December 2016 have not been made in these financial statements since they do not pertain to the financial year ended 31 March 2020 .

(C) With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act, we report that:

In our opinion and according to the information and explanations given to us, the remuneration paid by the company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Mansi Pardiwalla
Partner
Membership No: 108511
UDIN: 20108511AAAADY5520

Place: Mumbai
Date: 8 July 2020

Annexure A to the Independent Auditors' Report – 31 March 2020

With reference to the Annexure A referred to in the Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2020, we report the following:

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets including property, plant and equipment and investment property.

(b) The Company has a regular programme of physical verification of its fixed assets including property, plant and equipment and investment property by which all fixed assets including property, plant and equipment and investment property are verified annually. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In accordance with the policy, the Company has physically verified its fixed assets including property, plant and equipment and investment property during the year and we are informed that no material discrepancies were noticed on such verification, and the same have been dealt with in the books of account.

(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 property comprising of building, as disclosed in Note 4 to the standalone financial statements, was vested to the Company as per the Composite Scheme of Arrangement and Amalgamation during the year ended 31 March 2012 are not held in the name of the Company. Details of the same is as below:

Land / building	Number of cases	Freehold	Notes in the standalone financial statements	Gross block (₹ in lakhs)	Net block (₹ in lakhs)	Remarks
Building	1	Freehold	4	95.22	77.65	Held in the name of erstwhile demerged Company.

(ii) The Company does not currently hold any physical inventory. According to paragraph 3(ii) of the Order is not applicable to the company

(iii) The Company has granted unsecured loans to seven companies covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act'). The Company has not granted any loans, secured or unsecured, to limited liability partnership, firms or other parties covered in the register required to be maintained under Section 189 of the Act.

(a) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the rate of interest and other terms and conditions of unsecured loans granted by the Company to the companies covered in the register required to be maintained under Section 189 of the Act are not, prima facie, prejudicial to the interest of the Company.

(b) According to the information and explanations given to us, the terms of lending arrangements do not stipulate any repayment of principal and payment of interest and unsecured loans granted to companies covered in the register maintained under Section 189 of the Act are repayable on demand. The borrowers have been regular in payment of principal and interest (if any) as demanded. The unsecured loans granted to the companies covered in the register maintained under section 189 of the Act were not demanded by the company on the due date as stated below:

Name of the companies	Unsecured loans granted (Rs in lakhs)	Due date	Remarks
Omni Infrastructure Private Limited	1,923.33	31 March 2020	The interest free unsecured loan was not demanded on due date.
Moontown Trading Company Private Limited	277.80	31 March 2020	

(c) There are no overdue amounts of more than 90 days in respect of the unsecured loans granted to the companies covered in the register maintained under Section 189 of the Act.

(iv) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, or provided any guarantees or security to the parties covered under Section 185 of the Act. The Company has complied with the provisions of Section 186 of the Act in respect of the loans given, investments made and guarantee given during the year. The Company has not provided any security to the parties covered under Section 186 of the Act. Accordingly, the provisions of Section 186 of the Act in respect of securities given are not applicable to the Company.

(v) In our opinion, and according to the information and explanations given to us, the Company has not accepted deposits as per the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

(vi) The Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act. Accordingly, paragraph 3(iv) of the Order is not applicable to the Company.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Provident fund, Goods and Service tax, Professional tax, Income-tax, Cess and other material statutory dues have been regularly deposited during the

Annexure A to the Independent Auditors' Report – ...*(Continued)*
31 March 2020

year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of Employees' State Insurance.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Goods and Service tax, Profession tax, Income-tax, Cess and other material statutory dues were in arrears as at 31 March 2020 for a period of more than six months from the date they became payable except the following:

Name of the Statute	Nature of the Dues	Amount (in lakhs)	Period to which the amount relates	Due Date	Date of payment	Remarks
Employees' Provident Funds and Miscellaneous Provisions Act, 1952	Provident Fund	0.18	April 2019 to September 2019	Various	Not yet paid	The Company has made provision as per the Supreme Court Order.

(b) According to the information and explanations given to us, there are no dues of Goods and Services tax which have not been deposited with the appropriate authorities on account of any dispute. According to the information and explanations given to us, following dues of Income tax have not been deposited by the Company on account of disputes:

(₹ in lakhs)

Name of the statute	Nature of the dues	Amount of demand under dispute (₹)	Amount under dispute not deposited (₹)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income-tax (interest thereon not ascertainable at present)	14.87	14.87	AY 2010-2011	Income Tax Appellate Tribunal (Appeals)
Income Tax Act, 1961	Income-tax (interest thereon not ascertainable at present)	10.86	10.86	AY 2017-2018	Commissioner of Income-tax (Appeals)

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to banks during the year. The Company did not have any dues to debenture holders and loans or borrowings from any financial institution or government during the year.

(ix) According to the information and explanations given to us and based on our examinations of the record of the Company, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) and have not obtained any term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable to the Company.

(x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the management.

(xi) According to the information and explanations given to us and based on our examination of the records of the Company, the remuneration paid by the company to its directors during the current year is in accordance with the provisions of Section 197 read with Schedule V to the Act.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, the Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the standalone financial statements as required by Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act.

(xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partially convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.

(xv) 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 entered into any non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.

(xvi) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Mansi Pardiwalla
Partner
Membership No: 108511
UDIN: 20108511AAAADY5520

Place: Mumbai
Date: 8 July 2020

Annexure B to the Independent Auditors' Report – 31 March 2020

Report on the Internal Financial Controls with reference to the aforesaid Standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

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

Opinion

We have audited the internal financial controls with reference to standalone financial statements of Prozone Intu Properties Limited ("the Company") as of 31 March 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls were operating effectively as at 31 March 2020, based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

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 controls with reference to standalone 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 the 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with respect to standalone 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 standalone 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 standalone 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 system with respect to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with respect to standalone financial statements included obtaining an understanding of internal financial controls with respect to standalone financial statements, 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 auditors' judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to Standalone 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 financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal 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 made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Mansi Pardiwalla
Partner
Membership No: 108511
UDIN: 20108511AAAADY5520

Place: Mumbai
Date: 8 July 2020

(Currency : Indian Rupees in Lakhs)

Standalone Balance Sheet

as at 31 March, 2020

Particulars	Note	31 March 2020	31 March 2019
Assets			
Non-current assets			
Property, plant and equipment	3	97.04	118.20
Investment property	4	77.65	81.60
Right of use assets	4A	16.34	-
Financial assets			
Investments	5	87,801.03	113,255.13
Loans	6	-	2,061.24
Other financial assets	7	1,089.16	1,154.26
Non-current tax assets (net)	8	175.01	146.65
Other non-current assets	9	-	-
Total non-current assets		**89,256.23**	**116,817.08**
Current assets			
Financial assets			
Investments	10	27.03	650.73
Trade receivables	11	158.05	50.52
Cash and cash equivalents	12	30.27	20.78
Loans	13	7,013.70	3,670.70
Other financial assets	14	1,811.64	1,813.17
Other current assets	15	4.55	20.78
Total current assets		**9,045.24**	**6,226.68**
Total assets		**98,301.47**	**123,043.76**
Equity and liabilities			
Equity			
Equity share capital	16	3,052.06	3,052.06
Other equity	16.1	80,352.86	100,156.67
Total equity		**83,404.92**	**103,208.73**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	17	1,345.35	1,238.01
Provisions	18	47.55	42.07
Deferred tax liabilities (net)	19	11,571.70	17,088.51
Other non-current liabilities	20	1,304.96	1,185.69
Total non-current liabilities		**14,269.57**	**19,554.28**
Current liabilities			
Financial liabilities			
Trade payables			
Total outstanding dues to micro enterprises and small enterprises	21	1.08	5.51
Total outstanding dues to creditors other than micro enterprises and small enterprises	21	80.98	69.26
Other financial liabilities	22	38.20	74.20
Other current liabilities	23	464.40	92.81
Provisions	24	42.33	38.97
Total current liabilities		**626.99**	**280.75**
Total equity and liabilities		**98,301.47**	**123,043.76**
Significant accounting policies	2.2		
Notes to the standalone financial statements	3 - 45		

The accompanying notes form an integral part of these standalone financial statements.
As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

For and on behalf of the Board of Directors of
Prozone Intu Properties Limited
CIN: L45200MH2007PLC174147

Mansi Pardiwalla
Partner
Membership No: 108511

Nikhil Chaturvedi
Managing Director
DIN : 00004983

Salil Chaturvedi
Dy. Managing Director
DIN : 00004768

Mr Bipin Gurnani
President

Anurag Garg
Chief Financial Officer

Ajayendra Jain
Company Secretary & CCO

Place : Mumbai
Date : 8 July 2020

Place : Mumbai
Date : 8 July 2020

Standalone Statement of Profit & Loss
for the year ended 31 March, 2020

Particulars	Note	31 March 2020	31 March 2019
Income			
Revenue from operations	25	951.44	829.64
Other income	26	956.73	769.43
Total Income		**1,908.17**	**1,599.07**
Expenses			
Employee benefits expense	27	628.35	545.58
Finance costs	28	132.14	120.39
Depreciation expense	29	63.75	44.26
Other expenses	30	497.40	552.50
Total Expenses		**1,321.64**	**1,262.73**
Profit before tax		**586.53**	**336.34**
Less : Tax expense:	8		
Current tax		127.37	117.74
Deferred tax (credit) including MAT credit entitlement ₹ 122.22 lakhs (31 March 2019: ₹ 46.59 lakhs)		(57.41)	(23.58)
Total tax expenses		**69.96**	**94.16**
Profit for the year (A)		**516.57**	**242.18**
Other comprehensive income (OCI)			
Items that will not be reclassified subsequently to profit or loss:			
- Remeasurement of post employment benefit obligation	35	0.15	(14.40)
- (Loss) from investments measured at FVOCI	5.2	(25,773.57)	(555.30)
- Income tax effect on above		5,457.63	127.59
Items that will be reclassified subsequently to profit or loss		**-**	**-**
Other comprehensive (loss) for the year, net of tax (B)		**(20,315.79)**	**(442.11)**
Total comprehensive (loss) for the year (A+B)		**(19,799.22)**	**(199.93)**
Earnings per equity share	31		
(per equity share of nominal value ₹ 2 each)			
Basic and diluted (in ₹)		**0.34**	**0.16**
Significant accounting policies	2.2		
Notes to the standalone financial statements	3 - 45		

The accompanying notes form an integral part of these standalone financial statements.
As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Mansi Pardiwalla
Partner
Membership No: 108511

Place : Mumbai
Date : 8 July 2020

For and on behalf of the Board of Directors of
Prozone Intu Properties Limited
CIN: L45200MH2007PLC174147

Nikhil Chaturvedi
Managing Director
DIN : 00004983

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Dy. Managing Director
DIN : 00004768

Mr Bipin Gurnani
President

Anurag Garg
Chief Financial Officer

Ajayendra Jain
Company Secretary & CCO

Place : Mumbai
Date : 8 July 2020

(Currency : Indian Rupees in Lakhs)

Standalone statement of changes in equity
for the year ended 31 March 2020

A) Equity share capital

Particulars	Note	Number	Amount
Equity shares of ₹ 2 each issued, subscribed and paid			
Balance as at the 1 April 2018	16	152,602,883	3,052.06
Changes in equity share capital for the year ended 31 March 2019		-	-
Balance as at the 31 March 2019		**152,602,883**	**3,052.06**
Changes in equity share capital for the year ended 31 March 2020		-	-
Balance as at the 31 March 2020		**152,602,883**	**3,052.06**

B) Other equity

	Note	Reserves and surplus			Other comprehensive income		Total
		Securities premium	Amalgamation reserve*	Retained earnings	Gain / (loss) on fair value of investments	Gain / (loss) on fair value of defined benefit plans	
Balance as at 1 April 2018	16.1	36,434.05	378.86	405.77	63,136.48	1.44	100,356.60
Total comprehensive income for the year		-	-	242.18	(431.72)	(10.39)	(199.93)
Balance as at 31 March 2019		**36,434.05**	**378.86**	**647.95**	**62,704.76**	**(8.96)**	**100,156.67**
Adjustment on account of right of use as per Ind AS 116 (refer note 45)		-	-	(4.59)	-	-	(4.59)
Total comprehensive income/ (loss) for the year		-	-	516.57	(20,315.91)	0.12	(19,799.22)
Balance as at 31 March 2020		**36,434.05**	**378.86**	**1,159.93**	**42,388.86**	**(8.84)**	**80,352.86**

Refer note 16.1 for nature and purpose of each reserve

The accompanying notes form an integral part of these standalone financial statements.
As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Mansi Pardiwalla
Partner
Membership No: 108511

For and on behalf of the Board of Directors of
Prozone Intu Properties Limited
CIN: L45200MH2007PLC174147

Nikhil Chaturvedi
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Chief Financial Officer

Ajayendra Jain
Company Secretary & CCO

Place : Mumbai
Date : 8 July 2020

Place : Mumbai
Date : 8 July 2020

(Currency : Indian Rupees in Lakhs)

Standalone statement of cash flows
for the year ended 31 March 2020

Particulars	31 March 2020	31 March 2019
A. Cash flows from operating activities:		
Profit before tax	586.53	336.34
Adjustments for:		
Depreciation expense	63.75	44.26
Finance costs (including fair value change in financial instruments)	132.14	105.90
Interest income (including fair value change in financial instruments)	(838.94)	(629.30)
Provision for expected credit loss	-	77.43
Profit on sale of property, plant and equipment	-	(1.92)
Profit on sale of current investments	(7.81)	-
Notional corporate guarantee income	(92.19)	15.35
Notional gain on value of current investments measured at FVTPL	(1.23)	-
Remeasurement of post employment benefit obligation	0.15	(14.40)
Dividend income on current investments	(5.31)	(25.03)
Operating cash flows before working capital changes	**(162.92)**	**(91.37)**
Adjustments for changes in working capital:		
(Increase) / decrease in trade receivables	(107.53)	7.36
Decrease in other financial assets	66.88	9.19
Decrease in other assets	1.70	16.75
Increase / (decrease) in trade payables	7.28	(84.21)
(Decrease) / increase in other financial liabilities	(27.54)	18.85
Increase / (decrease) in other liabilities	666.12	(514.14)
Increase in provisions	8.84	39.66
Cash flows generated from /(used in) from operations	**452.84**	**(597.92)**
Direct taxes paid (net of refunds received)	(155.73)	(130.03)
Net cash flows generated from / (used in) operating activities (A)	**297.11**	**(727.95)**
B. Cash flows from investing activities:		
Purchase of property, plant and equipment and investment property	(10.64)	(40.99)
Sale of property, plant and equipment and investment property	-	2.59
Sale of investments	313.26	806.81
Movement in loans	(526.12)	(534.02)
Interest received	-	459.84
Dividend received	5.31	25.03
Net cash flows generated (used in) / from investing activities (B)	**(218.19)**	**719.26**
C. Cash flows from financing activities:		
Repayment of long-term borrowings	(66.66)	(26.54)
Proceeds from long-term borrowings	-	15.81
Interest paid	(2.76)	(4.73)
Net cash flows (used in) financing activities (C)	**(69.42)**	**(15.46)**
Net (decrease) in cash and cash equivalents (A+B+C)	**9.49**	**(24.15)**
Cash and cash equivalents at the beginning of the year	20.78	44.92
Cash and cash equivalents at the end of the year	**30.27**	**20.78**

Prozone Intu Properties Limited - Annual Report - 2020 (Currency : Indian Rupees in Lakhs)

Standalone statement of cash flows...*(Continued)*
for the year ended 31 March 2020

Components of cash and cash equivalents considered only for the purpose of cash flow statement		
Cash in hand	5.70	2.25
In bank current accounts	24.57	10.48
Cheques on hand	-	8.05
	30.27	**20.78**

Notes:

The Cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard - 7 ('Ind AS 7') on Cash Flow Statement prescribed in Companies (Indian Accounting Standard) Rules, 2015, notified under Section 133 of the Companies Act, 2013.

The amendments to Ind AS 7 Cash flow statements requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities and financial assets arising from financing activities, to meet the disclosure requirement. This amendment has become effective from 1 April 2017 and the required disclosure is made below. There is no other impact on the financial statements due to this amendments.

Reconciliation between the opening and closing balances in the balance sheet for liabilities and financial assets arising from financing activities

Particulars	31 March 2019	Cash flows	Non-cash changes		31 March 2020
			Fair value changes	Current / Non - current classification	
Long-term borrowings	1,238.01	(66.66)	146.28	27.73	1,345.35
Other financial liabilities	30.66	-	-	(27.73)	2.93
Total liabilities from financing activities	**1,268.67**	**(66.66)**	**146.28**	**-**	**1,348.28**

Particulars	31 March 2018	Cash flows	Non-cash changes		31 March 2019
			Fair value changes	Current / Non - current classification	
Long-term borrowings	1,152.72	(10.73)	101.17	(5.15)	1,238.01
Other financial liabilities	25.51	-	-	5.15	30.66
Total liabilities from financing activities	**1,178.23**	**(10.73)**	**101.17**	**-**	**1,268.67**

The accompanying notes form an integral part of these standalone financial statements.
As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Mansi Pardiwalla
Partner
Membership No: 108511

For and on behalf of the Board of Directors of
Prozone Intu Properties Limited
CIN: L45200MH2007PLC174147

Nikhil Chaturvedi
Managing Director
DIN : 00004983

Salil Chaturvedi
Dy. Managing Director
DIN : 00004768

Mr Bipin Gurnani
President

Anurag Garg
Chief Financial Officer

Ajayendra Jain
Company Secretary & CCO

Place : Mumbai
Date : 8 July 2020

Place : Mumbai
Date : 8 July 2020

Notes to the standalone financial statements
for the year ended 31 March, 2020

1 Corporate information

Prozone Intu Properties Limited (formerly known as Prozone Capital Shopping Centres Limited) (the Company) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is engaged in the business of developing, owning and operating of shopping malls, commercial and residential premises. The Company is also providing related management consultancy services. The equity shares of the Company are listed on both the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE).

2.1 Basis of preparation

(a) Statement of compliance

These standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 (the Act) and other relevant provisions of the Act and amendments, as applicable.

This is the first set of the Company's standalone financial statements in which Ind AS 116, Revenue from contracts with customers, has been applied. Changes to significant accounting policies are described in note 2.2(H) & note 2.2(O) and the impact of transition to Ind AS 116 on the standalone financial statements is disclosed in note 45 to the standalone financials statements.

These standalone financial statements for the year ended 31 March 2020 have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on 8 July 2020.

Details of accounting policies are included in Note 2.2 to the standalone financial statements.

(b) Basis of measurement

These standalone financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Certain financial assets and liabilities	Fair value (refer note 2.2 (A))
Net defined benefit (asset) / liability	Fair value of plan assets less present value of defined obligations

(c) Functional and presentation currency

These standalone financial statements are presented in Indian Rupees (INR), which is the Company's functional currency. All the financial information have been presented in Indian Rupees (INR) and all amounts have been rounded-off to the nearest lakhs, unless otherwise stated.

(d) Use of estimates and judgements

In preparing these standalone financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. In preparing these standalone financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending 31 March 2020 is included in the following notes:

- Note 19- recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used;
- Note 35- measurement of defined benefit obligations: key actuarial assumptions;
- Notes 18, 24 and 32- recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;
- Note 41 - impairment of financial assets;
- Note 2.2 (B) and 2.2 (C) - estimation of useful life of property, plant and equipment and investment properties; and
- Note 2.2 (G) and 43- Evaluation of satisfaction of performance obligation at a point in time for the purpose of revenue recognition.

(e) Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 01, 2020.

(f) Measurement of fair values

A number of the Company's accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities.

Notes to the standalone financial statements...*(Continued)*
for the year ended 31 March, 2020

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities.
- Level 2: inputs other than quotes prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirely in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 41 – financial instruments and
- Note 4 – investment property

(g) Current and non-current classification

All assets and liabilities are classified into current and non-current.

An asset is classified as current when it satisfies any of the following criteria:

(a) it is expected to be realised in, or is intended for sale or consumption in, the entity's normal operating cycle;

(b) it is held primarily for the purpose of being traded;

(c) it is expected to be realised within twelve months after the balance sheet date; or

(d) it is cash or a cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the balance sheet date.

All other assets are classified as non-current.

A liability is classified as current when it satisfies any of the following criteria:

(a) it is expected to be settled in, the entity's normal operating cycle;

(b) it is held primarily for the purpose of being traded;

(c) it is due to be settled within twelve months after the balance sheet date; or

(d) The Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the balance sheet date.

All other liabilities are classified as non-current.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out above which are in accordance with the Schedule III to the Act.

Based on the nature of services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

2.2 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these standalone financial statements.

A. Financial instruments

(i) Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

(ii) A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortised cost;

Notes to the standalone financial statements...*(Continued)*

for the year ended 31 March, 2020

- FVOCI – debt investment;
- FVOCI – equity investment; or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company has elected the irrevocable option to present subsequent changes in the investment's fair value in OCI (designates as FVOCI – equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces on accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profit, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realizing cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risk that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated - e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or

Notes to the standalone financial statements...*(Continued)*
for the year ended 31 March, 2020

amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features)

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL- These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets at amortised cost- These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Debt investments at FVOCI- These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments at FVOCI - These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

(iii) Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

Notes to the standalone financial statements...*(Continued)*
for the year ended 31 March, 2020

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(v) Compound financial instruments

Compound financial instruments issued by the company comprises of convertible debentures denominated in INR that can be converted to equity shares at the option of the holder, wherein the number of shares to be issued is fixed and does not vary with changes in fair value.

The liability component of a compound Financial instrument is initially recognised at the fair value which represents the present value of all future cash receipts discounted using the prevailing market rate of interest for a similar instrument without conversion option with a similar credit rating. The Equity component is initially recognised as the difference between fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

B. Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

(iii) Depreciation

Depreciation on Property, Plant and Equipment of the company has been provided as per written down value method as per the estimated useful lives of the respective item of Property, Plant and Equipment indicated in Part 'C' of Schedule II of the Act.

The details are set out as below:

Asset	Useful life as per Schedule II of the Act
Furniture and fittings	10 years
Motor vehicles	8 years
Office equipments	5 years
Computers	3 years

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets.

(iv) Capital work-in progress and capital advances

Capital work-in progress comprises of the cost of property, plant and equipment that are not yet ready for their intended use as at the balance sheet date. Advances given towards acquisition of property, plant and equipment outstanding at each balance sheet date are disclosed as 'Other non-current assets'.

C. Investment Property

(i) Recognition and measurement

Investment properties are held to earn rentals or for capital appreciation, or both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Investment properties are measured initially at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Subsequent to

Notes to the standalone financial statements...*(Continued)*
for the year ended 31 March, 2020

initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses, if any.

(ii) Subsequent expenditure

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognized in statement of profit and loss as incurred. Any gain or loss on disposal of investment property calculated as the difference between the net proceeds from disposal and the carrying amount of the item is recognized in Statement of Profit and Loss.

Though the Company measures investment property using cost-based measurement, the fair value of investment property is disclosed in the note no 4 of the standalone financial statements.

(iii) Depreciation

Depreciation on Investment Property has been provided as per written down value method as per the useful lives indicated in Part 'C' of Schedule II of the Act which is 60 years.

D. Impairment

(i) Impairment of financial instruments

The Company recognises loss allowances for expected credit losses on:

- financial assets measured at amortized cost; and
- financial assets measured at FVOCI- debt investments.

At each reporting date, the Company assesses whether financial assets carried at amortized cost and debt securities at FVOCI are credit impaired. A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

The Company measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Trade and other 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. Trade receivables are tested for impairment on a specific basis after considering the sanctioned credit limits, security like letters of credit, security deposit collected, etc. and expectations about future cash flows.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward looking information.

Measurement of expected credit losses

Expected credit losses are a probabilityweighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

For debt securities at FVOCI, the loss allowance is charged to profit or loss and is recognised in OCI.

Notes to the standalone financial statements...*(Continued)*
for the year ended 31 March, 2020

Write off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generated sufficient cash flows to be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

(ii) Impairment of non-financial assets

The Company's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

The Company's corporate assets (e.g. central office building for providing support to various CGUs) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

E. Employee benefits

(i) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

(ii) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contribution into a separate entity and will have no legal or constructive obligation to pay further amounts.

The Company makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

(iii) Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plan are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(iv) Other long-term employee benefits

The Company net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method. Remeasurement gains or losses are recognises in profit or loss in the period in which they arise.

F. Provisions and contingent liabilities

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflows of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessment of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

Contingent liabilities are disclosed in the notes. Contingent liabilities are disclosed for,

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or

- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognised in the standalone financial statements. However, the same are disclosed in the standalone financial statements where an inflow of economic benefit is probable.

G. Revenue recognition

Ind AS 115 has been notified by Ministry of Corporate Affairs (MCA) on March 28, 2018 and is effective from accounting period beginning on or after April 01, 2018.

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

(i) Rendering of services

Revenue from management consultancy is recognized on accrual basis as per the terms and conditions of the contract. The Company recognises revenue when it determines the satisfaction of performance obligations at a point in time. Revenue is recognised upon transfer of control of promised services to customer in an amount that reflects the consideration which the Company expects to receive in exchange for those service.

In arrangements for rendering of management consultancy services, the Company has applied the guidance in Ind AS 115, Revenue from contract with customer, by applying the revenue recognition criteria for each distinct performance obligation. The arrangements with customers generally meet the criteria for considering management consultancy service as distinct performance obligations. For allocating the transaction price, the Company has measured the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The price that is regularly charged for an

Notes to the standalone financial statements...*(Continued)*
for the year ended 31 March, 2020

item when sold separately is the best evidence of its standalone selling price. In cases where the Company is unable to determine the standalone selling price, the Company uses the expected cost plus margin approach in estimating the standalone selling price. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer.

For management consultancy service, the performance obligations are satisfied as and when the services are rendered since the customer generally obtains control of the work as it progress. Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Contract liabilities are recognised when there is billing in excess of revenue and advance received from customers.

Use of significant judgments in revenue recognition

The Company's contract with customers could include promises to transfer multiple services to a customer. The Company assess the services promised in a contract and identifies distinct performance obligations in the contract. Identification of a distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.

(ii) Dividend Income

Dividend income is recognized in the statement of profit and loss on the date the entity's right to receive the payments is established.

(iii) Rental income

Rent income is recognised on time proportionate basis over the period of the rent.

All revenue is stated exclusive of goods and service tax.

H. Leases

(i) Policy applicable before April 01, 2019

Finance Lease - Agreements are classified as finance leases, if substantially all the risks and rewards incidental to ownership of the leased asset is transferred to the lessee.

Operating Lease - Agreements which are not classified as finance leases are considered as operating lease.

Operating lease payments/income are recognised as an expense/income in the standalone statement of profit and loss on a straight line basis over the lease term unless there is another systematic basis which is more representative

(ii) Policy applicable after April 01, 2019

At the inception of a contract, the Company assesses whether a contract is or contains, a lease. A contract is or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange of consideration. To assess whether a contract conveys the right to control the use of an asset the Company assesses whether:

- The contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capability of a physical distinct asset. If the supplier has a substantive substitution right, then the asset is not identified
- The Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- The Company has the right to direct the use of the asset. The Company has this right when it has the decision making rights that are most relevant to changing how and for what purpose the asset is used.

As a Lessee - Right of use Asset

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. At the commencement date, a lessee shall measure the right-of-use asset at cost which comprises initial measurement of the lease liability, any lease payments made at or before the commencement date, less any lease incentives received, any initial direct costs incurred by the lessee; and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

As a Lessee - Lease Liability

At the commencement date, a lessee shall measure the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate

Notes to the standalone financial statements...*(Continued)*
for the year ended 31 March, 2020

cannot be readily determined, the lessee shall use the lessee's incremental borrowing rate.

I. Recognition of interest income or expense

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset that have become credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

J. Income tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

(i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

(ii) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for the financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised / reduced to the extent that it is probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax assets and liabilities will be realised simultaneously.

Minimum Alternate Tax ('MAT') credit entitlement is generally recognised as a deferred tax asset if it is probable (more likely than not) that MAT credit can be used in future years to reduce the regular tax liability.

Notes to the standalone financial statements...*(Continued)*
for the year ended 31 March, 2020

Note on Section 115BAA

A new section 115BAA was inserted in the Income Tax Act. 1961, by The Government of India on 20 September 2019 vide the Taxation Laws (Amendment) Ordinance 2019 which provides an option to companies for paying income tax at reduced rates in accordance with the provisions/conditions defined in the said section. The Company has presently decided not to exercise the said option.

K. Borrowing cost

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

L. Foreign exchange translation and accounting of foreign exchange transaction

(i) Initial Recognition

Foreign currency transactions are initially recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction. However, for practical reasons, the Company uses a monthly average rate if the average rate approximates the actual rate at the date of the transactions.

(ii) Conversion

Monetary assets and liabilities denominated in foreign currencies are reported using the closing rate at the reporting date. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

(iii) Treatment of Exchange Difference

Exchange differences arising on settlement/ restatement of short-term foreign currency monetary assets and liabilities of the Company are recognized as income or expense in the Statement of Profit and Loss.

M. Earnings per share

The Company presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares.

N. Cash and cash equivalents

Cash and cash equivalent comprise of cash on hand and at banks including cheques on hand, which are subject to an insignificant risk of changes in value.

O. Changes in significant accounting policy

The Company has applied Ind AS 115 "Revenue from contracts with customer" using the modified retrospective approach with the cumulative impact to the retained earnings as on 1 April 2018 and accordingly recognised revenue in accordance with Ind AS 115 as disclosed in Note no 44 to the standalone financial statements.

The Company has applied IND AS 116 Leases using the modified retrospective approach (for all leases other than short-term leases and leases of low-value assets) i.e. by recognising the cumulative effect of initially applying IND AS 116 as an adjustment to the opening balance of equity as at April 01, 2019. Due to the transition method chosen by the Company in applying this standard, comparative information throughout these standalone financial statements has not been restated and continues to be reported under IND AS 17.

IND AS 116 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right of use ("ROU") asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The nature of expenses related to those leases will change as IND AS 116 replaces the operating lease expense (i.e. rent) with depreciation charge for ROU assets and interest expense on lease liabilities.

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Notes to the standalone financial statements...*(Continued)*
as at 31 March 2020

Note 3 : Property, plant and equipment

Particulars	Furniture and fittings	Motor vehicles	Office equipments	Computers	Total
Gross Block:					
Balance as at 1 April 2018	68.70	151.40	6.32	15.00	241.43
Additions	2.11	19.20	8.79	10.89	40.99
Disposals	-	-13.25	-	-	-13.25
Balance as at 31 March 2019	**70.81**	**157.35**	**15.12**	**25.89**	**269.17**
Additions	1.62	-	6.94	2.08	10.64
Disposals	-	-	-	-	-
Balance as at 31 March 2020	**72.43**	**157.35**	**22.06**	**27.97**	**279.81**
Accumulated depreciation:					
Balance as at 1 April 2018	**33.72**	**76.03**	**1.67**	**12.01**	**123.43**
Depreciation for the year	5.53	21.74	6.39	6.46	40.12
on disposals	-	(12.58)	-	-	(12.58)
Balance as at 31 March 2019	**39.25**	**85.19**	**8.06**	**18.47**	**150.97**
Depreciation for the year	2.39	19.95	4.93	4.53	31.80
on disposals	-	-	-	-	-
Balance as at 31 March 2020	**41.64**	**105.14**	**12.99**	**23.00**	**182.77**
Net Block:					
At 31 March 2019	31.56	72.16	7.05	7.42	118.20
At 31 March 2020	**30.80**	**52.21**	**9.07**	**4.97**	**97.04**

Note 4 : Investment property

A. Reconciliation of carrying amount

Particulars	Building*
Gross carrying amount:	
Carrying amount as at 1 April 2018	95.22
Additions	-
Disposals	-
Balance as at 31 March 2019	**95.22**
Additions	-
Disposals	-
Balance as at 31 March 2020	**95.22**
Accumulated depreciation:	
Balance as at 1 April 2018	9.48
Depreciation for the year	4.14
Balance as at 31 March 2019	**13.62**
Depreciation for the year	3.95
Balance as at 31 March 2020	**17.57**
Carrying amounts (net):	
At 31 March 2019	81.60
At 31 March 2020	**77.65**
Fair Value:	
At 31 March 2019	436.46
At 31 March 2020	**436.46**

** Held in the name of erstwhile demerged Company*

(Currency : Indian Rupees in Lakhs) Prozone Intu Properties Limited - Annual Report - 2020

Notes to the standalone financial statements...*(Continued)*
as at 31 March 2020

B. Measurement of fair values

i. Fair value hierarchy

The fair value of investment property has been determined by external, independent property valuer, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued. The fair value measurement for the investment property has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

ii. Valuation technique

The Company follows valuation in accordance with the Ready Reckoner rates prescribed by the Government of Maharashtra for the purpose of levying stamp duty.

iii. Information regarding income and expenditure of Investment Property:

Particulars	31 March 2020	31 March 2019
Rental Income derived from Investment Property	11.25	15.00
Direct Operating Expenses	-	-
Profit arising from investment property before depreciation	**11.25**	**15.00**
Less: Depreciation	3.95	4.14
Profit arising from Investment Property	**7.30**	**10.86**

iv. The Company has no restriction on the realisability of its investment property and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

Note 4A : Right of use assets

A. Reconciliation of carrying amount

Particulars	Right of use
Gross carrying amount:	
Carrying amount as at 1 April 2018	-
Additions	-
Disposals	-
Balance as at 31 March 2019	**-**
Addition on account of transition to Ind AS 116 – 1st April, 2019 (refer note 45)	44.34
Additions	-
Disposals	**-**
Balance as at 31 March 2020	**44.34**
Accumulated depreciation:	
Balance as at 1 April 2018	**-**
Depreciation for the year	-
Balance as at 31 March 2019	**-**
Depreciation for the year	28.00
Balance as at 31 March 2020	**28.00**
Carrying amounts (net):	
At 31 March 2019	-
At 31 March 2020	**16.34**

Notes to the standalone financial statements...*(Continued)*
as at 31 March 2020

Note 5 : Investments

Non-current investments

Particulars	31 March 2020	31 March 2019
Investments valued at fair value through other comprehensive income (FVOCI)		
a) Investment in equity shares		
i) In subsidiaries	23,091.10	25,908.73
ii) In foreign subsidiary	61,492.65	84,125.65
iii) In joint venture	142.28	144.75
iv) In other company	-	1.00
b) Investment in preference shares		
i) In other company	-	-
c) Investment in debentures		
i) In subsidiary	3,075.00	3,075.00
Total non-current investments	**87,801.03**	**113,255.13**

Note 5.1: Detailed list of non-current investments

Face value of ₹ 10 each, unless otherwise stated	31 March 2020		31 March 2019	
	Nos	₹ in lakhs	Nos	₹ in lakhs
Investments valued at fair value, fully paid up, unquoted, unless otherwise stated				
a) Investments in equity shares:				
i) In subsidiaries				
Alliance Mall Developers Co Private Limited	2,010,000	23,077.31	2,010,000	25,791.07
Prozone Intu Developers Private Limited (Formerly known as Jaipur Festival City Private Limited)	10,000	1.00	10,000	1.00
Royal Mall Private Limited	10,000	-	10,000	-
Kruti Multitrade Private Limited	510,000	12.79	10,000	12.79
Prozone Developers & Realtors Private Limited (formerly known as Classique Creators Private Limited) (face value of ₹ 2/- each, fully paid up)	250,000	-	250,000	103.87
	2,790,000	**23,091.10**	**2,290,000**	**25,908.73**
ii) In foreign subsidiary				
Prozone Liberty International Limited (Singapore)	61,738,561	61,492.65	61,738,561	84,125.65
(face value of 1 USD each, fully paid up)				
	61,738,561	**61,492.65**	**61,738,561**	**84,125.65**
iii) In joint venture				
Moontown Trading Company Private Limited	2,002,500	142.28	2,002,500	144.75
	2,002,500	**142.28**	**2,002,500**	**144.75**
iv) In other company				
Samriddhi Finvest Advisory Services Private Limited	-	-	5,000	1.00
	-	**-**	**5,000**	**1.00**
b) Investment in preference shares:				
i) In other company				
Samriddhi Finvest Advisory Services Private Limited	-	-	5,000,000	-
	-	**-**	**5,000,000**	**0.00**
c) Investment in 0.001% unsecured compulsorily convertible debentures:				
i) In subsidiary				
Alliance Mall Developers Co Private Limited	295,134	3,075.00	295,134	3,075.00
	295,134	**3,075.00**	**295,134**	**3,075.00**
Total non-current investments	**66,826,195**	**87,801.03**	**71,331,195**	**113,255.13**

(Currency : Indian Rupees in Lakhs)

Notes to the standalone financial statements...*(Continued)*
as at 31 March 2020

Particulars	31 March 2020	31 March 2019
Details:		
Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	87,801.03	113,255.13
Aggregate amount of impairment in value of investments	-	-

Note 5.2: (Loss) from investments measured at FVOCI

Significant change in "Gains / (loss) on remeasuring FVOCI" represent remeasurement of fair valuation of investments in subsidiaries and Joint venture on account of change in fair value of properties due to adjustments of future cash flows on account of impact of Covid 19 and determined based on valuation report of independent valuer.

Note 6 : Loans

(Unsecured, considered good)

Particulars	31 March 2020	31 March 2019
To related parties		
Loans to subsidiary company /step down subsidiaries (refer note 36)		
Loan receivables considered good- Unsecured	-	1,805.08
Loans to subsidiary company /step down subsidiaries (refer note 36)		
Loans to Moontown Trading Company Private Limited, Joint venture company (refer note 36)		
Loan receivables considered good- Unsecured	-	256.16
Total Loans	**-**	**2,061.24**

Note 7 : Other financial assets

(Unsecured, considered good, unless otherwise stated)

Particulars	31 March 2020	31 March 2019
To parties other than related parties		
Advance recoverable in cash or kind		
Unsecured, considered good	1,082.71	1,148.06
Unsecured, considered doubtful	910.00	910.00
	1,992.71	**2,058.06**
Less : Provision for expected credit loss	(910.00)	(910.00)
	1,082.71	**1,148.06**
Security deposits	2.45	2.45
Bank deposits (due to mature after 12 months of the reporting date)*	3.50	3.50
Interest accrued on fixed deposits held with bank	0.50	0.25
Total other financial assets	**1,089.16**	**1,154.26**

** Restrictions on fixed deposits*
Fixed deposit has been offered as a security against locker facility taken by the Company from Corporation Bank Limited.

Notes to the standalone financial statements...*(Continued)*
as at 31 March 2020

Note 8 : Non-current tax assets (net)

(a) Amount recognised in the statement of profit and loss

Particulars	31 March 2020	31 March 2019
Current tax expense (A)		
Current year	127.37	117.74
Deferred tax expense (B)		
Origination and reversal of temporary differences	(57.41)	(23.58)
Tax expense (A+B)	**69.96**	**94.16**

A new section 115BAA was inserted in the Income Tax Act. 1961, by The Government of India on 20 September 2019 vide the Taxation Laws (Amendment) Ordinance 2019 which provides an option to companies for paying income tax at reduced rates in accordance with the provisions/conditions defined in the said section. The Company has presently decided not to exercise the said option.

(b) Amounts recognised in other comprehensive income

Particulars	31 March 2020			31 March 2019		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to profit or loss						
Remeasurement of post employment benefit obligation	0.15	(0.04)	0.11	(14.40)	4.01	(10.39)
Gains from investments in equity instruments measured at FVOCI	(25,773.57)	5,457.67	(20,315.91)	(555.30)	123.58	(431.72)
	(25,773.42)	**5,457.63**	**(20,315.80)**	**(569.70)**	**127.59**	**(442.12)**

(c) Reconciliation of effective tax rate

Particulars	31 March 2020	31 March 2019
Profit before tax	**586.53**	**336.34**
Tax using the Company's domestic tax rate (Current year 26% and Previous year 27.82%)	152.50	93.57
Tax effect of :		
Effect of income which is exempt from taxation	(1.38)	(7.14)
Effect of expenses that is non-deductible in determining taxable profit	0.13	0.68
Effect on deferred tax due to change in tax rate	-	(4.43)
Setoff against brought forward losses	(88.63)	-
Other adjustments	7.33	11.47
Tax expense as per statement of profit and loss	**69.96**	**94.16**
Effective tax rate	**11.93%**	**27.99%**

(d) Income tax assets (net)

Particulars	31 March 2020	31 March 2019
Advance tax including tax deducted at source (net of provision for tax ₹ 809.48 lakhs (31 March 2019: ₹ 682.11 lakhs))	175.01	146.65
Total non-current tax assets (net)	**175.01**	**146.65**

(Currency : Indian Rupees in Lakhs) Prozone Intu Properties Limited - Annual Report - 2020

Notes to the standalone financial statements...*(Continued)*
as at 31 March 2020

(e) Movement in deferred tax balances

Particulars	31 March 2020					
	Net balances at 1 April 2019	Recognised in the statement of profit and loss	Recognised in OCI	Net	Deferred tax asset	Deferred tax liabilities
Property, Plant and Equipments	62.91	5.16	-	57.75	57.75	-
Investments	(17,728.93)	-	(5,457.67)	(12,271.27)	-	12,271.27
Loans	(244.48)	51.54	-	(296.03)	-	296.03
Other financial assets	789.03	-	-	789.03	789.03	-
Impact of Ind AS 116	-			1.77	1.77	-
Other current assets	47.58	(4.04)	-	51.62	51.62	-
Borrowings	212.05	(30.68)	-	242.72	242.72	-
Other non-current/ current liabilities	(367.94)	45.52	-	(413.46)	-	413.46
Provisions	22.55	(2.50)	0.04	25.00	25.00	-
Other current liabilities	0.31	(0.19)	-	0.50	0.50	-
MAT Credit Entitlement	118.42	(122.22)		240.64	240.64	-
Tax assets / liabilities before set-off	**(17,088.51)**	**(57.41)**	**(5,457.63)**	**(11,571.71)**	**1,409.06**	**12,980.76**
Set-off of deferred tax asset						(1,409.06)
Net deferred tax liabilities						**11,571.70**

Particulars	31 March 2019					
	Net balances at 1 April 2018	Recognised in the statement of profit and loss	Recognised in OCI	Net	Deferred tax asset	Deferred tax liabilities
Property, Plant and Equipments	72.38	9.47	-	62.91	62.91	-
Investments	(17,851.33)	1.18	(123.58)	(17,728.93)	-	17,728.93
Loans	(195.44)	49.04	-	(244.48)	-	244.48
Other financial assets	760.11	(28.92)	-	789.03	789.03	-
Other current assets	43.13	(4.45)	-	47.58	47.58	-
Borrowings	182.13	(29.91)	-	212.05	212.05	-
Other non-current/ current liabilities	(334.16)	33.79	-	(367.94)	-	367.94
Provisions	11.40	(7.14)	(4.01)	22.55	22.55	-
Other current liabilities	0.25	(0.06)	-	0.31	0.31	-
MAT Credit Entitlement	71.83	(46.59)		118.42	118.42	-
Tax assets / liabilities before set-off	**(17,239.69)**	**(23.58)**	**(127.59)**	**(17,088.51)**	**1,252.85**	**18,341.36**
Set-off of deferred tax asset						(1,252.85)
Net deferred tax liabilities						**17,088.51**

Notes to the standalone financial statements...*(Continued)*
as at 31 March 2020

(f) Unrecognised deferred tax assets

Deferred tax have not been recognised in respect of the following items :

Particulars	31 March 2020	31 March 2019
Unrecognised tax losses carried forward	191.38	953.74
Tax effect of unrecognised tax losses carried forward	53.24	262.76
Total	**53.24**	**262.76**

(g) On 30th March 2019, MCA has issued amendment regarding the income tax Uncertainty over Income Tax Treatments. As per the Company's assessment, there are no material income tax uncertainties over income tax treatments during the current financial year.

Note 9 : Other non-current assets

(Unsecured, considered good)

Particulars	31 March 2020	31 March 2019
To related parties		
Deferred asset on interest free loans given to Moontown Trading Company Private Limited, Joint venture company	-	14.53
Less : Current portion disclosed under Other current assets (refer note 15)	-	(14.53)
Total other non-current assets	**-**	**-**

Note 10 : Investments

Particulars	31 March 2020	31 March 2019
Investments valued at fair value through profit and loss (FVTPL)		
Investment in mutual funds	27.03	650.73
Total Current investments	**27.03**	**650.73**

Note 10.1 Detailed list of Current investments

Particulars	31 March 2020		31 March 2019	
	Nos	₹ in lakhs	Nos	₹ in lakhs
I. Investments valued at fair value, fully paid up, unquoted, unless otherwise stated				
a) Investments in mutual fund				
Kotak Treasurely Advantage Fund - Daily Dividend - Regular Plan	-	-	280,678	28.30
IDFC Cash Fund	456	10.90	-	-
Kotak Savings Fund	50,271	16.13	-	-
Birla Sun Life Plus Daily Dividend - Regular	-	-	620,926	622.42
Total Current investments	**50,727**	**27.03**	**901,604**	**650.73**

Particulars	31 March 2020	31 March 2019
Details:		
Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	27.03	650.73
Aggregate amount of impairment in value of investments	-	-

Notes to the standalone financial statements...*(Continued)*
as at 31 March 2020

Note 11 : Trade receivables

(Unsecured, considered good)

Particulars	31 March 2020	31 March 2019
To related parties		
Trade Receivables considered good - Unsecured	155.77	44.87
To parties other than related parties		
Trade Receivables considered good - Unsecured	2.28	5.65
Total Trade receivables	**158.05**	**50.52**

Note 12 : Cash and cash equivalents

Particulars	31 March 2020	31 March 2019
Balances with banks		
- in current accounts	24.57	10.48
Cheques on hand	-	8.05
Cash on hand	5.70	2.25
Total cash and cash equivalents	**30.27**	**20.78**

Note 13 : Loans

(Unsecured, considered good, unless otherwise stated)

Particulars	31 March 2020	31 March 2019
Loans to subsidiary company /step down subsidiaries (refer note 36)		
Loan receivables considered good- Unsecured	6,605.26	3,651.58
Loans to Moontown Trading Company Private Limited, Joint venture company		
Loan receivables considered good- Unsecured	280.14	-
Loans to parties other than related parties		
Loan receivables considered good- Unsecured	56.76	6.30
Loan receivables - credit impaired	1,152.14	1,152.14
	8,094.30	**4,810.02**
Less : Provision for expected credit loss	(1,152.14)	(1,152.14)
	6,942.16	**3,657.88**
Advances to employees- unsecured considered good	71.54	12.82
Total Loans	**7,013.70**	**3,670.70**

Note 14 : Other financial assets

(Unsecured, considered good, unless otherwise stated)

Particulars	31 March 2020	31 March 2019
Advances recoverable in cash or in kind, considered good	41.64	43.17
Advances recoverable in cash or in kind, considered doubtful	355.00	355.00
Less : Provision for expected credit loss	(355.00)	(355.00)
	41.64	**43.17**
Others receivables*	1,770.00	1,770.00
Total other financial assets	**1,811.64**	**1,813.17**

**Others receivables represents amount due on maturity of investment in 1.77 lakhs 0% optional convertible debentures of ₹ 1,000/- each in Omni Infrastructure Private Limited (step down subsidiary company) which was matured during the year ended 31 March 2016 and option of the conversion was not exercised by the Company.*

Notes to the standalone financial statements...*(Continued)*
as at 31 March 2020

Note 15 : Other current assets

(Unsecured, considered good, unless otherwise stated)

Particulars	31 March 2020	31 March 2019
To related parties		
Current portion of deferred asset on interest free loans given to Moontown Trading Company Private Limited, Joint venture company (refer note 9)	-	14.53
To other than related parties		
Prepaid expenses	4.55	6.25
Total other current assets	**4.55**	**20.78**

Note 16 : Equity share capital

Particulars	31 March 2020	31 March 2019
Authorised share capital		
2,002.50 lakhs (31 March 2019: 2,002.50 lakhs) equity shares of ₹ 2 each	4,005.00	4,005.00
Issued, subscribed and fully paid up		
1,526.03 lakhs (31 March 2019: 1,526.03 lakhs) equity shares of ₹ 2 each, fully paid up	3,052.06	3,052.06
Total issued, subscribed and paid-up equity share capital	**3,052.06**	**3,052.06**

(a) Reconciliation of the equity shares outstanding at the beginning and at the end of the year:

Particulars	31 March 2020		31 March 2019	
	No. in lakhs	₹ in lakhs	No. in lakhs	₹ in lakhs
Equity Shares				
At the beginning of the year	1,526.03	3,052.06	1,526.03	3,052.06
Issued during the year	-	-	-	-
Outstanding at the end of the year	**1,526.03**	**3,052.06**	**1,526.03**	**3,052.06**

(b) Rights, preferences and restrictions attached to equity shares:

The Company has only one class of equity shares having a par value of ₹ 2 per share. Each holder of equity share is entitled to one vote per share.

In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(c) The details of shareholders holding more than 5% of the equity shares of the Company as at year end are as below:

Particulars	31 March 2020		31 March 2019	
	Number of equity shares held in lakhs	% of holding	Number of equity shares held in lakhs	% of holding
Nailsfield Limited, Mauritius	439.96	28.83	439.96	28.83
Nikhil Chaturvedi Family Trust	140.51	9.21	140.51	9.21
Salil Chaturvedi Family Trust	137.33	9.00	137.33	9.00

Note: On 11th May 2018, Intu Properties PLC, UK transferred 3.55% equity shares to its another 100% FPI entity i.e. Intu India (Portfolio) Limited, UK from Nailsfield Limited, Mauritius.

(Currency : Indian Rupees in Lakhs) Prozone Intu Properties Limited - Annual Report - 2020

Notes to the standalone financial statements...*(Continued)*
for the year ended 31 March, 2020

Note 16.1 : Other equity

Reserves and surplus

	Particulars	31 March 2020	31 March 2019
(i)	**Securities premium**		
	Opening balance	36,434.05	36,434.05
	Add: Securities premium received on issue of equity shares	-	-
	Closing balance (refer sub-note 1)	**36,434.05**	**36,434.05**
(ii)	**Retained earnings**		
	Opening balance	647.95	405.77
	Add: profit for the year	516.57	242.18
	Add: Adjustment on account of right of use as per Ind AS 116 (refer note 45)	(4.59)	-
	Closing balance (refer sub-note 2)	**1,159.93**	**647.95**
(iii)	**Amalgamation reserves**		
	Opening balance	378.86	378.86
	Add/ (less): Addition/ (deduction)	-	-
	Closing balance (refer sub-note 3)	**378.86**	**378.86**
(iv)	**Other Comprehensive Income**		
	Opening balance	62,695.81	63,137.92
	Add: (Loss) / Gain on fair value of defined benefit plan	0.12	(10.39)
	Add: (Loss) on fair value of Investments	(20,315.91)	(431.72)
	Closing balance	**42,380.02**	**62,695.81**
	Total other equity	**80,352.87**	**100,156.67**

Sub-note:

1 Securities premium is received pursuant to the further issue of equity shares at a premium net of the share issue expenses. This is a non-distributable reserve except for the following instances where the the share premium account may be applied;

- i) towards the issue of unissued shares of the Company to the members of the Company as fully paid bonus shares;
- ii) for the purchase of its own shares or other securities;
- iii) in writing off the preliminary expenses of the Company;
- iv) in writing off the expenses of, or the commission paid or discount allowed on, any issue of shares or debentures of the Company; and
- v) in providing for the premium payable on the redemption of any redeemable preference shares or of any debentures of the Company.

2 Retained earnings represents the accumulated profits of the Company.

3 Amalgamation Reserve represents the capital reserve pursuant to the Composite Scheme of Arrangement and Amalgamation dated 10 February 2012.

Notes to the standalone financial statements...*(Continued)*
as at 31 March 2020

Note 17 : Borrowings

Particulars	31 March 2020	31 March 2019
(Secured)		
Hire Purchase Loans*	12.73	43.39
Less: current maturities of long term debt (refer note 22)	(2.93)	(30.66)
	9.80	**12.73**
(Unsecured)		
Loan taken from Emerald Build Home Private Limited, joint venture company** (refer note 36)	1,335.55	1,225.28
(Unsecured)		
Lease Liability Non Current Borrowings (refer note 45)	14.70	-
Add: Finance Cost of Lease Liability	4.56	-
Less: Current maturity of Lease Liability	19.27	-
Total	**-**	**-**
Total Borrowing	**1,345.35**	**1,238.01**

Nature of security:

*Hire Purchase Loans includes :

- ₹ Nil (31 March 2019: ₹ 27.99 lakhs) in respect of one vehicle which is secured by hypothecation of vehicle financed with Axis Bank. The loan carries interest @ 9.50% p.a. The loan is repayable in 48 equal instalments starting from 15 April 2016."

*Hire Purchase Loans includes :

- ₹ 12.73 lakhs (31 March 2019: ₹ 15.54 lakhs) in respect of one vehicle which is secured by hypothecation of vehicle financed with ICICI Bank. The loan carries interest @ 9.25% p.a. The loan is repayable in 60 equal instalments starting from 1 February 2019."

**Details of unsecured loan

The unsecured loan were taken from Emerald Buildhome Private Limited, a step down Joint Venture Company (JVC) vide Joint Venture Agreement (JVA) dated 14 December 2007 entered into with the Co-venturer, Shree Salasar Overseas Private Limited for developing a Mall at Jaipur. The said loan was repayable to the JVC at the time of acquisition of additional land. Since the JVC presently does not have any land proposal in hand, the said loan remains with the Company and no interest is payable as agreed between the JV Partners, till the time any new land is acquired by the JVC.

The Company's exposure to interest rate and liquidity risks are disclosed in note 41 to the financial statements.

Note 18 : Provisions

Particulars	31 March 2020	31 March 2019
Provision for employee benefits (refer note 35)		
- provision for gratuity	47.55	42.07
Total Provisions	**47.55**	**42.07**

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Notes to the standalone financial statements...*(Continued)*
as at 31 March 2020

Note 19 : Deferred tax liabilities (net)

Particulars	31 March 2020	31 March 2019
Deferred tax liabilities		
Investments carried at FVOCI	12,271.27	17,728.93
Deferred tax assets		
- Difference in depreciation in block of fixed assets as per Income-tax Act, 1961 and depreciation allowable under books	57.75	62.91
On application of Ind AS 116 - Right of Use	1.77	-
- Provision for expenses disallowed under Section 43B of Income-tax Act, 1961	399.41	459.09
	458.93	**522.00**
MAT credit entitlement	240.64	118.42
Deferred tax liabilities, (net)	**11,571.70**	**17,088.51**

Note 20 : Other non-current liabilities

Particulars	31 March 2020	31 March 2019
Deferred liability on loan taken from Emerald Build Home Private Limited, joint venture company	248.47	331.52
Deferred guarantee income	1,056.49	854.17
Total other non-current liabilities	**1,304.96**	**1,185.69**

Note 21 : Trade payables

Particulars	31 March 2020	31 March 2019
- Total outstanding dues of micro enterprises and small enterprises	1.08	5.51
- Total outstanding dues of creditors other than micro enterprises and small enterprises.	80.98	69.26
Total Trade payables	**82.06**	**74.77**

Note:

Micro and small enterprises under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 have been determined based on the information available with the Company and the required disclosures are given below:

Particulars	31 March 2020	31 March 2019
Principal amount remaining unpaid to any supplier as at the end of each accounting year;	1.08	5.51
Interest due thereon to any supplier as at the end of each accounting year;	-	-
The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006);	-	-
The amount of interest accrued and remaining unpaid at the end of accounting year; and		
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

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Notes to the standalone financial statements...*(Continued)*
as at 31 March 2020

Note 22 : Other financial liabilities

Particulars	31 March 2020	31 March 2019
Current maturities of long term debt (refer note 17)	2.93	30.66
Current maturity of Lease Liability (refer note 17)	19.27	-
Employee benefits payable	16.00	43.54
Total Other financial liabilities	**38.20**	**74.20**

Note 23 : Other current liabilities

Particulars	31 March 2020	31 March 2019
Other advances:		
Advances received from customers	445.74	59.45
Others:		
Statutory dues payable		
- Tax deducted at source payable	6.71	9.95
- Goods and services tax (GST) payable	10.84	23.01
- Professional tax payable	0.41	0.03
- Provident fund payable	0.70	0.38
Total Other current liabilities	**464.40**	**92.81**

Note 24 : Provisions

Particulars	31 March 2020	31 March 2019
Provision for employee benefits (refer note 35)		
- provision for compensated absences	39.04	36.08
- provision for gratuity	3.29	2.89
Total Provisions	**42.33**	**38.97**

(Currency : Indian Rupees in Lakhs) Prozone Intu Properties Limited - Annual Report - 2020

Notes to the standalone financial statements...*(Continued)*
for the year ended 31 March, 2020

Note 25 : Revenue from operations

Particulars	31 March 2020	31 March 2019
Sale of services:		
Management consultancy charges	951.44	829.64
Total Revenue from operations	**951.44**	**829.64**

Note 26 : Other income

Particulars	31 March 2020	31 March 2019
Interest income		
- on unwinding of loans given to related parties (refer note 36)	185.28	169.46
- on loans	570.36	459.47
- on fixed deposit	0.25	0.37
- on notional corporate guarantee given in favour of subsidiaries	92.19	15.35
- on amortisation of deferred liabilities on loans taken from joint ventures	83.05	82.82
Rental income (refer note 43)	11.25	15.00
Profit on sale of current investments	7.81	-
Profit on sale of property, plant and equipment	-	1.92
Notional gain on value of current investments measured at FVTPL	1.23	-
Dividend income on current investments	5.31	25.03
Total other income	**956.73**	**769.43**

Note 27 : Employee benefits expense

Particulars	31 March 2020	31 March 2019
Salaries and bonus	306.04	271.86
Directors' remuneration	300.00	239.98
Contribution to provident fund (refer note 35 B)	2.73	2.29
Expenses related to post-employment defined benefit plans (refer note 35(a))	6.02	7.07
Expenses related to compensated absences (refer note 35)	2.96	18.21
Staff welfare expense	10.60	6.17
Total Employee benefits expense	**628.35**	**545.58**

Note 28 : Finance costs

Particulars	31 March 2020	31 March 2019
Interest expenses		
- on vehicle loan taken from banks	2.76	4.28
- on late payments of statutory dues	0.01	0.45
- on unwinding of loans taken from/given to related parties (refer note 36)	110.28	101.17
- on amortisation of deferred assets on loans given to joint ventures	14.53	14.49
Finance Cost of Lease Liability (refer note 45)	4.56	-
Total Finance costs	**132.14**	**120.39**

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Notes to the standalone financial statements...*(Continued)*
for the year ended 31 March, 2020

Note 29 : Depreciation expense

Particulars	31 March 2020	31 March 2019
Depreciation on property, plant and equipment	31.80	40.12
Depreciation on investment property	3.95	4.14
Depreciation on right of use assets (refer note 45)	28.00	-
Total Depreciation expense	**63.75**	**44.26**

Note 30 : Other expenses

Particulars	31 March 2020	31 March 2019
Rent (refer note 43 and 45)	-	36.00
Rates and taxes	0.29	0.07
Insurance	4.44	5.80
Repairs and maintenance - others	37.76	27.31
Electricity charges	25.79	20.89
Printing and stationery	9.52	10.05
Communication costs	9.73	11.80
Professional fees	64.76	78.51
Travelling and conveyance	69.86	74.57
Vehicle expenses	34.86	46.19
Housekeeping expenses	18.76	14.52
Director sitting fees	4.80	0.90
Listing fees	5.40	5.40
Advertisement and business promotion expenses	34.11	35.40
Payment to auditors' (refer note 30(a) below)	23.30	21.25
Office expenses	43.33	36.82
Membership and subscription	28.82	25.05
Provision for expected credit loss	-	77.43
Miscellaneous expenses	81.87	24.53
Total Other expenses	**497.40**	**552.50**

Note 30(a) : Payment to auditors

Particulars	31 March 2020	31 March 2019
- Statutory audit	21.00	21.00
- Reimbursement of expenses	2.30	0.25
	23.30	**21.25**

Note 31 : Earnings per equity share

A reconciliation of profit for the year and equity shares used in the computation of basic and diluted earnings per equity share is set out below:

Basic: Basic earnings per share is calculated by dividing the profit attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year, excluding equity shares purchased by the Company and held as treasury shares.

Notes to the standalone financial statements...*(Continued)*
for the year ended 31 March, 2020

Diluted: Diluted earnings per share is calculated by adjusting the weighted average number of equity shares outstanding during the year for assumed conversion of all dilutive potential equity shares. Employee share options are dilutive potential equity shares for the Company.

Particulars	31 March 2020	31 March 2019
Weighted average number of equity shares of ₹ 2 each (No. in Lakhs)		
Number of shares at the beginning and end of the year	1,526.03	1,526.03
Weighted average number of shares outstanding during the year	1,526.03	1,526.03
Weighted average number of potential equity shares outstanding during the year	-	-
Total number of potential equity share for calculating diluted earning per share	1,526.03	1,526.03
Net profit after tax available for equity shareholders (₹ In lakhs)	516.57	242.18
Basic Earning per share (in ₹)	**0.34**	**0.16**
Diluted Earning per share (in ₹)	**0.34**	**0.16**

Note 32 : Contingent liabilities disclosures as required under Indian Accounting Standard 37, "Provisions, Contingent Liabilities and Contingent Assets" and Commitments are given below:

a) Contingent liabilities

	Particulars	31 March 2020	31 March 2019
I)	**Claims against the Company not acknowledged as debts :**		
	Disputed liability in respect of income-tax (Interest thereon not ascertainable at present)	25.73	14.87
II)	**Guarantees**		
	Guarantee given to bank on behalf of subsidiary company and stepdown subsidiary company*	38,302.33	30,318.00
		38,328.06	**30,332.87**

** The company have provided corporate guarantee on behalf of loan taken by its subsidiary and step down subsidiary company. The details of loan outstanding are provided below:*

Name of subsidiary company / step down subsidiary	Loan outstanding as on	
	31 March 2020	31 March 2019
Alliance Mall Developer Co Private Limited, subsidiary	20,507	19,424
Hagwood Commercial Developer Private Limited, step down subsidiary	1,681	2,000
Empire Mall Private Limited, step down subsidiary	16,114	8,894
Total	**38,302**	**30,318**

b) Commitment

Particulars	31 March 2020	31 March 2019
Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-

Notes to the standalone financial statements...*(Continued)*
for the year ended 31 March, 2020

Note 33 : Loans and advances in the na ture of loans given to subsidiaries and associates as required to be disclosed in the annual accounts of the Company pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 :

a) Details of loans to subsidiaries / step down subsidiaries

Name of subsidiary/ step down subsidiary companies	Nature of relationship	31 March 2020		31 March 2019	
		₹ in Lakhs	Maximum Amount	₹ in Lakhs	Maximum Amount
Alliance Mall Developers Co Private Limited	Subsidiary	-	266.21	226.21	340.45
Royal Mall Private Limited	Subsidiary	9.92	9.92	1.58	339.99
Prozone Intu Developers Private Limited (formerly known as Jaipur Festival City Private Limited)	Subsidiary	603.10	653.30	117.92	142.85
Prozone Liberty International Ltd, Singapore	Subsidiary	-	-	-	179.59
Omni Infrastructure Private Limited	Step down subsidiary	2,183.98	2,183.99	2,163.02	2,163.02
Empire Mall Private Limited	Step down subsidiary	-	-	-	206.21
Hagwood Commercial Developers Private Limited	Step down subsidiary	367.75	367.75	341.55	341.55
Kruti Multitrade Private Limited	Subsidiary	-	50.03	44.04	45.63
Prozone Developers & Realtors Private Limited (formerly known as Classique Creators Private Limited)	Subsidiary	3,440.52	3,440.52	2,724.62	2,724.62
		6,605.26	**6,971.71**	**5,618.95**	**6,483.91**

b) Details of investments in subsidiaries

(No. of shares)

Name of subsidiary companies	31 March 2020	31 March 2019
Alliance Mall Developers Co Private Limited	2,010,000	2,010,000
Prozone Intu Developers Private Limited (formerly known as Jaipur Festival City Private Limited)	10,000	10,000
Royal Mall Private Limited	10,000	10,000
Kruti Multitrade Private Limited	510,000	10,000
Prozone Liberty International Limited (Singapore)	61,738,561	61,738,561
Prozone Developers & Realtors Private Limited (formerly known as Classique Creators Private Limited)	250,000	250,000
Investments through Prozone Liberty International Limited (Singapore)		
Empire Mall Private Limited *, step down subsidiary	47,209,412	47,209,412
Hagwood Commercial Developers Private Limited, step down subsidiary	9,480,235	9,480,235
Omni Infrastructure Private Limited, step down subsidiary	24,000	24,000

** Considered subsidiary on control basis.*

(No. of debentures)

Name of subsidiary companies	31 March 2020	31 March 2019
Alliance Mall Developers Co Private Limited	295,134	295,134

(Currency : Indian Rupees in Lakhs)

Notes to the standalone financial statements...*(Continued)*
for the year ended 31 March, 2020

Note 34 : The Company has the following Joint Ventures as on 31 March 2020 and its proportionate share in the Assets, Liabilities, Income and Expenditure of the Joint Ventures is given below :

Name of Company	Country of Incorporation	% Voting Power held	31 March 2020		For the year ended 31 March 2020	
			Assets	Liabilities	Income	Expenditure
Emerald Buildhome Private Limited (EBPL)	India	50.00	2,548.64	0.67	55.14	41.57
Moontown Trading Company Private Limited (MTCPL)	India	25.00	212.50	70.18	3.63	6.06

Name of Company	Country of Incorporation	% Voting Power held	31 March 2019		For the year ended 31 March 2019	
			Assets	Liabilities	Income	Expenditure
Emerald Buildhome Private Limited (EBPL)	India	50.00	2,507.26	0.53	50.59	41.48
Moontown Trading Company Private Limited (MTCPL)	India	25.00	212.57	67.82	4.46	5.30

Note 35 : Disclosure relating to employee benefits as per Ind AS 19 ‘Employee Benefits’

A Defined benefit obligations and short-term compensated absences

i) Defined benefit plan

The gratuity plan is governed by the Payment of Gratuity Act,1972 under which an employee who has completed five years of service is entitled to specific benefits.The level of benefits provided depends on the member’s length of service and salary at retirement age.

The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

ii) Short-term compensated absences

27 days of privilege leave for staff is allowed each year. Unutilised leave can be carried forward to the extend of 42 days of leave, If the same not availed in calendar year then the same will be lapsed.

(Currency : Indian Rupees in Lakhs)

Notes to the standalone financial statements...*(Continued)*
for the year ended 31 March, 2020

	Particulars	Funded Plan	
		Gratuity	
		31 March 2020	31 March 2019
a)	**Expenses recognised in the statement of profit and loss**		
	Current service cost	2.89	5.50
	Past service cost	-	-
	Interest cost	3.13	1.57
	Components of defined benefit costs recognized in profit or loss	**6.02**	**7.07**
b)	**Included in other comprehensive income**		
	Actuarial changes arising from changes in financial assumptions	2.41	1.03
	Actuarial changes arising from changes in demographic assumptions	(0.03)	-
	Experience adjustments	(2.33)	13.46
	Return on plan assest excluding amounts included in Interest Income	(0.20)	(0.09)
	Actuarial loss / (gain) recognized in OCI	**(0.15)**	**14.40**
c)	**Recognised in balance sheet**		
	Present value of obligation as at the end of the year	67.90	60.87
	Fair value of plan assets as at the end of the year	(17.06)	(15.91)
	Net Liability	**50.84**	**44.96**
d)	**Changes in defined benefit obligations**		
	Present value of obligation as at the beginning of the year		
	Defined Benefit Obligation ("PBO") at the beginning of the year	60.87	38.17
	Current Service cost	2.89	5.50
	Past Service cost	-	-
	Interest cost	4.08	2.71
	Actuarial loss / (gain)	0.06	14.49
	Present value of obligation as at the end of the year	**67.90**	**60.87**
e)	**Change in fair value of assets**		
	Fair value of plan assets at the beginning of the year	15.91	14.68
	Interest Income	0.95	1.14
	Return on plan assets excluding amounts included in interest income	0.20	0.09
	Benefits paid	-	-
	Fair value of plan assets at the end of the year	**17.06**	**15.91**
f)	**Reconciliation of net defined benefit liability**		
	Net opening provision in books of accounts	44.96	23.49
	Transfer in/(out) obligation	-	-
	Expenses recognised in the statement of profit and loss	6.02	7.07
	Expenses recognised in Other Comprehensive Income	(0.15)	14.40
	Benefits paid	-	-
	Closing provision in books of accounts	**50.83**	**44.96**

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Notes to the standalone financial statements...*(Continued)*
for the year ended 31 March, 2020

	Particulars	Unfunded Plan	
		Compensated absences	
		31 March 2020	31 March 2019
a)	**Changes in defined benefit obligations**		
	Present value of obligation as at the beginning of the year		
	Defined Benefit Obligation ("PBO") at the beginning of the year	36.08	17.89
	Current Service cost	9.10	4.79
	Interest cost	2.39	1.35
	Actuarial loss / (gain)	(8.53)	12.08
	Liabilities transferred in / (out)	-	-
	Benefits paid	-	(0.03)
	Present value of obligation as at the end of the year	**39.04**	**36.08**
b)	**Expenses recognised in the statement of profit and loss**		
	Current service cost	9.10	4.79
	Interest cost	2.39	1.35
	Net value of remeasurements on the obligation and plan assets	(8.53)	12.07
	Total included in 'employee benefits expense'	**2.96**	**18.21**
c)	**Liability recognised in balance sheet**		
	Present value of unfunded obligation as at the end of the year	39.04	36.08
	Net Liability	**39.04**	**36.08**
d)	**Components of actuarial gain/losses on obligation**		
	Actuarial changes arising from changes in financial assumptions	1.15	0.52
	Actuarial changes arising from changes in demographic assumptions	0.01	-
	Experience adjustments	(9.68)	11.55
	Net actuarial loss / (gain)	**(8.53)**	**12.07**

		Gratuity		Compensated absences	
		31 March 2020	31 March 2019	31 March 2020	31 March 2019
e)	**Current/ non-current classification**				
	Current	3.29	2.89	39.04	36.08
	Non- current	47.55	42.07	-	-
		50.84	**44.96**	**39.04**	**36.08**

Notes to the standalone financial statements...*(Continued)*
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The following table summarizes the principal assumptions used for defined benefit obligation and compensated absences:

Actuarial assumptions	Gratuity		Compensated absences	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019
Discount rate	**6.45%**	7.20%	**6.45%**	7.20%
Salary escalation rate (% p.a.) *	**5.10%**	5.10%	**5.10%**	5.10%
Withdrawal Rates	**10% at all ages**	10% at all ages	**10% at all ages**	10% at all ages
Leave availment rate	**-**	-	**5.00%**	5.00%
Mortality rate	**Indian assured lives mortality (2006-08) ultimate**	Indian assured lives mortality (2006-08) ultimate	**Indian assured lives mortality (2006-08) ultimate**	Indian assured lives mortality (2006-08) ultimate

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Quantitative sensitivity analysis for significant assumption is as below:

Particulars	Gratuity		Compensated absences	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019
	0.5% increase		**0.5% increase**	
i. Discount rate	66.27	59.41	38.27	35.35
ii. Salary escalation rate - over a long-term	68.37	61.36	39.85	36.85
	0.1% increase		**0.1% increase**	
iii. Withdrawal rate (W.R.)	68.56	61.69	38.79	35.82
	0.5% decrease		**0.5% decrease**	
i. Discount rate	69.59	62.40	39.84	36.84
ii. Salary escalation rate - over a long-term	67.33	60.44	38.26	35.33
	0.1% increase		**0.1% increase**	
iii. Withdrawal rate (W.R.)	67.18	60.00	39.31	36.35

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation, keeping all other actuarial assumptions constant.

Maturity analysis of defined benefit obligation Gratuity Compensated absences

Particulars	Gratuity		Compensated absences	
	Cashflow	Distribution (%)	Cashflow	Distribution (%)
1st Following Year	8.75	9.10%	6.65	12.90%
2nd Following Year	8.69	9.10%	6.09	11.80%
3rd Following Year	7.31	7.60%	5.32	10.30%
4th Following Year	11.99	12.50%	5.74	11.10%
5th Following Year	5.65	5.90%	4.07	7.90%
Sum of Year 6 to 10 Year	41.03	42.80%	20.99	40.60%
Total expected payments	**83.42**		**48.86**	

The expected contribution for the next year is ₹ 3.28 lakhs.

(Currency : Indian Rupees in Lakhs) Prozone Intu Properties Limited - Annual Report - 2020

Notes to the standalone financial statements...*(Continued)*
for the year ended 31 March, 2020

B Defined contribution plans

The Company makes contribution towards provident fund to a defined contribution retirement plan for qualifying employees. The provident fund plan is operated by the regional provident fund commissioner. Under the schemes, the Company is required to contribute a specified percentage of payroll cost to the retirement contribution schemes to fund benefits.

The Company has recognised the following amounts in the statement of profit and loss for the year:

Particulars	31 March 2020	31 March 2019
Contribution to provident funds	2.73	2.29
	2.73	**2.29**

C Experience adjustments

Particulars	2019	2018	2017	2016	2015
Present value of defined benefit obligation	60.87	38.17	30.44	22.34	17.85
Fair value of plan assets	(15.91)	(14.68)	(13.78)	(12.78)	(11.67)
(Deficit)	**44.96**	**23.49**	**16.66**	**9.56**	**6.18**

Note 36 : Related party disclosures as required under Indian Accounting Standard 24, "Related party disclosures" are given below:

a) Names of related parties and nature of relationship

A) Key Management Personnel (KMP) and their relatives

Mr. Nikhil Chaturvedi	Managing Director
Mr. Salil Chaturvedi	Dy. Managing Director
Mr. Aakansha Chaturvedi (From 16 February 2019)	Relative of KMP

B) Independent and Non-executive Directors

Mr. Punit Goenka	Chairman and Independent Director
Ms. Deepa Misra Harris	Independent Director
Mr. David Fischel	Non Executive Director
Mr. Dushyant Sangar	Non Executive Director

C) Enterprises having common Key Management Personnel (KMP) with whom the company has entered into transaction during the year.

Provogue (India) Limited

D) Subsidiaries / Step down Subsidiaries :-

Alliance Mall Developers Co Private Limited
Royal Mall Private Limited
Prozone Intu Developers Private Limited (Formerly known as Jaipur Festival City Private Limited)
Prozone Liberty International Ltd, Singapore
Omni Infrastructure Private Limited
Empire Mall Private Limited
Hagwood Commercial Developers Private Limited
Kruti Multitrade Private Limited
Prozone Developers & Realtors Private Limited (Formally known as Classique Creators Private Limited)

E) Joint Ventures

Emerald Buildhome Private Limited
Moontown Trading Company Private Limited

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Notes to the standalone financial statements...*(Continued)*
for the year ended 31 March, 2020

b) Transactions carried out with related parties referred to above, in ordinary course of business and balances outstanding:

Summary of related party transactions

Transactions	Key Management Personnel (KMP) and their relatives, Independent and Non-executive Directors		Enterprises having common Key Management Personnel with whom the company has entered into transaction		Subsidiaries / Step down subsidiaries		Joint Ventures		Total	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019	31 March 2020	31 March 2019	31 March 2020	31 March 2019	31 March 2020	31 March 2019
Remuneration to key management personnel	311.89	304.67	-	-	-	-	-	-	311.89	304.67
Director sitting fees	4.80	0.90	-	-	-	-	-	-	4.80	0.90
Sale of services	-	-	-	-	951.44	829.64	-	-	951.44	829.64
Interest income	-	-	-	-	569.80	443.28	0.05	-	569.85	443.28
Notional corporate guarantee income on the guarantee given by the company					92.19	15.35	-	-	92.19	15.35
Notional interest income	-	-	-	-	162.29	148.42	22.99	21.04	185.28	169.46
Notional interest expenses	-	-	-	-	-		110.28	101.17	110.28	101.17
Loans given	-	-	-	-	951.93	3,379.45	0.95	-	952.88	3,379.45
Repayment of loans given	-	-	-	-	535.42	2,522.05	-	-	535.42	2,522.05
Rent paid	-	-	36.00	36.00	-	-	-	-	36.00	36.00

Balances payable/outstanding at the year end

Balances	Key Management Personnel (KMP) and their relatives, Independent and Non-executive Directors		Enterprises having common Key Management Personnel with whom the company has entered into transaction		Subsidiaries / Step down subsidiaries		Joint Ventures		Total	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019	31 March 2020	31 March 2019	31 March 2020	31 March 2019	31 March 2020	31 March 2019
Trade receivables	-	-	-	-	155.20	44.29	-	-	155.20	44.29
Advance from customers	-	-	-	-	445.74	59.45	-	-	445.74	59.45
Trade payable	-	-	27.93	10.05	-	-	-	-	27.93	10.05
Deferred guarantee commission on the guarantee given by the company	-	-	-	-	1,524.76	854.17	-	-	1,524.76	854.17
Guarantee given by the company on behalf Subsidiaries / Step down subsidiaries	-	-	-	-	38,302.33	30,318.00	-	-	38,302.33	30,318.00
Loans given	-	7.00	-	-	6,605.26	5,456.66	280.14	256.16	6,885.41	5,719.82
Advance salary	43.43	-	-	-	-	-	-	-	43.43	-
Loans taken	-	-	-	-	-	-	1,335.56	1,225.28	1,335.56	1,225.28
Remuneration payable	10.38	28.31	-	-	-	-	-	-	10.38	28.31

Note: Related parties are as disclosed by the management and relied upon by the auditors.

Notes to the standalone financial statements...*(Continued)*
for the year ended 31 March, 2020

Note 37 : Segment Reporting as required under Indian Accounting Standard 108, "Operating Segments" :

Basis of segmentation

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Company. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Managing Director of the Company. The Company operates only in one Business Segment i.e. "Designing, developing, owning and operating of Shopping Malls, Commercial and Residential Premises through its various SPVs. The Company is also providing related management consultancy services to its SPVs". Accordingly, these financial statements are reflective of the information required by the Ind AS 108 "Operating segments".

Note 38 : Disclosure with regards to Section 186 (4) of the Companies Act, 2013

i) For investment refer note no. 5 and 10

ii) For corporate guarantees given refer note no. 32.

iii) For loans given :

Particulars	Rate of Interest	Purpose for which the loan is proposed to be utilised by the recipient	31 March 2020	31 March 2019
Subsidiaries / Step down subsidiaries	8.5% to 16%	Working Capital	4,682.58	3,658.77
Others	7% to 9%		987.30	936.84
Total			**5,669.88**	**4,595.61**

Notes:

1) Out of the above the Compay has not provided interest on ₹ 930.54 Lakhs (31 Mar 2019: ₹ 930.54 Lakhs) as the Company has made provision for expected credit loss due to uncertainty regarding recoverability of said loans and advance.

2) Above disclosures do not include unsecured loans (including interest) granted before enforcement of Companies Act, 2013 amounting to ₹ 2,424.43 lakhs (31 March 2019: ₹ 2,460.94 lakhs)

Note 39 : Expenditure on Corporate Social Responsibility (CSR) activities

A Gross amount required to be spent by the Company during the year 2019-20 - ₹ 5.13 lakhs (31 March 2019 - ₹ 9.71 Lakhs)

B Amount spent during the year on:

Sr. No	Particulars	In Cash/Cheque	Yet to be paid in cash	Total
i	Construction/acquisition of any assets	-	-	-
ii	On purposes other than (i) above	-	-	-

C Related party transactions in relation to Corporate Social Responsibility:

D Provision movement during the year 2019-20

Opening provision	9.09
Addition during the year	-
Utilised during the year	-
Closing provision	9.09

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Notes to the standalone financial statements...*(Continued)*
for the year ended 31 March, 2020

Note 40 : Expenditure in foreign currency

Particulars	31 March 2020	31 March 2019
Travelling and conveyance	15.65	28.77

Note 41 : Financial instruments – Fair values and risk management :

A) Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities if the carrying amount is a reasonable approximation of fair value.

31 March 2020	Note	Carrying amount			Fair value			Total
		FVTPL	FVTOCI	Amortised Cost	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	
Financial assets								
Investments (current and non-current)	5, 10	27.03	87,801.03	-	-	27.03	87,801.03	87,828.06
Loans (current and non-current)	6, 13	-	-	7,013.70	-	-	-	-
Trade receivables	11	-	-	158.05	-	-	-	-
Cash and cash equivalents	12	-	-	30.27	-	-	-	-
Other financial asset (current and non-current)	7, 14			2,900.80	-	-	-	-
		27.03	**87,801.03**	**10,102.82**				
Financial liabilities								
Borrowings	17	-	-	1,345.35	-	1,345.35	-	1,345.35
Trade payables	21	-	-	82.06	-	-	-	-
Other financial liabilities	22	-	-	38.20	-	2.93	-	2.93
		-	**-**	**1,465.61**				

31 March 2019	Note	Carrying amount			Fair value			Total
		FVTPL	FVTOCI	Amortised Cost	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	
Financial assets								
Investments (current and non-current)	5, 10	650.73	113,255.13	-		650.73	113,255.13	113,905.86
Loans (current and non-current)	6, 13	-	-	5,731.94	-	-	-	-
Trade receivables	11	-	-	50.52	-	-	-	-
Cash and cash equivalents	12	-	-	20.78	-	-	-	-
Other financial asset (current and non-current)	7, 14	-	-	2,967.43	-	-	-	-
		650.73	**113,255.13**	**8,770.67**				
Financial liabilities								
Borrowings	17	-	-	1,238.01	-	1,238.01	-	1,238.01
Trade payables	21	-	-	74.77	-	-	-	-
Other financial liabilities	22	-	-	74.20	-	30.66	-	30.66
		-	**-**	**1,386.98**				

Notes to the standalone financial statements...*(Continued)*
for the year ended 31 March, 2020

B) Measurement of fair values

Valuation techniques and significant unobservable inputs

The following table shows the valuation techniques used in measuring Level 2 and Level 3 fair values for financial instruments measured at fair value in the balance sheet, as well as the significant unobservable inputs used. Related valuation processes are described in Note 4 to the financial statements.

i) Financial instruments measured at amortised cost

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Borrowings	Discounted cash flows: The valuation model considers the present value of expected payment, discounted using a risk-adjusted discount rate.	Not applicable	Not applicable
Other financial liabilities-(current maturities of long-term debt)		Not applicable	Not applicable

ii) Financial instruments measured at fair value through profit or loss

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Investment in mutual funds	The fair values of investments in mutual fund units is based on the net asset value ("NAV") as stated by the issuer of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which the issuers will redeem such units from the investor.	Not applicable	Not applicable

iii) Financial instruments measured at fair value through Other Comprehensive Income

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Investment in equity, preference shares and debentures	The fair value of investment has been determined by external, independent property valuers, having appropriate recognised professional qualifications and relevent experience the field.	1). Discount Rate; 2). Market capitalisation rate	15.0% to 23.0%; 9.0% to 10.0%

Note 41 : Financial instruments – Fair values and risk management (Continued):

B) Financial risk management

The Company has exposure to the following risks arising from financial instruments:

a. credit risk ;

b. liquidity risk ; and

c. market risk

d. other risk

Risk management framework

The Company's Board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company manages market risk through a treasury department, which evaluates and exercises independent control over the entire process of market risk management. The treasury department recommends risk management objectives and policies, which are approved by Board of Directors. The activities of this department include management of cash resources, borrowing strategies, and ensuring compliance with market risk limits and policies.

Notes to the standalone financial statements...*(Continued)*
for the year ended 31 March, 2020

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment.

The audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

a. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. The carrying amounts of financial assets represent the maximum credit exposure.

Trade 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 ageing of accounts receivables. Outstanding customer receivables are regularly monitored to make an assessment of recoverability. Receivables are provided as doubtful / written off, when there is no reasonable expectation of recovery. Where receivables have been provided / written off, the Company continues regular follow up, engage with the customers, legal options / any other remedies available with the objective of recovering these outstandings. The Company is not exposed to concentration of credit risk to any one single customer since services are provided to vast specturm. The Company also takes security deposits, advances , post dated cheques etc from its customers, which mitigate the credit risk to an extent.

Investments in companies

The Company has made investments in subsidiaries, step down subsidiaries and Joint Venture. The Company does not percieve any credit risk pertaining to investments made in such related entities.

Cash and cash equivalents

The Company held cash and cash equivalents with credit worthy banks of ₹ 30.27 lakhs and ₹ 20.78 as at 31 March 2020 and 31 March 2019 respectively. The credit worthiness of such banks and financial institutions is evaluated by the management on an ongoing basis and is considered to be good.

Exposure to credit risk

The allowance for impairment in respect of trade receivables during the year was ₹ Nil (31 March 2019: ₹ Nil)

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 31 March 2020 and 31 March 2019 is as follows:

Particulars	31 March 2020	31 March 2019
Financial assets for which loss allowances are measured using 12 months Expected Credit Losses (ECL) :		
Loans	1,152.14	1,152.14
Advance recoverable in cash or kind	1,265.00	1,265.00

Notes to the standalone financial statements...*(Continued)*
for the year ended 31 March, 2020

The movement in the allowance for impairment in respect of trade and other receivables during the year was as follows.

Particulars	Amount in ₹ lakhs
Balance as at 1 April 2018	**2,758.78**
Impairment loss recognised	(341.64)
Balance as at 31 March 2019	**2,417.14**
Impairment loss recognised	-
Balance as at 31 March 2020	**2,417.14**

The Company has no other financial assets that are past due but not impaired.

b. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Exposure to liquidity risk

The table below summarises the maturity profile of the Company's financial liabilities at the balance sheet date based on contractual undiscounted repayment obligations.

Particulars	Contractual cash flows			
	One year or less	1 - 5 years	More than 5 years	Total
As at 31 March 2020				
Non - derivative financial liabilities				
Borrowings (Refer Note 17)	-	1,345.35	-	1,345.35
Trade payables (Refer Note 21)	82.06	-	-	82.06
Other financial liabilities (Refer Note 22)	38.20			38.20
	120.26	**1,345.35**	**-**	**1,465.61**
As at 31 March 2019				
Non - derivative financial liabilities				
Borrowings (Refer Note 17)	-	1,238.01	-	1,238.01
Trade payables (Refer Note 21)	74.77	-	-	74.77
Other financial liabilities (Refer Note 22)	74.20	-	-	74.20
	148.97	**1,238.01**	**-**	**1,386.98**

c. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include borrowings and bank deposits. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates.

Exposure to interest rate risk:

The Company's exposure to market risk for changes in interest rates relates to fixed deposits and borrowings from banks.

Prozone Intu Properties Limited - Annual Report - 2020 (Currency : Indian Rupees in Lakhs)

Notes to the standalone financial statements...*(Continued)*
for the year ended 31 March, 2020

The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows:

Particulars	31 March 2020	31 March 2019
Fixed-rate instruments:		
Financial asset (Bank deposits)	3.50	3.50
Financial liabilities (Borrowings)	(12.73)	(43.39)
	(9.23)	**(39.89)**
Variable-rate instruments:	-	-
Financial liabilities (Borrowings)	**-**	**-**

Fair value sensitivity analysis for fixed-rate instruments

The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in IND AS 107, since neither the carrying amount nor the future cash flow will fluctuate because of a change in market interest rates.

Foreign currency risk

The Company has negiligible expsoure to currency risk since almost all the transactions of the Company are denominated in Indian Rupees.

Commodity and other price risk

The Company is not exposed to the commodity and other price risk.

d. Other risk - On account of COVID-19

In March 2020, World Health Organization has declared COVID 19 a pandemic. Consequent to this, Government of India declared lockdown on 23 March 2020 This has resulted in disruption to regular business operations due to disruptions in transportation, quarantines, social distancing and other emergency measures imposed by the government. The company believes that the COVID 19 pandemic will only have a short to medium term impact on its operations and post easing of the lockdown, the business is expected to be normal gradually in 9-12 months.

The Company has taken various measures to reduce its fixed cost for example, salary reductions, optimization of administrative costs etc. The Company management has considered the possible effects that may result from the COVID-19 pandemic on the carrying value of assets (including property, plant and equipment, investment property, capital work in progress, investments, loans, receivables etc. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the Company as at the date of approval of these financial results has used internal and external sources of information to assess the expected future performance of Company and expects that the carrying amount of these assets, as reflected in the balance sheet as at 31 March 2020, are fully recoverable.

The management has also estimated the future cash flows with the possible effects that may result from the COVID-19 and does not foresee any adverse impact on realizing its assets and in meeting its liabilities as and when they fall due. The actual impact of the COVID-19 pandemic may be different from that estimated as at the date of approval of these financial results.

The company will continue to closely monitor any material changes to future economic conditions.

Note 42 : Capital Management

The Company manages the capital structure by a balanced mix of debt and equity. Necessary adjustments are made in the capital structure considering the factors vis-a-vis the changes in the general economic conditions, available options of financing and the impact of the same on the liquidity position. Higher leverage is used for funding more liquid working capital needs and conservative leverage is used for long-term capital investments. No changes were made in the objectives, policies or processes during the financial year ended 31 March 2020. The Company calculates the level of debt capital required to finance the working capital requirements using traditional and modified financial metrics including leverage/gearing ratios and asset turnover ratios.

Notes to the standalone financial statements...*(Continued)*
for the year ended 31 March, 2020

As of balance sheet date, leverage ratios is as follows:

Particulars	As at 31 March 2020	As at 31 March 2019
Total borrowings (Refer note 17 and 22)	1,348.28	1,268.67
Less: cash and bank balances (Refer note 12)	30.27	20.78
Adjusted net debt	**1,378.55**	**1,289.45**
Total equity (Refer note 16 and 16.1)	83,404.92	103,208.73
Adjusted net debt to adjusted equity ratio (times)	**0.02**	**0.01**

Note 43 : Operating leases

Leases as lessor

i) The Company has given office premises on lease which is situated at Oshiwara, Andheri West. The cancellable leases are renewable by mutual consent on mutually agreeable terms. The lease income recognised in the statement of profit and loss is ₹ 11.25 lakhs (31 March 2019: ₹ 15.00 Lakhs). The said office premises is vacant since December 2019.

ii) There is no future minimum lease payments under non-cancellable operating lease.

Note 44 : IND AS 115 - Revenue from Contracts with Customers

Ind AS 115 Revenue from contracts with customer has been notified by Ministry of Corporate Affairs (MCA) on 28 March 2018 and is effective from accounting period beginning on or after 1 April 2018, replace existing revenue recognition standard. The adoption of standard did not have any impact on the standalone financial statements of the Company.

(a) Reconciliation of revenue as per contract price and as recognised in the Statement of profit and loss:

Particulars	31 March 2020	31 March 2019
Revenue from contracts with customers as per contract price and statement of profit and loss	951.44	829.64

b) Disaggregation of revenue

The revenue is computed based on employee cost plus operating expenses for employees working in the payroll of the Company and at operating expenses for employees on the payroll of the group companies in relation the management consultancy services provided to its group companies in India. The management believes that this approach best depicts how the nature, amount, timing and uncertainty of revenue and cash flows are affected by industry, market and other economic factors.

Particulars	31 March 2020	31 March 2019
By contract type:		
Fixed cost plus operating expenses	878.31	745.39
Operating expenses relating to group companies employees	73.13	84.25

(c) Contract liability (advance from customers)

Particulars	31 March 2020	31 March 2019
Advance from customer	445.74	59.45

The amount of ₹ 59.45 lakhs (31 March 2019: ₹ 24.27 lakhs) recognised in contract liabilities at the beginning of the year has been recognised as revenue during the year ended 31 March 2020

Notes to the standalone financial statements...*(Continued)*
for the year ended 31 March, 2020

(d) Performance obligation

The Company is engaged in the business of management consultancy services in relation to developing, owning and operating of shopping malls, commercial and residential premises to its group companies in India. Revenue is recognised at a point in time upon satisfaction of the performance obligations which is typically upon rendering of services based on the contractual terms with the group companies.

The Company has a credit evaluation policy based on which the credit limits for the trade receivables are established and the Company does not give significant credit period resulting in no significant financing component.

(e) Transaction price allocated to remaining performance obligation

The Company has recognised revenue as the amount that the entity has a right to invoice, thus there are no unsatisfied performance obligation.

Note 45 : First time adoption of Ind AS 116 - Leases

The Company has taken office premises situated at Andheri, Mumbai on operating lease. The Company has entered into a leave and license agreement for using of its office premises for 5 year w.e.f. 1 November 2015 to 31 October 2020, with an option to renew the lease after this period.

With effective from 1 April 2019, the Company has adopted Ind AS 116, Leases and applied the standard to all lease contracts existing on 1 April 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the ROU asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the lessee's incremental borrowing rate at the date of initial application. Comparatives as at and for the year ended 31 March 2019 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies included as part of our Annual Report for year ended 31 March 2019.

On transition, the adoption of the new standard resulted in the recognition of right of use assets (ROU) of ₹ 44.34 lakhs and lease liability of ₹ 50.70 lakhs and the cumulative effect of ₹ 4.59 lakhs (net of deferred tax amounting to ₹ 1.77 lakhs) is debited to retained earnings.

The details of the same are provided below:

Right-of-Use Assets

Particulars	31 March 2020
Cost	
Balance as at 1 April 2019	44.34
Add: Additions	-
Less: Disposals	-
Balance as at 31 March 2020	**44.34**
Accumulated Depreciation	
Balance as at 1 April 2019	-
Add: Depreciation charge for the year	28.00
Less: Disposals	-
Balance as at 31 March 2020	**28.00**
Carrying amount	
Balance as at 1 April 2019	44.34
Balance as at 31 March 2020	**16.34**

(Currency : Indian Rupees in Lakhs)

Notes to the standalone financial statements...*(Continued)*
for the year ended 31 March, 2020

Particulars	31 March 2020
Lease Liabilities	
Balance as at 1 April 2019	50.70
Less: Disposals	-
Add: Interest Expense on lease Liabilities	4.56
Less: Total cash outflow for leases	36.00
Balance as at 31 March 2020 *	**19.26**

** The said liability will be matured till 31 October 2020*

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Mansi Pardiwalla
Partner
Membership No: 108511

Place : Mumbai
Date : 8 July 2020

For and on behalf of the Board of Directors of
Prozone Intu Properties Limited
CIN: L45200MH2007PLC174147

Nikhil Chaturvedi
Managing Director
DIN : 00004983

Salil Chaturvedi
Dy. Managing Director
DIN : 00004768

Mr Bipin Gurnani
President

Anurag Garg
Chief Financial Officer

Ajayendra Jain
Company Secretary & CCO

Place : Mumbai
Date : 8 July 2020

FINANCIAL REPORT CONSOLIDATED

Independent Auditors' Report

To the Members of
Prozone Intu Properties Limited
Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Prozone Intu Properties Limited (hereinafter referred to as the 'Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its joint ventures, which comprise the consolidated balance sheet as at 31 March 2020, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements of such subsidiaries and joint ventures as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its joint ventures as at 31 March 2020, of its consolidated loss and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

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 Consolidated Financial Statements section of our report. We are independent of the Group and its joint ventures in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub paragraph (a) of the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Emphasis of matter

We draw attention to note 50 to the consolidated annual financial statement in respect of Hagwood Commercial Developers Private Limited ('Hagwood' or 'the subsidiary company'), (subsidiary of Holding Company), which currently is contesting the cancellation order issued by Airport Authority of India, Nagpur ('AAIN') and revalidation of the original No Objection Certificate ('NOC') issued by AAIN for permission of maximum permissible height of the residential building at its project in Nagpur. Further, the Appellate Committee of Ministry of Civil Aviation has rejected the appeal of the subsidiary company in this matter and instructed the Airport operator, Mihan India Private Limited to initiate action as per Aircraft (Demolition of Obstructions caused by buildings and tree, etc.) Rule 1994. The subsidiary company conducted an independent aeronautical study through an ex-AAI official and VHF Omnidirectional Radio Range (VOR) (an aircraft navigation system) analysis and assessment study from a reputed aviation consultant, the reports of which cleared the buildings from being a major obstacle to the flight path. The subsidiary company has obtained a stay on the demolition order by filing a writ petition with the Honorable High Court of Bombay (Nagpur Bench). Pending the outcome of proceedings and considering the aeronautical survey report, obstacle limitation study report and the legal opinion obtained by the subsidiary company, no adjustments have been made, in respect of any write down in the carrying value of inventories aggregating to ₹ 23,760.50 lakhs, provision towards expected demolition cost, and interest payable to customers on cancellation of bookings, in the consolidated annual financial statement as at and for the year ended 31 March 2020.
Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Independent Auditors' Report...*(Continued)*

Revenue recognition (refer note 32 to the consolidated financial statements)

The Key Audit Matter	How the matter was addressed in our audit
Revenue for the Group consists primarily of rental income from mall operations and income from sale of residential and commercial units. Revenue from mall operations represents ₹ 8,453.95 lakhs and revenue from sale of residential and commercial units represents ₹ 49.93 lakhs of the total revenue from operations of the Group respectively. Revenue is recognised upon transfer of control of residential and commercial units to customers for an amount reflecting the consideration which the Group expects to receive in exchange for those units. The trigger for revenue recognition is normally completion of the project or receipt of approvals on completion from relevant authorities or intimation to the customer of completion. Once revenue is recognised, the contract becomes non-cancellable by the parties. The Group records revenue at a point in time on completion of projects and actual possession to the customers, as determined by the terms of contract with customers.	Our audit procedures on Revenue recognition included the following: - • Evaluating the Group's revenue recognition accounting policies are in line with the applicable accounting standards and their application to the key customer contracts including consistent application; • Sales cut-off procedures for determination of revenue in the correct reporting period; • Scrutinising revenue journals raised throughout the reporting period and comparing details of a sample of these journals, which met certain risk-based criteria, with relevant underlying documentation; and • Considering the adequacy of the disclosures in note 2.2 to the consolidated financial statements in respect of the judgments taken in recognising revenue for residential and commercial property units.
Revenue recognition prior to completion of the project Due to the Group's projects being spread across different regions within the country and the competitive business environment, there is a risk of overstating the revenue (for example, through premature revenue recognition i.e. recording revenue without receipt of approval from authorities or its intimation to the customers) or understating the revenue (for example, through improperly shifting revenues to a later period) in order to present consistent financial results. Since revenue recognition has direct impact on the Group's profitability, the element of Directors bias is likely to be involved. **Measurement of revenue recorded over time which is dependent on the estimates of the costs to complete** Revenue recognition involves significant estimates related to measurement of costs to complete for the projects. Revenue from projects is recorded based on Director's assessment of the work completed, costs incurred and accrued and the estimate of the balance costs to complete. Due to the inherent nature of the projects and significant judgment involved in the estimate of costs to complete, there is risk of overstatement or understatement of revenue. **Revenue recognition for mall operations** Rental income from mall operations is recognised based on lease agreements executed with the tenants. In case of fixed licence fees with increment clauses, the revenue is recognised in equal installments over the accounting periods covered by the lease term. In case of revenue share, the variable rental income is determined based on the turnover of certain retail outlets. We have identified revenue recognition for mall operations as a key audit matter because of its significance to the Group.	In addition, we have the performed the following procedures: **Revenue recognition prior to receipt of OC/ similar approval and intimation to the customer** • Inquiring, challenging key judgments of Directors in interpreting contractual terms, and obtaining in-house legal interpretations; • Testing sample sales of units for projects with the underlying contracts, completion status and proceeds received from customers; • Identified and tested operating effectiveness of key controls around approvals of contracts, milestone billing, intimation of possession letters, intimation of receipt of occupation certificate and controls over collection from customers; • We have obtained balance confirmations, on a sample basis, from major customers for selected projects to check revenue recognised during the year; and • We have performed alternative procedures by comparing the selected samples with customers contracts, collection details and other underlying project related documentation for cases where balance confirmations are not received. **Measurement of revenue recorded over time which is dependent on the estimates of the costs to complete** • Compared, on a sample basis, revenue transactions with the underlying contracts, progress reports, invoices raised on customers and collections in bank accounts and assessed its recognition in accordance with the Group's policies; • Identification and testing operating effectiveness of key controls over recording of actual costs incurred for the projects; • Analysing the costs to complete workings, and comparing the costs to complete with the budgeted costs for any significant variance; and

Independent Auditors' Report...*(Continued)*

The Key Audit Matter	How the matter was addressed in our audit
	• Sighting approvals for changes in budgeted costs with the rationale for the changes and assessment of contract costs to determine no revenue nature costs are taken to inventory. **Measurement of revenue recognised for mall operations** • Evaluating the design, implementation of operating effectiveness of key internal controls over the recording of revenue for mall segment; • Comparing fixed rental revenue with the underlying tenancy information, monthly rents and rental periods as set out in the signed rental agreements, on a sample basis, and assessing its recognition in the correct period; and • Re-performing the test of variable rental income with reference to self-inspected or audited turnover reports submitted by the relevant retail outlets, on a sample basis, and its recognition in the correct period.

Inventories (refer note 14 to the consolidated financial statements)

The Key Audit Matter	How the matter was addressed in our audit
The Company's inventory comprises of ongoing and completed real estate projects, unlaunched projects and development rights. As at 31 March 2020, the carrying values of inventories amounts to ₹ 40,329.07 lakhs. **Assessing net realisable value** The inventories are carried at the lower of the cost and net realisable value ('NRV'). The determination of the NRV involves estimates based on prevailing market conditions, current prices and expected date of commencement and completion of the project, the estimated future selling price, cost to complete projects and selling costs. Considering significance of the amount of carrying value of inventories in the financial statements and the involvement of significant estimation and judgement in such assessment of NRV, the same has been considered as key audit matter.	**Our audit procedures to assess the net realisable value (NRV) of inventories included the following:** • Inquired with the Group to understand the basis of calculation and justification for the estimated recoverable amounts of the unsold units ("the NRV assessment"); • Evaluated the design and implementation of the Group's internal controls over the NRV assessment. Our evaluation included assessing the competence of personnel involved in preparation and updation of NRV assessment. We also challenged the basis of key estimates, estimated future selling prices and costs of completion for property development projects, used in the NRV assessment; • Evaluated the Group's valuation methodology and assessed the key estimates, data inputs and assumptions adopted in the valuations; • Compared the expected future average selling prices with available market data such as recently transacted prices for similar properties located in the nearby vicinity and the sales budget plans maintained by the Group; and • Re-performed the test of the NRV assessment and compared the estimated construction costs to complete each property development project with the Group's updated budgets.

Independent Auditors' Report...*(Continued)*

Recoverability of advances given against projects (refer note 10 to the consolidated financial statements)

The Key Audit Matter	How the matter was addressed in our audit
One of the subsidiary company had given advances for various real estate projects with fixed and variable returns and these were assessed for recoverability at each period end. Other financial assets comprises of non-current and current advances given to various vendors aggregating to ₹ 11,058.00 lakhs as at 31 March 2020, out of which ₹ 4,000.00 lakhs and interest thereon ₹ 3,518.02 lakhs, the cumulative amount ₹ 7,518.02 lakhs, represents advances extended to one party. In respect of the same, the subsidiary company had filed petition in the Hon'ble High Court at Bombay, seeking performance of contract and restoration of security. During the current year, the party has submitted a 'Without Prejudice Offer' dated 24 June 2019, to pay the amount in installments along with interest at 17% p.a. from December 2019 to 30 June 2022. Considering the delays in performance of the contract, ongoing litigation with the party and significance of the amounts involved, this has been considered as a key audit matter to the overall audit.	**Recoverability of advances given against projects** Our procedures included: • Inquiries with management of the subsidiary company including the in-house legal team on the recoverability of the outstanding advances including interest thereon; • We have assessed the significant judgements applied towards recoverability of the advance along with interest by 30 June 2022 as per the repayment plan proposed by the party; • We have verified of the term sheets executed with the party, interim security provided by way of post-dated cheques, letters of allotment in the building Shreepati Jewels allocating 12 flats in D Wing of Shreepati Jewels i.e., the Girgaon Project and deed of guarantee; • We have analysed the interim order passed by the Hon'ble High Court on 17 July 2018 directing the party to maintain status quo and to not create any third party rights on the respective projects and flats; • We have obtained and examined the external legal opinion in respect of the amounts recoverable and interest accrued thereon, the sustainability and the likelihood of recoverability upon final resolution. As per the legal opinion, the subsidiary company would get an award/ decree in its favor at least for recovering money with the interest from the party; and • Assessed the adequacy of the disclosures in the consolidated financial statements of the Group as of and for the year ended 31 March 2020.

Other Information

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

Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the work done/ audit report of other auditors, 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 Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group and its joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group and its joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were

Independent Auditors' Report...*(Continued)*

operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group and its joint ventures are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and its joint ventures is responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 consolidated 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 the internal financial controls with reference to the consolidated financial statements and the operating effectiveness of such controls based on our audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated 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 appropriateness of this assumption. 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 consolidated 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 Group (Holding Company and subsidiaries) and its joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group and its joint ventures, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a and b) of the section titled 'Other Matters' in this audit report.

We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all

Independent Auditors' Report...*(Continued)*

relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

(a) We did not audit the financial statements of four subsidiaries whose financial statements reflect total assets of ₹ 16,096.60 lakhs as at 31 March 2020, total revenue of ₹ Nil and net cash inflows amounting to ₹ 1.42 lakhs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss after tax (and other comprehensive income) of ₹ 2.43 lakhs for the year ended 31 March 2020, in respect of one joint venture, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint venture, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and joint venture is based solely on the audit reports of the other auditors.

(b) The financial statements of two subsidiaries, whose financial statements reflect total assets of ₹ 40,152.92 lakhs as at 31 March 2020, total revenue of ₹ Nil and net cash outflows amounting to ₹ 11.94 lakhs for the year ended on that date, as considered in the consolidated financial statements, have not been audited either by us or by other auditors. The consolidated financial statements also include Group's share of net profit after tax (and other comprehensive income) of ₹ 41.84 lakhs for the year ended 31 March 2020, as considered in the consolidated financial statements, in respect of one joint venture, whose financial statements have not been audited by us or by other auditors. These unaudited financial statements have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint venture, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries and joint ventures, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

A. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such subsidiaries and joint ventures as were audited by other auditors, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:

a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

b) in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;

c) the consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

d) in our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards (Ind AS) specified under section 133 of the Act;

e) on the basis of the written representations received from the directors of the Holding Company as on 31 March 2020 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiaries companies and joint venture incorporated in India, none of the directors of the Group companies and its joint venture incorporated in India are disqualified as on 31 March 2020 from being appointed as a director in terms of Section 164 (2) of the Act; and.

f) with respect to adequacy of the internal financial controls with reference to the consolidated financial statements of the Holding Company, its subsidiaries and joint venture incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the

Independent Auditors' Report...*(Continued)*

best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries and joint ventures, as noted in the 'Other Matters' paragraph:

i. the consolidated financial statements disclose the impact of pending litigations as at 31 March 2020 on the consolidated financial position of the Group and its joint ventures – Refer notes 43 to the consolidated financial statements;

ii. the Group and joint ventures did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2020;

iii. there are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company or its subsidiaries and joint ventures incorporated in India during the year ended 31 March 2020; and

iv. The disclosures in the consolidated financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these consolidated financial statements since they do not pertain to the financial year ended 31 March 2020.

C. With respect to the matter to be included in the Auditor's report under section 197(16) of the Act, we report that:

In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary companies and joint ventures which were not audited by us, the remuneration paid during the current year by the Holding Company and its subsidiary companies, and joint ventures to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiary companies and joint ventures is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Mansi Pardiwalla
Partner
Membership No: 108511
UDIN: 20108511AAAADZ2000

Place: Mumbai
Date: 8 July 2020

Annexure A to the Independent Auditors' Report – 31 March 2020

Report on the Internal Financial Controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

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

Opinion

In conjunction with our audit of the consolidated financial statements of Prozone Intu Properties Limited ("the Holding Company") as of and for the year ended 31 March 2020, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries incorporated in India (the Holding Company and its subsidiary companies incorporated in India together referred to as the "Group") and its joint venture companies, in respect of companies incorporated in India and to whom the internal financial control with reference to financial statements is applicable, as of that date.

In our opinion, the Group, and its joint venture companies, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2020, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The respective company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective 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 the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated 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 consolidated 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 consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls 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 consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary company, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial Controls with reference to Consolidated financial statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Annexure A to the Independent Auditors' Report – ...*(Continued)*
31 March 2020

Inherent Limitations of Internal Financial Controls with reference to consolidated financial statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to 4 subsidiary companies and 1 joint venture, which are companies incorporated in India and to whom internal control over financial statements is applicable, is based on the corresponding report of other auditors of such companies incorporated in India.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Mansi Pardiwalla
Partner
Membership No: 108511
UDIN: 20108511AAAADZ2000

Place: Mumbai
Date: 8 July 2020

(Currency : Indian Rupees in Lakhs)

Consolidated balance sheet
as at 31 March, 2020

Particulars	Note	31 March 2020	31 March 2019
Assets			
Non-current assets			
Property, plant and equipment	3	520.70	747.70
Investment property	4	63,999.95	68,037.81
Investment property under construction	5	3,595.20	2,508.04
Right of use assets	6	16.34	-
Goodwill on consolidation		9,144.91	9,144.91
Other intangible assets	7	-	-
Financial assets			
Investments	8	4,661.71	4,589.54
Loans	9	653.97	915.88
Other financial assets	10	10,148.75	9,541.96
Deferred tax assets (net)	11	9,554.92	9,422.20
Income tax assets (net)	12	1,461.28	979.50
Other non-current assets	13	2,006.48	1,691.40
Total non-current assets		**105,764.21**	**107,578.94**
Current assets			
Inventories	14	40,329.07	27,522.32
Financial assets			
Investments	15	1,953.39	3,031.24
Trade receivables	16	1,942.84	3,458.29
Cash and cash equivalents	17	799.01	198.77
Bank balances other than cash and cash equivalents	18	926.62	175.82
Loans	19	8,237.73	484.48
Other financial assets	20	909.25	508.46
Other current assets	21	211.24	254.19
Total current assets		**55,309.15**	**35,633.57**
Total assets		**161,073.36**	**143,212.51**
Equity and liabilities			
Equity			
Equity share capital	22	3,052.06	3,052.06
Other equity	22.1	46,599.66	46,867.86
Equity attributable to owners		**49,651.72**	**49,919.92**
Non controlling interest		32,500.84	32,823.10
Total equity		**82,152.55**	**82,743.02**
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	23	36,677.16	33,257.24
Other financial liabilities	24	4,471.31	5,350.35
Provisions	25	73.57	62.13
Other non-current liabilities	26	191.24	285.89
Total non-current liabilities		**41,413.28**	**38,955.61**
Current liabilities			
Financial liabilities			
Borrowings	27	1,503.62	-
Trade payables			
Total outstanding dues to micro enterprise and small enterprises	28	13.58	24.80
Total outstanding dues to creditors other than micro enterprises and small enterprises	28	6,588.27	2,127.85
Other financial liabilities	29	4,940.68	4,049.09
Provisions	25	75.33	66.71
Other current liabilities	30	24,371.42	15,221.51
Current tax liabilities (net)	31	14.62	23.92
Total current liabilities		**37,507.52**	**21,513.88**
Total equity and liabilities		**161,073.36**	**143,212.51**
Significant accounting policies	2.2		
Notes to the consolidated financial statements	3 - 54		

The accompanying notes form an integral part of these consolidated financial statements.
As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

For and on behalf of the Board of Directors of
Prozone Intu Properties Limited
CIN: L45200MH2007PLC174147

Mansi Pardiwalla
Partner
Membership No: 108511

Nikhil Chaturvedi
Managing Director
DIN : 00004983

Salil Chaturvedi
Dy. Managing Director
DIN : 00004768

Mr Bipin Gurnani
President

Anurag Garg
Chief Financial Officer

Ajayendra Jain
Company Secretary & CCO

Place : Mumbai
Date : 8 July 2020

Place : Mumbai
Date : 8 July 2020

Consolidated Statement of Profit & Loss

for the year ended 31 March, 2020

Particulars	Note	31 March 2020	31 March 2019
Income			
Revenue from operations	32	8,503.88	11,822.35
Other income	33	2,014.17	1,559.70
Total income		**10,518.05**	**13,382.05**
Expenses			
Cost of materials consumed	34	5,314.50	3,146.57
Change in inventories of finished goods and construction work in progress	34	(5,278.36)	(366.62)
Employee benefits expense	35	422.11	380.67
Finance costs	36	4,152.17	3,432.16
Depreciation and amortization expense	37	3,340.47	3,397.19
Other expenses	38	3,201.91	2,608.39
Total expenses		**11,152.80**	**12,598.36**
Profit/ (loss) from ordinary activities before tax before share of profit/ (loss) of joint ventures		**(634.75)**	**783.69**
Share of profit of joint ventures (net of tax)		31.23	17.44
		(603.52)	**801.13**
Less: Tax expense			
Current tax		138.78	135.85
Tax of earlier years		(3.15)	35.30
Deferred tax (credit) including MAT credit entitlement ₹ 240.64 lakhs (31 March 2019: ₹ 153.33 lakhs)		(322.64)	(22.37)
Total tax expense		**(187.01)**	**148.78**
Profit/ (loss) for the year (A)		**(416.51)**	**652.35**
Other comprehensive income/(loss) (OCI)			
Items that will not be reclassified subsequently to the consolidated statement of profit and loss			
- Remeasurement of post employment benefit obligation		(1.67)	(7.05)
- Gain / (Loss) on remeasuring FVTOCI financial assets		24.00	(199.40)
- Income Tax on Above (including reversal of deferred tax asset on sale of investment amounting to ₹ 192.16 lakhs)		(191.69)	46.34
Total other comprehensive (loss) for the year, net of tax (B)		**(169.36)**	**(160.11)**
Total comprehensive income/ (loss) for the year, net of tax (A+B)		**(585.87)**	**492.24**
Net profit/(loss) attributable to :			
- Owners		(152.01)	244.54
- Non-controlling interest		(264.49)	407.81
Total comprehensive income/ (loss) attributable to :			
- Owners		(73.28)	(197.29)
- Non-controlling interest		(512.59)	689.53
Earnings per share (EPS)	39		
Basic and diluted (in ₹) (per equity share of nominal value ₹ 2 each)		**(0.10)**	**0.16**
Significant accounting policies	2.2		
Notes to the consolidated financial statements	3 - 54		

The accompanying notes form an integral part of these consolidated financial statements.
As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Mansi Pardiwalla
Partner
Membership No: 108511

For and on behalf of the Board of Directors of Prozone Intu Properties Limited
CIN: L45200MH2007PLC174147

Nikhil Chaturvedi
Managing Director
DIN : 00004983

Salil Chaturvedi
Dy. Managing Director
DIN : 00004768

Mr Bipin Gurnani
President

Anurag Garg
Chief Financial Officer

Ajayendra Jain
Company Secretary & CCO

Place : Mumbai
Date : 8 July 2020

Place : Mumbai
Date : 8 July 2020

(Currency : Indian Rupees in Lakhs)

Consolidated statement of changes in equity
for the year ended 31 March 2020

A) Equity share capital

Particulars	Note	Number	Amount
Equity shares of ₹ 2 each issued, subscribed and paid			
Balance as at the 1 April 2018	22	1,526.03	3,052.06
Changes in equity share capital for the year ended 31 March 2019		-	-
Balance as at the 31 March 2019		**1,526.03**	**3,052.06**
Changes in equity share capital for the year ended 31 March 2020		-	-
Balance as at the 31 March 2020		**1,526.03**	**3,052.06**

B) Other equity

	Note	Reserves and surplus					Other comprehensive income		Total equity attributable to equity holders
		Amalgamation Reserve	Securities Premium	Capital Reserve on consolidation	Retained Earnings	Foreign Currency Translation Reserve	Gains/ (loss) on fair value of investments	Gain / (loss) on fair value of defined benefit plans	
As at 1 April 2018	22.1	378.86	49,746.66	7.20	(1,226.22)	950.53	(603.94)	(14.50)	49,238.59
IND AS 115 Adjustments (refer note 53)		-	-	-	(2,170.25)	-	-	-	(2,170.25)
Total comprehensive income/ (loss) for the year									
Profit for the year		-	-	-	244.54	-	-	-	244.54
Fair value gain/(loss) on investment in equity instruments through OCI		-	-	-	-	-	(436.74)	-	(436.74)
Remeasurement of post employment benefit obligation (net of tax)		-	-	-	-	-	-	(5.11)	(5.11)
Exchange difference arising on translation of foreign operations		-	-	-	-	(3.19)	-	-	(3.19)
As at 31 March 2019		**378.86**	**49,746.66**	**7.20**	**(3,151.93)**	**947.34**	**(1,040.67)**	**(19.61)**	**46,867.84**
Ind AS 116 Adjustment (refer note 54)		-	-	-	(4.59)	-	-	-	(4.59)
Total comprehensive income/ (loss) for the year									
Loss for the year		-	-	-	(152.01)	-		-	(152.01)
Fair value gain/(loss) on investment in equity instruments through OCI		-	-	-	-	-	79.93	-	79.93
Remeasurement of post employment benefit obligation (net of tax)		-	-	-	-	-	-	(1.19)	(1.19)
Share of Minority interest in Other component of equity of subsidiaries on account of notional commission on corporate guarantee given by parent company		-	-	-	(190.33)	-	-	-	(190.33)
As at 31 March 2020		**378.86**	**49,746.66**	**7.20**	**(3,498.85)**	**947.34**	**(960.74)**	**(20.80)**	**46,599.66**

Refer note 22.1 for nature and purpose of each reserve

The accompanying notes form an integral part of these consolidated financial statements.
As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Mansi Pardiwalla
Partner
Membership No: 108511

For and on behalf of the Board of Directors of
Prozone Intu Properties Limited
CIN: L45200MH2007PLC174147

Nikhil Chaturvedi
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DIN : 00004983

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DIN : 00004768

Mr Bipin Gurnani
President

Anurag Garg
Chief Financial Officer

Ajayendra Jain
Company Secretary & CCO

Place : Mumbai
Date : 8 July 2020

Place : Mumbai
Date : 8 July 2020

(Currency : Indian Rupees in Lakhs)

Consolidated statement of cash flows
for the year ended 31 March 2020

Particulars		31 March 2020	31 March 2019
A.	**Cash flow from operating activities:**		
	(Loss) / profit before tax	(603.51)	801.13
	Adjustments for :		
	Depreciation and amortization expense	3,340.47	3,397.19
	Share of profit of joint ventures	(31.23)	(17.44)
	Reversal of provision for diminution in value of current investments	(45.40)	47.04
	Interest income (including financial assets carried at amortised cost)	(1,406.32)	(1,450.26)
	Dividend income on current investments	(5.31)	(42.52)
	Sundry balances written off	296.15	-
	Sundry Balances Written back	(336.43)	-
	Finance Costs (including financial liabilities carried at amortised cost)	4,152.17	3,432.16
	IND AS 115 Adjustments (refer note 53)	-	(6,143.57)
	Profit on sale of Property, Plant and Equipment		(1.92)
	Profit on sale of current investments	(209.46)	(2.96)
	Provision for expected credit loss on loans and advances	-	140.16
	Operating profit before working capital changes	**5,151.13**	**159.00**
	Adjustments for changes in working capital:		
	(Increase) in inventories	(5,866.40)	(12,873.16)
	Decrease in trade receivables	1,219.30	3,255.12
	(Increase) in loans	(6,250.32)	(482.57)
	(Increase) in other financial assets	(908.53)	(533.58)
	(Increase) in other assets	(283.02)	(2.06)
	Increase / (decrease) in trade payables	4,785.63	(152.22)
	(Decrease) / increase in other financial liabilities	(1,202.02)	1,699.81
	Increase in other liabilities	2,156.44	12,321.11
	Increase in provisions	18.39	41.58
	Cash generated from / (used in) operations	**(1,179.40)**	**3,433.03**
	Direct taxes paid (net of refunds received)	(626.08)	(592.78)
	Net cash (used in) / generated from operating activities (A)	**(1,805.48)**	**2,840.25**
B.	**Cash flows from investing activities:**		
	Purchase of property, plant and equipment	(23.28)	(60.03)
	Sales of property, plant and equipment	-	2.58
	Purchase of investment property including expenditure on Investment property under construction	(111.48)	(940.67)
	Purchase of non-current investments (net)	(16.94)	(42.90)
	Purchase of current investments (net)	1,332.71	(1,427.64)
	Interest income	-	1,372.22
	Dividend income	5.31	42.52
	Addition / maturity of bank deposits (having original maturity of more than 3 months)	(750.80)	(8.79)
	Net cash (used in) / generated from investing activities (B)	**435.52**	**(1,062.71)**
C.	**Cash flows from financing activities:**		
	Repayment of long - term borrowings	(5,196.57)	(859.16)
	Proceeds from long - term borrowings	9,600.00	2,119.50
	Proceeds from short - term borrowings	1,503.62	-
	Finance cost	(3,936.85)	(3,216.48)
	Net cash (used in) / generated from financing activities (C)	**1,970.20**	**(1,956.14)**
	Net (decrease)/ increase in cash and cash equivalents (A+B+C)	**600.24**	**(178.59)**
	Foreign Currency Translation Reserve	-	(3.19)
	Cash and cash equivalents at the beginning of the year	198.77	380.56
	Cash and Cash Equivalents at the end of the year	**799.01**	**198.77**

(Currency : Indian Rupees in Lakhs)

Consolidated statement of cash flows... *(Continued)*
for the year ended 31 March 2020

The Cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard - 7 ('Ind AS 7') on Cash Flow Statement prescribed in Companies (Indian Accounting Standard) Rules, 2015, notified under section 133 of the Companies Act, 2013.

Components of cash and cash equivalents considered only for the purpose of cash flow statement

Particulars	31 March 2020	31 March 2019
In bank current accounts	778.66	182.10
Cash on hand	20.35	8.62
Cheque on Hand	-	8.05
	799.01	**198.77**

Reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities:
The amendments to Ind AS 7 Cash flow statements requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities and financial assets arising from financing activities, to meet the disclosure requirement. This amendment has become effective from 1st April ,2017 and the required disclosure is made below. There is no other impact on the financial statements due to this amendments.

Particulars	31 March 2019	Cash flows	Fair value changes (Non-cash changes)	Current / Non - current classification	31 March 2020
Non-current borrowings	33,257.24	4,439.43	55.14	(1,074.65)	36,677.16
Other financial liabilities	2,109.50	-	-	1,074.65	3,184.15
Total liabilities from financing activities	**35,366.74**	**4,439.43**	**55.14**	**-**	**39,861.31**

Particulars	31 March 2018	Cash flows	Fair value changes (Non-cash changes)	Current / Non - current classification	31 March 2019
Non-current borrowings	33,193.99	1,260.34	50.59	(1,248)	33,257.24
Total equity and liabilities	861.82			1,248	2,109.50
Total liabilities from financing activities	**34,055.81**	**1,260.34**	**50.59**	**-**	**35,366.74**

The accompanying notes form an integral part of these consolidated financial statements.

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Mansi Pardiwalla
Partner
Membership No: 108511

For and on behalf of the Board of Directors of
Prozone Intu Properties Limited
CIN: L45200MH2007PLC174147

Nikhil Chaturvedi
Managing Director
DIN : 00004983

Salil Chaturvedi
Dy. Managing Director
DIN : 00004768

Mr Bipin Gurnani
President

Anurag Garg
Chief Financial Officer

Ajayendra Jain
Company Secretary & CCO

Place : Mumbai
Date : 8 July 2020

Place : Mumbai
Date : 8 July 2020

Notes to the Consolidated financial statements...*(Continued)*

for the year ended 31 March, 2020

1 Corporate information

Prozone Intu Properties Limited ("the Company") is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Prozone Intu Properties Limited, its Subsidiaries and Joint Venture ("the Group") is engaged in the business of developing, owning and operating of Shopping Malls, Commercial and Residential Premises. The Company is also providing and related management consultancy services. The equity shares of the Company are listed on both the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE).

2.1 Basis of preparation

(a) Statement of compliance

These consolidated financial statements (hereinafter "Ind AS financial statements") have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 (as amended) notified under Section 133 of the Companies Act, 2013 (the Act) and other relevant provisions of the Act and amendments, as applicable.

This is the first set of the Company's financial statements in which Ind AS 116, lease has been applied. Changes to significant accounting policies are described in note 2.2 and the impact of transition to Ind AS 116 on the consolidated financial statements is disclosed in note 54.

These consolidated financial statements for the year ended 31 March 2020 have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on 8 July 2020.

Details of accounting policies are included in Note 2.2 to the consolidated financial statements.

(b) Basis of measurement

These consolidated financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Certain financial assets and liabilities	Fair value (refer note 2.2 (B))
Net defined benefit (asset) / liability	Fair value of plan assets less present value of defined obligations

(c) Functional and presentation currency

These consolidated financial statements are presented in Indian Rupees (INR), which is the Group's functional currency. All the financial information have been presented in Indian Rupees (INR) and all amounts have been rounded- off to the nearest Lakhs, unless otherwise stated.

(d) Use of estimates and judgements

In preparing these consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending 31 March 2020 is included in the following notes:

- Note 11- recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used;
- Note 41 - measurement of defined benefit obligations: key actuarial assumptions;
- Notes 25 and 43 - recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;
- Note 48 - impairment of financial assets;
- Note 2.2 (C), 2.2 (D) and 2.2 (E) - estimation of useful life of property, plant and equipment, investment properties and intangible assets and
- Note 2.2 (G) and 53- Evaluation of satisfaction of performance obligation at a point in time for the purpose of revenue recognition.

(e) Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 01, 2020.

(f) Measurement of fair values

A number of the Group's accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities.

Notes to the Consolidated financial statements...*(Continued)*
for the year ended 31 March, 2020

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities.

- Level 2: inputs other than quotes prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirely in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 48 – financial instruments and

- Note 4 – investment property

(g) Current vs non-current classification

All assets and liabilities are classified into current and non-current.

An asset is classified as current when it satisfies any of the following criteria:

(a) it is expected to be realised in, or is intended for sale or consumption in, the entity's normal operating cycle; or

(b) it is held primarily for the purpose of being traded; or

(c) it is expected to be realised within twelve months after the balance sheet date; or

(d) it is cash or a cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the balance sheet date.

All other assets are classified as non-current.

A liability is classified as current when it satisfies any of the following criteria:

(a) it is expected to be settled in, the entity's normal operating cycle; or

(b) it is held primarily for the purpose of being traded; or

(c) it is due to be settled within twelve months after the balance sheet date; or

(d) The Group does not have an unconditional right to defer settlement of the liability for at least twelve months after the balance sheet date.

All other liabilities are classified as non-current

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out above which are in accordance with the Schedule III to the Act.

Based on the nature of services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

2.2 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements, unless otherwise indicated.

A. Principles of Consolidation

(i) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

The financial statements of the Company and its subsidiary companies have been consolidated on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances / transactions and elimination of resulting unrealized profits / losses in accordance with Indian Accounting Standard ('Ind AS') - 110 'Consolidated Financial Statements' notified by the Companies (Accounting Standards) Rules, 2006 read with Rule 7 to the Companies (Accounts) Rules 2014 in respect of Section 133 of the Companies Act, 2013.

Goodwill on consolidation represents the excess of cost of acquisition at each point of time of making the investment in the subsidiary Group's share in the net worth of a subsidiary, as per Indian Accounting Standard (Ind AS) 110 "Consolidated

(Currency : Indian Rupees in Lakhs) Prozone Intu Properties Limited - Annual Report - 2020

Notes to the Consolidated financial statements...*(Continued)*
for the year ended 31 March, 2020

Financial Statements". For this purpose, the Group's share of net worth is determined on the basis of the latest financial statements, prior to the acquisition, after making necessary adjustments for material events between the date of such financial statements and the date of respective acquisition.

Capital reserve on consolidation represents negative goodwill arising on consolidation. In the event of cessation of operations of a subsidiary, the unimpaired goodwill is written off fully.

The names of the subsidiary companies, country of incorporation and proportion of ownership interest considered in the consolidated financial statements are:

Name of company	Held through*	Date of becoming subsidiary	Country of incorporation	% Voting power held as on 31.03.2020	% Voting power held as on 31.03.2019
Alliance Mall Developers Co Private Limited (AMDPL)	1	31-Aug-07	India	61.50	61.50
Omni Infrastructure Private Limited (OIPL)	2	4-May-07	India	60.00	60.00
Hagwood Commercial Developers Private Limited (HCDPL)	2	7-May-07	India	61.50	61.50
Empire Mall Private Limited (EMPL)	2	11-Mar-08	India	34.71	34.71
Prozone Developers and Realtors Private Limited (Formerly known as Classique Creators Private Limited) (PDRPL)	1	25-Apr-16	India	100.00	100.00
Royal Mall Private Limited (RMPL)	1	14-Sep-07	India	100.00	100.00
Prozone Intu Developers Private Limited (PIDPL) (Formerly known as Jaipur Festival City Private Limited (JFCPL)	1	12-Feb-19	India	100.00	100.00
Kruti Multitrade Private Limited (KMPL)	1	15-Nov-11	India	100.00	100.00
Prozone Liberty International Limited (PLIL)	1	17-Oct-07	Singapore	100.00	100.00

*** Held through:**

1 Prozone Intu Properties Limited

2 Prozone Liberty International Limited, Singapore

(ii) Non - Controlling interests (NCI)

Non-controlling interests in net profits or losses of consolidated subsidiaries for the year is identified and adjusted against the income or loss in order to arrive at the net income or loss attributable to the shareholders of the Company. Non-controlling interests in the net assets of consolidated subsidiaries consists of the amount of equity attributable to the non-controlling shareholders at the dates on which investments are made by the Company in the subsidiary companies and further movements in their share in the equity, subsequent to the dates of initial investments as stated above. Their share of net assets is identified and presented in the Consolidated Balance Sheet separately. Where accumulated losses attributable to the NCI are in excess of their equity, in the absence of the contractual / legal obligation on the minorities, the same is accounted for by the Holding Company.

(iii) Joint Arrangements

A joint venture is a joint agreement whereby the parties have the rights to the net assets of the arrangement. The results, assets and liabilities of a joint venture are accounted using equity method of accounting. Where the Group's activity are conducted through joint operations (i.e. parties have rights to the assets and obligation for liabilities relating to the arrangement), the Group recognises its share of assets, liabilities, income and expenses of such joint operations incurred jointly along with its share of income from the sale of output and any liability and expenses incurred in relation to the joint operations.

Notes to the Consolidated financial statements...*(Continued)*
for the year ended 31 March, 2020

The names of the Joint Venture companies, country of incorporation and proportion of ownership interest considered in the consolidated financial statements are:

Name of Company	Held Through*	Country of Incorporation	% Voting Power held As on 31.03.2020	% Voting Power held As on 31.03.2018
Emerald Buildhome Private Limited (EBPL)	2	India	50	50
Moontown Trading Company Private Limited (MTCPL)	1	India	25	25

*** Held through :**

1. Prozone Intu Properties Limited
2. Prozone Liberty International Limited, Singapore

B. Financial instruments

(i) Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

(ii) Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- FVOCI – debt investment;
- FVOCI – equity investment; or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group irrevocably elect to present subsequent changes in the investment's fair value in OCI (designates as FVOCI – equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces on accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profit, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realizing cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;

Notes to the Consolidated financial statements...*(Continued)*
for the year ended 31 March, 2020

- the risk that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated - e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features)

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL- These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets at amortised cost- These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Debt investments at FVOCI- These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments at FVOCI - These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Notes to the Consolidated financial statements...*(Continued)*
for the year ended 31 March, 2020

(iii) Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Group also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(v) Compound financial instruments

Compound financial instruments issued by the company comprises of convertible debentures denominated in INR that can be converted to equity shares at the option of the holder, wherein the number of shares to be issued is fixed and does not vary with changes in fair value.

The liability component of a compound Financial instrument is initially recognised at the fair value which represents the present value of all future cash receipts discounted using the prevailing market rate of interest for a similar instrument without conversion option with a similar credit rating. The Equity component is initially recognised as the difference between fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

C. Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

(iii) Depreciation

Depreciation on Property, Plant and Equipment of the Group has been provided as per written down value method as per the estimated useful lives of the respective item of Property, Plant and Equipment indicated in Part 'C' of Schedule II of the Act or based on management estimates using technical evaluation.

The details are set out as below:

Asset category	Useful life estimated by the management	Useful life as per Schedule II of the Act
Residential Premises	30 years	30 years
Plant and Equipment	15 years	15 years
Furniture and Fittings	10 years	10 years
Motor Vehicles	8 years	8 years
Painting	10 years	NA
Computers	3 years	3 years

(Currency : Indian Rupees in Lakhs)

Notes to the Consolidated financial statements...*(Continued)*

for the year ended 31 March, 2020

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets.

(iv) Capital work-in progress and capital advances

Capital work-in progress comprises of the cost of property, plant and equipment that are not yet ready for their intended use as at the balance sheet date. Advances given towards acquisition of property, plant and equipment outstanding at each balance sheet date are disclosed as 'Other non-current assets'.

D. Investment Property

(i) Recognition and measurement

Investment properties are held to earn rentals or for capital appreciation, or both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Investment properties are measured initially at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses, if any.

(ii) Subsequent expenditure

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group. All other repair and maintenance costs are recognized in statement of profit and loss as incurred. Any gain or loss on disposal of investment property calculated as the difference between the net proceeds from disposal and the carrying amount of the item is recognized in Statement of Profit and Loss.

Though the Group measures investment property using cost-based measurement, the fair value of investment property is disclosed in the note no 4 of the Ind AS financial statements.

(iii) Depreciation

Depreciation on Investment Property has been provided as per written down value method as per the useful lives indicated in Part 'C' of Schedule II of the Act or based on management estimates using technical evaluation.

The details are set out as below:

Asset category	Useful life estimated by the management	Useful life as per Schedule II of the Act
Furniture and fittings	10 years	10 years
Building	60 years	60 years
Building (Tenant capex)	Over the period of lease term	
Plant and equipment	15 years	15 years
Guest house building and Amenities	5 / 10 years*	60 years
Leasehold Land	Amortised over the primary period of the lease	NA

* 5 years in case of Hagwood Commercial Developer Private Limited and 10 years in case of Alliance Mall Developer Company Private Limited

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets.

E. Intangible Assets

(i) Recognition and measurement

Intangible Assets are recognised only if they are separately identifiable and the Group controls the future economic benefits arising out of them. Intangible assets acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses.

(ii) Depreciation

The Group amortizes computer software using the straight-line method over the period of 5 years.

F. Impairment

(i) Impairment of financial instruments

The Group recognises loss allowances for expected credit losses on:

Notes to the Consolidated financial statements...*(Continued)*
for the year ended 31 March, 2020

- financial assets measured at amortized cost; and
- financial assets measured at FVOCI- debt investments.

At each reporting date, the Group assesses whether financial assets carried at amortized cost and debt securities at FVOCI are credit impaired. A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

The Group measures loss allowances at an amount equal to lifetime expected credit losses, except for the following, which are measured as 12 month expected credit losses:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Trade and other receivables

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECL at each reporting date, right from its initial recognition. Trade receivables are tested for impairment on a specific basis after considering the sanctioned credits, security like letters of credit, security deposit collected, etc. and expectations of future cash flows.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

(i) Impairment of financial instruments

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward looking information.

Measurement of expected credit losses

Expected credit losses are a probability weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive).

Presentation of allowance for expected credit losses in the balance sheet

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

For debt securities at FVOCI, the loss allowance is charged to profit or loss and is recognised in OCI.

Write off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generated sufficient cash flows to be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

(ii) Impairment of non-financial assets

The Group's non-financial assets, other than deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

The Group's corporate assets (e.g. central office building for providing support to various CGUs) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

Notes to the Consolidated financial statements...*(Continued)*
for the year ended 31 March, 2020

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Group reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

G. Employee benefits

(i) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

(ii) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contribution into a separate entity and will have no legal or constructive obligation to pay further amounts.

The Group makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

(iii) Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plan are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(iv) Other long-term employee benefits

The Group net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method. Remeasurement gains or losses are recognises in profit or loss in the period in which they arise.

H. Provisions and contingent liabilities

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflows of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessment of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

Contingent liabilities are disclosed in the notes. Contingent liabilities are disclosed for,

- Possible obligations which will be confirmed only by future events not wholly within the control of the Company or

- Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognised in the standalone financial statements. However, the same are disclosed in the standalone financial statements where an inflow of economic benefit is probable.

I. Revenue recognition

Ind AS 115 has been notified by Ministry of Corporate Affairs (MCA) on March 28, 2018 and is effective from accounting period beginning on or after April 01, 2018.

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured.

(i) Revenue from real estate projects

The Company has applied modified retrospective approach in adopting the new standard (for all contracts other than completed contracts) and accordingly recognised revenue in accordance with Ind AS 115 as compared to earlier Percentage of Completion method as per the Guidance Note on Accounting for Real Estate Transactions (for entities to whom Ind AS is applicable).

As these are the first set of the Company's consolidated financial statements prepared in accordance with Ind AS 115, an explanation of how the transition to Ind AS 115 has affected the previously reported financial position, financial performance and cash flows of the Company is provided in Note 53.

The Company derives revenues primarily from sale of properties comprising of both commercial and residential units.

The Company recognises revenue when it determines the satisfaction of performance obligations at a point in time. Revenue is recognised upon transfer of control of promised products to customer in an amount that reflects the consideration which the Company expects to receive in exchange for those products.

In arrangements for sale of units the Company has applied the guidance in Ind AS 115, Revenue from contract with customer, by applying the revenue recognition criteria for each distinct performance obligation. The arrangements with customers generally meet the criteria for considering sale of units as distinct performance obligations. For allocating the transaction price, the Company has measured the revenue in respect of each performance obligation of a contract at its relative standalone selling price. The price that is regularly charged for an item when sold separately is the best evidence of its standalone selling price. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer.

For sale of units, the Company recognises revenue when its performance obligations are satisfied and customer obtains control of the asset.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Contract liabilities are recognised when there is billing in excess of revenue and advance received from customers.

(ii) Rendering of services

Revenue from management consultancy is recognized on accrual basis as per the terms and conditions of the contract.

(iii) Dividend Income

Dividend income is recognized in the statement of profit and loss on the date the entity's right to receive the payments is established.

(iv) License fees and rental income

License and rental income is recognised in the Statement of Profit and Loss on straight line basis over the lease term.. Rental income earned from letting of space at the properties is recognised in the period in which the performance obligation is satisfied.

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.

Notes to the Consolidated financial statements...*(Continued)*
for the year ended 31 March, 2020

(v) Service charges

Service charges include common area maintenance and HVAC charges in respect of which revenue is recognised in the period in which the services are being rendered.

(vi) Other operating revenue

Other operating revenue includes space on hire, kiosk income and rental for data and voice in respect of which revenue is recognised in the period in which the services are being rendered. These services are ancillary to main income of the company.

All revenue is stated exclusive of goods and service tax.

Use of significant judgements in revenue recognition

- Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

J. Leases

(i) Policy applicable before April 01, 2019

Finance Lease - Agreements are classified as finance leases, if substantially all the risks and rewards incidental to ownership of the leased asset is transferred to the lessee.

Operating Lease - Agreements which are not classified as finance leases are considered as operating lease.

Operating lease payments/income are recognised as an expense/income in the consolidated statement of profit and loss on a straight line basis over the lease term unless there is another systematic basis which is more representative

(ii) Policy applicable after April 01, 2019

At the inception of a contract, the Company assesses whether a contract is or contains, a lease. A contract is or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange of consideration. To assess whether a contract conveys the right to control the use of an asset the Company assesses whether:

- The contract involves the use of an identified asset – this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capability of a physical distinct asset. If the supplier has a substantive substitution right, then the asset is not identified

- The Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and

- The Company has the right to direct the use of the asset. The Company has this right when it has the decision making rights that are most relevant to changing how and for what purpose the asset is used.

As a Lessee

Right of use Asset

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. At the commencement date, a lessee shall measure the right-of-use asset at cost which comprises initial measurement of the lease liability, any lease payments made at or before the commencement date, less any lease incentives received, any initial direct costs incurred by the lessee; and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

Lease Liability

At the commencement date, a lessee shall measure the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the lessee shall use the lessee's incremental borrowing rate.

K. Recognition of interest income or expense

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or

- the amortised cost of the financial liability.

Notes to the Consolidated financial statements...*(Continued)*
for the year ended 31 March, 2020

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset that have become credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

L. Income tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

(i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years.

The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

(ii) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for the financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;

- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and

- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Group recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised / reduced to the extent that it is probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax assets and liabilities will be realised simultaneously.

Minimum Alternate Tax ('MAT') credit entitlement is generally recognised as a deferred tax asset if it is probable (more likely than not) that MAT credit can be used in future years to reduce the regular tax liability.

Note on Section 115BAA

A new section 115BAA was inserted in the Income Tax Act. 1961, by The Government of India on 20 September 2019 vide the Taxation Laws (Amendment) Ordinance 2019 which provides an option to companies for paying income tax at reduced rates in accordance with the provisions/conditions defined in the said section. The Group has decided to exercise the said option except for its holding company.

M. Borrowing cost

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

Notes to the Consolidated financial statements...*(Continued)*

for the year ended 31 March, 2020

N. Foreign exchange translation and accounting of foreign exchange transaction

(i) Initial Recognition

Foreign currency transactions are initially recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction. However, for practical reasons, the Group uses a monthly average rate if the average rate approximates the actual rate at the date of the transactions.

(ii) Conversion

Monetary assets and liabilities denominated in foreign currencies are reported using the closing rate at the reporting date. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

(iii) Treatment of Exchange Difference

Exchange differences arising on settlement/ restatement of short-term foreign currency monetary assets and liabilities of the Group are recognized as income or expense in the Statement of Profit and Loss.

O. Inventories

Direct expenses like cost of land, site labour cost, material used for project construction, project management consultancy and general expenses incurred specifically for the residential project like insurance, design and technical assistance, borrowing costs and construction overheads are taken as the cost of project work-in-progress.

These inventories are valued at lower of cost or net realisable value; cost is determined on the weighted average method. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

P. Earnings per share

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares.

Q. Cash and cash equivalents

Cash and cash equivalent comprise of cash on hand and at banks including cheques on hand, which are subject to an insignificant risk of changes in value.

R. Changes in significant accounting policy

The Company has applied Ind AS 115 "Revenue from contracts with customer" using the modified retrospective approach with the cumulative impact to the retained earnings as on 1 April 2018 and accordingly recognised revenue in accordance with Ind AS 115 as disclosed in Note no 53 to the consolidated financial statements.

The Company has applied IND AS 116 Leases using the modified retrospective approach (for all leases other than short-term leases and leases of low-value assets) i.e. by recognising the cumulative effect of initially applying IND AS 116 as an adjustment to the opening balance of equity as at April 01, 2019. Due to the transition method chosen by the Company in applying this standard, comparative information throughout these consolidated financial statements has not been restated and continues to be reported under IND AS 17.

IND AS 116 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right of use ("ROU") asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The nature of expenses related to those leases will change as IND AS 116 replaces the operating lease expense (i.e. rent) with depreciation charge for ROU assets and interest expense on lease liabilities.

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Notes to the Consolidated financial statements...*(Continued)*
As at 31 March, 2020

Note 3 : Property, plant and equipment

Particulars	Residential Premises	Office equipment	Furniture and Fittings	Motor Vehicles	Painting	Guest house building and Amenities	Computers	Total
Gross Block:								
Balance as at 1 April 2018	20.89	-	324.76	270.18	2.44	548.86	37.49	1,204.62
Additions	-	8.79	18.12	21.20	-	-	13.84	61.95
Disposals / Adjustments	-	-	-	-	-	-	-	-
Balance as at 31 March 2019	**20.89**	**8.79**	**342.88**	**291.38**	**2.44**	**548.86**	**51.33**	**1,266.57**
Additions	-	8.48	2.62	-	-	-	12.18	23.28
Disposals / Adjustments	-	-	-	-	-	-	-	-
Balance as at 31 March 2020	**20.89**	**17.27**	**345.50**	**291.38**	**2.44**	**548.86**	**63.51**	**1,289.85**
Accumulated depreciation								
Balance as at 1 April 2018	1.98	-	85.12	106.28	0.88	35.41	23.57	253.25
Depreciation for the year	-	6.42	64.31	47.53	0.31	132.88	14.19	265.63
Disposals / Adjustments	-	-	-	-	-		-	-
Balance as at 31 March 2019	**1.98**	**6.42**	**149.43**	**153.81**	**1.19**	**168.29**	**37.76**	**518.87**
Depreciation for the year	-	5.43	48.03	38.24	0.10	147.01	11.48	250.28
Disposals / Adjustments	-	-	-	-	-	-	-	-
Balance as at 31 March 2020	**1.98**	**11.85**	**197.46**	**192.05**	**1.29**	**315.30**	**49.23**	**769.15**
Net carrying value								
At 31 March 2019	18.91	2.37	193.45	137.57	1.25	380.57	13.57	747.70
At 31 March 2020	**18.91**	**5.42**	**148.04**	**99.32**	**1.15**	**233.56**	**14.28**	**520.70**

Note 4 : Investment property

Particulars	Leasehold Land	Free hold Land	Building	Plant and Equipments	Total
Gross Block:					
Balance as at 1 April 2018	3,205.66	20,628.90	35,050.08	6,428.02	65,312.66
Additions*	-	-	9,359.75	71.10	9,430.85
Disposals / Adjustments	-	-	-	-	-
Balance as at 31 March 2019	**3,205.66**	**20,628.90**	**44,409.83**	**6,499.12**	**74,743.51**
Additions	-		394.00	66.46	460.46
Disposals / Adjustments **	-	(1,434.08)	-	-	(1,434.08)
Consolidation Adjustments	-	-	-	-	-
Balance as at 31 March 2020	**3,205.66**	**19,194.82**	**44,803.83**	**6,565.58**	**73,769.89**
Accumulated depreciation					
Balance as at 31 March 2018	127.87	-	2,067.06	1,379.21	3,574.14
Depreciation charge	64.08	-	2,090.68	1,051.52	3,206.28
Disposals / Adjustments	-	-	-	-	-
Consolidation Adjustments	-	-	(53.00)	(21.72)	(74.72)
Balance as at 31 March 2019	**191.95**	**-**	**4,104.74**	**2,409.01**	**6,705.70**
Depreciation charge	64.25	-	2,215.10	852.57	3,131.92
Disposals / Adjustments	-	-	-	-	-
Consolidation Adjustments	-	-	(50.45)	(17.22)	(67.67)
Balance as at 31 March 2020	**256.20**	**-**	**6,269.39**	**3,244.36**	**9,769.95**

Notes to the Consolidated financial statements...*(Continued)*
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Particulars	Leasehold Land	Free hold Land	Building	Plant and Equipments	Total
Net carrying value					
At 31 March 2019	3,013.71	20,628.90	40,305.09	4,090.11	68,037.81
At 31 March 2020	**2,949.46**	**19,194.82**	**38,534.44**	**3,321.22**	**63,999.95**

Fair Value	
At 31 March 2019	206,648.32
At 31 March 2020	**162,183.71**

**The additions includes ₹ Nil (31 March 2019: ₹ 9,218.59 lakhs) on becoming ready to use from investment property under construction to investment property (refer note 5)*

*** The disposals / adjustments of ₹1,434.08 lakhs (31 March 2019: ₹ Nil lakhs) represent conversion of Capital Assets into Stock in Trade (refer note no 34)*

B. Measurement of fair values

i. Fair value hierarchy

The fair value of investment property has been determined by Ready recknoer rates or external, independent property valuer, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued, as applicable to the respective Companies.

The fair value measurement for the investment property has been categorised as Level 3 fair value based on the inputs to the valuation technique used.

ii. Valuation technique

The group investment properties consist of Retail Mall and Land at Aurangabad and Coimbatore, Land at Nagpur, Jaipur and Indore. Description of valuation techniques used and key inputs to valuation on investment properties are as follows:

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Investment property	DCF method (refer below)	Discount rate; Market Capitalisation Rate	15.00% to 23.00% 9.00% to 10.00%

The group follows discounted cash flow (DCF) method. The DCF method is a financial modelling technique based on explicit assumptions regarding the prospective income arising out of the development to be carried out on the subject land parcel. In case of a valuation of a large land parcel like the subject property, where the development potential is realised over a period of time (i.e. time value of money comes into the picture) and also where there are no or few immediate similar properties (i.e. comparable) available for comparison, the DCF method considering relevant potential developments of the project is used.

iii) Amount recognised in profit and loss for investment properties

Particulars	31 March 2020	31 March 2019
Rental income	8,453.95	7,946.61
Direct operating expenses from property that generated rental income	1,817.25	1,567.49
Profit from investment properties before depreciation	**10,271.20**	**9,514.10**
Depreciation	3,064.25	3,131.56
Profit from investment properties	**7,206.96**	**6,382.54**

iv. The group has no restriction on the realisability of its investment property and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

Notes to the Consolidated financial statements...*(Continued)*
As at 31 March, 2020

Note 5 : Investment property under construction

Particulars	31 March 2020	31 March 2019
Opening balance	**2,508.04**	**10,998.22**
Additions during the year :		
Construction cost	-	1.50
Personnel cost	-	26.46
Professional fees	241.12	120.02
Rates and taxes	-	42.11
Borrowing costs	-	450.96
Other expenses	-	87.36
	2,749.16	**11,726.63**
Add: transferred from Inventory * (refer note 34)	846.04	-
Less : transferred to investment property on capitalisation of mall (refer note 4)	-	9,218.59
Total investment property under construction	**3,595.20**	**2,508.04**

* The expenses ₹ 846.04 lakhs (31 March 2019: ₹ Nil) incurred towards clubhouse expenses are transferred under Investment property under construction (refer note 34)

Note 6 : Right of use assets

Particulars	31 March 2020
Gross Block:	
Balance as at 1 April 2018	-
Additions	-
Disposals / Adjustments	-
Balance as at 31 March 2019	**-**
Additions	44.34
Disposals / Adjustments	-
Balance as at 31 March 2020	**44.34**
Accumulated depreciation	
Balance as at 1 April 2018	**-**
Depreciation charge	-
Disposals / Adjustments	-
Balance as at 31 March 2019	**-**
Depreciation charge	28.00
Disposals / Adjustments	-
Balance as at 31 March 2020	**28.00**
Net carrying value	
At 31 March 2019	-
At 31 March 2020	**16.34**

(Currency : Indian Rupees in Lakhs)

Notes to the Consolidated financial statements...*(Continued)*
As at 31 March, 2020

Note 7 : Other financial assets

Particulars	Computer Software	Total
Gross Block:		
Balance as at 1 April 2018	**26.27**	**26.27**
Additions	-	-
Disposals / Adjustments	-	-
Balance as at 31 March 2019	**26.27**	**26.27**
Additions	-	-
Disposals / Adjustments	-	-
Balance as at 31 March 2020	**26.27**	**26.27**
Accumulated depreciation		
Balance as at 1 April 2018	**26.27**	**26.27**
Depreciation charge	-	-
Disposals / Adjustments	-	-
Balance as at 31 March 2019	**26.27**	**26.27**
Depreciation charge	-	-
Disposals / Adjustments	-	-
Balance as at 31 March 2020	**26.27**	**26.27**
Net carrying value		
At 31 March 2019	-	-
At 31 March 2020	**-**	**-**

Notes to the Consolidated financial statements...*(Continued)*
As at 31 March, 2020

Note 8 : Investments

	Particulars	31 March 2020	31 March 2019
I.	**Investments valued at fair value through OCI**		
	Investment in equity shares		
i)	In Joint Venture companies	4576.86	4545.63
ii)	In Other Companies	84.85	43.91
Total non-current investments		**4661.71**	**4589.54**

Note 8.1 Detailed list of non-current investments

	Particulars	31 March 2020		31 March 2019	
		Nos	Total	Nos	Total
i)	**In Joint Venture company**				
	Moontown Trading Company Private Limited	2,025,000	142.63	2,025,000	141.89
	Add : Share of profit/(Loss) for the year		(0.31)		0.74
			142.32		**142.63**
	Emerald Build Home Private Limited (including goodwill on consolidation of ₹ 1832.14 Lakhs)	5,000,000	4,403.00	5,000,000	4,386.30
	Add : Share of profit/(Loss) for the year		31.54		16.69
			4,434.54		**4,403.00**
			4576.86		**4545.63**
ii)	**In other companies**				
a)	**Unquoted, Investments in equity shares of ₹ 10 each, fully paid up**				
	Choice Realty Private Limited	8,000	50.00	8,000	50.00
	Anant Trexim Private Limited	40,000	40.00	40,000	40.00
	Shine Enterprises Private Limited	23,000	598.00	23,000	598.00
	Sai Golden Ingots Private Limited	20,000	100.00	20,000	100.00
	Jorko Commodities Private Limited	50,000	25.00	50,000	25.00
	Madhujas Promotions Private Limited	12,500	10.00	12,500	10.00
	Sojatia Auto Private Limited	16,500	160.88	16,500	160.88
	Trade Winds Impex Private Limited	20,000	25.00	20,000	25.00
	Samriddhi Finvest Advisory Services Private Limited	-	-	5,000	1.00
	Iris Ecopower Venture Pvt. Ltd	884,000	84.84	429,000	42.90
b)	**Unquoted, Investments in 9% Non-cumulative, Non-convertible Redeemable Preference Shares of ₹ 10 each, fully paid up**				
	Samriddhi Finvest Advisory Services Private Limited	-	-	5,000,000	500
	Less : Fair value changes on investments carried at FVOCI		(1008.88)		(1,508.88)
		1,074,000	**84.85**	**5,624,000**	**43.91**
			4,661.71		**4,589.54**

Particulars	31 March 2020	31 March 2019
Details:		
Aggregate of non-current investments:		
Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	84.85	43.91
Aggregate amount of impairment in value of investments	-	-

(Currency : Indian Rupees in Lakhs)

Notes to the Consolidated financial statements...*(Continued)*
As at 31 March, 2020

Note 9 : Loans

(Secured, Considered good)

Particulars	31 March 2020	31 March 2019
Loans to other than related party		
- Loan receivables considered good *	653.97	653.97
(Unsecured, Considered good)		
Loans to Joint venture company (Refer note 40 and 45)		
- Loan receivables considered good	-	261.91
Total loans	**653.97**	**915.88**

** Secured against residential apartment in Mumbai.*

Note 10 : Other financial assets

(Unsecured, Considered Good, unless otherwise stated)

Particulars	31 March 2020	31 March 2019
(Secured)		
To parties other than related parties		
Advance for projects (refer note 51) *	7,518.02	6,419.20
(Unsecured)		
To parties other than related parties		
Mobilisation advances / advance recoverable in cash or in kind		
Unsecured, Considered good	1,188.12	1,273.46
Unsecured, Doubtful	2,318.34	2,318.34
Less: Provision for expected credit loss	(2,318.34)	(2,318.34)
	1,188.12	**1,273.46**
Security deposits	1,428.08	1,140.44
Bank deposits (due to mature after 12 months of the reporting date) (refer note below)**	14.53	708.86
Total other non-current financial assets	**10,148.75**	**9,541.96**

** Refer note 51 for security details*

*** Restrictions on fixed deposits*

Fixed deposit has been offered as a security against LRD loan, security towards locker facility and security against bank guarantee to vendors.

Note 11 : Deferred tax assets (net)

Deferred tax assets

Particulars	31 March 2020	31 March 2019
Property plant and equipment / Investment property	6,090.92	5,568.55
On reversal of revenue and cost of residential project as per Ind AS 115 (net of recognition of revenue and costs subsequently as per Ind AS 115)	1,156.88	1,283.62
On application of Ind AS 116 - Right of use assets	1.77	-
Indexation of freehold land	1,921.78	2,284.46
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	142.93	132.23
Deferred tax assets (net)	**9,314.28**	**9,268.86**
MAT Credit Entitlement	240.64	153.33
Total deferred tax assets (net)	**9,554.92**	**9,422.20**

Notes to the Consolidated financial statements...*(Continued)*
As at 31 March, 2020

Note 12 : Income tax assets (net)

Particulars	31 March 2020	31 March 2019
Advance tax including tax deducted at source (net of provision for tax ₹ 853.88 lakhs (31 March 2019: ₹ 726.51 lakhs)	1,461.28	979.50
	1,461.28	**979.50**

A new section 115BAA was inserted in the Income Tax Act. 1961, by The Government of India on 20 September 2019 vide the Taxation Laws (Amendment) Ordinance 2019 which provides an option to companies for paying income tax at reduced rates in accordance with the provisions/conditions defined in the said section. The Group has chosen to exercise the option of lower tax rate of 25.17% (inclusive of surcharge and cess) for all companies except Parent Company.

(a) Amount recognised in the statement of profit and loss

Particulars	31 March 2020	31 March 2019
Current tax expense (A)		
Current year	138.78	135.85
Short/(Excess) provision of earlier years	(3.15)	35.30
Deferred tax expense (B)		
Origination and reversal of temporary differences	(322.64)	(22.37)
Tax expense (A+B)	**(187.01)**	**148.78**

(b) Amounts recognised in other comprehensive income

Particulars	31 March 2020			31 March 2019		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to profit or loss						
Remeasurements of the defined benefit plans	(1.67)	0.47	(1.21)	(7.05)	1.96	(5.09)
Gains on remeasuring FVTOCI financial assets	24.00	(5.34)	18.66	(199.40)	44.38	(155.02)
Reversal of deferred tax asset on sale of investments measured at FVOCI	-	(186.82)	(186.82)	-	-	-
	22.33	**(191.69)**	**(169.36)**	**(206.45)**	**46.34**	**(160.11)**

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(c) Reconciliation of effective tax rate

Particulars	31 March 2020	31 March 2019
Profit before tax	**(634.75)**	**783.69**
Tax using the Company's domestic tax rate	(176.59)	218.02
Tax effect of :		
Effect of income that is exempt from taxation	(1.38)	(11.83)
Effect of expenses that is non-deductible in determining taxable profit	0.51	0.68
Tax liability as per percentage completion method in income tax	-	128.15
Effect of current year / brought forward losses for which no deferred tax is recognised	111.87	114.80
Effect of indexation benefit on land	(522.37)	(367.17)
MAT Credit Entitlement	87.31	11.86
Adjustments recognised in current year in relation to the current tax of prior years	(3.15)	35.30
Effect of deferred tax due to change in tax rate *	108.84	17.76
Tax expenses on account of OCI adjustments	192.16	-
Other adjustments	15.79	1.20
Tax expense as per Statement of Profit and Loss	**(187.01)**	**148.78**
Effective tax rate **	**29.46%**	**18.98%**

Note:

** On account of change in tax rates of group companies.*

*** Higher effective tax rate on account of change in tax rate and OCI adjustments*

(d) Movement in deferred tax balances

Particulars	31 March 2020						
	Net balances at 1 April 2019	Recognised in the statement of profit and loss	Recognised in OCI	Recognised in Other equity	Net	Deferred tax asset	Deferred tax liabilities
Property, plant and equipments	262.24	(145.23)	-	-	117.01	117.01	-
Investment property	5,306.31	784.61	-	-	6,090.92	6,090.92	-
Investments	335.82	-	(192.16)	-	143.65	143.65	-
Loans	1.77	(1.77)	-	-	-	-	-
Trade receivables	121.88	(96.06)	-	-	25.82	25.82	-
Other financial assets	1,965.20	(195.83)	-	-	1,769.37	1,769.37	-
Other current assets	-	-	-	-	-	-	-
Ind AS 115 impact	1,283.62	(126.74)	-	-	1,156.88	1,156.88	-
Ind AS 116 impact	-	-	-	1.77	1.77	1.77	-
Borrowings	(24.02)	3.79	-	-	(20.23)	-	(20.23)
Other financial liabilities	(3.51)	6.68	-	-	3.17	3.17	-
Provisions	19.57	5.88	0.48	-	25.93	25.93	-
Other current liabilities	-	-	-	-	-	-	-
MAT Credit Entitlement	153.33	87.31	-	-	240.64	240.64	-
Tax assets (liabilities) before set-off	**9,422.20**	**322.64**	**(191.69)**	**1.77**	**9,554.92**	**9,575.16**	**(20.23)**
Set-off of deferred tax liabilities						20.23	
Net deferred tax assets/ (liabilities)						**9,554.92**	

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Particulars	Balance at 31 March 2019						
	Net balances at 1 April 2018	Recognised in the statement of profit and loss	Recognised in OCI	Recognised in Other equity	Net	Deferred tax asset	Deferred tax liabilities
Property, plant and equipments	262.24	-	-	-	262.24	262.24	-
Investment property	5,036.12	270.18	-	-	5,306.31	5,306.31	-
Investments	288.63	2.78	44.40	-	335.82	335.82	-
Loans	3.10	(1.34)	-	-	1.77	1.77	-
Trade receivables	121.88	-	-	-	121.88	121.88	-
Other financial assets	1,816.05	149.15	-	-	1,965.20	1,965.20	-
Other current assets	-	-	-	-	-	-	-
Ind AS 115 impact	-	-	-	1,283.62	1,283.62	1,283.62	-
Borrowings	(26.32)	2.30	-	-	(24.02)	-	(24.02)
Other financial liabilities	(6.73)	3.21	-	-	(3.51)	-	(3.51)
Provisions	17.60	0.02	1.94	-	19.57	19.57	-
Other current liabilities	0.73	(0.73)	-	-	-	-	-
MAT Credit Entitlement	165.19	(11.86)	-	-	153.33	153.33	-
Tax assets (liabilities) before set-off	**7,678.52**	**413.72**	**46.34**	**1,283.62**	**9,422.20**	**9,449.73**	**(27.54)**
Set-off of deferred tax liabilities						27.54	
Net deferred tax assets/ (liabilities)						**9,422.20**	

(e) Unrecognised deferred tax assets

Deferred tax have not been recognised in respect of the following items :

Particulars	Expiry	31 March 2020	31 March 2019
Unabsorbed depreciation	Never Expire	11,878.36	9,136.01
Tax effect of unrecognised tax depreciation carried forward		**2,989.55**	**2,541.64**
Unrecognised tax losses carried forward	AY 2018-19	-	365.29
	AY 2020-21	191.38	532.25
	AY 2022-23	189.20	189.20
	AY 2023-24	586.77	586.77
	AY 2026-27	1,046.97	-
	AY 2027-28	1,608.30	-
Tax effect of unrecognised tax losses carried forward		**911.74**	**465.57**
Unrecognised tax losses carried forward		**3,901.29**	**3,007.21**

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Note 13 : Other non-current assets
(Unsecured, Considered Good)

Particulars	31 March 2020	31 March 2019
To related party		
Deferred asset on interest free loans given to Joint venture company	-	10.89
To other than related parties		
Prepaid expenses	958.54	852.00
Balances with government authorities	1,047.94	828.51
Total other non-current assets	**2,006.48**	**1,691.40**

Note 14 : Inventories
(Valued at lower of cost and Net realisable value)

Particulars	31 March 2020	31 March 2019
Work in progress - construction project (refer note 34)	40,329.07	27,522.32
Total Inventories	**40,329.07**	**27,522.32**

Note 15 : Investments

Particulars	31 March 2020	31 March 2019
Investments valued at Fair value through PL (FVTPL)		
Investment in mutual funds	1,953.39	3,031.24
Total Current investments	**1,953.39**	**3,031.24**

Note 15.1 Detailed list of Current investments

Particulars		31 March 2020		31 March 2019	
		Nos	Total	Nos	Total
I.	**Investments valued at fair value, fully paid up, unquoted, unless otherwise stated**				
a)	**Investments in mutual fund**				
	Birla Sun Life Mutual fund	-	-	758,928	1,035.07
	Kotak Savings Fund	3,633,239	1,166.03	-	-
	IDFC Mutual Fund Collection Account	3,198	776.50	-	-
	IDFC Cash Fund	456	10.90	-	-
	Kotak Treasury Advantage Fund	-	-	280,678	28.30
	HDFC Overnight Fund Collection A/c	-	-	17,638	495.93
	ICICI Prudential Mutual fund	-	-	297,502	871.34
	Reliance Mutual fund	-	-	13,231	600.60
		3,636,892	**1,953.43**	**1,367,978**	**3,031.24**
Total Current investments			**1,953.43**		**3,031.24**

Particulars	31 March 2020	31 March 2019
Details:		
Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	**1,953.43**	**3,031.24**
Aggregate amount of impairment in value of investments	-	-

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Note 16 : Trade receivables

(Unsecured, Considered Good)

Particulars	31 March 2020	31 March 2019
Trade Receivables considered good - Unsecured	1,942.84	3,458.29
Trade Receivables - credit impaired	102.59	239.40
Less : Provision for expected credit loss	(102.59)	(239.40)
Total trade receivables	**1,942.84**	**3,458.29**

Note 17 : Cash and cash equivalents

Particulars	31 March 2020	31 March 2019
Balances with Banks:		
On Current Accounts	778.66	182.10
Cheques on hand	-	8.05
Cash on hand	20.35	8.62
Total cash and cash equivalents	**799.01**	**198.77**

Note 18 : Bank balances other than cash and cash equivalents

Particulars	31 March 2020	31 March 2019
Deposits with original maturity for more than 3 months but less than 12 months*	926.62	175.82
Total other bank balances	**926.62**	**175.82**

** Bank Deposits are kept against bank gurantee given by the company to Maharashtra Electricity Board, Municipal Corporation, etc. It also includes fixed deposit offered as a security against LRD loan*

Note 19 : Loans

Particulars	31 March 2020	31 March 2019
To Related Parties		
Loans to Joint venture company (Refer note 40)		
Unsecured, Considered good	280.15	-
To parties other than related parties		
Unsecured, Considered good	7,867.73	457.91
Unsecured, Doubtful	1,158.45	1,158.45
Less : Provision for expected credit loss	(1,158.45)	(1,158.45)
	8,147.88	**457.91**
Loan to employees		
Unsecured, Considered good	89.85	26.57
Total loans	**8,237.73**	**484.48**

Notes to the Consolidated financial statements...*(Continued)*
As at 31 March, 2020

Note 20 : Other financial assets

(Unsecured, Considered good)

Particulars	31 March 2020	31 March 2019
To parties other than related parties		
Advance recoverable in cash or in kind		
Unsecured, Considered good	909.25	508.46
Total other current financial assets	**909.25**	**508.46**

Note 21 : Other current assets

(Unsecured, Considered good)

Particulars	31 March 2020	31 March 2019
To parties other than related parties		
Prepaid expenses	70.74	134.94
Lease rental adjustments- Unbilled revenue	140.50	119.25
Total other current assets	**211.24**	**254.19**

Note 22 : Equity share capital

Particulars	31 March 2020	31 March 2019
Authorised share capital		
2,002.50 Lakhs (31 March 2019: 2,002.50 Lakhs) Equity Shares of ₹2 each	4,005.00	4,005.00
	4,005.00	**4,005.00**
Issued, subscribed and fully paid up		
1,526.03 Lakhs (31 March 2019: 1,526.03 Lakhs) Equity Shares of ₹2 each fully paid up	3,052.06	3,052.06
	3,052.06	**3,052.06**

(a) Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting period

Particulars	31 March 2020		31 March 2019	
	No. in lakhs	₹ in lakhs	No. in lakhs	₹ in lakhs
Equity Shares of ₹ 2/- each fully paid up				
At the beginning of the period	1,526.03	3,052.06	1,526.03	3,052.06
Issued during the period	-	-	-	-
Outstanding at the end of the period	**1,526.03**	**3,052.06**	**1,526.03**	**3,052.06**

(b) Rights, preferences and restrictions attached to equity shares:

The Company has only one class of equity shares having a par value of ₹2 per share. Each holder of equity share is entitled to one vote per share.

In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Notes to the Consolidated financial statements...*(Continued)*
As at 31 March, 2020

(c) Details of Shareholders holding more than 5% shares in the company:

Names of Shareholders	31 March 2020		31 March 2019	
	No. in lakhs	% holding	No. in lakhs	% holding
Nailsfield Limited, Mauritius	494.11	32.38	494.11	32.38
Nikhil Chaturvedi (in his capacity as trustee of Nikhil Chaturvedi Family Trust)	140.51	9.21	140.51	9.21
Salil Chaturvedi (in his capacity as trustee of Salil Chaturvedi Family Trust)	137.33	9.00	137.33	9.00

Note: On 11th May 2018, Intu Properties PLC, UK transferred 3.55% equity shares to its another 100% FPI entity i.e. Intu India (Portfolio) Limited, UK from Nailsfield Limited, Mauritius.

Note 22.1 : Other equity

Reserves and surplus

	Particulars	31 March 2020	31 March 2019
(i)	**Securities Premium**		
	Opening balance	49,746.66	49,746.66
	Closing balance (refer sub-note 1)	**49,746.66**	**49,746.66**
(ii)	**Amalgamation Reserve**		
	Opening balance	378.86	378.86
	Closing balance (refer sub-note 2)	**378.86**	**378.86**
(iii)	**Capital Reserve on consolidation**		
	Opening balance	7.20	7.20
	Closing balance (refer sub-note 3)	**7.20**	**7.20**
(iv)	**Retained Earnings**		
	Opening balance	(3,151.92)	(1,226.21)
	Add: profit/ (loss) for the year	(152.01)	244.54
	Less: Ind AS 115 Opening adjustments	-	(2,170.25)
	Adjustment on account of right of use assets as per Ind AS 116 (refer note 54)	(4.59)	-
	Less: Share of Minority interest in Other component of equity of subsidiaries on account of notional commission on corporate guarantee given by parent company	(190.33)	-
	Closing balance (refer sub-note 4)	**(3,498.85)**	**(3,151.92)**
(v)	**Foreign Currency Translation Reserve**		
	Opening balance	947.34	950.53
	(Less) : Exchange difference arising on translation of foreign operations	-	(3.19)
	Closing balance (refer sub-note 5)	**947.34**	**947.34**
(vi)	**(Loss) on fair value of investments**		
	Opening balance	(1,040.67)	(603.94)
	Add / (Less) : Fair value gain/(loss) on investment in equity instruments through OCI	79.92	(436.74)
	Closing balance (refer sub-note 6)	**(960.74)**	**(1,040.67)**

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Notes to the Consolidated financial statements...*(Continued)*
As at 31 March, 2020

	Particulars	31 March 2020	31 March 2019
(vii)	**(Loss) on fair value of defined benefit plans**		
	Opening balance	(19.60)	(14.49)
	(Less) : (Loss) on fair value of defined benefit plans	(1.19)	(5.11)
	Closing balance (refer sub-note 7)	**(20.79)**	**(19.60)**
	Total (i)+(ii)+(iii)+(iv)+(v)+(vi)+(vii)	**46,599.67**	**46,867.86**

Sub-note:

1 Securities premium is received pursuant to the further issue of shares/ debentures at a premium net of the share / debenture issue expenses. This is a non-distributable reserve except for the following instances where the the share premium account may be applied;

"i) towards the issue of unissued shares of the Company to the members of the Company as fully paid bonus shares;
ii) for the purchase of its own shares or other securities;
iii) in writing off the preliminary expenses of the Company;
iv) in writing off the expenses of, or the commission paid or discount allowed on, any issue of shares or debentures of the Company; and
v) in providing for the premium payable on the redemption of any redeemable preference shares or of any debentures of the Company."

2 Amalgamation Reserve represents the capital reserve pursuant to the Composite Scheme of Arrangement and Amalgamation dated 10th February, 2012.

3 Capital Reserve represents the accumulated Capital Reserve as on date on account of consolidation of accounts.

4 Retained earnings represents the accumulated profits of the Company.

5 Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency.

6 This reserve represents the cumulative gains and losses arising on fair valuation of equity instruments measured at fair value through other comprehensive income.

7 This reserve represents the cumulative gains and losses arising on fair valuation of defined benefit plans.

Notes to the Consolidated financial statements...*(Continued)*
As at 31 March, 2020

Note 23 : Borrowings

Particulars		31 March 2020	31 March 2019
a)	***(Secured)***		
	Term loans from banks	18,915.60	19,424.00
	Less: Current maturities of long term debt (disclosed under other financial liabilities note no 26)	912.00	650.00
		18,003.60	**18,774.00**
	Term loans from financial institutions	19,386.73	10,884.68
	Less: Current maturities of long term debt (disclosed under other financial liabilities note no 26)	2,255.51	1,409.40
		17,131.22	**9,475.28**
	Hire purchase loans	26.43	76.53
	Less: Current maturities of long term debt (disclosed under other financial liabilities note no 26)	16.64	50.10
		9.79	**26.43**
	Total secured borrowings	**35,144.61**	**28,275.71**
b)	***(Unsecured)***		
	15%, Nil (31 March 2019: 340) non-convertible, redeemable debentures (NCRD) of ₹ 10,00,000 each (refer note 40)	-	3,400.00
	Loan and advances others	-	104.14
	Loans taken from from Joint venture company (refer note 40)	1,532.55	1,477.39
	Total unsecured borrowings	**1,532.55**	**4,981.53**
c)	***Lease Liability Non Current Borrowings-unsecured***	14.70	-
	Less: Current maturity of Lease Liability	19.26	
	Add: Finance Cost of Lease Liability	4.56	-
		-	-
Total borrowings		**36,677.16**	**33,257.24**

Other disclosures pursuant to secured loans and unsecured loans

a) Term loan from bank (secured) includes:

i) ₹ 18,915.60 Lakhs (31 March 2019: ₹ 19,424.00 Lakhs) loan from Bank presently carrying interest @ 8.85 % per annum (previous year 9.00 % per annum) (floating rate). The loan is repayable in 144 monthly instalment starting from January 2018. The loan is secured by first exclusive charge on undivided share of land measuring 12.48 acres and Mall building thereon in Coimbatore and rent receivables from both present and future income from Prozone Mall. The loan are further secured by corporate guarantee of the Holding Company Prozone Intu Properties Limited.

b) Term loan from financial institutions (secured) includes:

(i) ₹ 8,626.34 Lakhs (31 March 2019 : ₹ 8,894.00 Lakhs) term loan from Financial Institution carrying interest @ 10.60 % per annum (previous year 11.60 % per annum) (floating rate). The loan is repayable in 180 monthly installments of ₹ 10,797,671/- inclusive of interest starting from May, 2017. The loan is secured by way of equitable mortgage of land and buildings thereon in Aurangabad, rent receivables from both present and future income from Prozone Mall, against sold and unsold units of Inventories. The above loans are further secured by corporate guarantee of the Ultimate Holding Company Prozone Intu Properties Limited.

(ii) ₹ 7,488.05 Lakhs (31 March 2019 : ₹ Nil) term loan from Financial Institution carrying interest @ 10.50 % per annum (previous year Nil) (floating rate). The loan is repayable in 175 monthly structured installments inclusive of interest starting from October 2019. The loan is secured by way of equitable mortgage of land and buildings thereon in Aurangabad, rent receivables from both present and future income from Prozone Mall. The above loans are further secured by corporate guarantee of the Ultimate Holding Company Prozone Intu Properties Limited.

(iii) ₹ 1,591.78 lakhs (31 March 2019: ₹ Nil) loan from Financial Institution presently carrying interest @ 12.80 % per annum

Notes to the Consolidated financial statements...*(Continued)*
As at 31 March, 2020

(previous year Nil) (floating rate). The loan is repayable in 30 monthly instalment starting from January 2022. The loan is secured by first exclusive charge on undivided share of land measuring 2.99 acres and building thereon. The above loans are further secured by corporate guarantee of the Holding Company Prozone Intu Properties Limited and hypothecation of sold and unsold receivables from the residential project.

(iv) ₹ 1,680.56 lakhs (31 March 2019: ₹1,990.68 lakhs) loan from Financial Institution presently carrying interest @ 13.00 % per annum (previous year 12.70% per annum) (floating rate). The loan is repayable in 12 monthly instalment starting from November 2019. The loan is secured by land admeasuring 18,652 square meters and building thereon. The above loans are further secured by corporate guarantee of the Holding Company Prozone Intu Properties Limited and hypothecation of sold and unsold receivables from the residential project.

Note As per RBI's Policy, the Group has availed the relief provided by its lender by way of moratorium on certain principal and interest repayments on the loans taken from banks and financial institutions and thus the repayment schedule has been modified accordingly.

c) Hire purchase loans

i) Hire Purchase Loan amounting to ₹ 13.71 lakhs (31 March 2019 : ₹ 33.14 lakhs) in respect of vehicle which is secured by hypothecation of vehicle financed by NBFC. The loan carry interest @ 7.75% per annum. The loan is repayable in 37 equal instalments starting from 5th November, 2017.

ii) Hire Purchase Loan amounting to ₹ Nil (31 March 2019: ₹ 27.85 lakhs) in respect of one vehicle which is secured by hypothecation of vehicle financed with Bank. The loan carries interest @ 9.50% per annum. The loan is repayable in 48 equal instalments starting from 15 April 2016.

iii) Hire Purchase Loan amounting to ₹ 12.73 lakhs (31 March 2019: ₹ 15.54 lakhs) in respect of one vehicle which is secured by hypothecation of vehicle financed with Bank. The loan carries interest @ 9.25% per annum. The loan is repayable in 60 equal instalments starting from 1 February 2019.

d) Unsecured loans

i) The NCRD were redeemable after 3 years from the date of issue of such NCRD. Interest on the same is repayable at the time of redemption/maturity. The same are redeemed in current year.

ii) Interest free loans and advances from related parties are repayable after 31st March, 2020. The said loan is interest free.

Note 24 : Other financial liabilities

Particulars	31 March 2020	31 March 2019
Lease Deposits from tenants	4,096.36	3,774.05
Interest accrued on NCRDs	-	1,237.13
Retention money payable	374.95	339.17
Total other non-current financial liabilities	**4,471.31**	**5,350.35**

Note 25 : Provisions

Particulars	31 March 2020	31 March 2019
Provision for employee benefits (Refer note 41)		
- provision for gratuity	73.57	62.13
Total non-current provisions	**73.57**	**62.13**
Provision for employee benefits (Refer note 41)		
- provision for gratuity	13.70	9.14
- provision for compensated absences	61.63	57.57
Total current provisions	**75.33**	**66.71**
Total provisions	**148.90**	**128.84**

(Currency : Indian Rupees in Lakhs)

Notes to the Consolidated financial statements...*(Continued)*
As at 31 March, 2020

Note 26 : Other non-current liabilities

Particulars	31 March 2020	31 March 2019
Deferred Liabilities on financial liabilities carried at amortised cost	191.24	285.89
Total other non-current liabilities	**191.24**	**285.89**

Note 27 : Borrowings

(Unsecured)

Particulars	31 March 2020	31 March 2019
Unsecured loan from unrelated party*	1,503.62	-
Total borrowings	**1,503.62**	**-**

***₹ 1,503.62 Lakhs (31 March 2019: ₹ Nil) loan taken from unrelated entity is repayable on demand and carries interest rate of 7% p.a.*

Note 28 : Trade Payable

Particulars	31 March 2020	31 March 2019
Trade payables		
- Total outstanding dues of micro enterprises and small enterprises (refer note below)	13.58	24.80
- Total outstanding dues of creditors other than micro enterprises and small enterprises	6,588.27	2,127.85
Total trade payables	**6,601.85**	**2,152.65**

Note :

Micro and small enterprises under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 have been determined based on the information available with the Company and the required disclosures are given below:

Particulars	31 March 2020	31 March 2019
Principal amount remaining unpaid	13.41	24.80
Interest due thereon to any supplier as at the end of each accounting year;	-	-
The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006);	-	-
The amount of interest accrued and remaining unpaid at the end of accounting year; and	0.17	-
The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

Notes to the Consolidated financial statements...*(Continued)*
As at 31 March, 2020

Note 29 : Other financial liabilities

Particulars	31 March 2020	31 March 2019
Current maturities of long term debt (refer note 23)	3,184.15	2,109.50
Current maturity of lease liability (refer note 23)	19.26	-
Lease deposit become payable within next 12 months	64.47	72.28
Retention money payable	366.24	115.18
Payables in respect of capital assets	1,306.56	1,752.13
Total other current financial liabilities	**4,940.68**	**4,049.09**

Note 30 : Other current liabilities

Particulars	31 March 2020	31 March 2019
Employee benefits payable	45.37	89.80
Deferred Liabilities on financial liabilities carried at amortised cost	86.87	105.58
Advance from customers	21,629.90	14,158.32
Duties and taxes payable	173.53	391.38
Provision for Expenses	1,416.91	307.01
Payable towards capital expenditure	831.14	-
Capital expenditure deposit with tenants	187.70	169.42
Total other current liabilities	**24,371.42**	**15,221.51**

Note 31 : Current tax liabilities (net)

Particulars	31 March 2020	31 March 2019
Provision for Tax (net of Advance tax and TDS ₹ 247.77 lakhs (31 March 2019: ₹ 269.74 lakhs)	14.62	23.92
Total current tax liabilities (net)	**14.62**	**23.92**

Note 32 : Revenue from operations

Particulars	31 March 2020	31 March 2019
Sale of property		
Revenue from real estate projects	49.93	3,875.74
Sale of services		
License fees (refer note 52)	5,044.74	4,904.09
Service charges	2,810.58	2,565.28
Others	598.63	477.24
Total revenue from operations	**8,503.88**	**11,822.35**

Notes to the Consolidated financial statements...*(Continued)*
for the year ended 31 March, 2020

Note 33 : Other income

Particulars	31 March 2020	31 March 2019
Interest income on :		
- Long term loans and advances	1,223.78	1,289.91
- Fixed deposits	99.05	81.02
- Security deposits	-	1.29
- Income tax refund	0.63	-
- Notional interest on loan given to joint venture	17.24	15.78
- Amortisation of deferred liability on on present value of retention money	24.09	20.85
Rent income (refer note 52)	11.25	15.00
Dividend income on current investments	5.31	42.52
Amortisation of deferred liability on loan taken from joint venture	41.53	41.41
Sundry balances written back	336.43	-
Profit on sale of current investments	209.46	2.96
Profit on sale of Property, Plant and Equipment	-	1.92
Reversal of provision for diminution in value of current investments	45.40	47.04
Total other income	**2,014.17**	**1,559.70**

Note 34 : Cost of materials consumed

Particulars	31 March 2020	31 March 2019
Opening balance	**27,522.32**	**14,649.16**
Add: Conversion of Capital Assets into Stock in Trade *	1,434.08	-
Add:		
Construction and development costs	3,566.22	2,292.09
Cost reversal due to reversal of revenue as per Ind AS 115	-	12,506.54
Addition on account of significant finanace component	6,940.35	-
Borrowing costs	494.65	110.46
Administrative and other expenses	1,253.63	744.02
	41,211.25	**30,302.27**
Less:		
Closing balance of inventory	40,329.07	27,522.32
Transferred to investment property under construction **	846.04	-
Total cost of construction project	**36.14**	**2,779.95**

** The addition of ₹1,434.08 lakhs (31 March 2019: ₹ Nil) represent conversion of Capital Assets into Stock in Trade (refer note no 4)*
*** The expenses ₹ 846.04 lakhs (31 March 2019: ₹ Nil) incurred towards clubhouse expenses are reclassified under Investment property under construction (refer note 5)*

(Currency : Indian Rupees in Lakhs)

Notes to the Consolidated financial statements...*(Continued)*

for the year ended 31 March, 2020

Note 35 : Employee benefits expense

Particulars	31 March 2020	31 March 2019
Salaries and wages	688.81	596.93
Directors' remuneration	300.00	242.89
Contribution to provident fund and other funds (refer note 41)	18.07	19.95
Staff welfare expenses	12.79	10.96
Expenses related to post-employment defined benefit plans (refer note 41)	14.56	14.69
Expenses related to compensated absences (refer note 41)	6.40	20.16
Less: Elimination of the cost of services rendered to subsidiaries by parent company	618.53	524.92
Total Employee benefits expense	**422.11**	**380.67**

Note 36 : Finance costs

Particulars	31 March 2020	31 March 2019
Interest on :		
- loans taken from banks	3,121.67	2,440.09
- Non convertible debentures	546.68	683.82
Notional interest on financial liabilities carried at amortised cost	144.72	154.23
Notional interest on loans taken from joint venture	55.14	50.59
Amortisation of deferred asset on loans given to joint venture	10.89	10.87
Other borrowing costs	268.50	92.57
Finance cost of lease liability	4.56	-
Total Finance costs	**4,152.17**	**3,432.16**

Note 37 : Depreciation and amortization expense

Particulars	31 March 2020	31 March 2019
Depreciation on property, plant and equipment (refer note 3)	250.28	265.63
Depreciation on investment property (refer note 4)	3,062.19	3,131.56
Depreciation on Right of use assets (refer note 6)	28.00	-
Total Depreciation and amortization expense	**3,340.47**	**3,397.19**

Note 38 : Other expenses

Particulars	31 March 2020	31 March 2019
Rent (refer note 54)	3.24	40.07
Rates and taxes	352.71	279.34
Insurance	44.07	37.19
Repairs and maintenance		
- building	51.18	50.77
- plant and machinery	65.33	70.44
- others	101.08	73.19
Electricity charges	553.26	511.35
Security charges	163.55	144.30
Housekeeping charges	190.23	154.47
Printing and stationery	11.07	11.95

Notes to the Consolidated financial statements...*(Continued)*
for the year ended 31 March, 2020

Particulars	31 March 2020	31 March 2019
Communication costs	12.40	14.63
Office Expenses	57.32	49.20
Legal and professional fees	878.41	754.49
Director Sitting Fees	15.30	11.40
Travelling and conveyance	138.50	205.72
Brokerage & commission	47.65	25.27
Advertisement & business promotion expenses	270.20	168.40
Payment to auditors' (refer note 38.1)	61.20	64.82
Provision for expected credit loss	-	140.16
Sundry balances written off	296.15	-
Miscellaneous expenses	221.97	105.95
	3,534.82	**2,913.11**
Less: Elimination of the cost of services rendered to subsidiaries by parent company	332.91	304.72
Total Other expenses	**3,201.91**	**2,608.39**

Note 38.1: Payment to auditors

Particulars	31 March 2020	31 March 2019
- Statutory audit	58.00	58.00
- Reimbursement of expenses	3.20	6.82
	61.20	**64.82**

Note 39 : Earning Per Share

A reconciliation of profit for the year and equity shares used in the computation of basic and diluted earnings per equity share is set out below:

Basic: Basic earnings per share is calculated by dividing the profit attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year, excluding equity shares purchased by the Company and held as treasury shares.

Diluted: Diluted earnings per share is calculated by adjusting the weighted average number of equity shares outstanding during the year for assumed conversion of all dilutive potential equity shares. Employee share options are dilutive potential equity shares for the Company.

Basic and diluted EPS

Particulars	31 March 2020	31 March 2019
Weighted average number of equity shares of ₹ 2 each (No. in Lakhs)		
Number of shares at the beginning and end of the year	1,526.03	1,526.03
Weighted average number of shares outstanding during the year	1,526.03	1,526.03
Weighted average number of potential equity shares outstanding during the year	-	-
Total number of potential equity share for calculating diluted earning per share	1,526.03	1,526.03
Net profit after tax available for equity shareholders (₹ In lakhs)	(152.01)	244.54
Basic Earning per share (in ₹)	**(0.10)**	**0.16**
Diluted Earning per share (in ₹)	**(0.10)**	**0.16**

(Currency : Indian Rupees in Lakhs)

Notes to the Consolidated financial statements...*(Continued)*
for the year ended 31 March, 2020

Note 40 : Related party disclosures as required under Indian Accounting Standard 24, "Related party disclosures" are given below:

a) Names of related parties and nature of relationship

A) Key Management Personnel (KMP) and their relatives

Mr. Nikhil Chaturvedi	Managing Director
Mr. Salil Chaturvedi	Dy. Managing Director
Mr. Aakansha Chaturvedi (From 16 February 2019)	Relative of KMP
Mr. Akhil Chaturvedi	Relative of KMP

B) Independent Directors and Non Executive Directors :-

Mr. Punit Goenka	Chairman and Independent Director
Ms. Deepa Misra Harris	Woman Independent Director
Mr. Umesh Kumar (from 23 May 2019)	Independent Director
Mr. David Fischel (upto 3 June 2019)	Non Executive Director
Mr. Dushyant Singh Sangar	Non Executive Director

C) Enterprises having common KMP with whom the Company has entered into transactions during the year :-

Provogue (India) Limited

D) Joint Ventures :-

Emerald Buildhome Private Limited

Moontown Trading Company Private Limited

b) Transactions carried out with related parties referred to above, in ordinary course of business and balances outstanding:

Summary of related party transactions

Particualrs	Key Management Personnel (KMP) and their relatives, Independent Directors and Non Executive Directors		Enterprises having common KMP		Joint Ventures	
	31.03.20	31.03.19	31.03.20	31.03.19	31.03.20	31.03.19
Remuneration to Key Management Personnel and their relatives						
Nikhil Chaturvedi	180.00	150.00	-	-	-	-
Salil Chaturvedi	120.00	90.00	-	-	-	-
Others related parties	29.89	19.41	-	-	-	-
Director sitting fees	4.80	0.90	-	-	-	-
Sale of services						
Provogue (India) Limited	-	-	15.08	10.31	-	-
Loans given	2.00	2.00	-	-	1.00	-
Purchase of services						
Provogue (India) Limited	-	-	36.00	36.00	-	-
Notional interest expenses on loans taken	-	-	-	-	55.14	50.59
Notional interest income on loans given	-	-	-	-	17.24	15.78

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Notes to the Consolidated financial statements...*(Continued)*
for the year ended 31 March, 2020

Balances payable/outstanding at the year end

Balances	Key Management Personnel (KMP) and their relatives		Enterprises having common KMP		Joint Ventures	
	31.03.20	31.03.19	31.03.20	31.03.19	31.03.20	31.03.19
Trade Payable	-	-	27.93	10.05	-	-
Trade receivable	-	-	33.88	17.36	-	-
Loans given						
Moontown Trading Company Private Limited	-	-	-	-	280.15	261.91
Others related parties	2.00	2.00	-	-	-	-
Loans taken						
Emerald Buildhome Private Limited	-	-	-	-	1,532.52	1,477.39
Lease rental deposits taken	-	-	7.27	7.27	-	-
Advance remuneration	43.43	-	-	-	-	-
Remuneration Payable	11.88	21.69	-	-	-	-

Note 41 : Disclosure relating to employee benefits as per Ind AS 19 'Employee Benefits'

A Defined benefit obligations and short-term compensated absences

i) Defined benefit plan

The gratuity plan is governed by the Payment of Gratuity Act,1972 under which an employee who has completed five years of service is entitled to specific benefits. The level of benefits provided depends on the member's length of service and salary at retirement age.

The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

ii) Short-term compensated absences

27 days of privilege leave for staff is allowed each year. Unutilised leave can be carried forward to the extend of 42 days of leave. If the same not availed in calendar year then the same will be lapsed.

(Currency : Indian Rupees in Lakhs)

Notes to the Consolidated financial statements...*(Continued)*
for the year ended 31 March, 2020

	Particulars	Gratuity		Compensated absences	
		31 March 2020	31 March 2019	31 March 2020	31 March 2019
a)	**Changes in defined benefit obligations**				
	Present value of obligation as at the beginning of the year				
	Defined Benefit Obligation ("PBO") at the beginning of the year	95.64	64.99	57.56	39.26
	Transfer in/(out) obligation	-	-	15.63	10.26
	Service cost	9.80	12.07	3.82	2.96
	Past Service Cost	-	-	(13.05)	7.31
	Interest cost	6.45	4.61	-	-
	Actuarial loss / (gain)	4.09	(1.11)	(2.35)	(2.22)
	Benefits Paid	(4.95)	15.08	-	-
	Present value of obligation as at the end of the year	**111.03**	**95.64**	**61.62**	**57.57**
b)	**Expenses recognised in the Statement of Profit and Loss**				
	Current Service Cost	9.80	12.07	15.63	10.26
	Past Service Cost	-	-	(2.39)	1.26
	Interest Cost	4.76	2.62	3.82	(1.89)
	Actuarial (Gain) / loss on Obligation	-	-	(10.66)	10.53
	Components of defined benefit costs recognized in profit or loss	**14.56**	**14.69**	**6.40**	**20.16**
c)	**Included in other Comprehensive Income**				
	Actuarial changes arising from changes in financial assumptions	4.21	1.64	1.83	0.78
	Actuarial changes arising from changes in demographic assumptions	(0.04)	-	0.01	-
	Experience adjustments	(2.49)	15.24	(14.89)	6.51
	Return on plan assets excluding amounts included in Interest Income	(0.01)	(0.02)	-	-
	Total	**1.67**	**16.87**	**(13.05)**	**7.29**
d)	**Recognised in Balance Sheet**				
	Present value of obligation as at the end of the year	111.02	95.64	61.63	57.57
	Fair value of plan assets as at the end of the year	(23.76)	(24.37)	-	-
		87.27	**71.27**	**61.63**	**57.57**

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Notes to the Consolidated financial statements...*(Continued)*
for the year ended 31 March, 2020

	Particulars	Gratuity		Compensated absences	
		31 March 2020	31 March 2019	31 March 2020	31 March 2019
e)	**Change in fair value of assets**				
	Fair value of plan assets at the beginning of the year	24.61	24.27	-	-
	Interest Income	1.68	1.99	-	-
	Return on plan assets excluding amounts included in interest income	0.01	0.02	-	-
	Benefits paid	(2.55)	(1.68)	-	-
	Fair value of plan assets at the end of the year	**23.76**	**24.60**	**-**	**-**
f)	**Reconciliation of net defined benefit liability**				
	Net opening provision in books of accounts	71.03	40.72	-	-
	Transfer in/(out) obligation	-	-	-	-
	Employee Benefit Expense	14.56	14.69	-	-
	Amounts recognized in Other Comprehensive Income	1.67	16.87	-	-
	Benefits paid	-	(1.24)	-	-
	Closing provision in books of accounts	**87.27**	**71.04**	**-**	**-**

g)	Actuarial assumptions	Gratuity		Compensated absences	
		31 March 2020	31 March 2019	31 March 2020	31 March 2019
	Discount rate	6.45%	7.20%	6.45%	7.20%
	Normal retirement age (in years)	58 Years	58 Years	58 Years	58 Years
	Salary escalation rate (% p.a.) *	5.10%	5.10%	5.10%	5.10%
	Attrition rate	1% at each stage + 30% Service related			
	Mortality rate	Indian assured lives mortality (2006-08) ultimate			

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Quantitative sensitivity analysis for significant assumption is as below:

h)	Particulars	Gratuity		Compensated absences	
		31 March 2020	31 March 2019	31 March 2020	31 March 2019
	i. Discount rate	0.5% increase		0.5% increase	
	ii. Salary escalation rate - over a long-term	107.13	93.22	60.43	56.40
		111.62	97.14	62.98	58.80
	iii. Withdrawal rates	0.1% increase		0.1% increase	
		110.58	96.52	61.17	57.06
		0.5% decrease		0.5% decrease	
	i. Discount rate	112.84	98.18	62.97	58.79
	ii. Salary escalation rate - over a long-term	108.17	94.25	60.42	56.38
		0.1% decrease		0.1% decrease	
	iii Withdrawal rates	109.18	94.69	62.21	58.09

Sensitivity for significant actuarial assumptions is computed by varying one actuarial assumption used for the valuation of the defined benefit obligation, keeping all other actuarial assumptions constant.

(Currency : Indian Rupees in Lakhs)

Notes to the Consolidated financial statements...*(Continued)*
for the year ended 31 March, 2020

Maturity analysis of defined benefit obligation

i)	Particulars	Gratuity		Compensated absences	
		Cashflow	Distribution (%)	Cashflow	Distribution (%)
	1st Following Year	13.39	27.20%	10.53	30.15%
	2nd Following Year	16.64	32.51%	10.10	28.81%
	3rd Following Year	10.92	26.52%	8.03	23.98%
	4th Following Year	15.53	27.36%	8.18	21.97%
	5th Following Year	12.06	26.22%	6.97	19.69%
	Sum of Year 6 to 10 Year	62.68	150.87%	29.22	76.48%
	Total expected payments	**131.20**	**290.68%**	**73.03**	**201.08%**

B Defined contribution plans

The Group makes contribution towards provident fund to a defined contribution retirement plan for qualifying employees. The provident fund plan is operated by the regional provident fund commissioner. Under the schemes, the Group is required to contribute a specified percentage of payroll cost to the retirement contribution schemes to fund benefits.

The Group has recognised the following amounts in the Statement of Profit and Loss for the year:

Particulars	31 March 2020	31 March 2019
Contribution to provident fund and other funds		
Maharashtra Labour Welfare fund	0.03	0.03
Employers Provident Fund	17.16	18.74
Employee State Insurance Corporation	0.88	1.18
	18.07	**19.95**

The Hon'ble Supreme Court of India ("SC") by their order dated February 28, 2019, in the case of Surya Roshani Limited & others v/s EPFO, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. Group has also made provision of provident fund liability in current year for period pertaning from 1 March 2019 to 31 March 2020.

C Experience adjustments

Particulars	2020	2019	2018	2017	2016
Present value of defined benefit obligation	111.02	95.64	64.99	56.90	40.66
Fair value of plan assets	(23.76)	(24.37)	(24.04)	(23.85)	(23.52)
Deficit / (Surplus)	**87.27**	**71.27**	**40.95**	**33.05**	**17.14**

Note 42 : Segment Reporting as required under Indian Accounting Standard 108, "Operating Segments" :

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the group. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Managing Director of the group.

The group is engaged in the business of developing, owning and operating of Shopping Malls, Commercial and Residential Premises. Based on the business activities during the financial year, the group has identified the following business segments as its primary segment:-

a) Leasing
b) Outright Sales

The primary segment reporting format is determined to be business segment as the group's risks and rates of returns are affected predominantly by the nature of activities

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Notes to the Consolidated financial statements...*(Continued)*
for the year ended 31 March, 2020

a) Information about Primary Segments - Business Segments

Particulars	Leasing		Outright sales		Total	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019	31 March 2020	31 March 2019
1. Segment Revenue	8,453.95	7,946.61	49.93	3,875.74	**8,503.88**	11,822.35
2. Results						
Segment Results	2,715.16	2,328.50	(570.01)	892.55	**2,145.15**	3,221.05
Unallocated Expenses					**(610.67)**	(547.46)
Operation Profit					**1,534.48**	**2,673.59**
Finance Cost					**(4,152.17)**	(3,432.16)
Other Income					**2,014.17**	1,559.70
(Loss) / Profit Before Tax					**(603.52)**	**801.13**
Tax expense					**(187.01)**	148.78
Net (Loss) / Profit for the year					**(416.51)**	**652.35**
Segment Assets	64,335.40	56,543.28	45,113.44	31,983.19	**109,448.84**	88,526.47
Unallocated Assets	-	-	-	-	**51,624.51**	54,686.04
Total Assets (A)	**64,335.40**	**56,543.28**	**45,113.44**	**31,983.19**	**161,073.35**	**143,212.51**
Segment Liabilities	40,036.91	34,746.32	28,602.88	17,090.04	**68,639.80**	51,836.36
Unallocated Liabilities	-	-	-	-	**10,281.00**	8,633.13
Total Liabilities (B)	**40,036.91**	**34,746.32**	**28,602.88**	**17,090.04**	**78,920.80**	**60,469.49**
Capital Employed (A) - (B)					**82,152.55**	82,743.02
Other information						
Depreciation and Amortisation expense	3,064.25	3,131.56	-	-	**3,064.25**	3,131.56
Unallocated Depreciation & Amortisation expense	-	-	-	-	**276.22**	265.63
Total Depreciation and Amortisation	**3,064.25**	**3,131.56**	**-**	**-**	**3,340.47**	**3,397.19**
Capital Expenditure	1,547.62	940.67	-	-	**1,547.62**	940.67
Unallocated Capital Expenditure	-	-	-	-	**23.28**	61.95
Total Capital Expenditure	**1,547.62**	**940.67**	**-**	**-**	**1,570.89**	**1,002.62**

Notes to the Consolidated financial statements...*(Continued)*
for the year ended 31 March, 2020

Note 43 : Contingent liabilities and commitments are given below:

a) Contingent liabilities

	Particulars	31 March 2020	31 March 2019
I)	**Claims not acknowledged as debts :**		
i)	Disputed liability in respect of Income tax	25.73	145.89
ii)	Disputed liability in respect of Property Tax (refer sub note 1)	72.62	72.62
iii)	Disputed liability in respect of Electricity Charges (refer sub note 2)	644.66	644.66
iv)	Other claims (RERA cases in subsidiary company)	101.46	-
II)	**Guarantees on behalf of Group**		
	Bank Guarantee	145.60	135.60
	Note 1: The Group has paid under protest ₹ 36.31 Lakhs (31 March 2019: ₹ 36.31 Lakhs)		
	Note 2: The Group has filed appeal against the same ₹ 322.33 Lakhs (31 March 2019: ₹ 322.33 Lakhs)		

III) The Hon'ble Supreme Court of India ("SC") by their order dated February 28, 2019, in the case of Surya Roshani Limited & others v/s EPFO, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. Subsequently, a review petition against this decision has been filed and is pending before the SC for disposal. In view of the management, the liability for the period from date of the SC order to 31 March 2020 has been provided in the books of account. Further, pending decision on the subject review petition and directions from the EPFO, the impact for the past period, if any, is not ascertainable and consequently no effect has been given in the accounts.

b) Commitments

Estimated amount of contracts remaining to be executed on capital account not provided for (net of advances) ₹ 1585.62 lakhs (31 March 2019: ₹ 3,530.48 lakhs).

Note 44A : Information on Subsidiaries, Joint Ventures :

Sr. No.	Name of the entity	Country of Incorporation	Percentage of Holding	
			As at 31 March 2020	As at 31 March 2019
	Subsidiary companies:			
1	Alliance Mall Developers Co Private Limited	India	61.50%	61.50%
2	Prozone Intu Developers Private Limited (formerly known as Jaipur Festival City Private Limited)	India	100%	100%
3	Royal Mall Private Limited	India	100%	100%
4	Kruti Multitrade Private Limited	India	100%	100%
5	Prozone Liberty International Limited (Singapore)	Singapore	100%	100%
6	"Prozone Developers & Realtors Private Limited (formerly known as Classique Creators Private Limited)"	India	100%	100%
	Stepdown subsidiary companies: Investments through Prozone Liberty International Limited (Singapore)			
1	Empire Mall Private Limited *	India	34.71%	34.71%
2	Hagwood Commercial Developers Private Limited	India	61.50%	61.50%
3	Omni Infrastructure Private Limited	India	60.00%	60.00%
	* subsidiary on control basis.			
	Joint Ventures:			
1	Moontown Trading Company Private Limited	India	25%	25%
2	Emerald Build Home Private Limited	India	50%	50%

(Currency : Indian Rupees in Lakhs)

Notes to the Consolidated financial statements...*(Continued)*
for the year ended 31 March, 2020

Note 44B : Disclosure of additional information pertaining to the Parent Company, Subsidiaries and Joint Ventures :

As at 31 March 2020

Name of the Enterprises	Net Assets (Total Assets) - (Total Liabilities)		Share in Profit or loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Net Assets	As % of Consolidated Profit or Loss	Profit / (Loss)	As % of Consolidated Profit or Loss	Profit / (Loss)	As % of Consolidated Profit or Loss	Profit / (Loss)
Parent								
Prozone Intu Properties Limited	2.28	1,873.16	186.62	(777.31)	(269.46)	456.36	54.78	(320.95)
Indian Subsidiaries								
Direct Subsidiaries								
Alliance Mall Developers Co Private Limited	15.68	12,879.19	6.45	(26.88)	(2.64)	4.46	3.83	(22.41)
Royal Mall Private Limited	(6.31)	(5,186.93)	3.07	(12.77)	-	-	2.18	(12.77)
Kruti Multitrade Private Limited	0.05	38.72	0.71	(2.98)	-	-	0.51	(2.98)
Prozone Developers and Realtors Private Limited	10.67	8,763.81	(122.07)	508.43	-	-	(86.78)	508.43
Prozone Intu Developers Private Limited	0.65	535.20	(10.59)	44.11	-	-	(7.53)	44.11
Indirect Subsidiaries								
Hagwood Commercial Developers Private Limited	14.20	11,664.61	(80.54)	335.44	234.95	(397.91)	10.66	(62.47)
Empire Mall Private Limited	2.94	2,416.99	62.51	(260.35)	0.56	(0.95)	44.60	(261.30)
Omni Infrastructure Private Limited	10.41	8,549.68	(8.31)	34.63	-	-	(5.91)	34.63
Foreign Subsidiaries								
Direct Subsidiaries								
Prozone Liberty International Limited	5.12	4,208.22	2.12	(8.81)	-	-	1.50	(8.81)
Non-controlling interest in all subsidiaries	39.56	32,500.84	63.50	(264.49)	146.49	(248.10)	87.49	(512.59)
Joint Venture (Indian)								
Direct								
Moontown Trading Co. Private Limited	0.17	142.32	0.08	(0.31)	-	-	0.05	(0.31)
Indirect								
Emerald Buildhome Private limited	4.59	3,766.76	(3.55)	14.77	(9.90)	16.77	(5.38)	31.54
TOTAL	**100.00**	**82,152.57**	**100.00**	**(416.51)**	**100.00**	**(169.36)**	**100.00**	**(585.87)**

Note : The above figures are after eliminating intra group transactions and intra group balances

Notes to the Consolidated financial statements...*(Continued)*
for the year ended 31 March, 2020

Note 45 : Disclosure with regards to section 186 (4) of the Companies Act, 2013

i) For Investment refer note no. 8 and 15

ii) For Loans given :

Particulars	Rate of Interest	Purpose of Inter corporate deposit	31 March 2020	31 March 2019	Movement during the year
Inter Corporate Deposits	7% - 21%	Working Capital	2040.77	1,960.30	80.47
Total			**2040.77**	**1,960.30**	**80.47**

Notes:

1) Out of the above the Group has not provided interest on ₹ 930.54 Lakhs (31 March 2019: ₹ 930.54 Lakhs) as Group has made provision for expected credit loss due to uncertainty regarding recoverability of said loans and advance.

2) Above disclosures do not include unsecured loans (including interest) granted before enforcement of Companies Act, 2013 amounting to ₹ 221.60 lakhs (31 March 2019 :₹ 221.60 lakhs).

Note 46 : Expenditure on Corporate Social Responsibility (CSR) activities

A Gross amount required to be spent by the Company during the year 2019-20 - ₹ 18.43 Lakhs (31 March 2019- ₹ 21.94 Lakhs)

B Amount spent during the year on:

Sr. No	Particulars	In Cash/Cheque	Yet to be paid in cash	Total
i	Construction/acquisition of any assets	-	-	-
ii	On purposes other than (i) above	-	-	-

C Related party transactions in relation to Corporate Social Responsibility:

D Provision movement during the year 2019-20

Opening provision	9.09
Addition during the year	-
Utilised during the year	-
Closing provision	**9.09**

Note 47 : Expenditure in foreign Currency

Particulars	31 March 2020	31 March 2019
Travelling and conveyance	15.65	28.77
Total	**15.65**	**28.30**

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Notes to the Consolidated financial statements...*(Continued)*
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Note 48 : Financial instruments – Fair values and risk management :

A) Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities if the carrying amount is a reasonable approximation of fair value.

31 March 2020	Note	Carrying amount			Fair value			Total
		FVTPL	FVTOCI	Amortised Cost	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	
Financial assets								
Investments	8 & 15	1,953.39	4,661.71	-	-	1,953.39	4,661.71	6,615.09
Loans	9 & 19	-	-	8,891.70	-	-	-	-
Other financial assets	10 & 20	-	-	11,058.00	-	-	-	-
Trade receivables	16	-	-	1,942.84	-	-	-	-
Cash and cash equivalents	17	-	-	799.01	-	-	-	-
Bank balances other than Cash and cash equivalents	18	-	-	926.62	-	-	-	-
		1,953.39	**4,661.71**	**23,618.17**	**-**	**1,953.39**	**4,661.71**	**6,615.09**
Financial liabilities								
Borrowings	23	-	-	36,677.16	-	36,677.16	-	36,677.16
Other financial liabilities	24 & 29	-	-	9,411.98	-	3,184.15	-	3,184.15
Trade payables	28	-	-	6,601.85	-	-	-	-
		-	**-**	**52,690.99**	**-**	**39,861.31**	**-**	**39,861.31**

31 March 2019	Note	Carrying amount			Fair value			Total
		FVTPL	FVTOCI	Amortised Cost	Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	
Financial assets								
Investments	8 & 15	3,031.24	43.91	4,545.63	-	3,031.24	43.91	3,075.14
Loans	9 & 19	-	-	1,400.36	-	-	-	-
Other financial assets	10 & 20	-	-	10,050.42	-	-	-	-
Trade receivables	16	-	-	3,458.29	-	-	-	-
Cash and cash equivalents	17	-	-	198.77	-	-	-	-
Bank balances other than Cash and cash equivalents	18	-	-	175.82	-	-	-	-
		3,031.24	**43.91**	**19,829.29**	**-**	**3,031.24**	**43.91**	**3,075.14**
Financial liabilities								
Borrowings	23	-	-	33,257.24	-	33,257.24	-	33,257.24
Other financial liabilities	24 & 29	-	-	9,399.44	-	3,346.63	-	3,346.63
Trade payables	28	-	-	2,152.65	-	-	-	-
		-	**-**	**44,809.33**	**-**	**36,603.87**	**-**	**36,603.87**

Notes to the Consolidated financial statements...*(Continued)*
for the year ended 31 March, 2020

B) Measurement of fair values

Valuation techniques and significant unobservable inputs

The following table shows the valuation techniques used in measuring Level 2 and Level 3 fair values for financial instruments measured at fair value in the balance sheet, as well as the significant unobservable inputs used.

i) Financial instruments measured at amortised cost

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Borrowings	Discounted cash flows: The valuation model considers the present value of expected payment, discounted using a risk-adjusted discount rate.	Not applicable	Not applicable
Other financial liabilities- (current maturities of long-term debt)	Discounted cash flows: The valuation model considers the present value of expected payment, discounted using a risk-adjusted discount rate.	Not applicable	Not applicable

ii) Financial instruments measured at fair value through profit or loss

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Investment in mutual funds	The fair values of investments in mutual fund units is based on the net asset value ("NAV") as stated by the issuer of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which the issuers will redeem such units from the investor.	Not applicable	Not applicable

iii) Financial instruments measured at fair value through Other Comprehensive Income

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Investment in equity, preference shares and debentures	The fair value of investment has been determined by external, independent valuer, having appropriate recognised professional qualifications and relevant experience the field.	Not applicable	Not applicable

C) Financial risk management

The Group has exposure to the following risks arising from financial instruments:

a. credit risk ;
b. liquidity risk ; and
c. market risk
d. other risk

Risk management framework

The Holding Company's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Group manages market risk through a finance department, which evaluates and exercises independent control over the entire process of market risk management. The finance department recommends risk management objectives and policies, which are approved by Board of Directors. The activities of this department include management of cash resources, borrowing strategies, and ensuring compliance with market risk limits and policies.

Notes to the Consolidated financial statements...*(Continued)*
for the year ended 31 March, 2020

The Holding Company's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment.

The audit committee oversees how management monitors compliance with the Holding Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee..

a. Credit risk

Credit risk is the risk of financial loss to the group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investment securities. The carrying amounts of financial assets represent the maximum credit exposure.

Trade receivables

The Group extends credit to customers in normal course of business. The Group considers factors such as credit track record in the market and past dealings for extension of credit to customers. To manage credit risk, the Group periodically assesses the financial reliability of the customer, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivables. Outstanding customer receivables are regularly monitored to make an assessment of recoverability. Receivables are provided as doubtful / written off, when there is no reasonable expectation of recovery. Where receivables have been provided / written off, the Group continues regular follow up,engage with the customers, legal options / any other remedies available with the objective of recovering these outstandings.The Group is not exposed to concentration of credit risk to any one single customer since services are provided to vast spectrum. The Group also takes security deposits, advances , post dated cheques etc from its customers, which mitigate the credit risk to an extent.

Cash and cash equivalents

The Group held cash and cash equivalents with credit worthy banks of ₹ 799.01 lakhs; ₹ 198.67 lakhs as at 31 March 2020 and 31 March 2019 respectively. The credit worthiness of such banks and financial institutions is evaluated by the management on an on going basis and is considered to be good.

Exposure to credit risk

The allowance for impairment in respect of trade receivables during the year was ₹ 102.59 lakhs (31 March 2019: ₹ 239.40 lakhs)

The allowance for impairment in respect of loans and other financial assets during the year was ₹ 3,476.78 lakhs (31 March 2019: ₹ 3,476.78 lakhs)

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 31 March 31 2020 and 31 March 2019 is as follows:

Particulars	As at 31 March 2020	As at 31 March 2019
Financial assets for which loss allowances are measured using 12 months Expected Credit Losses (ECL) :		
Trade Receivables	102.59	239.40
Loans and Other financial assets	3,476.78	3,476.78

(Currency : Indian Rupees in Lakhs)

Notes to the Consolidated financial statements...*(Continued)*
for the year ended 31 March, 2020

A summary of the group's exposure to credit risk by age of the outstanding balance from various customers is as follows:

Particulars		31 March 2020	
	Carrying Amount	Weighted Average Loss Rate	Loss Allowance
Neither past due nor impaired	-	0.00%	-
Past due but not impaired *	478.74	0.00%	-
Upto 90 days	486.59	0.50%	2.43
90-180 days	77.61	1.05%	0.81
180-360 days	45.59	2.00%	0.91
360-450 days	22.46	5.00%	1.12
450-540 days	13.64	10.00%	1.36
540-720 days	9.99	20.00%	2.00
720-810 days	4.17	40.00%	1.67
810-900 days	1.81	60.00%	1.09
900-1080 days	20.21	80.00%	16.17
More than 3 yrs	75.03	100.00%	75.03
	1,235.85		**102.59**

Particulars		31 March 2019	
	Carrying Amount	Weighted Average Loss Rate	Loss Allowance
Neither past due nor impaired	-	0.00%	-
Past due but not impaired *	1,588.30	0.00%	-
Upto 90 days	5.27	0.50%	0.03
90-180 days	36.55	1.00%	0.37
180-360 days	18.47	2.00%	0.37
360-450 days	850.16	5.00%	42.51
450-540 days	100.44	13.84%	13.90
540-720 days	31.82	100.00%	31.82
720-810 days	43.58	100.00%	43.58
810-900 days	16.86	100.00%	16.86
900-1080 days	3.47	100.00%	3.47
More than 3 yrs	86.50	100.00%	86.50
	2,781.41		**239.40**

* The management believes that the unimpaired amounts that are past due are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk.

The movement in the allowance for impairment in respect of trade receivables and other financial assets during the year was as follows :

Particulars	Amount
Balance as at 1 April 2018	**7,033.60**
Impairment loss recognised	140.16
Amount written off during the year	(3,457.57)
Balance as at 31 March 2019	**3,716.19**
Impairment loss recognised	(136.81)
Amount Written off	-
Balance as at 31 March 2020	**3,579.38**

Prozone Intu Properties Limited - Annual Report - 2020 (Currency : Indian Rupees in Lakhs)

Notes to the Consolidated financial statements...*(Continued)*
for the year ended 31 March, 2020

b. Liquidity risk

Liquidity risk is the risk that the group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the group's reputation.

Particulars			Contractual cash flows			
	Note	Carrying amount	Total	One year or less	1 - 5 years	More than 5 years
As at 31 March 2020						
Non - derivative financial liabilities						
Borrowings	23	36,677.16	36,677.16	1,503.62	11,952.79	23,220.75
Trade payables	29	6,601.85	6,601.85	6,601.85	-	-
Other financial liabilities	24 & 29	9,411.98	9,553.27	5,081.97	4,471.31	-
		52,690.99	**52,832.28**	**13,187.44**	**16,424.09**	**23,220.75**
As at 31 March 2019						
Non - derivative financial liabilities						
Borrowings	23	33,257.24	33,257.24	-	12,136.87	21,120.37
Trade payables	29	2,152.65	2,152.65	2,152.65	-	-
Other financial liabilities	24 & 29	9,399.44	9,399.44	4,049.09	5,350.35	-
		44,809.33	**44,809.33**	**6,201.74**	**17,487.22**	**21,120.37**

c. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include borrowings and bank deposits. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Foreign currency risk

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

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate because of changes in market interest rates.

Exposure to interest rate risk:

The group's exposure to market risk for changes in interest rates relates to fixed deposits and borrowings from banks.

The interest rate profile of the group's interest-bearing financial instruments as reported to the management of the group is as follows:

Particulars	31 March 2020	31 March 2019
Fixed-rate instruments:		
Financial asset (Bank deposits)	1,740.16	1,083.45
Financial liabilities (Borrowings)	(1,558.98)	(6,191.05)
	181.18	**(5,107.60)**
Variable-rate instruments:		
Financial liabilities (Borrowings)	(38,302.33)	(30,308.68)

Fair value sensitivity analysis for fixed-rate instruments

The group's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in IND AS 107, since neither the carrying amount nor the future cash flow will fluctuate because of a change in market interest rates.

(Currency : Indian Rupees in Lakhs) Prozone Intu Properties Limited - Annual Report - 2020

Notes to the Consolidated financial statements...*(Continued)*
for the year ended 31 March, 2020

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Group's loss before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	31 March 2020	31 March 2019
Increase in basis points	50 basis points	50 basis points
Effect on loss before tax, increase by	191.51	151.54
Decrease in basis points	50 basis points	50 basis points
Effect on loss before tax, decrease by	191.51	151.54

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

Foreign currency risk

The group has negligible exposure to currency risk since almost all the transactions of the group are denominated in Indian Rupees.

Equity price risk

The Group's non-listed equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Group manages the equity price risk through diversification and by placing limits on individual and total equity instruments. Reports on the equity portfolio are submitted to the Group's senior management on a regular basis. The Group's Board of Directors reviews and approves all equity investment decisions.

Commodity and price Risk

The Group is not exposed to any commodity and other price risk.

d. Other risk - On account of COVID-19

In March 2020, World Health Organization has declared COVID 19 a pandemic. Consequent to this, Government of India declared lockdown on March 23, 2020 This has resulted in disruption to regular business operations due to disruptions in transportation, quarantines, social distancing and other emergency measures imposed by the government. Group's malls at Aurangabad and Coimbatore are shut and construction work at site was suspended. Construction work has re-started at a slow pace at some of our sites.

Group believes that the COVID 19 pandemic will only have a short to medium term impact on its operations and post easing of the lockdown, the business is expected to be normal gradually in 9-12 months.

Group has taken various measures to reduce its fixed cost for example manpower cost , optimization of administrative costs etc. Company's subsidiaries have also availed Moratorium of loan installments. The company management has considered the possible effects that may result from the COVID-19 pandemic on the carrying value of assets (including property, plant and equipment, investment property, capital work in progress, intangible assets, goodwill, investments, inventories, loans, receivables etc. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, Group as at the date of approval of these financial statements has used internal and external sources of information to assess the expected future performance of company and expects that the carrying amount of these assets, as reflected in the balance sheet as at March 31, 2020, are fully recoverable.

The management has also estimated the future cash flows with the possible effects that may result from the COVID-19 pandemic and does not foresee any adverse impact on realizing its assets and in meeting its liabilities as and when they fall due. The actual impact of the COVID-19 pandemic may be different from that estimated as at the date of approval of these financial results.

Management also believes that the company is in a position to meeting its financial obligations for the next 12 months based on the estimated realization, financial position and liquidity as on the date of the balance sheet and as on date of signing of these financial results. Group will continue to closely monitor any material changes to future economic conditions.

Notes to the Consolidated financial statements...*(Continued)*
for the year ended 31 March, 2020

Note 49 : Capital Management

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders; if any.

The Group monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total borrowings, comprising interest-bearing loans and borrowings and obligations under finance leases, less cash and cash equivalents. Adjusted equity comprises all components of equity other than amounts accumulated in the hedging reserve.

The group's adjusted net debt to equity ratio at 31 March 2020 was as follows :

Particulars	As at 31 March 2020	As at 31 March 2019
Total Borrowings	39,861.31	35,366.74
Less : Cash and cash equivalent	(799.01)	(198.77)
Adjusted net debt	**39,062.30**	**35,167.97**
Adjusted equity	82,152.55	82,743.02
Adjusted net debt to adjusted equity ratio	**0.48**	**0.43**

Note 50 : Airport Authority of India matter

Airport Authority of India, Nagpur ('AAIN') had arbitrarily cancelled maximum permissible height No Objection certificate ('NOC') issued to the subsidiary company for its residential project in Nagpur in August 2017. The subsidiary company had followed due process as per rules and regulations and obtained the NOC in February 2012. The subsidiary company is contesting the case against AAIN for cancellation order issued by AAIN and revalidation of the NOC.

Further, the Appellate Committee of Ministry of Civil Aviation, without due consideration of complete facts had rejected the appeal of the subsidiary Company in this matter and instructed the Airport operator, Mihan India Private Limited to initiate action as per Aircraft (Demolition of Obstructions caused by buildings and tree, etc.) Rule, 1994.

The subsidiary company conducted an independent aeronautical study through ex-AAI official and VHF Omnidirectional Radio Range (VOR) (an aircraft navigation system) analysis and assessment study from a reputed aviation consultant, the reports of which cleared the buildings from being a major obstacle to the flight path. The subsidiary company had filed a writ petition in the Honorable High Court of Bombay (Nagpur Bench) for revocation of demolition order of Appellate Committee and restoration of the aviation NOC. Based on the interim order, the Honourable High court of Bombay (Nagpur Bench) has stayed the demolition order and further proceedings are in progress.

Based on independent aeronautical survey report obtained by the subsidiary company, the obstacle limitation study report conducted by AAIN, legal opinion obtained by the subsidiary company and merits of the case, management believes the chances of revalidation of NOC are high and accordingly, no adjustments have been made, in respect of any write down in the carrying value of inventories aggregating to ₹ 23,760.50 lakhs, and provision towards expected demolition cost and interest payable to customers on cancellation of bookings, in the financial statements as at and for the year ended 31 March 2020.

Note 51 : Project Advance legal matter

The subsidiary company has provided the facility amount of ₹ 4,000 lakhs (₹ 7518.02 lakhs including interest) for various real estate projects with fixed and variable returns. The said amount is fully secured. Investee has failed to perform on agreed obligations, hence the subsidiary company had filed petition in the Hon'ble High Court at Bombay, seeking performance of contract, Status quo on the projects and security given. As per the interim order passed on 17 July 2018, Hon'ble High court has directed investee to maintain status quo and not to create any third party rights on the respective projects etc. till further order . Further, as per the legal opinion, the subsidiary company would get an award / decree in its favour at least for recovering money together with the interest from the investee. Accordingly, the subsidiary company has considered the said facility amount as good and recoverable and continued to accrue interest thereon.

Notes to the Consolidated financial statements...*(Continued)*
for the year ended 31 March, 2020

Note 52 : Operating leases

Leases as lessor

i) The step down subsidiary company has taken residential premises situated at Aurangabad on operating lease for its employee. The step down subsidiary company has entered into a leave and license agreement for using of residential premises for 11 months, with an option to renew the lease after this period. The lease payments recognised in the statement of profit and loss is ₹ 3.24 lakhs (31 March 2019: ₹ 4.07 lakhs). The lease is cancellable and not beyond the period of 12 months, hence there is no applicability of IND AS 116.

Leases as lessor

The group has given its retail mall situated at Aurangabad and Coimbatore on lease/ leave and licence. The cancellable leases are renewable by mutual consent on mutually agreeable terms. The lease income recognised in the statement of profit and loss is ₹ 5,044.74 lakhs (31 March 2019: 4,904.09 lakhs).

ii) The future minimum lease payments for non-cancellable operating lease are as follows:

Particulars	31 March 2020	31 March 2019
Within less than 1 year	1,654.17	2,508.82
Between one and five years	2,061.12	2,533.80
Later than five years	147.57	571.01

iii) The Company has given office premises on lease which is situated at Oshiwara, Andheri West. The cancellable leases are renewable by mutual consent on mutually agreeable terms. The lease income recognised in the statement of profit and loss is ₹ 11.25 lakhs (31 March 2019: ₹ 15.00 Lakhs). There is no future minimum lease payments under non-cancellable operating lease. The said lease is discontinued from January 2020.

Note 53 : IND AS 115 - Revenue from Contracts with Customers

(a) The Group is engaged in the business of developing, owning and operating of shopping malls, commercial and residential premises. Ind AS 115 Revenue from contracts with customer has been notified by Ministry of Corporate Affairs (MCA) on 28 March 2018 and is effective from accounting period beginning on or after 1 April 2018, replace existing revenue recognition standard. The application of Ind AS 115 has impacted the Group's accounting for recognition of revenue from real estate projects in SPV's. The Group had applied the modified retrospective approach to its real estate contracts that were not completed as on 1 April 2018 and has given impact of adoption of Ind AS 115 by debiting retained earning as at the said date by ₹ 4,345.77 lakhs (net of deferred tax).

No impact of the same in current year.

b) Disaggregation of revenue

The Group believes that the information provided under Note 32- Revenue from operations and Note 42 best depicts how the nature, amount, timing and uncertainty of revenue and cash flows are affected by industry, market and other economic factors.

Prozone Intu Properties Limited - Annual Report - 2020 (Currency : Indian Rupees in Lakhs)

c) Reconciliation of contract assets and contract liabilities and its significant changes

Particulars	31 March 2020	31 March 2019
Due from contract customers (trade receivables)		
At the beginning of the reporting period	3,458.29	6,510.44
Additional amount received during the year	(1,515.45)	-
Cumulative catch up adjustments to revenue affecting trade receivables	-	(3,052.15)
At the end of the reporting period	**1,942.84**	**3,458.29**
Advance from contract customers (contract liability)		
At the beginning of the reporting period	14,158.32	1,491.91
Cumulative catch up adjustments to revenue affecting contract liability	-	12,666.41
Additional advances received (net of refund)	531.23	-
Significant financing component	6,940.35	-
At the end of the reporting period	**21,629.90**	**14,158.32**

d) Reconciliation of revenue as per contract price and as recognised in the Statement of profit and loss:

Particulars	31 March 2020	31 March 2019
Income from sale of services	8,255.32	7,776.18
Adjustments towards discount, rebates, refunds, credits, price concessions, etc	400.00	306.81
Total	**7,855.32**	**7,469.37**
Other operating revenue	598.63	477.24
Adjustments towards discount, rebates, refunds, credits, price concessions, etc	-	-
Total	**598.63**	**477.24**

e) Reconciliation of unearned revenue are as follows:

Particulars	31 March 2020	31 March 2019
At the beginning of the reporting period	119.25	-
Revenue recognised that was included in the unearned revenue balance at the beginning of the reporting period	-	-
Unearned revenue recognised however invoice for the same is not raised during the reporting period	21.24	119.25
At the end of the reporting period	**140.49**	**119.25**

f) Performance obligation

The Group is engaged in the business of developing, owning and operating of shopping malls, commercial premises and residential premises.

All the contracts entered with the customers consists of a single performance obligation thereby the consideration allocated to the performance obligation is based on standalone selling prices.

Revenue is recognised upon transfer of control of retail and commercial units to customers for an amount that reflects the consideration which the Group expects to receive in exchange for those units. The trigger for revenue recognition is normally completion of the project or receipt of approvals on completion from relevant authorities or intimation to the customer of completion, post which the

Notes to the Consolidated financial statements...*(Continued)*
for the year ended 31 March, 2020

contract becomes noncancellable by the parties.

The revenue is measured at the transaction price agreed under the contract. In certain cases, the Group has contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Group adjusts the transaction price for the effects of a significant financing component.

Any costs incurred that do not contribute to satisfying performance obligations are excluded from the Group's input methods of revenue recognition as the amounts are not reflective of our transferring control of the system to the customer. Significant judgment is required to evaluate assumptions related to the amount of net contract revenues, including the impact of any performance incentives, liquidated damages, and other forms of variable consideration.

If estimated incremental costs on any contract, are greater than the net contract revenues, the Group recognises the entire estimated loss in the period the loss becomes known.

g) Transaction price allocated to remaining performance obligation

The aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied (or partially unsatisfied) as at March 31, 2020 is ₹ 16,185.23 lakhs (as at March 31, 2019 is ₹ 15,176.74 lakhs) which will be recognised as revenue over a period of 2-3 years .

The Group applies practical expedient of Ind AS 115 and does not disclose information about the amount of the transaction price allocated to the remaining performance obligation and an explanation of when the entity expects to recognise that amount as revenue for all reporting periods presented before the date of initial application.

Note 54 : First time adoption of Ind AS 116 - Leases

The group has taken office premises situated at Andheri, Mumbai on operating lease. The group has entered into a leave and license agreement for using of its office premises for 5 year w.e.f. 1 November 2015 to 31 October 2020, with an option to renew the lease after this period.

With effective from 1 April 2019, the group has adopted Ind AS 116, Leases and applied the standard to all lease contracts existing on 1 April 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Consequently, the Group recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the ROU asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the lessee's incremental borrowing rate at the date of initial application. Comparatives as at and for the year ended 31 March 2019 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies included as part of our Annual Report for year ended 31 March 2019. On transition, the adoption of the new standard resulted in the recognition of right to use assets (ROU) of ₹ 44.34 lakhs and lease liability of ₹ 50.70 lakhs and the cumulative effect of ₹ 4.59 lakhs (net of deferred tax amounting to ₹ 1.77 lakhs) is debited to retained earnings.

The details of the same are provided below:

Right-of-Use Assets

Particulars	31 March 2020
Cost	
Balance as at 1 April 2019	-
Add: Additions	44.34
Less: Disposals	-
Balance as at 31 March 2020	**44.34**

(Currency : Indian Rupees in Lakhs)

Notes to the Consolidated financial statements...*(Continued)*
for the year ended 31 March, 2020

Particulars	31 March 2020
Accumulated Depreciation	
Balance as at 1 April 2019	-
Add: Depreciation charge for the year	28.00
Less: Disposals	-
Balance as at 31 March 2020	**28.00**
Carrying amount	
Balance as at 1 April 2019	-
Balance as at 31 March 2020	**16.34**
Lease Liabilities	
Balance as at 1 April 2019	50.70
Less: Disposals	-
Add: Interest Expense on lease Liabilities	4.56
Less: Total cash outflow for leases	36.00
Balance as at 31 March 2020 *	**19.26**

** The said liability will be matured till 31 October 2020*

The accompanying notes form an integral part of these consolidated financial statements.
As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Mansi Pardiwalla
Partner
Membership No: 108511

For and on behalf of the Board of Directors of
Prozone Intu Properties Limited
CIN: L45200MH2007PLC174147

Nikhil Chaturvedi
Managing Director
DIN : 00004983

Salil Chaturvedi
Dy. Managing Director
DIN : 00004768

Mr Bipin Gurnani
President

Anurag Garg
Chief Financial Officer

Ajayendra Jain
Company Secretary & CCO

Place : Mumbai
Date : 8 July 2020

Place : Mumbai
Date : 8 July 2020

(Currency : Indian Rupees in Lakhs)

FORM AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIALS STATEMENTS OF SUBSIDIARIES AND JOINT VENTURES

PART- A - Subsidiaries

Sr. No.	Subsidiary Company	Note	Reporting Currency	Exchange Rate	Capital and other equity	Reserves and Surplus	Total Assets	Total Liabilities	Investments	Turnover (Including other income)	Profit / (Loss) before taxation	Current Tax	Deferred Tax	Provision for taxation	Profit / (Loss) after taxation	% of sharehol-ding	Country
1	Alliance Mall Developers Co Private Limited		INR	1.00	443.72	18,243.80	45,466.69	26,779.18	84.84	5,081.70	(691.61)	-	(118.88)	(118.88)	(572.73)	61.50	India
2	Royal Mall Private Limited		INR	1.00	1.00	17.12	5,218.66	5,200.54	5,215.54	31.75	24.67	5.98	-	5.98	18.69	100.00	India
3	Kruti Multitrade Private Limited		INR	1.00	51.00	(45.37)	8.16	2.53	-	-	(6.79)	-	(0.77)	(0.77)	(6.02)	100.00	India
4	Prozone Liberty International Limited	2	USD	75.39	26,318.38	1,063.35	27,507.44	125.71	27,498.57	-	(8.81)	-	-	-	(8.81)	100.00	Singapore
5	Omni Infrastructure Private Limited	1	INR	1.00	4.00	7,318.74	12,645.48	5,322.75	-	3.58	(18.93)	-	(80.41)	(80.41)	61.48	60.00	India
6	Hagwood Commercial Developers Private Limited	1	INR	1.00	1,541.50	22,726.84	52,299.20	28,030.85	7,814.13	32.41	(415.06)	-	(48.55)	(48.55)	(366.51)	61.50	India
7	Prozone Developers and Realtors Private Limited (Formerly known as Classique Creators Private Limited) (PDRPL)		INR	1.00	5.00	101.86	8,826.01	8,719.15	-	1,153.91	(0.16)	(3.15)	-	(3.15)	2.99	100.00	India
8	Prozone Intu Developers Private Limited (PIDPL) (Formerly known as Jaipur Festival City Private Limited (JFCPL))		INR	1.00	1.00	(66.66)	2,043.76	2,109.41	-	64.87	20.88	5.43	-	5.43	15.45	100.00	India
9	Empire Mall Private Limited	1	INR	1.00	13,602.25	6,428.59	39,309.93	19,279.09	1,926.40	4,499.27	147.47	-	34.42	34.42	113.05	34.71	India

Notes:

1 Held through Prozone Liberty International Limited (Singapore)

2 Indian rupee equivalents of the figures given in foreign currencies in the accounts of the subsidiary companies, are based on the exchange rates as in 31.03.2020

(Currency : Indian Rupees in Lakhs)

PART- B - Joint Venture

S. No.	Name of the Joint Ventures	Latest audited Balance Sheet Date	Share of the Associate/Joint Ventures held by the company on the year end			Networth attributable to Shareholding as per Latest audited balance sheet	Profit / (Loss) for the year		Description of how there is significant influence
			No. of Shares	Amount Invested in Joint Ventures	Extent of Holding %		Considered in consolidation	Not considered in consolidation	
1	Moontown Trading Company Private Limited	31-Mar-20	2,002,500	200.25	25.00	142.32	(0.31)	(9.41)	Note 1
2	Emerald Build Home Private Limited	31-Mar-19	5,000,000	4,077.97	50.00	2,547.98	31.54	52.14	Note 1

Notes:
1 There is significant influence due to percentage (%) of share capital.

For and on behalf of the Board

Nikhil Chaturvedi
Managing Director
DIN : 00004983

Salil Chaturvedi
Dy. Managing Director
DIN : 00004768

Anurag Garg
Chief Financial Officer

Ajayendra Jain
Company Secretary & Chief Compliance Officer

Bipin Gurnani
President

NOTICE

NOTICE

Notice is hereby given that the 13th Annual General Meeting of the members of Prozone Intu Properties Limited will be held on Tuesday, the 29th September 2020 at 3.00 p.m. through Video Conferencing or Other Audio Visual Means (OAVM) to transact the following business:

As ordinary business:

1. To receive, consider and adopt the audited Financial Statements of the Company on a standalone and consolidated basis, for the financial year ended 31st March 2020 including audited Balance Sheet as at 31st March, 2020 and the Statement of Profit & Loss and Cash Flow Statement for the year ended on that date along with the Reports of the Directors' and Auditors' thereon.

2. To appoint a Director in place of Mr. Salil Chaturvedi (DIN: 00004768), who retires by rotation and being eligible, offers himself for re-appointment.

Special Business:

3. To reappoint Ms Deepa Misra Harris (DIN: 00064912) as an Independent Director and in this regard, to pass the following resolution as a Special Resolution:

   "Resolved that pursuant to the provisions of Section 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Ms Deepa Misra Harris (DIN: 00064912), who had been appointed as Independent Director and who holds office as an Independent Director up to February 08, 2021 and being eligible, be reappointed as an Independent Director of the Company w.e.f. February 09, 2021, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years, i.e. up to February 08, 2026."

By Order of the Board of Directors
Prozone Intu Properties Limited

Date: 31st August 2020
Place: Mumbai

Ajayendra P. Jain
CS and Chief Compliance Officer

NOTES:

1. The explanatory statement pursuant to section 102 of the Companies Act 2013 which sets out details relating to special business at the meeting is annexed hereto.

2. **13th AGM through VC/ OAVM:** In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its Circular No. 20 dated May 5, 2020 read with Circular No. 14 dated April 8, 2020 and Circular No. 17 dated April 13, 2020 (hereinafter collectively referred to as "MCA Circulars") permitted the holding of Annual General Meeting through VC or OAVM without the physical presence of Members at a common venue. In compliance with these MCA Circulars and the relevant provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Annual General Meeting of the Members of the Company is being held through VC/OAVM.

3. **Proxy not allowed:** Though a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and a proxy need not be a member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

4. Mr. Hemant Shetye, Practicing Company Secretary, Partner of M/s. H S Associates has been appointed as the Scrutinizer to scrutinize the remote e-Voting process and casting vote through the e-Voting system during the meeting in a fair and transparent manner.

5. **Corporate authorization:** Institutional/Corporate Shareholders are required to send a scanned copy (PDF/ JPG Format) of its Board or governing body Resolution/ Authorization etc., authorizing its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent through his registered email address to the Scrutinizer at hs@hsassociates.net with a copy marked to the Company at Investorservice@prozoneintu.com and also to Registrar & Share Transfer Agent ('RTA') at instameet@linkintime.co.in

6. **Registration of email ID and Bank Account to receive login details for e-voting:**

   - In case the shareholder's email ID is already registered with the Company/its RTA/Depositories, log in details for e-voting are being sent on the registered email address.

   - In case the shareholder has not registered his/her/their email address with the Company/its RTA/Depositories

Notice...*(Continued)*

and or not updated the Bank Account mandate for the purpose of dividend, if any, the following instructions to be followed:

(i) Kindly log in to the website of our RTA, Link Intime India Private Ltd., www.linkintime.co.in under Investor Services > Email/Bank detail Registration - fill in the details and upload the required documents and submit. OR

(ii) **In the case of Shares held in Demat mode:**

The shareholder may please contact the Depository Participant ("DP") and register the email address and bank account details in the demat account as per the process followed and advised by the DP.

7. In case of joint holders, only the member whose name appears as the first holder in order of names as per the Register of Members of the Company will be entitled to vote.

8. This Notice is being sent to all members of the Company whose names appear in the Register of Members/lists of beneficiaries received from the depositories as on Friday, the 28th August 2020.

9. Pursuance of Section 112 and Section 113 of the Act, representatives of the Members may be appointed for the purpose of voting through remote e-Voting, for participation in the AGM through VC/OAVM Facility and e-Voting during the this AGM.

10. The Notice of the Annual General Meeting along with the Annual Report for the financial year 2019-20 is being sent only by electronic mode to those Members whose email addresses are registered with the Company/Depositories in accordance with the aforesaid MCA Circulars and circular issued by SEBI dated May 12, 2020. Members may note that the Notice of Annual General Meeting and Annual Report for the financial year 2019-20 will also be available on the Company's website at www.prozoneintu.com websites of the Stock Exchanges i.e., www.bseindia.com and www.nseindia.com , and website of the RTA at www.instameet.linkintime.co.in Members can attend and participate in the Annual General Meeting through VC/OAVM facility only.

11. Rule 3 of the Companies (Management & Administration) Rules, 2014 mandates that the Register of Members of all companies should include details pertaining to e-mail address, Permanent Account Number or CIN, Unique Identification Number, if any, Father's/Mother's/Spouse's name, Occupation, Status, Nationality, in case member is a minor, name of the guardian and the date of birth of the member, and name and address of nominee. All members are requested to update their details as aforesaid with their respective depository participant.

12. Members are requested to notify any change of address and update bank account details to their respective depository participant directly.

13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts.

14. Members may, pursuant to Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014, file nomination in the prescribed Form SH-13 with the respective depository participant.

15. Details as required in sub-regulation (3) of Regulation 36 of the Listing Regulations and Secretarial Standard on General Meeting (SS-2) of ICSI, in respect of the Directors seeking appointment/ re-appointment at the 13th AGM, forms integral part of the Notice of the 13th AGM. Requisite declarations have been received from the Directors for seeking appointment/ re-appointment.

16. No gifts shall be provided to members before or after the AGM.

17. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

18. Since the AGM will be held through VC/OAVM, the Route Map is not annexed in this Notice.

19. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Link Intime India Private Limited (RTA) for facilitating voting through VC, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-Voting system on the date of the AGM will be provided by the RTA.

20. The requirement to place the matter relating to appointment of Statutory Auditors for ratification by members at every Annual General Meeting has been done away with vide notification No. S.O. 1833 (E) dated May 7, 2018 issued by the Ministry of Corporate Affairs, Government of India. Accordingly, no resolution is proposed for ratification of appointment of M/s B S R & Co LLP, Chartered Accountants

Notice...*(Continued)*

(ICAI Firm Registration No. 101248W/100022), Statutory Auditors who had been appointed at the 10th Annual General Meeting held on 28th September 2017 to hold office from the conclusion of 10th AGM to the conclusion of 15th AGM of the Company to be held in the year 2022.

21. All members are requested to support Green Initiative of the Ministry of Corporate Affairs, Government of India and register their email addresses to receive all these documents electronically from the Company in accordance with Rule 18 of the Companies (Management & Administration) Rules 2014 and Rule 11 of the Companies (Accounts) Rules 2014. All the aforesaid documents have been uploaded on and are available for download from the Company's website, being www.prozoneintu.com.

22. Any person who becomes a member of the Company after dispatch of the Notice of the Meeting and holding shares as on the cut-off date i.e. 22nd September, 2020, may obtain the User ID and password in the manner as mentioned in the notice or can write to enotices@linkintime.co.in

23. Details of the person responsible to address the grievances connected with the remote e-voting are:

i)	Name	:	Mr Shailesh Mhatre
ii)	Designation	:	Associate Technology Officer
iii)	Address	:	Link Intime India Pvt. Ltd
iv)	Email Id	:	enotices@linkintime.co.in
v)	Phone No.	:	+91 22 49186000

24. Instructions for e-voting and joining the AGM are as follows:

A. Instructions for members using remote e-voting are as under (Remote e-voting):-

i. The remote e-voting period begins on Saturday, the 26th September 2020 at 9.00 a.m. and ends on Monday, the 28th September 2020 at 5.00 p.m. During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 22nd September, 2020, may cast their vote electronically. The e-voting module shall be disabled by the RTA for voting thereafter.

(Cut-off date means the date on which the right of voting of the members shall be reckoned and a person who is not a member as on the cut-off date should treat this notice for information purposes only.)

ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

iii. **Log-in** to e-Voting website of Link Intime India Private Limited (LIIPL)

1. Visit the e-voting system of LIIPL. Open web browser by typing the following URL: https://instavote.linkintime.co.in.

2. Click on "Login" tab, available under 'Shareholders' section.

3. Enter your User ID, password and image verification code (CAPTCHA) as shown on the screen and click on "SUBMIT".

4. Your User ID details are given below:

   a. Shareholders holding shares in demat account with NSDL: Your User ID is 8 Character DP ID followed by 8 Digit Client ID

   b. Shareholders holding shares in demat account with CDSL: Your User ID is 16 Digit Beneficiary ID

   c. Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company

iv. **Your Password details are given below:**

- **Shareholder not registered for e-voting:** If you are using e-Voting system of LIIPL: https://instavote.linkintime.co.in for the ***first time*** or if you are holding shares in physical form, you need to follow the steps given below:

Click on "Sign Up" tab available under 'Shareholders' section register your details and set the password of your choice and confirm (The password should contain minimum 8 characters, at least one special character, at least one numeral,

Notice...*(Continued)*

For Shareholders holding shares in Demat Form or Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (applicable for both demat shareholders as well as physical shareholders).
	• Members who have not updated their PAN with depository Participant or in the company record are requested to use the sequence number which is printed on Ballot Form / Attendance Slip indicated in the PAN Field.
DOB/ DOI	Enter the DOB (Date of Birth)/ DOI as recorded with depository participant or in the company record for the said demat account or folio number in dd/mm/yyyy format.
Bank Account Number	Enter the Bank Account number (Last Four Digits) as recorded in your demat account or in the company records for the said demat account or folio number.
	• Please enter the DOB/ DOI or Bank Account number in order to register. If the above mentioned details are not recorded with the depository participants or company, please enter Folio number in the Bank Account number field as mentioned in instruction (iv-c).

at least one alphabet and at least one capital letter).

- **Shareholder already registered for e-voting:** If you are holding shares in demat form and are registered on to e-Voting system of LIIPL: https://instavote.linkintime.co.in, and/or voted on an earlier voting of any company then you can use your existing password to login.

- **Shareholders holding shares in Demat/ physical and have forgotten password:**

  Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

  In case shareholder is having valid email address, Password will be sent to the shareholders registered e-mail address. Else, shareholder can set the password of his/her choice by providing the information about the particulars of the Security Question & Answer, PAN, DOB/ DOI, Dividend Bank Details etc. and confirm. (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter)

  NOTE: The password is to be used by demat shareholders for voting on the resolutions placed by the company in which they are a shareholder and eligible to vote, provided that the company opts for e-voting platform of LIIPL.

- Shareholders holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.

It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

v. **Cast your vote electronically**

- After successful login, you will be able to see the notification for e-voting on the home page of INSTA Vote. Select/ View "Event No" of the company, you choose to vote.

- On the voting page, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.

- Cast your vote by selecting appropriate option i.e. Favour/Against as desired.

  (Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'. You may also choose the option 'Abstain' and the shares held will not be counted under 'Favour/Against').

- If you wish to view the entire Resolution details, click on the 'View Resolutions' File Link.

- After selecting the appropriate option i.e. favour/ against as desired and you have decided to vote, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "YES", else to change your vote, click on "NO" and accordingly modify your vote.

Notice...*(Continued)*

- Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

- You can also take the printout of the votes cast by you by clicking on "Print" option on the Voting page.

vi. **General Guidelines for shareholders:**

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to e-Voting system of LIIPL: https://instavote.linkintime.co.in and register themselves as 'Custodian / Mutual Fund / Corporate Body'.

- They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the 'Custodian/Mutual Fund/ Corporate Body' login for the Scrutinizer to verify the same.

- During the voting period, shareholders can login any number of time till they have voted on the resolution(s) for a particular "Event".

- Shareholders holding multiple folios/demat account shall choose the voting process separately for each of the folios/demat account.

- In case the shareholders have any queries or issues regarding e-voting, please refer the Frequently Asked Questions ("FAQs") and Instavote e-Voting manual available at https://instavote.linkintime.co.in, under Help section or write an email to enotices@linkintime.co.in or contact on telephone number 022-49186000.

B. Instructions for Shareholders/Members for participation in AGM through VC/OAVM:

1. Shareholders/Members are entitled to attend AGM through VC/OAVM provided by Link Intime by following the below mentioned process.

   a. Open the internet browser and launch the URL for InstaMeet <<https://instameet.linkintime.co.in>> and register with your following details:

   i. DP ID / Client ID or Beneficiary ID or Folio No.: Enter your 16 digit DP ID / Client ID or Beneficiary ID or Folio Number registered with the Company

   ii. PAN: Enter your 10 digit Permanent Account Number (PAN)

   (Members who have not updated their PAN with the Depository Participant (DP)/Company shall use the sequence number provided to you, if applicable.

   iii. Mobile No.

   iv. Email ID (Enter your email id, as recorded with your DP/Company)

   b. Click "Go to Meeting"

2. Facility for joining AGM through VC/OAVM shall open 30 (thirty) minutes before the time scheduled for the Annual General Meeting and will be available to the Members on ***first come first serve basis*** and will be closed on expiry of 30 (thirty) minutes from the scheduled time of the Annual General Meeting.

3. Participation is restricted upto 1,000 members only

4. Shareholders/Members holding more than 2% shareholding, Promoters, Institutional Investors, Directors, KMPs, Chairpersons of Audit Committee/ Nomination and Remuneration Committee/ Stakeholders Relationship Committee and Auditors etc. may be allowed to the meeting without restrictions of first-come-first serve basis.

Note:

- During this AGM, Members may access the scanned copy of the Register of Directors, Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Act upon Log-in to RTA e-Voting system at www.instameet.linkintime.co.in

- Shareholders/Members are encouraged to join the Meeting through Mobile/ Tablets/Laptops connected through broadband for better experience.

- Shareholders/ Members are required to use Internet with a good speed (preferably atleast 2 MBPS download stream) to avoid any disturbance during the meeting.

- Shareholders/Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-FI or LAN connection to mitigate any kind of aforesaid glitches.

- In case the shareholders/members have any queries or issues regarding e-voting, you can write an email to instameet@linkintime.co.in.

Notice...*(Continued)*

C. Instructions to register as Speakers during AGM (How to be speakers):

1. Shareholders/ Members who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request mentioning their name, demat account number/folio number, email id, mobile number at investorservice@prozoneintu.com from 25th September, 2020 from 9.00 am to 26th September, 2020 till 5.00 pm.

2. The first 10 Speakers on first come basis will only be allowed to express their views or suggestions during the meeting.

3. Shareholders/ Members, who would like to ask questions, may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at investorservice@prozoneintu.com. The same will be replied by the company suitably.

4. Those shareholders/members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time for the Annual General Meeting.

D. Instructions to vote during AGM through InstaMeet (E-voting during AGM):

1. During the AGM, the Chairman shall (after response to the questions raised by the Members in advance or by the speakers at AGM) formally propose to the Members participating through VC/OAVM facility to vote on the resolutions as set out in the Notice and announce the start of the casting of vote through the e-Voting system. After the Members who are eligible and interested to cast votes, have cast their votes, the e-Voting will be closed with the formal announcement.

2. Once the electronic voting is activated by the scrutiniser during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

a. On the Shareholders VC page, click on the link for e-Voting "Cast your vote".

b. Enter Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMeet and click on 'Submit'.

c. After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.

d. Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. (Enter the number of shares (which represents numbers of votes) as on the cut-off date under 'Favour/Against').

e. After selecting the appropriate option i.e. Favour/ Against as desired and you have decided to vote, click on "Save".

f. A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.

g. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note:

- Shareholders/ Members, who are present in AGM through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting.

- Shareholders/ Members who have voted through Remote e-Voting prior to AGM will be eligible to attend/participate in AGM through InstaMeet. However, they will not be eligible to vote again during the meeting.

- In case the shareholders/members have any queries or issues regarding e-voting, you can write an email to instameet@linkintime.co.in.

E. Announcement of results:

1. The Scrutinizer shall after the conclusion of e-Voting at AGM, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-Voting and shall make a consolidated report of the total votes cast in favour or against, invalid votes, if any, and whether the resolution has been carried or not, and such Report shall then be sent to the Chairman or a person authorized by him, within 48 (forty eight) hours from the conclusion of AGM, who shall then countersign and declare the result of the voting forthwith.

2. Results declared along with the Scrutinizer's Report shall be placed on the Company's website i.e., www.prozoneintu.com and on the website of RTA i.e., www.instameet.linkintime.co.in within two days of the passing of the resolutions at AGM and shall be communicated to the Stock Exchanges where the shares of the Company are listed.

3. Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of AGM, i.e. 29th September, 2020.

Notice...*(Continued)*

DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT IN ENSUING ANNUAL GENERAL MEETING

[Pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of the Secretarial Standard-2]

Name of the Director	**Mr. Salil Chaturvedi, Dy Managing Director**	**Ms. Deepa Misra Harris**
Date of Birth	22nd April 1971	26.10.1958
Date of first appointment	27th February 2012	08.02.2016
Qualification	B. Sc	Post graduate
Shareholding of directors	Nil	NIL
Directors Inter-se relationship	Brother of Mr. Nikhil Chaturvedi, Managing Director	N.A.
Years of experience	20+	30+
No. of Board Meeting attended in FY	4	3
Area of expertise	Mr. Salil Chaturvedi is a Deputy Managing Director of the Company. He leads corporate strategy of the Company from a track record of spearheading successful business development across sectors. He is also responsible for the new asset class initiatives in the residential and commercial sectors	Ms. Deepa Harris is founder & CEO of brands Welove, its marketing and branding services. She is specialist in branding, marketing and sales. Ms. Deepa has over 30 years of experience in luxury and hospitality category.

Directorships held in public Companies including private companies which are subsidiaries of public companies (excluding foreign and private companies) and details of memberships and chairmanships in Committees (includes only Audit Committee and Stakeholders' Relationship Committee)

Name of Company	**memberships and chairmanships in Committee**
Mr. Salil Chaturvedi	
Provogue (India) Limited*	Stakeholders' Relationship Committee - Chairman
Provogue Personal Care Private Limited	NIL
Prozone Intu Properties Limited	Stakeholders' Relationship Committee -Member
	Audit Committee - Member
Ms. Deepa Harris	
Prozone Intu Properties Limited	Stakeholders' Relationship Committee – Chairman
	Audit Committee - Member
Jubilant Foodworks Limited	NIL
PVR Limited	NIL
TCPL Packaging Limited	NIL
ADF Foods Limited	NIL
Taj Safaris Limited	NIL

- **Provogue India Limited is under liquidation and all powers of the Board or its committees have been vested with liquidator appointed by NCLT**

Notice...*(Continued)*

Explanatory statement pursuant to section 102 of the Companies Act 2013

Ms Deepa Misra Harris (DIN: 00064912) is an independent director of the Company and holds office as an independent director up to 8th February 2021 (first term). Pursuant to provisions of Section 149(10) of the Companies Act 2013, an independent director shall hold office for a term up to five consecutive years on the Board of a Company, but he/she shall be eligible for re-appointment by passing a special resolution in General Meeting of members of the Company. The Board based on the performance evaluation, is of view that given her background and experience and the valuable contribution made by Ms Deepa Misra Harris during her tenure, the continued association of Ms Deepa Misra Harris (DIN: 00064912) would be beneficial to the Company. Accordingly, the Board recommends to reappoint Ms Deepa Misra Harris (DIN: 00064912) as an independent director of the Company, not liable to retire by rotation, for a second term of 5 (five) consecutive years on the Board of the Company with effect from 9th February 2021 to 8th February 2026 by passing a SPECIAL RESOLUTION.

By Order of the Board of Directors
Prozone Intu Properties Limited

Date: 31st August 2020
Place: Mumbai

Ajayendra P. Jain
CS and Chief Compliance Officer

prozone intu

Registered Office

Prozone Intu Properties Limited
105/106, Ground Floor, Dream Square,
Dalia Industrial Estate, Off New Link Road,
Andheri West, Mumbai – 400053.

CIN: L45200MH2007PLC174147
www.prozoneintu.com
investorservice@prozoneintu.com

Designed by www.dickensonworld.com