

Dated: 08<sup>th</sup> September 2022

To,  
National Stock Exchange of India Limited  
Exchange Plaza  
Bandra Kurla Complex, Bandra (E)  
Mumbai 400 051  
Scrip: PROZONINTU

BSE Limited  
Listing Department  
P.J. Towers, Dalal Street, Fort  
Mumbai 400 001  
Scrip: 534675

**Sub: Intimation under Regulation 30 and 34 of SEBI (LODR) Regulations, 2015 - Submission of notice of 15<sup>th</sup> AGM along with Annual Report**

Dear Sir / Madam,

We wish to inform you that pursuant to Regulations 30 and 34 read with Para A of Part A of Schedule III to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the 15<sup>th</sup> (Fifteenth) Annual General Meeting ("AGM") of the Company is scheduled to be held on Friday, September 30, 2022, through Video Conferencing (VC) / Other Audio-Visual Means (OAVM) at 1:00 p.m. (IST). Please find enclosed herewith the Notice of the AGM along with the Annual Report of the Company for the Financial Year 2021-22, which is being sent through email to the Members whose email ids are registered with the Company/Registrar and Transfer Agent/Depository Participants, in compliance with Ministry of Corporate Affairs' Circulars dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021, December 8, 2021, December 14, 2021 and May 5, 2022 read with SEBI Circular dated May 12, 2020, January 15, 2021 and May 13, 2022.

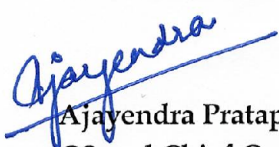
The Annual Report for the Financial Year 2021-22 along with the Notice of the AGM is also made available on the website of the Company, viz., [www.prozoneintu.com](http://www.prozoneintu.com).

Kindly take the above on your record.

Thanking you,

Yours truly,

For Prozone Intu Properties Limited



Ajayendra Pratap Jain  
CS and Chief Compliance Officer  
Encl: as above



## PROZONE INTU PROPERTIES LIMITED

**Registered Office:** 105/106, Ground Floor, Dream Square, Dalia Industrial Estate, Off New Link Road, Andheri (West), Mumbai -400053 | **Phone:** (022) 68239000 / 9001 | **CIN:** L45200MH2007PLC174147

**Email:** [investorservice@prozoneintu.com](mailto:investorservice@prozoneintu.com); **Website:** [www.prozoneintu.com](http://www.prozoneintu.com)

### NOTICE OF 15<sup>th</sup> (FIFTEENTH) AGM

Notice is hereby given that the 15<sup>th</sup> Annual General Meeting of the members of Prozone Intu Properties Limited will be held on Friday, the 30<sup>th</sup> September 2022 at 1.00 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 31<sup>st</sup> March 2022 including audited Balance Sheet as at 31<sup>st</sup> March 2022 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.
3. **To appoint Statutory Auditors of the company and fix their remuneration**

**"RESOLVED THAT** pursuant to the provisions of Sections 139, 141 and 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 and the applicable provisions, if any, of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) / amendment(s) / re-enactment(s) thereof) and pursuant to the recommendation and approval of the Audit Committee and the Board of Directors of the Company, M/s. MSKA & Associates, Chartered Accountants (Firm Registration No.: 105047W), be and is hereby appointed as the Statutory Auditors of the Company, in place of the retiring Statutory Auditors, M/s. BSR & Co. LLP, Chartered Accountants (Firm Registration No.: 101248W/W-100022), to hold office for a term of 5 (five) consecutive years from the conclusion of 15<sup>th</sup> (Fifteenth) Annual General Meeting till the conclusion of 20<sup>th</sup> (Twentieth) Annual General Meeting of the Company to be held in the year 2027, at such remuneration, as recommended by the Audit Committee and as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors from time to time."

#### **As special business:**

4. **Regularization of Mr. Bipin Gurnani (DIN: 07966971) as a Director of the company**

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

**"Resolved that** pursuant to the provisions of Section 152 & 161 and all other applicable provisions of Companies Act, 2013 ("Act") and as per the provisions of Articles of association of the company, Mr. Bipin Ram Gurnani (DIN: 07966971) who was appointed as an additional director of the company with effect from 17<sup>th</sup> December 2021 and who holds office up to the date of the 15<sup>th</sup> Annual General Meeting, be and is hereby appointed as a Director of the Company liable to retire by rotation.

**Resolved further that** for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby severally authorized, on behalf of the Company, to do all acts, deeds, matters and things as deem necessary, proper or desirable and to sign and execute all necessary documents, applications and returns for the purpose of giving effect to the aforesaid resolution along with filing of necessary e-form with the Registrar of Companies, Mumbai."

5. **To re-appoint Mr. Nikhil Chaturvedi, (DIN:00004983) as Managing Director of the Company for a further period of 3 years with effect from 27<sup>th</sup> February 2023**

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

**"Resolved that** pursuant to provisions of Sections 196, 197 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) from time to time or any re-enactment thereof for the time being in force) read with Schedule V to the said Act, and all other applicable circulars, notifications and guidelines issued by the Ministry of Corporate Affairs or any other authorities from time to time and other necessary approvals, permissions and sanctions, as may be required, and such conditions and modifications as may be prescribed or imposed by any of the authorities while granting such approvals, permissions and sanctions are agreed to by the Board of Directors (hereinafter referred to as 'the Board', which term shall be deemed to include any 'Committee' thereof and any person authorized by the Board in this behalf) and, further to the recommendation of Nomination and Remuneration

Committee, the consent of the members of the Company be and is hereby accorded for the re-appointment of Mr. Nikhil Chaturvedi, as Managing Director for a further period of three years with effect from 27<sup>th</sup> February 2023 on such terms and conditions as set out below:

- a. Salary: Rs. 15,00,000/- per month
- b. Commission: Such amount for each accounting year as may be decided by the Board subject to the overall limit(s) as stated in point no. C
- c. The total remuneration including salary, allowances, perquisites and commission shall not exceed the limit(s) as specified in Schedule V and/or otherwise approved in terms of other provisions of to the Companies Act, 2013.
- d. His appointment shall be subject to superintendence, control and direction of the Board. He shall perform such duties and functions as would be commensurate with his position as the Managing Director of the Company and as may be delegated by the Board from time to time.

**Resolved further that** the Board of Directors (which term shall always be deemed to include any Committee of the Board thereof) be and is hereby authorized to make any variation in the remuneration specified above from time to time to the extent as the Board of Directors may deem appropriate, provided that such variation, as the case may be, is within the overall limits specified under the relevant provisions of the Companies Act, 2013 and/ or approved by the members in their meeting and/or as approved by the central government or any such other competent authority, as applicable.

**Resolved further that** notwithstanding anything contained herein above, where in any financial year during the currency of his tenure, if the Company has no profit or its profits are inadequate, the remuneration stated above shall be paid as minimum remuneration, subject to the maximum ceiling of remuneration prescribed under Schedule V read with other applicable provisions of the Companies Act 2013 and /or the approval of the Central Government wherever required or applicable.

**Resolved further that the** Board of Directors be and is hereby authorised to take such steps and do all such acts, deeds, matters and things as may be considered necessary, proper and expedient to give effect to this Resolution.”

**6. To re-appoint Mr. Salil Chaturvedi, (DIN:00004768) as Dy. Managing Director of the Company for a further period of 3 years with effect from 27<sup>th</sup> February 2023**

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**

**“Resolved that** pursuant to provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) from time to time or any re-enactment thereof for the time being in force) read with Schedule V to the said Act, and all other applicable circulars, notifications and guidelines issued by the Ministry of Corporate Affairs or any other authorities from time to time and other necessary approvals, permissions and sanctions, as may be required, and such conditions and modifications as may be prescribed or imposed by any of the authorities while granting such approvals, permissions and sanctions and are agreed to by the Board of Directors (hereinafter referred to as ‘the Board’, which term shall be deemed to include any ‘Committee’ thereof and any person authorized by the Board in this behalf) and, further to the recommendation of Nomination and Remuneration Committee, the consent of the members of the Company be and is hereby accorded for the re-appointment of Mr. Salil Chaturvedi, as Dy. Managing Director for a further period of three years with effect from 27<sup>th</sup> February 2023 on such terms and conditions as set out below:

- a. Salary: Rs. 10,00,000/- per month
- b. Commission: Such amount for each accounting year as may be decided by the Board subject to the overall limit(s) as stated in point no. C
- c. The total remuneration including salary, allowances, perquisites and commission shall not exceed the limit(s) as specified in Schedule V and/or otherwise approved in terms of other provisions of to the Companies Act, 2013.
- d. His appointment shall be subject to superintendence, control and direction of the Board. He shall perform such duties and functions as would be commensurate with his position as the Deputy Managing Director of the Company and as may be delegated by the Board from time to time.

**Resolved further that** the Board of Directors (which term shall always be deemed to include any Committee of the Board thereof) be and is hereby authorized to make any variation in the remuneration specified above from time to time to the extent as the Board of Directors may deem appropriate, provided that such variation, as the case may be, is within the overall limits specified under the relevant provisions of the Companies Act, 2013 and/ or approved by the members in their meeting and/or as approved by the central government or any such other competent authority, as applicable.

**Resolved further that** notwithstanding anything contained herein above, where in any financial year during the currency of his tenure, if the Company has no profit or its profits are inadequate, the remuneration stated above shall be paid as minimum remuneration, subject to the maximum ceiling of remuneration prescribed under Schedule V read with other

applicable provisions of the Companies Act 2013 and /or the approval of the Central Government wherever required or applicable.

**Resolved further that the** Board of Directors be and is hereby authorised to take such steps and do all such acts, deeds, matters and things as may be considered necessary, proper and expedient to give effect to this Resolution.”

**7. To appoint Mr. Bipin Ram Gurnani, (DIN: 07966971) as Whole-time Director of the Company for a period of 3 years with effect from 17<sup>th</sup> December 2021**

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

“**Resolved that** pursuant to provisions of Sections 196, 197 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) from time to time or any re-enactment thereof for the time being in force) read with Schedule V to the said Act, and all other applicable circulars, notifications and guidelines issued by the Ministry of Corporate Affairs or any other authorities from time to time and other necessary approvals, permissions and sanctions, as may be required, and such conditions and modifications as may be prescribed or imposed by any of the authorities while granting such approvals, permissions and sanctions are agreed to by the Board of Directors (hereinafter referred to as ‘the Board’, which term shall be deemed to include any ‘Committee’ thereof and any person authorized by the Board in this behalf) and, further to the recommendation of Nomination and Remuneration Committee, the consent of the members of the Company be and is hereby accorded for the re-appointment of Mr. Bipin Gurnani, as Whole-time Director for a period of three years with effect from 17<sup>th</sup> December 2021 on such terms and conditions as set out below:

- A. Salary Rs 1.40 Crore per annum.
- B. Commission: Such amount for each accounting year as may be decided by the Board subject to the overall limit(s) as stated in point no. C
- C. The total remuneration including salary, allowances, perquisites and commission shall not exceed the limit(s) as specified in Schedule V to the Companies Act, 2013.
- D. His appointment shall be subject to superintendence, control and direction of the Board. He shall perform such duties and functions as would be commensurate with his position as the Whole-time Director of the Company and as may be delegated by the Board from time to time.

**Resolved further that** the Board of Directors (which term shall always be deemed to include any Committee of the Board thereof) be and is hereby authorized to make any variation in the remuneration specified above from time to time to the extent as the Board of Directors may deem appropriate, provided that such variation, as the case may be, is within the overall limits specified under the relevant provisions of the Companies Act, 2013 and/ or approved by the members in their meeting and/or as approved by the central government or any such other competent authority, as applicable.

**Resolved further that** notwithstanding anything contained herein above, where in any financial year during the currency of his tenure, if the Company has no profit or its profits are inadequate, the remuneration stated above shall be paid as minimum remuneration, subject to the maximum ceiling of remuneration prescribed under Schedule V read with other applicable provisions of the Companies Act 2013 and /or the approval of the Central Government wherever required or applicable.

**Resolved further that the** Board of Directors be and is hereby authorised to take such steps and do all such acts, deeds, matters and things as may be considered necessary, proper and expedient to give effect to this Resolution.”

**To consider, approve and ratify, if thought fit, to pass the following Resolutions as *Ordinary Resolutions* – Material Related Party Transactions:**

**8. To consider, approve and ratify the investment made by Calendula Commerce Private Limited (CCPL) in Optionally Convertible Debentures issued by Prozone Developers & Realtors P. Ltd.**

“**Resolved that** pursuant to the provisions of Regulation 23(4) of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’) and any other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and the Policy on Related Party Transactions of the Company, subject to such consents, permissions and approvals as may be required, the approval of the Members of the Company be and is hereby accorded to confirm and ratify the investment of Rs. 50 Crores made by Calendula Commerce Private Limited (CCPL) in Optionally Convertible Debentures issued by Prozone Developers & Realtors P. Ltd. on such terms and conditions as set out in the explanatory statement.

**Resolved further that** the Board of Directors of the Company or any other persons(s) authorised by the Board, be and is hereby authorised to perform and execute all such acts, deeds, matters and things including delegation of any authority, as may be deemed necessary and expedient to give effect to this resolution and to settle any question that may arise in

this regard and incidental thereto, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

**9. To consider, approve and ratify the investment made by Hagwood Commercial Developers P Ltd. (Hagwood) in Compulsory Convertible Preference Shares (CCPS) issued by Alliance Mall Developers Co P. Ltd. (Alliance).**

“**Resolved that** pursuant to the provisions of Regulation 23(4) of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’) and any other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and the Policy on Related Party Transactions of the Company, subject to such consents, permissions and approvals as may be required, the approval of the Members of the Company be and is hereby accorded to confirm and ratify the investment of Rs. 56 Crores made by Hagwood Commercial Developers P Ltd. (Hagwood) in Compulsory Convertible Preference Shares (CCPS) issued by Alliance Mall Developers Co P. Ltd. (Alliance) on such terms and conditions as set out in the explanatory statement.

**Resolved further that** the Board of Directors of the Company or any other persons(s) authorised by the Board, be and is hereby authorised to perform and execute all such acts, deeds, matters, and things including delegation of any authority, as may be deemed necessary and expedient to give effect to this resolution and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

**10. To consider, approve and ratify the giving and/or availing of loan between related parties:**

“**Resolved that** pursuant to the provisions of Regulation 23(4) of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’) and any other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and the Policy on Related Party Transactions of the Company, subject to such consents, permissions and approvals as may be required, the approval of the Members of the Company be and is hereby accorded to confirm and ratify any existing transaction(s), and/ or to enter into fresh material related party transaction(s) for giving or availing Loans, by way of contract(s)/arrangement(s) entered into or proposed to be entered into between the Related Parties as mentioned in the below appended table, whether as an individual transaction or series of transactions, during the period commencing from 1<sup>ST</sup> April 2022 upto the next 16<sup>th</sup> Annual General Meeting of the Company to be held in calendar year 2023, on such terms and conditions as are/ may be agreed between the parties as per details set out in the explanatory statement, provided that such transactions, contracts or arrangements are carried out at arm’s length basis and in the ordinary course of business:

Sr. No	Name of First Party	Name of Counter party	Max. Amount (in lakhs)
1	Prozone Intu Properties Limited (“PIPL” or “Lender”)	Alliance Mall Developers Co. P. Ltd (“Subsidiary of PIPL” or “Borrower”)	1,700
2		Hagwood Commercial Developers P. Ltd (“Subsidiary of PIPL” or “Borrower”)	8,000
3		Omni Infrastructure Private Limited (“Subsidiary of PIPL” or “Borrower”)	2,400
4	Empire Mall Private Limited (Subsidiary of PIPL or “Lender”)	Alliance Mall Developers Co P. Ltd (“Subsidiary of PIPL or “Borrower”)	2,500
5		Hagwood Commercial Developers P. Ltd (“Subsidiary of PIPL or “Borrower”)	4,000
6	Omni Infrastructure Private Limited (Subsidiary of PIPL or “Lender”)	Virtual Infrastructure P. Ltd (“Investing Company or “Borrower”)	1,000

**RESOLVED FURTHER THAT** the Board and the Audit Committee or any other persons(s) authorised by the Board, be and is hereby authorised to perform and execute all such acts, deeds, matters, and things including delegation of any authority, as may be deemed necessary and expedient to give effect to this resolution and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

**11. To consider, approve and ratify the transactions related to corporate guarantee:**

**RESOLVED THAT** pursuant to the provisions of Regulation 23(4) of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’) and any other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and the Policy on Related Party Transactions of the Company, subject to such consents, permissions and approvals as may be required, the approval

of the Members of the Company, be and is hereby accorded to confirm and ratify any existing transaction(s), and/ or to enter into fresh material related party transaction(s) for giving Corporate Guarantee, by way of contract(s)/arrangement(s) entered into or proposed to be entered into between the Company and its Related Parties (as mentioned in the below appended table), period during the period commencing from 1<sup>st</sup> April 2022 upto the next 16<sup>th</sup> Annual General Meeting of the Company to be held in calendar year 2023 on such terms and conditions, as are/ may be agreed between the parties as per details set out in the explanatory statement, provided that such transactions, contracts or arrangements are carried out at arm's length basis and in the ordinary course of business:

Sr.No.	Name of First Party	Name of Counter party	Amount (in lakhs)
1	Prozone Intu Properties Limited ("PIPL" or "Guarantor")	Empire Mall Private Limited ("Subsidiary of PIPL" or "Borrower")	201,00
2		Alliance Mall Developers Co Pvt Ltd ("Subsidiary of PIPL" or "Borrower")	290,00
3		Hagwood Commercial Developers P Ltd ("Subsidiary of PIPL" or "Borrower")	25,00

**RESOLVED FURTHER THAT** the Board and the Audit Committee or any other persons(s) authorised by the Board, be and is hereby authorised to perform and execute all such acts, deeds, matters, and things including delegation of any authority, as may be deemed necessary and expedient to give effect to this resolution and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution."

**By Order of the Board of Directors**  
**Prozone Intu Properties Limited**  
**Sd/-**  
**Ajayendra P. Jain**  
**CS and Chief Compliance Officer**

**Date: 13.08.2022**

**Place: Mumbai**

**NOTES:**

- 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.
- 15<sup>th</sup> AGM through VC/ OAVM:** In view of the continuing COVID-19 pandemic, social distancing norms to be followed and the ongoing restriction on movement of individuals at several places in the country and pursuant to General Circular Nos.14/2020, 17/2020 and 20/2020 dated April 8, 2020, April 13, 2020, May 5, 2020, General Circular No. 02/2021 dated January 13, 2021 and General Circular No. 2/2022 dated May 5, 2022, respectively, issued by the Ministry of Corporate Affairs ("MCA Circulars") and SEBI Circular No. SEBI/ HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI Circular No. SEBI/HO/CFD/ CMD2/CIR/P/2021/11 dated January 15, 2021 and SEBI Circular No. SEBI/HO/CFD/CMD2/ CIR/P/2022/62 dated May 13, 2022, issued by the Securities and Exchange Board of India ("SEBI Circular") and in compliance with the provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Annual General Meeting of the Members of the Company is being held through VC/OAVM and the venue of this AGM shall be deemed to be Registered office of the Company.
- 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.
- M/s HSPN Associates & LLP, Practicing Company Secretaries, 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.
- 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@hspnassociates.net](mailto:hs@hspnassociates.net) with a copy marked to the Company at [Investorservice@prozoneintu.com](mailto:Investorservice@prozoneintu.com) and also to Registrar & Share Transfer Agent ('RTA') at [instameet@linkintime.co.in](mailto:instameet@linkintime.co.in)
- 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 and/or not updated the Bank Account mandate for the purpose of dividend, if any, the following instructions to be followed:

<b>Shareholders holding shares in physical mode</b>	<ul style="list-style-type: none"> <li>Shareholders holding shares in physical mode can update their email address by submitting a duly filled up Form ISR-1 pursuant to SEBI circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021 to the Company/ registrar and share transfer agent of the Company i.e. Link Intime India Pvt Ltd.</li> <li>Form ISR-1 is available on the website of the Company at <a href="https://content.app-sources.com/s/91341600969113653/uploads/Images/PHYSICAL-SHAREHOLDERS-KYC-UPDATION-9616350.pdf">https://content.app-sources.com/s/91341600969113653/uploads/Images/PHYSICAL-SHAREHOLDERS-KYC-UPDATION-9616350.pdf</a></li> </ul>
<b>Shareholders holding shares in dematerialise mode</b>	<ul style="list-style-type: none"> <li>Shareholders who hold shares in dematerialise mode and have not yet updated their email addresses are requested to register/ update their email addresses with their depository participant(s) (DPs) by following the procedure prescribed by the DPs.</li> </ul>

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, 26<sup>th</sup> August 2022.
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 this AGM.
10. The Notice of the Annual General Meeting along with the Annual Report for the financial year 2021-22 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 15<sup>th</sup> January, 2021 read with Circular dated May 12, 2020. Members may note that the Notice of Annual General Meeting and Annual Report for the financial year 2021-22 will also be available on the Company's website at [www.prozoneintu.com](http://www.prozoneintu.com); websites of the Stock Exchanges i.e., [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) and website of the RTA at [www.instameet.linkintime.co.in](http://www.instameet.linkintime.co.in). Members can attend and participate in the Annual General Meeting through VC/OAVM facility only. A physical copy of Annual report can be provided by the Company on receipt of specific request by any member sent either at registered email id or registered office of the Company.
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 15<sup>th</sup> AGM, forms integral part of the Notice of the 15<sup>th</sup> 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 the SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and pursuant to General Circular Nos.14/2020, 17/2020 and 20/2020 dated April 8, 2020, April 13, 2020, May 5, 2020, General Circular No. 02/2021 dated January 13, 2021 and General Circular No. 2/2022 dated May 5, 2022, respectively, issued by the Ministry of Corporate Affairs ("MCA Circulars") and SEBI Circular No. SEBI/ HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and SEBI Circular No. SEBI/HO/CFD/CMD2/ CIR/P/2022/62 dated May 13, 2022, issued by the Securities and Exchange Board of India ("SEBI Circular") 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 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. 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.

21. 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. Friday 23<sup>rd</sup> September 2022, may obtain the User ID and password in the manner as mentioned in the notice or can write to [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in).
22. Details of the person responsible to address the grievances connected with the remote e-voting are:
- i) Name : Mr Rajiv Ranjan
  - ii) Designation : Assitant Vice President - e-voting
  - iii) EvotingAddress : Link Intime India Pvt. Ltd.
  - iv) Email Id : [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in)
  - v) Phone No. : +91 22 49186000

SEBI vide its circular no. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated November 03, 2021 has introduced common and simplified norms for processing investor's service request by Registrar and Transfer Agent (RTAs) and norms for furnishing PAN, KYC details and Nomination by members holding shares in physical form (Members). The holders of physical securities in Company are requested to ensure the above details are updated with RTA before April 1, 2023, since folios for which the above details are not available thereafter shall be frozen. The Members of the Company requested to check the head "Shareholder KYC Updation" on website of the Company and update the same.

**23. 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):**

Shareholders are advised to update their mobile number and email Id in their demat accounts to access e-Voting facility.

- i. The remote e-voting period begins on Tuesday, the 27<sup>th</sup> September, 2022 at 9.00 a.m. and ends on Thursday, the 29<sup>th</sup> September, 2022 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 23<sup>rd</sup> September 2022, 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 (LIPL).

Type of shareholders	Login Method
<b>Individual Shareholders holding securities in demat mode with NSDL</b>	<ol style="list-style-type: none"><li>1. Existing IDeAS user can visit the e-Services website of NSDL viz... <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a personal computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.</li><li>2. If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> Select "Register Online for IDeAS Portal" or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li><li>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a personal computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.</li></ol>



<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> <li>Existing users who have opted for Easi / Easiest, can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi/Easiest the user will be able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. LINKINTIME. Click on LINKINTIME and you will be redirected to “InstaVote” website for casting your vote during the remote e-Voting period.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a>.</li> <li>Alternatively, the user can directly access e-Voting page by providing demat account number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. LINKINTIME. Click on LINKINTIME and you will be redirected to “InstaVote” website for casting your vote during the remote e-Voting period.</li> </ol>
<p>Individual Shareholders (holding securities in demat mode) login through their depository participants</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be redirected to “InstaVote” website for casting your vote during the remote e-Voting period.</p>
<p>Individual shareholders holding securities in physical form</p>	<p>Individual Shareholders of the company, holding shares in physical form as on the cut-off date for e-voting may register for e-Voting facility of Link Intime as under:</p> <ol style="list-style-type: none"> <li>Open the internet browser and launch the URL: <a href="https://instavote.linkintime.co.in">https://instavote.linkintime.co.in</a></li> <li>Click on “<b>Sign Up</b>” under ‘<b>SHARE HOLDER</b>’ tab and register with your following details: <ul style="list-style-type: none"> <li><b>A. User ID:</b> Shareholders holding shares in <b>physical form shall provide</b> Event No + Folio Number registered with the Company.</li> <li><b>B. PAN:</b> Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.</li> <li><b>C. DOB/DOI:</b> Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)</li> <li><b>D. Bank Account Number:</b> Enter your Bank Account Number (last four digits), as recorded with your DP/Company.</li> </ul> <p><i>*Shareholders/ members holding shares in <b>physical form</b> but have not recorded ‘C’ and ‘D’, shall provide their Folio number in ‘D’ above</i></p> <ul style="list-style-type: none"> <li>▶ Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&amp;*), at least one numeral, at least one alphabet and at least one capital letter).</li> <li>▶ Click “confirm” (Your password is now generated).</li> </ul> </li> <li>Click on ‘Login’ under ‘<b>SHARE HOLDER</b>’ tab.</li> <li>Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on ‘<b>Submit</b>’.</li> </ol> <p><b>Cast your vote electronically:</b></p> <ol style="list-style-type: none"> <li>After successful login, you will be able to see the notification for e-voting. Select ‘<b>View</b>’ icon.</li> <li>E-voting page will appear.</li> <li>Refer the Resolution description and cast your vote by selecting your desired option ‘<b>Favour / Against</b>’ (If you wish to view the entire Resolution details, click on the ‘<b>View Resolution</b>’ file link).</li> <li>After selecting the desired option i.e. Favour / Against, 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.</li> </ol>

#### Institutional shareholders:

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIIPL at <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.

**Individual Shareholders holding securities in physical mode/ Institutional shareholders:**

Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in) or contact on: - Tel: 022 – 4918 6000.

**Helpdesk for Individual Shareholders holding securities in demat mode:**

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 22-23058542-43.

**Individual Shareholders holding securities in Physical mode has forgotten the password:**

If an Individual Shareholders holding securities in Physical mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the “Forgot Password” option available on the e-Voting website of Link Intime: <https://instavote.linkintime.co.in>

- Click on ‘Login’ under ‘SHARE HOLDER’ tab and further Click ‘forgot password?’
- Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on “SUBMIT”.

*In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. 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.*

User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company

**Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:**

Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular “Event”.

## **B. Instructions for Shareholders/Members for participation in AGM through VC/OAVM:**

Shareholders/Members are entitled to attend AGM through VC/OAVM provided by Link Intime by following the below mentioned process.

1. Open the internet browser and launch the URL: <https://instameet.linkintime.co.in>
  - Select the “**Company**” and “**Event Date**” and register with your following details: -
    - A. Demat Account No. or Folio No:** Enter your 16 digit Demat Account No. or Folio No
      - Shareholders/ members holding shares in CDSL demat account shall provide 16 Digit **Beneficiary ID**
      - Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**
      - Shareholders/ members holding shares in **physical form shall provide** Folio Number registered with the Company
    - B. 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.**
    - C. Mobile No.:** Enter your mobile number.
    - D. Email ID: Enter your email id, as recorded with your DP/Company.**
      - Click “Go to Meeting” (You are now registered for InstaMeet and your attendance is marked for the 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.

### **Notes:**

- 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](http://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](mailto:instameet@linkintime.co.in).

## **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](mailto:investorservice@prozoneintu.com) from Monday, 26<sup>th</sup> September 2022 from 9.00 am to Wednesday, 28<sup>th</sup> September 2022 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](mailto: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](mailto:instameet@linkintime.co.in) or contact on: - Tel: 022-49186175.

**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 two days 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](http://www.prozoneintu.com) and on the website of RTA i.e., [www.instavote.linkintime.co.in](http://www.instavote.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. Friday, 30<sup>th</sup> September 2022.

**DETAILS OF DIRECTORS SEEKING APPOINTMENT/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]

<b>Name of the Director</b>	<b>Mr. Nikhil Chaturvedi</b>	<b>Mr. Saili Chaturvedi</b>	<b>Mr. Bipin Gurnani</b>
Date of Birth	01.04.1969	22.04.1971	18.04.1958
Date of first appointment	27.02.2012	27.02.2012	17.12.2021
Qualification	B.com	B. Sc	Masters Diploma in Business and Marketing from Australia.
Shareholding of directors	5000 equity shares	Nil	Nil
Brief Resume	Please refer explanatory statement for Item nos. 5,6 and 7		
Directors Inter-se relationship	Brother of Mr. Saili Chaturvedi	Brother of Mr. Nikhil Chaturvedi	N.A.
Years of experience	23+ years	23+ years	30+ years
No. of Board Meeting attended in FY	5	4	1
Area of expertise	Mr. Nikhil Chaturvedi is a Managing Director of the Company. He is a visionary and hands-on leader, who inspires the organisation with a passion for excellence and single-mindedness to build shareholder value, which is his driving force	Mr. Saili 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	Mr Gurnani has over 30 years of experience in Hospitality & Retail, with more than 21 years in Retail & Real Estate with leading organisations in India & Overseas. He is with Prozone since 2008 and has been instrumental in the overall growth of the company and in creating value for all stakeholders.

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)	
<b>Name of Company</b>	<b>Details of Committee and position</b>
<b>Name of Director: Mr. Nikhil Chaturvedi</b>	
Provogue (India) Limited	Nil
Prozone Intu Properties Limited	Member- Stakeholders' Relationship Committee and Audit Committee
<b>Name of Director: Mr. Salil Chaturvedi</b>	
Prozone Intu Properties Limited	Member- Stakeholders' Relationship Committee
Provogue (India) Limited	Nil
Brightland Developers Private Limited	Nil
Flowers, Plants & Fruits Pvt. Ltd	Nil
Provogue Personal Care Private Limited	Nil
<b>Name of Director: Mr. Bipin Gurnani</b>	
Prozone Intu Properties Limited	Nil

By Order of the Board of Directors  
Prozone Intu Properties Limited

Sd/-  
Ajayendra P. Jain  
CS & Chief Compliance Officer

Date : 13.08.2022  
Place: Mumbai

## **Explanatory statement pursuant to section 102 of the Companies Act 2013**

### **Item No 3**

M/s B S R & Co. LLP, Chartered Accountants was appointed as Statutory Auditors in the Annual General Meeting (AGM) of the Company held on 28<sup>th</sup> September 2017 for a period of five years until the conclusion of 15<sup>th</sup> AGM.

Since, the current tenure of M/s B S R & Co. LLP as Statutory Auditors is coming to an end at the conclusion of the 15<sup>th</sup> AGM.

In view of above and in compliance with the provisions of Section 139 and all other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder and based on recommendation of the Audit Committee, the Board of Directors at its meeting held on 13<sup>th</sup> August 2022 recommended the appointment of, M/s MSKA & Associates, Chartered Accounts to hold office for a period of five years from the conclusion of this Annual General Meeting (AGM) until the conclusion of the 20<sup>th</sup> AGM of the Company to be held in the year 2027, on such remuneration as may be fixed by the Board of Directors of the Company, subject to the approval of the Shareholders of the Company.

M S K A & Associates (MSKA) are a multi-service, multi-location, professional service organisation Established in 1978, MSKA is an Indian partnership firm registered with the Institute of Chartered Accountants of India (ICAI) and the PCAOB (US Public Company Accountancy Oversight Board). MSKA is a member firm of BDO International and offers a range of Assurance services, led by industry experts with deep knowledge pockets and driven by a commitment, to deliver high quality services to all clients. Along with industry knowledge and technical expertise it has 60+ Partners and 1200+ staffs and highly trained personnel with specialized service capabilities. It has geographical presence in Mumbai, Pune, Ahmedabad, Bengaluru, Chennai, Goa, Gurugram, Hyderabad, Kochi and Kolkata. MSKA specializes in providing assurance, tax, consultancy, accounting and advisory services etc.

M/s MSKA & Associates, have provided their respective consent, certificates and declarations as required under Section 139 and 141 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014.

The Board of Directors recommends the ordinary resolution set forth at item no.3 of the Notice, for the approval of the members of the Company.

None of the Directors, KMPs of the Company or their relatives, is in any way concerned or interested in this resolution.

### **Item No. 4: Appointment of Mr. Bipin Ram Gurnani as a Director of the Company**

The Board on the recommendation of the Nomination & Remuneration Committee at its meeting held on 17<sup>th</sup> December 2021, approved the appointment of Mr. Bipin Ram Gurnani (DIN: 07966971) as an Additional Director of the Company with effect from 17<sup>th</sup> December, 2021 and pursuant to provisions of section 161(1) of the Companies Act, 2013 the office of said Director expires at the date of this Annual General Meeting.

Considering the knowledge and experience of Mr. Gurnani, the Board of Directors in consonance with Nomination and Remuneration Committee recommends the appointment of Mr. Bipin Ram Gurnani as a Director of the Company liable to retire by rotation and is now being placed before the Members at the General Meeting for their approval.

The Company has received from Mr. Bipin Ram Gurnani (i) consent in writing to act as director in form DIR- 2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014 and (ii) intimation in form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules 2014, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013.

Details of directors seeking appointment in the Annual General Meeting pursuant to Regulation 36(3) of the Securities and Exchange Board of India (LODR) Regulations, 2015 is provided in the Notice of AGM.

Mr. Bipin Gurnani, being appointee and his respective relatives are deemed to be directly or indirectly concerned or interested in the resolution no. 4 and are not entitled to vote on the resolutions. Further, no voting done by any members of the Company, if such member is a related party, shall be counted for the purpose of passing of these resolutions.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company/their relatives is, in any way, concerned or interested, financially or otherwise, in the above resolutions.

Your directors propose to pass resolution no. set out at 4 as ordinary resolution.

**Item Nos. 5, 6 and 7: Reappointment/Appointment of Executive Directors of the Company**

The members of the Company in their Annual General Meeting held on 30<sup>th</sup> September 2019 appointed Mr. Nikhil Chaturvedi as Managing Director and Mr. Salil Chaturvedi as Deputy Managing Director for a period of three years effective from 27<sup>th</sup> February 2020. Accordingly, their offices are due to be expired on 26<sup>th</sup> February 2023.

Further, the Board on the recommendation of the Nomination & Remuneration Committee at its meeting held on 17<sup>th</sup> December 2021, approved the appointment of Mr. Bipin Ram Gurnani (DIN: 07966971) as an Additional Director designated as Whole Time Director (Executive Director) and CEO of the Company for a period of five years, with effect from 17<sup>th</sup> December, 2021, subject to approval of shareholders at the Annual General Meeting.

Considering the rich and varied experience and knowledge of the business coupled with sound understanding of the Industry possessed by the appointees, the Nomination and Remuneration Committee and Board of Directors of the Company in their respective meetings recommended the appointments of Mr. Nikhil Chaturvedi as Managing Director and Mr. Salil Chaturvedi as Deputy Managing Director for a further period of 3 years w.e.f. 27<sup>th</sup> February, 2023 and Mr. Bipin Gurnani as CEO and Whole-time Director for a period of 3 years w.e.f. 17<sup>th</sup> December 2021. The said appointments were made subject to the approvals/ confirmations of members of the Company in their General Meeting, as the profit of the Company calculated in terms of the provisions of section 197 of the Companies Act 2013 was found inadequate for payment of remuneration proposed to be paid to the appointees during their tenure.

The terms and conditions of the proposed appointments in terms of proviso of section 196(4) of the Companies Act 2013 are as under;

Mr. Nikhil Chaturvedi	Mr. Salil Chaturvedi	Mr. Bipin Gurnani
<ul style="list-style-type: none"> <li>a. Salary: Rs. 1.80 Crore per annum</li> <li>b. Commission: Such amount for each accounting year as may be decided by the Board subject to the overall limit(s) as stated in point no. C</li> <li>c. The total remuneration including salary, allowances, perquisites and commission shall not exceed the limit(s) as specified in Schedule V to the Companies Act, 2013.</li> <li>d. His appointment shall be subject to superintendence, control and direction of the Board. He shall perform such duties and functions as would be commensurate with his position as Managing Director of the Company and as may be delegated by the Board from time to time.</li> </ul>	<ul style="list-style-type: none"> <li>e. Salary: Rs. 1.20 Crore per annum</li> <li>a. Commission: Such amount for each accounting year as may be decided by the Board subject to the overall limit(s) as stated in point no. C</li> <li>b. The total remuneration including salary, allowances, perquisites and commission shall not exceed the limit(s) as specified in Schedule V to the Companies Act, 2013.</li> <li>c. His appointment shall be subject to superintendence, control and direction of the Board. He shall perform such duties and functions as would be commensurate with his position as the Deputy Managing Director of the Company and as may be delegated by the Board from time to time.</li> </ul>	<ul style="list-style-type: none"> <li>a. Salary Rs 1.40 Crore per annum.</li> <li>b. Commission: Such amount for each accounting year as may be decided by the Board subject to the overall limit(s) as stated in point no. C</li> <li>c. The total remuneration including salary, allowances, perquisites and commission shall not exceed the limit(s) as specified in Schedule V to the Companies Act, 2013.</li> <li>d. His appointment shall be subject to superintendence, control and direction of the Board. He shall perform such duties and functions as would be commensurate with his position as the Whole-time Director of the Company and as may be delegated by the Board from time to time.</li> </ul>



Statement of information as required under proviso to section II of part II of Schedule V of the Companies Act 2013 is as under

**I. General Information:**

1	Nature of Industry	The Company is mainly engaged in the business of designing, developing, owning and operating of shopping malls, commercials and residential premises through its various subsidiaries. The Company is also providing management related consultancy services to its SPVs.		
2.	Date or expected date of commencement of commercial production	Not applicable		
3	In case of new companies, expected date of commencement of activities as per project approved by financial institutions in the prospectus	Not applicable		
4	Financial performance based on given indicators; (Rs. In lakhs)			
	<b>Indicators</b>	<b>FY 2021-22</b>	<b>FY 2020-21</b>	<b>FY 2019-20</b>
	Income from Operations	986.53	749.63	951.44
	Other income	901.09	849.47	956.73
	<b>Total income</b>	<b>1887.62</b>	<b>1599.10</b>	<b>1908.17</b>
	Less: Total expenses	1185.05	1285.94	1321.64
	Less: Exceptional items	-	-	-
	<b>Profit/ (loss) before tax</b>	<b>702.57</b>	<b>313.16</b>	<b>586.53</b>
	Less: Tax expenses	173.02	275.70	69.96
	<b>Profit/ (loss) after tax</b>	<b>529.55</b>	<b>37.46</b>	<b>516.57</b>
5	Financial investments and foreign collaborations, if any	As on 31 <sup>st</sup> March 2022, 36.45% equity shares of the Company is held by foreign shareholders		

**II. Information about the appointee:**

Particulars	Mr. Nikhil Chaturvedi	Mr. Salil Chaturvedi	Mr. Bipin Gurnani	
Background details	Mr. Nikhil Chaturvedi is a Managing Director of the Company has over 20 years of experience in Retail and Real Estate sphere. He is a visionary and hands-on leader, who inspires the organisation with a passion for excellence and single-mindedness to build shareholder value, which is his driving force	Mr. Salil Chaturvedi is a Deputy Managing Director of the Company. He leads corporate strategy of the Company from a track record of spear-heading successful business development across sectors. He is also responsible for the new asset class initiatives in the residential and commercial sectors	Mr Gurnani has over 30 years of experience in Hospitality & Retail, with more than 21 years in Retail & Real Estate with leading organisations in India & Overseas. He is with Prozone since 2008 and has been instrumental in the overall growth of the company and in creating value for all stakeholders.	
Past remuneration (Rs. in lakhs)	2021-22 2020-21 2019-20	180 180 150	120 120 90	140 NA NA
Recognition or awards	NA	NA	NA	
Job Profile and his suitability/Brief profile	Mr. Nikhil Chaturvedi and Mr. Salil Chaturvedi are co-promoters and involved in the business of the Company since inception. During their tenure, Company progressed manifolds and achieved as good market share and recognition. Their contribution is beneficial for further growth and development of the Company. Additionally looking into inadequacy of profit of the Company, the appointees have not sought any		Mr. Gurnani had been President with Prozone Intu Properties ltd. Mr. Gurnani was a key part of the management team in getting Investment from Old Mutual property SA & Intu Properties. He has been instrumental in the overall	

	increment in their remuneration	growth of the company and remained focused on creating value for all stakeholders. He has also been part of the strategic think tank group at the group level and hands on leader who works alongside the team and supports their development. He is known for being a customer's person and believes that any strategy without the customer in the middle of it is heading for disaster.	
Remuneration proposed	Rs. 1.80 Crore per annum	Rs. 1.20 Crore per annum	Rs. 1.40 Crore per annum
Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	Considering the responsibility shouldered by them of the enhanced business activities of the Company, proposed remuneration is Commensurate with Industry standards and Board level positions held in similar sized and positioned businesses.		
Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel or other Director, if any	The appointees are brothers. They do not have any pecuniary relationship, directly or indirectly with the Company or with any managerial personnel besides their shareholding in the Company and remuneration as set out in resolution nos. 4 and 5.	He does not have any pecuniary relationship, directly or indirectly with the Company or with any managerial personnel besides remuneration as set out in resolution no 6	

### III. Other Information:

Reasons of loss or inadequate profits	As the Company is mainly engaged in the business of designing, developing, owning and operating of shopping malls, commercial and residential premises through its various subsidiaries and provisioning of management consultancy services to its SPVs, the Company is mainly dependent upon operations and developments of its subsidiaries and SPVs for generation of its revenue. The revenue of the Company was affected as the retails sector has been hit hard by the emergence of e-commerce marketplaces offering consumers deeply discounted prices with convenient drop shipping at their home. This has put pressure on the more unviable shopping centres and many have been forced to close as their retailers failed. This bottom slicing of mall is leaving a void of quality retail infrastructure in the market.
Steps taken or proposed to be taken for improvement	The Government has taken several steps to accelerate the retail sector by providing greater access funding and extending liquidity and tax credits to the end user to strengthen affordability. Both these initiatives should lead to an improved balance of demand and supply.  FDI is also now permitted upto 100% under automatic route for housing, townships, commercial, residential and industrial constructions which is designed to boost the infrastructure activities in the Country. This should especially help in urbanization of tier- II and tier-III cities, which are struggling to develop large projects.
Expected increase in productivity and profits in measureable terms	Barring unforeseen circumstances, the Company hopes to increase the revenue and profits by improved margins in coming year. However those are not measurable at this point of time.

#### IV. **Disclosures:**

All necessary information has been given under the section of Corporate Governance Report forming part of this report.

The approval of the Central Government in terms of part A of Schedule V of the Companies Act 2013 pertaining to the previous tenure of Mr. Salil Chaturvedi as Deputy Managing Director is at advance stage and expected shortly. The Company is not required to seek any further approval from the Central Government related to the proposed appointment.

Mr. Nikhil Chaturvedi, Mr. Salil Chaturvedi are brothers, hence both of them and their respective relatives are deemed to be directly or indirectly concerned or interested in the resolution nos. 5 and 6 and are not entitled to vote on the resolutions.

Mr. Bipin Gurnani, being appointee and his respective relatives are deemed to be directly or indirectly concerned or interested in the resolution no. 7 and are not entitled to vote on the resolutions.

Further, no voting done by any members of the Company, if such member is a related party, shall be counted for the purpose of passing of these resolutions.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company/their relatives is, in any way, concerned or interested, financially or otherwise, in the above resolutions.

Your directors propose to pass resolution nos. set out at 5, 6 & 7 as Special resolutions.

#### **Item nos. 8, 9, 10 & 11:**

The members of the Company are hereby apprised that the Securities and Exchange Board of India ('SEBI'), vide its notification dated November 09, 2021, has amended the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'). As per the new threshold, all related party transactions in excess of Rs. 1000 crores (Rupees One thousand crores) or 10% (ten per cent) of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity shall be deemed to be Material Related Party Transaction (transaction(s) in a contract to be entered into individually or taken together and in the previous year) shall require prior approval of members a listed entity and no related party shall vote to approve such resolution whether the entity is related party to the particular transaction or not. Such approval shall be required even if such transactions are in the ordinary course of business of the concerned company and at an arm's length basis.

In accordance with SEBI Circular dated 30<sup>th</sup> March 2022 read with regulation 23(8) of the SEBI (LODR) Regulations 2015, a Related Party Transaction that has been approved by the Audit Committee prior to 1<sup>st</sup> April 2022 which continues beyond such date and becomes material as per the revised materiality threshold shall be placed before the shareholders in the first General Meeting held after 1<sup>st</sup> April 2022.

The annual consolidated turnover of the Company for FY 2021-22 is Rs 9,337.69 Lakhs' Accordingly, any transaction(s) by the Company with its related party exceeding Rs 933.77Lakhs (10% of the Company's annual consolidated turnover) shall be considered as material transaction and hence, the prior approval of the Members will be required for the same.

The Company proposes to obtain approval of its members for giving approval to the Board for carrying out and/or continuing with the proposed arrangements and transactions:

The above stated transactions with related parties fall within the purview of the Listing Regulations and all these transactions in aggregate, are material related party transactions under the Listing Regulations. These transactions are in the ordinary course of business and on an arm's length basis.

Accordingly, basis the approval of the Audit Committee, the Board of Directors recommend the resolution contained in Item Nos. 8 to 11 of the accompanying Notice to the shareholders for approval.

The details required as under the Listing Regulations and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021 in connection with the Material Related Party Transactions is attached in Annexure A.

The Board accordingly recommends the ordinary resolutions set out at Item Nos. 8 to 11 of this Notice for approval of the Members.

None of the Directors/ Key Managerial Personnel/their relatives are, in any way, concerned or interested, financially or otherwise in the Ordinary Resolutions, set out at Item Nos. 8 to 11 respectively, except Mr. Sudhanshu Chaturvedi who is a common director in Alliance Mall Developer Co. P Ltd., Empire Mall Private Limited, Hagwood Commercial Developers P Ltd, Prozone Developers and Realtors P. Ltd., Calendula Commerce P Ltd; and Mr Prashant Koparde who is a common director in Prozone Developers and Realtors P. Ltd., and Calendula Commerce P Ltd.

**ANNEXURE 'A' TO THE NOTICE**

(Pursuant to the Circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 issued by the Securities and Exchange Board of India on November 22, 2021)

The details required as under the Listing Regulations in connection with the Material Related Party Transactions are given below

Sr. No	Name of First Party	Name of Counter party	Type of transaction	Value of Transaction (INR in lakhs)	% of consol turnover	Purpose	Justification of transaction	Rate of interest if any	Tenure	Valuation report, if any	Source of funds	Nature of indebtedness	cost of funds	Applicable terms, including covenants, interest rate and repayment schedule	Secured or unsecured	Nature of security	Purpose
	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q
1	Prozone Intu Properties Limited (PIPL)	Alliance Mall Developers Co Pvt Ltd	Loan given by PIPL	1,700	18.21%	General corporate purpose	Financial and operating support	8.50%	Repayable on demand	NA	Owned fund		NA	NA			
2	Prozone Intu Properties Limited	Hagwood Commercial Developers Private Limited	Loan given by PIPL	8,000	85.67%	General corporate purpose	Financial and operating support	8.50%	Repayable on demand	NA	Owned fund		NA	NA			
3	Prozone Intu Properties Limited	Omni Infrastructure Private Limited	Loan given by PIPL	2,400	25.70%	General corporate purpose	Financial and operating support	8.50%	Repayable on demand	NA	Owned fund		NA	NA			
4	Prozone Intu Properties Limited	Empire Mall Private Limited	Corporate Guarantee	20,100	215.26%	To secure the loan taken by the subsidiary company	As per sanction terms	NA	As per sanction terms	NA	NA		NA	NA			
5	Prozone Intu Properties Limited	Alliance Mall Developers Co Pvt Ltd	Corporate Guarantee	29,000	310.54%		As per sanction terms	NA	As per sanction terms	NA	NA		NA	NA			
6	Prozone Intu Properties Limited	Hagwood Commercial Developers P Ltd.	Corporate Guarantee	2,500	26.77%	General corporate purpose	Financial and operating support	10.60%	Repayable on demand	NA	Owned fund		NA	NA			
7	Empire Mall Private Limited (Empire)	Alliance Mall Developers Co Pvt Ltd	Loan given by Empire	4,000	42.84	General corporate purpose	Financial and operating support	10.60%	Repayable on demand	NA	Owned fund		NA	NA			
8	Empire Mall Private Limited	Hagwood Commercial Developers P Ltd.	Loan given by Empire	1,000	10.71	General corporate purpose	Financial and operating support	8.50%	Repayable on demand	NA	Owned fund		NA	NA			
9	Omni Infrastructure Private Limited (omni)	Virtual Infrastructure Private Limited	Loan taken by Omni			General corporate purpose	Financial and operating support		Repayable on demand	NA	Owned fund		NA	NA			

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q		
10	Prozone Developers & Realtors P. Ltd.	Calendula Commerce Private Limited	Issue of OCD	5,000	53.55	Investment	The funds raised through the issue of OCD's is to support the growth of the group Company, to infuse funds into the Borrowers project.	NA	36 months from 5th May 2020	Obtained	NA								
11	Alliance Mall Developers Co P. Ltd.	Hagwood Commercial Developers P Ltd.	Issue of CCPS	5,600	59.97	Investment	The funds raised through the issue of CCPS is to support the growth of the Fellow subsidiary, to infuse funds into the Borrowers project.	NA	10 years from 17 Feb 2021	Obtained	NA								

By Order of the Board of Directors  
Prozone Intu Properties Limited

Sd/-  
Ajayendra P. Jain  
CS and Chief Compliance Officer

Date: 13.08.2022  
Place: Mumbai



# The Consumption **Surge Returns**

15<sup>th</sup>

Annual Report 2021- 22

PROZONE INTU PROPERTIES LIMITED

prozone  
intu 





# The Consumption Surge Returns

With the Pandemic's initial wave spreading across countries in 2020, consumer spending, which contributes significantly to the financial health of any economy, began to decline. Consumers' behaviour had to shift overnight, companies had to strategise and change their business plans, and Governments had to modify their regulations. The economic impact was also very uneven, similar to how the coronavirus had varying effects on different demographics and geographical locations. In a nutshell, the Pandemic sparked unprecedented consumption shock and completely changed long-standing consumer behaviours. As the months passed by, consumer spending typically decreased as unemployment increased. Many who could cling to their respective jobs saved as much as they could as if they had no job the next day. Others with decreased personal income and a few others with no job had to change their shopping behaviour.

As a result, we at PROZONE had to keep our heads up and look out for a post-Covid era even though our industry took the brunt of the shutdowns. We also learnt that massive shifts could happen anytime, and one needs to be ready and financially resilient. We needed to be agile and adaptable to the new normal that was influencing new consumer behaviours while also making sure that, on the rebound, our plans for future growth remained intact.

Cut to FY2022; the fiscal year has been nothing less than an amazing ride for Prozone. Our malls were impacted in the first half of FY2022 due to several restrictions imposed due to the ongoing Pandemic. With the pathogenicity of the COVID-19 virus waning, we were allowed to open our malls. Thanks

to a prosperous holiday season and rising consumer confidence, Prozone's retail sector quickly observed a resurgence in consumption demand across malls. FY2022 has taught us that our ability to stay awake, adapt to new ideas, be watchful, and take on the challenge of change is essential to our basic survival.

Consumer expenditure increased in FY22 compared to FY21. We are happy to report that monthly consumption at our malls had reached PRE-COVID-19 levels by the end of FY22. This fiscal year can be referred to as 'the return of consumerism.' Our growth trajectory continues to be positive as we move into Q2 of FY23. With a strategy to 'build and lease', we responded with newer ways of working and impressive displays of innovation to capitalise on the opportunities presented to us. As we reflect on FY22 and the many unprecedented challenges that had to be overcome, we realise that at PROZONE, we could find a way to navigate through any given circumstances and pull customers back to the malls.

We put our faith in India's growth rate, which has been showing positive results not only in the current fiscal FY23 but also in the future. The country's promising consumption story is a major driver for our business in the coming decade. We examine fresher opportunities and evaluate India's growing consumer strengths in significant cities and micro markets. We have been looking into various approaches to build new growth and value creation channels, extract long-term value from the land, identify urban demand, and produce an engaging experience.

# Table of Content

## ABOUT US

Corporate Information	3
At a Glance	4
Message from the Managing Director	6
Key Performance Highlights	8

## FEATURE

Thriving Again on India's Resilient Consumption Story	10
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## REPORTS

Management Discussion & Analysis	12
Directors' Report	22
Corporate Governance Report	47

## FINANCIALS

Financials - Standalone	66
Financials - Consolidated	127





12

MANAGEMENT  
DISCUSSION &  
ANALYSIS

## Corporate Information

### BOARD OF DIRECTORS

#### Mr. Punit Goenka

Chairman and Independent Director

#### Ms. Deepa Misra Harris

Independent Director

#### Mr. Umesh Kumar

Independent Director

#### Mr. Nikhil Chaturvedi

Managing Director

#### Mr. Salil Chaturvedi

Deputy Managing Director

#### Mr. Bipin Ram Gurnani

CEO & Whole-time Director

(Appointed w.e.f. 17th December 2021)

### CHIEF FINANCIAL OFFICER

#### Mr. Anurag Garg

### COMPANY SECRETARY & CHIEF COMPLIANCE OFFICER

#### Mr. Ajayendra Pratap Jain

### STATUTORY AUDITORS (Existing)

#### M/s B S R & Co LLP

Chartered Accountants

Lodha Excelus,

Apollo Mills Compound

N.M. Joshi Marg, Mahalaxmi

Mumbai – 400 011

### NEW STATUTORY AUDITORS (Proposed)

#### M/s MSKA & Associates

Chartered Accountants

602, Floor 6, Raheja Titanium Western Express Highway,

Geetanjali Railway Colony, Ram Nagar,

Goregaon (East) Mumbai- 400 063

### BANKERS

Bank of Baroda

LIC Housing Finance Limited

HDFC Bank Limited

PNB Housing Finance Limited

SBICAP Ventures 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.



### 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.

# 75+

Team Size

# 2.1

Mn Sf. Ft.

Projects Developed

# 2.0

Mn Sf. Ft.

Projects under Development

# Message from the Managing Director



**Nikhil Chaturvedi**, *Managing Director*



The Pandemic has made our Company experience some extreme headwinds and challenging times over the past couple of years, especially as retail malls were amongst the most severely impacted sector during the full lockdown days.

## ***Dear Shareholders,***

I hope this message finds you and your loved ones safe. In the financial year 2021-22, we encountered two waves of the Covid-19 virus, mainly of the highly contagious 'Omicron' variant. Thankfully, due to the successful mass vaccination within India – a remarkable feat in itself, the negative impact was mostly mitigated. This had adversely impacted the retail and real estate industries. Nevertheless, our country has done quite well in containing the Covid-19 virus, thanks to more than 2.1 billion vaccinations administered across the nation.

## **Impact of the Pandemic & Near-Term Outlook**

The Pandemic has made our Company experience some extreme headwinds and challenging times over the past couple of years, especially as retail malls were amongst the most severely impacted sector during the full lockdown days. To earn respect and offer our best effort under the given conditions, Prozone has shown tenacity and resiliency in the face of these difficulties. Clearly, the worst of the Pandemic seems to be behind us for now.

## **Our Malls Business**

The retail sector, for a significant portion of the first half of FY2022, most economic activities were halted entirely due to the lockdown and restrictions. The second part of the fiscal saw an improvement in business sentiment and the release of pent-up demand due to the economy's progressive opening up. The team worked extremely hard to get customers excited to come back, reminding them of the exhilaration of physical shopping, entertainment and F&B. To refresh our mall assets, we took strategic initiatives to renovate and refurbish the malls to bring a fresh look to malls and attain a sense of rejuvenation while keeping a close watch

on energy efficiency and controlling other costs. These measures have positively impacted our overall footfalls and consumption spending, improving them to near pre-Covid levels.

### Our Residential and Commercial Business

Prozone's residential and commercial verticals have performed positively in FY2022. After realising the difficulties faced by sector, the Government contributed a sizeable amount of liquidity to the system and reduce interest rates, which is crucial. As a result, real estate transactions are booming, and the sector as a whole is currently in a highly upbeat position. Commodity costs during this period have soared, particularly for cement and steel. However, we think the real estate market is resilient enough to rebound now that inflation and cost of living are gradually getting rationalised.

During the fiscal, we also saw considerable traction on our residential portfolios, reflecting the surge in demand for owning quality homes that are 'work-from-home' friendly. Our overall numbers for FY2022 were better than those for FY2021, and we anticipate that FY2023 will bring even better traction as market demand seems quite promising.

Our ability to act quickly in the face of difficulties indicates the distinct value we provide to our stakeholders. Post lockdown, retailers were cautious to open shops considering the prevailing restrictions; however, owing to our strong relationships and collaborative approach with Retailers, we managed to get them to start shops sooner in our malls and provide a good retail experience for both, Retailer as well as Shoppers. We have managed to keep our strengths and improve upon where we began in one of the most challenging circumstances. We

have approached FY2023 with the same strict commitment, passion for excellence, and readiness to meet new challenges.

### Outlook

The behavioural shifts taking shape within India's population have been tremendous. Over the last five years, the rise in the affluent middle class, and demographic profile continues to alter consumer spending patterns and drive India's consumption story. According to an industry report, the Indian consumer credit market is expanding at a rate higher than most other major economies globally, with more than 20 million Indian consumers applying for new consumer credit every month. In this environmental context, we understand the role that Prozone Intu can play in the consumption aspirations of every Indian. We are a consumer-centric organisation with some of India's best retail malls and residential assets.

### Commitment to ESG

We believe that when we take care of our people, they will, in turn, take care of our customers, which will ultimately lead to better results for our Company, shareholders, and other stakeholders. Promoting equity and inclusion is not only one of the pillars of our ESG Strategy, but also an integral part of our values and culture. We have also steadfastly believed that, as a company, we must contribute to the welfare of the communities in which we live and society in general.

We implement innovative ways and solutions to address social and environmental challenges through our CSR and ESG initiatives. During FY2022, at the group level we invested Rs. 2 mn towards our commitment to CSR.

As we look ahead, our commitment to making a meaningful impact in people's

# ₹2 Mn

During FY2022 our commitment to CSR

# 2.1 billion

Vaccinations administered across India

lives will continue to guide all aspects of our business, including our ESG strategy. I am confident we are well-positioned to help build the sustainable, inclusive, and profitable future we want to see for our Company, colleagues, customers, and communities.

### Gratitude

Over the year, we faced several unprecedented challenges, and we have managed to keep our heads up by braving through the challenges. We will continue marching forward towards the realisation of our goals, thanks to the resolve and conviction of our people.

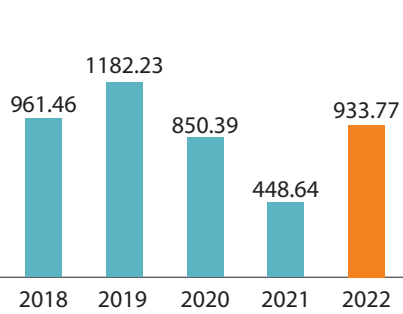
As a new cycle dawns upon our industry, Prozone Intu is gearing up with invigorated momentum to scale new growth. I extend my sincerest appreciation to our people, business partners and shareholders for their unwavering support.

Warm Regards,

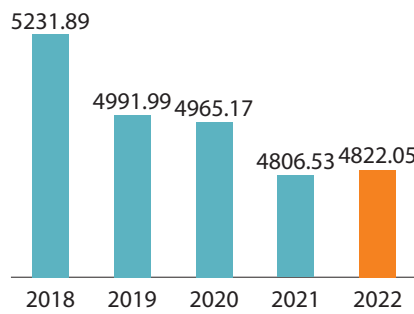
**Nikhil Chaturvedi**  
Managing Director

# Key Performance Highlights

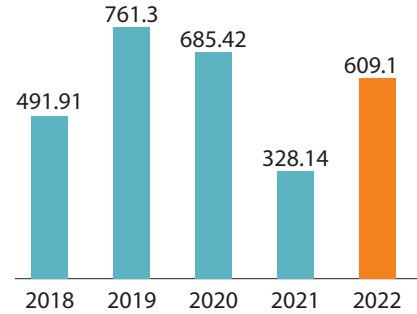
Income from Operations (₹million)



Networth (₹million)

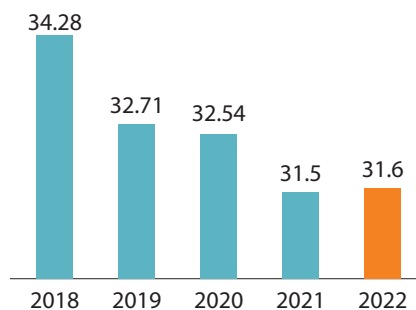


EBIDTA (₹million)

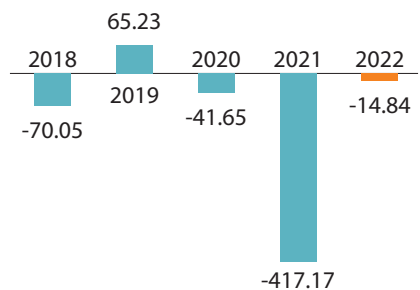




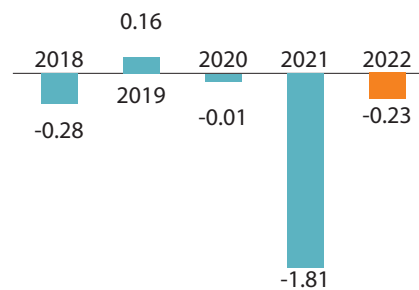
**Book Value** (₹ per share)



**Profit After Tax** (₹ million)



**Earnings per Share** (₹ per share)



## Resurgence in Consumption Demand

# Thriving Again on India's Resilient Consumption Story

## ~31,000 sq ft

GLA of New Stores that commenced operations in the last six months\*

## Up~20-25%

Change in Monthly Percentage by which Retailer Sales grew during Q2FY23, when compared to Q2F20

## >40,000 sq ft

GLA that is under discussion, which will take our combined occupancy more than pre-Covid levels upon conversion\*

\* Data for both malls



## “

In the last three quarters, the combined sales of both malls have consistently surpassed pre-Covid level sales.

Since early 2020, the COVID-19 virus' virulence has taken its toll on the world, particularly in the travel and hospitality industries. Retail and leisure businesses, in particular, were amongst the worst affected, and Prozone was no exception in bearing the brunt of mandatory lockdowns. However, FY2022 has been about consumers refusing to be controlled by the virus. Instead, the physical economy started to reopen gradually, witnessing the return of consumer engagement and spending.

By the end of FY2022, we were pleased to see that monthly consumption at our malls was beginning to return to better than pre-Covid 19 levels. As we enter Q2 of FY2023, our trajectory remains even more robust.

While our footfall recovery has been slower due to the generally constrained leisure segment, our trading data has shown a much faster recovery, breaching pre-Covid levels. This has resulted



from concerted efforts in marketing our malls over the last few months, motivating consumers to resume their leisure and entertainment habits.

We are pleased to note that on combined levels, our footfalls have also surpassed pre-Covid levels in August 2022. This trend has underscored the validity and relevance of experiential-based places that cater to the indefatigable human urge for social shopping, work, and entertainment. While digitalisation has added a new dimension of convenience to our lifestyles, the Pandemic has reminded us how indispensable and purposeful physical spaces are to our spirit.

Our mall occupiers are also echoing the same trends through their sales data. Retailer sales have seen an excellent recovery post covid in FY2022, especially in the last six months when malls have been allowed to operate without significant restrictions. During the previous three quarters, the combined sales of both malls have consistently surpassed pre-Covid level sales.

We are confident that our initiatives, directed towards bringing normalcy to our operations, will make Prozone one of the fastest Companies within the mall industry to bounce back in a post-Covid world. In the future, our goal is to

continuously deliver resilient performance that can withstand challenging market conditions. We are confident that our prudent capital budgeting approach, to sustain our balance sheet strength and keep adequate liquidity positions, will allow us to extend our leadership position in the marketplace as the most desirable malls to spend time in.

### A Promising Future

One of the many factors driving India's sturdy growth is its promising consumption story. Domestic consumption, which powers 60% of GDP today, is expected to grow into a US\$6 trillion opportunity by the end of 2030. This consumption growth will be supported by a 1.4 billion substantial population younger than any other major economy. The outlook for the future of consumption in India is rooted in the growth of the upper-middle income and high-income segments by 2030. At the same time, India will also uplift around 25 million households out of poverty. Prozone continues to capitalise on the growing consumption levels in India. It has made considerable progress by focusing on the tremendous opportunities offered by India's transforming urban milieu in important and emerging consumption cities of India. In doing so, we have delivered growth across all our assets – a testimony to the resilient position we have achieved with our unique business model. Over the years, the Company has been sought by leading brands to occupy our malls, and is loved by consumers within India's growing consumption-based economy. We remain convinced of the long-term growth story for our grade-A malls' business. We look forward to more robust performance in FY2023, and an exciting journey promising an excellent future for the Company.

# Management Discussion & Analysis

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The International Monetary Fund (IMF) has reduced India's economic growth forecast for FY2022-23 to 8.2% from 9% in January 2022, citing high oil prices on consumer demand and private investment

## ECONOMIC OVERVIEW

### Global Economy

Countries worldwide had levied several lockdowns and travel restrictions to control the spread of the infection of COVID-19 in CY2021. However, new mutations of the virus kept returning, keeping the rate of the human toll high enough to be of concern. On the positive side, increased vaccine coverage allowed a return to some normalcy in routine economic activities, which lifted sentiments. Exceptional measures to safeguard people's livelihoods were deployed soon after the Pandemic began in early CY2020. The governments of most countries are trying to maintain the flow of credit and offer direct financial support to people and businesses. The governments' relaxation and temporary



financial regulatory modifications, such as repayment moratoriums and debt guarantees, provided many businesses and families with lifelines. However, the Pandemic's impact on households and the balance sheets of businesses has been uneven between and within countries due to disparities in sectoral composition.

The global economy is slowing in CY2022, owing to disruptions in global energy, food, and commodity supplies caused by the Russia-Ukraine war and the ramifications of China's sweeping lockdowns to contain a renewed coronavirus outbreak. The International Monetary Fund (IMF) reduced its global growth forecast for CY2022 and CY2023 by 0.8% and 0.2%, respectively, to 3.6% in its April World Economic Outlook report. Fear of continued uncertainty may lead to a further downgrade in global trade flow growth prospects. Rising inflation remains a significant source of concern across the Board. Beyond CY2023, global growth is expected to slow to around 3.3% in the medium term.

Commodity price increases and broadening price pressures have resulted in CY2022 inflation projections of 5.7% in advanced economies and 8.7% in emerging and developing economies—1.8% and 2.8% higher than in January. Multilateral efforts are required to alleviate the humanitarian crisis, prevent further economic fragmentation, maintain global liquidity, manage debt distress, combat climate change, and end the Pandemic.

There is still much uncertainty surrounding global growth. Economic dynamics already driving the worldwide recovery from the Pandemic will be amplified by the conflict in Ukraine. The war has pushed up commodity costs and exacerbated supply interruptions, contributing to inflation. The path of the Pandemic, government policy actions, the evolution of financial conditions and commodity prices, and the economy's ability to adjust to health-related obstacles will influence future

\* IMF Data

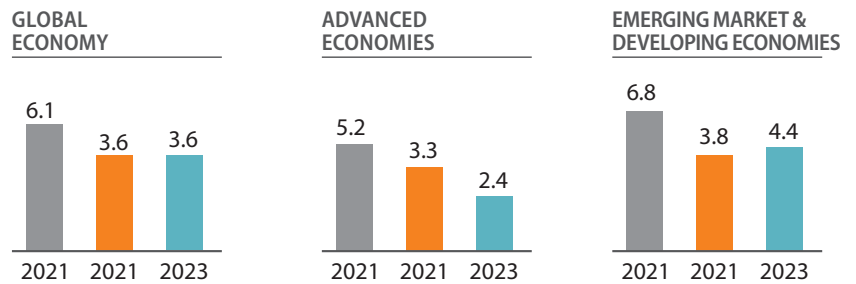
developments. Higher supply production, improved in-country delivery networks, and more equitable international distribution are required. Many countries' monetary policies are expected to tighten even more to keep inflationary pressures at bay. These drivers' patterns and interactions with country-specific features will determine the recovery rate and the extent of long-term scarring.

6.9%

India's expected growth forecast in FY2023-24

World economic outlook april 2022

GROWTH PROJECTIONS



Source: IMF

Indian Economy

The outbreak of the COVID-19 Pandemic had put the Indian Government's resolve to the test. Overall, the period had been challenging for the Indian economy, with an 8% contraction in FY2020-21. However, there was much relief following the announcement of the Union Budget for FY2021-22. It focused on strengthening the Nation First Vow, which included, among other things doubling farmer income, supporting infrastructure, making India healthier, better governance, improving opportunities for youth, universal education, women empowerment, and inclusive growth.

The International Monetary Fund (IMF) has reduced India's economic growth forecast for FY2022-23 to 8.2% from 9% in January 2022, citing high oil prices on consumer demand and private investment. The multilateral agency recommended

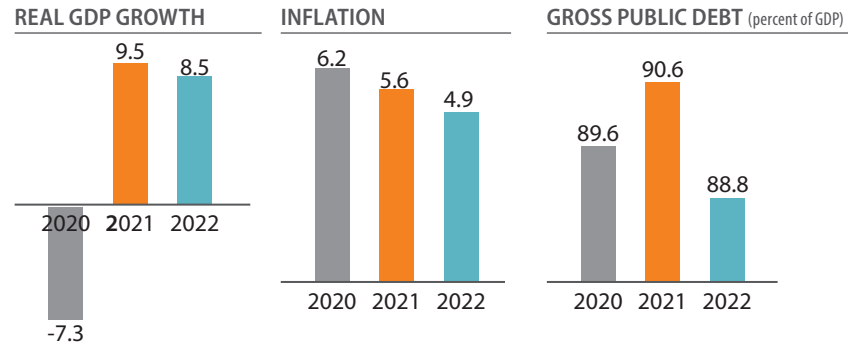
monetary tightening by central banks in its World Economic Outlook report to keep inflationary expectations in check amid global supply disruptions caused by the Ukraine war. The IMF has warned that the war will 'severely impede global recovery,' slow growth, and exacerbate inflation. The Fund also reduced India's FY2023-24 growth forecast to 6.9% from 7.2%. Regardless, India is expected to continue to be the world's fastest-growing major economy, with China's GDP growth slowing to 4.4% in CY2022 from 8.1% in CY2021. According to a Crisil December 2021 study, demand for sustainable costs, particularly crude oil prices, will impact India's macroeconomics, including the current account deficit and inflation. These would operate as a stumbling block to expansion.

# Management Discussion & Analysis...(Continued)

## INDIA

India's swift and substantial policy responses to the pandemic, including fiscal support and economic reforms, are underpinning a rebound in growth that's now forecast to be one of the fastest of all major economies.

<b>POPULATION</b> 1.39 B	<b>GDP PER CAPITA</b> \$2,116	<b>UNEMPLOYMENT</b> 7.1%	<b>MAIN EXPORTS</b> Oil products, steel, pharmaceuticals, chemicals	<b>VACCINATION RATE</b> 53% (as of Nov 2021)
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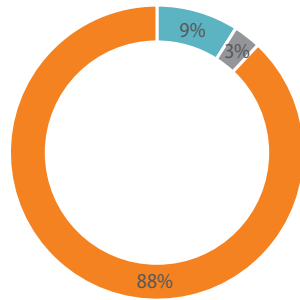
Source: IMF

### Indian Retail Industry Overview

The Indian retail industry has emerged as one of the most dynamic and fast-paced industries due to the entry of several new players. The country ranks exceptionally high in the world's retail rankings because of its enormous market potential, low economic risk, and reputation as a stable democracy with the rule of law. It is desirable due to its excellent development potential compared to its international counterparts. In addition to contributing about 10% of the nation's GDP, the country's retail industry also provides over 8% of all jobs. India is the fifth-largest international retail market in the world. The country's retail trading sector attracted US\$ 3.96 billion in Foreign Direct Investments (FDIs) between April 2000 and March 2022.

As per an IBEF report, India ranks among the highest in the proportion of retail stores per person. The country's retail industry is expanding exponentially, with retail development occurring in Tier II and III cities, big cities, and metro areas. Retail's online penetration is predicted to increase from 4.7% to 10.7% by the end of FY2024. The e-commerce market is steadily growing. Customers have a wide variety of things to choose from at competitive prices. With an increase in online shoppers in the nation, the online retail business in India is predicted to grow to US\$ 350 billion by 2030.

### Organised Retail Sector Opportunities



### Impact of the Pandemic & Near-Term Outlook

The COVID-19 Pandemic has impacted consumer behaviour in terms of choices, habits, and attitudes over the past two years. This profoundly affects how people can purchase and use goods and services. Despite the impact of COVID in 2020, India's consumption has been growing at a robust double-digit rate and has recovered. Several reasons, such as rising household income, access to consumption venues like malls, shopping centres, multiplexes, increasing internet penetration, and rising consumer confidence, have been fueling this expansion in consumption. Growth is still present, although its shape is currently changing. Global retailers face many difficulties and opportunities, and many are now using cutting-edge business strategies to take advantage of new retail opportunities.

Consumers no longer distinguish between offline and online consumption channels. Due to this, major companies are experimenting with different ways to design seamless retail experiences integrated across all channels. Online channels have taken centre stage in today's market and are responsible for a far higher portion of organised players' overall revenue across all categories. However, COVID significantly increased the growth, which is anticipated to be stabilised.

### Long-Term Outlook

India's retail sector is expected to grow at a rate of 9–10% to reach \$2 trillion by 2032, maintaining its current development trajectory despite being around two years behind schedule due to the Pandemic. The country's retail space is expanding quickly and offering new prospects for retailers. Companies must be flexible and quickly adapt to keep up with changing consumer tastes despite the shifting business environment. Through in-store experience concepts and technology to merge digital content and the surroundings, brands are experimenting with new methods of connecting with consumers.

As per India Brand Equity Foundation (IBEF), India's retail industry is projected to grow by 9% from 2019-2030 to US\$ 1,407 billion by 2026 and more than US\$ 1.8 trillion by 2030. The country's demand is anticipated to expand around 10% over the long run, despite disruptions continuing to be a way of life in the future. Retailers have a great potential to take advantage of the rising demand in the coming years. They must, however, adapt to the shifting dynamics of demand and reassess their value proposition and retail relevance.

### Impact of the Pandemic & Retail Real Estate Market Outlook

The Covid-19 Pandemic severely impacted the retail sector, causing many firms to close their doors throughout the lockdown. However, the industry has shown signs of revival after almost three years. Footfall recovery has been gradual however, people visiting the malls have been spending more, resulting faster recovery in retailer sales. As a result, the retail space is on the path to recovery,

and retail leasing has returned to its pre-Covid levels. We anticipate the retail sector gaining more traction with a robust demand supporting it. As per the real estate consultancy firm CBRE South Asia report, the retail sector leasing in India jumped about 166% year-on-year (y-o-y), crossing 1.5 million square feet (sq ft) in the first half of CY2022. The total investment grade mall stock crossed over 77 million sq ft during the same period.

Among high streets, rents increased to approximately 5%-12% across select locations in Delhi-NCR, Bengaluru, Hyderabad, and Pune, and about 1%-3% in Mumbai. While prominent mall clusters in Pune and Delhi-NCR witnessed rental growth of 5%-11% on a half-yearly basis, a marginal increase of 1%-3% was reported across one mall cluster in Mumbai.

### Residential

Since FY2020, market movements have been governed by the COVID-19 epidemic. The first wave of infections that hit the nation in Q4FY2020 nearly brought down commercial activity, leading to a decline in home market volumes during the quarter. The market began to gain traction in the second half of FY2021, and this momentum continued into FY2022, thanks to the economy's slow recovery and the vaccine's expanding availability.

In FY2022, the residential asset class of the Indian real estate market quickly recovered from the catastrophe caused by the Pandemic. Low loan rates, a decline in home prices, and state government stimulus programmes have contributed to the housing market's recovery in FY2022. The pandemic initially severely setback the real estate industry, but the fast recovery surprised everyone. People realised the need for owned housing and larger space to accommodate work-from-home options. Accordingly, the demand for Residential vertical ramped up. People felt the need for more extensive and spacious homes during the Pandemic. As a result, despite the uncertain economic climate, households decided to invest their savings in real estate. Despite worries about the Omicron version, which ultimately had minimal impact on the residential market, market traction did not disappoint in Q4 of FY2022.



**In FY2022, the residential asset class of the Indian real estate market quickly recovered from the catastrophe caused by the Pandemic. Low loan rates, a decline in home prices, and state government stimulus programmes have contributed to the housing market's recovery in FY2022.**

### Residential Real Estate Market Outlook

After the recovery of the residential housing sector in FY2022, there are concerns that a housing bubble may arise since a rapid increase in home prices has accompanied the global property boom. However, the boost in housing sales in India has not yet been matched by the rise in prices. After declining over the previous few years, housing prices in India have recently stabilised. So, even if there is concern about a worldwide housing bubble burst, India has not yet experienced this worry. Future increases in housing expenses are anticipated due to rising costs of labour, land, and raw

materials. Due to the high demand, the developers will be able to pass on the increase in construction costs. However, the price increase is likely to be gradual and not as sharp as in many other countries.

As far as the interest rate is concerned, it has started inching up, given the inflationary concerns. This would impact the affordability of housing as a whole. Given the economic growth uncertainty, the interest rate increase is probably slow. As a result, a slow rise in prices and interest rates over the coming months may not upset the momentum behind the housing market's expansion.

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



**We are now working towards expanding our presence in Tier1 cities. Our Strategy is to develop large projects in Tier 1 cities by joining hands with credible partners.**

The residential market turned a corner in FY2021, with sales momentum consistently improving over the year. The second half of 2021 recorded the enormous half-yearly sales volume since 2016. The main forces behind this surge in demand have been low-interest rates, better affordability, a high savings rate in 2020, and a renewed interest in homeownership because of the Pandemic's space restrictions. Homebuyer concerns about the Omicron variant that surfaced late in 2021 did not negatively affect emotions. Cut to the beginning of 2022; residential developments are steadily passing into the hands of more vital developers who have been able to weather the economic storm brought on by the epidemic as the industry continues to consolidate. While ready inventory remains a top choice for purchasers, reputable developers with a track record of success are increasingly finding a market for their list that is still under construction.

### COMPANY OVERVIEW

#### Company Overview

Prozone Intu Properties Limited is a dedicated developer of world-class dominant shopping centres, residential, and mixed-use developments pan-India. It uses the extensive experience of its management and subject matter expertise. The Company is well-represented in India's Tier II and Tier III cities, which are experiencing robust urbanisation, and is also exploring to expand its presence in Tier 1 cities of India.

#### Fully Paid-Up Land Bank

Prozone Intu's completely paid-up land bank totals 139 acres, with a maximum sale FSI of about 15.54 MSFT. The land parcels are located in sought-after areas, including essential and rapidly developing Tier-II cities like Aurangabad, Nagpur, Indore, Coimbatore, and Mumbai.

Of its 15.54 MSFT land bank, 2.1 MSFT has already been developed. New and innovative projects are still in the planning and development stages, with more than 13.44 MSFT of the land bank available for monetisation. The Company has started developing in Nagpur, Coimbatore, and Indore.

The fact that all the land parcels are debt-free puts Prozone Intu in a favourable position to construct, develop, and manage these top-notch mixed-use buildings.

#### Strong Association with Leading National and International Retail Brands

Prozone's strong affiliation with well-known national and worldwide brands helps it continue developing future retail centres. Around 14 anchor tenants and more than 100 stores have been signed & under discussion at the Prozone Mall in Aurangabad. Currently, 15 anchor tenants and more than 100 stores are signed & under discussion in Coimbatore.

H&M, M&S, Smart Bazaar, Shoppers Stop, Croma, Globus, Pantaloon, Zudio, Reliance Trends, Reliance Digital, Inox Multiplex, Max, Mr DIY and House of Toys are just a few anchor retailers of Aurangabad Mall. In the last six months, around five new stores with approx. GLA of 24,000 sq ft opened in the Aurangabad Mall, and four new brands commenced fit-out for approx. GLA of 4,200 sq ft.

The Prozone Mall in Coimbatore has gained a solid following thanks to its anchor brands, which include H&M, M&S, Lifestyles, Spar, Reliance Trends, Reliance Digital, Westside, Pantaloons, Hamleys, Max, Unlimited, Croma, Zudio, Fun Unlimited & Inox Multiplex. In the last six months, Eight new stores opened

with approx. GLA of 6,800 sq ft, and about six new brands have commenced fit out for an approx. GLA of 16,500 sq ft in the Coimbatore Mall.

### Our Business Model

#### Business Strategy

Presently, Prozone is attempting to expand its presence in Tier 1 cities by joining hands with credible partners. The Company's business strategy is to acquire and develop large land parcels at select locations in high-growth corridors within city limits, focusing on mixed-use development. The Anchor Asset, a regionally prominent Retail Centre that is predominantly a "Build and Long-Term Lease Asset," is being developed on one-third of the land parcel, according to the plan. Additionally, two-thirds of the conjugate land bank is used to create mixed-use projects like residential towns or office blocks. The development of residential and commercial properties is executed from a "Build & Sell" perspective, enabling your Company to produce consistent free cash flows. On the other hand, this perspective makes the Retail "Build & Lease" concept, which creates Debt-Free Annuity Assets and free cash flows for future projects, easier.


#### 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 has been a unique selling point for our Residential 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. Despite the shutdown, the Coimbatore project, which was started in FY2020, has received positive customer feedback as it introduced fresh plans for marketing the project online and through digital platforms. Going forward, Prozone will implement cost-effective methods to promote the projects. Your Company is also looking at utilising technology in the business and creating a strong CRM team to manage customer relations.




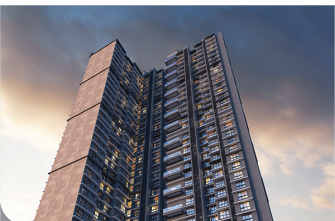




### Segment Wise Performance – Project Portfolio Summary

SPV	Residential	Commercial	Retail
 <p><b>Aurangabad</b> Ownership - 34.71%</p>		<p><b>PTC Phase 1</b></p> <ul style="list-style-type: none"> <li>Launched PTC Phase 1 – 190,528 sq.ft.) - 85% Sold.</li> <li>Development Status:</li> <li>OC Obtained.</li> <li>Sales Status: Total Sales Value - ₹ 513.39 mn, Amount Collected - ₹ 485.79 mn</li> </ul>	<p><b>Mall</b></p> <ul style="list-style-type: none"> <li>Leasing Status: GLA - ~5.1 lakh sq.ft. - 76% Area leased</li> <li>Although footfalls in the mall remained muted during the year due to pandemic, Comparable Retailer sales was seen at Pre-Covid level and had also shown growth of 20% in Aurangabad for Q4FY22 vs Q4FY20.</li> <li>Key Tenants – H&amp;M, M&amp;S, Smart Bazaar, Shoppers Stop, Croma, Globus, Pantaloon, Zudio, Reliance Trends, Reliance Digital, Inox Multiplex, Max, Mr DIY and House of Toys amongst others.</li> </ul> <p><b>Saral Bazar</b></p> <ul style="list-style-type: none"> <li>Project Launched - Total Carpet Area - 17,893 sq.ft. - 94% booked.</li> <li>Development Status: Phase 1 project delivered – 95 units have already commenced operations</li> </ul>

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

SPV	Residential	Commercial	Retail
 <p><b>Nagpur</b> Ownership - 61.50%</p>	<ul style="list-style-type: none"> <li>Residential Project Phase 1 - Launched 336 Units - 272 sold</li> <li>Development Status: Part OC obtained for units upto 11 floors.</li> </ul>		Retail design has been finalised and project approval are in process
 <p><b>Indore</b> Ownership - 60.00%</p>	<ul style="list-style-type: none"> <li>Phase 1 of Plotted development of 74 plot sold &amp; delivered.</li> </ul>		
 <p><b>Coimbatore</b> Ownership - 61.50%</p>	<ul style="list-style-type: none"> <li>Phase 1 of 360 luxury units launched - 153 units booked.</li> <li>Development Status: Construction of Initial Infrastructure completed, Residential Tower construction in progress.</li> </ul>		<ul style="list-style-type: none"> <li>Leasing Status: Leasing stand at 90%, working towards further increasing occupancy</li> <li>Key Brands: H&amp;M, M&amp;S, Lifestyles, Spar, Reliance Trends, Reliance Digital, Westside, Hamleys, Max, Unlimited, Croma, Zudio, Fun Unlimited &amp; Inox Multiplex amongst others</li> <li>Although footfalls in the mall remained muted during the year due to pandemic, Comparable Retailer sales was seen at Pre-Covid level.</li> </ul>
 <p><b>Mumbai</b></p>	<ul style="list-style-type: none"> <li>Phase 1 Launch 460 units - 441 units booked.</li> <li>Development Status: OC received Two Rehab buildings. Residential Tower &amp; third Rehab building construction in progress.</li> </ul>		

### Risks and Concerns

#### Economic Risk

The Pandemic and subsequent lockdown brought about a complete halt to all economic activity in the nation, and it is only now that things are starting to pick up speed. The slowdown in

India's economic growth can affect the Company's performance. The Company's business is highly dependent on economic growth, leading to a rise in disposable incomes and resultant consumption. The sale of residential property is also expected to be affected as project deliveries are likely to be delayed,

and financing is constrained. 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.

### 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

Operations were impacted by the lockdown implemented by authorities to curb the Second wave of COVID-19 in Q1 of FY22. Around 20 days were allowed for operations during the quarter. While in Q2, strict operating guidelines were implemented by authorities. The multiplex was permitted operations at 50% capacity from 24th October 2021 in Aurangabad. Post-October 2021, it was allowed to operate entirely. Post-opening graded operation of the mall was allowed by local authorities. Many brands may calibrate their expansion strategy and may 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 has gained expertise in the design, development, leasing and management of malls as per retailer and customer needs; therefore, this does not represent a significant risk to the business.

### Brand Risk

Any event that tarnishes the Prozone Intu brand's image can lower the brand's value 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 with customers or trade partners. The Company also focuses on customer preferences and conducts extensive in-house research to maintain



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## The Company recorded Revenues of 934 million and EBITDA of 609 million during

top-of-the-mind recall with the customer base concerning the brand. The Company believes it has an appropriate mitigation plan to handle brand risk.

### Internal Control Systems and Adequacies

Prozone 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. Your Company has independent audit systems to monitor the entire operations, and the Audit Committee of the Board regularly reviews the findings and recommendations of internal audits.

### Financial Performance for FY2022

The Company recorded Revenues of 934 million and EBITDA of 609 million during the year under review. FY2022's EBITDA was up by 86% compared to FY2021. The increase is on account of the start of revenue recognition from the Indore project. The Company has maintained a healthy balance sheet, with low leverage and a Gross Debt/Equity ratio of 0.95x on a consolidated basis.

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

Particulars	Current Period	Previous Period	Numerator	Denominator	Remarks
(a) Current Ratio	1.90	1.64	Current Asset	Current Liability	
(b) Debt-Equity Ratio	0.95	0.95	Total Debt	Equity	
(c) Debt Service Coverage Ratio	1.21	0.68	Earnings before interest, depreciation, and tax	Interest+Principal Repayment	Improved due to reduction in loan due to repayment
(d) Return on Equity Ratio	-0.19%	-5.35%	Net profit	Equity share capital	Improved due to increase in leasing income as well as income from real estate project
(e) Inventory turnover ratio	0.20	0.11	Revenue from operation	Average Inventory	Improved due to increase in leasing income as well as income from real estate project
(f) Trade Receivables turnover ratio	3.62	2.15	Revenue from operation	Average trade receivable	Improved due to increase in leasing income as well as income from real estate project
(g) Trade payables turnover ratio	1.67	0.00	Purchase	Average trade payable	NA in previous year as there was no income from real estate project
(h) Net capital turnover ratio	3.72%	2.65%	Revenue from operation	Equity	Improved due to increase in leasing income as well as income from real estate project
(i) Net profit ratio	-1.59%	-92.99%	Net profit after tax	Revenue from operations	Improved due to increase in leasing income as well as income from real estate project
(j) Return on Capital employed	4.85%	2.65%	Earnings before interest, depreciation, and tax	Total Assets-current Liabilities	Improved due to increase in leasing income as well as income from real estate project
(k) Return on investment	3.02%	0.86%	Income generated from investment	Average Investment	Increase due to higher income from Mutual fund investments



### The Company recognises the success and potential of its employees and offers them opportunities and challenges

#### Human Resource at Prozone

Prozone regularly invests in procedures to foster a positive work environment since it views its people resources as its most significant asset. The Company recognises the success and potential of its employees and offers them opportunities

and challenges. At the end of March 2022, the Company employed over 75 people. Although the organisational structure stayed the same, the Company occasionally realigned its personnel at the execution level. This realignment aims to maximise staff productivity and capitalise on their technical skills. The primary

outputs for the senior team and project-level management were consistent with the Company's and the project's overarching goals.

#### Employee Welfare Initiatives

Prozone often engages in activities to improve the workforce's skill set. The Company hosts several events, festivals, and get-togethers to foster a friendly and supportive work atmosphere. During the pandemic, Prozone had organised vaccination camps for its employees and their families & also provided flexible work hours to employees. It kept up its efforts to keep its personnel involved with individualised and corporate-wide health initiatives. Prozone inspires its employees to work hard under adverse circumstances by encouraging teamwork, goodwill, and togetherness.



**Cautionary Statement**

This document contains statements about expected future events and 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 beliefs, predictions and other forward-looking comments 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,

“

The Company hosts several events, festivals, and get-togethers to foster a friendly and supportive work atmosphere. During the pandemic, Prozone had organised vaccination camps for its employees and their families & also provided flexible work hours to employees.



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, FY2022.

# Directors' Report

To,  
The Members  
Prozone Intu Properties Limited

Your Directors are delighted to present 15<sup>th</sup> Annual Report on the business and operations of your Company for the year ended March 31, 2022.

## FINANCIAL RESULTS & OPERATIONS

₹ in Lakhs

Particulars	Standalone		Consolidated	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
Income from Operations	986.53	749.63	9337.69	4486.36
Add: Other Income	901.09	849.47	2188.58	1370.59
<b>Total Income</b>	<b>1887.62</b>	<b>1599.10</b>	<b>11526.27</b>	<b>5856.95</b>
Less: Total Expenditure	1185.05	1285.94	12118.82	10081.59
<b>Profit/ (loss) before Tax</b>	<b>702.57</b>	<b>313.16</b>	<b>(592.55)</b>	<b>(4224.64)</b>
Less: Tax expenses/ (Credit)	173.02	275.70	445.72	(49.63)
Share of profit of joint venture	-	-	(1.56)	3.32
<b>Profit/ (loss) after Tax</b>	<b>529.55</b>	<b>37.46</b>	<b>(148.39)</b>	<b>(4171.69)</b>

## STATE OF COMPANY'S AFFAIRS / FINANCIAL PERFORMANCE

### Standalone

The Company's gross (total) income for the financial year ended 31<sup>st</sup> March 2022 has increased to ₹ 1887.62 lakhs as against ₹ 1599.10 lakhs during the previous year, profit before tax increased to ₹ 702.57 lakhs against profit of ₹ 313.16 lakhs during previous year and the profit after tax was increased to ₹ 529.55 lakhs as compared to ₹ 37.46 lakhs in the previous year.

### Consolidated

The Company's gross (total) income for the financial year ended 31<sup>st</sup> March 2022 increased to ₹ 11526.27 lakhs from ₹ 5856.95 lakhs during the previous year, loss before tax of the reporting year stood at ₹ 592.55 lakhs against a loss of ₹ 4224.64 lakhs in the previous year. The loss after tax of the reporting year stood at ₹ 148.39 lakhs against a loss of ₹ 4171.69 lakhs reported in the previous year.

## DIVIDEND

In order to conserve the financial resources for future growth of the company, your management decided not to propose a dividend for the year ended March 31, 2022, thus there is no appropriation of any amount to the 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 2022-23 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 31<sup>st</sup> March 2022 none of the Directors of the Company hold instruments convertible into equity shares of the Company.

## SUBSIDIARY AND JOINT VENTURE COMPANIES

The Company has 8 subsidiaries as on 31<sup>st</sup> March 2022 including 3 step-down subsidiaries and 1 Joint Venture Company..

### Direct Subsidiaries:

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

### Step-down subsidiaries:

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

### Associate Companies / Joint Venture

1. Moontown Trading Company Private Limited<sup>1</sup> (Moontown)
2. Calendula Commerce Private Limited

<sup>1</sup> The Company on 3<sup>rd</sup> May 2021 sold its whole 25% investment in Moontown, consequently Moontown ceased to be a joint venture of the Company.

The Board of Directors ('the Board') regularly reviews the affairs of the subsidiary/joint venture/associate companies. A statement

## Directors' Report...(Continued)

containing the salient features of the financial 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](http://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 subsidiary 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.

### 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 detection 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 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 Board of Directors of the Company on 17<sup>th</sup> December 2021 appointed Mr. Bipin Gurnani as CEO & Whole-time Director of the Company.

A brief resume along with other details about Mr. Nikhil Chaturvedi, Mr. Salil Chaturvedi and Mr. Bipin Gurnani 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 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 2021-22. As on 31<sup>st</sup> March 2022, the following were the Key Managerial Personnel of the Company;

## Directors' Report...(Continued)

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 Board 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, SS-2 and SS-4 relating to 'Meeting of the Board of Directors', 'General Meetings' and 'Boards' Report, respectively, have been duly followed by the Company. Since Company has not declared any dividend during the previous year, the compliance under SS-3 was not applicable to the Company during last year.

## DIRECTORS RESPONSIBILITY STATEMENT

### Your Directors state that:

- in the preparation of the annual accounts for the year ended March 31 2022, 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;

- 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 2022 and of the profit of the Company for the year ended on that date;
- 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;
- the Directors have prepared the annual accounts on a 'going concern' basis;
- 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
- 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

M/s. B S R & Co LLP, Chartered Accountants (ICAI Firm Registration No. 101248W/100022), were appointed as the Statutory Auditors of the Company at 10<sup>th</sup> Annual General Meeting (AGM) of the Company held on 28<sup>th</sup> September 2017 to hold office until the conclusion of 15<sup>th</sup> Annual General Meeting.

The statutory Auditors report on the financial statement for the financial year ended on 31<sup>st</sup> March 2022 does not contain any qualification, reservation, adverse remark or disclaimer.

The current tenure of M/s B S R & Co. LLP as Statutory Auditors is coming to an end at the conclusion of the 15<sup>th</sup> AGM. In view of above and in compliance with the provisions of Section 139 and all other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder and based on recommendation of the Audit Committee, the Board of Directors at its meeting held on 13.08.2022 recommended the appointment of, M/s MSKA & Associates, Chartered Accountants to hold office for a period of five years from the conclusion of this Annual General Meeting (AGM) until the conclusion of the 20<sup>th</sup> AGM of the Company to be held in the year 2027, on such remuneration as may be fixed by the Board of Directors of the Company, subject to the approval of the shareholders of the Company at the ensuing 15<sup>th</sup> Annual General Meeting. Necessary resolution for appointment of Statutory Auditors is being moved at the ensuing AGM.



## Directors' Report...(Continued)

M/s MSKA & Associates, have provided their respective consent, certificates and declarations as required under Section 139 and 141 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014.

### Secretarial Auditor and Secretarial Audit Reports

Pursuant to Section 204 of Companies Act, 2013, the Board of Directors had appointed M/s. HSPN Associates & LLP (Erstwhile 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.

The Secretarial Audit Reports of the material subsidiaries viz. Alliance Mall Developers Co Private Limited, Empire Mall Private Limited and Hagwood Commercial Developers Private Limited have been annexed along with the report of the Company.

### 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 31<sup>st</sup> March 2022

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

Particulars	No. of Shares	% of Shares
NSDL	8,31,09,930	53.36%
CDSL	6,94,28,811	46.60%
Physical	64,142	0.04%
<b>Total</b>	<b>15,26,02,883</b>	<b>100.00%</b>

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 Committee 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, 2022 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;

## Directors' Report...(Continued)

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

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: Nil

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:

Pursuant to Section 92 of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return is available on the website of the Company on the following link: <https://www.prozoneintu.com/investors-corner/#1563102127966-0de27a50-7e31>

com/investors-corner/#1563102127966-0de27a50-7e31

### • Number of meetings of the Board:

The Board met five 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 31<sup>st</sup> March 2022 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, Independent Director as Chairman 2. Ms. Deepa Misra Harris, Independent Director as member 3. Mr. Punit Goenka, Independent Director as member 4. Mr. Nikhil Chaturvedi, Managing Director as member
Nomination & Remuneration Committee	1. Ms. Deepa Misra Harris, Independent Director as Chairperson 2. Mr. Punit Goenka, Independent Director as member 3. Mr. Umesh Kumar, Independent Director as member
Stakeholders Relationship Committee	1. Ms. Deepa Misra Harris, Independent Director as Chairperson 2. Mr. Punit Goenka, Independent Director as member 3. Mr. Nikhil Chaturvedi, Managing Director as member 4. Mr. Salil Chaturvedi, Dy. Managing Director as member
Corporate Social Responsibility Committee	1. Mr. Nikhil Chaturvedi, Managing Director as Chairman 2. Ms. Deepa Misra Harris, Independent Director as member 3. Mr. Salil Chaturvedi, Dy. Managing Director as member

### • 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 year.

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

### • 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.

## Directors' Report...(Continued)

- **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 3' to the Boards' Report.

- **Particulars of employees:**

The remuneration paid to Directors and Key Managerial Personnel and the employees of the Company during the Financial Year 2021-22 was in accordance with the Nomination and Remuneration Policy of the Company.

Disclosures with respect to the remuneration of Directors and employees as required under Section 197 of the Companies Act, 2013 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 has been appended as 'Annexure 4' to this Report.

The information required pursuant to Section 197 of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of your Company are available to Shareholders for inspection on request. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary on [investorservice@prozoneintu.com](mailto:investorservice@prozoneintu.com), whereupon a copy would be sent.

- **Transfer to Reserves:**

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

- **Material changes and commitments:**

No material changes and commitments affecting the financial position of your Company have occurred between 31<sup>st</sup> March, 2022 and the date of the report.

- **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), Amendment Rules, 2021 have been appended as 'Annexure 5' 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 15<sup>th</sup> 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](http://www.prozoneintu.com).

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

There are no shares lying in demat suspense account of the Company.

### 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 shareholders 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: 13.08.2022

Place: Mumbai

**Nikhil Chaturvedi**

Managing Director

DIN: 00004983

**Bipin Gurnani**

Whole-time Director

DIN: 07966971

## Directors' Report...(Continued)

### 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

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

- Knowledge and skills in accounting and finance, business judgement, general management practices, crisis response and management, industry knowledge, strategic planning etc.
- Personal characteristics matching the Company's values, such as integrity, accountability, financial literacy, and high performance standards
- Commitment to attend a minimum of 75% of meetings which will include the attendance through audio/video conferencing.
- Ability and willingness to represent the Stakeholders' long and short term interests
- Awareness of the Company's responsibilities to its customers, employees, suppliers, regulatory bodies, and the communities in which it operates
- Responsibility towards following objectives being an Independent Director
  - Maintenance of independence and abstain himself from availing of benefits, directly or indirectly from the Company
  - 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
  - Accountability under the Directors' Responsibility Statement
  - Overseeing the maintenance of Corporate Governance standards of the Company and ethical conduct of business

##### 2. Criteria for other executives:

- 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.

## Directors' Report...(Continued)

- 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.

## Directors' Report...(Continued)

### ANNEXURE 2

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH, 2022**  
**[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**  
 105/106, Ground Floor, Dream Square,  
 Dalia Industrial Estate, Off New Link Road,  
 Andheri West Mumbai – 400053.

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 period year ended on 31<sup>st</sup> March, 2022, 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 31<sup>st</sup> March 2022, 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 (Registrars to an Issue and Share Transfer Agents) Regulations, 1993
- d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 erstwhile Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 & The Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013;
- f. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 erstwhile Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the period);
- g. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to the Company during the period);
- h. The Company has complied with the requirements under the Equity Listing Agreements entered into with The BSE Limited and The National Stock Exchange of India Limited.
- VI. The Management has identified and confirmed the applicable Acts, Laws and Regulations specifically applicable to the Company during the financial year ended 31<sup>st</sup> March 2022 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 1<sup>st</sup> October, 2017
- ii. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 except for;

## 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,
- Certain properties transferred to the Company pursuant to Composite Scheme of Arrangement and Amalgamation effective from 27<sup>th</sup> February 2012, are yet to be registered in the name of the Company.
- Certain loans provided by the Company does not carry interest. As informed by the Company that it has made provision for expected credit loss due to uncertainty regarding recoverability of said loans and advance and continues to be same.
- The Company has submitted an application to the Central Government pursuant to Section 196 read with Schedule V of the Companies Act, 2013 for re-appointment of Mr. Salil Chaturvedi as a Deputy Managing Director related to his tenure. The same is pending for Central Government's approval.

We further report that:

During the year, due to resignation of Mr. Dushyant Singh Sangar, Non-executive Director, the Composition of the Board falls below the minimum requirement of Regulation 17(1) of SEBI (LODR) Regulations, 2015. Further Mr. Bipin Ram Gurnani, Whole-time Director was appointed w.e.f., 17<sup>th</sup> December 2021 and then the Board had proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

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

We further report that during the audit period;

- At the 14<sup>th</sup> Annual General Meeting held on Thursday, 30<sup>th</sup> September 2021 through Video Conferencing or Other Audio Visual Means (OAVM), the Company transacted the following Special Business:

*Approval taken from shareholders for reclassification of an entity forming part of 'Promoter and Promoter Group Category' viz., Deep Gupta Family Trust of the Company to 'Public Category' Category' in terms of Regulation 31A of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015.*

*Accordingly, the Company made an application to Stock Exchanges on 26<sup>th</sup> August 2021. As on the date of signing this Report, the requisite approval is pending from the Stock Exchanges.*

- *During the period under the review, the Company paid a fine amounting to Rs. 4,96,800 (Rupees Four Lakh Ninety Six Thousand Eight Hundred Only) for the quarter ending September 2021 and Rs. 4,15,800 (Four Lakh Fifteen Thousand Eight Hundred) for the quarter ending December 2021 as per Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/12 dated January 22, 2020 issued by SEBI due to the delay in having a minimum number of Directors on Board in terms of Regulation 17(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.*
- *In terms of Regulation 17(2) and Regulation 18(2) of SEBI (LODR) Regulations, 2015, the gap between two Board Meetings and Audit Committee Meetings during June 2021 Quarter exceeded more than 120 days. As informed by the management, the delay in convening the meeting in June 2021 Quarter was due to the extension in time for holding a meeting to approve audited financial results for the quarter and year ended 31<sup>st</sup> March 2021 from 30<sup>th</sup> May 2021 to 30<sup>th</sup> June 2021 vide SEBI Circular No. SEBI/HO/CFD/CMDI/P/CIR/2021/556 dated 29<sup>th</sup> April 2021 under Regulation 33 of SEBI (LODR) Regulations, 2015. The Company had made a suitable representation to the Stock Exchange(s) in this regard.*
- *Moontown Trading Company Private Limited (Moontown) was a Joint Venture between Prozone Intu Properties Limited and Shalom Voyagers Private Limited. The Company on 3<sup>rd</sup> May 2021 sold its whole 25% investment in Moontown and consequently, Moontown ceased to be a Joint Venture of the Company.*
- *The Company has received approval from NCLT for Amalgamation between two Subsidiary Companies i.e., Royal Mall Private Limited ("Transferor Company") with Prozone Developers and Realtors Private Limited ("Transferee Company"). The Scheme had become effective from 15<sup>th</sup> June 2021 and operative from 1<sup>st</sup> January 2020.*

**For HSPN & Associates LLP**

Company Secretaries

**Hemant Shetye**

Designated Partner

FCS – 2827

COP – 1483

Date: 13<sup>th</sup> August, 2022

Place: Mumbai

ICSI UDIN : F002827D000791615

Peer Review No.: 2507/2022

**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.**

## Directors' Report...(Continued)

### Annexure A

To,  
The Members,  
**Prozone Intu Properties Limited**  
105/106, Ground Floor, Dream Square,  
Dalia Industrial Estate, Off New Link Road,  
Andheri West Mumbai – 400053.

1. Our report of even date is to be read along with this letter.
2. 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.
3. 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.
4. We have not verified the correctness and appropriateness of financial records and Books of Accounts, and related documents of the Company.
5. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulation and happening of events, etc.
6. 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.
7. 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.

**For HSPN Associates & LLP**  
Company Secretaries

**Hemant Shetye**  
Designated Partner  
FCS – 2827  
COP – 1483

Date:-13<sup>th</sup> August, 2022  
Place: - Mumbai  
ICSI UDIN : F002827D000791615  
Peer Review No.: 2507/2022



## Directors' Report...(Continued)

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR FINANCIAL YEAR ENDED ON MARCH 31, 2022**  
**[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,  
**Alliance Mall Developers Co. Private Limited**  
105/106, Ground Floor, Dream Square,  
Dalia Industrial Estate, Off New Link Road,  
Andheri West, Mumbai – 400053.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Alliance Mall Developers Co. Private 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 limited 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 period ended on March 31, 2022, 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 March 31, 2022, 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 - **Not Applicable during the period;**
- 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. Being an unlisted company, the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act") are not 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 (Registrars to an Issue and Share Transfer Agents) Regulations, 1993
  - d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 erstwhile Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 & The Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013;
  - f. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 erstwhile Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009.
  - g. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.
- VI. The Management has identified and confirmed the applicable Acts, Laws and Regulations specifically applicable to the Company during the financial year ended March 31, 2022 as given below:
  - Real Estate (Regulation & Development) Act, 2016;
  - The Building and other construction workers (Regulation of Employment and Conditions of Services) Act, 1996;

## Directors' Report...(Continued)

- Forest Conservation Act, 1980;
- Pollution Control Act, 1970.

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

- 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 1<sup>st</sup> October, 2017.

During the year under review, the Company has in general complied with the provisions of the Act, Rules, Regulations, Guidelines, and Standards as mentioned above subject to the following observation:

- *Company is a material non-listed subsidiary of listed Company and pursuant to regulation 24(1) of the SEBI (LODR) Regulations 2015, listed holding company has to nominate one of its independent directors on the Board of the Company.*

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. There were no changes in the composition of the Board of Directors during the year under review.

Adequate notice, agenda and detailed notes on agenda are 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.

Further, during the year ended 31 March 2011, the Company had issued 6.89 lakhs, 1% Non-Cumulative Compulsory Convertible Preference Shares (NCCPS) of Rs. 10/- each fully paid up, at a premium of Rs. 802.77/- per share to Hagwood Commercial Developers Private Limited, a fellow subsidiary. Each holder of the NCCPS is entitled to one vote per share only on resolution placed before the Company, which directly affects the right attached to NCCPS. As informed by management, the NCCPS are Convertible, at par, at any time within a period of 10 years from the date of allotment. The same is now extended for a further period of 10 years. If NCCPS holder does not exercise conversion option, NCCPS are compulsorily convertible into equity shares at the end of this extended period of 10 years.

**For HSPN & Associates LLP**  
Company Secretaries

**Prakash D. Naringrekar**  
Designated Partner  
ACS No.: 5941  
COP No.: 18955

Date: August 13, 2022  
Place: Mumbai  
ICSI UDIN: A005941D000794080  
Peer Review No.: 2507/2022

**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.**

## Directors' Report...(Continued)

### Annexure A

To,  
The Members,  
**Alliance Mall Developers Co. Private Limited,**  
105/106, Ground Floor, Dream Square,  
Dalia Industrial Estate, Off New Link Road,  
Andheri West, Mumbai – 400053.

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

1. Our report of even date is to be read along with this letter.
2. 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.
3. 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.
4. We have not verified the correctness and appropriateness of financial records and Books of Accounts, and related documents of the Company.
5. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulation and happening of events, etc.
6. 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.
7. 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.

**For HSPN & Associates LLP**  
Company Secretaries

**Prakash D. Naringrekar**  
Designated Partner  
ACS No.: 5941  
COP No.: 18955

Date: 13.08.2022  
Place: Mumbai  
ICSI UDIN: A005941D000794080  
Peer Review No.: 2507/2022

## Directors' Report...(Continued)

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH, 2022.**  
**[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,  
**EMPIRE MALL PRIVATE LIMITED.**  
 105/106, Ground Floor, Dream Square,  
 Dalia Industrial Estate,  
 Off New Link Road,  
 Andheri West Mumbai 400053.

We have conducted the Secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **EMPIRE MALL PRIVATE 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 limited 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 period ended on 31<sup>st</sup> March, 2022, 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 31<sup>st</sup> March 2022, 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; Not Applicable during the period;
- 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. Being an unlisted company, the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act") are not 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 (Registrars to an Issue and Share Transfer Agents) Regulations, 1993
  - d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 erstwhile Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 & The Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013;
  - f. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 erstwhile Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009.
  - g. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.
- VI. The Management has identified and confirmed the applicable Acts, Laws and Regulations specifically applicable to the Company during the financial year ended 31<sup>st</sup> March, 2022 as given below:
  - Real Estate (Regulation & Development) Act, 2016;
  - The Building and other construction workers (Regulation of Employment and Conditions of Services) Act, 1996;
  - Forest Conservation Act, 1980;
  - Pollution Control Act, 1970.

## Directors' Report...(Continued)

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 1<sup>st</sup> October, 2017.

During the year under review, the Company has in general complied with the provisions of the Act, Rules, Regulations, Guidelines, and Standards as mentioned above subject to the following observation:

- *Company is a material non-listed subsidiary of listed Company and pursuant to regulation 24(1) of the SEBI (LODR) Regulations 2015, listed holding company has to nominate one of its independent directors on the Board of the Company and the same is not complied with.*
- *Pursuant to Section 203(4) of Companies Act, 2013, the Company was required to fill up the vacancy of Managing Director within a period of six months from the date of vacancy caused on 30<sup>th</sup> April 2018. However, the said vacancy is yet to be filled up by the Company.*

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. There were no changes in the composition of the Board of Directors during the year under review.
- Adequate notice, agenda and detailed notes on agenda 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.

**For HSPN & Associates LLP**  
Company Secretaries

**Prakash Naringrekar**  
Designated Partner  
ACS No.: 5941  
COP No.: 18955

Date: August 13, 2022  
Place: Mumbai  
ICSI UDIN: A005941D000794091  
Peer Review No.: 2507/2022

*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.*

## Directors' Report...(Continued)

### Annexure A

To,  
The Members,  
**EMPIRE MALL PRIVATE LIMITED.**  
105/106, Ground Floor, Dream Square,  
Dalia Industrial Estate,  
Off New Link Road,  
Andheri West Mumbai - 400053.

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

1. Our report of even date is to be read along with this letter.
2. 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.
3. 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.
4. We have not verified the correctness and appropriateness of financial records and Books of Accounts, and related documents of the Company.
5. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulation and happening of events, etc.
6. 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.
7. 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.

**For HSPN & Associates LLP**  
Company Secretaries

**Prakash Naringrekar**  
Designated Partner  
ACS No.: 5941  
COP No.: 18955

Date: August 13, 2022  
Place: Mumbai  
ICSI UDIN: A005941D000794091  
Peer Review No.: 2507/2022

## Directors' Report...(Continued)

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH, 2022**  
**[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,  
**HAGWOOD COMMERCIAL DEVELOPERS PRIVATE LIMITED**  
 105/106, Ground Floor, Dream Square,  
 Dalia Industrial Estate, Off New Link Road,  
 Andheri West Mumbai 400053.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **HAGWOOD COMMERCIAL DEVELOPERS PRIVATE 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 limited 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 period ended on 31<sup>st</sup> March, 2022, 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 31<sup>st</sup> March 2022, 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; Not Applicable during the period;
- 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. Being an unlisted company, the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act") are not 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 (Registrars to an Issue and Share Transfer Agents) Regulations, 1993
- d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 erstwhile Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 & The Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013;
- f. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 erstwhile Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009.
- g. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.

VI. The Management has identified and confirmed the applicable Acts, Laws and Regulations specifically applicable to the Company during the financial year ended 31<sup>st</sup> March 2022 as given below:•

- Real Estate (Regulation & Development) Act, 2016;
- The Building and other construction workers (Regulation of Employment and Conditions of Services) Act, 1996.

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 1<sup>st</sup> October, 2017.

During the year under review, the Company has in general complied with the provisions of the Act, Rules, Regulations,

## Directors' Report...(Continued)

Guidelines, and Standards as mentioned above subject to the following observation:

- *Company is a material non-listed subsidiary of listed Company and pursuant to regulation 24(1) of the SEBI (LODR) Regulations 2015, listed holding company has to nominate one of its independent directors on the Board of the Company.*
- *Pursuant to Section 203 of Companies Act, 2013, the Company was required to fill up the vacancy of Chief Financial Officer (CFO) within a period of six months from the date of vacancy caused on 4<sup>th</sup> November 2019. However, the said vacancy is yet to be filled up by the Company.*
- *Pursuant to Section 203 of Companies Act, 2013, the Company was required to fill up the vacancy of Company Secretary (CS) within a period of six months from the date of vacancy caused on 01<sup>st</sup> November 2020. However, the said vacancy is yet to be filled up by the Company.*

We further report that:

- The Board of Directors of the Company is constituted with Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors during the year under review.
- Adequate notice, agenda and detailed notes on agenda 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;

- In respect of four additional cases filed against the Company before Maharashtra Real Estate Regulatory Authority, Mumbai a sum of ₹ 13.86 lakhs are considered as estimated contingent liability towards interest as the matters are pending for final hearing / orders .
- Currently, Company is contesting the cancellation order issued by Airport Authority of India, Nagpur ('AAIN') and revalidation of the original No Objection Certificate ('NOC') for permission of maximum permissible height of the residential building at Nagpur. Further, the Appellate Committee of Ministry of Civil Aviation (MCA) has rejected the appeal and instructed the Airport operator to initiate action as per Aircraft (Demolition of Obstructions caused by buildings and tree, etc.) Rule 1994. The Company had obtained a stay against demolition order from the Honourable High Court of Bombay (Nagpur Bench). Considering the legal opinion and other factors, no adjustments have been made in the financial statements in respect of any write-down in the carrying value of inventories, provision towards expected demolition cost, and interest payable to customers on cancellation of bookings.

**For HSPN & Associates LLP**  
Company Secretaries

**Prakash Naringrekar**  
Designated Partner  
ACS No.: 5941  
COP No.: 18955

Date : August 13, 2022  
Place: Mumbai  
ICSI UDIN: A005941D000794113  
Peer Review No.: 2507/2022

**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.**



## Directors' Report...(Continued)

### Annexure A

To,  
The Members,  
**HAGWOOD COMMERCIAL DEVELOPERS PRIVATE LIMITED.**  
105/106, Ground Floor, Dream Square,  
Dalia Industrial Estate, Off New Link Road,  
Andheri West Mumbai 400053.

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

1. Our report of even date is to be read along with this letter.
2. 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.
3. 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.
4. We have not verified the correctness and appropriateness of financial records and Books of Accounts, and related documents of the Company.
5. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulation and happening of events, etc.
6. 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.
7. 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.

**For HSPN & Associates LLP**  
Company Secretaries

**Prakash Naringrekar**  
Designated Partner  
ACS No.: 5941  
COP No.: 18955

Date : August 13, 2022  
Place: Mumbai  
ICSI UDIN: A005941D000794113  
Peer Review No.: 2507/2022

## Directors' Report...(Continued)

### ANNEXURE – 3

#### 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 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 : 13.08.2022

Place: Mumbai

**Nikhil Chaturvedi**

Managing Director

DIN: 00004983

**Bipin Gurnani**

Whole-time Director

DIN: 07966971

## Directors' Report...(Continued)

### ANNEXURE 4

#### 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	7.37: 1
		Mr. Salil Chaturvedi, Dy. MD	4.91: 1
		Mr. Bipin Gurnani, CEO & WTD	5.73: 1
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. Bipin Gurnani, CEO & WTD	N.A.
		<i>Note: Appointed on 17.12.2021 and hence comparison is not applicable</i>	
		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	Decrease in 13%	
4	The Number of permanent employees on the rolls of the Company	There were 12 employees as on 31 <sup>st</sup> March 2022	
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 – Decrease in 2.27%	
		For employees other than managerial personnel: Decrease of 67.03%	
		(Note- The above changes are mainly caused due to promotion of non-managerial employee to the managerial position)	
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: 13.08.2022

Place: Mumbai

**Nikhil Chaturvedi**

Managing Director

DIN: 00004983

**Bipin Gurnani**

Whole-time Director

DIN: 07966971

## Directors' Report...(Continued)

### ANNEXURE-5

#### ANNUAL REPORT ON CSR ACTIVITIES

[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 rules made thereunder. 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. Web-link to the CSR policy: <https://www.prozoneintu.com/investors-corner/#1581566299984-41c222d2-f468>

2. The Composition of the CSR Committee.

SN	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Nikhil Chaturvedi, Chairman	Managing Director	0	0
2	Ms. Deepa Misra Harris, Member	Independent Director	0	0
3	Mr. Salil Chaturvedi, Member	Dy. Managing Director	0	0

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company. Web-link: [www.prozoneintu.com](http://www.prozoneintu.com)
4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report).- Not Applicable
5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any- Not Applicable

SN	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be setoff for the financial year, if any (in ₹)
----	----------------	--	--

Not Applicable

6. Average net profit of the company as per section 135(5) : ₹ 412.01 Lacs

7.

(a) Two percent of average net profit of the company as per section 135(5)	₹ 8.24 Lacs
(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	Nil
(c) Amount required to be set off for the financial year	Nil
(d) Total CSR obligation for the financial year (7a+7b-7c).	₹ 8.24 Lacs

8. a. CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)	
	Total Amount transferred to Unspent CSR Account as per section 135(6).	Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).
₹ 8.24 Lacs	Nil	Nil

## Directors' Report...(Continued)

b. Details of CSR amount spent against ongoing projects for the financial year:

1	2	3	4	5		6	7	8	9	10	11	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Project duration.	Amount allocated for the project (in ₹)	Amount spent in the current financial Year (in ₹).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹).	Mode of Implementation - Direct (Yes/ No).	Mode of Implementation - Through Implementing Agency	
				State.	Dis-trict.						Name	CSR Reg-istration number.
Not Applicable												

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

1	2	3	4	5		6	7	8	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Amount spent for the project (in ₹).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State.	District.			Name	CSR Registration number.
1	Relief of Poverty	Item no. (i)	Yes	Maha-rashtra	Mumbai	₹ 8.24 lacs	No	Omkar Andh Apang Samajik Sanstha	CSR00003196

(d) Amount spent in Administrative Overheads : NIL

(e) Amount spent on Impact Assessment, if applicable : NIL

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) : ₹ 8.24 lacs

(g) Excess amount for set off, if any : NIL

SN	Particular	Amount (in ₹)
1	Two percent of average net profit of the company as per section 135(5)	₹ 8.24 Lacs
2	Total amount spent for the Financial Year	₹ 8.24 lacs
3	Excess amount spent for the financial year [(ii)-(i)]	Nil
4	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
5	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

## Directors' Report...(Continued)

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in Rs).	Date of transfer	
Not Applicable							

- (b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

1	2	3	4	5	6	7	8	9
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in ₹).	Amount spent on the project in the reporting Financial Year (in ₹).	Cumulative amount spent at the end of reporting Financial Year. (in ₹)	Status of the project - Completed /Ongoing.
Not Applicable								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details). – Not Applicable

- (a) Date of creation or acquisition of the capital asset(s).  
 (b) Amount of CSR spent for creation or acquisition of capital asset.  
 (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.  
 (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).- Not Applicable

**For and on behalf of Board of Director**

Date: 13.08.2022  
Place: Mumbai

**Nikhil Chaturvedi**  
MD & Chairman- CSR Committee

# Corporate Governance Report

The Board present the Company's Report on Corporate Governance for the financial year ended 31<sup>st</sup> March 2022, 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 Company is among top 2000 companies on the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) on the basis of market capitalization. Accordingly, the Company is in compliance with the compliances applicable to it pursuant to its position on BSE and NSE.

The Corporate Governance Report of the Company for the year ended 31<sup>st</sup> March 2022 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 31<sup>st</sup> March 2022 the Board comprised of six Directors of which, Three Executive Directors and three Independent Directors including one Woman Director. Further Mr. Punit Goenka, an Independent Director heading the Board as Chairman. As on 31<sup>st</sup> March 2022, 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.

None of the Directors have any pecuniary or business relationship with the Company except to the extent as disclosed elsewhere in the Annual Report. No Director of the Company is either member in more than ten committees

and/or Chairman of more than five committees across all Companies in which he/she is Director .

Term of Board Membership:

The Board, on the recommendations of the Nomination and Remuneration Committee, considers the appointment and re-appointment of Directors.

During the year, Mr. Bipin Gurnani (DIN: 07966971) was appointed as CEO & Whole-time Director w.e.f 17<sup>th</sup> December, 2021 of the Company subject to the members approval at the ensuing Annual General meeting.

Section 152 of the Companies Act, 2013, states that one-third of the Board members other than Independent Directors who are subject to retire by rotation, shall retire every year and shall be eligible for re-appointment, if approved by the shareholders at the Annual General meeting.

In view of the above, Mr. Salil Chaturvedi, (DIN: 00004768), Director of the Company, retires by rotation at the forthcoming Annual General Meeting, and being eligible, seeks re-appointment.

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 2021-22, the Board met five times. The meetings were held on 22<sup>nd</sup> June 2021<sup>13</sup>, 13<sup>th</sup> August 2021, 11<sup>th</sup> November 2021, 17<sup>th</sup> December 2021 and 11<sup>th</sup> February 2022 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 31<sup>st</sup> March 2022, 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 <sup>1</sup>	No. of Board Meetings attended	Last AGM Attended	No. of Directorships and Committee Memberships and Chairmanships (including the Company) <sup>2</sup>		
				Directorship <sup>3</sup>	Committee	
					Chairmanship <sup>4</sup>	Membership <sup>4</sup>
Mr. Punit Goenka	C & ID	4	No	2 <sup>7</sup>	-	3
Mr. Umesh Kumar	ID	5	Yes	1	1	-
Ms. Deepa Misra Harris	ID	4	Yes	5 <sup>8</sup>	1	1
Mr. Nikhil Chaturvedi	MD	5	Yes	2 <sup>9</sup>	-	2
Mr. Salil Chaturvedi	Dy. MD	4	Yes	4 <sup>10</sup>	1	1
Mr. Bipin Gurnani <sup>11</sup>	WTD	1	No	1	-	-

## Corporate Governance Report...(Continued)

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, who are brothers, no other Directors are related to each other.
6. No Shares of the Company are being held by any Non-Executive Director as on 31<sup>st</sup> March 2022.
7. Mr. Punit Goenka's number of Directorship includes two listed Companies viz; Prozone Intu Properties Limited and Zee Entertainment Enterprises Limited holding position as Chairman and Independent Director, Managing Director and CEO 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 and one other unlisted public Company.
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 in both Companies.
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 and two other unlisted public companies.
11. Mr. Bipin Gurnani was appointed as WTD & CEO in the Company w.e.f. 17<sup>th</sup> December 2021.
12. Provogue India Limited is under liquidation and all powers of the Board or its committees have been vested with liquidator appointed by NCLT
13. In view of COVID-19 pandemic SEBI vide its circular dated 29<sup>th</sup> April 2021 related to "Regulation 33(3) - Quarterly financial results / Annual audited financial results" extended the time for conducting Board meeting for quarter and year ended 31<sup>st</sup> March 2022 .
14. Number of shares & convertible instruments held by Non-Executive Directors: Not Applicable
15. Resignation of Independent Director, if any during the financial year before expiry of tenure & reason for the same: Not Applicable

### b. Independent Director:

In opinion of the Board, the Independent Directors fulfill 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 2021-22 a separate meeting of Independent Director was held on 21<sup>st</sup> March 2022.

### 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 13<sup>th</sup> February 2019 decided to pay a sitting fee of ₹ 30,000/- to the Independent Directors for attending every meeting of the Board and Audit Committee with effect from i.e. 13<sup>th</sup> 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, 2022 are stated hereunder:



## 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 Bipin Ram Gurnani
1	Industry experience and Knowledge	✓	✓	✓		✓	✓
2	Sales and Marketing Functions	✓	✓			✓	✓
3	Management of Business Operations	✓	✓	✓			✓
4	Business Development and Strategy Formation	✓	✓	✓	✓	✓	✓
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 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. Brief description of terms 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, if any.

##### b. Composition , name of members and Chairperson:

Presently, the Committee comprises of three Independent Directors namely Mr. Punit Goenka, Mr. Umesh Kumar and Ms. Deepa Misra Harris, and one executive director Mr. Nikhil Chaturvedi, Managing Director of the Company. As on 31<sup>st</sup> March 2022, 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.

## Corporate Governance Report...(Continued)

### c. Meetings and attendance of the Audit Committee:

Audit Committee met four times during the financial year 2021-22 on 22<sup>nd</sup> June 2021<sup>2</sup>, 13<sup>th</sup> August 2021, 11<sup>th</sup> November 2021 and 11<sup>th</sup> February 2022. The gap between 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 <sup>1</sup>	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. Nikhil Chaturvedi <sup>2</sup>	MD	Member	4	4

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

2. In view of COVID-19 pandemic SEBI vide its circular dated 29<sup>th</sup> April 2021 related to "Regulation 33(3) - Quarterly financial results / Annual audited financial results" extended the time for conducting Audit Committee meeting for quarter and year ended 31<sup>st</sup> March 2022.

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](http://www.prozoneintu.com)

## 4. Nomination and Remuneration Committee:

### a. Brief description of terms of reference:

The Board has 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 31<sup>st</sup> March 2022 comprised of Mrs. Deepa Misra Harris, Independent Director as Chairperson and Mr. Punit Goenka, Independent Director and Mr. Umesh Kumar, Independent Director as members of the Committee.

### c. Meeting and attendance of the committee:

The members of the Nomination and Remuneration Committee met once on 11<sup>th</sup> February 2022 during the financial year under review and all the Members attended the meeting.

### d. Board Performance evaluation criteria

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) 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.

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.

## Corporate Governance Report...(Continued)

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 listing regulations
  - iii. Accountability under the Directors' Responsibility Statement
- iv. Overseeing the maintenance of Corporate Governance standards of the Company and ethical conduct of business

### 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. Ms. Deepa Misra Harris Independent Director is the Chairperson of the Committee. Mr. Ajayendra P. Jain, Company Secretary is a Compliance Officer of the Committee.

### c. Meetings and attendance of the Committee:

The Committee met four times during the financial year 2021-22 on 22<sup>nd</sup> June 2021, 13<sup>th</sup> August 2021, 11<sup>th</sup> November 2021 and 11<sup>th</sup> February 2022. The details of attendance of the members in meetings are as follows:

Name of the Member	Category <sup>1</sup>	Position	SRC Meetings	
			Held	Attended
Ms. Deepa Harris	ID	Chairperson	4	4
Mr. Punit Goenka	ID	Member	4	4
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 2021-22	Nil
Number of complaints not resolved to the satisfaction of the shareholders as on 31 <sup>st</sup> March 2022	Nil
Number of pending complaints as on 31 <sup>st</sup> March 2022	Nil

## Corporate Governance Report...(Continued)

### 5A. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

As on 31<sup>st</sup> March 2022, the Corporate Social Responsibility (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 Director 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](http://www.prozoneintu.com).

A detailed disclosure as per the requirements of section 135(3)(o) of the Companies Act 2013 read with applicable rules as amended thereunder, 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 dated 14<sup>th</sup> March 2022 passed by circulation approved the

donation amounting to ₹ 8.24 Lac to Omkar Andh Apang Samajik Sansthan towards 'upliftment of Socio-economic Backward Society by providing Health, Education and Self Employment' which is an activity prescribed as CSR Activity under Schedule VII of the Companies Act 2013.

#### 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;
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 has 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>

### 5B. RISK MANAGEMENT COMMITTEE: Not Applicable

## Corporate Governance Report...(Continued)

### 6. 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 2021-22 are as under:

S NO.	NAME OF THE DIRECTOR	BASIC SALARY PAID (₹)	ALLOWANCES & PERQUISITES (₹)	SITTING FEES PAID (₹)	TOTAL REMUNERATION (₹)
1	Mr. Punit Goenka	-	-	2,10,000	2,10,000
2	Mr. Nikhil Chaturvedi <sup>1&amp;2</sup>	1,80,00,000	-	-	1,80,00,000
3	Mr. Salil Chaturvedi <sup>1,2&amp;3</sup>	1,20,00,000	-	-	1,20,00,000
4	Ms. Deepa Harris	-	-	2,40,000	2,40,000
5	Mr. Umesh Kumar	-	-	2,70,000	2,70,000
6	Mr. Bipin Gurnani <sup>1&amp;4</sup>	-	-	-	39,65,000

1. Except above no other components are part of remuneration drawn by the Directors
2. Directors at serial nos. 2 & 3 are brothers.
3. The approval of the Central Government in terms of part A of Schedule V of the Companies Act 2013 pertaining to the previous tenure (27 Feb 2020) of Mr. Salil Chaturvedi as Deputy Managing Director is at advance stage and expected shortly. The Company is not required to seek any further approval from the Central Government related to the proposed appointment.
4. Mr. Bipin Gurnani appointed on the Board as an additional Whole-time Director w.e.f. 17<sup>th</sup> December 2021

### 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
<b>Annual General Meetings:</b>				
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
2019-20	29.09.20	3.00 p.m.	through Video Conferencing or Other Audio Visual Means (OAVM)	1
2020-21	30.09.21	3.00 p.m.	through Video Conferencing or Other Audio Visual Means (OAVM)	0

- None of the items transacted at the last Annual General Meeting held on 30<sup>th</sup> September 2021 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 2021-22, no resolution was passed by the Company through postal ballot.

## Corporate Governance Report...(Continued)

### 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/half yearly/ nine months and the annual financial statements other information required to be disseminated on Company's website in compliance with Regulation 46 are regularly posted on the Company's website i.e. [www.prozoneintu.com](http://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 is filed electronically on BSE's online Portal i.e. BSE Corporate Compliance & Listing Centre (Listing Centre); NSE's online portal i.e. NSE Electronic Application Processing System (NEAPS) and New Digital Exchange Portal of NSE. 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.

### 9. GENERAL SHAREHOLDERS INFORMATION:

#### Annual General Meeting: Date, Time and Venue:

As indicated in the notice accompanying this Annual Report, the 15<sup>th</sup> Annual General Meeting of the Company will be held on Friday, 30<sup>th</sup> September 2022 at 1.00 p.m. through VC/OAVM.

#### 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 2021-22.

**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 2021-22.****Details about compliance officer not mentioned and script code not mentioned.**

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

Un-audited results Q1 ending 30.06.2022	On or before 14 <sup>th</sup> August 2022
Un-audited results Q2/half year ending 30.09.2022	On or before 14 <sup>th</sup> November 2022
Un-audited results Q3/Nine months ending 31.12.2022	On or before 14 <sup>th</sup> February 2023
Audited Results for the year ending 31.03.2023	On or before 30 <sup>th</sup> May 2023

The above dates are subject to any further restrictions/relaxations imposed by the the Government or other appropriate authority.

**Book Closure Date:**

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

**Market Price Data:**

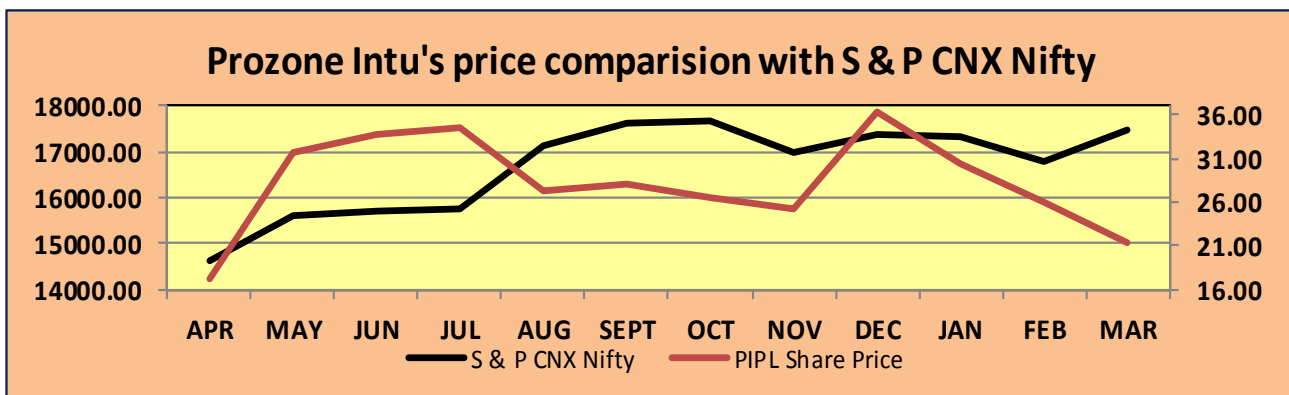
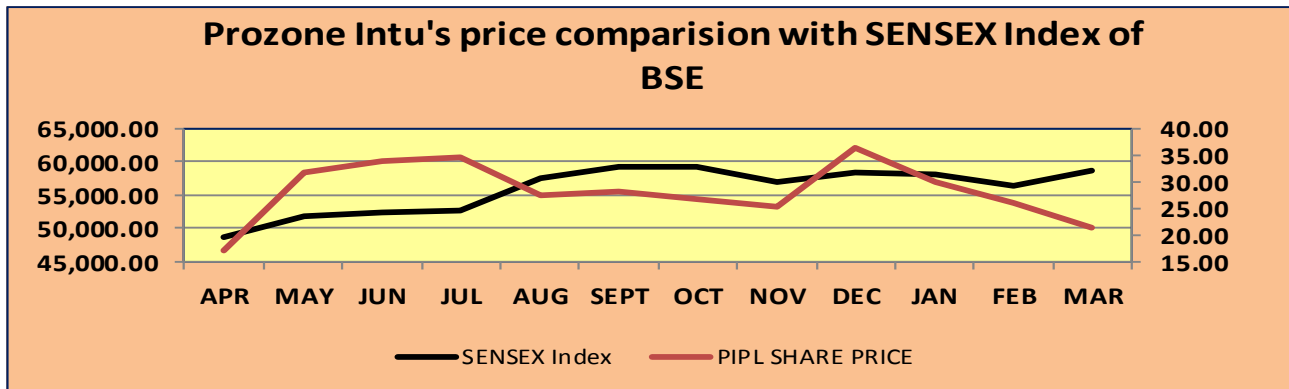
Market Price and Volume of the Company's Shares of face value of Rs 2 each traded in the Stock Exchanges where Company's shares are listed during the financial year 2021-22:

Month	BSE			NSE				
	Share Price (in ₹)			SENSEX	Share Price (in ₹)			NIFTY
	High	Low	Close	Close	High	Low	Close	Close
Apr-21	19.05	15.30	17.25	48,782.36	19.10	14.15	17.20	14631.10
May-21	31.75	16.15	31.75	51,937.44	31.65	15.45	31.65	15582.80
Jun-21	56.45	29.35	33.95	52,482.71	56.35	29.25	33.85	15721.50
Jul-21	41.15	30.60	34.50	52,586.84	41.05	30.60	34.40	15763.05
Aug-21	34.40	23.80	27.30	57,552.39	34.30	23.85	27.30	17132.20
Sep-21	29.95	26.50	28.05	59,126.36	30.00	26.50	28.10	17618.15
Oct-21	32.00	26.05	26.60	59,306.93	31.95	25.10	26.55	17671.65
Nov-21	30.85	25.00	25.20	57,064.87	30.80	25.10	25.20	16983.20
Dec-21	39.90	24.95	36.35	58,253.82	39.80	25.00	36.40	17354.05
Jan-22	37.35	29.00	30.10	58,014.17	38.00	28.85	30.25	17339.85
Feb-22	31.40	24.20	25.90	56,247.28	31.50	25.00	25.95	16793.90
Mar-22	26.90	21.25	21.35	58,568.51	26.45	21.20	21.35	17464.75

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 actively traded on BSE Limited and National Stock Exchange of India Limited and 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.



## Corporate Governance Report...(Continued)

### Share Transfer system:

Members may please note that SEBI vide its Circular No. SEBI/ HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the Listed Companies to issue securities in demat form only while processing service requests viz. Issue of duplicate securities certificate; claim from Unclaimed Suspense Account; Renewal/Exchange of securities certificate; Endorsement; Sub-division/Splitting of securities certificate; Consolidation of securities certificates/folios; Transmission and Transposition. Accordingly, Shareholders are requested to make service requests by submitting a duly filled and signed Form ISR-4, the format of which is available on the Company's website www.prozoneintu.com and on the website of the Company's RTA. It may be noted that any service request can be processed only after the folio is KYC compliant. SEBI vide its notification dated January 24, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical share and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or RTA, for assistance in this regard.

### Compliance of Share Transfer formalities:

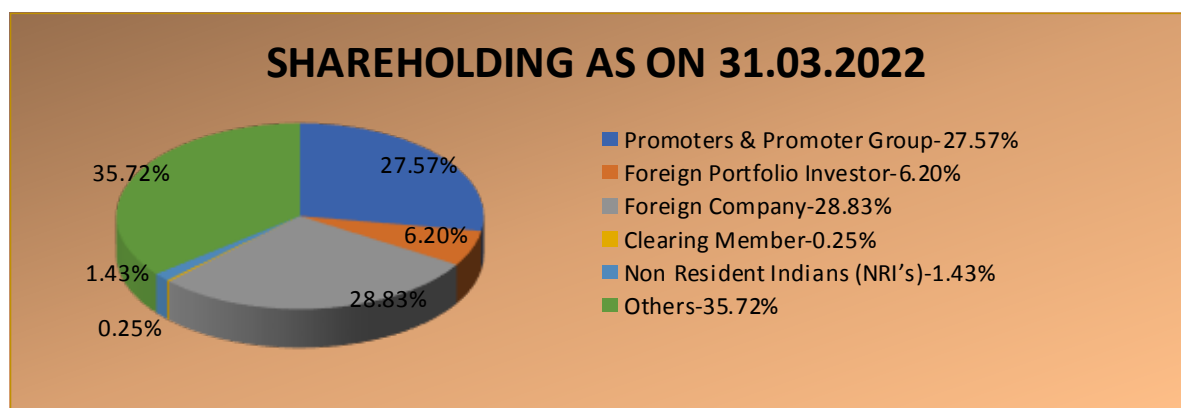
As per the requirement of Regulation 40(9) of the Listing Regulations, the Company has obtained certificates from the Company Secretary in practice for due compliance of share transfer formalities.

### Distribution of Shareholding as on March 31, 2022:

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	72477	83.9982	9047429	5.9287
501 to 1000	6896	7.9922	5781607	3.7887
1001 to 2000	3605	4.1781	5624133	3.6855
2001 to 3000	1202	1.3931	3109653	2.0377
3001 to 4000	500	0.5795	1816374	1.1903
4001 to 5000	519	0.6015	2494437	1.6346
5001 to 10000	667	0.773	4986107	3.2674
10001 to above	418	0.4844	119743143	78.4672
<b>Total</b>	<b>86284</b>	<b>100</b>	<b>152602883</b>	<b>100</b>

### Categories of Shareholders as on 31.03.2022:

Category	No. of Shares	% of Shareholding
Promoters & Promoter Group	4,20,66,552	27.57%
Foreign Portfolio Investor	94,54,284	6.20%
Foreign Company	4,39,95,788	28.83%
Clearing Member	3,75,290	0.25%
Non Resident Indians (NRI's)	21,74,594	1.43%
Others	5,45,36,375	35.72%
<b>Total</b>	<b>15,26,02,883</b>	<b>100.00%</b>



## Corporate Governance Report...(Continued)

### Dematerialization of shares and liquidity:

The Company has entered into a tripartite agreement with the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) to provide trading of shares in dematerialized form. As on 31<sup>st</sup> March 2022, 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 31<sup>st</sup> March, 2022, 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](http://www.prozoneintu.com)

### Credit Ratings

The Company has not obtained any credit rating during the financial year under review.

## 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 except having a common independent director from the Board of the holding Company to its material subsidiary companies. 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 except the following:

During the year, BSE and NSE levied a fine of ₹ 9,97,100/- for not having a minimum 6 (Six) Directors on its Board as required under Regulation 17(1)(c) of SEBI (LODR) Regulations 2015. The Company made the Compliance good by appointing one more director on Board w.e.f. 17<sup>th</sup> December, 2021 and paid the requisite fine to BSE and NSE for delay in such appointment.

### c. Vigil Mechanism and Whistle Blower Policy:

Pursuant to Section 177(9) and (10) of the Companies Act, 2013 and the regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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 as stipulated under Regulation 34(3) read with Para C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## Corporate Governance Report...(Continued)

The details of adoption of non-mandatory requirements as per Part E of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 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 2021-22. 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.
5	Separate posts of Chairman and CEO	The Company has appointed Independent Director as Chairman of the Company and hence there are separate posts of Chairman and CEO.

### e. Subsidiary monitoring framework:

The Company has 08 subsidiary companies (including 1 foreign company) as on 31<sup>st</sup> March, 2022 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:

- Financial Statements and in particular the investments made by the unlisted subsidiary company are reviewed by the Audit Committee of the Company.
- 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 as specified under Regulation 32(7A) : Not Applicable

i. A certificate from M/s HSPN & Associates, Practising 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 as Annexure I.

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 ₹ 83.13 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

## Corporate Governance Report...(Continued)

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

**m.** Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount : Not Applicable

**11.** Non-compliance of any requirement of Corporate Governance Report of sub paras (2) to (10) above, with reasons thereof: Related details have been covered in respective para above.

**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, Mr. Anurag Garg, Chief Financial Officer and Mr. Bipin Gurnani, Whole-time Director and CEO have provided certification on financial reporting and internal control to the Board as required under Regulation 17(8) of the SEBI (LODR) Regulations, 2015. The said certificate is attached as 'Annexure II'.

### 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, Bipin Gurnani, CEO & Whole-time 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, 2022."

Bipin Gurnani, CEO & WTD  
DIN: 07966971

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

Not Applicable

### 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. Secretarial Compliance Report:

M/s HSPN & Associates had issued Secretarial Compliance Report for the financial year ended on 31<sup>st</sup> March 2022 and the same has been submitted to Stock Exchanges.

### 20. Risk Management:

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

## Corporate Governance Report...(Continued)

### 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](http://www.prozoneintu.com)

For and on behalf of Board of Director

**Nikhil Chaturvedi**  
Managing Director  
DIN:00004983

Date: 13.08.2022  
Place: Mumbai

**Bipin Gurnani**  
Whole-time Director  
DIN:07966971

## Corporate Governance Report...(Continued)

### ANNEXURE I

#### 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, Off New Link Road,  
Andheri West,  
Mumbai – 400053.

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 and 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 March 31, 2022 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. Umesh Kumar	01733695	23/05/2019
6.	Mr. Bipin Ram Gurnani	07966971	17/12/2021

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 **HSPN & Associates LLP**  
Company Secretaries

**Hemant Shetye**

Partner

FCS: 2827

CP No: 1483

ICSI UDIN:F002827D000791661

Peer Review No: 2507/2022

Date: 13<sup>th</sup> August, 2022

Place: Mumbai

## Corporate Governance Report...(Continued)

### ANNEXURE II

To,  
The Board of Directors  
**Prozone Intu properties Limited**  
Mumbai

Dear Sirs,

Pursuant to the Regulation 17(8) read with Part B of Schedule II of SEBI (LODR) Regulations, 2015 we express opinion on the following in connection with the audited financial results of the Company for the year ended 31<sup>st</sup> March 2022:

- A. We have reviewed financial statements and the cash flow statement for the year 2021-22 and that to the best of our knowledge, explanation given and belief:
  1. these statements do not contain any material untrue statement or contain statements that might be misleading;
  2. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- C. We accept responsibility for facilitating establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we through internal audit reports have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps have taken or proposed to take to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit Committee that:
  1. There are no Significant changes in internal control over the financial reporting during the year except changes done in risk control matrix, reviewed by Internal auditors;
  2. There have been no Significant changes in accounting policies except as disclosed in Financial Statement during the year which are required to be disclosed in the notes to the financial statements; and
  3. To the best of knowledge and information shared, no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over the financial reporting.

Date : 30.05.2022  
Place: Mumbai

Sd/-  
**Nikhil Chaturvedi**  
Managing Director

Sd/-  
**Bipin Gurnani**  
CEO & WTD

Sd/-  
**Anurag Garg**  
CFO

## Corporate Governance Report...(Continued)

### ANNEXURE III

#### Certificate on Compliance with the Corporate Governance requirements under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To,  
The Members,  
**Prozone Intu Properties Limited**  
105/106, Ground Floor, Dream Square,  
Dalia Industrial Estate, Off New Link Road,  
Andheri West Mumbai – 400053.

The Corporate Governance Report prepared by Prozone Intu Properties Limited ("the Company"), contains details as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") with respect to Corporate Governance for the year ended March 31, 2022 pursuant to the Listing Agreement of the Company with the BSE Limited and National Stock Exchange of India Limited (referred to as the "Stock Exchanges").

#### Management's Responsibility

The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.

#### Auditor's Responsibility

Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether for the year ended March 31, 2022 the Company has complied, with the conditions of Corporate Governance as stipulated in the Listing Regulations.

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.

#### Opinion

In our opinion, based on our examination of the relevant records and to the best of our information and according to explanations given to us, and representations provided by the management, we certify that, the Company, has complied with the conditions of Corporate Governance as stipulated, in the above-mentioned Listing Regulations during the year ended March 31, 2022 except for following:

1. *Due to the resignation of Mr. Dushyant Singh Sangar, Non-executive Director, Composition of the Board fell below the minimum requirement of Regulation 17(1) of SEBI (LODR) Regulations, 2015. The Company appointed Mr Bipin Ram Gurnani as an Executive Director of the Company w.e.f., 17<sup>th</sup> December, 2021 and paid a penalty to BSE and NSE for a delay in compliance of said regulation. As on date, the Company is compliant with the provisions of the Regulation and Board of Directors of the Company is constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.*
2. *In terms of Regulation 17(2) and Regulation 18(2) of SEBI (LODR) Regulations, 2015, The gap between two Board Meetings and Audit Committee Meetings during June 2021 Quarter exceeded more than 120 days. As informed by the management, the delay in convening the meeting in June 2021 Quarter was due to an extension in the timeline for holding a meeting to approve audited financial results for the quarter and year ended 31<sup>st</sup> March 2021 from 30<sup>th</sup> May 2021 to 30<sup>th</sup> June 2021 vide SEBI Circular No. SEBI/HO/CFD/CMDI/P/CIR/2021/556 dated 29<sup>th</sup> April 2021 under Regulation 33 of SEBI (LODR) Regulations, 2015. The Company has made suitable representation to the Stock Exchange(s) in this regard.*
3. *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.*



**Other Matters and Restriction on use**

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

The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations, for the year ended March 31, 2022, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

Thanking You,

For **HSPN & Associates LLP**  
Company Secretaries

**Hemant Shetye**

Partner

FCS: 2827

CP No: 1483

ICSI UDIN:F002827D000791714

Peer Review No: 2507/2022

Date: 13<sup>th</sup> August, 2022

Place: Mumbai

# 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 2022, 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 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 2022, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

## Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the 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 obtained by us 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 11 to the standalone financial statements)

The Key Audit Matter	How the matter was addressed in our audit
<p>The carrying amount of the investments in subsidiaries and joint venture companies held at fair value through other comprehensive income (FVOCI) represents 82.14% and the loans to subsidiaries and joint venture companies represents 16.16% of the Company's total assets respectively.</p> <p><b>Valuation of investment in subsidiaries and joint venture companies</b></p> <p>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 are 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 Mumbai. 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. 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.</p>	<p><b>Valuation of investment in subsidiaries and joint venture companies</b></p> <p><b>Our audit procedures included:</b></p> <ul style="list-style-type: none"> <li>We have inspected the valuation reports obtained from independent external valuers of the Company;</li> <li>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;</li> <li>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;</li> <li>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;</li> <li>We performed a sensitivity analysis over key assumptions, including the cashflows and discount rates;</li> <li>We have considered the cash flow projections reflect the most recent forecast as approved by the Company in consultation with the valuer; and</li> <li>We have considered the adequacy of disclosures in respect of the investment in subsidiaries and joint venture companies.</li> </ul>

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

The Key Audit Matter	How the matter was addressed in our audit
<p><b>Recoverability of loans to subsidiaries and joint venture companies</b></p> <p>The Company has extended loans to subsidiaries and joint venture companies which require assessment for recoverability at each period end. Financial assets, which include current loans to subsidiaries and joint venture companies aggregated to Rs 11,142.14 lakhs at 31 March 2022. 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.</p>	<p><b>Recoverability of loans to subsidiaries and joint venture companies</b></p> <p><b>Our procedures included:</b></p> <ul style="list-style-type: none"> <li>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;</li> <li>We tested cash receipts received in relation to these loans during the year through to bank statement;</li> <li>Perform interest recomputation on the loans given to related parties;</li> <li>Assessed the net worth of subsidiaries and joint ventures companies on the basis of the latest available financial statements; and</li> <li>We have obtained independent confirmations to test completeness and existence of loans and advances held by related parties as on 31 March 2022.</li> </ul>

### Revenue recognition (refer note 24 to the standalone financial statements)

The Key Audit Matter	How the matter was addressed in our audit
<p>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 and joint venture. 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.</p> <p>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.</p>	<ul style="list-style-type: none"> <li>We tested the design, implementation and operating effectiveness of key controls over revenue recognition;</li> <li>We performed substantive analytical procedures such as recomputation of revenue;</li> <li>We performed test of details involving basis of allocation of employee's costs to its subsidiaries;</li> <li>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;</li> <li>We inspected agreements entered into between the Company and its subsidiaries and joint venture to assess revenue is correctly accounted for;</li> <li>We assessed and challenged key judgments involved in interpreting the contractual terms;</li> <li>We evaluated journal entries for any evidence of override of controls and obtained evidence for any individually unusual and/or significant revenue journals;</li> <li>We reconciled the employee costs with the underlying document such as salary register; and</li> <li>We read the Transfer pricing report done by independent person and provided to us for justifying Arm Length Price.</li> </ul>

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

### 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 auditor's 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' Responsibilities 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 the 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.
- 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 the Management and Board of Directors use of the going concern basis of accounting in preparation of standalone financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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.

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

- 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 auditor's 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 (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. (A) As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) The 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 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 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 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 Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- a) The Company has disclosed the impact of pending litigations as at 31 March 2022 on its financial position in its standalone financial statements - Refer Note 31 to the standalone financial statements.

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

- c) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

- d) (i) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the Note 46 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
  - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or
  - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

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

- (ii) The management has represented, that, to the best of its knowledge and belief, as disclosed in the Note 46 to the standalone financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:

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

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or
  - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.
- (iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11 (e) contain any material mis-statement.
- e) The Company has neither declared nor paid any dividend during the year.
- (C) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

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) of the Act 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: 22108511AJUAZB1075

**Place: Mumbai**  
**Date: 28 May 2022**

# Annexure A to the Independent Auditors' Report – 31 March 2022

Prozone Intu Properties Limited

Annexure A to the Independent Auditors' Report – 31 March 2022

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory requirements' section our report of even date)

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and Investment Property.
- (B) The Company does not have any intangible assets. Accordingly, paragraph 3(i)(a)(B) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment including Investment property by which all property, plant and equipment including investment properties 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. No discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the Note 4 of the standalone financial statements are held in the name of the Company, except for the following which are not held in the name of the Company:

Description of property	Gross carrying value (Rs in lakhs)	Held in the name of	Whether promoter, director or their relative or employee	Period held- indicate range, where appropriate	Reason for not being held in the name of the Company. Also indicate if in dispute
Freehold Building	95.22	Provogue (India) Limited	No	From 31 March 2012	The immovable property comprising of building, was vested to the Company as per the Composite Scheme of Arrangement and Amalgamation during the year ended 31 March 2012 and is held in the name of the erstwhile demerged company.

- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment or intangible assets or both during the year.
- (e) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The Company is a service company, primarily rendering management consulting services. Accordingly, it does not hold any physical inventories. Accordingly, clause 3(ii)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned any working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) 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 made investments, provided guarantee, granted unsecured loans to companies in respect of which the requisite information is as below. The Company has not provided any security or granted any advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year. The Company has not made any investments in, provided guarantees or granted loans, secured or unsecured, to firms, limited liability partnership or any other parties during the year.
- (a) (A) Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has provided guarantees and granted unsecured loans to companies as below:

## Annexure A to the Independent Auditors' Report – ...(Continued)

31 March 2022

(₹. in lakhs)

Particulars	Guarantees	Loans
<b>Aggregate amount during the year</b>		
- Subsidiaries *	2,000.00	9,670.17
- Others	-	0.04
<b>Balance outstanding as at balance sheet date</b>		
- Subsidiaries *	40,902.25	11,142.14
- Others	-	1,152.14

\* As per Companies Act, 2013

The Company has not provided any security or advances in the nature of loans during the year. The Company has not provided any guarantees or granted loans, secured or unsecured, to any other party during the year.

- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made, guarantees provided during the year and the terms and conditions of the grant of loans are, prima facie, not prejudicial to the interest of the Company. The Company has not provided any security or granted any advances in the nature of loans during the year.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of the unsecured loans given to companies, the principal and interest are repayable on demand. As informed to us, the borrowers have been regular in repayment of principal and interest as demanded by the Company during the year. Further, the Company has not given any advance in the nature of loan to any party during the year.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.
- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion the Company has not granted loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment except for the following loans or advances in the nature of loans to its Promoters and related parties as defined in clause (76) of section 2 of the Companies Act, 2013 ("the Act"):

(₹ in lakhs)

	All parties	Promoters	Related Parties
Aggregate of loans / advances of loan			
- Repayable on demand (A)	12,295.28	-	11,143.14
- Agreement does not specify any terms or period of Repayment (B)	-	-	-
Total (A+B)	12,295.28	-	11,143.14
Percentage of loans / advances in nature of loan to the total loans	100%	-	90.63%

According to the information and explanations given to us and on the basis of our examination of records of the Company, in respect of investments made, loans given and guarantees given by the Company, in our opinion the provisions of Sections 185 and 186 of the Companies Act, 2013 ("the Act") have been complied with. The Company has not provided any security and accordingly, compliance under Sections 185 and 186 of the Act in respect of providing securities is not applicable to the Company.

- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the services provided by it. Accordingly, clause 3(vi) of the Order is not applicable.



## Annexure A to the Independent Auditors' Report – ...(Continued)

### 31 March 2022

- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Provident fund, Professional tax, Property tax, Cess and other statutory dues have been regularly deposited with the appropriate authorities. According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax and Income-tax have generally been regularly deposited with the appropriate authorities, though there have been slight delays in a few cases. As explained to us, the Company did not have any dues on account of wealth tax, Custom duty and Employees' State Insurance.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Services Tax, Provident fund, Professional tax, Property tax, Income-tax, Cess and other statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Income- tax, Sales tax, Service Tax, Value added tax or other statutory dues which have not been deposited on account of any dispute, except as stated below:

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)	10.86	10.86	AY 2017-2018	Commissioner of Income-tax (Appeals)
Income Tax Act, 1961	Income-tax (interest thereon not ascertainable at present)	12.50	12.50	AY 2018-2019	Commissioner of Income-tax (Appeals)

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures as defined under the Act.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies (as defined under the Act).
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

## Annexure A to the Independent Auditors' Report – ...(Continued)

### 31 March 2022

- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) a to c of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016, as amended). Accordingly, the requirements of clause 3 (xvi) (d) are not applicable.
- (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

**For B S R & Co. LLP**

Chartered Accountants

Firm's Registration No. 101248W/W-100022

**Mansi Pardiwalla**

Partner

**Place:** Mumbai

**Date:** 28 May 2022

Membership No. 108511

UDIN: 22108511AJUAZB1075

## Annexure B to the Independent Auditors' Report – ...*(Continued)*

### 31 March 2022

**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**

**(Referred to in paragraph 2 (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 financial statements of Prozone Intu Properties Limited ("the Company") as of 31 March 2022 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 financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit 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 financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements

included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the 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 with reference to financial statements.

### Meaning of Internal Financial controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of 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 Standalone financial statements.

### Inherent Limitations of Internal Financial controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material 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 controls 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: 22108511AJUAZB1075

**Place: Mumbai**

**Date: 28 May 2022**

# Standalone Balance Sheet

as at 31 March, 2022

Particulars	Note	As At 31 March 2022	As At 31 March 2021
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	49.90	70.31
Investment property	4	70.34	73.91
Right of use assets	4A	-	-
Financial assets			
Investments	5	56,639.72	52,479.69
Other financial assets	6	459.45	1,089.21
Non-current tax assets (net)	7	169.21	216.66
<b>Total non-current assets</b>		<b>57,388.62</b>	<b>53,929.78</b>
<b>Current assets</b>			
Financial assets			
Investments	8	2.65	735.80
Trade receivables	9	272.65	168.45
Cash and cash equivalents	10	5.18	54.44
Loans	11	11,251.29	7,749.90
Other financial assets	12	26.17	591.58
Other current assets	13	6.29	3.68
<b>Total current assets</b>		<b>11,564.23</b>	<b>9,303.85</b>
<b>Total assets</b>		<b>68,952.85</b>	<b>63,233.63</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Equity share capital	14	3,052.06	3,052.06
Other equity	14.1	58,796.69	52,850.63
<b>Total equity</b>		<b>61,848.75</b>	<b>55,902.69</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
Borrowings	15	3.06	6.58
Provisions	16	49.26	52.56
Deferred tax liabilities (net)	17	5,761.78	4,123.62
Other non-current liabilities	18	1,057.04	1,148.38
<b>Total non-current liabilities</b>		<b>6,871.14</b>	<b>5,331.14</b>
<b>Current liabilities</b>			
Financial liabilities			
Borrowings	19	3.52	1,732.70
Trade payables	20		
Total outstanding dues to micro enterprises and small enterprises	20	4.36	0.99
Total outstanding dues to creditors other than micro enterprises and small enterprises	20	74.46	108.73
Other financial liabilities	21	25.75	23.64
Other current liabilities	22	81.03	89.87
Provisions	23	43.84	43.87
<b>Total current liabilities</b>		<b>232.96</b>	<b>1,999.80</b>
<b>Total equity and liabilities</b>		<b>68,952.85</b>	<b>63,233.63</b>
<b>Significant accounting policies</b>	2.2		
<b>Notes to the standalone financial statements</b>	3 - 49		

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

## Anurag Garg

Chief Financial Officer

## Bipin Gurnani

Wholetime Director

DIN : 07966971

## Ajayendra Jain

Company Secretary & CCO

Place : Mumbai

Date : 28 May 2022

Place : Mumbai

Date : 28 May 2022

# Standalone Statement of Profit & Loss

for the year ended 31 March, 2022

Particulars	Note	For the year ended 31 March, 2022	For the year ended 31 March, 2021
<b>Income</b>			
Revenue from operations	24	986.53	749.63
Other income	25	901.09	849.47
<b>Total Income</b>		<b>1,887.62</b>	<b>1,599.10</b>
<b>Expenses</b>			
Employee benefits expense	26	620.67	461.40
Finance costs	27	1.00	397.42
Depreciation expense	28	26.70	54.73
Other expenses	29	536.68	372.39
<b>Total Expenses</b>		<b>1,185.05</b>	<b>1,285.94</b>
<b>Profit before tax</b>		<b>702.57</b>	<b>313.16</b>
<b>Less : Tax expense:</b>	7		
Current tax (including of earlier years)		142.10	(0.55)
Deferred tax (credit)		30.92	276.25
<b>Total tax expenses</b>		<b>173.02</b>	<b>275.70</b>
<b>Profit for the year (A)</b>		<b>529.55</b>	<b>37.46</b>
<b>Other comprehensive income (OCI)</b>			
<b>Items that will not be reclassified subsequently to profit or loss:</b>			
- Remeasurement of post employment benefit obligation	34	9.22	1.22
- Profit / (Loss) from investments measured at FVOCI		7,014.53	(35,265.24)
- Income tax effect on above		(1,607.24)	7,724.33
<b>Other comprehensive income / (loss) for the year, net of tax (B)</b>		<b>5,416.51</b>	<b>(27,539.69)</b>
<b>Total comprehensive income / (loss) for the year (A+B)</b>		<b>5,946.06</b>	<b>(27,502.23)</b>
<b>Earnings per equity share</b>	30		
(per equity share of nominal value ₹ 2 each)			
<b>Basic and diluted (in ₹)</b>		<b>0.35</b>	<b>0.02</b>
Significant accounting policies	2.2		
Notes to the standalone financial statements	3 - 49		

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 :** 28 May 2022

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

**Nikhil Chaturvedi**  
Managing Director  
DIN : 00004983

**Anurag Garg**  
Chief Financial Officer

**Place :** Mumbai  
**Date :** 28 May 2022

**Bipin Gurnani**  
Wholtime Director  
DIN : 07966971

**Ajayendra Jain**  
Company Secretary & CCO

# Standalone statement of changes in equity

## for the year ended 31 March 2022

### A) Equity share capital

Particulars	Note	Number	Amount
<b>Equity shares of ₹ 2 each issued, subscribed and paid</b>			
<b>Balance as at the 1 April 2020</b>	14	15,26,02,883	3,052.06
Changes in equity share capital due to prior period item		-	-
Restated balance at the beginning of the current reporting period		-	-
Changes in equity share capital for the year ended 31 March 2021		-	-
<b>Balance as at the 31 March 2021</b>		<b>15,26,02,883</b>	<b>3,052.06</b>
Changes in equity share capital due to prior period item		-	-
Restated balance at the beginning of the current reporting period		-	-
Changes in equity share capital for the year ended 31 March 2022		-	-
<b>Balance as at the 31 March 2022</b>		<b>15,26,02,883</b>	<b>3,052.06</b>

### B) Other equity

Particulars	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	
<b>Balance as at 1 April 2020</b>	14.1	<b>36,434.05</b>	<b>378.86</b>	<b>1,159.93</b>	<b>42,388.86</b>	<b>(8.84)</b>	<b>80,352.86</b>
Total comprehensive income / (loss) for the year		-	-	37.46	(27,540.61)	0.91	(27,502.23)
<b>Balance as at 31 March 2021</b>		<b>36,434.05</b>	<b>378.86</b>	<b>1,197.39</b>	<b>14,848.25</b>	<b>(7.93)</b>	<b>52,850.63</b>
Total comprehensive income / (loss) for the year		-	-	529.55	5,409.60	6.90	5,946.07
<b>Balance as at the 31 March 2022</b>		<b>36,434.05</b>	<b>378.86</b>	<b>1,726.96</b>	<b>20,257.85</b>	<b>(1.03)</b>	<b>58,796.69</b>

Refer note 14.1 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

Place : Mumbai  
Date : 28 May 2022

#### For and on behalf of the Board of Directors of

**Prozone Intu Properties Limited**  
CIN: L45200MH2007PLC174147

#### Nikhil Chaturvedi

Managing Director  
DIN : 00004983

#### Anurag Garg

Chief Financial Officer

Place : Mumbai  
Date : 28 May 2022

#### Bipin Gurnani

Wholetime Director  
DIN : 07966971

#### Ajayendra Jain

Company Secretary & CCO

# Standalone statement of cash flows

## for the year ended 31 March 2022

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>A. Cash flows from operating activities:</b>		
Profit before tax	702.57	313.16
Adjustments for:		
Depreciation expenses	26.70	54.73
Finance costs (including fair value change in financial instruments)	1.00	397.42
Interest income (including fair value change in financial instruments)	(745.13)	(732.28)
Liabilities no longer required written back	(0.31)	-
Loss on sale of property, plant and equipment	0.39	-
Profit on sale of current investments	(44.31)	(2.27)
Notional corporate guarantee income	(111.34)	(102.02)
Notional loss / (gain) on value of current investments measured at FVTPL	2.35	(1.40)
<b>Operating cash flows before working capital changes</b>	<b>(168.08)</b>	<b>(72.66)</b>
<b>Adjustments for changes in working capital:</b>		
(Increase) in trade receivables	(104.20)	(10.40)
Decrease in other financial assets	1,195.43	1,220.27
(Increase) / decrease in other assets	(2.61)	0.87
(Decrease) / Increase in trade payables	(31.12)	5.98
Increase in other financial liabilities	2.11	7.64
(Decrease) in other liabilities	(8.84)	(374.53)
Increase in provisions	6.20	7.77
<b>Cash flows generated from operations</b>	<b>888.89</b>	<b>784.94</b>
Direct taxes paid (net of refunds received)	(94.65)	(41.10)
<b>Net cash flows generated from operating activities (A)</b>	<b>794.24</b>	<b>743.84</b>
<b>B. Cash flows from investing activities:</b>		
Sale of property, plant and equipment and investment property (net)	(6.14)	(7.91)
Sale of property, plant and equipment and investment property	3.02	-
Sale / (Purchase) of investments (Net)	3,649.60	(455.10)
Loans and advances given	(9,676.66)	(3,998.15)
Loans and advances received back	6,920.16	3,745.50
<b>Net cash flows generated (used in) investing activities (B)</b>	<b>889.98</b>	<b>(715.66)</b>
<b>C. Cash flows from financing activities:</b>		
Repayment of borrowings	(1,732.70)	(2.94)
Interest paid	(0.78)	(1.07)
<b>Net cash flows (used in) financing activities (C)</b>	<b>(1,733.48)</b>	<b>(4.01)</b>
<b>Net (Decrease) / Increase in cash and cash equivalents (A+B+C)</b>	<b>(49.26)</b>	<b>24.17</b>
Cash and cash equivalents at the beginning of the year	54.44	30.27
<b>Cash and cash equivalents at the end of the year</b>	<b>5.18</b>	<b>54.44</b>

### 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.

## Standalone statement of cash flows...(Continued)

### for the year ended 31 March 2022

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Reconciliation of Cash and Cash Equivalents as per the Standalone Statement of Cash Flows.</b>		
<b>Cash and Cash Equivalents as per the above comprise of the following:</b>		
Cash in hand	1.38	3.72
In bank current accounts	2.31	38.01
Cheques on hand	1.49	12.71
	<b>5.18</b>	<b>54.44</b>

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

Particulars	31 March 2021	Cash flows	Non-cash changes		31 March 2022
			Fair value changes	Current / Non - current classification	
Long-term borrowings	6.58	(3.21)	-	(0.31)	3.06
Current borrowings	1,732.70	(1729.49)	-	0.31	3.52
Other financial liabilities	-	-	-	-	-
<b>Total liabilities from financing activities</b>	<b>1,739.28</b>	<b>(1732.70)</b>	<b>-</b>	<b>-</b>	<b>6.58</b>

Particulars	31 March 2020	Cash flows	Non-cash changes		31 March 2021
			Fair value changes	Current / Non - current classification	
Long-term borrowings	1,345.35	(2.94)	393.94	(1,729.77)	6.58
Current borrowings	-	-	-	1,732.70	1,732.70
Other financial liabilities	2.93			(2.93)	-
<b>Total liabilities from financing activities</b>	<b>1,348.28</b>	<b>(2.94)</b>	<b>393.94</b>	<b>0.00</b>	<b>1,739.28</b>

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 : 28 May 2022

#### For and on behalf of the Board of Directors of

**Prozone Intu Properties Limited**  
CIN: L45200MH2007PLC174147

#### Nikhil Chaturvedi

Managing Director  
DIN : 00004983

#### Anurag Garg

Chief Financial Officer

Place : Mumbai  
Date : 28 May 2022

#### Bipin Gurnani

Wholetime Director  
DIN : 07966971

#### Ajayendra Jain

Company Secretary & CCO



# Notes to the standalone financial statements

## for the year ended 31 March, 2022

### 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.

These standalone financial statements for the year ended 31 March 2022 have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on 28 May 2022.

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 2022 is included in the following notes:

- Note 17 - recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used;
- Note 34 - measurement of defined benefit obligations: key actuarial assumptions;
- Notes 16, 23 and 31 - recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;
- Note 40 - 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) Recent Accounting Developments

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. Ministry of Corporate Affairs (MCA), vide notification dated 23rd March, 2022, has made the following amendments to Ind AS which are effective 1st April, 2022:

- a. Ind AS 109: Annual Improvements to Ind AS (2021)
- b. Ind AS 103: Reference to Conceptual Framework
- c. Ind AS 37: Onerous Contracts - Costs of Fulfilling a Contract
- d. Ind AS 16: Proceeds before intended use

Based on preliminary assessment, the Company does not expect these amendments to have any significant impact on its standalone financial statements.

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

### for the year ended 31 March, 2022

#### (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.

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 entirety 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 40 – financial instruments and
- Note 4 – investment property

#### (g) Current and non-current classification

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.

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 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.

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

### for the year ended 31 March, 2022

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 an 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 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 sole 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

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

### for the year ended 31 March, 2022

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.

#### **(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.

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

### for the year ended 31 March, 2022

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 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.

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

### for the year ended 31 March, 2022

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.

#### **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 generate 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

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

### for the year ended 31 March, 2022

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 recognised 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.

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

### for the year ended 31 March, 2022

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 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



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

### for the year ended 31 March, 2022

#### (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 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

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

### for the year ended 31 March, 2022

- 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.

#### 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 already exercised the the said option in preceding year.

#### 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.

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

as at 31 March 2022

### Note 3 : Property, plant and equipment

Particulars	Furniture and fittings	Motor vehicles	Office equipments	Computers	Total
<b>Gross Block:</b>					
<b>Balance as at 1 April 2020</b>	<b>72.43</b>	<b>157.35</b>	<b>22.06</b>	<b>27.97</b>	<b>279.81</b>
Additions	-	-	4.84	3.07	7.91
Disposals	-	-	-	-	-
<b>Balance as at 31 March 2021</b>	<b>72.43</b>	<b>157.35</b>	<b>26.90</b>	<b>31.04</b>	<b>287.72</b>
Additions	-	-	3.83	2.31	6.14
Disposals	-	(68.28)	-	-	(68.28)
<b>Balance as at 31 March 2022</b>	<b>72.43</b>	<b>89.07</b>	<b>30.73</b>	<b>33.35</b>	<b>225.58</b>
<b>Accumulated depreciation:</b>					
<b>Balance as at 1 April 2020</b>	<b>41.64</b>	<b>105.14</b>	<b>12.99</b>	<b>23.00</b>	<b>182.77</b>
Depreciation for the year	6.68	16.11	7.13	4.72	34.64
Disposals	-	-	-	-	-
<b>Balance as at 31 March 2021</b>	<b>48.32</b>	<b>121.25</b>	<b>20.12</b>	<b>27.72</b>	<b>217.41</b>
Depreciation for the year	6.01	8.65	5.75	2.72	23.13
Disposals	-	(64.87)	-	-	(64.87)
<b>Balance as at 31 March 2022</b>	<b>54.33</b>	<b>65.03</b>	<b>25.88</b>	<b>30.44</b>	<b>175.68</b>
<b>Net Block:</b>					
At 31 March 2021	24.11	36.10	6.78	3.33	70.31
<b>At 31 March 2022</b>	<b>18.10</b>	<b>24.04</b>	<b>4.85</b>	<b>2.91</b>	<b>49.90</b>

### Note 4 : Investment property

#### A. Reconciliation of carrying amount

Particulars	Building*
<b>Gross carrying amount:</b>	
Carrying amount as at 1 April 2020	95.22
Additions	-
Disposals	-
<b>Balance as at 31 March 2021</b>	<b>95.22</b>
Additions	-
Disposals	-
<b>Balance as at 31 March 2022</b>	<b>95.22</b>
<b>Accumulated depreciation:</b>	
Balance as at 1 April 2020	17.56
Depreciation for the year	3.75
<b>Balance as at 31 March 2021</b>	<b>21.31</b>
Depreciation for the year	3.57
<b>Balance as at 31 March 2022</b>	<b>24.88</b>
<b>Carrying amounts (net):</b>	
At 31 March 2021	73.91
<b>At 31 March 2022</b>	<b>70.34</b>
<b>Fair Value:</b>	
At 31 March 2021	535.00
<b>At 31 March 2022</b>	<b>436.46</b>

\* Held in the name of erstwhile demerged Company

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

as at 31 March 2022

Relevant line item in Balance sheet	Description of item of property	Gross carrying value (in lakhs)	Title deeds held in the name of	whether title deeds holder is a promotor, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
Investment property	Building	95.22	Erstwhile demerged company ie Provogue India Limited	No	31-03-2012	Name pending to be transfer due to pending stampduty matter (refer note 31)

### 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

Though the Company measures investment property using cost based measurement, the fair value of investment property is based on valuation performed by an accredited independent valuer who has relevant valuation experience for similar office properties and is a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017. The main inputs used are location and locality, facilities and amenities, quality of construction, residual life of building, business potential, supply and demand, local nearby enquiry, market feedback of investigation and Ready Reckoner published by the Government.

#### iii. Information regarding income and expenditure of investment Property:

Particulars	31 March 2022	31 March 2021
Rental Income derived from Investment Property	-	-
Direct Operating Expenses	-	-
Profit arising from investment property before depreciation	-	-
Less: Depreciation	3.57	3.75
Profit arising from Investment Property	<b>(3.57)</b>	<b>(3.75)</b>

#### 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
<b>Gross carrying amount:</b>	
Carrying amount as at 1 April 2020	44.34
Additions	-
Disposals	-
<b>Balance as at 31 March 2021</b>	<b>44.34</b>
Additions	-
Disposals	-
<b>Balance as at 31 March 2022</b>	<b>44.34</b>

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

as at 31 March 2022

Particulars	Right of use
<b>Accumulated depreciation:</b>	
<b>Balance as at 1 April 2020</b>	<b>28.00</b>
Depreciation for the year	16.34
<b>Balance as at 31 March 2021</b>	<b>44.34</b>
Depreciation for the year	-
<b>Balance as at 31 March 2022</b>	<b>44.34</b>
<b>Carrying amounts (net):</b>	
<b>At 31 March 2021</b>	<b>-</b>
<b>At 31 March 2022</b>	<b>-</b>

\* refer note no 42

### Note 5 : Investments

#### Non-current investments

Particulars	31 March 2022	31 March 2021
<b>Investments valued at fair value through other comprehensive income (FVOCI)</b>		
a) <u>Investment in equity shares</u>		
i) In Indian subsidiaries	11,678.36	8,883.11
ii) In foreign subsidiary	39,458.26	39,473.15
iii) In joint venture	2,428.10	1,048.43
b) <u>Investment in debentures</u>		
i) In Indian subsidiary	3,075.00	3,075.00
<b>Total non-current investments</b>	<b>56,639.72</b>	<b>52,479.69</b>

#### Note 5.1: Detailed list of non-current investments

Face value of ₹ 10 each, unless otherwise stated	31 March 2022		31 March 2021	
	Nos	₹ in lakhs	Nos	₹ in lakhs
Investments valued at fair value, fully paid up, unquoted, unless otherwise stated				
<b>a) Investments in equity shares:</b>				
<b>i) In subsidiaries</b>				
Alliance Mall Developers Co Private Limited	20,10,000	11,677.36	20,10,000	8,869.33
Prozone Intu Developers Private Limited (Formerly known as Jaipur Festival City Private Limited )	10,000	1.00	10,000	1.00
Kruti Multitrade Private Limited	5,10,000	-	5,10,000	12.79
Prozone Developers & Realtors Private Limited	2,50,005	-	3,00,000	-
	<b>27,80,005</b>	<b>11,678.36</b>	<b>28,30,000</b>	<b>8,883.12</b>
<b>ii) In foreign subsidiary</b>				
Prozone Liberty International Limited (Singapore) (face value of 1 USD each, fully paid up)	6,17,38,561	39,458.26	6,17,38,561	39,473.15
	<b>6,17,38,561</b>	<b>39,458.26</b>	<b>6,17,38,561</b>	<b>39,473.15</b>

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

as at 31 March 2022

Face value of ₹ 10 each, unless otherwise stated	31 March 2022		31 March 2021	
	Nos	₹ in lakhs	Nos	₹ in lakhs
<b>iii) In joint venture</b>				
Moontown Trading Company Private Limited	-	-	20,02,500	550.00
Less Held for Sale				(550.00)
	-	-	<b>20,02,500</b>	-
Investment on Joint Venture ie Moontown Trading Company Private Limited sold during the year on 3 May 2021				
Calendula Commerce Private Limited				
Investment in Fully Paid up Shares (equity shares of ₹ 10 each, fully paid up)	71,70,000	2,429.66	25,36,650	886.50
Investment in Partly Paid up Shares (equity shares of ₹ 10 each, ₹ 1 paid up)	-	-	46,33,350	161.93
Share of profit	-	(1.56)	-	-
	<b>71,70,000</b>	<b>2,428.10</b>	<b>71,70,000</b>	<b>1,048.43</b>
<b>b) Investment in 0.001% unsecured compulsorily convertible debentures:</b>				
<b>i) In subsidiary</b>				
Alliance Mall Developers Co Private Limited	2,95,134	3,075.00	2,95,134	3,075.00
	<b>2,95,134</b>	<b>3,075.00</b>	<b>2,95,134</b>	<b>3,075.00</b>
<b>Total non-current investments</b>	<b>7,19,83,700</b>	<b>56,639.72</b>	<b>7,40,36,195</b>	<b>52,479.70</b>

Particulars	31 March 2022	31 March 2021
<b>Details:</b>		
Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	56,639.72	52,479.70
Aggregate amount of impairment in value of investments	-	-

### Note 5.2: Profit/(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 determined based on valuation report of independent valuer. (Refer note 40)

### Note 6 : Other financial assets

(Unsecured, considered good, unless otherwise stated)

Particulars	31 March 2022	31 March 2021
<b>To parties other than related parties</b>		
Advance recoverable in cash or kind		
Unsecured, considered good	452.50	1,082.50
Unsecured, considered doubtful	910.00	910.00
	<b>1,362.50</b>	<b>1,992.50</b>
Less : Provision for expected credit loss (refer note 40B)	(910.00)	(910.00)
	<b>452.50</b>	<b>1,082.50</b>
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	1.00	0.76
<b>Total other financial assets</b>	<b>459.45</b>	<b>1,089.21</b>

\* 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 2022

### Note 7 : Non-current tax assets (net)

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

Particulars	31 March 2022	31 March 2021
<b>Current tax expense (A)</b>		
Current tax (including of earlier years)	142.10	(0.55)
<b>Deferred tax expense (B)</b>		
Origination and reversal of temporary differences	30.92	276.25
<b>Tax expense (A+B)</b>	<b>173.02</b>	<b>275.70</b>

Section 115BAA of the Income Tax Act, 1961, provides an option to companies for paying income tax at reduced rates in accordance with the provisions /conditions defined in the said section and accordingly. The company has adopted this new tax rate option from preceeding previous year.

#### (b) Amounts recognised in other comprehensive income

Particulars	31 March 2022			31 March 2021		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
<b>Items that will not be reclassified to profit or loss</b>						
Remeasurement of post employment benefit obligation	9.22	(2.32)	6.90	1.22	(0.31)	0.91
Gains from investments in equity instruments measured at FVOCI	7,014.53	(1,604.92)	5,409.61	(35,265.24)	7,724.63	(27,540.61)
	<b>7,023.75</b>	<b>(1,607.24)</b>	<b>5,416.51</b>	<b>(35,264.02)</b>	<b>7,724.33</b>	<b>(27,539.70)</b>

#### (c) Reconciliation of effective tax rate

Particulars	31 March 2022	31 March 2021
<b>Profit before tax</b>	<b>702.57</b>	<b>313.16</b>
Tax using the Company's domestic tax rate (Current year 25.168% and Previous year 25.168%)	176.82	78.82
<b>Tax effect of :</b>		
Effect of expenses that is non-deductible in determining taxable profit	(2.94)	(1.68)
Reversal of earlier period MAT Credit on adoption of lower tax rate	-	240.64
Effect on deferred tax due to change in tax rate	-	(43.58)
Other adjustments	(0.87)	1.49
<b>Tax expense as per statement of profit and loss</b>	<b>173.02</b>	<b>275.70</b>
<b>Effective tax rate</b>	<b>24.63%</b>	<b>88.04%</b>

Note: The effective rate for FY 20-21 was 88.04% which was mainly due to reversal of MAT credit on account of shifting to new tax regime

#### (d) Income tax assets (net)

Particulars	31 March 2022	31 March 2021
Advance tax including tax deducted at source (net of provision for tax ₹ 419.08 lakhs (31 March 2021: ₹ 273.98 lakhs))	169.21	216.66
<b>Total non-current tax assets (net)</b>	<b>169.21</b>	<b>216.66</b>

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

as at 31 March 2022

### (e) Movement in deferred tax balances

Particulars	Balance at 31 March 2022					
	Net balances at 1 April 2021	Recognised in the statement of profit and loss	Recognised in OCI	Net	Deferred tax asset	Deferred tax liabilities
Property, Plant and Equipments	49.37	4.09	-	45.26	45.26	-
Investments	(4,546.63)	0.36	1,604.92	(6,151.91)	-	6,151.91
Loans	(267.81)	-	-	(267.81)	-	267.81
Other financial assets	713.82	-	-	713.82	713.82	-
Impact of Ind AS 116	-	-	-	-	-	-
Other current assets	46.70	-	-	46.70	46.70	-
Borrowings	318.73	(0.00)	-	318.73	318.73	-
Other non-current/ current liabilities	(462.26)	28.02	-	(490.28)	-	490.28
Provisions	24.27	(1.48)	2.32	23.43	23.43	-
Other current liabilities	0.18	(0.09)	-	0.27	0.27	-
MAT Credit Entitlement	-	-	-	-	-	-
<b>Tax assets (liabilities) before set-off</b>	<b>(4,123.62)</b>	<b>30.90</b>	<b>1,607.24</b>	<b>(5,761.78)</b>	<b>1,148.22</b>	<b>6,910.00</b>
Set-off of deferred tax liabilities					<b>(6,910.00)</b>	
Net deferred tax assets/ (liabilities)					<b>(5,761.78)</b>	

Particulars	Balance at 31 March 2021					
	Net balances at 1 April 2020	Recognised in the statement of profit and loss	Recognised in OCI	Net	Deferred tax asset	Deferred tax liabilities
Property, Plant and Equipments	57.75	8.38	-	49.37	49.37	-
Investments	(12,271.27)	-	(7,724.64)	(4,546.63)	-	4,546.63
Loans	(296.03)	(28.22)	-	(267.81)	-	267.81
Other financial assets	789.03	75.21	-	713.82	713.82	-
Impact of Ind AS 116	1.77	1.77	-	-	-	-
Other current assets	51.62	4.92	-	46.70	46.70	-
Borrowings	242.72	(76.01)	-	318.73	318.73	-
Other non-current/ current liabilities	(413.46)	48.80	-	(462.26)	-	462.26
Provisions	25.00	0.43	0.31	24.27	24.27	-
Other current liabilities	0.50	0.32	-	0.18	0.18	-
MAT Credit Entitlement	240.64	240.64	-	-	-	-
<b>Tax assets (liabilities) before set-off</b>	<b>(11,571.71)</b>	<b>276.25</b>	<b>(7,724.33)</b>	<b>(4,123.62)</b>	<b>1,153.08</b>	<b>5,276.70</b>
Set-off of deferred tax Asset					<b>(5,276.70)</b>	
Net deferred tax liabilities					<b>(4,123.62)</b>	

(f) As per the Company's assessment, there are no material income tax uncertainties over income tax treatments during the current and previous financial year.



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

as at 31 March 2022

### Note 8 : Investments

Particulars	31 March 2022	31 March 2021
<b>Investments valued at fair value through profit and loss (FVTPL)</b>		
a) Investment in mutual funds	2.65	185.80
<b>Investments valued at fair value through other comprehensive income (FVOCI)</b>		
b) Investment in joint venture	-	550.00
<b>Total Current investments</b>	<b>2.65</b>	<b>735.80</b>

### Note 8.1 Detailed list of Current investments

Particulars	31 March 2022		31 March 2021	
	Nos	₹ in lakhs	Nos	₹ in lakhs
<b>I. Investments valued at fair value, fully paid up, unquoted, unless otherwise stated</b>				
<b>a) Investments in mutual fund</b>				
IDFC Cash Fund	104	2.65	456	11.27
Kotak Savings Fund	-	-	5,17,119	174.43
HDFC Ultra Short Term Fund	-	-	844	0.10
	<b>105</b>	<b>2.65</b>	<b>5,18,419</b>	<b>185.80</b>
<b>b) Investment in joint venture</b>				
Moontown Trading Company Private Limited	-	-	20,02,500	550.00
	-	-	<b>20,02,500</b>	<b>550.00</b>
Add/(Less) : Fair value gain/(loss)	-	-	-	-
<b>Total Current investments</b>	<b>105</b>	<b>2.65</b>	<b>25,20,919</b>	<b>735.80</b>

Particulars	31 March 2022	31 March 2021
<b>Details:</b>		
Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	2.65	735.80
Aggregate amount of impairment in value of investments	-	-

### Note 9 : Trade receivables

(Unsecured, considered good)

Particulars	31 March 2022	31 March 2021
<b>To related parties</b>		
Trade Receivables considered good - Secured	-	-
Trade Receivables considered good - Unsecured	272.65	168.45
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables - credit impaired	-	-
<b>Total Trade receivables</b>	<b>272.65</b>	<b>168.45</b>

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

as at 31 March 2022

### Trade receivables ageing

Particulars	Outstanding for the following periods from due date of payments						
	As on 31st March 2022	Less than 6 months	6 months - 1 year	1-2 years	2 - 3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good		262.40	-	10.25	-	-	<b>272.65</b>
(ii) Undisputed Trade receivables - which have significant increase in credit risk		-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired		-	-	-	-	-	-
(i) Disputed Trade receivables - considered good		-	-	-	-	-	-
(ii) Disputed Trade receivables - which have significant increase in credit risk		-	-	-	-	-	-
(iii) Disputed Trade receivables - credit impaired		-	-	-	-	-	-

*There are no unbilled dues which are outstanding as on date*

Particulars	Outstanding for the following periods from due date of payments						
	As on 31st March 2021	Less than 6 months	6 months - 1 year	1-2 years	2 - 3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good		168.45	-	-	-	-	<b>168.45</b>
(ii) Undisputed Trade receivables - which have significant increase in credit risk		-	-	-	-	-	-
(iii) Undisputed Trade receivables - credit impaired		-	-	-	-	-	-
(i) Disputed Trade receivables - considered good		-	-	-	-	-	-
(ii) Disputed Trade receivables - which have significant increase in credit risk		-	-	-	-	-	-
(iii) Disputed Trade receivables - credit impaired		-	-	-	-	-	-

*There are no unbilled dues which are outstanding as on date*

### Note 10 : Cash and cash equivalents

Particulars	31 March 2022	31 March 2021
Balances with banks		
- in current accounts	2.31	38.01
Cheques on hand	1.49	12.71
Cash on hand	1.38	3.72
<b>Total cash and cash equivalents</b>	<b>5.18</b>	<b>54.44</b>

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

as at 31 March 2022

### Note 11 : Loans

(Unsecured, considered good, unless otherwise stated)

Particulars	31 March 2022	31 March 2021
<b>Loans to subsidiary company /step down subsidiaries (refer note 35)</b>		
Loan receivables considered good- Secured	-	-
Loan receivables considered good- Unsecured	11,142.14	7,362.13
Loan receivables which have significant increase in credit risk	-	-
Loan receivables - credit impaired	-	-
<b>Loans to Moontown Trading Company Private Limited, Joint venture company (refer note 35)</b>		
Loan receivables considered good- Unsecured	-	298.90
<b>Loans to parties other than related parties</b>		
Loan receivables considered good- Secured	-	-
Loan receivables considered good- Unsecured	-	6.76
Loan receivables - credit impaired	1,152.15	1,152.14
Loan receivables - credit impaired	-	-
	<b>12,294.29</b>	<b>8,819.93</b>
Less : Provision for expected credit loss (refer note 40B)	(1152.14)	(1152.14)
	<b>11,142.15</b>	<b>7,667.79</b>
Advances to employees- unsecured considered good	109.14	82.11
<b>Total Loans</b>	<b>11,251.29</b>	<b>7,749.90</b>

#### Loans and advance to specified person

Type of Borrower	Amount of loan or advance in the nature of loan		Percentage to the total Loans and Advances in the nature of loans	
	FY 22	FY 21	FY 22	FY 21
<b>Promoter</b>	-	-	0%	0%
<b>Directors</b>				
Mr Salil Chaturvedi	66.36	50.18	1%	1%
<b>KMPs</b>				
Mr Anurag Garg	5.80	3.00	0%	0%
Mr Ajayendra Jain	7.00	7.00	0%	0%
<b>Related Parties (Refer note 35)</b>	<b>11,142.14</b>	<b>7,362.13</b>	<b>90%</b>	<b>83%</b>

### Note 12 : Other financial assets

(Unsecured, considered good, unless otherwise stated)

Particulars	31 March 2022	31 March 2021
Advances recoverable in cash or in kind, considered good	26.17	39.55
Others receivables*	-	552.03
<b>Total other financial assets</b>	<b>26.17</b>	<b>591.58</b>

\*Others receivables includes amount due on maturity of investment in 1.77 lakhs 0% optionally convertible debentures of Rs 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. The said amount is fully repaid by 31st March 22

### Note 13 : Other current assets

(Unsecured, considered good, unless otherwise stated)

Particulars	31 March 2022	31 March 2021
To other than related parties		
Prepaid expenses	6.29	3.68
<b>Total other current assets</b>	<b>6.29</b>	<b>3.68</b>

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

as at 31 March 2022

## Note 14 : Equity share capital

Particulars	31 March 2022	31 March 2021
<b>Authorised share capital</b>		
2,002.50 lakhs (31 March 2021: 2,002.50 lakhs) equity shares of ₹ 2 each	4,005.00	4,005.00
<b>Issued, subscribed and fully paid up</b>		
1,526.03 lakhs (31 March 2021: 1,526.03 lakhs) equity shares of ₹ 2 each, fully paid up	3,052.06	3,052.06
<b>Total issued, subscribed and paid-up equity share capital</b>	<b>3,052.06</b>	<b>3,052.06</b>

## (a) Reconciliation of the equity shares outstanding at the beginning and at the end of the year:

Particulars	31 March 2022		31 March 2021	
	No. in lakhs	₹ in lakhs	No. in lakhs	₹ in lakhs
<b>Equity Shares</b>				
At the beginning of the year	1,526.03	3,052.06	1,526.03	3,052.06
Issued during the year	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>1,526.03</b>	<b>3,052.06</b>	<b>1,526.03</b>	<b>3,052.06</b>

## (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 2022		31 March 2021	
	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

## (d) Promoters' shareholdings during the year

S.N.	Name of Shareholders	Shareholding on 31.03.2022		Shareholding on 31.03.2021		% Change in during the year
		No of shares	% of holding	No of shares	% of holding	
1	NIKHIL CHATURVEDI FAMILY TRUST	1,40,50,955	9.21%	1,40,50,955	9.21%	0%
2	SALIL A CHATURVEDI FAMILY TRUST	1,37,32,991	9.00%	1,37,32,991	9.00%	0%
3	DEEP SUBHASH GUPTA FAMILY TRUST	37,50,000	2.46%	69,93,460	4.58%	46%
4	MEERUT FESTIVAL CITY LLP	43,60,841	2.86%	43,60,841	2.86%	0%
5	RAKESH RAWAT FAMILY TRUST	41,11,750	2.69%	41,11,750	2.69%	0%
6	AKHIL CHATURVEDI FAMILY TRUST	16,77,601	1.10%	18,86,084	1.24%	11%
7	NIGAM ANIL PATEL FAMILY TRUST	2,783	0.00%	2,783	0.00%	0%
8	ANISHA CHATURVEDI	1,66,225	0.11%	1,66,225	0.11%	0%
9	VEENA D GUPTA	0	0.00%	68,005	0.04%	100%

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

as at 31 March 2022

S.N.	Name of Shareholders	Shareholding on 31.03.2022		Shareholding on 31.03.2021		% Change in during the year
		No of shares	% of holding	No of shares	% of holding	
10	RUCHI CHHABRA	1,34,600	0.09%	1,34,600	0.09%	0%
11	PUSHAP LATA RAWAT	36,501	0.02%	36,501	0.02%	0%
12	GHAN SHYAM RAWAT	20,000	0.01%	20,000	0.01%	0%
13	SANTOSH SUBHASH GUPTA	10,000	0.01%	10,000	0.01%	0%
14	NIKHIL CHATURVEDI	5,000	0.00%	5,000	0.00%	0%
15	SUBHASH UDAYCHAND GUPTA	5,685	0.00%	5,685	0.00%	0%
16	VANDANA VAIDH	1,620	0.00%	1,620	0.00%	0%

### Note 14.1 : Other equity Reserves and surplus

Particulars	31 March 2022	31 March 2021
<b>(i) Securities premium</b>		
Opening balance	36,434.05	36,434.05
Add: Securities premium received on issue of equity shares	-	-
<b>Closing balance (refer sub-note 1)</b>	<b>36,434.05</b>	<b>36,434.05</b>
<b>(ii) Retained earnings</b>		
Opening balance	1,197.39	1,159.93
Add: profit for the year	529.55	37.46
<b>Closing balance (refer sub-note 2)</b>	<b>1,726.95</b>	<b>1,197.39</b>
<b>(iii) Amalgamation reserves</b>		
Opening balance	378.86	378.86
Add/ (less): Addition/ (deduction)	-	-
<b>Closing balance (refer sub-note 3)</b>	<b>378.86</b>	<b>378.86</b>
<b>(iv) Other Comprehensive Income</b>		
Opening balance	14,840.33	42,380.02
Add: Gain on fair value of defined benefit plan	6.90	0.91
Add: (Loss) / Gain on fair value of Investments	5,409.60	(27,540.60)
<b>Closing balance</b>	<b>20,256.83</b>	<b>14,840.33</b>
<b>Total other equity</b>	<b>58,796.69</b>	<b>52,850.63</b>

#### Sub-note:

- 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 share premium account may be applied;
  - towards the issue of unissued shares of the Company to the members of the Company as fully paid bonus shares;
  - for the purchase of its own shares or other securities;
  - in writing off the preliminary expenses of the Company;
  - in writing off the expenses of, or the commission paid or discount allowed on, any issue of shares or debentures of the Company; and
  - in providing for the premium payable on the redemption of any redeemable preference shares or of any debentures of the Company.
- Retained earnings represents the accumulated profits of the Company.
- 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 2022

### Note 15 : Borrowings

Particulars	31 March 2022	31 March 2021
<i>(Secured)</i>		
Hire Purchase Loans*	6.58	9.79
Less: current maturities of long term debt (refer note 19)	(3.52)	(3.21)
<b>Total Borrowings</b>	<b>3.06</b>	<b>6.58</b>

#### Nature of security:

\*Hire Purchase Loans includes :

- ₹ 6.58 lakhs (31 March 2021: ₹ 9.79 lakhs) in respect of one vehicle which is secured by hypothecation of vehicle financed with ICICI Bank Ltd. The loan carries interest @ 9.25% p.a. The loan is repayable in 60 equal instalments starting from 1st February 2019.

The Company's exposure to interest rate and liquidity risks are disclosed in note 40 to the financial statements.

### Note 16 : Provisions

Particulars	31 March 2022	31 March 2021
<b>Provision for employee benefits (refer note 34)</b>		
- provision for gratuity	49.26	52.56
<b>Total Provisions</b>	<b>49.26</b>	<b>52.56</b>

### Note 17 : Deferred tax liabilities (net)

Particulars	31 March 2022	31 March 2021
<i>Deferred tax liabilities</i>		
Investments carried at FVOCI	6,151.91	4,546.63
Deferred tax assets		
- Difference in depreciation in block of fixed assets as per Income-tax Act, 1961 and depreciation allowable under books	45.26	49.37
- Provision for expenses disallowed under Section 43B of Income-tax Act, 1961	344.86	373.63
	<b>390.12</b>	<b>423.00</b>
<b>Deferred tax liabilities, (net)</b>	<b>5,761.78</b>	<b>4,123.62</b>

### Note 18 : Other non-current liabilities

Particulars	31 March 2022	31 March 2021
Deferred guarantee income	1,057.04	1,148.38
<b>Total other non-current liabilities</b>	<b>1,057.04</b>	<b>1,148.38</b>

### Note 19 : Borrowings

*(Unsecured)*

Particulars	31 March 2022	31 March 2021
Loan taken from Emerald Build Home Private Limited, joint venture company (refer note 15 and 35)	-	1,729.49
Current maturities of long term debt (refer note 15)	3.52	3.21
<b>Total Borrowings</b>	<b>3.52</b>	<b>1,732.70</b>

### Note 20 : Trade payables

Particulars	31 March 2022	31 March 2021
- Total outstanding dues of micro enterprises and small enterprises	4.36	0.99
- Total outstanding dues of creditors other than micro enterprises and small enterprises.	74.46	108.73
<b>Total Trade payables</b>	<b>78.82</b>	<b>109.72</b>

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

### as at 31 March 2022

#### 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:

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.

#### Trade payable ageing

FY 2021-22	Outstanding for followings periods from due date of payments				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>Unbilled</b>					<b>36.30</b>
<b>Billed</b>					
(i) MSME	4.36	-	-	-	<b>4.36</b>
(ii) Others	31.07	0.14	0.32	6.62	<b>38.16</b>
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
FY 2020-21	Outstanding for followings periods from due date of payments				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>Unbilled</b>					<b>36.42</b>
<b>Billed</b>					
(i) MSME	0.99	-	-	-	<b>0.99</b>
(ii) Others	64.63	1.05	-	6.62	<b>72.31</b>
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

There are no unbilled dues which are outstanding as on date

#### Note 21 : Other financial liabilities

Particulars	31 March 2022	31 March 2021
Employee benefits payable	25.75	23.64
<b>Total Other financial liabilities</b>	<b>25.75</b>	<b>23.64</b>

#### Note 22 : Other current liabilities

Particulars	31 March 2022	31 March 2021
<b>Other advances:</b>		
Advances received from customers	52.17	58.16
<b>Statutory dues payable</b>		
- Tax deducted at source payable	10.72	13.72
- Goods and services tax (GST) payable	17.74	17.24
- Professional tax payable	0.03	0.02
- Provident fund payable	0.37	0.72
<b>Total Other current liabilities</b>	<b>81.03</b>	<b>89.87</b>

#### Note 23 : Provisions

Particulars	31 March 2022	31 March 2021
<b>Provision for employee benefits (refer note 34)</b>		
- provision for compensated absences	40.55	40.90
- provision for gratuity	3.29	2.97
<b>Total Provisions</b>	<b>43.84</b>	<b>43.87</b>

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

for the year ended 31 March, 2022

### Note 24 : Revenue from operations

Particulars	31 March 2022	31 March 2021
<b>Sale of services:</b>		
Management consultancy charges	986.53	749.63
<b>Total Revenue from operations</b>	<b>986.53</b>	<b>749.63</b>

### Note 25 : Other income

Particulars	31 March 2022	31 March 2021
<b>Interest income</b>		
- on loans	744.89	483.55
- on income-tax refund	-	11.50
- on fixed deposit	0.24	0.26
- on notional corporate guarantee given in favour of subsidiaries	111.34	102.02
- on amortisation of deferred liabilities on loans taken from joint ventures	-	248.47
Profit on sale of current investments	44.31	2.27
Notional gain on value of current investments measured at FVTPL	-	1.40
Liabilities no longer required written back	0.31	-
<b>Total other income</b>	<b>901.09</b>	<b>849.47</b>

### Note 26 : Employee benefits expense

Particulars	31 March 2022	31 March 2021
Salaries and bonus	258.73	225.50
Directors' remuneration	339.65	220.00
Contribution to provident fund (refer note 34 B)	2.24	2.11
Expenses related to post-employment defined benefit plans (refer note 34)	6.24	5.90
Expenses related to compensated absences (refer note 34)	-	2.16
Staff welfare expense	13.82	5.73
<b>Total Employee benefits expense</b>	<b>620.67</b>	<b>461.40</b>

### Note 27 : Finance costs

Particulars	31 March 2022	31 March 2021
<b>Interest expenses</b>		
- on vehicle loan taken from banks	0.78	1.07
- on late payments of statutory dues	0.22	0.68
- on unwinding of loans taken from/given to related parties (refer note 35)	-	393.94
Finance Cost of Lease Liability (refer note 42)	-	1.73
<b>Total Finance costs</b>	<b>1.00</b>	<b>397.42</b>

### Note 28 : Depreciation expense

Particulars	31 March 2022	31 March 2021
Depreciation on property, plant and equipment	23.13	34.64
Depreciation on investment property	3.57	3.75
Depreciation on right of use assets (refer note 42)	-	16.34
<b>Total Depreciation expense</b>	<b>26.70</b>	<b>54.74</b>



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

for the year ended 31 March, 2022

### Note 29 : Other expenses

Particulars	31 March 2022	31 March 2021
Rent (refer note 42)	39.7	16.97
Rates and taxes	17.37	0.07
Insurance	5.07	5.31
Repairs and maintenance - others	22.07	23.59
Electricity charges	13.48	14.47
Printing and stationery	3.18	3.47
Communication costs	7.56	8.11
Professional fees	88.47	62.55
Travelling and conveyance	32.22	33.19
Vehicle expenses	43.90	24.67
Housekeeping expenses	16.87	13.26
Director sitting fees	7.20	8.70
Listing fees	5.40	5.40
Advertisement and business promotion expenses	111.35	19.63
Payment to auditors' (refer note 29(a) below)	37.72	22.02
Office expenses	37.83	29.15
Membership and subscription	20.79	28.45
Loss on sale of fixed asset	0.39	-
Corporate social responsibility expenses (refer note 38)	11.45	6.00
Miscellaneous expenses	14.68	47.38
<b>Total Other expenses</b>	<b>536.68</b>	<b>372.39</b>

### Note 29(a) : Payment to auditors

Particulars	31 March 2022	31 March 2021
- Statutory audit	36.00	21.00
- Reimbursement of expenses	1.72	1.02
	<b>37.72</b>	<b>22.02</b>

### Note 30 : 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.

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.

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

for the year ended 31 March, 2022

Particulars	31 March 2022	31 March 2021
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)	529.55	37.46
<b>Basic Earning per share (in ₹)</b>	<b>0.35</b>	<b>0.02</b>
<b>Diluted Earning per share (in ₹)</b>	<b>0.35</b>	<b>0.02</b>

### Note 31 : 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 2022	31 March 2021
<b>i) Claims against the Company not acknowledged as debts :</b>		
Disputed liability in respect of income-tax (Interest thereon not ascertainable at present)	23.35	23.35
Disputed liability in respect of Stampduty payable	331.58	331.58
Company has given support letter to its wholly owned subsidiary Prozone Liberty International Ltd, Singapore		
Company has given support letter to fellow subsidiary ie Hagwood Commercial Developers Private Limited		
<b>ii) Guarantees</b>		
Guarantee given to bank on behalf of subsidiary company and stepdown subsidiary company*	40,902.25	39,679.23
<b>iii) Other money for which the company is contingently liable</b>		
Estimated amount of contracts remaining to be executed on capital account not provided for (net of advances)	-	417.00
	<b>41,257.18</b>	<b>40,451.16</b>

\* 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 2022	31 March 2021
Alliance Mall Developer Co Private Limited, subsidiary	21,641	21,016
Hagwood Commercial Developer Private Limited, step down subsidiary	1,813	1,802
Empire Mall Private Limited, step down subsidiary	17,448	16,861
<b>Total</b>	<b>40,902</b>	<b>39,679</b>

- iv) 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 30 June 2022 has been provided in the books of account. The same has also be paid subsequently. 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.

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

for the year ended 31 March, 2022

### b) Commitment

Particulars	31 March 2022	31 March 2021
Estimated amount of contracts remaining to be executed on capital account and not provided for	-	-

**Note 32 : Loans and advances in the nature 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 2022		31 March 2021	
		₹ in Lakhs	Maximum Amount	₹ in Lakhs	Maximum Amount
Alliance Mall Developers Co Private Limited	Subsidiary	1,488.94	1,721.00	-	-
Royal Mall Private Limited (amalgamated w.e.f 1st Jan 2020 with Prozone Developers & Realtors Private Limited)	Subsidiary	-	-	3,583.92	3,583.91
Prozone Intu Developers Private Limited	Step down subsidiary	1,141.16	2,065.70	379.96	653.30
Omni Infrastructure Private Limited	Step down subsidiary	2,187.59	2,338.87	2,330.93	2,330.93
Hagwood Commercial Developers Private Limited	Step down subsidiary	3,749.21	3,749.21	869.34	869.33
Kruti Multitrade Private Limited	Subsidiary	0.47	0.47	0.31	0.31
Prozone Developers & Realtors Private Limited	Subsidiary	2,574.76	4,119.68	197.68	3,442.83
		<b>11,142.15</b>	<b>13,994.93</b>	<b>7,362.13</b>	<b>10,880.61</b>

#### b) Details of investments in subsidiaries

Name of subsidiary companies	31 March 2022	31 March 2021
Alliance Mall Developers Co Private Limited	20,10,000	20,10,000
Prozone Intu Developers Private Limited	10,000	10,000
Kruti Multitrade Private Limited	5,10,000	5,10,000
Prozone Liberty International Limited (Singapore)	6,17,38,561	6,17,38,561
Prozone Developers & Realtors Private Limited	2,50,005	2,50,005
<b>Investments through Prozone Liberty International Limited (Singapore)</b>		
Empire Mall Private Limited *, step down subsidiary	4,72,09,412	4,72,09,412
Hagwood Commercial Developers Private Limited, step down subsidiary	94,80,235	94,80,235
Omni Infrastructure Private Limited, , step down subsidiary	24,000	24,000

\* Considered subsidiary on control basis

Name of subsidiary company	31 March 2022	31 March 2021
Alliance Mall Developers Co Private Limited	2,95,134	2,95,134

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

for the year ended 31 March, 2022

**Note 33 : The Company has the following Joint Ventures as on 31 March 2022 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 2022		For the year ended 31 March 2022	
			Assets	Liabilities	Income	Expenditure
Calendula Commerce Private Limited (CCPL)	India	18.55	2,436.00	248.67	68.99	70.55

Name of Company	Country of Incorporation	% Voting Power held	31 March 2021		For the year ended 31 March 2021	
			Assets	Liabilities	Income	Expenditure
Moontown Trading Company Private Limited (MTCPL)	India	25.00	212.50	75.12	-	4.94
Calendula Commerce Private Limited (CCPL)	India	9.48	1,218.44	134.65	32.45	32.34

## Note 34 : 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.

Particulars	Funded Plan	
	Gratuity	
	31 March 2022	31 March 2021
<b>a) Expenses recognised in the statement of profit and loss</b>		
Current service cost	2.97	2.73
Past service cost	-	-
Interest cost	3.27	3.17
<b>Components of defined benefit costs recognized in profit or loss</b>	<b>6.24</b>	<b>5.90</b>
<b>b) Included in other comprehensive income</b>		
Actuarial changes arising from changes in financial assumptions	(7.61)	1.21
Actuarial changes arising from changes in demographic assumptions	0.00	0.00
Experience adjustments	(1.30)	(2.05)
Return on plan assets excluding amounts included in Interest Income	(0.31)	(0.38)
<b>Actuarial loss / (gain) recognized in OCI</b>	<b>(9.22)</b>	<b>(1.22)</b>

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

for the year ended 31 March, 2022

Particulars	Funded Plan	
	Gratuity	
	31 March 2022	31 March 2021
<b>c) Recognised in balance sheet</b>		
Present value of obligation as at the end of the year	72.16	73.90
Fair value of plan assets as at the end of the year	(19.62)	(18.36)
<b>Net Liability</b>	<b>52.54</b>	<b>55.53</b>
<b>d) Changes in defined benefit obligations</b>		
Present value of obligation as at the beginning of the year		
Defined Benefit Obligation ("PBO") at the beginning of the year	73.89	67.90
Current Service cost	2.97	2.73
Past Service cost	-	-
Interest cost	4.22	4.10
Actuarial loss / (gain)	(8.91)	(0.84)
<b>Present value of obligation as at the end of the year</b>	<b>72.16</b>	<b>73.90</b>
<b>e) Change in fair value of assets</b>		
Fair value of plan assets at the beginning of the year	18.36	17.06
Interest Income	0.95	0.92
Return on plan assets excluding amounts included in interest income	0.31	0.38
Benefits paid	-	-
<b>Fair value of plan assets at the end of the year</b>	<b>19.62</b>	<b>18.36</b>
<b>f) Reconciliation of net defined benefit liability</b>		
Net opening provision in books of accounts	55.53	50.83
Transfer in/(out) obligation	-	-
Expenses recognised in the statement of profit and loss	6.24	5.90
Expenses recognised in Other Comprehensive Income	(9.22)	(1.22)
Benefits paid	-	-
<b>Closing provision in books of accounts</b>	<b>52.55</b>	<b>55.53</b>
Particulars	Unfunded Plan	
	Compensated absences	
	31 March 2022	31 March 2021
<b>a) Changes in defined benefit obligations</b>		
Present value of obligation as at the beginning of the year		
Defined Benefit Obligation ("PBO") at the beginning of the year	40.89	39.04
Current Service cost	9.21	9.54
Interest cost	2.27	2.30
Actuarial loss / (gain)	(11.79)	(9.69)
Liabilities transferred in / (out)	-	-
Benefits paid	(0.03)	(0.30)
<b>Present value of obligation as at the end of the year</b>	<b>40.55</b>	<b>40.89</b>

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

for the year ended 31 March, 2022

Particulars	Unfunded Plan	
	Compensated absences	
	31 March 2022	31 March 2021
<b>b) Expenses recognised in the statement of profit and loss</b>		
Current service cost	9.21	9.54
Interest cost	2.27	2.30
Net value of remeasurements on the obligation and plan assets	(11.79)	(9.69)
<b>Total included in 'employee benefits expense'</b>	<b>(0.31)</b>	<b>2.16</b>
<b>c) Liability recognised in balance sheet</b>		
Present value of unfunded obligation as at the end of the year	40.55	40.89
<b>Net Liability</b>	<b>40.55</b>	<b>40.89</b>
<b>d) Components of actuarial gain/losses on obligation</b>		
Actuarial changes arising from changes in financial assumptions	(0.51)	0.62
Actuarial changes arising from changes in demographic assumptions	0.00	-
Experience adjustments	(11.28)	(10.31)
<b>Net actuarial loss / (gain)</b>	<b>(11.79)</b>	<b>(9.69)</b>

	Gratuity		Compensated absences	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
<b>e) Current/ non-current classification</b>				
Current	3.29	2.97	40.55	40.89
Non-current	49.27	52.56	-	-
	<b>52.55</b>	<b>55.53</b>	<b>40.55</b>	<b>40.89</b>

The following table summarizes the principal assumptions used for defined benefit obligation and compensated absences:

Actuarial assumptions	Gratuity		Compensated absences	
	Discount rate	31 March 2021	31 March 2022	31 March 2021
Discount rate	<b>6.40%</b>	6.05%	<b>6.40%</b>	6.05%
Salary escalation rate (% p.a.) *	<b>5.10%</b>	5.10%	<b>5.10%</b>	5.10%
Withdrawal Rates	<b>10% at all ages</b>	10% at all ages	<b>10% at all ages</b>	10% at all ages
Leave availment rate	-	-	<b>5.00%</b>	5.00%
Mortality rate	<b>Indian assured lives mortality (2012-14) ultimate</b>	Indian assured lives mortality (2012-14) ultimate	<b>Indian assured lives mortality (2012-14) ultimate</b>	Indian assured lives mortality (2012-14) 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 2022	31 March 2021	31 March 2022	31 March 2021
	<b>0.5% increase</b>		<b>0.5% increase</b>	
i. Discount rate	77.21	72.38	39.84	17.79
ii. Salary escalation rate - over a long-term	79.09	74.42	41.29	18.48
	<b>10% increase</b>		<b>10% increase</b>	
iii. Withdrawal rate (W.R.)	79.20	74.41	40.34	18.03
	<b>0.5% decrease</b>		<b>0.5% decrease</b>	
i. Discount rate	80.23	75.46	41.29	18.48
ii. Salary escalation rate - over a long-term	78.25	73.50	39.83	17.79
	<b>10% decrease</b>		<b>10% decrease</b>	
iii. Withdrawal rate (W.R.)	78.15	73.33	40.77	18.24

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

### for the year ended 31 March, 2022

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

Particulars	Gratuity		Compensated absences	
	Cashflow	Distribution (%)	Cashflow	Distribution (%)
1 <sup>st</sup> Following Year	8.79	9.20%	6.99	13.60%
2 <sup>nd</sup> Following Year	15.21	15.90%	7.48	14.50%
3 <sup>rd</sup> Following Year	6.82	7.10%	5.36	10.40%
4 <sup>th</sup> Following Year	6.21	6.50%	4.80	9.30%
5 <sup>th</sup> Following Year	27.71	29.00%	14.63	28.40%
Sum of Year 6 to 10 Year	18.72	19.60%	8.85	17.20%
<b>Total expected payments</b>	<b>83.46</b>		<b>48.10</b>	

The expected contribution for the next year is ₹ 3.29 lakhs. (31 March 2021 : ₹ 2.97 lakhs)

#### 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 2022	31 March 2021
Contribution to provident funds	2.24	2.11
	<b>2.24</b>	<b>2.11</b>

#### C Experience adjustments

Particulars	2022	2021	2020	2019	2018
Present value of defined benefit obligation	72.16	73.90	67.90	60.87	38.17
Fair value of plan assets	(19.62)	(18.36)	(17.06)	(15.91)	(14.68)
<b>(Deficit)</b>	<b>52.54</b>	<b>55.53</b>	<b>50.84</b>	<b>44.96</b>	<b>23.49</b>

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. Company has also made provision of provident fund liability till 31 March 2022 and even paid the same in current financial year.

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

for the year ended 31 March, 2022

### Note 35 : 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
Ms. Aakansha Chaturvedi (upto 31 May 2020)	Relative of KMP
Mr Bipin Gurnani (w.e.f 17 December 2021)	Whole Time Director

##### B) Independent and Non-executive Directors

Mr. Punit Goenka	Chairman and Independent Director
Mr. Umesh Kumar	Independent Director
Ms. Deepa Misra Harris	Independent Director
Mr. Dushyant Sangar (upto 31 March 2021)	Non Executive Director

##### C) Subsidiaries / Step down Subsidiaries :-

Alliance Mall Developers Co Private Limited  
 Prozone Intu Developers 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

##### D) Joint Ventures

Emerald Buildhome Private Limited (upto 21 January 2021)  
 Calendula Commerce Private Limited (w.e.f. 4 May 2020)  
 Moontown Trading Company Private Limited (upto 3 May 2021)

Note: Provogue India Limited (PIL) is not considered as a related party as the directors Mr Nikhil Chaturvedi and Mr Salil Chaturvedi are no longer considered KMP for the entity, as the powers of Board for PIL are vested with liquidator with effect from 14 October 2019.



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

for the year ended 31 March, 2022

### 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		Subsidiaries / Step down subsidiaries		Joint Ventures	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021
<b>Remuneration to key management personnel</b>						
Mr Nikhil Chaturvedi	180.00	132.00	-	-	-	-
Mr Salil Chaturvedi	120.00	88.00	-	-	-	-
Mr Bipin Gurnani	39.65	-	-	-	-	-
Ms. Aakansha Chaturvedi	-	1.42	-	-	-	-
<b>Director sitting fees</b>						
Mr. Punit Goenka	2.40	2.70	-	-	-	-
Mr. Umesh Kumar	2.40	3.00	-	-	-	-
Ms. Deepa Misra Harris	2.40	3.00	-	-	-	-
<b>Sale of services</b>						
Alliance Mall Developers Co Private Limited	-	-	483.84	322.16	-	-
Empire Mall Private Limited	-	-	362.42	233.89	-	-
Hagwood Commercial Developers Private Limited	-	-	95.28	143.57	-	-
Calendula Commerce Private Limited	-	-	-	-	45.00	50.00
<b>Interest income</b>						
Hagwood Commercial Developers Private Limited	-	-	217.64	39.98	-	-
Omni Infrastructure Private Limited	-	-	160.34	153.09	-	-
Prozone Developers & Realtors Private Limited	-	-	225.96	243.76	-	-
Alliance Mall Developers Co Private Limited	-	-	41.04	-	-	-
Moontown Trading Company Private Limited	-	-	-	-	-	19.64
Kruti Multitrade Private Limited	-	-	0.03	0.01	-	-
Prozone Intu Developers Private Limited	-	-	85.51	26.51	-	-
<b>Notional corporate guarantee income on the guarantee given by the company</b>						
Alliance Mall Developers Co Private Limited	-	-	64.38	54.00	-	-
Empire Mall Private Limited	-	-	42.50	42.50	-	-
Hagwood Commercial Developers Private Limited	-	-	4.45	5.52	-	-
<b>Notional interest expenses</b>						
Emerald Buildhome Private Limited	-	-	-	-	-	393.94

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

for the year ended 31 March, 2022

Balances	Key Management Personnel (KMP) and their relatives, Independent and Non-executive Directors		Subsidiaries / Step down subsidiaries		Joint Ventures	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021
<b>Loans given</b>						
Alliance Mall Developers Co Private Limited	-	-	1,836.00	-	-	-
Prozone Intu Developers Private Limited	-	-	1,973.74	92.83	-	-
Omni Infrastructure Private Limited	-	-	19.03	5.34	-	-
Hagwood Commercial Developers Private Limited	-	-	2,771.00	464.60	-	-
Kruti Multitrade Private Limited	-	-	0.13	0.30	-	-
Prozone Developers & Realtors Private Limited	-	-	3,070.26	3,510.69	-	-
Moontown Trading Company Private Limited	-	-	-	-	-	0.60
<b>Repayment of loans given</b>						
Alliance Mall Developers Co Private Limited	-	-	388.10	-	-	-
Prozone Intu Developers Private Limited	-	-	1,298.05	342.49	-	-
Omni Infrastructure Private Limited	-	-	322.70	11.48	-	-
Hagwood Commercial Developers Private Limited	-	-	108.76	3.00	-	-
Kruti Multitrade Private Limited	-	-	-	-	-	-
Prozone Developers & Realtors Private Limited	-	-	4,503.64	3,423.28	-	-
Moontown Trading Company Private Limited	-	-	-	-	298.90	-

### Balances payable/outstanding at the year end

Transactions	Key Management Personnel (KMP) and their relatives, Independent and Non-executive Directors		Subsidiaries / Step down subsidiaries		Joint Ventures	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021
<b>Trade receivables</b>						
Empire Mall Private Limited	-	-	161.63	-	-	-
Hagwood Commercial Developers Private Limited	-	-	51.67	112.63	-	-
Calendula Commerce Private Limited	-	-	-	-	58.85	55.25
<b>Advance from customers</b>						
Alliance Mall Developers Co Private Limited	-	-	52.17	58.16	-	-
<b>Deferred guarantee commission on the guarantee given by the company</b>						
Alliance Mall Developers Co Private Limited	-	-	886.54	866.54	-	-
Empire Mall Private Limited	-	-	831.71	831.71	-	-

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

for the year ended 31 March, 2022

Transactions	Key Management Personnel (KMP) and their relatives, Independent and Non-executive Directors		Subsidiaries / Step down subsidiaries		Joint Ventures	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Hagwood Commercial Developers Private Limited	-	-	20.41	20.41	-	-
<b>Guarantee given by the company on behalf Subsidiaries / Step down subsidiaries</b>						
Alliance Mall Developers Co Private Limited	-	-	21,640.93	21,016.10	-	-
Hagwood Commercial Developers Private Limited	-	-	1,813.37	1,802.12	-	-
Empire Mall Private Limited	-	-	17,447.95	16,861.01	-	-
<b>Loans given</b>						
Alliance Mall Developers Co Private Limited	-	-	1,488.94	-	-	-
Prozone Intu Developers Private Limited	-	-	1,141.16	379.96	-	-
Omni Infrastructure Private Limited	-	-	2,187.59	2,330.93	-	-
Hagwood Commercial Developers Private Limited	-	-	3,749.21	869.34	-	-
Kruti Multitrade Private Limited	-	-	0.47	0.31	-	-
Prozone Developers & Realtors Private Limited	-	-	2,574.76	3,781.60	-	-
Moontown Trading Company Private Limited	-	-	-	-	-	298.90
<b>Advance salary</b>						
Mr Salil Chaturvedi	66.36	60.18	-	-	-	-
<b>Loans taken</b>						
Emerald Buildhome Private Limited	-	-	-	-	-	1,729.49
<b>Remuneration payable</b>						
Mr Nikhil Chaturvedi	8.47	5.00	-	-	-	-
Mr Bipin Gurnani	9.90	-	-	-	-	-

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

for the year ended 31 March, 2022

### Note 36 : 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 37 : Disclosure with regards to section 186 (4) of the Companies Act, 2013

- i) For investment refer note no. 5 and 8
- ii) For corporate guarantees given refer note no. 31.
- iii) For loans given :

Particulars	Rate of Interest	Purpose for which the loan is proposed to be utilised by the recipient	31 March 2022	31 March 2021
Subsidiaries / Step down subsidiaries and JV	7% to 8.5%	Working Capital	11,142.14	7,661.03
Others	NA		1,152.15	1,158.90
<b>Total</b>			<b>12,294.29</b>	<b>8,819.93</b>

Note:1) Out of the above the Company has not provided interest (except to the extent of TDS credit received) on ₹ 1,152.14 Lakhs (31 Mar 2021: ₹ 1,152.14 Lakhs) as company has made provision for expected credit loss due to uncertainty regarding recoverability of said loans and advance.

### Note 38 : Expenditure on Corporate Social Responsibility (CSR) activities

Particulars	31 March 2022	31 March 2021
Amount required to be spent by the company during the year	8.24	9.21
Amount of expenditure incurred	11.45	6.00
Shortfall at the end of the year	-3.21	3.21
Total of previous year shortfall	3.21	0.00
Short fall at the end of year	0.00	3.21
Reason for shortfall	NA	Could not find suitable activity in FY 21 so paid in FY 22
Nature of CSR Activities	Contribution to PM care fund, contribution towards blind people	-serving society and enhancing people's lives (ie Health Care Facilities)

Provision movement	31 March 2022	31 March 2021
<b>Opening provision</b>	<b>0.00</b>	<b>0.00</b>
Provision created during the year	11.45	6.00
Amount paid/incurred	11.45	6.00
<b>Closing provision</b>	<b>0.00</b>	<b>0.00</b>

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

for the year ended 31 March, 2022

### Note 39 : Note on regrouping and Reclassifications

Previous period figures have been re-grouped / re-classified wherever necessary, to conform to current period's classification in order to comply with the requirements of the amended Schedule III to the Companies Act , 2013 as per latest amendments dated 24 March 2021.

### Note 40 : 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 2022	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	
<b>Financial assets</b>								
Investments (current and non-current)	5, 8	2.65	56,639.72	-	-	2.65	56,639.72	56,642.37
Loans (current and non-current)	11	-	-	11,251.29	-	-	-	-
Trade receivables	9	-	-	272.65	-	-	-	-
Cash and cash equivalents	10	-	-	5.18	-	-	-	-
Other financial asset (current and non-current)	6, 12	-	-	485.62	-	-	-	-
		<b>2.65</b>	<b>56,639.72</b>	<b>12,014.74</b>				
<b>Financial liabilities</b>								
Borrowings	15, 19	-	-	6.58	-	6.58	-	6.58
Trade payables	20	-	-	78.82	-	-	-	-
Other financial liabilities	21	-	-	25.75	-	-	-	-
		-	-	<b>111.15</b>				

31 March 2021	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	
<b>Financial assets</b>								
Investments (current and non-current)	5, 8	185.80	53,029.70	-	-	185.80	53,029.70	53,215.50
Loans (current and non-current)	11	-	-	7,749.90	-	-	-	-
Trade receivables	9	-	-	168.45	-	-	-	-
Cash and cash equivalents	10	-	-	54.44	-	-	-	-
Other financial asset (current and non-current)	6, 12	-	-	1,680.79	-	-	-	-
		<b>185.80</b>	<b>53,029.70</b>	<b>9,653.58</b>				
<b>Financial liabilities</b>								
Borrowings	15, 19	-	-	1,739.28	-	1,739.28	-	1,739.28
Trade payables	20	-	-	109.72	-	-	-	-
Other financial liabilities	21	-	-	23.64	-	-	-	-
		-	-	<b>1,872.64</b>				

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

for the year ended 31 March, 2022

### 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.

#### 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	Not applicable	Not applicable
Other financial liabilities- (current maturities of long-term debt)	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 property valuers, having appropriate recognised professional qualifications and relevant experience the field.	1). Discount Rate; 2). Market capitalisation rate"	15.75% to 21.0%; 9.5% to 11.0%"

The Company has exposure to the following risks arising from financial instruments:

- credit risk ;
- liquidity risk ; and
- market risk
- 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 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 standalone financial statements...(Continued)

### for the year ended 31 March, 2022

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 spectrum. 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 perceive 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 Rs 3.69 lakhs and Rs 54.44 lakhs as at 31 March 2022 and 31 March 2021 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 Rs Nil (31 March 2021: Rs 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 2022 and 31 March 2021 is as follows:

Particulars	31 March 2022	31 March 2021
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	910.00	910.00

The movement in the allowance for impairment in respect of trade and other receivables during the year was as follows.

Particulars	Amount in ₹ lakhs
<b>Balance as at 1 April 2020</b>	<b>2,062.14</b>
Impairment loss recognised	-
<b>Balance as at 31 March 2021</b>	<b>2,062.14</b>
Impairment loss recognised	-
<b>Balance as at 31 March 2022</b>	<b>2,062.14</b>

The Company has no other financial assets that are past due but not impaired.

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

for the year ended 31 March, 2022

### 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				Total
	Carrying amount	One year or less	1 - 5 years	More than 5 years	
<b>As at 31 March 2022</b>					
<b>Non - derivative financial liabilities</b>					
Borrowings (Refer Note 15 ,19)	6.58	3.52	3.06	-	6.58
Trade payables (Refer Note 20)	78.82	78.82	-	-	78.82
Other financial liabilities (Refer Note 21)	25.75	25.75	-	-	25.75
	<b>111.15</b>	<b>108.09</b>	<b>3.06</b>	<b>-</b>	<b>111.15</b>
<b>As at 31 March 2021</b>					
<b>Non - derivative financial liabilities</b>					
Borrowings (Refer Note 15, 19)	1,739.28	1,732.70	6.58	-	1,739.28
Trade payables (Refer Note 20)	109.72	109.72	-	-	109.72
Other financial liabilities (Refer Note 21)	23.64	23.64	-	-	23.64
	<b>1,872.64</b>	<b>1,866.06</b>	<b>6.58</b>	<b>-</b>	<b>1,872.64</b>

### 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.

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 2022	31 March 2021
<b>Fixed-rate instruments:</b>		
Financial asset (Bank deposits)	3.50	3.50
Financial liabilities (Borrowings)	(6.58)	(9.79)
	<b>(3.08)</b>	<b>(6.29)</b>
<b>Variable-rate instruments:</b>		
Financial liabilities (Borrowings)	-	-



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

### for the year ended 31 March, 2022

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 negligible exposure 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

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 had 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 2022, are fully recoverable.

The management had 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 company will continue to closely monitor any material changes to future economic conditions

### Note 41 : 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 2021. 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.

As of balance sheet date, leverage ratios is as follows:

Particulars	As at 31 March 2022	As at 31 March 2020
Total borrowings (Refer note 15 and 19)	6.58	1,739.28
Less: cash and bank balances (Refer note 10)	5.18	54.44
<b>Adjusted net debt</b>	<b>1.40</b>	<b>1,684.84</b>
Total equity (Refer note 14 and 14.1)	61,848.75	55,902.69
<b>Adjusted net debt to adjusted equity ratio (times)</b>	<b>0.00</b>	<b>0.03</b>

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

for the year ended 31 March, 2022

### Note 42 : Leases

#### Leases as lessee

- i) The Company has taken office premises situated at Andheri, Mumbai on operating lease. The Company has entered into a lease 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.

On transition, the adoption of the new standard resulted in the recognition of right to use assets (ROU) of and lease liability. The details of the same are provided below

#### Right-of-Use Assets

Particulars	31 March 2021	31 March 2022
<b>Cost</b>		
Balance at beginning of year	44.34	44.34
Add: Additions	-	-
Less: Disposals	-	-
<b>Balance as at end of year</b>	<b>44.34</b>	<b>44.34</b>
<b>Accumulated Depreciation</b>		
Balance at beginning of year	28.00	44.34
Add: Depreciation charge for the year	16.34	-
Less: Disposals	-	-
<b>Balance as at end of year</b>	<b>44.34</b>	<b>44.34</b>
<b>Carrying amount</b>		
<b>Balance as end of year</b>	<b>-</b>	<b>-</b>
<b>Lease liability</b>		
Balance at beginning of year	19.27	-
Less: Disposals	-	-
Add: interest expense on lease	1.73	-
Less: Cash outflow for lease	21.00	-
<b>Balance as at end of year</b>	<b>-</b>	<b>-</b>

- iii) There is no future minimum lease payments / receipts under non-cancellable lease.

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

for the year ended 31 March, 2022

### Note 43 : 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 financials results of the Company.

#### (a) Reconciliation of revenue as per contract price and as recognised in the Statement of profit and loss:

Particulars	As At 31 March 2022	As At 31 March 2021
Revenue from contracts with customers as per contract price and statement of profit and loss	986.53	749.63

#### 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 a 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	As At 31 March 2022	As At 31 March 2021
<b>By contract type:</b>		
Fixed cost plus operating expenses	881.36	655.18
Fixed cost relating to group companies employees	105.17	94.45

#### (c) Contract liability (advance from customers)

Particulars	As At 31 March 2022	As At 31 March 2021
Advance from customer	52.17	58.16

The amount of ₹ 58.16 lakhs (31 March 2021: ₹ 445.74 lakhs) recognised in contract liabilities at the beginning of the year has been recognised as revenue during the year ended 31 March 2022.

#### (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 44 : Note on Social Security code

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

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

for the year ended 31 March, 2022

### Note 45 : Disclosure of Ratio

Particulars	Numerator	Denominator	Current Period	Previous Period	% Variance	Remarks
(a) Current Ratio	Current Asset	Current Liability	49.64	4.65	967%	Improve as last year includes short term loan payable ₹ 17 cr
(b) Debt-Equity Ratio	Total Debt	Equity	0.00	0.03	-100%	Improved due to reduction in loan due to repayment
(c) Debt Service Coverage Ratio	Earning before interest, depreciation and tax	Interest+Principal Repayment	0.42	1.94	-78%	Current year reduced as ₹ 17.29 cr paid in current year by the company
(d) Return on Equity Ratio	Net profit	Equity share capital	17%	1%	1314%	Improved due to increase in profit due to increase in revenues
(e) Inventory turnover ratio	Revenue from operation	Average Inventory	NA	NA	NA	There is no inventory in company
(f) Trade Receivables turnover ratio	Revenue from operation	Average trade receivable	4.47	4.59	-3%	
(g) Trade payables turnover ratio	Purchase	Average trade payable	10.46	7.82	34%	Improved due to increase in revenues
(h) Net capital turnover ratio	Revenue from operation	Equity	1.60%	1.34%	19%	
(i) Net profit ratio	Net profit after tax	Revenue from operations	53.68%	5.00%	974%	Improved due to increase in profit due to increase in revenues
(j) Return on Capital employed	Earning before interest, depreciation and tax	Total Assets-current Liabilities	1.06%	1.25%	-15%	
(k) Return on investment	Income generated from investment	Average Investment	12.00%	0.96%	1147%	The difference on account of higher closing balance as on 31st March 22

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

for the year ended 31 March, 2022

### Note 46 : Utilisation of funds

Investments made in the equity share capital of Calendula Commerce Private Limited (Joint Venture) during the year

Date	₹ in lakhs
22 July 2021	417.00
<b>Total</b>	<b>417.00</b>

Investments made by Calendula Commerce Private Limited (Joint Venture) as intermediary, during the year:

Investee Company	Relationship with the Company	Nature of Investment	Date	₹ in lakhs
Gajaanan Property Developer Private Limited	Joint Venture	Equity share capital	22 July 2021	417.00
<b>Total</b>				<b>417.00</b>

The above investment is in compliance with the relevant provisions of the Companies Act, 2013 and the transactions are not violative of the Prevention of Money-Laundering Act, 2002 (15 of 2003)

During the year company has not received any funds from any persons or entities, including foreign entities ("Funding Parties") with instruction in writing or otherwise for further lending, investing or providing guarantee directly or indirectly to any persons or entities or on behalf of its Ultimate Beneficiaries

### Note 47 : Other Statutory Information:

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property,
- (ii) The Company does not have any transactions with companies struck off,
- (iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period,
- (iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year,
- (v) The Company has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

### Note 48 : Comparatives:

Previous year numbers have been regrouped/reclassified wherever considered necessary, to confirm with current period's classification in order to comply with the requirements of the amended Schedule III to the Companies Act, 2013 effective from 1 April 2021.

### Note 49 : Subsequent events:

There are no subsequent events that have occurred after the reporting period till the date of this 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 : 28 May 2022

#### For and on behalf of the Board of Directors of Prozone Intu Properties Limited

CIN: L45200MH2007PLC174147

#### Nikhil Chaturvedi

Managing Director  
DIN : 00004983

#### Anurag Garg

Chief Financial Officer

Place : Mumbai

Date : 28 May 2022

#### Bipin Gurnani

Wholetime Director  
DIN : 07966971

#### Ajayendra Jain

Company Secretary & CCO



# Independent Auditors' Report

To the Members of

## **Prozone Intu Properties Limited** **Report on the Audit of 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 venture, which comprise the consolidated balance sheet as at 31 March 2022, and 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 venture 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 venture as at 31 March 2022, and 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 venture 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 reports of the other auditors referred to in paragraph (a) of the "Other Matters" section 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 audited consolidated financial statements in respect of Hagwood Developers Private Limited ('HDPL'), subsidiary of the Holding Company ("subsidiary 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 and instructed the Airport operator to initiate action as per Aircraft (Demolition of Obstructions caused by buildings and tree, etc.) Rule 1994. The subsidiary company had obtained a stay on the demolition order from the Honorable High Court of Bombay (Nagpur Bench). 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 Rs 30,043.37 lakhs, provision towards expected demolition cost, and interest payable to customers on cancellation of bookings, in these audited consolidated financial statements as at 31 March 2022.

Our conclusion is not modified in respect of this matter.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of other auditors on separate financial statements of the components audited by them, 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 53 of consolidated financial statements)

The Key Audit Matter	How the matter was addressed in our audit
<p>Revenue for the Group consists primarily of sale of services from mall operations and revenue from real estate projects. Revenue from mall operations represents ₹ 6,894.46 lakhs and revenue from sale of real estate projects represents ₹ 2,443.23 lakhs of the total revenue from operations of the Group respectively.</p> <p><b>Revenue Recognition for Real Estate operations</b></p> <p>Revenue is recognised upon transfer of control of units to customers for an amount reflecting the consideration which the Group expects to receive in exchange for those units. The Group records revenue at a point in time on completion of projects and execution of agreements with the customers.</p> <p>We have identified revenue recognition for real estate projects as a key audit matter because of its significance to the Group.</p>	<p><b>Our audit procedures on Revenue recognition included the following: -</b></p> <ul style="list-style-type: none"> <li>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;</li> <li>Cut-off procedures for determination of revenue in the correct reporting period;</li> <li>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</li> <li>Considering the adequacy of the disclosures in note 2.2 to the consolidated financial statements for revenue for real estate projects.</li> </ul>

### Revenue recognition for mall operations

Rental income from mall operations is recognised based on lease agreements executed with the tenants. In case of fixed license fees with increment clauses, the revenue is recognised in equal installments net off rebate 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 point in time on completion of project

- Identified and tested operating effectiveness of key controls around approvals of contracts, milestone billing, intimation of possession letters, and controls over collection from customers;
- We have performed substantive procedures over the selected samples with customers contracts, collection details and other underlying project related documentation.

### 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.



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

### Inventories (refer note 14 to the consolidated financial statements)

The Key Audit Matter	How the matter was addressed in our audit
<p>The Company's inventory comprises of ongoing and completed real estate projects. As at 31 March 2022, the carrying values of inventories amounts to Rs 47,073.70 lakhs.</p>	<p><b>Our audit procedures to assess the net realisable value (NRV) of inventories included the following:</b></p>
<p><b>Assessing net realisable value</b></p>	<ul style="list-style-type: none"> <li>• Inquired with the Group to understand the basis of calculation and justification for the estimated recoverable amounts of the unsold units ("the NRV assessment");</li> <li>• 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;</li> <li>• Evaluated the Group's valuation methodology and assessed the key estimates, data inputs and assumptions adopted in the valuations;</li> <li>• 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</li> <li>• 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.</li> </ul>
<p>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.</p>	

### 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 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 including joint venture, 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 of its joint venture 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 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 Board of 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 of its joint venture 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

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

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 of its joint venture 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 whether the Company has adequate the internal financial controls with reference to the financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of 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 venture 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 statements of such entities or business activities within the Group and its joint venture, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements 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 paragraph (a) of the section titled 'Other Matters' in this audit report.

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 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

We did not audit the financial statements of five subsidiaries whose financial statements reflect total assets of ₹ 45,524.09 lakhs as at 31 March 2022, total revenue of ₹ 2,052.26 lakhs and net cash inflows amounting to ₹ 3,251.58 lakhs for the year ended on that date, as considered in the consolidated financial statements. The

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

consolidated financial statements also include the Group's share of net loss after tax (and other comprehensive income) of ₹ 1.56 lakhs for the year ended 31 March 2022, 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.

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

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. (A) As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such subsidiaries and joint venture 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 report 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 2022 and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and its joint venture company incorporated in India, none of the directors of the Group companies and its joint venture company incorporated in India are disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies, and its joint venture company incorporated in India 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 Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries and the joint venture, as noted in the 'Other Matters' paragraph:
  - a) The consolidated financial statements disclose the impact of pending litigations as at 31 March 2022 on the consolidated financial position of the Group and the joint venture - Refer Note 43 to the consolidated financial statements.
  - b) The Group and its joint venture did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2022.
  - c) There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies and its joint venture company incorporated in India during the year ended 31 March 2022.
  - d) (i) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 54 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from

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

borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or its subsidiary companies and joint venture company incorporated in India to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or its subsidiary companies and its joint venture company incorporated in India ("Ultimate Beneficiaries") or
  - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (ii) The management has represented, that, to the best of its knowledge and belief, as disclosed in the note 54 to the consolidated financial statements, no funds have been received by the Holding Company or its subsidiary companies and its joint venture company incorporated in India from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or its subsidiary companies and its joint venture company incorporated in India shall:
- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or
  - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

(iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) of the Companies (Audit and Auditor's) Rules, 2014 contain any material mis-statement.

- e) The Holding Company and its subsidiary companies and its joint venture company incorporated in India have neither declared nor paid any dividend during the year.
- (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 and based on the reports of the statutory auditors of such subsidiary companies and joint venture company incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company and its subsidiary companies and its joint venture company 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 its joint venture company 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) of the Act 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: 22108511AJUBNU8533

**Place:** Mumbai

**Date:** 28 May 2022

# Annexure A to the Independent Auditors' Report – 31 March 2022

(Referred to in our report of even date)

(xxi) In our opinion and according to the information and explanations given to us, following companies incorporated in India and included in the consolidated financial statements, have unfavourable remarks, qualifications or adverse remarks given by the respective auditors in their reports under the Companies (Auditor's Report) Order, 2020 (CARO):

Sr. No.	Name of the entities	CIN	Holding Company/ Subsidiary/ JV/ Associate	Clause number of the CARO report which is unfavourable or qualified or adverse
1	Hagwood Commercial Developers Private Limited	U45201MH2006PTC164110	Subsidiary	(xvii)
2	Kruti Multitrade Private Limited	U51909MH2006PTC159476	Subsidiary	(xvii)
3	Calendula Commerce Private Limited	U74110MH2007PTC176735	Joint Venture	(xvii)
4	Prozone Developers and Realtors Private Limited	U70100MH2011PTC221037	Subsidiary	(xvii)
5	Prozone Intu Developers Private Limited	U45201MH2007PTC174150	Subsidiary	(xvii)
6	Omni Infrastructure Private Limited	U45202MP2007PTC019196	Subsidiary	(xvii)

**For B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

**Mansi Pardiwalla**

Partner

Membership No: 108511

UDIN: 22108511AJUBNU8533

**Place:** Mumbai

**Date:** 28 May 2022

# Annexure B to the Independent Auditors' Report – 31 March 2022

## 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 2022, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies (the Holding Company and its subsidiary companies incorporated in India together referred to as the "Group") and its joint venture companies, 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 2022, 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 other auditors of the subsidiary companies and its joint venture company incorporated in India, in terms of their reports referred to in the Other Matter 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 consolidated 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 B to the Independent Auditors' Report – ...*(Continued)*

31 March 2022

### 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: 22108511AJUBNU8533

**Place:** Mumbai

**Date:** 28 May 2022

# Consolidated Balance Sheet

as at 31 March, 2022

Particulars	Note	31 March 2022	31 March 2021
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	254.71	349.21
Investment property	4	58,712.75	61,209.57
Right of use assets	5	-	-
Other intangible assets	6	-	-
Investment property under construction	7	3,703.52	3,673.05
Goodwill on consolidation		9,113.18	9,113.18
Financial assets			
Investments	8	2,485.84	1,055.78
Loans	9	570.43	643.71
Other financial assets	10	3,668.14	10,134.28
Deferred tax assets (net)	11	9,930.81	9,568.56
Income tax assets (net)	12	791.23	987.53
Other non-current assets	13	2,037.76	1,944.78
<b>Total non-current assets</b>		<b>91,268.37</b>	<b>98,679.65</b>
<b>Current assets</b>			
Inventories	14	47,073.70	45,023.68
Financial assets			
Investments	15	4,537.02	826.29
Trade receivables	16	2,929.09	2,226.27
Cash and cash equivalents	17	3,452.16	4,613.27
Bank balances other than cash and cash equivalents	18	1,761.40	357.82
Loans	19	12,081.70	9,442.89
Other financial assets	20	672.74	855.18
Other current assets	21	355.17	327.30
<b>Total current assets</b>		<b>72,862.98</b>	<b>63,672.70</b>
<b>Total Assets</b>		<b>1,64,131.35</b>	<b>1,62,352.35</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Equity share capital	22	3,052.06	3,052.06
Other equity	22.1	45,168.39	45,013.21
<b>Equity attributable to owners</b>		<b>48,220.45</b>	<b>48,065.27</b>
Non controlling interest		30,379.30	29,937.32
<b>Total equity</b>		<b>78,599.75</b>	<b>78,002.59</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
Borrowings	23	43,085.19	40,702.50
Other financial liabilities	24	3,538.56	4,365.22
Provisions	25	88.27	80.09
Other non-current liabilities	26	378.94	488.69
<b>Total non-current liabilities</b>		<b>47,090.96</b>	<b>45,636.50</b>
<b>Current liabilities</b>			
Financial liabilities			
Borrowings	27	2,526.89	5,197.69
Trade payables			
Total outstanding dues to micro enterprise and small enterprise	28	4.27	8.34
Total outstanding dues to creditors other than micro enterprise and small enterprise	28	855.35	1,193.61
Other financial liabilities	29	1,618.15	2,115.43
Other current liabilities	30	33,359.58	30,114.07
Provisions	25	75.86	80.48
Current tax liabilities (net)	31	0.54	3.64
<b>Total current liabilities</b>		<b>38,440.64</b>	<b>38,713.26</b>
<b>Total equity and liabilities</b>		<b>1,64,131.35</b>	<b>1,62,352.35</b>
Significant accounting policies	2.2		
Notes to the consolidated financial statements	3 - 57		

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

Prozone Intu Properties Limited

CIN: L45200MH2007PLC174147

## Nikhil Chaturvedi

Managing Director

DIN : 00004983

## Anurag Garg

Chief Financial Officer

## Bipin Gurnani

Wholtime Director

DIN : 07966971

## Ajayendra Jain

Company Secretary & CCO

Place : Mumbai

Date : 28 May 2022

Place : Mumbai

Date : 28 May 2022



# Consolidated Statement of Profit & Loss

for the year ended 31 March, 2022

Particulars	Note	31 March 2022	31 March 2021
<b>Income</b>			
Revenue from operations	32	9,337.69	4,486.36
Other income	33	2,188.58	1,370.59
<b>Total income</b>		<b>11,526.27</b>	<b>5,856.96</b>
<b>Expenses</b>			
Cost of materials consumed	34	2,922.66	2,065.71
Change in inventories of finished goods and construction work in progress	34	(1,199.52)	(2,065.71)
Employee benefits expense	35	422.45	340.27
Finance costs	36	4,014.34	4,483.81
Depreciation and amortization expense	37	2,669.17	3,022.18
Other expenses	38	3,289.72	2,235.33
<b>Total expenses</b>		<b>12,118.82</b>	<b>10,081.59</b>
<b>(Loss) from ordinary activities before tax before share of profit/ (loss) of joint ventures</b>		<b>(592.55)</b>	<b>(4,224.63)</b>
Share of (loss) / profit of joint ventures (net of tax)		(1.56)	3.32
		<b>(594.11)</b>	<b>(4,221.31)</b>
<b>Less: Tax expense</b>			
Current tax (including of earlier years)		137.75	(29.40)
Deferred tax (credit) (including MAT credit entitlement ₹ Nil lakhs (31 March 2021: ₹ Nil lakhs)		(583.47)	(20.23)
<b>Total tax expense</b>		<b>(445.72)</b>	<b>(49.63)</b>
<b>(Loss) for the year (A)</b>		<b>(148.39)</b>	<b>(4,171.69)</b>
<b>Other comprehensive income (OCI)</b>			
<b>Items that will not be reclassified subsequently to the consolidated statement of profit and loss</b>			
- Remeasurement of post employment benefit obligation		1.00	5.12
- Gain / (Loss) on remeasuring FVTOCI financial assets		965.77	23.20
- Income Tax on Above		(221.22)	(6.60)
<b>Total other comprehensive income for the year, net of tax (B)</b>		<b>745.55</b>	<b>21.72</b>
<b>Total comprehensive income for the year, net of tax (A+B)</b>		<b>597.16</b>	<b>(4,149.97)</b>
<b>Net (loss) attributable to :</b>			
- Owners		(350.95)	(2,769.59)
- Non-controlling interest		202.56	(1,402.10)
<b>Total comprehensive income attributable to :</b>			
- Owners		162.87	(1,489.03)
- Non-controlling interest		434.29	(2,660.94)
<b>Earnings per share (EPS)</b>	39		
Basic and diluted (in ₹) (per equity share of nominal value ₹ 2 each)		<b>(0.23)</b>	<b>(1.81)</b>
Significant accounting policies	2.2		
Notes to the consolidated financial statements	3 - 57		

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

Place : Mumbai

Date : 28 May 2022

#### For and on behalf of the Board of Directors

Prozone Intu Properties Limited

CIN: L45200MH2007PLC174147

#### Nikhil Chaturvedi

Managing Director

DIN : 00004983

#### Anurag Garg

Chief Financial Officer

Place : Mumbai

Date : 28 May 2022

#### Bipin Gurnani

Wholetime Director

DIN : 07966971

#### Ajayendra Jain

Company Secretary & CCO

# Consolidated Statement of Changes in Equity

## for the year ended 31 March 2022

### A) Equity share capital

Particulars	Note	Number	Amount
Equity shares of ₹ 2 each issued, subscribed and paid			
<b>Balance as at 1 April 2020</b>	22	1,526.03	3,052.06
Changes in equity share capital for the year ended 31 March 2020		-	-
<b>Balance as at the 31 March 2021</b>		<b>1,526.03</b>	<b>3,052.06</b>
Changes in equity share capital for the year ended 31 March 2021		-	-
<b>Balance as at the 31 March 2022</b>		<b>1,526.03</b>	<b>3,052.06</b>

### B) Other equity

Particulars	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		
<b>As at 1 April 2020</b>	22.1	378.86	49,746.66	7.20	(3,498.85)	947.34	(960.74)	(20.80)	46,599.66	
<u>Total comprehensive income for the year</u>										
Loss for the year		-	-	-	(2,769.59)	-	-	-	(2,769.59)	
Share of Minority interest in Other component of equity of subsidiaries on account of notional commission on corporate guarantee given by parent company		-	-	-	(97.43)	-	1,276.73	-	1,179.30	
Remeasurement of post employment benefit obligation (net of tax)		-	-	-	-	-	-	3.83	3.83	
<b>As at 31 March 2021</b>		<b>378.86</b>	<b>49,746.66</b>	<b>7.20</b>	<b>(6,365.86)</b>	<b>947.34</b>	<b>315.99</b>	<b>(16.97)</b>	<b>45,013.21</b>	
<u>Total comprehensive income for the year</u>										
<u>Loss for the year</u>		-	-	-	(350.95)	-	-	-	(350.95)	
Fair value gain/(loss) on investment in equity instruments through OCI		-	-	-	-	-	513.07	-	513.07	
Remeasurement of post employment benefit obligation (net of tax)		-	-	-	-	-	-	0.75	0.75	
Share of Minority interest in Other component of equity of subsidiaries on account of notional commission on corporate guarantee given by parent company		-	-	-	(7.70)	-	-	-	(7.70)	
<b>As at 31 March 2022</b>		<b>378.86</b>	<b>49,746.66</b>	<b>7.20</b>	<b>(6,724.52)</b>	<b>947.34</b>	<b>829.07</b>	<b>(16.22)</b>	<b>45,168.39</b>	

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

Place : Mumbai

Date : 28 May 2022

#### For and on behalf of the Board of Directors

Prozone Intu Properties Limited

CIN: L45200MH2007PLC174147

#### Nikhil Chaturvedi

Managing Director

DIN : 00004983

#### Anurag Garg

Chief Financial Officer

Place : Mumbai

Date : 28 May 2022

#### Bipin Gurnani

Wholetime Director

DIN : 07966971

#### Ajayendra Jain

Company Secretary & CCO

# Consolidated Statement of Cash Flows

## for the year ended 31 March 2022

Particulars	31 March 2022	31 March 2021
<b>A. Cash flows from operating activities:</b>		
<b>(Loss) before tax</b>	<b>(594.11)</b>	<b>(4,221.31)</b>
Adjustments for :		
Depreciation and amortization expense	2,669.17	3,053.91
Provision for impairment in investment property	5.16	-
Share of profit / (loss) of joint ventures	1.56	(3.32)
Fair value changes of current investments	(18.43)	(2.10)
Interest income (including financial assets carried at amortised cost)	(1,385.25)	(1,224.49)
NRV Loss of Residential Project	144.17	-
Dividend income on current investments	(44.31)	-
Foreign currency translation gain	(6.10)	-
Sundry balances written off	73.94	135.62
Sundry Balances Written back	(430.09)	(1.97)
Finance Costs (including financial liabilities carried at amortised cost)	4,014.34	4,483.81
Liabilities no longer required written back	(238.76)	-
Amortisation of deferred asset (ie present value of Trade receivable)	39.84	-
Profit on sale of current investments	(71.74)	(30.82)
Provision for expected credit loss on Trade receivable	153.40	-
<b>Operating profit before working capital changes</b>	<b>4,312.79</b>	<b>2,189.33</b>
<b>Adjustments for changes in working capital:</b>		
Decrease / (Increase) in inventories	458.64	(2,065.72)
(Increase) in trade receivables	(930.16)	(419.05)
(Increase) in loans	(1,674.20)	(498.92)
Decrease in other financial assets	6,739.85	146.13
(Increase) in other assets	(160.69)	(54.36)
Increase / (Decrease) in trade payables	87.76	(5,418.93)
(Decrease) in other financial liabilities	(1,639.29)	(72.07)
Increase in other liabilities	1,641.44	3,801.13
Increase in provisions	4.56	16.79
<b>Cash generated from / (used in) operations</b>	<b>8,840.70</b>	<b>(2,375.67)</b>
Direct taxes paid (net of refunds received)	249.84	546.86
<b>Net cash flows generated from / (used in) operating activities (A)</b>	<b>9,090.54</b>	<b>(1,828.81)</b>
<b>B. Cash flows from investing activities:</b>		
Purchase of property, plant and equipment	(36.31)	(21.00)
Purchase of investment property including expenditure on Investment property under construction	(77.17)	(100.84)
Purchase of non-current investments (net)	(417.00)	(300.00)
(Purchase) / Sales of current investments (net)	(3,669.41)	5,092.46
Dividend income	44.31	-
Addition / maturity of bank deposits (having original maturity of more than 3 months)	(1,403.58)	568.80
<b>Net cash flows (used in) / generated from investing activities (B)</b>	<b>(5,559.16)</b>	<b>5,239.42</b>
<b>C. Cash flows from financing activities:</b>		
Repayment of long - term borrowings	(1,662.85)	-
Proceeds from long - term borrowings	2,000.00	5,220.06
Repayment of short - term borrowings	(1,729.50)	(1,503.62)
Finance cost paid	(3,300.14)	(3,312.79)
<b>Net cash flows (used in) / generated from financing activities (C)</b>	<b>(4,692.49)</b>	<b>403.65</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>(1,161.11)</b>	<b>3,814.26</b>
Cash and cash equivalents at the beginning of the year	4,613.27	799.01
<b>Cash and Cash Equivalents at the end of the year</b>	<b>3,452.16</b>	<b>4,613.27</b>

## Consolidated Statement of Cash Flows... (Continued)

### for the year ended 31 March 2022

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 statement of cash flows

Particulars	31 March 2022	31 March 2021
In bank current accounts *	3,444.14	4,581.07
Cash on hand	6.53	19.49
Cheque on Hand	1.49	12.71
	<b>3,452.16</b>	<b>4,613.27</b>

\* This amount includes Rs 2286.65 lakhs (previous year Rs 391.93 lakhs) which is held in escrow account of bank or financial institution against loan taken from them (refer note 23)

#### Changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes:

##### Reconciliation of liabilities arising from financing activities

Particulars	31-Mar-21	Cash flows	Fair value changes/ Interest accrued (Non-cash changes)	Current / Non Current Classification	31-Mar-22
Non-current borrowings	40,702.49	337.15	1,104.23	941.30	43,085.18
Current borrowings	5,197.69	(1,729.50)	-	(941.30)	2,526.89
<b>Total liabilities from financing activities</b>	<b>45,900.18</b>	<b>(1,392.35)</b>	<b>1,104.23</b>	<b>-</b>	<b>45,612.07</b>

Particulars	31-Mar-20	Cash flows	Fair value changes (Non-cash changes)	Current / Non Current Classification	31-Mar-21
Non-current borrowings	36,677.16	5,220.06	818.82	(2,013.54)	40,702.49
Current borrowings	4,687.77	(1,503.62)	-	2,013.54	5,197.69
<b>Total liabilities from financing activities</b>	<b>41,364.93</b>	<b>3,716.44</b>	<b>818.82</b>	<b>-</b>	<b>45,900.18</b>

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

Place : Mumbai  
Date : 28 May 2022

#### For and on behalf of the Board of Directors

**Prozone Intu Properties Limited**  
CIN: L45200MH2007PLC174147

#### Nikhil Chaturvedi

Managing Director  
DIN : 00004983

**Anurag Garg**  
Chief Financial Officer

Place : Mumbai  
Date : 28 May 2022

#### Bipin Gurnani

Wholtime Director  
DIN : 07966971

**Ajayendra Jain**  
Company Secretary & CCO

# Notes to the Consolidated financial statements

## for the year ended 31 March, 2022

### 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, Revenue from contracts with customers, 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 52.

These consolidated financial statements for the year ended 31 March 2022 have been reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on 28 May 2022.

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 2022 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) Recent Accounting Developments

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. Ministry of Corporate Affairs (MCA), vide notification dated 23<sup>rd</sup> March, 2022, has made the following amendments to Ind AS which are effective 1<sup>st</sup> April, 2022:

- a. Ind AS 109: Annual Improvements to Ind AS (2021)
- b. Ind AS 103: Reference to Conceptual Framework
- c. Ind AS 37: Onerous Contracts - Costs of Fulfilling a Contract
- d. Ind AS 16: Proceeds before intended use

## Notes to the Consolidated Financial Statements...(Continued)

### for the year ended 31 March, 2022

Based on preliminary assessment, the Company does not expect these amendments to have any significant impact on its standalone financial statements.

#### (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.

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 entirety 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

## Notes to the Consolidated Financial Statements...(Continued)

for the year ended 31 March, 2022

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 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 31.03.2022	% Voting power held as on 31.03.2021
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	NA**	NA**
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:**

Prozone Intu Properties Limited

Prozone Liberty International Limited, Singapore

\*\* Amalgamated with Prozone Developers and Realtors Private Limited (Formerly known as Classique Creators Private Limited) (PDRPL) w.e.f 1<sup>st</sup> Jan 2020

**(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.

## Notes to the Consolidated Financial Statements...(Continued)

for the year ended 31 March, 2022

### (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.

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 31.03.2021	% Voting Power held As on 31.03.2020
Emerald Buildhome Private Limited (EBPL)	2	India	NA	50
Calendula Commerce Private Limited	3	India	9.48	NA
Moontown Trading Company Private Limited (MTCPL)	1	India	25	25

1. Held through Prozone Intu Properties Limited.
2. Held through Prozone Liberty International Limited, Singapore, Sold on 21 January 2021.
3. Held through Prozone Intu Properties Limited, acquired with effect from w.e.f. 4 May 2020.

## 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.



## Notes to the Consolidated Financial Statements...(Continued)

### for the year ended 31 March, 2022

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;
- 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.

## Notes to the Consolidated Financial Statements...(Continued)

### for the year ended 31 March, 2022

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 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.

## Notes to the Consolidated Financial Statements...(Continued)

### for the year ended 31 March, 2022

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

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	60 years
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.

## Notes to the Consolidated Financial Statements...(Continued)

for the year ended 31 March, 2022

### 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:

- 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).

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 generate 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

## Notes to the Consolidated Financial Statements...(Continued)

### for the year ended 31 March, 2022

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.

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 benefit

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 recognised 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

## Notes to the Consolidated Financial Statements...(Continued)

### for the year ended 31 March, 2022

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, 2022

#### (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.

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.

## Notes to the Consolidated Financial Statements...(Continued)

### for the year ended 31 March, 2022

#### 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 already exercised the said option in preceding year.

#### 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.

#### 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.



## Notes to the Consolidated Financial Statements...(Continued)

### for the year ended 31 March, 2022

#### (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.

## Notes to the Consolidated Financial Statements...(Continued)

As at 31 March, 2022

## Note 3 : Property, plant and equipment

Particulars	Residential Premises	Office equipment	Furniture and Fittings	Motor Vehicles	Painting	Guest house building and Amenities	Computers	Total
<b>Gross Block:</b>								
Balance as at 1 April 2020	20.89	17.27	345.50	291.38	2.44	548.86	63.51	1,289.85
Additions	-	4.84	9.40	-	-	-	6.76	21.00
Disposals	-	-	-	-	-	-	-	-
Consolidation Adjustments	-	-	-	-	-	-	-	-
<b>Balance as at 31 March 2021</b>	<b>20.89</b>	<b>22.11</b>	<b>354.90</b>	<b>291.38</b>	<b>2.44</b>	<b>548.86</b>	<b>70.27</b>	<b>1,310.85</b>
Additions	-	8.07	1.59	(46.73)	-	-	8.52	(28.55)
Disposals	-	-	-	-	-	-	-	-
Consolidation Adjustments	-	-	-	-	-	-	-	-
<b>Balance as at 31 March 2022</b>	<b>20.89</b>	<b>30.18</b>	<b>356.49</b>	<b>244.65</b>	<b>2.44</b>	<b>548.86</b>	<b>78.79</b>	<b>1,282.29</b>
<b>Accumulated depreciation</b>								
Balance as at 1 April 2020	1.98	11.85	197.46	192.05	1.29	315.30	49.23	769.15
Depreciation for the year	-	8.59	42.87	29.80	0.01	99.66	11.55	192.48
Disposals	-	-	-	-	-	-	-	-
<b>Balance as at 31 March 2021</b>	<b>1.98</b>	<b>20.44</b>	<b>240.33</b>	<b>221.85</b>	<b>1.30</b>	<b>414.96</b>	<b>60.78</b>	<b>961.63</b>
Depreciation for the year	-	6.38	29.72	17.94	-	69.08	7.70	130.82
Disposals	-	-	-	(64.87)	-	-	-	(64.87)
<b>Balance as at 31 March 2022</b>	<b>1.98</b>	<b>26.82</b>	<b>270.04</b>	<b>174.93</b>	<b>1.30</b>	<b>484.04</b>	<b>68.48</b>	<b>1,027.59</b>
<b>Net carrying value</b>								
At 31 March 2021	18.91	1.67	114.57	69.53	1.14	133.90	9.49	349.22
<b>At 31 March 2022</b>	<b>18.91</b>	<b>3.36</b>	<b>86.45</b>	<b>69.72</b>	<b>1.14</b>	<b>64.82</b>	<b>10.32</b>	<b>254.71</b>

## Note 4 : Investment property

Particulars	Leasehold Land *	" Free hold Land * "	Building */**	Plant and Equipments	Total
<b>Gross Block:</b>					
Balance as at 1 April 2020	3,205.66	19,194.82	44,803.83	6,565.58	73,769.90
Additions	-	-	14.40	10.59	24.99
Disposals / Adjustments *	-	-	-	-	-
Consolidation Adjustments	-	-	-	-	-
<b>Balance as at 31 March 2021</b>	<b>3,205.66</b>	<b>19,194.82</b>	<b>44,818.23</b>	<b>6,576.17</b>	<b>73,794.88</b>
Additions	-	-	10.76	35.94	46.70
Impairment	-	-	(5.16)	-	(5.16)
Disposals	-	-	-	-	-
Consolidation Adjustments	-	-	-	-	-
<b>Balance as at 31 March 2022</b>	<b>3,205.66</b>	<b>19,194.82</b>	<b>44,823.84</b>	<b>6,612.11</b>	<b>73,836.42</b>
<b>Accumulated depreciation</b>					
Balance as at 31 March 2020	256.20	-	6,269.39	3,244.36	9,769.95
Depreciation charge	64.08	-	2,107.18	698.26	2,869.52
Disposals	-	-	-	-	-
<b>Consolidation Adjustments</b>	<b>-</b>	<b>-</b>	<b>(47.75)</b>	<b>(6.41)</b>	<b>(54.16)</b>
Balance as at 31 March 2021	320.28	-	8,328.83	3,936.21	12,585.31
Depreciation charge	64.08	-	1,977.57	545.03	2,586.68
Disposals	-	-	-	-	-
Consolidation Adjustments	-	-	(45.33)	(2.99)	(48.32)
<b>Balance as at 31 March 2022</b>	<b>384.36</b>	<b>-</b>	<b>10,261.06</b>	<b>4,478.25</b>	<b>15,123.68</b>
<b>Net carrying value</b>					
At 31 March 2021	2,885.38	19,194.82	36,489.41	2,639.96	61,209.57
<b>At 31 March 2022</b>	<b>2,821.30</b>	<b>19,194.82</b>	<b>34,562.77</b>	<b>2,133.86</b>	<b>58,712.75</b>

## Notes to the Consolidated Financial Statements...(Continued)

As at 31 March, 2022

Particulars	Leasehold Land *	" Free hold Land * "	Building */**	Plant and Equipments	Total
<b>Fair Value</b>					
At 31 March 2021					1,62,183.71
<b>At 31 March 2022</b>					<b>1,25,426.25</b>

\* Assets are mortgaged/hypothecated against the loans taken from Bank and financial institution (refer note 23)

\*\* Includes following property which is held in the name of erstwhile demerged Company

Relevant line item in Balance sheet	Description of item of property	Gross carrying value (in lakhs)	Title deeds held in the name of	whether title deeds holder is a promotor, director or relative of promotor/director or employee of promotor/director	Reason for not being held in the name of the company	Property held since which date
Investment property	Building	95.22	Erstwhile demerged company ie Provogue India Limited	No	Name pending to be transfer due to pending stamp duty matter (refer note 31)	31-03-2012

### 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 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	15.75% to 21.00% 9.50% to 11.00%

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 2022	31 March 2021
Rental income	6,894.46	4,486.36
Direct operating expenses from property that generated rental income	3,586.97	1,017.94
<b>Profit from investment properties before depreciation</b>	<b>3,307.49</b>	<b>3,468.43</b>
Depreciation	2,538.36	2,815.35
Finance Cost	3,510.59	3,480.02
<b>Profit from investment properties</b>	<b>(2,741.45)</b>	<b>(2,826.95)</b>

#### iv. The group has no restriction on the realisability of its investment property except where it is mortgaged/hypothecated to bank/FI (refer note 23) 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, 2022

### Note 5 : Right of use assets

Particulars	31 March 2022
<b>Gross Block:</b>	
<b>Balance as at 1 April 2020</b>	
Additions	44.34
Disposals	-
Consolidation Adjustments	-
<b>Balance as at 31 March 2021</b>	<b>44.34</b>
Additions	-
Disposals	-
Consolidation Adjustments	-
<b>Balance as at 31 March 2022</b>	<b>44.34</b>
<b>Accumulated depreciation</b>	
<b>Balance as at 1 April 2020</b>	-
Depreciation charge	28.00
Disposals	16.35
Consolidation Adjustments	-
<b>Balance as at 31 March 2021</b>	<b>44.34</b>
Depreciation charge	-
Disposals	-
Consolidation Adjustments	-
<b>Balance as at 31 March 2022</b>	<b>44.34</b>
<b>Net carrying value</b>	
At 31 March 2021	-
<b>At 31 March 2022</b>	<b>-</b>

### Note 6 : Other intangible assets

Particulars	Computer Software	Total
<b>Gross Block:</b>		
<b>Balance as at 1 April 2020</b>	<b>26.27</b>	<b>26.27</b>
Additions	-	-
Disposals	-	-
Consolidation Adjustments	-	-
<b>Balance as at 31 March 2021</b>	<b>26.27</b>	<b>26.27</b>
Additions	-	-
Disposals	-	-
Consolidation Adjustments	-	-
<b>Balance as at 31 March 2022</b>	<b>26.27</b>	<b>26.27</b>

**Notes to the Consolidated Financial Statements...(Continued)**

As at 31 March, 2022

Particulars	Computer Software	Total
<b>Accumulated depreciation</b>		
<b>Balance as at 1 April 2020</b>		
Depreciation charge	26.27	26.27
Disposals	-	-
Consolidation Adjustments	-	-
<b>Balance as at 31 March 2021</b>	26.27	26.27
Depreciation charge	-	-
Disposals	-	-
Consolidation Adjustments	-	-
<b>Balance as at 31 March 2022</b>	26.27	26.27
<b>Net carrying value</b>		
At 31 March 2021	-	-
<b>At 31 March 2022</b>	-	-

**Note 7 : Investment property under construction**

Particulars	31 March 2022	31 March 2021
<b>Opening balance</b>	3,673.05	3,595.20
Additions during the year :		
Professional fees	30.47	77.85
<b>Total investment property under construction</b>	3,703.52	3,673.05

**CWIP ageing schedule**

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>Projects in progress</b>					
School Project	30.08	0.00	0.00	0.00	30.08
Retail Mall	0.00	0.00	0.00	2,446.56	2,446.56
Clubhouse	1.81	233.67	50.02	941.38	1,226.88
Projects temporarily suspended	NA	NA	NA	NA	NA

## Notes to the Consolidated Financial Statements...(Continued)

As at 31 March, 2022

### Note 8 : Investments

Particulars	31 March 2022	31 March 2021
<b>I. Investments valued at fair value through OCI</b>		
Investment in equity shares		
i) In Joint Venture companies	2,428.11	1,048.43
ii) In Other Companies	57.73	7.35
<b>Total non-current investments</b>	<b>2,485.84</b>	<b>1,055.78</b>

### Note 8.1 Detailed list of non-current investments

Particulars	31 March 2022		31 March 2021	
	Nos	Total	Nos	Total
<b>i) In Joint Venture company</b>				
Moontown Trading Company Private Limited	-	-	20,25,000	142.63
Less Held for sales				(142.63)
				-
Emerald Build Home Private Limited (including goodwill on consolidation of ₹ 1,832.14 Lakhs)	-	-	50,00,000	4,434.54
Less Held for sales				(4,434.54)
				-
<b>Calendula Commerce Private Limited (equity shares of ₹ 10 each, fully paid up)</b>	71,70,000	2,429.66	25,36,650	886.40
Calendula Commerce Private Limited (equity shares of ₹ 10 each, partly paid up)		-	46,33,350	161.93
Add : Share of (loss) / profit for the year		(1.56)		0.11
		<b>2,428.11</b>		<b>1,048.43</b>
		<b>2,428.11</b>		<b>1,048.43</b>
<b>ii) In other companies</b>				
<b>a) Unquoted, Investments in equity shares of ₹ 10 each, fully paid up</b>				
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
<b>Trade Winds Impex Private Limited</b>	20,000	25.00	20,000	25.00
Iris Ecopower Venture Private Limited	73,400	57.73	8,48,400	7.34
Less : Fair value changes on investments carried at FVOCI		(848.00)		(1008.88)
	<b>2,46,900</b>	<b>57.73</b>	<b>10,38,400</b>	<b>7.35</b>
		<b>2,485.84</b>		<b>1,055.78</b>

Particulars	31 March 2022	31 March 2021
<b>Details:</b>		
<b>Aggregate of non-current investments:</b>		
Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	2,485.84	7.35
Aggregate amount of impairment in value of investments	-	-

**Notes to the Consolidated Financial Statements...(Continued)**

As at 31 March, 2022

**Note 9 : Loans***(Secured, Considered good)*

Particulars	31 March 2022	31 March 2021
<b>To parties other than related parties</b>		
- Loan receivables considered good*	570.43	643.71
<b>Total loans</b>	<b>570.43</b>	<b>643.71</b>

\* Secured against residential apartment in Mumbai

**Loans and Advance to specified person**

Type of Borrower	Amount of loan or advance in the nature of loan outstanding		Percentage to the total Loans and Advances in the nature of loans	
	FY 22	FY 21	FY 22	FY 21
Promoter	NA	NA	NA	NA
Directors	NA	NA	NA	NA
KMPs	NA	NA	NA	NA
Related Parties	NA	NA	NA	NA

**Note 10 : Other financial assets***(Secured, Considered Good)*

Particulars	31 March 2022	31 March 2021
<b>To parties other than related parties</b>		
Advance for projects (refer note 51)*	1,869.19	7,518.02
<b>(Unsecured, Considered Good)</b>		
<b>To parties other than related parties</b>		
Mobilisation advances / advance recoverable in cash or in kind		
Unsecured, Considered good	474.10	1,104.40
Unsecured, Doubtful	2,318.34	2,318.34
Less: Provision for expected credit loss	(2,318.34)	(2,318.34)
	<b>474.10</b>	<b>1,104.40</b>
Security deposits	1,320.35	1,456.47
Bank deposits (due to mature after 12 months of the reporting date) (refer note below)**	4.50	55.39
<b>Total other non-current financial assets</b>	<b>3,668.14</b>	<b>10,134.28</b>

\* 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 2022	31 March 2021
Property plant and equipment / Investment property	7,068.47	6,579.25
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)	1,151.94	1,190.75
Deferred tax on Ind AS adjustment	1,577.99	1,697.86
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	132.41	100.70
<b>Total deferred tax assets (net)</b>	<b>9,930.81</b>	<b>9,568.56</b>

## Notes to the Consolidated Financial Statements...(Continued)

As at 31 March, 2022

### Note 12 : Income tax assets (net)

Particulars	31 March 2022	31 March 2021
Advance tax including tax deducted at source (net of provision for tax ₹ 575.21 lakhs (31 March 2021: ₹ 437.94 lakhs))	791.23	987.53
	<b>791.23</b>	<b>987.53</b>

'Section 115BAA of the Income Tax Act, 1961, provides an option to companies for paying income tax at reduced rates in accordance with the provisions /conditions defined in the said section and accordingly. The group has adopted this new tax rate option from preceeding previous year.

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

Particulars	31 March 2022	31 March 2021
<b>Current tax expense (A)</b>		
Current year	137.75	(29.40)
<b>Deferred tax expense (B)</b>		
Origination and reversal of temporary differences	(583.47)	(20.23)
<b>Tax expense (A+B)</b>	<b>(445.72)</b>	<b>(49.63)</b>

#### (b) Amounts recognised in other comprehensive income

Particulars	31 March 2022			31 March 2021		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
<b>Items that will not be reclassified to profit or loss</b>						
Remeasurements of the defined benefit plans	1.00	(0.25)	0.75	5.12	(1.29)	3.82
Gains on remeasuring FVTOCI financial assets	965.77	(220.97)	744.81	23.20	(5.31)	17.89
	<b>966.78</b>	<b>(221.22)</b>	<b>745.55</b>	<b>28.32</b>	<b>(6.60)</b>	<b>21.73</b>

#### (c) Reconciliation of effective tax rate

Particulars	31 March 2022	31 March 2021
<b>Profit before tax</b>	(592.55)	(4,224.63)
Tax using the Company's domestic tax rate (Current year 25.168% and Previous Year 27.820%)	(149.13)	(1,063.26)
<b>Tax effect of :</b>		
Effect of expenses that is non-deductible in determining taxable profit	16.51	77.72
Effect of current year / brought forward losses for which no deferred tax is recognised	195.30	1,649.68
Effect of indexation benefit on land	(488.33)	(488.33)
MAT Credit (Charge) / Entitlement	-	(240.64)
Effect of deferred tax due to change in tax rate	-	(43.58)
Other adjustments	(20.07)	58.78
<b>Tax expense as per Statement of Profit and Loss</b>	<b>(445.73)</b>	<b>(49.63)</b>
Effective tax rate	75.22%	1.17%



## Notes to the Consolidated Financial Statements...(Continued)

As at 31 March, 2022

### (d) Movement in deferred tax balances

Particulars	31 March 2022						
	Net balances at 1 April 2021	Recognised in the statement of profit and loss	Recognised in OCI	Opening Adjustment	Net	Deferred tax asset	Deferred tax liabilities
Property, plant and equipments	109.06	(7.09)	-	-	101.97	101.97	-
Investment property	6,470.19	496.31	-	-	6,966.50	6,966.50	-
Investments	47.44	193.62	(220.97)	-	20.09	20.09	-
Trade receivables	16.48	60.54	-	-	77.02	77.02	-
Other financial assets	1,697.81	(119.83)	-	-	1,577.99	1,577.99	-
Ind AS 115	1,190.75	(38.81)	-	-	1,151.94	1,151.94	-
Ind AS 116	-	-	-	-	-	-	-
Borrowings	-	-	-	-	-	-	-
Other financial liabilities	11.33	(1.54)	-	-	9.79	9.79	-
Provisions	25.51	0.24	(0.25)	-	25.51	25.51	-
MAT Credit Entitlement	-	-	-	-	-	-	-
<b>Tax assets (liabilities) before set-off</b>	<b>9,568.56</b>	<b>583.46</b>	<b>(221.22)</b>	<b>-</b>	<b>9,930.81</b>	<b>9,930.81</b>	<b>-</b>
Set-off of deferred tax liabilities						-	
<b>Net deferred tax assets/ (liabilities)</b>						<b>9,930.81</b>	

Particulars	Balance at 31 March 2021						
	Net balances at 1 April 2020	Recognised in the statement of profit and loss	Recognised in OCI	Opening Adjustment	Net	Deferred tax asset	Deferred tax liabilities
Property, plant and equipments	117.01	(7.95)	-	-	109.06	109.06	-
Investment property	6,090.92	379.27	-	-	6,470.19	6,470.19	-
Investments	143.65	(87.68)	(8.54)	-	47.44	47.44	-
Loans	-	-	-	-	-	-	-
Trade receivables	25.82	(9.34)	-	-	16.48	16.48	-
Other financial assets	1,769.37	(71.56)	-	-	1,697.81	1,697.81	-
Other current assets	-	-	-	-	-	-	-
Ind AS 115	1,156.88	33.87	-	-	1,190.75	1,190.75	-
Ind AS 116	1.77	(1.77)	-	-	-	-	-
Borrowings	(20.23)	20.23	-	-	-	-	-
Other financial liabilities	3.17	8.16	-	-	11.33	11.33	-
Provisions	25.93	(2.36)	1.94	-	25.51	25.51	-
Other current liabilities	-	-	-	-	-	-	-
MAT Credit Entitlement	240.64	(240.64)	-	-	-	-	-
<b>Tax assets (liabilities) before set-off</b>	<b>9,554.92</b>	<b>20.23</b>	<b>(6.60)</b>	<b>-</b>	<b>9,568.56</b>	<b>9,568.56</b>	<b>-</b>
Set-off of deferred tax liabilities						-	
<b>Net deferred tax assets/ (liabilities)</b>						<b>9,568.56</b>	

## Notes to the Consolidated Financial Statements...(Continued)

As at 31 March, 2022

### (e) Unrecognised deferred tax assets

Deferred tax have not been recognised in respect of the following items :

Particulars	Expiry	31 March 2022	31 March 2021
Unabsorbed depreciation	Never Expire	21,526.98	11,878.36
<b>Tax effect of unrecognised tax depreciation carried forward</b>		<b>5,417.91</b>	<b>2,989.55</b>
Unrecognised tax losses carried forward	AY 2020-21	-	191.38
	AY 2022-23	189.20	189.20
	AY 2023-24	586.77	586.77
	AY 2024-25	712.16	-
	AY 2026-27	1,046.97	1,046.97
	AY 2028-29	2,039.29	1,608.30
	AY 2029-30	2,888.41	-
	AY 2030-31	3,144.99	-
<b>Tax effect of unrecognised tax losses carried forward</b>		<b>2,669.77</b>	<b>911.74</b>
<b>Unrecognised tax losses carried forward</b>		<b>8,087.68</b>	<b>3,901.29</b>

### Note 13 : Other non-current assets

(Unsecured, Considered Good)

Particulars	31 March 2022	31 March 2021
<b>To other than related parties</b>		
Prepaid Expenses	813.65	814.93
Balances with government authorities	1,224.11	1,129.85
<b>Total other non-current assets</b>	<b>2,037.76</b>	<b>1,944.78</b>

### Note 14 : Inventories

(Valued at lower of cost and Net realisable value)

Particulars	31 March 2022	31 March 2021
Work in progress - construction project (refer note 34)	47,073.70	45,023.68
<b>Total inventories</b>	<b>47,073.70</b>	<b>45,023.68</b>

### Note 15 : Investments

Particulars	31 March 2022	31 March 2021
<b>Investments valued at Fair value through PL (FVTPL)</b>		
Investment in mutual funds	4,537.02	276.29
<b>Investments valued at fair value through OCI (FVOCI)</b>		
Investment in Joint venture	-	550.00
<b>Total Current investments</b>	<b>4,537.02</b>	<b>826.29</b>

## Notes to the Consolidated Financial Statements...(Continued)

As at 31 March, 2022

### Note 15.1 Detailed list of Current investments

Particulars	31 March 2022		31 March 2021	
	Nos	Total	Nos	Total
<b>I. Investments valued at fair value, fully paid up, unquoted, unless otherwise stated</b>				
<b>a) Investments in mutual fund</b>				
Aditya Birla Sun Life Mutual fund	3,27,594	1,442.47	8,692	36.74
Kotak Savings Fund	33,90,291	730.10	6,76,459	228.17
Nippon India Money Market fund (G)	15,156	503.42	-	-
SBI Ultra Short Term (G)	16,689	808.71	-	-
Baroda Business Cycle Fund	99,985	9.93	-	-
IDFC Ultra Short Term Fund (G)	84,29,157	1,039.75	-	-
HDFC Ultra Short Term Fund	-	-	844	0.10
IDFC Cash Fund	104	2.65	456	11.28
	<b>1,22,78,976</b>	<b>4,537.02</b>	<b>6,86,450</b>	<b>276.29</b>
<b>Investment in Joint venture</b>				
Emerald Build Home Private Limited	-	-	50,00,000	4,434.54
Add : Share of profit for the year	-	-	-	8.15
Add : Fair valuation of Investment	-	-	-	(1,142.69)
Less Amount received	-	-	-	(3,320.54)
Foreign exchange gain loss	-	-	-	20.54
	-	-	<b>50,00,000</b>	-
Moontown Trading Company Private Limited	-	-	20,25,000	142.63
Fair value	-	-	-	344.50
Add : Share of (Loss) for the year	-	-	-	62.87
	-	-	<b>20,25,000</b>	<b>550.00</b>
Add / (Less) : Fair value gain / (loss)	-	-	-	-
<b>Total Current investments</b>		<b>4,537.02</b>		<b>826.29</b>

Particulars	31 March 2022	31 March 2021
<b>Details:</b>		
Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	4,537.02	826.29
Aggregate amount of impairment in value of investments	-	-

### Note 16 : Trade receivables

(Unsecured)

Particulars	31 March 2022	31 March 2021
Trade Receivables considered good	2,929.09	2,226.27
Trade Receivables - credit impaired	306.02	152.62
	<b>3,235.11</b>	<b>2,378.89</b>
Less : Provision for expected credit loss	(306.02)	(152.62)
	<b>2,929.09</b>	<b>2,226.27</b>
Less: Transfer to current financial assets	(39.84)	-
Add Interest income on present value of Trade receivable	39.84	-
<b>Total trade receivables</b>	<b>2,929.09</b>	<b>2,226.27</b>

## Notes to the Consolidated Financial Statements...(Continued)

As at 31 March, 2022

### Disclosure of trade receivable ageing

FY 2021-2022	Outstanding for the following periods from due date of payments					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	1,788.74	477.93	443.64	183.16	35.61	<b>2,929.08</b>
(ii) Undisputed Trade receivables - which have significant increase in credit risk	46.13	1.02	26.04	87.61	145.24	<b>306.03</b>
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-
(i) Disputed Trade receivables - considered good	-	-	-	-	-	-
(ii) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Disputed Trade receivables - credit impaired	-	-	-	-	-	-

FY 2020-2021	Outstanding for the following periods from due date of payments					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	1,688.29	78.58	391.33	68.05	-	<b>2,226.26</b>
(ii) Undisputed Trade receivables - which have significant increase in credit risk	5.39	1.42	29.15	18.41	98.26	<b>152.63</b>
(iii) Undisputed Trade receivables - credit impaired	-	-	-	-	-	-
(i) Disputed Trade receivables - considered good	-	-	-	-	-	-
(ii) Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
(iii) Disputed Trade receivables - credit impaired	-	-	-	-	-	-

### Note 17 : Cash and cash equivalents

Particulars	31 March 2022	31 March 2021
<b>Balances with Banks:</b>		
On Current Accounts	3,444.14	4,581.07
Cheques on hand	1.49	12.71
Cash on hand	6.53	19.49
<b>Total cash and cash equivalents</b>	<b>3,452.16</b>	<b>4,613.27</b>

### Note 18 : Bank balances other than cash and cash equivalents

Particulars	31 March 2022	31 March 2021
Deposits with original maturity for more than 3 months but less than 12 months*	1,761.40	357.82
<b>Total other bank balances</b>	<b>1,761.40</b>	<b>357.82</b>

\* Bank Deposits are kept against bank guarantee given by the company to Maharashtra Electricity Board, Municipal Corporation, etc. It also includes fixed deposit offered as a security against LRD loan. During the previous year fixed deposit amounting to Rs 583.00 lakhs is liquidated and adjusted against loan EMI in case of Coimbatore project the same has again created in current financial year.

### Note 19 : Loans (Unsecured, Considered Good)

Particulars	31 March 2022	31 March 2021
<b>To related party</b>		
Loans to Joint venture company (Refer note 40) *	-	298.90
<b>To parties other than related parties</b>		
Unsecured, Considered good	11,948.19	9,040.18
Unsecured, Doubtful	1,158.45	1,158.45
Less : Provision for expected credit loss	(1,158.45)	(1,158.45)
	<b>11,948.19</b>	<b>9,339.09</b>
Loan to employees (including related parties)	133.51	103.80
<b>Total loans</b>	<b>12,081.70</b>	<b>9,442.89</b>

## Notes to the Consolidated Financial Statements...(Continued)

As at 31 March, 2022

### Loans and Advance to specified person

Type of Borrower	Amount of loan or advance in the nature of loan outstanding		Percentage to the total Loans and Advances in the nature of loans	
	FY 22	FY 21	FY 22	FY 21
<u>Promoter</u>	NA	NA	NA	NA
<u>Directors</u>				
Mr Salil Chaturvedi	66.36	60.18	0.50%	0.58%
<u>KMPs</u>				
Mr Anurag Garg	5.80	3.00	0.04%	0.03%
Mr Ajayendra Jain	7.00	7.00	0.05%	0.07%
<u>Related Parties</u>				
Loans to Joint venture company (Refer note 40) *	0.00	298.90	0.00%	2.90%

### Note 20 : Other financial assets

Particulars	31 March 2022	31 March 2021
<b>To parties other than related parties</b>		
Advance recoverable in cash or in kind		
Unsecured, Considered good	672.74	855.18
Deferred assets - Present value of trade receivable	39.84	-
Less: Amortisation of expenses	(39.84)	-
<b>Total other current financial assets</b>	<b>672.74</b>	<b>855.18</b>

### Note 21 : Other current assets

(Unsecured, Considered Good)

Particulars	31 March 2022	31 March 2021
<b>To parties other than related parties</b>		
Prepaid expenses	177.10	99.94
Lease Rental Adjustments- Unbilled Revenue	178.07	227.36
<b>Total other current assets</b>	<b>355.17</b>	<b>327.30</b>

### Note 22 : Equity share capital

Particulars	31 March 2022	31 March 2021
<b>Authorised</b>		
2,002.50 Lakhs (31 March 2021: 2,002.50 Lakhs) Equity Shares of ₹ 2/- each	4,005.00	4,005.00
	<b>4,005.00</b>	<b>4,005.00</b>
<b>Issued, Subscribed and Paid Up</b>		
1,526.03 Lakhs (31 March 2021: 1,526.03 Lakhs) Equity Shares of ₹ 2/- each fully paid up	3,052.06	3,052.06
	<b>3,052.06</b>	<b>3,052.06</b>

#### (a) Reconciliation of the equity shares outstanding at the beginning and at the end of the reporting period

Particulars	31 March 2022		31 March 2021	
	No. of shares	Total	No. of shares	Total
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	-	-	-	-
<b>Outstanding at the end of the period</b>	<b>1,526.03</b>	<b>3,052.06</b>	<b>1,526.03</b>	<b>3,052.06</b>

## Notes to the Consolidated Financial Statements...(Continued)

As at 31 March, 2022

### (b) Terms / rights 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) Details of Shareholders holding more than 5% shares in the company:

Names of Shareholders	31 March 2022		31 March 2021	
	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

### (d) Promotors' shareholdings during the year

S.N.	Name of Shareholders	Shareholding on 31.03.2022		Shareholding on 31.03.2021		% Change in during the year
		No of shares	% of holding	No of shares	% of holding	
1	NIKHIL CHATURVEDI FAMILY TRUST	1,40,50,955	9.21%	1,40,50,955	9.21%	0%
2	SALIL A CHATURVEDI FAMILY TRUST	1,37,32,991	9.00%	1,37,32,991	9.00%	0%
3	DEEP SUBHASH GUPTA FAMILY TRUST	37,50,000	2.46%	69,93,460	4.58%	46%
4	MEERUT FESTIVAL CITY LLP	43,60,841	2.86%	43,60,841	2.86%	0%
5	RAKESH RAWAT FAMILY TRUST	41,11,750	2.69%	41,11,750	2.69%	0%
6	AKHIL CHATURVEDI FAMILY TRUST	16,77,601	1.10%	18,86,084	1.24%	11%
7	NIGAM ANIL PATEL FAMILY TRUST	2,783	0.00%	2,783	0.00%	0%
8	ANISHA CHATURVEDI	1,66,225	0.11%	1,66,225	0.11%	0%
9	VEENA D GUPTA	0	0.00%	68,005	0.04%	100%
10	RUCHI CHHABRA	1,34,600	0.09%	1,34,600	0.09%	0%
11	PUSHAP LATA RAWAT	36,501	0.02%	36,501	0.02%	0%
12	GHAN SHYAM RAWAT	20,000	0.01%	20,000	0.01%	0%
13	SANTOSH SUBHASH GUPTA	10,000	0.01%	10,000	0.01%	0%
14	NIKHIL CHATURVEDI	5,000	0.00%	5,000	0.00%	0%
15	SUBHASH UDAYCHAND GUPTA	5,685	0.00%	5,685	0.00%	0%
16	VANDANA VAIDH	1,620	0.00%	1,620	0.00%	0%

**Notes to the Consolidated Financial Statements...(Continued)**

As at 31 March, 2022

**Note 22.1 : Other equity****Reserves and Surplus**

	Particulars	31 March 2022	31 March 2021
<b>(i)</b>	<b>Securities Premium</b>		
	Opening balance	49,746.66	49,746.66
	<b>Closing balance (refer sub-note 1)</b>	<b>49,746.66</b>	<b>49,746.66</b>
<b>(ii)</b>	<b>Amalgamation Reserve</b>		
	Opening balance	378.86	378.86
	<b>Closing balance (refer sub-note 2)</b>	<b>378.86</b>	<b>378.86</b>
<b>(iii)</b>	<b>Capital Reserve on consolidation</b>		
	Opening balance	7.20	7.20
	<b>Closing balance (refer sub-note 3)</b>	<b>7.20</b>	<b>7.20</b>
<b>(iv)</b>	<b>Retained Earnings</b>		
	Opening balance	(6,365.87)	(3,498.85)
	Add: (loss) for the year	(350.95)	(2,769.59)
	Adjustment on account of right to use as per Ind AS 116 (refer note 54)	-	-
	Less: Share of Minority interest in Other component of equity of subsidiaries	(7.70)	(97.43)
	<b>Closing balance (refer sub-note 4)</b>	<b>(6,724.53)</b>	<b>(6,365.87)</b>
<b>(v)</b>	<b>Foreign Currency Translation Reserve</b>		
	Opening balance	947.34	947.34
	Add / (Less) : Exchange difference arising on translation of foreign operations	-	-
	<b>Closing balance (refer sub-note 5)</b>	<b>947.34</b>	<b>947.34</b>
<b>(vi)</b>	<b>Gains/(loss) on fair value of investments</b>		
	Opening balance	316.00	(960.74)
	Add : Fair value gain on investment in equity instruments through OCI	513.07	1,276.73
	<b>Closing balance (refer sub-note 6)</b>	<b>829.07</b>	<b>316.00</b>
<b>(vii)</b>	<b>Gain / (loss) on fair value of defined benefit plans</b>		
	Opening balance	(16.96)	(20.79)
	(Less) :(Loss) on fair value of defined benefit plans	0.75	3.83
	<b>Closing balance (refer sub-note 7)</b>	<b>(16.22)</b>	<b>(16.96)</b>
	<b>Total (i)+(ii)+(iii)+(iv)+(v)+(vi)+(vii)</b>	<b>45,168.38</b>	<b>45,013.22</b>

## Notes to the Consolidated Financial Statements...(Continued)

As at 31 March, 2022

### 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 group.
- 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, 2022

### Note 23 : Borrowings

Particulars	31 March 2022	31 March 2021
<b>a) (Secured)</b>		
<b>A Term loans from banks</b>	19,640.93	19,353.25
Less: Current maturities of long term debt (disclosed under other financial liabilities note no 26)	710.00	1,662.85
	<b>18,930.93</b>	<b>17,690.40</b>
<b>B Term loans from financial institutions</b>	19,261.32	20,260.56
Less: Current maturities of long term debt (disclosed under other financial liabilities note no 26)	1,813.96	1,802.41
	<b>17,447.36</b>	<b>18,458.15</b>
<b>C Hire purchase loans</b>	6.58	9.79
Less: Current maturities of long term debt (disclosed under other financial liabilities note no 26)	2.93	2.93
	<b>3.65</b>	<b>6.86</b>
<b>D Optionally Convertible Debentures (OCD)</b>	4,629.34	4,331.19
<b>E Zero Coupon Secured Unrated Unlisted Non Convertible Debenture</b>	2,069.70	-
<b>Total secured borrowings</b>	<b>43,080.98</b>	<b>40,486.60</b>
<b>b) (Unsecured)</b>		
Loans taken from unrelated parties (refer sub note (b) (i))	4.21	215.90
<b>Total unsecured borrowings</b>	<b>4.21</b>	<b>215.90</b>
<b>Total borrowings</b>	<b>43,085.19</b>	<b>40,702.50</b>

#### Other disclosures pursuant to secured loans and unsecured loans

##### a) (Secured)

##### A Term loan from bank (secured) includes:

i) ₹ 19,640.93 lakhs (31 March 2021: ₹ 19,353.25) loan from Bank presently carrying interest @ 8.95 % (31 March 2021: 8.95 %) (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. One time restructuring of loan as prescribed by RBI due to covid is implemented by bank in current financial year, the repayment schedule is extended accordingly.

##### B Term loan from financial institutions (secured) includes:

- (i) ₹ 8,946.43 Lakhs (31 March 2021 : ₹ 8,966.07 Lakhs) term loan from Financial Institution carrying interest @ 10.60 % p.a. (previous year 10.60 % p.a.) (floating rate). The loan is repayable in 180 monthly installments of ₹ 107.98 Lakhs 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. One time restructuring of loan as prescribed by RBI due to covid is implemented by financial institution in current financial year, the repayment schedule is extended accordingly.
- (ii) ₹ 8,501.52 Lakhs (31 March 2021 : ₹ 7,829.51 lakhs) term loan from Financial Institution carrying interest @ 10.50 % p.a. (previous year 10.5% (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. One time restructuring of loan as prescribed by RBI due to covid is implemented by financial institution in current financial year, the repayment schedule is extended accordingly.
- iii) ₹ Nil lakhs (31 March 2021: ₹ 1,662.85 lakhs) loan from Financial Institution presently carrying interest @ 13.80 % (previous year 13.80%) (floating rate). The loan was repayable in 30 monthly instalment starting from July 2022. The loan was secured by first

## Notes to the Consolidated Financial Statements...(Continued)

As at 31 March, 2022

exclusive charge on undivided share of land measuring 2.99 acres and building thereon. The above loan was further secured by corporate guarantee of the Holding Company Prozone Intu Properties Limited and hypothecation of sold and unsold receivables from the residential project. The said loan was fully repaid during this financial year

- iv) ₹ 1,813.37 lakhs (31 March 2021 : ₹ 1,802.13 lakhs ) loan from Financial Institution presently carrying interest @ 14.00 % (previous year 13.00%) (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. One time restructuring proposal is accepted by the Financial Institution and duly implemented as well in previous financial year, the repayment schedule is extended accordingly.

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 ₹ 6.58 lakhs (31 March 2021 : ₹ 9.79 lakhs) in respect of one vehicle which is secured by hypothecation of vehicle financed with Bank. The loan carries interest @ 9.25% p.a. The loan is repayable in 60 equal instalments starting from 1 February 2019.

### D Other Debt

During the previous year, one of the subsidiary Company has allotted 500 numbers, 0.01 % Optionally Convertible Debentures (OCD) of ₹ 1,000,000/- each. These debentures are secured against facility amount provided for various real estate projects referred in Note 10

### E ZERO COUPON SECURED UNRATED UNLISTED NON CONVERTIBLE DEBENTURE

During the year group has issued 2000 unrated, senior, redeemable, secured, transferable, non-convertible debentures of a face value of ₹ 1,00,000/- each, of the aggregate value of up to ₹ 20,00,00,000 (total amount agreed amount is ₹ 90 crores which will be issued in various tranches). The Debentures are Zero Coupon and are redeemable at premium of an IRR of 12% in 16 quarters. These are secured against land admeasuring 10.48 Acres including building thereon, FSI, development rights, all sold & unsold units on the said land. These are further secured by corporate guarantee of the Holding Company Prozone Intu Properties Limited. Accrued interest but not due is included in closing balance.

### b) Unsecured loan

Loans taken from unrelated parties includes long term loan taken by one of the subsidiary company which carries interest @ 7% p.a. which is repayable after one year.

## Note 24 : Other financial liabilities

Particulars	31 March 2022	31 March 2021
Lease Deposits from Tenants	3,534.15	4,131.19
Deferred liability on 0.01 % Optionally Convertible Debentures (OCD)	4.40	234.03
<b>Total other non-current financial liabilities</b>	<b>3,538.56</b>	<b>4,365.22</b>

## Note 25 : Provisions

Particulars	31 March 2022	31 March 2021
Provision for employee benefits (Refer note 41)		
- provision for gratuity	88.27	80.09
<b>Total non-current provisions</b>	<b>88.27</b>	<b>80.09</b>
Provision for employee benefits (Refer note 41)		
- provision for gratuity	12.76	15.16
- provision for compensated absences	63.10	65.32
<b>Total current provisions</b>	<b>75.86</b>	<b>80.48</b>
<b>Total provisions</b>	<b>164.13</b>	<b>160.57</b>

**Notes to the Consolidated Financial Statements...(Continued)**

As at 31 March, 2022

**Note 26 : Other non-current liabilities**

Particulars	31 March 2022	31 March 2021
Deferred Liabilities on financial liabilities carried at amortised cost	378.94	488.69
<b>Total other non-current liabilities</b>	<b>378.94</b>	<b>488.69</b>

**Note 27 : Borrowings**

(Unsecured)

Particulars	31 March 2022	31 March 2021
Loans taken from Joint venture company (refer note 40)	-	1,729.50
Current maturities of long term debt (refer note 23)	2,526.89	3,468.19
<b>Total borrowings</b>	<b>2,526.89</b>	<b>5,197.69</b>

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. This loan is fully repaid during current financial year.

**Note 28 : Total outstanding dues to micro enterprise and small enterprise**

Particulars	31 March 2022	31 March 2021
<b>Trade payables</b>		
- Total outstanding dues of micro enterprises and small enterprises (refer note below)	4.27	8.34
- Total outstanding dues of creditors other than micro enterprises and small enterprises.	855.35	1,193.61
<b>Total trade payables</b>	<b>859.62</b>	<b>1,201.95</b>

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:

**Disclosure of trade payable ageing schedule**

FY 2021-2022	Outstanding for followings periods from due date of payments				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>Unbilled</b>	-	96.00	-	-	<b>96.00</b>
<b>Billed</b>					
(i) MSME	4.27	-	-	-	<b>4.27</b>
(ii) Others	551.73	176.18	19.28	12.15	<b>759.35</b>
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
FY 2020-2021	Outstanding for followings periods from due date of payments				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
<b>Unbilled</b>	-	-	-	-	<b>270.27</b>
<b>Billed</b>					
(i) MSME	8.34	-	-	-	<b>8.34</b>
(ii) Others	813.33	74.20	13.00	22.82	<b>923.35</b>
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

## Notes to the Consolidated Financial Statements...(Continued)

for the year ended 31 March, 2022

### Note 29 : Other financial liabilities

Particulars	31 March 2022	31 March 2021
Lease deposit become payable within next 12 months	64.47	64.47
Employee Benefits Payable	79.81	69.89
Retention money payable	676.00	-
Payable towards capital expenditure	797.87	38.41
Provision for Expenses	-	1,942.66
<b>Total other current financial liabilities</b>	<b>1,618.15</b>	<b>2,115.43</b>

### Note 30 : Other current liabilities

Particulars	31 March 2022	31 March 2021
Deferred Liabilities on financial liabilities carried at amortised cost	15.04	15.04
Advance from customers	28,922.46	26,275.22
Duties and taxes payable	381.56	350.91
Retention money payable	-	745.69
Capital expenditure deposit with tenants	4,040.52	1,460.35
Payables in respect of capital assets	-	1,266.86
<b>Total other current liabilities</b>	<b>33,359.58</b>	<b>30,114.07</b>

### Note 31 : Current tax liabilities (net)

Particulars	31 March 2022	31 March 2021
Provision for Tax (net of Advance tax and TDS Rs Nil (31 March 2021: Rs 1.78 lakhs)	0.54	3.64
<b>Total current tax liabilities (net)</b>	<b>0.54</b>	<b>3.64</b>

### Note 32 : Revenue from operations

Particulars	31 March 2022	31 March 2021
<b>Sale of property</b>		
Revenue from real estate projects	2,443.23	-
<b>Sale of services</b>		
License fees	4,013.93	2,490.06
Service charges	2,441.52	1,774.90
Others	439.01	221.40
<b>Total revenue from operations</b>	<b>9,337.69</b>	<b>4,486.36</b>

## Notes to the Consolidated Financial Statements...(Continued)

for the year ended 31 March, 2022

### Note 33 : Other income

Particulars	31 March 2022	31 March 2021
Interest income on :		
- Long term loans and advances	891.33	695.98
- Fixed deposits	91.27	77.59
- Income tax refund	56.64	54.69
- present value of Trade receivable	39.84	-
- Amortisation of deferred liability on on present value of retention money	-	6.29
Dividend income on current investments	44.31	-
Amortisation of deferred liability on loan taken from joint venture	306.17	389.93
Sundry Balances Written back	430.09	1.97
Profit on sale of current investments	71.74	30.82
Liabilities no longer required written back	238.76	111.22
Reversal of provision for diminution in value of current investments	18.43	2.10
<b>Total other income</b>	<b>2,188.58</b>	<b>1,370.59</b>

### Note 34 : Cost of materials consumed

Particulars	31 March 2022	31 March 2021
<b>Opening balance</b>	<b>45,023.67</b>	<b>40,329.07</b>
<b>Add:</b>		
Construction and development costs	468.18	668.02
Addition on account of significant Finance component	2,041.93	2,628.89
Borrowing costs	610.90	621.86
Administrative and other expenses	652.16	775.83
	<b>48,796.84</b>	<b>45,023.67</b>
<b>Less:</b>		
Closing balance of inventory	47,073.70	45,023.67
<b>Total cost of construction project</b>	<b>1,723.14</b>	<b>-</b>

### Note 35 : Employee benefits expense

Particulars	31 March 2022	31 March 2021
Salaries and wages	695.00	532.50
Directors' remuneration	300.00	220.00
Contribution to provident fund and other funds (refer note 41)	13.96	15.50
Staff welfare expenses	15.46	7.70
Expenses related to post-employment defined benefit plans (refer note 41)	16.16	14.93
Expenses related to compensated absences (refer note 41)	0.53	6.30
Less: Elimination of the cost of services rendered to subsidiaries	618.66	456.66
<b>Total employee benefits expense</b>	<b>422.45</b>	<b>340.27</b>

### Note 36 : Finance costs

Particulars	31 March 2022	31 March 2021
Interest on :		
- loans taken from banks	3,510.59	3,480.02
Notional interest on financial liabilities carried at amortised cost	315.35	350.46
Notional interest on loans taken from joint venture	-	196.97
Other borrowing costs	188.40	454.63
Finance Cost of Lease Liability	-	1.73
<b>Total finance costs</b>	<b>4,014.34</b>	<b>4,483.81</b>

## Notes to the Consolidated Financial Statements...(Continued)

for the year ended 31 March, 2022

### Note 37 : Depreciation and amortization expense

Particulars	31 March 2022	31 March 2021
Depreciation on property, plant and equipment (refer note 3)	130.82	192.48
Depreciation on investment property (refer note 4)	2,538.36	2,801.70
Depreciation on Right of use assets (refer note 6)	-	28.00
<b>Total Depreciation expense</b>	<b>2,669.17</b>	<b>3,022.18</b>

### Note 38 : Other expenses

Particulars	31 March 2022	31 March 2021
Rent (refer note 51)	41.61	18.90
Rates and taxes	360.26	217.91
Insurance	95.08	101.19
Repairs and maintenance		
- building	120.63	87.84
- plant and machinery	46.45	52.86
- others	105.43	73.05
Electricity charges	332.01	219.71
Security charges	100.30	86.56
Housekeeping charges	100.11	75.80
Printing and stationery	3.99	4.01
Communication costs	9.44	9.88
Office Expenses	56.96	44.85
Legal and professional fees	1,234.34	804.37
Amortisation of deferred asset (ie present value of Trade receivable)	39.84	-
Director Sitting Fees	17.20	18.70
Travelling and conveyance	101.13	75.19
Brokerage and commission	0.98	41.13
Advertisement and business promotion expenses	211.66	131.30
Payment to auditors (refer note below)	83.13	60.13
Provision for expected credit loss	153.40	50.03
Impairment of goodwill	-	31.74
Sundry balances written off	73.94	85.59
Miscellaneous expenses	324.69	187.56
	<b>3,612.59</b>	<b>2,478.30</b>
Less: Elimination of the cost of services rendered to subsidiaries	322.87	242.97
<b>Total other expenses</b>	<b>3,289.72</b>	<b>2,235.33</b>

### Note 38.1: Payment to auditors

Particulars	31 March 2022	31 March 2021
- Statutory audit	81.00	58.00
- Reimbursement of expenses	2.13	2.13
	<b>83.13</b>	<b>60.13</b>

## Notes to the Consolidated Financial Statements...(Continued)

for the year ended 31 March, 2022

### 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 2022	31 March 2021
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
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)	(350.95)	(2,769.59)
Basic Earning per share (in ₹)	(0.23)	(1.81)
Diluted Earning per share (in ₹)	(0.23)	(1.81)

### 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. Akhil Chaturvedi	Relative of KMP
Ms. Aakansha Chaturvedi (upto 31 May 2020)	Relative of KMP
Mr Bipin Gurnani (w.e.f 17 December 2021)	Whole Time Director

##### B) Independent and Non-executive Directors

Mr. Punit Goenka	Chairman and Independent Director
Mr. Umesh Kumar	Independent Director
Ms. Deepa Misra Harris	Independent Director
Mr. Dushyant Sangar (upto 31 March 2021)	Non Executive Director

##### C) Joint Ventures :-

Emerald Buildhome Private Limited (upto 21 January 2021)
Moontown Trading Company Private Limited (upto 3 May 2021)
Calendula Commerce Private Limited (w.e.f. 4 May 2020)

*Note: Provogue India Limited (PIL) is not considered as a related party as the directors Mr Nikhil Chaturvedi and Mr Salil Chaturvedi are no longer considered KMP for the entity, as the powers of Board for PIL are vested with liquidator with effect from 14 October 2019.*

## Notes to the Consolidated Financial Statements...(Continued)

for the year ended 31 March, 2022

### b) Transactions carried out with related parties referred to above, in ordinary course of business and balances outstanding:

#### Summary of related party transactions

Particulars	Key Management Personnel (KMP) and their relatives		Joint Ventures	
	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21
<b>Remuneration to Key Management Personnel</b>				
Mr Nikhil Chaturvedi	180.00	132.00		
Mr Salil Chaturvedi	120.00	88.00		
Mr Bipin Gurnani	39.65	-		
Mr. Akhil Chaturvedi	18.00	18.00		
Ms. Aakansha Chaturvedi	-	1.42		
<b>Sale of services</b>				
Calendula Commerce Private Limited	-	-	45.00	50.00
<b>Director sitting fees</b>				
Mr. Punit Goenka	2.10	2.70		
Mr. Umesh Kumar	2.70	3.00		
Ms. Deepa Misra Harris	2.40	3.00		
<b>Loans given</b>				
Moontown Trading Company Private Limited	-	-	-	0.60
<b>Loans repaid</b>				
Emerald Buildhome Private Limited	-	-	1,729.49	-
<b>Loans received back</b>				
Moontown Trading Company Private Limited	-	-	298.90	-
<b>Notional Interest Expenses</b>				
Emerald Buildhome Private Limited	-	-	-	196.97

#### Balances payable/outstanding at the year end

Particulars	Key Management Personnel (KMP) and their relatives		Joint Ventures	
	31-Mar-21	31-Mar-20	31-Mar-21	31-Mar-20
<b>Trade receivable</b>				
Calendula Commerce Private Limited	-	-	58.85	55.25
<b>Loans given</b>				
Moontown Trading Company Private Limited	-	-	-	298.90
<b>Loans taken</b>				
Emerald Buildhome Private Limited	-	-	-	1,729.49
<b>Optionally Convertible debenture issues</b>				
Calendula Commerce Private Limited	-	-	5,000.00	5,000.00
<b>Advance remuneration</b>				
Mr Salil Chaturvedi	66.36	60.18	-	-
<b>Remuneration Payable</b>				
Mr Nikhil Chaturvedi	8.47	5.00	-	-
Mr Akhil Chaturvedi	1.35	1.39	-	-
Mr Bipin Gurnani	9.90	-	-	-



## Notes to the Consolidated Financial Statements...(Continued)

for the year ended 31 March, 2022

### 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 extent of 42 days of leave, if the same not availed in calendar year then the same will be lapsed.

Particulars	Gratuity		Leave Encashment	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
<b>a) Changes in defined benefit obligations</b>				
Present value of obligation as at the beginning of the year				
Defined Benefit Obligation ("PBO") at the beginning of the year	120.19	111.04	65.38	60.98
Transfer in/(out) obligation	2.58	2.44	14.42	15.02
Service cost	8.16	7.24	3.62	3.63
Past Service Cost	0.71	0.67	-17.91	-11.46
Interest cost	13.07	5.71	-	-
Actuarial loss / (gain)	-7.56	-1.39	-1.98	-2.77
Benefits Paid	-10.03	-6.07	-	-
<b>Present value of obligation as at the end of the year</b>	<b>127.12</b>	<b>119.64</b>	<b>63.53</b>	<b>65.39</b>
<b>b) Expenses recognised in the Statement of Profit and Loss</b>				
Current Service Cost	10.74	9.68	14.42	15.02
Past Service Cost	-	-	-3.51	-0.76
Interest Cost	5.44	5.25	3.62	3.63
Actuarial (Gain) / loss on Obligation			-14.39	-10.70
<b>Components of defined benefit costs recognized in profit or loss</b>	<b>16.18</b>	<b>14.93</b>	<b>0.12</b>	<b>7.18</b>
<b>c) Included in other Comprehensive Income</b>				
Actuarial changes arising from changes in financial assumptions	-8.64	2.17	-0.68	1.08
Actuarial changes arising from changes in demographic assumptions	-	-	-	0.00
Experience adjustments	8.07	-7.01	-17.23	-12.55
Return on plan assets excluding amounts included in Interest Income	-0.43	-0.28	-	-
<b>Total</b>	<b>-1.00</b>	<b>-5.12</b>	<b>-17.91</b>	<b>-11.46</b>

## Notes to the Consolidated Financial Statements...(Continued)

for the year ended 31 March, 2022

Particulars	Gratuity		Leave Encashment	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
<b>d) Recognised in Balance Sheet</b>				
Present value of obligation as at the end of the year	127.68	120.20	63.54	65.38
Fair value of plan assets as at the end of the year	-26.66	-24.96	-	-
	<b>101.02</b>	<b>95.24</b>	<b>63.54</b>	<b>65.38</b>
<b>e) Change in fair value of assets</b>				
Fair value of plan assets at the beginning of the year	24.95	23.75	-	-
Interest Income	1.28	1.48	-	-
Return on plan assets excluding amounts included in interest income	0.43	0.28	-	-
Benefits paid	-0.24	-0.56	-	-
<b>Fair value of plan assets at the end of the year</b>	<b>26.42</b>	<b>24.95</b>	<b>-</b>	<b>-</b>
<b>f) Reconciliation of net defined benefit liability</b>				
Net opening provision in books of accounts	95.23	87.26	-	-
Transfer in/(out) obligation	-	-	-	-
Employee Benefit Expense	16.20	14.93	-	-
Amounts recognized in Other Comprehensive Income	-1.00	-5.12	-	-
Benefits paid	-9.40	-1.85	-	-
<b>Closing provision in books of accounts</b>	<b>101.04</b>	<b>95.22</b>	<b>-</b>	<b>-</b>

g) Actuarial assumptions	Gratuity		Leave Encashment	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Discount rate	6.40%	6.05%	6.40%	6.05%
Normal retirement age (in years)	58 Years	58 Years	58 Years	58 Years
Salary escalation rate (% p.a.) *	10% at all ages	10% at all ages	5.10%	5.10%
Attrition rate	1% at each stage + 30% Service related			
Mortality rate	Indian assured lives mortality (2012-14) 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.

Quantities sensitivity analysis for significant assumption is as below:

h) Particulars	Gratuity		Leave Encashment	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
	0.5% increase		0.5% increase	
i. Discount rate	130.02	107.13	62.03	41.70
ii. Salary escalation rate - over a long-term	134.57	111.62	64.44	43.44
	0.1% increase		0.1% increase	
iii. Withdrawal rates	133.46	110.58	62.79	42.18
	0.5% decrease		0.5% decrease	
i. Discount rate	135.87	112.84	64.44	43.44
ii. Salary escalation rate - over a long-term	131.15	108.17	62.01	41.69
	0.1% decrease		0.1% decrease	
iii. Withdrawal rates	132.23	109.18	63.66	42.96

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.

## Notes to the Consolidated Financial Statements...(Continued)

for the year ended 31 March, 2022

### Maturity analysis of defined benefit obligation

i)	Particulars	Gratuity		Leave Encashment	
		Cash flow	Distribution (%)	Cash flow	Distribution (%)
	1 <sup>st</sup> Following Year	21.34	12.25%	12.02	14.60%
	2 <sup>nd</sup> Following Year	19.87	8.50%	10.58	11.43%
	3 <sup>rd</sup> Following Year	16.18	10.63%	9.10	12.05%
	4 <sup>th</sup> Following Year	10.24	6.30%	7.07	8.55%
	5 <sup>th</sup> Following Year	31.90	10.85%	16.73	12.10%
	Sum of Year 6 to 10 Year	41.83	29.13%	16.86	24.85%
	<b>Total expected payments</b>	<b>141.36</b>	<b>77.65%</b>	<b>72.36</b>	<b>83.58%</b>

### 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 2022	31 March 2021
<b>Contribution to provident fund and other funds</b>		
Maharashtra Labour Welfare fund	0.01	0.01
Employers Provident Fund	13.20	14.94
Employee State Insurance Corporation	0.75	0.55
	<b>13.96</b>	<b>15.50</b>

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 till 30 June 2021.

### C Experience adjustments

Particulars	2022	2021	2020	2019	2018
Present value of defined benefit obligation	127.68	120.20	111.02	95.64	64.99
Fair value of plan assets	-26.66	-24.95	-23.76	-24.37	-24.04
<b>Deficit / (Surplus)</b>	<b>101.02</b>	<b>95.25</b>	<b>87.27</b>	<b>71.27</b>	<b>40.95</b>

## 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:-

- Leasing
- 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

## Notes to the Consolidated Financial Statements...(Continued)

for the year ended 31 March, 2022

### a) Information about Primary Segments - Business Segments

Particulars	Leasing		Outright sales		Total	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021
<b>1. Segment Revenue</b>	<b>6,894.46</b>	<b>4,486.36</b>	<b>2,443.23</b>	<b>-</b>	<b>9,337.69</b>	<b>4,486.36</b>
<b>2. Results</b>						
Segment Results	1,942.39	-2.46	22.61	-610.63	1,965.00	-613.09
Unallocated Expenses					-731.79	-495.02
<b>Operation (Loss) / Profit</b>					<b>1,233.21</b>	<b>-1,108.11</b>
Finance Cost					-4,014.34	-4,483.81
Other Income					2,187.02	1,370.59
<b>(Loss) Before Tax</b>					<b>-594.11</b>	<b>-4,221.33</b>
Tax expense					-445.72	-49.63
<b>Net (Loss) for the year</b>					<b>-148.39</b>	<b>-4,171.69</b>
Segment Assets	60,806.09	62,776.78	56,272.56	49,823.94	1,17,078.65	1,12,600.72
Unallocated Assets	-	-	-	-	47,052.71	49,751.63
<b>Total Assets (A)</b>	<b>60,806.09</b>	<b>62,776.78</b>	<b>56,272.56</b>	<b>49,823.94</b>	<b>1,64,131.36</b>	<b>1,62,352.35</b>
Segment Liabilities	41,732.87	41,085.67	35,316.97	34,410.90	77,049.84	75,496.57
Unallocated Liabilities	-	-	-	-	8,481.77	8,853.18
<b>Total Liabilities (B)</b>	<b>41,732.87</b>	<b>41,085.67</b>	<b>35,316.97</b>	<b>34,410.90</b>	<b>85,531.60</b>	<b>84,349.76</b>
<b>Capital Employed (A) - (B)</b>					<b>78,599.76</b>	<b>78,002.59</b>
<b>Other information</b>						
Depreciation and Amortisation expense	2,538.36	3,064.25	-	-	2,538.36	3,064.25
Unallocated Depreciation & Amortisation expense	-	-	-	-	130.82	-42.07
<b>Total Depreciation and Amortisation</b>	<b>2,538.36</b>	<b>3,064.25</b>	<b>-</b>	<b>-</b>	<b>2,669.17</b>	<b>3,022.18</b>
Capital Expenditure	77.17	1,547.62	-	-	77.17	1,547.62
Unallocated Capital Expenditure	-	-	-	-	-28.55	23.28
<b>Total Capital Expenditure</b>	<b>77.17</b>	<b>1,547.62</b>	<b>-</b>	<b>-</b>	<b>48.61</b>	<b>1,570.89</b>

## Notes to the Consolidated Financial Statements...(Continued)

for the year ended 31 March, 2022

### Note 43 : Contingent liabilities and commitments are given below:

#### a) Contingent liabilities/ assets

Particulars	31 March 2022	31 March 2021
<b>I) Claims not acknowledged as Debts :</b>		
i) Disputed liability in respect of Income tax	25.27	25.27
ii) Disputed liability in respect of Property Tax	-	73.87
iii) Disputed Liability in respect of Electricity Charges (refer sub note 1)	644.66	644.66
iv) Committed investment to be made	-	417.00
v) Disputed liability in respect of Stamp duty payable	331.58	331.58
vi) Other Claims (RERA cases in subsidiary company)	13.86	12.33
<b>II) Guarantees on behalf of Group</b>	145.60	145.60
Bank Guarantee		

Note 1: The Group had filed appeal against the same and had paid under protest ₹ 322.33 Lakhs (31 March 2021: ₹ 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) ₹ 4,218.87 lakhs (31 March 2021: ₹ 1,287.04 lakhs).

### Note 44A : Information on Subsidiaries, Joint Ventures :

Sr. No.	Name of the entity	Country of Incorporation	Percentage of Holding	
			As at 31 March 2021	As at 31 March 2020
<b>Subsidiary companies:</b>				
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%
<b>Stepdown subsidiary companies:</b>				
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.				
<b>Joint Ventures:</b>				
3	Calendula Commerce Private Limited (w.e.f. 4 May 2020)	India	9.48%	NA

## Notes to the Consolidated Financial Statements...(Continued)

for the year ended 31 March, 2022

### Note 44B : Disclosure of additional information pertaining to the Parent Company, Subsidiaries and Joint Ventures :

As at 31 March 2021

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)
<b>Parent</b>								
Prozone Intu Properties Limited	2.62	2,058.11	94.28	-139.90	-17.07	-127.25	-44.74	-267.15
<b>Indian Subsidiaries</b>								
<b>Direct Subsidiaries</b>								
Alliance Mall Developers Co Private Limited	16.36	12,862.31	-26.59	39.46	-0.07	-0.50	6.52	38.96
Kruti Multitrade Private Limited	0.00	2.71	3.58	-5.32	-	-	-0.89	-5.32
Prozone Developers and Realtors Private Limited	2.71	2,130.74	30.00	-44.52	-	-	-7.46	-44.52
<b>Indirect Subsidiaries</b>								
Hagwood Commercial Developers Private Limited	19.77	15,539.36	642.43	-953.33	86.76	646.84	-51.32	-306.49
Empire Mall Private Limited	4.61	3,626.62	261.43	-387.94	-0.71	-5.27	-65.85	-393.21
Omni Infrastructure Private Limited	7.32	5,754.15	-66.69	98.96	-	-	16.57	98.96
Prozone Intu Developers Private Limited	1.36	1,071.81	-4.71	6.99	-	-	1.17	6.99
<b>Foreign Subsidiaries</b>								
<b>Direct Subsidiaries</b>								
Prozone Liberty International Limited	5.36	4,210.40	-47.52	70.52	-	-	11.81	70.52
<b>Minority Interest in all subsidiaries</b>								
<b>Joint Venture (Indian)</b>								
Calendula Commerce Private Limited	1.23	964.12	-649.70	964.12	-	-	161.45	964.12
<b>TOTAL</b>	<b>100.00</b>	<b>78,599.75</b>	<b>100.00</b>	<b>-148.39</b>	<b>100.00</b>	<b>745.55</b>	<b>100.00</b>	<b>597.16</b>

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, 2022

### 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 2022	31 March 2021	Movement during the year
Inter Corporate Deposits	7% - 21%	Working Capital	1,678.59	1,802.63	(124.04)
<b>Total</b>			<b>1,678.59</b>	<b>1,802.63</b>	<b>(124.04)</b>

#### Notes:

1) Out of the above the Group has not provided interest (except to the extend of TDS credit received) on ₹ 1,678.59 Lakhs (31 Mar 2021: ₹ 1,802.61 Lakhs) as group has made provision for expected credit loss due to uncertainty regarding recoverability of said loans and advance.

### Note 46 : Expenditure on Corporate Social Responsibility (CSR) activities

Particulars	31 March 2022	31 March 2021
Amount required to be spent by the group during the year	13.94	23.15
Amount of expenditure incurred	18.59	18.50
Shortfall at the end of the year	(4.65)	4.65
Total of previous year shortfall	4.65	0.00
Short fall at the end of year	0.00	4.65
Reason for shortfall	NA	Could not find suitable activity in FY 21 so paid in FY 22
Nature of CSR Activities	Contribution to PM care fund, contribution towards blind people	Serving society and enhancing people's lives (ie paid towards education and Health Care Facilities)

Provision movement	31 March 2022	31 March 2021
<b>Opening provision</b>	<b>0.00</b>	<b>0.00</b>
Provision created during the year	18.59	18.50
Amount paid/incurred	18.59	18.50
<b>Closing provision</b>	<b>0.00</b>	<b>0.00</b>

### Note 47 : Code on Social Security

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Group towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Group will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

## Notes to the Consolidated Financial Statements...(Continued)

for the year ended 31 March, 2022

### 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 2022	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	
<b>Financial assets</b>								
Investments	8 & 15	4,537.02	2,485.84	-	-	4,537.02	2,485.84	7,022.86
Loans	9 & 19	-	-	12,652.13	-	-	-	-
Other financial assets	10 & 20	-	-	4,340.88	-	-	-	-
Trade receivables	16	-	-	2,929.09	-	-	-	-
Cash and cash equivalents	17	-	-	3,452.16	-	-	-	-
Bank balances other than Cash and cash equivalents	18	-	-	1,761.40	-	-	-	-
		<b>4,537.02</b>	<b>2,485.84</b>	<b>25,135.66</b>	<b>-</b>	<b>4,537.02</b>	<b>2,485.84</b>	<b>7,022.86</b>
<b>Financial liabilities</b>								
Borrowings	23 & 27	-	-	45,612.08	-	45,612.08	-	45,612.08
Other financial liabilities	24 & 29	-	-	5,156.71	-	2,526.89	-	2,526.89
Trade payables	28	-	-	859.62	-	-	-	-
		<b>-</b>	<b>-</b>	<b>51,628.40</b>	<b>-</b>	<b>48,138.97</b>	<b>-</b>	<b>48,138.97</b>

31 March 2021	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	
<b>Financial assets</b>								
Investments	8 & 15	826.29	4,661.71	-3,605.93	-	826.29	4,661.71	5,487.99
Loans	9 & 19	-	-	10,086.60	-	-	-	-
Other financial assets	10 & 20	-	-	10,989.46	-	-	-	-
Trade receivables	16	-	-	2,226.27	-	-	-	-
Cash and cash equivalents	17	-	-	4,613.27	-	-	-	-
Bank balances other than Cash and cash equivalents	18	-	-	357.82	-	-	-	-
		<b>826.29</b>	<b>4,661.71</b>	<b>24,667.49</b>	<b>-</b>	<b>826.29</b>	<b>4,661.71</b>	<b>5,487.99</b>
<b>Financial liabilities</b>								
Borrowings	23 & 27	-	-	40,702.50	-	40,702.50	-	40,702.50
Other financial liabilities	24 & 29	-	-	6,480.65	-	3,468.19	-	3,468.19
Trade payables	28	-	-	1,201.95	-	-	-	-
		<b>-</b>	<b>-</b>	<b>48,385.10</b>	<b>-</b>	<b>44,170.69</b>	<b>-</b>	<b>44,170.69</b>



## Notes to the Consolidated Financial Statements...(Continued)

for the year ended 31 March, 2022

### 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)		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

## Note 48 : Financial instruments – Fair values and risk management (continued) :

### B) Financial risk management

The Group has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk;
- Market risk;
- 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, 2022

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 and other 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 ₹ 3,452.16 lakhs; ₹ 4,613.27 lakhs as at 31 March 2022 and 31 March 2021 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 ₹ 306.02 lakhs (31 March 2021: ₹ 152.62 lakhs)

The allowance for impairment in respect of loans and other financial assets as at 31 March 2021 is ₹ 3,476.78 lakhs (31 March 2021: ₹ 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 2022 and 31 March 2021 is as follows:

Particulars	As at 31 March 2022	As at 31 March 2021
Financial assets for which loss allowances are measured using 12 months Expected Credit Losses (ECL) :		
Trade Receivables	306.02	152.62
Loans and Other financial assets	3,476.78	3,476.78

\* 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
<b>Balance as at 1 April 2020</b>	<b>3,579.38</b>
Impairment loss recognised	50.03
Amount written off during the year	-
<b>Balance as at 31 March 2021</b>	<b>3,629.41</b>
Impairment loss recognised	153.40
Amount Written off	-
<b>Balance as at 31 March 2022</b>	<b>3,782.81</b>

## Notes to the Consolidated Financial Statements...(Continued)

for the year ended 31 March, 2022

### 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	Note	Carrying amount	Contractual cash flows			
			Total	One year or less	1 - 5 years	More than 5 years
<b>As at 31 March 2021</b>						
<b>Non - derivative financial liabilities</b>						
Borrowings	23 & 27	45,612.08	45,612.09	2,526.89	11,700.62	31,384.56
Trade payables	28	859.62	859.62	859.62	-	-
Other financial liabilities	24 & 29	5,156.71	5,156.71	1,618.15	-	3,538.56
		<b>51,628.40</b>	<b>51,628.41</b>	<b>5,004.66</b>	<b>11,700.62</b>	<b>34,923.12</b>
<b>As at 31 March 2020</b>						
<b>Non - derivative financial liabilities</b>						
Borrowings	23 & 27	45,900.19	45,900.19	5,197.69	7,592.15	33,110.36
Trade payables	28	1,201.95	1,201.95	1,201.95	-	-
Other financial liabilities	24 & 29	6,480.65	6,480.66	385.93	6,094.72	-
		<b>53,582.80</b>	<b>53,582.81</b>	<b>6,785.57</b>	<b>13,686.87</b>	<b>33,110.36</b>

### 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 2022	31 March 2021
<b>Fixed-rate instruments:</b>		
Financial asset (Bank deposits)	5,218.06	5,026.48
Financial liabilities (Borrowings)	(6,709.83)	(6,286.38)
	<b>(1,491.77)</b>	<b>(1,259.90)</b>
<b>Variable-rate instruments:</b>		
Financial liabilities (Borrowings)	(38,902.25)	(39,613.81)

#### 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.

## Notes to the Consolidated Financial Statements...(Continued)

for the year ended 31 March, 2022

### 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	As at 31 March 2022	As at 31 March 2021
Increase in basis points	50 basis points	50 basis points
Effect on loss before tax, increase by	194.51	198.07
Decrease in basis points	50 basis points	50 basis points
Effect on loss before tax, decrease by	194.51	198.07

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

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. Fresh lock down was initiated by local authorities due to 2<sup>nd</sup> wave of COVID cases, accordingly, Aurangabad Mall ceased operations from April 2021 and Coimbatore Mall ceased operations from May 2021.

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 SPV's has 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 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, 2021, 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, 2022

### 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 2022 was as follows :

Particulars	As at 31 March 2022	As at 31 March 2021
Total Borrowings	48,138.97	49,368.38
<b>Less : Cash and cash equivalent</b>	(3452.16)	(4613.27)
<b>Adjusted net debt</b>	<b>44,686.81</b>	<b>44,755.11</b>
<b>Adjusted equity</b>	78,599.75	78,002.57
<b>Adjusted net debt to adjusted equity ratio</b>	<b>0.57</b>	<b>0.57</b>

### 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.) Rules, 1994.

The Subsidiary company conducted an independent aeronautical study through ex-AAI official and VHF Omni directional 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. Information received by the Subsidiary company through the RTI from MIHAN & AAI also suggests that there is no complaints from the pilots / airlines with respect to the four towers of the Subsidiary company creating any obstruction to safe flight operations. The Subsidiary company had filed a writ petition in the Honourable 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) had stayed the demolition order and further proceedings were in progress. However the application is withdrawn on 22 June 2021 in light of the recent Order passed by Airport Authority of India dated 13.04.2021 passed in Case MM 268 of 2014 and has permitted to increase the height for construction of towers from existing 49.26 meters to 57.00 metres based on the study carried out in pursuance of the directions given by High Court of Kerala in its Judgment dated 22.09.2019. The Court has allowed the Subsidiary company to withdraw the petition with liberty to file again if need arises. Since the facts and circumstances of the said case are similar to that of the Subsidiary company, the Subsidiary company has approached the competent Airport Authorities i.e. the Appellate Committee at New Delhi on 4 October 21 requesting them to conduct aeronautical study and DVOR simulation study in order to seek a resolution outside Court to determine the permissible top elevation in respect of four towers in accordance to the rules prescribed in section 6.3.1.5 of Circular 5 of 2020 "Aeronautical Study Guidelines". The Subsidiary company has sent reminders to the authorities in December 21 and January 2022. The decision/ reply of the Appellate Committee is awaited in this regard.

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 Rs 30,043.37 lakhs, and provision towards expected demolition cost and interest payable to customers on cancellation of bookings, in the consolidated financial statements as at and for the year ended 31 March 2022. The Subsidiary company has applied for part Occupancy certificate at Nagpure Municipal Corporation (NMC). NMC has asked for completion of documents along with bank guarantee which is under process.

## Notes to the Consolidated Financial Statements...(Continued)

for the year ended 31 March, 2022

### Note 51 : Lease

#### Leases as lessee

- i) The step down subsidiary company has taken residential premises situated at Aurangabad on operating lease for its employee. The Company has entered into a leave and license agreement for using of its office 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 ₹ 1.93 lakhs (31 March 2020: ₹ 3.24 lakhs).
- ii) 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.

On transition, the adoption of the new standard resulted in the recognition of right to use assets (ROU) of and lease liability. The details of the same are provided below.

#### Right-of-Use Assets

Particulars	31 March 2021	31 March 2022
<b>Cost</b>		
Balance at beginning of year	44.34	44.34
Add: Additions	-	-
Less: Disposals	-	-
<b>Balance as at end of year</b>	<b>44.34</b>	<b>44.34</b>
<b>Accumulated Depreciation</b>		
Balance at beginning of year	28.00	44.34
Add: Depreciation charge for the year	16.34	-
Less: Disposals	-	-
<b>Balance as at end of year</b>	<b>44.34</b>	<b>44.34</b>
<b>Carrying amount</b>		
Balance as end of year	-	-
<b>Lease liability</b>		
Balance at beginning of year	19.27	-
Less: Disposals	-	-
Add: interest expense on lease	1.73	-
Less: Cash outflow for lease	21.00	-
<b>Balance as at end of year</b>	<b>-</b>	<b>-</b>

- iii) There is no future minimum lease payments under non-cancellable lease.

#### Leases as lessor

- i) 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 ₹ 4,013.93 lakhs (31 March 2021: ₹ 2,490.06 lakhs)
- ii) The future minimum lease payments for non-cancellable operating lease are as follows:

Particulars	31 March 2022	31 March 2021
Within less than 1 year	634.81	1,216.99
Between one and five years	1,082.61	1,475.17
Later than five years	-	-

- 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 ₹ Nil (31 March 2021: ₹ Nil). There is no future minimum lease payments under non-cancellable operating lease. The said lease is discontinued from January 2020.

## Notes to the Consolidated Financial Statements...(Continued)

for the year ended 31 March, 2022

### Note 52 : Disclosure of Ratio

Particulars	Numerator	Denominator	Current Period	Previous Period	% Variance	Remarks
(a) Current Ratio	Current Asset	Current Liability	1.90	1.64	15%	
(b) Debt-Equity Ratio	Total Debt	Equity	0.95	0.95	0%	
(c) Debt Service Coverage Ratio	Earning before interest, depreciation and tax	Interest+Principal Repayment	1.21	0.68	78%	Improved due to reduction in loan due to repayment
(d) Return on Equity Ratio	Net profit	Equity share capital	-0.19%	-5.35%	-96%	Improved due to increase in leasing income as well as income from real estate project
(e) Inventory turnover ratio	Revenue from operation	Average Inventory	0.20	0.11	93%	Improved due to increase in leasing income as well as income from real estate project
(f) Trade Receivables turnover ratio	Revenue from operation	Average trade receivable	3.62	2.15	68%	Improved due to increase in leasing income as well as income from real estate project
(g) Trade payables turnover ratio	Purchase	Average trade payable	1.67	0.00	NA	NA in previous year as there was no income from real estate project
(h) Net capital turnover ratio	Revenue from operation	Equity	3.72%	2.65%	40%	Improved due to increase in leasing income as well as income from real estate project
(i) Net profit ratio	Net profit after tax	Revenue from operations	-1.59%	-92.99%	-98%	Improved due to increase in leasing income as well as income from real estate project
(j) Return on Capital employed	Earning before interest, depreciation and tax	Total Assets-current Liabilities	4.85%	2.65%	83%	Improved due to increase in leasing income as well as income from real estate project
(k) Return on investment	Income generated from investment	Average Investment	3.02%	0.86%	252%	Increase due to higher income from Mutual fund investments

## Notes to the Consolidated Financial Statements...(Continued)

for the year ended 31 March, 2022

### 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.

#### b) Disaggregation of revenue from contracts with customers

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.

#### c) Reconciliation of contract assets and contract liabilities and its significant changes

Particulars	31 March 2022	31 March 2021
<b>Due from contract customers (trade receivables)</b>		
At the beginning of the reporting period	2,226.27	1,942.84
Cumulative catch up adjustments to revenue affecting trade receivables	702.82	283.43
<b>At the end of the reporting period</b>	<b>2,929.09</b>	<b>2,226.27</b>
<b>Advance from contract customers (contract liability)</b>		
At the beginning of the reporting period	26,275.22	21,629.90
Cumulative catch up adjustments to revenue affecting contract liability	-	-
Additional advances received (net of refund)	605.31	2,016.43
Significant financing component	2,041.93	2,628.89
<b>At the end of the reporting period</b>	<b>28,922.46</b>	<b>26,275.22</b>

#### d) Reconciliation of revenue as per contract price and as recognised in the Statement of profit and loss:

Particulars	31 March 2022	31 March 2021
Income from sale of services	6,455.45	4,264.96
Adjustments towards discount, rebates, refunds, credits, price concessions, etc	-	-
<b>Total</b>	<b>6,455.45</b>	<b>4,264.96</b>
Other operating revenue	439.01	221.40
Adjustments towards discount, rebates, refunds, credits, price concessions, etc	-	-
<b>Total</b>	<b>439.01</b>	<b>221.40</b>

#### e) Reconciliation of unearned revenue are as follows:

Particulars	31 March 2022	31 March 2021
At the beginning of the reporting period	227.36	140.49
Revenue recognised that was included in the unearned revenue balance at the beginning of the reporting period	(0.06)	-
Unearned revenue recognised however invoice for the same is not raised during the reporting period	(49.23)	86.87
<b>At the end of the reporting period</b>	<b>178.07</b>	<b>227.36</b>



## Notes to the Consolidated Financial Statements...(Continued)

### for the year ended 31 March, 2022

#### 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 contract becomes non-cancellable 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, 2021 is ₹ 16,029.55 lakhs (as at March 31, 2021 is ₹ 16,185.23 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 : Note on ultimate beneficiary

Investments made in the equity share capital of Calendula Commerce Private Limited (Joint Venture) during the year

Date	INR in lakhs
22 July 2021	417.00
<b>Total</b>	<b>417.00</b>

Investments made by Calendula Commerce Private Limited (Joint Venture) as intermediary, during the year:

Investee Company	Relationship with the Group	Nature of Investment	Date	₹ in lakhs
GAJAANAN PROPERTY DEVELOPER PRIVATE LIMITED	Joint Venture	Equity share capital	22 July 2021	417.00
<b>Total</b>				<b>417.00</b>

The above investment is in compliance with the relevant provisions of the Companies Act, 2013 and the transactions are not violative of the Prevention of Money-Laundering Act, 2002 (15 of 2003)

During the year company has not received any funds from any persons or entities, including foreign entities ("Funding Parties") with instruction in writing or otherwise for further lending, investing or providing guarantee directly or indirectly to any persons or entities or on behalf of its Ultimate Beneficiaries.

## Notes to the Consolidated Financial Statements...(Continued)

for the year ended 31 March, 2022

### Note 55 : Other Statutory Information:

- (i) The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property,
- (ii) The Group does not have any transactions with companies struck off,
- (iii) The Group does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period,
- (iv) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year,
- (v) The Group has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961."

### Note 56 : Subsequent events:

There are no subsequent events that have occurred after the reporting period till the date of this financial statements

### Note 57 : Note on regrouping and Reclassifications

Previous period figures have been re-grouped / re-classified wherever necessary, to conform to current period's classification in order to comply with the requirements of the amended Schedule III to the Companies Act , 2013 as per latest amendments dated 24 March 2021.

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

**Prozone Intu Properties Limited**

CIN: L45200MH2007PLC174147

#### Nikhil Chaturvedi

Managing Director

DIN : 00004983

#### Anurag Garg

Chief Financial Officer

#### Bipin Gurnani

Wholetime Director

DIN : 07966971

#### Ajayendra Jain

Company Secretary & CCO

Place : Mumbai

Date : 28 May 2022

Place : Mumbai

Date : 28 May 2022

(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 shareholding	Country
1	Alliance Mall Developers Co Private Limited		INR	1.00	443.72	15,600.90	46,568.09	30,523.47	67.67	4,357.98	(668.18)	-	(225.44)	(225.44)	(442.73)	61.50	India
2	Kruti Multitrade Private Limited		INR	1.00	51.00	(51.01)	3.07	3.08	-	-	(5.32)	-	-	-	(5.32)	100.00	India
3	Prozone Liberty International Limited	2	USD	75.81	23,025.54	280.39	23,427.48	121.55	23,420.59	-	(14.99)	-	-	-	(14.99)	100.00	Singapore
4	Omni Infrastructure Private Limited	1	INR	1.00	4.00	7,766.49	11,910.74	4,140.25	-	2,053.25	465.63	-	58.00	58.00	407.63	60.00	India
5	Hagwood Commercial Developers Limited	1	INR	1.00	1,541.50	19,623.60	56,324	35,159.39	4,452	139.20	(334.23)	-	(235.99)	(235.99)	(98.24)	61.50	India
6	Prozone Intu Developers and Realtors Private Limited (Formerly known as Classique Creators Private Limited) (PDRPL)		INR	1.00	5.00	(430.04)	7,599.55	8,024.59	4,248.45	418.42	(272.96)	0.54	-	0.54	(273.50)	100.00	India
7	Prozone Intu Developers Private Limited (PIDPL) (Formerly known as Jaijpur Festival City Private Limited) (JFCPL)		INR	1.00	1.00	(68.10)	2,583.26	2,650.35	-	95.85	2.08	0.54	(5.43)	(4.89)	6.96	100.00	India
8	Empire Mall Private Limited	1	INR	1.00	13,602.25	6,293.44	39,691.22	19,795.53	80.24	4,949.01	233.08	-	(146.41)	(146.41)	379.50	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 31.03.2022

**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	Calendula Commerce Private Limited	31-Mar-22	71,70,000	717.00	18.55	2,187.37	(1.56)	(6.84)	Note 1

**Notes**

1 There is significant influence due to percentage (%) of share capital.

**Nikhil Chaturvedi**  
Managing Director  
DIN : 00004983

**Anurag Garg**  
Chief Financial Officer

**Ajayendra Jain**  
Company Secretary & Chief Compliance Officer

**Bipin Gurnani**  
Wholesale Director  
DIN : 07966971

(Rs. in Lakhs)

A large white thought bubble with a grey shadow and two smaller grey bubbles below it, containing the Prozone Intu logo. The logo consists of the word "prozone" in a lowercase sans-serif font, followed by "intu" in a similar font, and a stylized bird icon to the right of "intu". The bird icon is blue and orange.

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

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