THE PHOENIX MILLS LIMITED

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

Date: August 18, 2020

To,

BSE Limited.
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort, Mumbai – 400001

(Security code: 503100)

National Stock Exchange of India Limited.
"Exchange Plaza", Bandra Kurla Complex,
Bandra (E),Mumbai – 400051

(Symbol: PHOENIXLTD)

Dear Sir/Madam,

Sub: (a) Consolidated Interim Condensed Financial Statements for the three months ended June 30, 2020
(b) Recent development with respect to impact of COVID-19 on business and operations of the Company

We wish to inform you that the Board of Directors of the Company has today approved the consolidated interim condensed financial statements for the three months ended June 30, 2020 (including the comparative financial information with respect to the three months ended June 30, 2019) of The Phoenix Mills Limited **('Company') ('Consolidated Interim Condensed Financial Statements')** along with the review report on such Consolidated Interim Condensed Financial Statements issued by M/s. DTS and Associates, LLP, the Statutory Auditors of the Company and a copy of the same is attached herewith as Annexure A.

The Consolidated Interim Condensed Financial Statements along with review report are also being uploaded on the Company's website at https://www.thephoenixmills.com.

We are also enclosing herewith a disclosure on recent development with respect to impact of COVID-19 on business and operations of the Company as Annexure B.

We request you to take the above on record and the same to be treated as compliance under the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended.

Thanking You,

Yours faithfully,
For The Phoenix Mills Limited

Gajendra Mewara
Digitally signed by Gajendra Mewara
Date: 2020.08.18 21:21:26 +05'30'

Gajendra Mewara
Company Secretary

Encl: a/a

Annexure A

Review Report on Consolidated Interim Condensed Financial Statements

To,
The Board of Directors
The Phoenix Mills Limited

1. We have reviewed the Consolidated Interim Condensed Financial Statements for the quarter ended 30th June 2020("the Statement") of **The Phoenix Mills Limited** ("the Holding Company"), its' subsidiaries(the Holding Company and its subsidiaries constitute "the Group") and its associates, , which comprise the Consolidated Interim Condensed Balance Sheet as at June 30, 2020, and the related Consolidated Interim Condensed Statement of Profit and Loss (including other Comprehensive Income), the Consolidated Interim Statement of Cash Flows and Consolidated Interim Condensed Statement of Changes in Equity for the quarter and period ended June 30, 2020 and June 30, 2019 and a summary of the significant accounting policies and other explanatory information (together hereinafter referred to as the "Consolidated Interim Condensed Financial Statements").

2. The management of the Company is responsible for the preparation and presentation of these Consolidated Interim Condensed Financial Statements in accordance with recognition and measurement principles laid down in IND AS 34 'Interim Financial Reporting', as prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules thereunder and other recognized accounting practices and principles. The Consolidated Interim Condensed Financial Statements are the responsibility of the Company's management and have been approved by the Board of Directors. Our responsibility is to express a conclusion on the Consolidated Interim Condensed Financial Statements based on our review.

3. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether Statement is free of material misstatements. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly we do not express an audit opinion.

4. We draw attention to Note 42 of the Statement, which describes the company's management evaluation of impact of Covid 19 pandemic on the future business operations and future cash flows of the Company and it's consequential effects on the carrying value of assets as on 30th June, 2020. The Management has made a best estimate of the revenue recoverable for the quarter ended 30th June, 2020 on the basis stated in the said Note. In view of uncertain economic conditions arising out of pandemic, the management's evaluation of impact on subsequent periods and of amounts of revenue recognised during the period is highly dependent upon conditions as they evolve. Our conclusion is not modified in respect of this matter.

5. a) We did not reviewed the Interim Condensed Financial Statements and other information in respect of twenty eight subsidiaries which reflects total assets of ₹ 770,317.08 Lakhs as at 30th June, 2020, total revenue of ₹ 5255.82 Lakhs and ₹ 38,786.30 Lakhs, total net profit/(loss) after tax of ₹ (5,073.46) Lakhs and ₹ 8076.26 Lakhs and total comprehensive income/(loss) ₹ (4,459.70) Lakhs and ₹ 5,907.46 Lakhs for quarter ended 30th June, 2020 and 30th June, 2019 respectively and net cash inflow/(outflow) of ₹ 3409.17 Lakhs and ₹ (283.22) for the period ended 30th June, 2020 and 30th June, 2019 respectively and financial results of two associates in which the share of profit/(loss) of the group (including other comprehensive income) ₹ 6.06 Lakhs and ₹ (467.56) Lakhs for the quarter ended 30th June, 2020 and 30th June, 2019 respectively. These financial results/statements and other financial information have been audited by another auditors whose reports have been furnished to us by the management of the Company and our opinion in so far as it relates to the amounts included in respect of these subsidiaries and associates is based solely on the report of other auditors.

   (b) The Statement includes financial results/statements and other information of one associate in share of profit/ (loss) of the Group (including other comprehensive income) is ₹ (3.58) Lakhs and ₹ (0.81) Lakhs for the quarter ended 30th June, 2020 and 30th June, 2019 respectively, which is certified by the management. According to the information and explanation given to us by the management, these financial results/statements and other information is not material to the group. Our conclusion on the Statement is not modified in respect of the other matter.

   Our conclusion is not modified in respect of these matters.

6. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Consolidated Interim Condensed Financial Statements have not been prepared in all material respects in accordance with recognition and measurement principles laid down in IND AS 34 'Interim Financial Reporting' as prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules thereunder and other recognized accounting practices and principles.

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

Ashish G. Mistry
Partner
Membership No. 132639
UDIN:

Place: Mumbai
Date:

THE PHOENIX MILLS LIMITED
Consolidated Interim Condensed Balance Sheet as at 30th June, 2020

(Rs. In Lakhs)

	Particulars	Notes	As at 30th June, 2020	As at 31st March, 2020
	ASSETS			
1	**Non-current assets**			
	Property, plant and equipment	4	6,03,025.13	6,07,954.74
	Capital work-in-progress	4	1,59,084.69	1,53,409.34
	Goodwill		37,106.95	37,106.95
	Other Intangible assets	4	173.10	193.04
	Intangible assets under development	4	18.50	18.50
	Financial assets			
	- Investments	5	43,287.81	42,803.12
	- Loan	6	1,210.25	1,210.25
	- Other	7	15,219.05	12,262.41
	Deferred tax assets (Net)	8	6,422.65	6,122.32
	Other non-current assets	9	20,515.17	20,025.93
			8,86,063.30	8,81,106.60
2	**Current assets**			
	Inventories	10	81,810.36	81,611.74
	Financial assets			
	- Investments	11	8,171.65	16,167.14
	- Trade and other receivables	12	26,543.20	20,170.24
	- Cash and cash equivalents	13	21,976.54	12,933.41
	- Bank Balance other than above	14	4,421.87	1,136.91
	- Loans	6	983.63	971.29
	- Other	7	11,438.95	10,572.39
	Current Tax Assets (net)	15	11,557.28	14,309.29
	Other current assets	9	14,748.85	15,757.65
			1,81,652.33	1,73,630.06
	TOTAL ASSETS		10,67,715.63	10,54,736.66
	EQUITY AND LIABILITIES			
1	**Equity**			
	Equity Share capital	16	3,069.30	3,069.25
	Other equity	17	3,64,195.13	3,67,768.78
	Equity attributable to the owners		**3,67,264.43**	**3,70,838.03**
	Non-controlling interest		1,26,918.54	1,27,879.11
			4,94,182.97	4,98,717.14
	Liabilities			
2	**Non-current liabilities**			
	Financial liabilities			
	- Borrowings	18	3,32,683.10	3,40,528.04
	- Trade Payables	19	154.19	137.52
	- Other financial liabilities	20	16,902.13	18,922.99
	Provisions	21	1,092.17	1,016.97
	Deferred tax liabilities (Net)	22	174.75	276.78
	Other non-current liabilities	23	1,261.30	1,268.49
			3,52,267.64	3,62,150.79
3	**Current liabilities**			
	Financial liabilities			
	- Borrowings	24	83,084.00	70,223.00
	- Trade Payables	19	10,345.12	11,034.88
	- Other financial liabilities	20	88,538.69	68,549.94
	Other current liabilities	23	32,524.79	37,449.68
	Provisions	21	6,708.30	6,591.74
	Current tax Liabilities (net)	25	64.11	19.49
			2,21,265.02	1,93,868.73
	TOTAL EQUITY AND LIABILITIES		10,67,715.63	10,54,736.66

See accompanying notes to the interim condesed financial statements **1 to 43**
As per our report of even date

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

Ashish G. Mistry
Partner

Membership No. 132639

Place Mumbai
Date :

For and on behalf of the Board of Directors

Atul Ruia
(Chairman)
DIN - 00087396

Shishir Shrivastava
(Managing Director)
DIN - 01266095

THE PHOENIX MILLS LIMITED

Consolidated Interim Condensed Statement of Profit and Loss for three months period ended 30th June 2020

(Rs. In Lakhs)

Sr No.	Particulars	Note No.	Rs.	For the period ended 30th June, 2020 Rs.	For the period ended 30th June, 2019 Rs.
	Income				
I	Revenue from Operations	26		13,470.73	61,504.31
II	Other Income	27		1,312.91	1,537.62
	TOTAL INCOME			**14,783.64**	**63,041.93**
III	**Expenses**				
	Cost of Materials Consumed	28		117.70	4,830.58
	Change in Inventory	29		(198.62)	8,745.06
	Employee Benefits Expenses	30		2,036.57	3,819.65
	Depreciation and Amortisation	4		5,024.25	5,070.17
	Finance Costs	31		8,693.40	8,712.37
	Other Expenses	32		4,487.37	14,834.62
	TOTAL EXPENSES			**20,160.67**	**46,012.45**
IV	**PROFIT BEFORE TAX**			**(5,377.03)**	**17,029.48**
V	**TAX EXPENSES**				
	Current Income Tax		**99.52**		**3,059.22**
	Deferred Tax		**(402.38)**		**(704.87)**
	Tax Adjustments of earlier years		**(22.87)**	**(325.73)**	**(12.40)**
VI	**PROFIT AFTER TAX**			**(5,051.30)**	**14,687.53**
	Share of Profit/(Loss) in Associates			**(150.34)**	684.34
VII	**PROFIT FOR THE PERIOD**			**(5,201.64)**	**15,371.87**
VIII	**OTHER COMPREHENSIVE INCOME**				
	a) Item that will not be reclassified to Profit & Loss A/c				
	Gain/(Loss) on Equity Instruments at fair value through other comprehensive Income			**625.20**	**(2,271.81)**
	b) Income Tax relating to the Item that will not be reclassified to Profit & Loss A/c			-	-
	OTHER COMPREHENSIVE INCOME/(LOSS)			**625.20**	**(2,271.81)**
	TOTAL COMPREHENSIVE INCOME FOR THE PERIOD			**(4,576.44)**	**13,100.06**
	Net Profit attributable to				
	a) Owners of the company			**(4,241.07)**	**13,038.72**
	b) Non Controlling Interest			**(960.57)**	**2,333.15**
	Other Comprehensive Income attributable to				
	a) Owners of the company			**625.20**	**(2,271.81)**
	b) Non Controlling Interest			-	-
	Total Comprehensive Income attributable to				
	a) Owners of the company			**(3,615.87)**	**10,766.91**
	b) Non Controlling Interest			**(960.57)**	**2,333.15**
	Earning per equity shares (Face value Rs. 2 each)	36			
	Basic			(2.76)	8.50
	Diluted			(2.76)	8.48

See accompanying notes to the interim condesed financial statements 1 to 43

As per our report of even date

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

For and on behalf of the Board of Directors

Atul Ruia
(Chairman)
DIN - 00087396

Shishir Shrivastava
(Managing Director)
DIN - 01266095

Ashish G. Mistry
Partner
Membership No. 132639

Place : Mumbai
Date :

The Phoenix Mills Limited
Consolidated Interim Condensed Cash Flow Statement For Three Month Ended 30th June, 2020

(Rs. In Lakhs)

Particulars		For the period ended 30th June, 2020		For the period ended 30th June, 2019	
A CASH FLOWS FROM OPERATING ACTIVITIES					
Net Profit before tax as per the Statement of Profit or Loss			(5,377.03)		17,029.48
Adjustments for :					
Depreciation		5,024.25		5,070.17	
(Profit)/Loss on Assets sold/discarded		0.55		133.61	
Alloawnce for Doubtful Debts and Advances		108.42		107.72	
Interest Expenses		8,693.40		8,712.37	
Interest Income		(1,187.28)		(817.02)	
Profit on sale of Investments		-		(232.15)	
Net gain arising on financial assets measured at FVTPL		(74.43)		(200.73)	
Balances written back		-		(0.64)	
			12,564.91		12,773.33
Operating Cash flow before working capital changes			7,187.88		29,802.81
Adjustment for Working Capital changes :					
Trade and other Receivables		(9,371.01)		(16,086.80)	
Inventories		(198.62)		8,819.82	
Trade and other Payables		(3,943.30)		(5,826.51)	
			(13,512.93)		(13,093.49)
Cash generated from Operations			(6,325.05)		16,709.32
Direct Taxes Refund / (Paid)			2,719.99		(2,927.83)
Net Cash from Operating Activities	A		(3,605.06)		13,781.49
B CASH FLOWS FROM INVESTING ACTIVITIES					
Purchases of Property, Plant & Equipments & CWIP		(6,048.93)		(15,820.70)	
Sale of Property, Plant & Equipments		-		8.24	
Inter Corporate Deposits & Loans (placed)/refunded (Net)		-		1,243.92	
Deposit placed with Bank other than considered in Cash & Cash Equivalents		(3,284.96)		-	
Purchase of Investments		-		(14.03)	
Purchase of Mutual Funds		(15,999.44)		(15,267.67)	
Sale of Mutual Funds		24,052.58		25,397.99	
Interest Received		1,058.77		1,296.94	
Net Cash generated from/(used in) Investing Activities	B		(221.98)		(3,155.31)
C CASH FLOWS FROM FINANCING ACTIVITIES					
Proceeds from long term borrowings		-		10,583.93	
Repayment of long term borrowings		-		(27,592.15)	
Short term loans availed / (repaid)(Net)		12,860.99		13,819.37	
Interest paid		-		(7,914.32)	
Issue of Equity Share		9.18		155.39	
Net Cash generated from/(used in) Financing Activities	C		12,870.17		(10,947.78)
D Net Increase/(Decrease) in Cash and Cash Equivalents	A+B+C		9,043.13		(321.60)
Cash and Cash equivalents at the beginning of the year			12,933.41		3,958.19
Cash and Cash equivalents at the end of the period			21,976.54		3,636.59

Notes:-

1 **Components of cash and cash equivalents:**

	30th June, 2020	30th June, 2019
Cash on hand	161.57	73.15
Balance with scheduled bank	21,814.97	3,563.44
	21,976.54	3,636.59

See accompanying notes to the interim condesed financial statements
As per our report of even date

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

Ashish G. Mistry
Partner
Membership No. 132639

Place Mumbai
Date :

For and on behalf of the Board of Directors

Atul Ruia
(Chairman)
DIN - 00087396

Shishir Shrivastava
(Managing Director)
DIN - 01266095

THE PHOENIX MILLS LIMITED
Consolidated Interim Condensed Statement of Changes in Equity For Period Ended 30th June 2020

(a) Equity share capital (Rs. In Lakhs)

Particulars	As at 1st April, 2020	Changes in equity share capital during the period	As at 30th June, 2020
Equity Share Capital	3,069.25	0.00	3,069.30

Particulars	As at 1st April, 2019	Changes in equity share capital during the period	As at 30th June, 2019
Equity Share Capital	3,065.80	0.95	3,066.75

(b) Other equity (Rs. In Lakhs)

Particulars	Reserves and Surplus					Items of Other Comprehensive Income		Total Other Equity	Non Controling Interest	Total
	Capital Reserve	Securities Premium	General Reserve	Share based payment reserve	Retained earning	Re-measurment gain of the net defined benefit	Gain/(Loss) on Equity instruments at fair value			
Balance as at 1st April. 2019	**185.25**	**1.35.273.42**	**22.918.36**	**1.375.78**	**1.70.075.61**	**46.46**	**14.471.09**	**3.44.346.00**	**1.22.330.20**	**4.66.676.20**
Securities Premiun On Issue of Shares	-	154.43	-	-	-	-	-	154.43	-	154.43
ESOPs Cost for the period	-	-	-	109.85	-	-	-	109.85	-	109.85
Profit for the period	-	-	-	-	13.038.72	-	-	13.038.72	2.333.15	15.371.86
Other Comprehensive Income	-	-	-	-		-	(2.271.81)	(2.271.81)	-	(2.271.81)
Restrospective application of Ind As-21 Amendment					23.59	-	-	23.59		23.59
Impact of Acquisition/Disposal/Change in Controling Interest	-	-	-	-	(1,109.89)	-	-	(1,109.89)	1,111.12	1.23
Balance as at 30th June. 2019	**185.25**	**1.35.427.85**	**22.918.36**	**1.485.63**	**1.82.028.02**	**46.46**	**12.199.28**	**3.54.290.89**	**1.25.774.47**	**4.80.065.36**
Balance as at 1st April. 2020	**185.25**	**1.35.727.09**	**22.918.36**	**1.636.45**	**1.98.002.74**	**46.45**	**9.252.52**	**3.67.768.78**	**1.27.879.11**	**4.95.647.89**
Securities Premium On Issue of Shares	-	9.13	-	-	-	-	-	9.13	-	9.13
ESOPs Cost for the period	-	-	-	33.09	-	-	-	33.09	-	33.09
Profit/(Loss) for the period	-	-	-	-	(4.241.07)	-	-	(4.241.07)	(960.57)	(5.201.63)
Other Comprehensive Income	-	-	-	-		-	625.20	625.20	-	625.20
Balance as at 30th June. 2020	185.25	1.35.736.22	22.918.36	1.669.54	1.93.761.67	46.45	9.877.73	3.64.195.13	1.26.918.54	4.91.113.67

See accompanying notes to the interim condesed financial statements
As per our report of even date

For and on behalf of the Board of Directors

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

Atul Ruia
(Chairman)
DIN - 00087396

Shishir Shrivastava
(Managing Director)
DIN - 01266095

Ashish G. Mistry
Partner
Membership No. 132639

Place Mumbai
Date :

Notes to Consolidated Interim Condensed Financial Statement for the period ended 30th June, 2020

1. Corporate Information

The Phoenix Mills Ltd ("PML" or "Parent") is domiciled and incorporated in India and its shares are publicly traded on the National Stock Exchange ('NSE') and the Bombay Stock Exchange ('BSE'), in India. The registered office of the company is at 462, Senapati Bapat Marg, Lower Parel, Mumbai – 400013, Maharashtra, India.

Group is engaged in operation and management of mall, construction of commercial and residential property and hotel business in India.

These interim financial statements were approved and adopted by the Board of Directors of the Company in their meeting dated .

2. Basis of Preparation of Financial Statement

These Consolidated interim condensed financial statements for the three months period ended 30th June, 2020 have been prepared in accordance with the recognition and measurement principles of Indian Accounting Standard 34, 'Interim financial reporting' and other accounting principles generally accepted in India for the sole purpose of use by management of the company. Further, the comparative figures disclosed in respect of the Statement of Profit and Loss, the Cash Flow Statement, and its related notes are for the period ended June 30, 2019 whereas Balance sheet and other notes are for the period ended March 31, 2020 and hence are not comparable with those of the current period.

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

On July 24, 2020, the Ministry of Corporate Affairs (MCA) has notified certain amendment to existing Ind AS. These amendments shall be applicable to the Group from April 01, 2020.

A. AMENDMENT TO EXISTING STANDARD

The MCA has carried out amendments of the following accounting standards:

i. Ind AS 103 – Business Combinations
ii. Ind AS 107 – Financial Instruments: Disclosures
iii. Ind AS 116 – Leases
iv. Ind AS 1 – Presentation of Financial Statements
v. Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors
vi. Ind AS 10 – Events after the Reporting Period
vii. Ind AS 34 – Interim Financial Reporting
viii. Ind AS 37– Provisions, Contingent Liabilities and Contingent Assets

Applications of above standards are not expected to have any significant impact on the consolidated interim condensed financial statements.

3.Significant Accounting Policies

3.1. Basis of Measurement

The Consolidated interim condensed financial statements have been prepared on an accrual basis and under the historical cost convention except following which have been measured at fair value:

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

The Consolidated interim condensed financial statements are presented in Indian Rupees ("in lakhs"), which is the Group's functional currency and all amounts are rounded to the nearest rupees in lakhs.

3.2. Basis of consolidation

The Consolidated interim condensed financial statements of the Group incorporate the financial statements of the Parent Company and its subsidiaries and associates. The Parent Company has control over the subsidiaries as it is exposed, or has rights, to variable returns from its involvement with the investee; and has the ability to affect its returns through its power over the subsidiaries. Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including the contractual arrangement with the other vote holders of the investee, rights arising from other contractual arrangements, the Group's voting rights and potential voting rights and the size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders. The Company re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but has no control or joint control over those policies.

Consolidation Procedure:

a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the Consolidated interim condensed financial statements at the acquisition date.

b) Consolidation of a subsidiary begins when the Parent Company obtains control over the subsidiary and ceases when the Parent Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the period are included in the consolidated statement of profit or loss and other comprehensive income from the date the Parent Company gains control until the date when the Parent Company ceases to control the subsidiary.

c) Profit or loss and each component of other comprehensive income are attributed to the owners of the Parent Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Parent Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

d) Adjustments are made to the financial statements of subsidiaries, as and when necessary, to bring their accounting policies into line with the Group's accounting policies.

e) All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

f) Carrying amount of the Parent's investment in each subsidiary and the Parent's portion of equity are eliminated. Business combinations policy explains how the related goodwill is accounted at the time of acquisition of subsidiary.

g) Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Parent Company.

h) Investment in Associates has been accounted under the equity method as per Ind AS 28 - Investments in Associates and Joint Ventures. The Company accounts for its share of post acquisition changes in net assets of associates, after eliminating unrealised profits and losses resulting from transactions between the Company and its associates to the extent of its share, through its Consolidated Statement of Profit and Loss, to the extent such change is attributable to the associates' Statement of Profit and Loss and through its reserves for the balance based on available information.

3.3. Business Combinations

The acquisitions of businesses are accounted for using the acquisition method. The cost of the acquisition is measured at the aggregate of the fair values at the date of exchange of assets given, liabilities incurred or assumed and equity instruments issued by the Group in exchange for control of the acquiree. The acquiree 's identifiable assets, liabilities and contingent liabilities that meet the condition for recognition are recognized at their fair values at the acquisition date except certain assets and liabilities required to be measured as per the applicable standard. Goodwill arising on acquisition is recognized as an asset and initially measured at cost, being the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets acquired, liabilities recognized and contingent liabilities assumed. In the case of bargain purchase, resultant gain is recognized in other comprehensive income on the acquisition date and accumulated to capital reserve in equity. The interest of non-controlling shareholders in the acquiree is initially measured at the non-controlling shareholders proportionate share of the acquiree's identifiable net assets.

3.4. Property, Plant and Equipment

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

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

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

Depreciation methods, estimated useful lives and residual value

Leasehold land is amortized over the period of lease. Depreciation on other fixed assets (excluding land and lease land in perpetuity) is provided on written down value method as per the useful life specified in schedule II to the Companies Act, 2013, in the manner state therein. The residual values are not more than 5% of the original cost of the asset. The assets' residual values and useful lives and method of depreciation are reviewed, and adjusted if appropriate, at the end of each reporting period. In some of the Subsidiaries, the Depreciation is provided on the straight line method as per the useful life specified in schedule II to the Companies Act, 2013, in the manner state therein.

High end operating supplies acquired prior to commencement of the hotel operations and opening of new restaurants / outlets are considered as a part of fixed assets and are depreciated over a period of three years on straight line method.

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

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

3.5. Intangible Assets

Identifiable intangible assets are recognized a) when the Group controls the asset, b) it is probable that future economic benefits attributed to the asset will flow to the Group and c) the cost of the asset can be reliably measured.

Intangible Assets comprising Computer software, License & Franchise and acquired goodwill are amortised over the period not exceeding five years on straight line basis. The assets' useful lives are reviewed at each financial year end.

3.6. Financial Instrument:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instruments of another entity. Classifications of financial instruments are in accordance with the substance of the contractual arrangement and as per the definitions of financial assets, financial liability and an equity instruments.

Financial Assets and investments

i) Initial recognition and measurement:

At initial recognition, the group measures a financial asset (other than financial asset at fair value through profit or loss) at its fair value plus or minus, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the statement of profit & loss.

ii) Subsequent recognition and measurement:

Subsequent measurement of financial asset depends on the group's business model for managing the asset and the cash flow characteristics of the asset. For the purpose of subsequent recognition and measurement financial assets are classified in four categories:

- **Debt instrument at amortised cost:**

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

- **Debt instrument at fair value through other comprehensive income (FVOCI):**

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses and interest revenue which are recognised in the statement of profit & loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

- **Debt instrument at fair value through profit and loss (FVTPL):**

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in the statement of profit & loss and presented net in the statement of profit & loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

- **Equity instruments:**

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

- **Investment in Associates:**

The Group has accounted for its Investment in associates at cost

iii) Derecognition:

A financial asset is primarily derecognised i.e. removed from Group's financial statements when:

- The rights to receive cash flows from asset have expired, or

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

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

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

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

iv) Trade receivables:

A receivable is classified as a 'trade receivable' if it is in respect to the amount due from customers on account of goods sold or services rendered in the ordinary course of business. Trade receivables are recognised initially at fair value and subsequently measured at fair value less provision for impairment. For some trade receivables, the Group may obtain security in the form of security deposit which can be called upon if the counterparty is in default under the terms of the agreement.

Financial Liabilities:

i) Initial recognition and measurement:

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

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts.

ii) Subsequent measurement:

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

Financial liabilities at fair value through profit and loss

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

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

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

iii) Loans and Borrowings:

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in the statement of profit & loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

iv) Trade and other payables:

These amounts represent liabilities for goods and services provided to the group prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period.

v) Derecognition:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

3.7. Impairment of Assets

An asset is considered as impaired when at the date of Balance Sheet there are indications of impairment and the carrying amount of the asset, or where applicable the cash generating unit to which the asset belongs exceeds its recoverable amount (i.e. the higher of the net asset selling price and value in use).

Impairment of Goodwill

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or when there is an indication that the unit may be impaired. The recoverable amount of cash generating unit is determined for each legal entity based on a value in use calculation which uses cash flow projections and appropriate discount rate is applied. The discount rate takes into account the expected rate of return to shareholders, the risk of achieving the business projections, risks specific to the investments and other factors. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Impairment of Non – Financial Asset:

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Unit's (CGU) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing the value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

Impairment of Financial asset:

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

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

The Group follows 'simplified approach' for recognition of impairment loss allowance on

- Trade receivables or contract revenue receivables.

The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

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

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

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

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

3.8. Cash and cash equivalents

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

3.9. Inventories

Inventories are valued at lower of cost or net realisable value. Cost is determined on FIFO basis.

Cost of realty construction / development includes all costs directly related to the project and other expenditure as identified by the management which are incurred for the purpose of executing and securing the completion of the Project (net off incidental recoveries/receipts).

Stock of food, beverages, stores and operating supplies are valued at lower of cost (computed on weighted average basis) and net realizable value.

Cost of inventories also includes all other costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

3.10. Foreign currency transactions:

The transactions denominated in foreign currency are recorded at the exchange rate prevailing on the date of transaction. Monetary items denominated in foreign currency at the end of period are translated using the closing rate of exchange. Non- monetary items that are to be carried at historical cost are recorded using exchange rate prevailing on the date of transaction. Non- monetary items that are to be carried at fair value are recorded using exchange rate prevailing on the date of fair value measured. Any income or expenses on account of exchange difference either on settlement or on translation is recognised in the statement of profit or loss, except in respect of long term foreign currency monetary items which are outstanding as on transition date, where the group has availed the optional exemption under Ind AS 101 for capitalization of exchange difference to the cost of property, plant & equipment and intangible assets.

3.11. Classification of assets and liabilities as current and non – current:

The Group presents assets and liabilities in Balance Sheet based on current/non-current classification.

An asset is classified as current when it is:

a) Expected to be realised or intended to be sold or consumed in normal operating cycle,
b) Held primarily for the purpose of trading,
c) Expected to be realised within twelve months after the reporting period, or
d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

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

All other liabilities are classified as non-current.

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

3.12. Equity share capital

Ordinary shares are classified as equity. Incremental costs net of taxes directly attributable to the issue of new equity shares are reduced from retained earnings, net of taxes.

3.13. Revenue recognition

Revenue is recognised to the extent that it is probable that the future economic benefits will flow to the entity and it can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Revenue from license fees and other operating services

Revenue from license fees are recognised on a straight line basis over the license terms,

Revenue from operating services is recognized on satisfaction of performance obligation upon transfer of control of promised services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those services, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and a receivable is recognized when it becomes unconditional. Generally, the credit period varies between 0-30 days from the delivery of services.

Revenue from sale of properties

The Company develops and sells residential properties. Revenue from contracts is recognised when control over the property has been transferred to the customer. Therefore, revenue is recognised at a point in time when the legal title has passed to the customer and the development of the property is completed. The revenue is measured at the transaction price agreed under the contract.

The Company invoices the customers for construction contracts based on achieving performance-related milestones

<u>Revenue from Sale of land and other rights :</u>

Revenue from Sale of land and other rights is generally a single performance obligation and the Company has determined that this is satisfied at the point in time when control transfers as per the terms of the contract entered into with the buyers, which generally are with the firmity of the sale contracts / agreements.

Revenue from hotel component of sale of rooms, foods and beverages

Revenue from hotel component of sale of rooms, banquets, foods and beverages, allied services relating to hotel operations are recognized upon rendering of the services. Sales and services are recorded inclusive of excise duty (wherever applicable) and net of sales tax, service tax and luxury tax. Revenue yet to be billed is recognised as unbilled revenue. Initial non-refundable membership fee is recognised as income over the period of validity of membership which reflects the expected utilization of membership benefits. Annual membership fees are recognised as income on time proportion basis. Contribution to customer loyalty programs calculated as per agreed percentages of qualifying revenues are accounted on accrual basis and the same is reduced from the revenue.

Contract Assets

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

Contract Liability

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

Interest income

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

Dividends

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

3.14. Borrowing Costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for such capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

Borrowing costs consist of interest and other costs that are incurred in connection with the borrowing of funds.

3.15. Employee Benefits

(i) *Short-term Employee benefits:*

All employees' benefits payable wholly within 12 months rendering services are classified as Short Term obligations. Benefits such as salaries, wages, short term compensated absences, performance incentives, expected cost of bonus and ex-gratia are recognised during the period in which the employees renders related services.

(ii) *Post-employment benefits*

a. Defined Contribution Plan

The defined contribution plan is post-employment benefit plan under which the Group contributes fixed contribution to a government administered fund and will have no legal or constructive obligation to pay further contribution. The Group's defined contribution plan comprises of Provident Fund, Labour Welfare Fund and Employee State Insurance Scheme. The Group's contribution to defined contribution plans are recognised in the statement of profit & loss in the period in which the employee renders the related services.

b. Defined benefit plan

The Group has defined benefit plans comprising of gratuity. Group's obligation towards gratuity liability is funded and is managed by Life Insurance Corporation of India (LIC). The present value of the defined benefit obligations is determined based on actuarial valuation using the projected unit credit method. The rate used to discount defined benefit obligation is determined by reference to market yields at the Balance Sheet date on Indian Government Bonds for the estimated term of obligations.

Re-measurements comprising of (a) actuarial gains and losses, (b) the effect of the asset ceiling (excluding amounts included in net interest on the net defined benefit liability) and (c) the return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Re-measurements are not reclassified to the statement of profit & loss in subsequent periods.

The expected return on plan assets is the Group's expectation of average long-term rate of return on the investment of the fund over the entire life of the related obligation. Plan assets are measured at fair value as at the Balance Sheet date.

The interest cost on defined benefit obligation and expected return on plan assets is recognised under finance cost.

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

(iii) *Other long-term benefits*

The Group's employees have other long-term benefits in the form of leave benefits. The present value of the other long term employee benefits is determined based on actuarial valuation using the projected unit credit method. The rate used to discount defined benefit obligation is determined by reference to market yields at the Balance Sheet date on Indian Government Bonds for the estimated term of obligations.

Actuarial gains or losses arising on account of experience adjustment and the effect of changes in actuarial assumptions are recognised immediately in the statement of profit & loss as income or expense.

Gains or losses on the curtailment or settlement of other long-term benefits are recognised when the curtailment or settlement occurs.

(iv) *Share-based payments*

The fair value of options granted under the Employee Option Plan is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted:

- including any market performance conditions (e.g., the entity's share price)
- excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period), and
- Including the impact of any non-vesting conditions (e.g. the requirement for employees to save or holdings shares for a specific period of time).

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the group revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in the statement of profit & loss, with a corresponding adjustment to other equity.

3.16. Income Taxes:

Current Income Tax:

Current Income Tax liabilities are measured at the amount expected to be paid to the taxation authorities using the tax rates and tax laws that are enacted or subsequently enacted at the end of the reporting period. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and creates provisions where appropriate.

Deferred Tax:

Deferred Tax is provided, using the Balance sheet approach, on temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred Tax is determined using the tax rates and tax laws that are enacted or subsequently enacted at the end of the reporting period.

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

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

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

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

3.17. Provisions and contingencies

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using the government securities' interest rate for the equivalent period. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimate. Provisions are not recognised for future operating losses.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the notes to the financial statements. Contingent assets are not recognised. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

3.18. Earning per share:

Basic earning per share is calculated by dividing the net profit or loss (after tax) for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

Diluted earning per share is calculated by dividing the net profit or loss (after tax) for the period attributable to equity shareholders and the weighted average number of equity shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

THE PHOENIX MILLS LIMITED

Notes to Consolidated Interim Condensed financial statements for three months period ended 30th June, 2020

NOTE 4

Property, plant and equipment (Rs. in Lakhs)

	Tangible Assets							Intangible Assets					
	Free Hold Land	**LeaseHold Land (Right to Use)**	**Buildings**	**Plant & Machinery**	**Lease Hold Improvements**	**Motor Car, Lorries & Vehicles**	**Office Furniture & Equipments**	**Software**	**Goodwill (Acquired)**	**Licenses & Franchises**	**Total**	**Capital Work In Progress**	**intangible asset under development**
Gross Block :													
As At 1st April 2019	2,26,456.22	697.61	3,77,135.08	63,347.40	839.81	1,051.02	67,508.11	830.10	26.17	10.50	7,37,902.02		
Opening Balance Acquired During the period											-		
Addition	17.54	-	9,828.32	1,561.67	-	32.15	2,680.73	32.33	-	-	14,152.75		
Adjustments/Deletions	-	-	2.50	249.34	2.87	29.97	530.91	-	-	-	815.59		
As at 31st March 2020	**2,26,473.76**	**697.61**	**3,86,960.90**	**64,659.72**	**836.94**	**1,053.20**	**69,657.94**	**862.42**	**26.17**	**10.50**	**7,51,239.17**		
Adjustments/Deletions					-						-		
Addition	-	-	0.31	44.11	-	-	31.96	0.15	-	-	76.52		
Adjustments/Deletions	-	-	-	-	-	-	9.71	-	-	-	9.71		
As at 30th June 2020	**2,26,473.76**	**697.61**	**3,86,961.21**	**64,703.83**	**836.94**	**1,053.20**	**69,680.19**	**862.57**	**26.17**	**10.50**	**7,51,305.98**		
Accumulated depreciation:													
As At 1st April 2019	-	49.45	53,820.55	28,405.70	467.27	639.95	38,767.21	613.44	-	4.06	1,22,767.63		
Depreciation charge for the Year	-	-	9,074.19	4,685.43	38.81	113.41	6,761.82	87.52	-	1.05	20,762.23		
Deductions / Adjustments	-	-	0.35	102.32	0.99	27.68	307.12	-	-	-	438.46		
As at 31st March 2020	-	**49.45**	**62,894.39**	**32,988.81**	**505.08**	**725.68**	**45,221.91**	**700.95**	-	**5.11**	**1,43,091.39**		
Depreciation charge for the Period	-	-	2,319.54	1,137.32	8.64	21.86	1,516.81	19.82	-	0.26	5,024.25		
Deductions / Adjustments	-	-	-	-	-	-	7.89	-	-	-	7.89		
As at 30th June 2020	-	**49.45**	**65,213.92**	**34,126.13**	**513.72**	**747.54**	**46,730.83**	**720.77**	-	**5.37**	**1,48,107.75**		
Net Book Value													
As at 30th June 2020	**2,26,473.76**	**648.16**	**3,21,747.28**	**30,577.71**	**323.22**	**305.66**	**22,949.36**	**141.80**	**26.17**	**5.13**	**6,03,198.23**	**1,59,084.69**	**18.50**
As at 31st March 2020	**2,26,473.76**	**648.16**	**3,24,066.51**	**31,670.92**	**331.86**	**327.52**	**24,436.03**	**161.47**	**26.17**	**5.39**	**6,08,147.78**	**1,53,409.34**	**18.50**

THE PHOENIX MILLS LIMITED

Notes to Consolidated Interim Condensed financial statements for three months period ended 30th June, 2020

(Rs. In Lakhs)

PARTICULARS	As at 30th June, 2020		As at 31st March, 2020	
NOTE "5"				
NON CURRENT INVESTMENTS				
A INVESTMENTS MEASURED AT COST	**Rs.**	**Rs.**	**Rs.**	**Rs.**
1. INVESTMENT IN EQUITY INSTRUMENTS				
In Associates				
Equity shares of Rs. 10/- each fully Paid up, unless otherwise stated.				
5,208 (P.Y. 5,208) Classic Housing Projects Pvt. Ltd.	940.86		941.52	
2,500,000 (P.Y. 2,500,000) Star Board Hotels Pvt. Ltd.	0.00		6.00	
5,000 (P.Y. 5,000) Mirabel Entertainment Pvt Ltd.	-		-	
38,49,058 (P.Y. 38,49,058) - Classic Mall Development Company Limited	32,649.63		32,537.12	
5,000 (P.Y. 5,000) Columbus Investment & Advisory Pvt Ltd	57.34		56.91	
		33,647.83		33,541.55
2. INVESTMENT IN DEBENTURES				
In Associates				
a) Compulsorily Fully Convertible Debentures (CCD) of Rs. 100/- each fully paid up				
7,000 (P.Y. 7,000) CCD's in Mirabel Entertainment Pvt Ltd	7.00		7.00	
		7.00		7.00
b) Optionally Convertible Debentures (OCD) of Rs. 100/- each fully paid up				
3,00,000 (P.Y. 300,000), 0.001% Series B Optionally Convertible Debentures in Classic Housing Projects Pvt. Ltd.	300.00		300.00	
1,735,563 (P.Y. 1,735,563) OCD's in Star Board Hotels Pvt Ltd	1,478.94		1,735.56	
120,000 (P.Y. 120,000) 0.001% Series C Optionally Convertible Debentures in Classic Housing Projects Pvt. Ltd.	120.00		120.00	
		1,898.94		2,155.56
B INVESTMENTS MEASURED AT FAIR VALUE THROUGH PROFIT AND LOSS				
INVESTMENT IN EQUITY INSTRUMENTS OF FACE VALUE RS. 10/- EACH FULLY PAID UP UNLESS OTHERWISE STATED				
36.325 (P.Y. 36.325) - I.C.I.C.I. Bank Limited - face value of Rs. 2 each	127.66		117.87	
20 (P.Y. 20) Clariant Chemicals (India) Ltd.	0.08		0.05	
		127.75		117.92

THE PHOENIX MILLS LIMITED

Notes to Consolidated Interim Condensed financial statements for three months period ended 30th June, 2020

(Rs. In Lakhs)

PARTICULARS	As at 30th June, 2020		As at 31st March, 2020	
C INVESTMENTS MEASURED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME				
Equity shares of Rs. 10/- each fully Paid up, unless otherwise stated.				
36,86,484 (P.Y. 36,86,484) Galaxy Entertainment Corporation Ltd.	696.75		632.23	
8,05,000 (P.Y. 8,05,000) Graphite India Limited face value of Rs. 2 each	1,472.75		1,023.16	
584,726 (P.Y. 584,726) GKW Limited	2,806.68		2,695.59	
		4,976.18		4,350.97
10 (P.Y. 10) Treasure World Developers Pvt. Ltd.	0.09		0.09	
25,356,940 (P.Y. 25,356,940) Entertainment World Developers Ltd	5,792.70		5,792.70	
5,000 (P.Y. 5000) Bartraya Mall Development Co. Pvt. Ltd	0.50		0.50	
2,500,000 (P.Y. 2,500,000) Galaxy Entertainment India Pvt Ltd.	250.00		250.00	
80 (P.Y. 80) ordinary shares of Rs. 25/- each -fully paid of Rashtriya Mazdoor Madhyavarti Sahakari Grahak Sangh (Maryadit)	0.02		0.02	
1,000 (P.Y. 1000) The Cosmos Co-operative Bank Ltd Shares of Rs. 100 Each fully paid	1.01		1.01	
5,000 (P.Y. 5000) The Saraswat Co-op Bank Ltd	0.50		0.50	
		6,044.81		6,044.81
Investments In Preference Shares				
1,000,000 (P.Y. 1,000,000) 7% Cumulative Optionally Convertible Preference Shares fully paid up of Galaxy Entertainment India Pvt Ltd.	100.00		100.00	
250,000 (P.Y. 250,000) 7% Cumulative Optionally Convertible Preference Shares each Re. 0.80 paid up of Galaxy Entertainment India Pvt Ltd.	1.25		1.25	
50,000 (P.Y. 50,000) 10.50% Perpetual Non-cumulative Preference shares of Rs. 10 each in The Saraswat Co-Operative Bank Limited	5.00		5.00	
		106.25		106.25
Investments in Debentures				
a) Compulsorily Fully Convertible Debentures of Rs. 100/- each fully Paid up, unless otherwise stated.				
66,500 (P.Y. 66,500) 0.0001% - Phoenix Retail Pvt. Limited	66.50		66.50	
38,545 (P.Y. 38,545) 0.0001% - Vigilant Developers Pvt. Limited	38.55		38.55	
4,000 (P.Y. 4,000) CCD's in ACME Hospitality Services Pvt Ltd	4.00		4.00	
34,000 (P.Y. 34,000) 0.0001% - Escort Developers Pvt Limited	34.00		34.00	
100,000,000 (P.Y. 100,000,000) Treasure World Developers Pvt. Ltd. - Face value Rs 10 each.	10,000.00		10,000.00	
		10,143.05		10,143.05
b) Optionally Convertible Debentures				
25,000 (P.Y. 25,000) 0.0001% Optional Fully Convertible Debentures of Rs 100 each fully paid Up in UPAL Hotels Pvt Ltd	25.00		25.00	
		25.00		25.00
D INVESTMENT IN CAPITAL OF PARTNERSHIP FIRM (MEASURED AT COST)				
Phoenix Construction Company		184.11		184.11
E OTHERS				
7 years - National Savings Certificates (Deposited with State Government and other authorities as security)		0.80		0.80
		57,161.71		56,677.02
Less: Aggregate provision for dimunition in value of investments		(13,873.90)		(13,873.90)
Total Non- Current Investments		43,287.81		42,803.12

NOTE "6"	Non Current Rs.	Current Rs.	Non Current Rs.	Current Rs.
Financial Assets- Loans (Unsecured)				
Inter Corporate Loans and Deposits				
Considered Good				
With related parties	-	21.25	-	21.25
With Others				
Considered doubtful	23.45	-	23.45	-
	23.45	-	23.45	-
Less : Allowance for doubtful receivables	(23.45)	-	(23.45)	-
	-	-	-	-
Other Loans				
Other Advance	300.00	-	300.00	-
Inter Corporate Deposit	910.25	962.38	910.25	950.04
	1,210.25	983.63	1,210.25	971.29

THE PHOENIX MILLS LIMITED
Notes to Consolidated Interim Condensed financial statements for three months period ended 30th June, 2020

(Rs. In Lakhs)

PARTICULARS	As at 30th June, 2020		As at 31st March, 2020	
NOTE "7"	**Non Current**	**Current**	**Non Current**	**Current**
Other Financial Assets	**Rs.**	**Rs.**	**Rs.**	**Rs.**
Fixed Deposit with Bank (Maturity more than 12 Months)	13,810.51	-	10,819.32	-
Interest accrued but not due on Fixed Deposit	19.41	300.35	10.22	147.93
Interest accrued on Investments	-	0.14	-	0.14
Interest accrued on ICD's	-	87.05	-	120.67
Interest accrued on ICD's with Related Parties	-	1.78	-	1.27
Unbilled revenue	-	1,152.18	-	409.65
Deposits with Others	1,389.12	4,379.70	1,432.87	4,374.98
Deposits with Related Parties	-	5,517.75	-	5,517.75
	15,219.05	11,438.95	12,262.41	10,572.39
NOTE "8"				
Deferred Tax Assets (Net)				
Deferred Tax Assets				
MAT Credit	2,668.68		2,672.13	
Disallowance under the Income Tax Act. 1961	1,896.97		320.10	
Carry Forward of Losses & Depreciation	4,065.63		4,119.36	
		8,631.28		7,111.59
Deferred Tax Liability				
Related to Fixed Assets	(2,277.57)		(1,071.03)	
Fair value of gain on Investment	68.94	(2,208.63)	81.76	(989.27)
		6,422.65		6,122.32
NOTE "9"	**Non Current**	**Current**	**Non Current**	**Current**
Other Non Current Assets	**Rs.**	**Rs.**	**Rs.**	**Rs.**
(Unsecured Considered Good)				
Capital Advances				
Others	8,183.21	3,476.68	8,016.51	2,475.11
With Related Party	12.52	-	12.52	-
Deposits				
Deposits with related parties	428.05	-	427.97	-
Security Deposits	1,726.99	147.27	1,727.93	105.78
Other Deposits	628.02	-	629.89	-
Non - Current Tax Assets (Net)	3,359.40	-	3,289.59	-
Others				
Advances recoverable in cash or kind	3,462.52	2,034.17	3,462.52	1,776.64
Prepaid Expenses	290.84	835.76	237.12	647.22
Advance to Vendors	2,089.32	2,575.57	1,887.58	2,119.83
Balance with statutory/government authorities	334.31	5,679.41	334.31	8,633.08
	20,515.17	14,748.85	20,025.93	15,757.65

THE PHOENIX MILLS LIMITED

Notes to Consolidated Interim Condensed financial statements for three months period ended 30th June, 2020

(Rs. In Lakhs)

PARTICULARS	As at 30th June, 2020		As at 31st March, 2020	
NOTE "10"				
Inventories		Rs.		Rs.
Realty Work- In- Progress	79,411.25		79,164.50	
Finished Realty Stock	1,941.68		1,941.68	
Food & Beverages	457.43		505.48	
Stores and spares	-	81,810.36	0.07	81,611.74
		81,810.36		81,611.74
NOTE "11"				
Current Investments (Measured at Fair Value Through Profit & loss)	Rs.	Rs.	Rs.	Rs.
Nil (P.Y. 116562 Units) DSP Ultra Short Overnight Fund	-		1,244.17	
Nil (P.Y. 31000 Units) SBI Magnum Overnight Fund	-		999.61	
Nil (P.Y. 170,196.085 Units) of IDFC Overnight Fund	-		1,811.20	
37,405.354 Units (P.Y. Nil) of IDFC Cash Fund Growth (Regular Plan)	904.17		-	
Nil (P.Y. 157,582.803 Units) of Aditya Birla Savings Fund - Growt	-		2,575.04	
Nil (P.Y. 36,722.899 Units) of UTI Overnight Fund - Regular Growt	-		996.10	
123,135,128 Units (P.Y. 1983605.979 Units) Nippon India Overnight Fund	1,246.28		4,788.98	
27.369 Units (P.Y. 79014 Units) Axis Treasury Advantage Overnight Fund	607.54		833.43	
123.135.128 Units (P.Y. 1983605.979 Units) Nippon India Overnight Fund	-		1,401.17	
Nil (P.Y. 226206.24 Units) of fully paid up Kotak Saving Fund	-		72.60	
Nil (P.Y. 83.938.959 Units) L&T Overnight Fund-Growth	-		1,247.05	
Nil (P.Y. 1054.7816 units) of Axis Overnight Fund	-		197.79	
9012.404 Units (P.Y NIL) Axis Liquid Fund	200.06		-	
18.684.769 Units (P.Y. NIL) of L&T Liquid Regular - Growth	512.23		-	
67.110.739 Units (P.Y. NIL) of Nippon India Liquid Fund - Growth	4,118.40		-	
5397.467 Units (P.Y. Nil) L&T Liquid Fund - Regular Growth	147.97		-	
404446.494 Units (P.Y. Nil) Nippon India Mutual Fund	435.00		-	
		8,171.65		16,167.14
		8,171.65		16,167.14
Note 12				
TRADE RECEIVABLES		Rs.		Rs.
(a) Considered good		28,491.02		21,359.32
Less: Allowance for Expected credit loss		(2,343.65)		(1,513.28)
(b) Credit impaired		1,162.37		1,814.90
Less: Allowance for Expected credit loss		(766.54)		(1,490.70)
		26,543.20		20,170.24

THE PHOENIX MILLS LIMITED

Notes to Consolidated Interim Condensed financial statements for three months period ended 30th June, 2020

(Rs. In Lakhs)

PARTICULARS	As at 30th June, 2020		As at 31st March, 2020	
NOTE "13"	Current		Current	
Cash and Cash Equivalents		Rs.		Rs.
Cash on hand	161.57		58.18	
Balances with banks				
In Current Accounts	3,371.46		9,325.13	
In Fixed Deposits				
Deposits with original maturity of less than three months	18,274.87		3,381.46	
In dividend account	168.64		168.64	
		21,976.54		12,933.41
		21,976.54		12,933.41
NOTE "14"				
Bank Balance other than above				
In Fixed Deposits				
Deposits with original maturity of more than three months and less than One Year	4,071.87		786.91	
Earmarked balance held as security against borrowings	350.00	4,421.87	350.00	1,136.91
		4,421.87		1,136.91
NOTE "15"				
Current Tax Assets (Net)				
Advance income tax (net of provision)		11,557.28		14,309.29
		11,557.28		14,309.29
NOTE "16"				
Share Capital		Rs.		Rs.
Authorised				
225,000,000 Equity Shares (P.Y. 225,000,000) of Rs. 2 each		4,500.00		4,500.00
Issued, subscribed and paid up				
153,465,190 Equity Shares (P.Y. 153,462,440) of Rs. 2 each				
		3,069.30		3,069.25
		3,069.30		3,069.25
Note 16.1 Reconciliation of number of shares outstanding is set out below:-				
Equity Shares outstanding at the beginning the period		15,34,62,440.00		15,32,89,801.00
Add : Issued during the year on exercise of employee options		2,750.00		1,72,639.00
Shares outstanding at the end of the period		15,34,65,190.00		15,34,62,440.00

Note 16.2 Terms and Rights attached to equity shareholders:-

The Company has only one class equity shares having face value of Rs.2 per share. Each holder of equity shares is entitled to one vote per share. Equity shareholder are also entitled to dividend as and when proposed by the Board of Directors and approved by Share holders in Annual General Meeting. In the event of liquidation of the company, the holder of Equity shares will be entitled to receive remaining assts of the company, after distribution of ll preferential amounts which shall be in proportion to the number of shares held by the shareholders.

THE PHOENIX MILLS LIMITED

Notes to Consolidated Interim Condensed financial statements for three months period ended 30th June, 2020

(Rs. In Lakhs)

PARTICULARS	As at 30th June, 2020		As at 31st March, 2020	
NOTE "17"				
Other Equity	Rs.	Rs.	Rs.	Rs.
Capital Reserves				
As per Last Balance Sheet		185.25		185.25
General Reserve				
As per Last Balance Sheet		22,918.36		22,918.36
Securities Premium				
As per Last Balance Sheet	1,35,727.09		1,35,273.42	
Add:- On Issue of Shares	9.13		453.67	
		1,35,736.22		1,35,727.09
Share Based Payment Reserve				
As per last Balance Sheet	1,636.45		1,375.79	
Add: ESOPs Cost for the year	33.09		260.67	
		1,669.54		1,636.45
Retained Earnings				
Surplus/(defecit) in the Statement of profit and loss				
As per Last Balance Sheet	1,98,002.74		1,70,075.64	
Net Profit for the period	(4,241.07)		33,473.11	
Final Dividend	-		(5,052.76)	
Tax on Dividends	-		(493.34)	
		1,93,761.67		1,98,002.74
Other Comprehensive Income				
As per Last Balance Sheet	9,298.97		14,517.55	
Movement in OCI (net)during the period	625.20		(5,218.57)	
		9,924.18		9,298.97
Total Other Equity		3,64,195.13		3,67,768.78

Nature & Purpose of Reserves & Surplus

1) Capital Reserve: Capital reserve represents reserve created pursuant to the business combinations upto year end.

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

3) Share Based Payment Reserve: Reserve relates to stock options granted by the Group to employees under an employee stock options plan

4) General Reserve: General reserve is created from time to time by transferring profits from retained earnings and can be utilised for purposes such as dividend payout, bonus issue, etc

NOTE "18" **Borrowings**	Non Current Rs.	Current Rs.	Non Current Rs.	Current Rs.
Secured				
Loans from Financial Institutions	14,196.11	2,013.58	33,562.63	1,617.90
Loans from Banks	2,88,878.93	29,938.82	2,83,842.81	20,784.59
Unsecured				
0.0001% Series A Optionally Convertible Debentures of Rs. 100 each	2,300.00	-	2,300.00	-
Optionally Fully Convertible Unsecured Debentures (OFCD) "Series I"	5,934.85	-	5,934.85	-
Loan from other	21,373.23	-	14,887.75	-
Less: Amount disclosed under the head "Other Current Financial Liabilities" (Note 20)	-	(31,952.40)	-	(22,402.50)
	3,32,683.10	-	3,40,528.04	-

NOTE "19"	Non Current Rs.	Current Rs.	Non Current Rs.	Current Rs.
Trade Payables				
Total outstanding dues of micro enterprises and small enterprises	-	395.04	-	505.21
Total outstanding dues of creditors other than micro enterprises and small enterprises	154.19	9,950.08	137.52	10,529.68
	154.19	10,345.12	137.52	11,034.88

THE PHOENIX MILLS LIMITED
Notes to Consolidated Interim Condensed financial statements for three months period ended 30th June, 2020

(Rs. In Lakhs)

PARTICULARS	As at 30th June, 2020		As at 31st March, 2020	
NOTE "20"	**Non Current**	**Current**	**Non Current**	**Current**
Other financial liabilities	**Rs.**	**Rs.**	**Rs.**	**Rs.**
Current maturities of long-term borrowings	-	31,952.40	-	22,402.50
Security Deposit Received	16,625.91	38,469.82	18,703.66	36,518.60
Interest accrued but not due on borrowings	-	11,386.26	-	3,519.13
Interest accrued but not due - Related Party	-	1,282.76	-	986.82
Interest accrued and due on borrowings	-	-	-	479.31
Creditors for Capital Expenditure	276.22	5,447.45	219.33	4,634.40
Application money received for allotment of securities	-	-	-	9.18
	16,902.13	88,538.69	18,922.99	68,549.94
NOTE "21"				
Provisions:	**Non Current Rs.**	**Current Rs.**	**Non Current Rs.**	**Current Rs.**
Provision for Employee Benefits				
Provision for Gratuity	547.01	131.15	514.52	140.83
Provision for compensated absenses	545.16	137.47	502.45	181.26
Other Provisions				
Property Tax	-	5,805.00	-	5,805.00
Others	-	634.67	-	464.65
	1,092.17	6,708.30	1,016.97	6,591.74
NOTE "22"				
Deferred Tax Liability				
Related to Fixed Assets	174.75	174.75	276.78	276.78
		174.75		276.78
NOTE "23"				
Other Non Current Liabilities	**Non Current**	**Current**	**Non Current**	**Current**
	Rs.	**Rs.**	**Rs.**	**Rs.**
Statutory Dues	-	1,239.73	-	6,523.62
Other Payables	937.12	20,947.17	930.21	20,511.35
Security Deposits/Advance From Occupants/Licensees or Customers	-	4,264.05	-	4,404.96
Deposit from Related Party	-	125.00	-	125.00
Other Deposit	-	0.44	-	0.44
Income Received in Advance	324.18	5,779.75	338.28	5,715.67
Unpaid Dividends	-	168.64	-	168.64
	1,261.30	32,524.79	1,268.49	37,449.68
NOTE "24"				
Short Term Borrowings:		**Rs.**		**Rs.**
Secured				
Loans from Bank		57,966.19		45,381.62
Unsecured				
Loans and Advances from related parties		24,695.43		24,419.01
Loan from Others		422.38		422.38
		83,084.00		70,223.00
NOTE "25"				
Current Tax Liabilities		**Rs.**		**Rs.**
Tax Provision (net of taxes paid)		64.11		19.49
		64.11		19.49

THE PHOENIX MILLS LIMITED

Notes to Consolidated Interim Condensed financial statements for three months period ended 30th June, 2020 (Rs. In Lakhs)

	Notes	For the period ended 30th June, 2020		For the period ended 30th June, 2019	
NOTE "26"					
REVENUE FROM OPERATIONS	**26**		**Rs.**		**Rs.**
Sales					
From Reality Sales			-		20.713.67
License Fees and Rental Income			9.194.95		22.966.39
Service Charges			3.319.62		7.268.18
Room Rent Income			490.72		3.545.66
Food, Beverages and Banquet Income			108.21		3.601.75
Other Operating Income			357.23		3.408.66
			13.470.73		61.504.31
NOTE "27"					
OTHER INCOME	**27**	**Rs.**	**Rs.**	**Rs.**	**Rs.**
Interest			1,187.28		817.02
Income from assets measured at fair value through Profit & Loss					
Profit on sale of Financial Assets			-		232.15
Financial assets measured at FVTPL			74.43		200.73
Profit on sale of Assets			0.01		-
Others					
Foreign Exchange (Gain)/Loss			1.26		-
Miscellaneous Receipts			49.93		287.09
Balance/(Provisions) Written Back			-		0.64
			1.312.91		1.537.62
NOTE "28"					
COST OF MATERIALS CONSUMED	**28**	**Rs.**	**Rs.**	**Rs.**	**Rs.**
Food and Beverage Consumed					
Purchases		20.43		948.63	
Realty Sales					
Construction & Other related costs		97.27		3.881.95	
		97.27		**3.881.95**	
			117.70		4.830.58
NOTE "29"	29				
CHANGE IN INVENTORY					
Food and Beverage Consumed					
Stock at begning of the year		505.56		417.56	
Stock at closing of the year		457.43		408.54	
Net (Increase)/Decrease		**48.13**		**9.02**	
Realty Sales					
Opening Work In Progress		79.164.50		85.530.68	
Closing work in progress		79.411.25		76.762.54	
Net (Increase)/Decrease		**(246.75)**		**8.768.14**	
Opening Finished Goods		1.941.68		1.941.68	
Closing Finished Goods		1.941.68		1.941.68	
Inventory Capitalised		-		32.09	
		-	(198.62)		8.745.06
NOTE "30"					
EMPLOYEE BENEFITS EXPENSE	**30**		**Rs.**		**Rs.**
Salaries, Wages & Bonus			1.937.19		3.530.20
Contribution to Provident Fund & Other Funds			52.73		150.95
Staff Welfare Expenses			14.52		78.92
Share based payments cost			32.13		59.58
			2.036.57		3.819.65
NOTE "31"	**31**				
FINANCE COSTS			**Rs.**		**Rs.**
Interest Expenses for financial liabilities at amortised cost			8.690.47		8.611.57
Other Borrowing Costs			2.93		100.80
			8.693.40		8.712.37
NOTE "32"					
OTHER EXPENSES	**32**	**Rs.**	**Rs.**	**Rs.**	**Rs.**
Electricity			896.54		4.509.34
Repairs and Maintenance:-					
Buildings		246.75		749.14	
Machinery & Vehicles		291.17		589.06	
Others		59.32		236.68	
			597.29		1.574.88
Foreign Exchange (Gain)/Loss			-		1.75
Insurance			211.92		133.02
Stores and Operating Supplies			50.61		370.42
Rent			45.70		90.53
Rent, Rates & Taxes			38.98		147.53
Property Tax			985.85		1.046.27
Water Charges			29.45		172.80
Communication expenses			85.64		91.17
Postage & Courier			0.09		1.39
Prinitng & stationary expenses			3.84		28.34
Legal and Professional charges			161.93		1.296.54
Travelling Expenses			14.08		142.65
Auditors' Remuneration			38.35		48.06
Car Hire charges			8.09		36.98
Directors' sitting fees & Commission			0.40		2.20
Compensation			53.00		51.98
Donation			88.00		72.19
Loss on Assets Sold/Discarded			0.55		133.55
Loss on sale of Investment			-		0.06
Advertisement & Sales Promotion			270.78		1.889.48
Bank charges			0.93		8.25
Brokerage			9.13		66.85
Rebate & Settlement			19.13		81.48
Allowances for expected Credit Loss			108.42		107.72
Parking Expenses			9.27		65.55
Office Expenses			12.68		107.49
Management Fee			8.77		444.01
Security Charges			150.88		587.06
Housekeeping Expenses			243.69		921.27
General Expenses			174.62		153.61
Miscellaneous Expenses			168.69		450.19
Share of Loss from a Partnership Firm			0.06		-
			4.487.37		14.834.62

33 Fair Value of Financial Assets and Liabilities:

Set out below is the comparison by class of carrying amounts and fair value of Company's financial instruments that are recognised in the financial statements.

(Rs. in Lakhs)

Particulars	As at June 30, 2020		As at March 31, 2020	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets designated at fair value through Profit and Loss				
Investments				
- in Equity shares	127.75	127.75	117.92	117.92
Financial assets designated at fair value through Other Comprehensive Income				
Investments				
- Equity Shares*	11,021.79	11,021.79	10,396.59	10,396.59
- Preference Shares	106.25	106.25	106.25	106.25
- Compulsorily Convertible Debentures	10,143.05	10,143.05	10,143.05	10,143.05
- Optionally Compulsorily Convertible Debentures	25.00	25.00	25.00	25.00
- Capital Investment in Partnership Firm	184.11	184.11	184.11	184.11
Trade Receivables	26,543.20	26,543.20	20,170.24	20,170.24
Cash and Cash Equivalents	21,976.54	21,976.54	12,933.41	12,933.41
Loans and Advances	2,193.88	2,193.88	2,181.54	2,181.54
Deposits with Banks	4,421.87	4,421.87	1,136.91	1,136.91
Other financial assets	26,658.00	26,658.00	22,834.80	22,834.80
Total	**1,03,401.42**	**1,03,401.42**	**80,229.81**	**80,229.81**
Financial liabilities designated at amortised cost				
Borrowings	4,47,719.50	4,47,719.50	4,33,153.54	4,33,153.54
Trade payables and others	10,499.31	10,499.31	11,172.40	11,172.40
Other financial liabilities	73,488.42	73,488.42	65,070.44	65,070.44
Total	5,31,707.23	5,31,707.23	5,09,396.38	5,09,396.38

*In respect of Investment in equity shares of EWDL having carrying value of Rs. 5792.70 Lakhs and in CCD's of TWDPL having carrying value of Rs. 10000.00 lakhs, the financial information on the assets and liabilities position of these companies for determining the fair value for the current period is not available, same has been carried at cost.

Fair valuation techniques:

The Group maintains procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following methods and assumptions were used to estimate the fair values

1. Fair value of the Equity Shares are based on price quoted on stock exchange.
2. Fair value of unquoted equity shares and CCD's is taken at intrinsic value.
3. Fair value of Long term Borrowings is calculated based on discounted cash flow.
4. Fair value of Financial Assets & Financial Liability(except Long term Borrowings) are carried at amortised cost and is not materially different from it's carrying cost.

Fair Value hierarchy:

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

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

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

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

(Rs. In Lakhs)

Particulars	30th June, 2020			2019-20		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Assets /Liabilities measured at fair value						
Financial Asset:						
Investments						
- In Equity shares	5,104.72	-	6,044.81	4,469.69	-	6,044.81
- Compulsorily Convertible Debentures			10,143.05			10,143.05
- Optionally Compulsorily Convertible Debentures			25.00			25.00
- Preference Shares			106.25			106.25

Reconciliation of fair value of mesurement categorised within level 3 of the value hierarchy **(Rs. In Lakhs)**

Particulars	
Fair value as at 31st March, 2019	16,319.11
Purchase/Sales of Financial Instruments	-
Amount transferred to/from level 3	-
Fair value as at 31st March, 2020	16,319.11
Purchase/Sales of Financial Instruments	-
Amount transferred to/from level 3	-
Fair value as at 30th June, 2020	16,319.11

Financial instruments measured at Fair value - Level III

Type	Valuation Technique	Significant Observable Input	Inter-relationship between
Investment in unquoted equity shares, OFCDs and CCDs	Adjusted NAV (Net Asset Value) method. Adjusted NAV method involves determination of fair values of asset/liability/business based on its book value with appropriate relevant adjustments.	Not Applicable	Not Applicable

The Phoenix Mills Limited
Notes to Consolidated Interim Condensed financial statements for three months period ended 30th June, 2020

34 Segment Reporting

The Group's primary segment is identified as business segment based on nature of products, risks, returns and the internal business reporting system as per Ind AS 108. The Group has two reportable segments as under:

Reportable Segment	Nature of operations
Property and related services	Providing mall /office areas on licence basis and development of commercial / residential properties
Hospitality	Operation of hotels and restaurants

Operating segment disclosures are consistent with the information provided to and reviewed by the chief operating decision maker. The measurement principles of segments are consistent with those used in Significant Accounting Policies with following additional policies for segment reporting.

a) Revenue and Expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and Expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".

b) Segment Assets and Segment Liabilities represent Assets and Liabilities in respective segments. Investments, tax related assets and other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocable".

(Rs. In Lakhs)

Sr no.	Particulars	Property & Related Services		Hospitality Services		Unallocted		Total	
		Three Month Ended 30th June, 2020	Three Month Ended 30th June, 2019	Three Month Ended 30th June, 2020	Three Month Ended 30th June, 2019	Three Month Ended 30th June, 2020	Three Month Ended 30th June, 2019	Three Month Ended 30th June, 2020	Three Month Ended 30th June, 2019
A	**Revenue**								
	Revenue From Operations	12,667.65	53,693.22	803.08	7,811.09	-	-	13,470.73	61,504.31
	Other Income	-	-	-	-	1,312.91	1,537.62	1,312.91	1,537.62
	Total	**12,667.65**	**53,693.22**	**803.08**	**7,811.09**	**1,312.91**	**1,537.62**	**14,783.64**	**63,041.93**
B	**Results**								
1	Profit Before Tax & Interest	4,459.02	23,471.11	(2,455.57)	733.11	1,312.91	1,537.62	3,316.36	25,741.84
2	Less: Interest	-	-	-	-	(8,693.40)	(8,712.37)	(8,693.40)	(8,712.37)
	Profit Before Tax & Exceptional Item	**4,459.02**	**23,471.11**	**(2,455.57)**	**733.11**	**(7,380.49)**	**(7,174.75)**	(5,377.04)	17,029.47
	Exceptional Item	-	-	-	-	-	-	-	-
	Profit after Exceptional Item & Before Tax	**4,459.02**	**23,471.11**	**(2,455.57)**	**733.11**	**(7,380.49)**	**(7,174.75)**	**(5,377.04)**	**17,029.47**
	Less: Provision for Tax	-	-	-	-	325.73	(2,341.94)	325.73	(2,341.94)
	Net Profit after Tax	**4,459.02**	**23,471.11**	**(2,455.57)**	**733.11**	(7,054.75)	(9,516.69)	**(5,051.31)**	14,687.53
	Add/(less) Share of Profit/(loss) from Associates	-	-	-	-	(150.34)	684.34	(150.34)	684.34
	Profit After Tax	**4,459.02**	**23,471.11**	**(2,455.57)**	**733.11**	(7,205.09)	**(8,832.35)**	**(5,201.64)**	**15,371.87**
C	**Other Information**								
	Segment Assets	8,16,200.00	* 8,20,060.69	1,04,645.47	* 1,07,333.18	1,46,870.13	* 1,27,342.80	10,67,715.61	* 10,54,736.67
	Segment Liabilities	4,96,861.06	* 4,80,332.27	76,432.72	* 75,390.99	238.86	* 296.27	5,73,532.63	* 5,56,019.53
D	**Other Disclosures**								
	Capital Expenditure	76.52	* 13,486.38	-	* 666.37	-	-	76.52	* 14,152.75
	Investment In Associates	-	-	-	-	-	-	33,647.83	* 33,541.55
	Depreciation	3,533.99	3,378.69	1,490.26	1,645.56	-	-	5,024.25	5,070.17

All the activities of the group and its subsidiaries are located in India. There are no secondary reportable segments.

* As At 31st March,2020

The Phoenix Mills Limited
Notes to Consolidated Interim Condensed financial statements for three months period ended 30th June, 2020

35 Related Party Disclosure

a) RELATIONSHIPS

Category I: Associates
Classic Housing Projects Private Limited
Mirabel Entertainment Private Limited
Starboard Hotels Private Limited
Classic Mall Development Company limited
Columbus Investment Advisory Private Limited

Category II: Key Managerial Personnels

Key Person	Designation
Atul Ruia	Chairman (w.e.f.11th December 2019)
Atul Ruia	Chairman & Managing Director (Upto 10th December 2019)
Shishir Shrivastava	Managing Director (w.e.f.11th December 2019)
Shishir Shrivastava	Jt. Managing Director (Upto 10th December 2019)
Rajendra Kalkar	Whole-time Director

Category III: Other Related Parties where common control exists
R.R.Hosiery Private Limited
R.R. Hosiery
Phoenix Retail Private Limited
Phoenix Construction Company
Aakar charitable Trust
Ashok Apparels Private Limited
Vigilant Developers Private Limited
Padmshil Hospitality & Leisure Private Limited

Category IV: Relatives of Key Managerial Personnel
Gayatri A Ruia

b) Transaction during the period :

(Rs. In Lakhs)

Sr.No.	TRANSACTIONS	Category I	Category II	Category III	Category IV	Total
1	Rent,Compensation & Other recoveries	63.10	-	-	0.59	63.69
		(126.83)	(18.00)	-	-	(144.82)
2	Interest Received	0.55	-	-	-	0.55
		(0.54)	-	-	-	(0.54)
3	Remuneration/Salaries/Other Expense	-	51.50	-	-	51.50
		-	(83.42)	-	-	(83.42)
4	Administrative & Other Charges paid (Excluding GST)	-	7.78	50.94	15.28	74.00
		-	(6.83)	(62.94)	(6.83)	(76.60)
5	ICD Given	0.71	-	-	-	0.71
		-	-	-	-	-
6	Interest Paid	571.24	-	-	-	571.24
		-	-	-	-	-

Note : Figuers in brackets indicates trasaction incurred during the period ended June 19

c) The following balances were due from / to the related parties as on 30th June 2020

(Rs. In Lakhs)

Sr.No.	Balances	Category I	Category II	Category III	Category IV	Total
1	Investment in Equity Shares / pref shares	33,647.83	-	-	-	33,647.83
		(33,541.54)	-	-	-	(33,541.54)
2	Investment in OCD/CCD	1,905.94	-	105.05	-	2,010.99
		(2,162.56)	-	(105.05)	-	(2,267.61)
3	Investment in Capital of Partnership Firm	-	-	184.11	-	184.11
		-	-	(184.11)	-	(184.11)
4	Capital Advances	12.52	-	-	-	12.52
		(12.52)	-	-	-	(12.52)
5	Loans Taken	24,695.43	-	-	-	24,695.43
		(24,419.01)	-	-	-	(24,419.01)
6	Inter Corporate Deposits Given	21.25	-	-	-	21.25
		(21.25)	-	-	-	(21.25)
7	Advances Received	-	-	1.50	-	1.50
		-	-	(1.50)	-	(1.50)
8	Trade receivables	168.75	-	-	4.23	172.98
		(171.39)	-	-	(3.54)	(174.93)
9	Trade Payables	-	14.78	61.33	14.78	90.89
		-	(7.78)	-	(7.78)	(15.56)
10	Deposits received	125.00	-	-	-	125.00
		(125.00)	-	-	-	(125.00)
11	Interest Payable	1,282.76				1,282.76
		(986.82)	-	-	-	(986.82)
12	interest receivable	1.78				1.78
		(1.28)	-	-	-	(1.28)
13	Deposits Given	-	-	5,517.75	-	5,517.75
		-	-	(5,517.75)	-	(5,517.75)

Note : Figuers in brackets indicates year ended march 20

The Phoenix Mills Limited
Notes to Consolidated Interim Condensed financial statements for three months period ended 30th June, 2020

36 **Earning Per share**

Basic as well as Diluted EPS	Quarter ended 30th June, 2020	Quarter ended 30th June, 2019
Net Profit after Tax (Rs.In Lakhs)	(4,241.07)	13,038.72
Weighted Average No. of Equity Shares for Basic EPS	15,34,63,981	15,33,25,206
Dilution due to ESOPs Granted	2,64,539	4,77,041
Weighted Average No. of Equity Shares for Diluted EPS	15,37,28,520	15,38,02,248
Nominal Value of Equity Shares	2	2
Basic Earning Per Share	(2.76)	8.50
Diluted Earning Per Share*	(2.76)	8.48

* Anti dilutive hence same as BEPS

37 **Contingent liabilities not provided for in respect of: -**

i) Estimated amount of contracts remaining to be executed on capital account and not provided for in the accounts is Rs. 30,033.03 Lakhs (P.Y. Rs. 29,735.55 Lakhs) net of advance paid.

ii) Disputed Statutory demands on account of :

(Rs. in Lakhs)

Sr No	Particulars	As at 30th June, 2020	As at 31st March, 2020
1	Income Tax	7,150.93	7,150.93
2	Service Tax	7,710.06	7,710.06
3	VAT	2,474.25	2,474.25
4	Property tax	1,085.90	1,085.90
5	Luxury Tax	44.59	44.59

iii) Demand notices received on account of arrears of Provident Fund dues Rs. 82.12 Lakhs (P.Y. Rs. 82.12 lakhs) are disputed by the Company. The Company's has paid Rs. 10.00 Lakhs (P.Y. Rs. 10.00 lakhs) and has also furnished a Bank Guarantee for Rs. 14.72 Lakhs (P.Y. Rs. 14.72 lakhs) against P.F. demands to the P.F. authorities.

iv) Other Claims against the company not acknowledged of Rs 3,578.29 Lakhs (P.Y Rs. 3,169.20 Lakhs)

v) Outstanding guarantees given by Banks Rs 659.51 Lakhs (P.Y. Rs. 659.51 Lakhs)

vi) Guarantees given by the company for EPCG Licence Rs. 215.76 Lakhs (P.Y. Rs. 215.76 Lakhs)

vii) An order of Commissioner of GST & Central Excise from Service Tax Department, in respect of the RAI related matter. The order states to recover the interest for delayed payment of service tax at an appropriate rate. The company has filed an appeal with CESTAT against the said order. The interest liability on such delayed payments of service tax shall be determined on the basis of the Supreme Court judgement on the RAI Parties Service Tax matter, which is pending.

viii) The above litigations are not expected to have any material adverse effect on the financial position of the Group

38 **Expenditure incurred during construction period :**

The Group's various projects relating to construction of commercial, retail, hotel and entertainment complexes are in progress. The expenditure incurred during the construction period is treated as "Project Development Expenditure" pending capitalisation. The same has been included under Capital Work In Progress and will be apportioned to fixed assets on the completion of the project

(Rs. in Lakhs)

Particulars	For The Quarter Ended 30th June, 2020	For The Year Ended 31st March, 2020
Opening Balance Expenditure	13,347.49	6,468.65
Property Taxes		51.54
Interest & Finance Charges	1,339.03	4,498.49
Administration Expenses	530.72	2,328.82
Closing Balance	**15,217.25**	**13,347.49**

39 **The Subsidiary companies considered in these consolidated financial statements are:**

Sr no.	Name of the Company	Country of incorporation	Proportion of Ownership June-20	Proportion of Ownership March-20
1	Alliance Spaces Private Limited (Subsidiary of PHCPL)	India	75.02%	75.02%
2	Blackwood Developers Private Limited (Subsidiary of BARE)	India	100.00%	100.00%
3	Bellona Hospitality Services Limited	India	100.00%	100.00%
4	Big Apple Real Estate Private Limited (BARE)	India	100.00%	100.00%
5	Butala Farm Lands Private Limited	India	100.00%	100.00%
6	Enhance Holdings Private Limited	India	100.00%	100.00%
7	Gangetic Developers Private Limited (Subsidiary of BARE)	India	97.08%	97.08%
8	Grace Works Realty & Leisure Private Limited (Subsidiary of PHCPL)	India	66.69%	66.69%
9	Island Star Mall Developers Private Limited (ISML)	India	51.00%	51.00%
10	Market City Resources Private Limited (MCRPL)	India	100.00%	100.00%
11	Market City Management Private Limited	India	100.00%	100.00%
12	Mugwort Land Holding Private Limited	India	94.86%	94.86%
13	Offbeat Developers Private Limited (ODPL)	India	100.00%	100.00%
14	Palladium Constructions Private Limited	India	79.45%	79.45%
15	Pallazzio Hotels & Leisure Limited	India	72.98%	72.98%
16	Phoenix Hospitality Company Private Limited (PHCPL)	India	56.92%	56.92%
17	Pinnacle Real Estate Development Private Limited	India	100.00%	100.00%
18	Plutocrat Commercial Real Estate Private Limited (Formerly known as Plutocrate Asset & Capital Management Co. Pvt. Ltd.)	India	100.00%	100.00%
19	Sangam Infrabuild Corporation Private Limited (Subsidiary of BARE)	India	100.00%	100.00%
20	Upal Developers Private Limited (Subsidiary of BARE)	India	100.00%	100.00%
21	Vamona Developers Private Limited	India	99.97%	99.97%
22	Savannah Phoenix Pvt Ltd	India	100.00%	100.00%
23	Insight Mall Developers Private Limited (Formerly known as Insight Hotels & Leisures Private Limited) (Subsidiary of ISML)	India	51.00%	51.00%
24	Alysum Developers Pvt Ltd (Subsidiary of ISML)	India	51.01%	51.01%
25	Sparkle One Mall Developers Private Limited (Subsidiary of ISML)	India	51.01%	51.01%
26	Sparkle Two Mall Developers Private Limited (Subsidiary of ISML)	India	51.00%	51.00%
27	Destiny Retail Mall Developers Private Limited (Formerly known as Destiny Hospitality Services Private Limited)	India	100.00%	100.00%
28	Mindstone Mall Developers Private Limited (Subsidiary of ODPL)	India	100.00%	100.00%
29	SGH Realty LLP	India	50.00%	50.00%
30	True Value LLP	India	50.00%	50.00%
31	Rentcierge Developers Private Limited (Subsidiary of ODPL)	India	100.00%	100.00%

Notes to Consolidated Interim Condensed financial statements for three months period ended 30th June, 2020

40 **The associate companies considered in the consolidated financial statements are:**

Sr no.	Name of the Company	Country of incorporation	Proportion of Ownership June-20	Proportion of Ownership March-20
1	Classic Housing Projects Pvt ltd	India	50.00%	50.00%
2	Starboard Hotels Private Limited	India	28.47%	28.47%
3	Mirabel Entertainment Private Limited (Associate through PHCPL)	India	28.47%	28.47%
4	Classic Mall Development Company Limited	India	50.00%	50.00%
5	Columbus Investment Advisory Private Limited (Associate through MCRPL)	India	50.00%	50.00%

41 The balances in respect of Trade Receivables & Payables and loans and advances, as appearing in the books of accounts are subject to confirmations from the respective parties and are pending reconciliations/adjustments arising there from, if any.

42 The Group's operations have been impacted by the Covid 19 pandemic induced lockdowns. In preparation of these results, the Group has taken into account internal and external sources of information to assess possible impacts of the pandemic, including but not limited to assessment of liquidity and going concern, recoverable values of its financial and non-financial assets. Based on the current indicators of future economic conditions, the Group has available sanctioned unutilised working capital limits to meet any of its immediate cash flow requirements. In order to conserve its cash flows, the Group has availed moratorium offered by lenders as per the RBI guidelines on principal and interest for a period of 6 months. It has also assessed the potential impact of Covid-19 on the carrying value of property, plant & equipment, Capital work in Progress, inventory, intangible assets, investments, trade receivables & other current assets.

For recognition of Mall revenue for the quarter ended June 30, 2020, management has considered certain concessions/relief/moratorium on rentals extended to its retailers/licensees for the period of lockdown as well as some further period considering the extended impact of the pandemic. Such concessions are determined based on discussions concluded with retailers/licensees on case to case basis. For cases, where discussions have not commenced or are ongoing, the revenue accrual considers the management estimate of most likely agreeable amounts of concession based on its ongoing discussions and its relationship with the retailers / licensee.

Operations at Residential site have witnessed limited impact. The project continues to see significant buying interest as evidenced from site visits from customers

The Group expects the hotels to become operational in phased manner as the demand for its services is expected to pick up albeit at a slower pace. The city of Mumbai continues to be in the state of partial lock down with few relaxations being introduced by the Government. Demand outlook for second half continues to remain good mainly on account of demand from corporates and postponement of large, luxury weddings during March 2020 to June 2020 to the period between October 2020 and March 2021.

Based on current estimates, management expect to recover the carrying amounts of the assets that includes the revenue recognized during the quarter. Considering the evolving nature of the pandemic, its actual impact in future could be different from that estimated as at the date of approval of these financial results. The Group will continue to closely monitor uncertainties arising of material changes to the future economic conditions.

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

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

Ashish G. Mistry
Partner
Membership No. 132639

Place Mumbai
Date :

For and on behalf of the Board of Directors

Atul Ruia
(Chairman)
DIN - 00087396

Shishir Shrivastava
(Managing Director)
DIN - 01266095

ANNEXURE B

Recent Developments

Since the end of 2019, COVID-19 spread to a majority of countries across the world, including India. The World Health Organization declared the outbreak of COVID-19 to be a public health emergency of international concern on January 30, 2020, and a global pandemic on March 11, 2020. The COVID-19 pandemic and the preventative or protective actions that Governments around the world have taken to counter the effects of the pandemic have resulted in a period of economic downturn and business disruption in several countries, including India. On March 14, 2020, India declared COVID-19 as a "notified disaster" and imposed a nationwide lockdown from March 25, 2020 onwards. The lockdown continues to remain in force in several cities, with limited relaxations being granted such as for opening of malls, offices, hotels and shops in other cities.

We are regularly monitoring the impact of COVID-19 on all aspects of our business and operations, including its impact on our tenants and the preventative or protective actions of the central, state and local Governments on the relevant aspects of our business and operations. On account of the lockdown, our operations were significantly disrupted, particularly at our retail malls and hotels. While operations at all of our retail malls were initially suspended due to the Government orders, we have been able to resume operations at all but two of our retail malls with certain restrictions. We resumed operations at Phoenix MarketCity Bengaluru, Phoenix United Lucknow and Phoenix United Bareilly from June 8, 2020 and at High Street Phoenix and Palladium, Phoenix MarketCity Mumbai and Phoenix MarketCity Pune from August 5, 2020, with certain restrictions. We also commenced operations at Phoenix Palassio Lucknow, a new mall from July 8, 2020, with certain restrictions. However, entertainment centers (including multiplexes), spas and bars at these malls continue to remain shut as per Government orders. Further, as per the Government orders, our retail malls in Chennai continue to remain shut. In addition, while food and beverage outlets (excluding bars) at our Phoenix MarketCity Bengaluru, Phoenix Palassio Lucknow, Phoenix United Lucknow and Phoenix United Bareilly are allowed to open, the food and beverage outlets at High Street Phoenix and Palladium, Phoenix MarketCity Mumbai and Phoenix MarketCity Pune may only offer home delivery. We have proactively engaged with our retail tenants and licensees in connection with the shutdown of their operations and the resultant downturn in their business, and have provided (and are providing) waivers and moratoriums on a portion or all of minimum guarantee rentals to be paid by them to us for a portion or all of the financial year 2021, resulting in our license fees and rental income in the financial year 2021 having a lesser percentage of minimum guarantee rental payments and a higher percentage of income attributable to revenue share arrangements with our retail tenants and licensees as compared to the prior financial year. This is also because in connection with the reduction of minimum guarantee rental commitments, our retail tenants and licensees have in many cases agreed to (or are generally in the process of agreeing to) provide us a higher revenue share arrangement than as set out in our existing rental agreements with them. We continue to engage with our retail tenants and licensees to effectuate this initiative and cannot assure you that all our retail tenants and licensees will agree to such measures.

The following table provides a comparative of Permissible Area leased by us between February 29, 2020 and August 10, 2020 for certain of our retail malls which have been permitted to re-open pursuant to the recent orders of applicable Government authorities as part of partial re-opening of businesses in India. In the table below, Permissible Area is that portion of Gross Leasable Area of each mall which has been permitted to re-open pursuant to the recent orders of applicable Government authorities as part of partial re-opening of businesses in India.

Our retail mall (Area approximated to nearest second decimal in million square feet)	Permissible Area leased as of February 29, 2020*	Permissible Area leased as of Aug 10, 2020	% of Permissible Area leased as of Aug 10, 2020 as compared to February 29, 2020	Portion of such Permissible Area open for business as of August 10, 2020	% of area open for business as compared to Permissible Area leased as of August 10, 2020
HSP and Palladium	0.54	0.53	98.00%	0.50	95.00%
Phoenix MarketCity Pune	0.84	0.82	98.00%	0.76	93.00%
Phoenix MarketCity Bangalore	0.84	0.80	95.00%	0.72	91.00%
Phoenix MarketCity Mumbai	0.80	0.79	98.00%	0.74	94.00%

Note: For Gross Leasable Area for each of these retail malls, please refer to "Business – Our Developments – Large mixed-use retail developments" on page 23.
**As of February 29, 2020, all of the Gross Leasable Area in all our retail malls was permitted to be open. As such, such date has been used as the date for comparison with the Permissible Area leased as of August 10, 2020.*

Our hotel in Agra was temporarily shut starting from April 1, 2020 and has resumed operations from August 8, 2020. Further, as of August 18, 2020, restaurants at our hotel in Agra are allowed to serve guests. From April 1, 2020 to July 8, 2020, we operated the The St. Regis, Mumbai with significant restrictions as per the notification of the Maharashtra State Government permitting only stranded guests and guests requiring isolation. From July 6, 2020, we operated The St. Regis, Mumbai at a limited capacity, with current orders of applicable government authorities permitting 33% occupancy, restaurants (excluding bars) being permitted to serve resident hotel guests and hosting of certain open air events with limited persons attending.

Applicable Government orders imposed a shutdown of commercial offices from April 1, 2020, such orders were subsequently revised on May 1, 2020 to permit reopening of commercial offices but with limited occupancies at any given time. However, we did not face any significant disruptions in rental collections from our commercial office tenants for the quarter ended June 30, 2020. Operations, including sales, at our residential projects have witnessed a significant adverse effect.

We also faced interruption in construction activity at our under-construction sites during the months of April and May 2020, on account of the lockdowns enforced and constrained availability of labor, which have now gradually resumed in all of the cities with certain restrictions.

We have focused on maintaining business continuity and operational efficiencies during the lockdown and have taken several cost reduction measures to rationalize fixed costs across all our properties, including energy conservation, resource deployment and deferral of certain non-critical upgrades. We have also availed moratorium for a period of six months (until August 31,

2020) with respect to payment of interest on and repayment of principal of our outstanding indebtedness.

We have undertaken several significant initiatives at our properties in response to the pandemic and to promote the health and safety of tenants and visitors. Such initiatives include the status check through the *Aarogya Setu* application, quarantine stamp check, ultraviolet baggage disinfection machines, footwear sanitization mats, implementing and enforcing social distancing measures including compulsory wearing of masks, restricting number of customers inside a retail store at a given time and implementation of floor queue marking, conducting temperature checks, restricting the number of personnel that use elevators and common areas at any given time, installing several sanitizer stations, regulating traffic flow, reconfiguring the air-conditioning systems to enhance the number of fresh air changes as per recommended standards, encouraging digital payments, pre-booking of mall visits to avoid queues, contactless placement of orders at the food courts and disinfecting the premises. Maintenance personnel at our properties have been equipped with personal protective equipment and been trained for maintaining COVID-19 safety protocols.

We recognized total income of ₹ 1,478.36 million (including income from operations of ₹ 1,347.07 million) during the three months ended June 30, 2020, which was 76.55% lower when compared with such total income for the three months ended June 30, 2019. We are regularly monitoring the impact of the COVID-19 pandemic on our property, plant and equipment, capital work in progress, intangible assets, investments, inventories, trade receivables and other current assets. In preparation of our Unaudited Consolidated Interim Condensed Financial Statements as of and for the three months ended June 30, 2019 and 2020 and our Audited Consolidated Financial Statements as of and for the financial year 2020, we have assessed the impact and future uncertainties resulting from the COVID-19 pandemic and based on our assumptions and current estimates, we expect the carrying amount of our assets as reflected in the balance sheet as at June 30, 2020 to be recovered. In preparation of our Unaudited Consolidated Interim Condensed Financial Statements as of and for the three months ended June 30, 2019 and 2020, based on ongoing and yet to commence discussions with retail tenants and licensees for certain waivers and concessions on the rentals extended to such counterparties until March 31, 2021, the revenue accruals consider management estimates of the most likely agreeable amounts of waivers and concessions. The ultimate impact of the COVID-19 pandemic on the business and operations may, however, differ from that assessed by us due to the evolving nature of the pandemic and its response by various Government authorities. To the extent, the COVID-19 pandemic adversely affects us, it may also significantly increase the effect of other factors affecting our results of operations.