INDEPENDENT AUDITOR'S REPORT

To the Members of Blackwood Developers Private Limited

Report on the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of **Blackwood Developers Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, its Profit including Other Comprehensive Income, its Cash Flows and the Statement of Changes in Equity for the year ended on that date.

Basis for Opinion

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

Other Information

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

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

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. When we read the Board of Director's Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act, 2013 with respect to the preparation of these Ind AS Financial Statements that give a true and fair view of the Financial Position, Financial Performance including Other Comprehensive Income, Cash Flows and the Statement Of Changes in Equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

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

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

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

Auditor's Responsibility

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

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

- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are

also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report that:

    a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

    b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

c. The Balance Sheet, Statement of Profit and Loss including Other Comprehensive Income , the Cash Flow Statement and Statement of Changes in Equity dealt with by this report are in agreement with the books of account;

d. In our opinion, the aforesaid Ind AS financial statements comply with the accounting standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.

e. On the basis of written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019, from being appointed as a director in terms of section 164(2) of the Act;

f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;

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

    i) The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note **34 C** to the Ind AS financial statements also refer clause vii (b) of this report.

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

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

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

Jignesh Mehta
Partner
Membership No.: 102749

Mumbai
Date: 13th May, 2019

“Annexure A” to Independent Auditors’ Report referred to in Paragraph 1 under the heading of “Report on other legal and regulatory requirements” of our report of even date.

i) **In respect of its fixed assets :**

a. The company has maintained proper records showing full particulars including Quantitative details & situation of Fixed Assets on the basis of available information.

b. As explained to us, all the Fixed Assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the company & nature of its assets. No material discrepancies were noticed on Physical Verification.

c. In our opinion and according to the explanations given to us, the title deeds of the Immovable Property are held in the name of Company.

ii) As the Company had no Inventories during the year, clause (ii) of paragraph of 3 of the Order is not applicable to the Company

iii) The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Consequently, the requirement of clause (iii) (a) to clause (iii) (c) of paragraph 3 of the Order is not applicable to the Company.

iv) Company has not granted any loans, investments, guarantees and securities covered under section 185 and 186 of the Act.

v) According to the information and explanations given to us, the Company has not accepted any deposits within the meaning of provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Therefore, the clause (v) of paragraph 3 of the Order is not applicable to the Company.

vi) According to information and explanations provided to us, the Company is not required to maintain accounts and cost records pursuant to the Companies (Cost Accounting Records) Rules, 2011 and as specified by the Central Government of India under Section 148(1) of the Companies Act, 2013. Accordingly, paragraph 3(vi) of the Order is not applicable.

vii) In respect of Statutory dues :

a. According to the records of the Company, undisputed statutory dues including Provident Fund, Employees’ State Insurance, Income-Tax, Goods and Service Tax, Customs Duty, Cess, and any other statutory dues have been generally regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2019 for a period of more than six months from the date of becoming payable.

b. According to the information and explanations given to us, there are no dues of income tax, Goods and Service Tax, duty of customs, cess on account of any dispute, which have not been deposited.

viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution, Government Company or bank or Debenture Holders of the company.

ix) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) or terms loans, and hence Clause (ix) of paragraph 3 is not applicable to the company.

x) Based on the audit procedures performed for the purpose of reporting the true and fair view of the Ind AS financial statements and as per information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

xi) In our opinion and according to the information and explanations given to us, company has not paid any managerial remuneration and hence Clause (xi) of paragraph 3 of the Order is not applicable to the Company.

xii) In our opinion company is not a Chit Fund/ Nidhi company. Therefore, the provisions of clause (xii) of paragraph 3 of the Order are not applicable to the company.

xiii) In respect of transactions with related parties :

In our opinion and according to the information and explanations given to us, all transactions with related parties are in compliance with sections 177 & 188 of the Act and their details have been disclosed in the Ind AS financial statements etc., as required by the applicable accounting standards.

xiv) In our opinion and according to the information and explanations given to us, the Company has made preferential allotment of Optionally Convertible Debentures during the year and they have been complied with the requirement of sec 42 of the Companies Act, 2013

xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transaction with the directors or persons connected with him and covered under section 192 of the Act. Hence, clause (xv) of the paragraph 3 of the Order is not applicable to the Company.

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

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

Jignesh Mehta
Partner
Membership No.: 102749

Mumbai
Date: 13th May, 2019

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

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

We have audited the Internal Financial Control over financial reporting of **Blackwood Developers Private Limited** (“the company”) as of 31st March, 2019 in conjunction with our audit of the Ind AS financial statements of the Company for the year then ended.

Management Responsibility for the Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide a reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

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

Jignesh Mehta
Partner
Membership No.: 102749

Mumbai
Date: 13th May, 2019

Blackwood Developers Private Limited
CIN: U45400MH2007PTC292992
Balance Sheet As At 31st March, 2019

(Amount in ₹)

Particulars	Note no.	As at 31st March, 2019	As at 31st March, 2018
ASSETS			
Non-current assets			
Property, plant and equipment	5	1,35,89,80,817	1,38,05,00,897
Other Intangible assets	5	40,395	84,470
Capital Work in Progress	5	-	1,37,95,051
Financial assets			
Other	6	4,33,75,879	4,27,66,887
Deferred Tax Asset	7	63,64,617	62,13,616
Other non-current assets	8	71,30,707	68,97,430
		1,41,58,92,415	1,45,02,58,351
Current assets			
Financial assets			
Trade Receivables	9	5,46,46,607	6,18,23,049
Cash and cash equivalents	10	1,74,00,588	2,26,26,055
Other financial assets	11	33,449	23,083
Current Tax Assets (Net)	12	3,94,53,593	4,43,21,823
Other current assets	13	24,02,984	94,20,083
		11,39,37,220	13,82,14,093
Total Assets		1,52,98,29,636	1,58,84,72,445
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	14	18,73,16,750	18,73,16,750
Other Equity	15	22,62,43,108	24,32,21,291
		41,35,59,858	43,05,38,041
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	16	87,51,29,892	79,20,17,364
Other Financial Liabilities	17	2,79,01,042	1,34,72,342
Provisions	18	5,59,826	4,89,770
		90,35,90,760	80,59,79,476
Current liabilities			
Financial liabilities			
Borrowings	19	2,96,64,979	20,00,19,715
Trade Payables			
Total outstanding dues of micro enterprises and small enterprises	20	9,36,823	28,66,101
Total outstanding dues of creditors other than micro enterprises and small enterprises	20	1,07,18,957	1,95,48,925
Other financial liabilities	21	15,89,37,145	11,54,97,895
Other current liabilities	22	1,23,45,765	1,39,47,729
Provisions	23	75,349	74,562
		21,26,79,017	35,19,54,927
Total Equity & Liabilities		1,52,98,29,635	1,58,84,72,445

Significant Accounting Policies and Notes to Financial Statements **1 to 41**

As per our Report of even date

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

For and on behalf of the Board of Directors

Prashant Khandelwal
Director
DIN. 08067106

Pawan Kakumanu
Director
DIN.07584653

Jignesh Mehta
Partner
(Membership No.:102749)

Place : Mumbai
Date : 13th May, 2019

Shobit Saxena
Chief Financial Officer
PAN No. BMOPS0882H

Blackwood Developers Private Limited
CIN: U45400MH2007PTC292992
Statement of Profit and Loss for the year ended 31st March,2019

(Amount in ₹)

Particulars	Notes	For the year ended March 2019	For the year ended March 2018
INCOME			
Revenue from operations	24	37,81,73,462	34,04,30,777
Other income	25	82,35,353	80,15,950
Total Income		**38,64,08,815**	**34,84,46,727**
Expenses			
Employee benefit expense	26	1,09,72,247	1,06,26,170
Finance cost	27	9,07,92,587	8,08,38,533
Depreciation and amortisation	5	4,94,52,823	4,67,95,304
Other expense	28	23,43,90,915	18,98,39,672
Total Expenses		**38,56,08,573**	**32,80,99,679**
Profit/ (loss) before tax		**8,00,242**	**2,03,47,047**
Tax Expense:			
Current Tax	29	(1,000)	(50,50,000)
Deferred Tax (Including MAT Credit Entilement of ₹ Nil P.Y.₹ 50,50,000/-	29	-	50,50,000
Excess / (Short) Provision of Income Tax for earlier year	29	(1,37,714)	8,50,100
Profit/ (loss) for the year (A)		**6,61,528**	**2,11,97,147**
Other comprehensive income (B)			
Items that will not be reclasified to Profit & Loss A/c		-	-
Remeasurement gain/(loss) on defined benefit plans		(1,39,711)	1,16,681
Total comprehensive income for the year (A + B)		**5,21,817**	**2,13,13,828**
Earnings per equity share (Face Value of ₹10/- each)			
Basic	33	**0.04**	**1.13**
Diluted	33	**0.02**	**0.67**

Significant Accounting Policies and Notes to Financial Statements **1 to 41**

As per our Report of even date

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

Jignesh Mehta
Partner
(Membership No.:102749)

Place : Mumbai
Date : 13th May, 2019

For and on behalf of the Board of Directors

Prashant Khandelwal
Director
DIN. 08067106

Pawan Kakumanu
Director
DIN.07584653

Shobit Saxena
Chief Financial Officer
PAN No. BMOPS0882H

BLACKWOOD DEVELOPERS PRIVATE LIMITED
CIN: U45400MH2007PTC292992
Cash Flow Statement For The Year ended 31-03-2019

(Amount in ₹)

	Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
A.	**CASH FLOW FROM OPERATING ACTIVITIES :**		
	Net Profit/(loss) Before Tax as per Profit and Loss Account	8,00,242	2,03,47,049
	Adjustment For :		
	Depreciation	4,94,52,823	4,67,95,304
	Allowance for Bad & Doubtful Debts	-	44,59,538
	Reversal for Doubtful Debts	(36,61,897)	-
	Interest Expenses	9,07,92,587	8,08,38,533
	Interest Income	(45,73,456)	(80,15,950)
	Other Comparsive Income - Acturial Gain/Loss	(1,39,711)	1,16,681
	Loss On Sale Of Fixed Asset	-	67,985
	Operating Profit/(Loss) Before Working Capital Changes	**13,26,70,589**	**14,46,09,139**
	Adjustments for:		
	Trade Receivable, Inventories, Other Current and Non Current Assets	1,76,14,171	21,28,135
	Trade Payable, Other Current and Non Current Liabilities / Provisions	1,93,14,134	4,18,41,175
	Direct Tax Paid/ Tax Deducted at Source	45,78,515	(79,50,348)
	Net cash generated from / (used in) Operating Activities	**17,41,77,409**	**18,06,28,102**
B.	**CASH FLOW FROM INVESTING ACTIVITIES :**		
	Purchase of Property Plant & Equipment	(1,35,09,927)	(2,85,90,890)
	Proceeds from sale of Fixed Assets	-	1,15,000
	Interest Received on Fixed Deposit	(5,00,000)	(4,13,00,000)
	Interest Received	44,62,088	80,15,950
	Net cash generated from / (used in) Investing Activities	**(95,47,839)**	**(6,17,59,940)**
C.	**CASH FLOW FROM FINANCING ACTIVITIES :**		
	Repayment of Short Term Borrowings	(17,03,54,736)	(15,86,058)
	(Repayment) / Processed Long Term Borrowings	10,85,14,004	12,45,996
	Interest Paid	(9,05,14,306)	(8,08,38,533)
	Repayment of Optionally Fully Convertible Debenture	(5,86,00,000)	(2,50,00,000)
	Issued of Optionally Fully Convertible Debenture	4,11,00,000	-
	Net cash generated from / (used in)financing Activities	**(16,98,55,038)**	**(10,61,78,596)**
	Net Increase/(decrease) in cash & cash equivalent	(52,25,468)	1,26,89,566
	Opening Balance of cash & cash equivalent	2,26,26,055	99,36,489
	Closing Balance of cash & cash equivalent (Refer Note No.10)	1,74,00,588	2,26,26,055

Notes to Cash Flow

1	Components of cash and cash equivalents :		
	Cash on hand	8,484	5,261
	Balance with Scheduled Bank	1,73,92,104	2,26,20,794
	Cash and Cash equivalents at the end of the year (Refer Note no. 10)	**1,74,00,588**	**2,26,26,055**

2	**Change in Liability arising from financing activities**	**01st April 2018**	**Cash Flow**	**31st March 2019**
	Borrowings - Non Current*	83,64,14,488	10,85,14,004	94,59,28,766
	Borrowings - Current	20,00,19,715	(17,03,54,736)	2,96,64,979
	Change in Liability arising from financing activities	**01st April 2017**	**Cash Flow**	**31st March 2018**
	Borrowings - Non Current*	83,51,68,492	12,45,996	83,64,14,488
	Borrowings - Current	20,16,05,773	(15,86,058)	20,00,19,715

* It includes Current maturity of Long Term Borrowings which is classified under other financial liability

As per our Report of even date

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

For and on behalf of the Board of Directors

Jignesh Mehta
Partner
(Membership No.:102749)

Prashant Khandelwal
Director
DIN. 08067106

Pawan Kakumanu
Director
DIN.07584653

Place : Mumbai
Date : 13th May, 2019

Shobit Saxena
Chief Financial Officer
PAN No. BMOPS0882H

Blackwood Developers Private Limited
CIN: U45400MH2007PTC292992
Statement of changes in equity for the year ended 31st March 2019

(a) **Equity share capital**

(Amount in ₹)

Particulars	Opening balance as at 1st Apr 2017	Changes in equity share capital during the year	Closing balance as at 31st March 2018	Changes in equity share capital during the year	Closing balance as at 31st March 2019
1,87,31,675 (P.Y.1,87,31,675) Equity Shares of ₹.10/- each fully paid up	18,73,16,750	-	18,73,16,750	-	18,73,16,750
	18,73,16,750	-	18,73,16,750	-	18,73,16,750

(b) **Other equity**

(Amount in ₹)

Particulars	Equity Component of compounded Financials Instrument	Reserves & Surplus			Total
		Securities Premium Reserves	Retained Earning	Remeasurement of net defined benefit plans	
Balance as on 1st April 2017	**15,45,00,000**	**18,56,00,344**	**(9,44,40,056)**	**12,47,175**	**24,69,07,463**
Profit For the Year	-	-	2,11,97,147	-	2,11,97,147
Repaid during the year	(2,50,00,000)	-	-		(2,50,00,000)
Other Comprehensive Income	-	-	-	1,16,681	1,16,681
Balance as on 31st March 2018	**12,95,00,000**	**18,56,00,344**	**(7,32,42,909)**	**13,63,856**	**24,32,21,291**
Profit For the Year	-	-	6,61,528	-	6,61,528
Repaid during the year	(5,86,00,000)	-	-	-	(5,86,00,000)
Issued during the year	4,11,00,000	-	-	-	4,11,00,000
Other Comprehensive Income	-	-	-	(1,39,711)	(1,39,711)
Balance as on 31st March,2019	**11,20,00,000**	**18,56,00,344**	**(7,25,81,381)**	**12,24,145**	**22,62,43,108**

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

For and on behalf of the Board of Directors

Jignesh Mehta
Partner
(Membership No.:102749)

Place : Mumbai
Date : 13th May, 2019

Prashant Khandelwal
Director
DIN. 08067106

Pawan Kakumanu
Director
DIN.07584653

Shobit Saxena
Chief Financial Officer
PAN No. BMOPS0882H

Blackwood Developers Private Limited
CIN: U45400MH2007PTC292992
Notes to Financial Statement for the Year Ended 31st March, 2019

Note "5" : Property, plant and equipment

(Amount in ₹)

Particulars	Tangible								Intangible	
	Land	Buildings	Plant and Equipment	Computers	Office Equipment	Electrical Installations & Equipment	Furniture and Fixtures	Vehicles	Licenses & franchise	Total
Gross Block										
As at April 1, 2017	28,28,34,136	94,74,89,131	21,04,75,136	11,72,483	85,62,759	15,82,94,612	93,46,740	15,28,999	-	1,61,97,03,997
Additions	-	65,35,996	37,13,365	67,848	18,48,869	26,20,762	9,000	-	1,30,100	1,49,25,939
Disposal	-	-	-	-	-	-	-	(3,21,000)	-	(3,21,000)
Adjustments	-	-	-	-	-	-	-	-	-	-
As at March 31, 2018	**28,28,34,136**	**95,40,25,127**	**21,41,88,501**	**12,40,331**	**1,04,11,628**	**16,09,15,374**	**93,55,740**	**12,07,999**	**1,30,100**	**1,63,43,08,936**
Additions	-	1,00,10,346	1,13,57,851	2,34,650	2,08,457	-	60,77,364	-	-	2,78,88,668
Disposal	-	-	-	-	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-	-	-	-	-
As at March 31, 2019	**28,28,34,136**	**96,40,35,474**	**22,55,46,352**	**14,74,981**	**1,06,20,085**	**16,09,15,374**	**1,54,33,104**	**12,07,999**	**1,30,100**	**1,66,21,97,604**
Accumulated Depreciation										
As at April 1, 2017	-	**7,19,25,506**	**5,92,37,284**	**8,53,558**	**66,05,676**	**6,35,69,758**	**39,69,205**	**9,01,729**	3,564	20,70,66,280
Additions	-	1,53,56,976	1,37,59,901	1,55,238	10,80,432	1,53,44,543	9,00,604	**1,55,544**	42,066	4,67,95,304
Disposal	-	-	-	-	-	-	-	**(1,38,015)**	-	(1,38,015)
Adjustments	-	-	-	-	-	-	-	-	-	-
As at March 31, 2018	-	**8,72,82,482**	**7,29,97,185**	**10,08,797**	**76,86,108**	**7,89,14,301**	**48,69,808**	**9,19,258**	**45,630**	**25,37,23,568**
Additions	-	1,54,46,653	1,45,12,768	1,01,245	6,24,381	1,75,41,872	10,42,017	1,39,813	44,075	4,94,52,823
Disposal								-		-
Adjustments										-
As at March 31, 2019	-	**10,27,29,135**	**8,75,09,953**	**11,10,042**	**83,10,489**	**9,64,56,173**	**59,11,825**	**10,59,071**	**89,705**	**30,31,76,392**
Net Carrying Amount										
As at March 31, 2018	**28,28,34,136**	**86,67,42,645**	**14,11,91,317**	**2,31,534**	**27,25,520**	**8,20,01,073**	**44,85,932**	**2,88,741**	**84,470**	**1,38,05,85,368**
As at March 31, 2019	**28,28,34,136**	**86,13,06,339**	**13,80,36,400**	**3,64,939**	**23,09,596**	**6,44,59,201**	**95,21,279**	**1,48,928**	**40,395**	**1,35,90,21,212**

Capital Work in Progress	Total
As at March 31, 2018	1,37,95,051
As at March 31, 2019	-

Note:- For Properties pledge on securities - refer note-16

Blackwood Developers Private Limited
CIN: U45400MH2007PTC292992
Notes to Financial Statement for the Year Ended 31st March, 2019

(Amount in ₹)

Note No.	Particulars	As at 31st March, 2019	As at 31st March, 2018
6	**Other Financial Assets**		
	(Unsecured, considered good).		
	Inter Corporate Loan and Deposits		
	Credit Impaired	20,00,000	20,00,000
	Less: Allowance on Loans and Deposits	(20,00,000)	(20,00,000)
	Bank deposits with more than 12 months maturity #	4,33,58,858	4,27,66,887
	Interest accrued on fixed deposits	17,021	-
		4,33,75,879	**4,27,66,887**
	# Fixed Deposit of ₹ 4,13,00,000/- (P.Y. ₹ 4,13,00,000/-) earmarked towards maintenance of DSRA as per loan agreement and Fixed Deposit of ₹ 5,00,000/- (P.Y. ₹ Nil) is given as security for bank guarantee		
7	**Deferred Tax Asset (Net)**		
	At start of year	**62,13,616**	-
	Charge/ (credit) to profit or loss	-	-
	MAT Credit Entitlement	1,51,001	62,13,616
	At the end of the year	**63,64,617**	**62,13,616**
	On conservative basis, company has not created defered tax assets on income tax losses and tax deductable items like provisions for expected credit loss, gratuity etc.		
8	**Other Non-Current Assets**		
	Unsecured & Considered Good		
	Security Deposits	68,97,430	68,97,430
	Prepaid Expenses	2,33,277	-
		71,30,707	**68,97,430**
9	**Trade Receivables**		
	Unsecured		
	a) Considered Good	6,82,73,885	8,17,98,701
	Less : Allowance for expected credit loss	(1,43,20,368)	(2,06,68,742)
	b) Credit Impaired	64,88,475	64,88,475
	Less : Allowance for expected credit loss	(57,95,385)	(57,95,385)
		5,46,46,607	**6,18,23,049**
10	**Cash & Cash Equivalent**		
	Cash on hand	8,484	5,261
	Balances with Banks		
	In current accounts	1,73,92,104	2,26,20,794
		1,74,00,588	**2,26,26,055**
11	**Other Financial Assets**		
	Interest accured on FD	25,459	23,083
	Unbilled Revenue	7,990	-
		33,449	**23,083**
12	**Current Tax Assets (Net)**		
	Income Tax Receivable	3,94,53,593	4,43,21,823
		3,94,53,593	**4,43,21,823**
	Movement in Provision		
	At Start of the year	**4,43,21,823**	**4,25,85,091**
	Charge for the year	(1,000)	(50,50,000)
	Excess / (Short) Provision of Income Tax for earlier year	(2,88,715)	(3,16,900)
	Tax Paid/(refund) during the year	(45,78,515)	71,03,632
	At the end of the year	**3,94,53,593**	**4,43,21,823**
13	**Other Current Assets**		
	Advances to Vendors	7,72,110	39,90,773
	Prepaid Expenses	15,56,958	54,08,793
	Other Loans & Advances	73,916	20,517
		24,02,984	**94,20,083**

Blackwood Developers Private Limited
CIN: U45400MH2007PTC292992
Notes to Financial Statement for the Year Ended 31st March, 2019

(Amount in ₹)

Note No.	Particulars	As at 31st March, 2019	As at 31st March, 2018
14	**Equity Share Capital**		
	Authorised		
	3,00,00,000 (P.Y. ₹ 3,00,00,000) Equity Shares of ₹.10/- each	30,00,00,000	30,00,00,000
		30,00,00,000	**30,00,00,000**
	Issued, subscribed and fully paid up Share Capital		
	1,87,31,675 (P.Y. ₹ 1,87,31,675) Equity Shares of ₹.10/- each fully paid up	18,73,16,750	18,73,16,750
		18,73,16,750	**18,73,16,750**
	a] Reconciliation of the Shares outstanding at the beginning and at the end of the reporting period		
	Equity Shares		
	Shares outstanding at the beginning the year	1,87,31,675	1,87,31,675
	Shares Issued during the year	-	-
	Shares bought back during the year	-	-
	Shares outstanding at the end of the year	-	-
		1,87,31,675	1,87,31,675

b] Details of shareholders holding more than 5% Shares in the company (Equity Shares of ₹. 10 each fully paid)	31st March, 2019		31st March, 2018	
	Number of shares	% of Holdings	Number of shares	% of Holdings
Big Apple Real Estate Pvt Ltd	1,87,31,675	100	1,87,31,675	100

c] Details of Shares held by [Shares of ₹ 10 each fully paid]	31st March, 2019		31st March, 2018	
	Number of shares	% of Holdings	Number of shares	% of Holdings
Holding Company	1,87,31,675	100	1,87,31,675	100

d] Terms and Rights of Equity Shareholders:
The Company has only one class of Equity Shares of face value ₹.10/- per share. Each holder of equity shares is entitiled to one vote per share Equity share holders are also entiled to dividend as and when proposed by the Board of Directors and approved by the share holders in Annual General Meeting. In the event of liquidation of the company. the holder of equity shares will be entiled to received remaining assests of the company, after distribution of all preferencal amounts which shall be in proporation to the number of shares held by the share holders

Note No.	Particulars	As at 31st March, 2019	As at 31st March, 2018
15	**Other Equity**		
	a) Instrument classified as equity		
	As per last Balance Sheet	12,95,00,000	15,45,00,000
	Add: Issued during the year	4,11,00,000	
	Less: Repaid during the year	(5,86,00,000)	(2,50,00,000)
		11,20,00,000	**12,95,00,000**
	b) Securities Premium Account	18,56,00,344	18,56,00,344
	c) Other Comprehensive Income		
	Items that will not be reclassified to profit and loss		
	As per last Balance Sheet	13,63,856	12,47,175
	Add/(Less):	(1,39,711)	1,16,681
		12,24,145	**13,63,856**
	d) Surplus/(deficit) in the statement of Profit and Loss		
	As per last Balance Sheet	(7,32,42,909)	(9,44,40,056)
	Add/(Less):	6,61,528	2,11,97,147
	As at the end of the year	(7,25,81,381)	(7,32,42,909)
	Total Other Equity (a+b+c+d)	**22,62,43,108**	**24,32,21,291**

Blackwood Developers Private Limited
CIN: U45400MH2007PTC292992
Notes to Financial Statement for the Year Ended 31st March, 2019

(Amount in ₹)

Note No.	Particulars	As at 31st March, 2019	As at 31st March, 2018
15.1	The Company had issued 11,20,0000 0.0001% Unsecured Optionally Convertible Debentured (the"OCD") with a face value of ₹.10/- each at par The OCD's have tenure of 10 years from the date of allotment. The company has an option to redeem the debentures at any time during the tenure of the OCD's. In case of redemption the premium shall not exceed ₹.1 per OCD's and in case of the Conversion 1 OCD of ₹10/- each will be convert into 1 equity share of ₹10/- each.		
15.2	**Description of nature and purpose of each reserve**		
	Security Premium Account : Securities premium account represents premium received on shares issued,which can be utilised only in accordance with the provisions of the Companies Act,2013 for specified purposes.		
16	**Borrowings (Non Current)**		
	From Financial Institution	94,59,28,766	83,64,14,488
	Less : Current Maturities of Long Term Borrowing (Refer Note No.21)	(7,07,98,874)	(4,43,97,123)
		87,51,29,892	**79,20,17,364**
a	All the above Loan Secured by Registered Mortgage of Shopping Mall and Multiplex known as Phoenix United Mall,Bareilly and assignment of future rent receivable of the company		
b	**Maturity profile of Secured Term Loan are as set out below:**		

Financial Year	Amount	Financial Year	Amount
2019-2020	7,07,98,874	2024-2025	11,58,06,079
2020-2021	7,72,82,132	2025-2026	12,80,97,949
2021-2022	8,55,18,933	2026-2027	14,16,83,674
2022-2023	9,46,22,749	2027-2028	12,71,02,199
2023-2024	10,46,84,841		

Note No.	Particulars	As at 31st March, 2019	As at 31st March, 2018
17	**Other Financial Liabilities (Non Current)**		
	Security Deposit	2,79,01,042	1,34,72,342
		2,79,01,042	**1,34,72,342**
18	**Provision (Non Current)**		
	Provision for Employee Benefits:		
	Gratuity	1,27,205	95,455
	Compensated Absences	4,32,621	3,94,315
		5,59,826	**4,89,770**
19	**Borrowings (Current)**		
	Working Capital Loan	2,57,45,263	-
	Loan and Advances from Holding Company (Unsecured)	39,19,715	20,00,19,715
		2,96,64,979	**20,00,19,715**
20	**Trade payables (Current)**		
	Total outstanding dues to Micro and Small Enterprises #	9,36,823	28,66,101
	Total outstanding dues of creditors other than micro and small enterprises	1,07,18,957	1,95,48,925
		1,16,55,780	**2,24,15,026**
	# There are no Micro and Small Enterprises, to whom the company ows dues, for more than 45days during the year as at March 31,2018 and March 31, 2019. The above information regarding Micro and Small Enterprises has been dertemined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the Auditors.		
	The disclosure pursuant to the said Act under:		
	a) Principal amount due to supplier under MSMED Act, 2006	-	-
	b) Interest accrued and due on the above amount, unpaid	-	-
	c) Payment made beyond the appointed day during the year	-	-
	d) Interest paid	-	-
	e) Interest due and payable for the period of delay	-	-
	f) Interest remaining due and payable in succeeding year	-	-
21	**Other Financial Liability**		
	Current maturities of long term debts (Refer Note No.16)	6,97,98,600	4,43,97,123
	Interest accrued and due on borrowings		
	Term Loan	49,61,209	45,58,850
	Other	-	1,24,077
	Security Deposits	8,32,68,157	6,60,92,356
	Creditor for Capital Items	9,09,180	3,25,489
		15,89,37,145	**11,54,97,895**
22	**Other Current Liabilities**		
	Statutory Dues	39,68,046	52,79,844
	Advance from Cutomers	21,80,846	14,19,870
	Others	61,96,873	72,48,015
		1,23,45,764	**1,39,47,729**
23	**Provisions (Current)**		
	Provision for Employee Benefits:		
	Gratuity	50,000	50,000
	Compensated Absences	25,349	24,562
		75,349	**74,562**

BLACKWOOD DEVELOPERS PRIVATE LIMITED
CIN: U45400MH2007PTC292992
NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31st March,2019

(Amount in ₹)

Note No.	PARTICULARS	For the year ended 31st March 2019	For the year ended 31st March 2018
24	**REVENUE FROM OPERATIONS**		
	Sale of Services		
	License Fee/ Rental Income	21,46,56,090	18,51,39,057
	Other Service Charges	16,35,17,372	15,52,91,720
		37,81,73,462	**34,04,30,777**
25	**OTHER INCOME:**		
	Interest Income on Assests measured at amortised cost		
	On Fixed Deposit	30,62,905	8,19,913
	On ICD & other Interest	424	45,91,109
	On Income tax refund	15,10,127	26,04,928
	Reversal of Bad & Doubtful Debts	36,61,897	-
		82,35,353	**80,15,950**
26	**EMPLOYEE BENEFITS EXPENSE**		
	Salaries & Wages	1,00,69,424	1,01,10,057
	Contribution to Provident Fund & Other Funds	5,56,844	1,94,844
	Staff Welfare	3,45,979	3,21,269
		1,09,72,247	**1,06,26,170**
27	**FINANCIAL COSTS:**		
	Interest expenses for Financial Liabilites at amortised cost	9,07,92,587	8,00,80,162
	Other Borrowing Cost	-	7,58,371
		9,07,92,587	**8,08,38,533**
28	**OPERATION AND OTHER EXPENSES**		
	Power & Fuel Expenses	8,47,67,604	7,91,18,428
	Repair and Maintenance:		
	Building	3,27,95,901	12,55,016
	Machinery & Others	83,99,754	81,19,087
	Insurance	11,42,264	12,11,048
	Rates & Taxes	25,28,443	59,53,172
	Legal and Professional Expenses	4,66,22,379	2,94,83,816
	Security Charges	95,49,338	77,37,163
	Advertisement and Sales Promotion Expenses	2,25,21,898	1,93,74,392
	Audit Fees	4,10,000	4,00,000
	Travelling & Coveyance Expenses	14,24,537	13,00,732
	Parking Expenses	53,44,216	49,80,319
	Bank Charges	62,853	5,54,331
	Loss on sale of fixed assets	-	82,548
	Manpower Charges	1,26,93,108	1,19,97,682
	Provision for Bad & Doubtful Debts	-	44,59,538
	Rebates & Settlement	18,52,613	1,02,69,316
	Other Miscellaneous Expenses	42,76,006	35,43,084
		23,43,90,915	**18,98,39,672**
	Payments to Auditors		
	As Auditor:		
	Audit Fees	3,50,000	3,50,000
	Tax Audit Fees	50,000	50,000
	Certification Charges	10,000	-
	Total	**4,10,000**	**4,00,000**

BLACKWOOD DEVELOPERS PRIVATE LIMITED
Notes to Financial Statements for year ended 31st March, 2019

(Amount in ₹.)

Note No.	Particulars	2018-19	2017-18
29	**Taxation**		
	Income tax related to items charged or credited to profit or loss during the year:		
	A Statement of Profit or Loss		
	1 Current Income Tax	(1,000)	(50,50,000)
		(1,000)	(50,50,000)
	2 Adjustments in respect of Income Tax of previous year		
	Current Income Tax	(2,88,715)	(3,16,900)
	3 Minimum Alternate Tax credit entitlement		
	Current Year	-	50,50,000
	Related prior years	1,51,001	11,67,000
		1,51,001	62,17,000
	Total Income tax Expenses (1 to 3)	(1,38,714)	8,50,100
	B Reconciliation of Current Tax expenses:		
	Profit /(Loss) from Continuing operations	8,00,242	2,03,47,049
	Applicable Tax Rate	26.00%	27.552%
	Computed tax expenses	2,08,063	56,06,000
	Additional allowances for tax purpose	(1,74,38,655)	(1,24,60,483)
	Expenses not allowed for tax purposes	1,10,24,574	12,65,188
	Other temporary difference	62,05,018	55,89,295
	Additional Tax payable due to MAT provisions	-	(50,50,000)
		(1,000)	(50,50,000)
30	**Employees Benefits:**		
	Expenses recognised for Defined contribution plan:		
	Company's Contribution to Provident Fund	2,42,403	1,63,401
	Company's Contribution to Employees State Insurance	26,090	31,443
		2,68,493	1,94,844

Expenses recognised for Defined benefits plan:

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

		Gratuity (Funded)	
		2018-19	2017-18
1	**Change in Defined Benefit Obligation during the year**		
	Defined Benefit Obligation at the beginning of the year	6,22,506	8,66,828
	Interest Cost	59,748	72,190
	Current Service Cost	1,18,832	1,17,742
	Past Service Cost	-	47,922
	Actuarial (gain)/loss on Defined Benefit Obligation	1,30,229	(1,40,060)
	Benefits Paid	(2,17,500)	(3,42,116)
	Defined Benefit Obligation at the end of the year	7,13,815	6,22,506
2	**Change in fair value of Plan Assets during the year**		
	Fair value of Plan Assets at the beginning of the year	4,77,051	7,38,314
	Expected Return on plan assets	40,007	55,596
	Contribution	2,46,534	48,636
	Benefits paid during the year	(2,17,500)	(3,42,116)
	Actuarial (gain)/loss on Plan Asset	(9,482)	(23,379)
	Fair value of Plan Assets at the end of the year	5,36,610	4,77,051
3	**Amount to be recognized in Balance sheet:**		
	Present value of Defined Benefit Obligation	7,13,815	6,22,506
	Fair Value of plan assets at the end of the year	5,36,610	4,77,051
	Amount recognized in Balance sheet	1,77,205	1,45,455
4	**Current / Non - current bifurcation:**		
	Current benefit obligation	50,000	50,000
	Non - current benefit obligation	1,27,205	95,455
5	**Expenses recognised in the statement of Financial position for the year**		
	Current Service Cost	1,18,832	1,17,742
	Interest cost on obligation	59,748	72,190
	Expected Return on plan assets	(40,007)	(55,596)
	Past Service Cost	-	47,922
	Actuarial (gain)/losses	-	-
	Expense recognized in the statement of Profit & Loss account	1,38,573	1,82,258
6	**Recognised in Other Comprehensive income for the year**		
	Amount recognized in OCI, Beginning of Period	(13,63,856)	(12,47,175)
	Remeasurement due to:		
	Effect of change in financial assumptions	37,289	(53,801)
	Effect of change in demographic assumptions	-	-
	Effect of experience adjustments	92,940	(86,259)
	Return on plan of assets(excluding interest)	9,482	23,379
	Net Actuarial (gain)/loss recognized for the year	(12,24,145)	(13,63,856)

BLACKWOOD DEVELOPERS PRIVATE LIMITED
Notes to Financial Statements for year ended 31st March, 2019

(Amount in ₹.)

Note No.		Particulars	2018-19	2017-18
	7	Maturity profile of defined benefit obligation		
		Within the next 12 months	36,924	34,229
		Between 2 to 5 years	1,69,232	1,55,209
		Between 5 to 10 years	3,20,701	2,98,802
	8	**Acturial assumptions used for estimating defined benefit obligations**		
		Discount Rate	7.75%	8.25%
		Salary Escalation Rate	7.50%	7.50%
		Expected Rate of Return on Assets	7.75%	8.25%
		Martality Rate	IALM (2006-08) Ultimate	IALM (2006-08) Ultimate
		Attrition/ Withdrawal Rate	5%	5%
		The weighted average duration of plan	12.15 years	12.53 years
		No. of Employees	16	16
		Average Age	34.78	33.59
		Total Salary	3,20,500	2,94,000
		Average Salary	20,031	18,375
		Average Service	4.17	3.88
		Accrued Benefit	7,95,865	7,28,942
		Actuarial Liability	-	-

Notes:

1 Salary escalation rate is arrived after taking into account regular increaments, price inflation and promotion and other relevant factors such as supply and demand in employment market.

2 Discount rate is based on prevailing market yields of Indian Government Securities as at balance sheet date for estimated term of obligations.

3 Attrition rate/ withdrawal rate is based on Company's policy towards retention of employees, historical data and industry outlook.

5 Expected contribution to defined benefit plans for the financial year 2019-20 is ₹ 50,000

6 The above information is certified by actuary.

9 **Sensitivity analysis:**

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

	Change in assumption	Effect on Gratuity obligation 2018-19	2017-18
Discount rate	+1%	71,538	61,764
	-1%	(85,108)	(73,375)
Salary Escalation rate	+1%	(63,465)	(57,122)
	-1%	61,079	53,746
Attrition Rate	+1%	(7,281)	(9,337)
	-1%	9,513	11,743

These gratuity plan typically expose to the company to actuarial risks such as: investment risk, interest risk, longevity risk and salary risk.

Investment Risk:
The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. For other defined benefit plans, the discount rate is determined by reference to market yield at the end of reporting period on high quality corporate bonds when there is a deep market for such bonds; if the return on plan asset is below this rate, it will create a plan deficit.

Interest risk
A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan debt investments.

Longevity risk
The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk
The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Other Long Term Benefit Plan - Compensated Absences

Particulars	2018-19	2017-18
Present value of unfunded obligations	4,57,970	4,18,877
Expenses recognised in the statement of profit and loss	78,943	32,338
In Other comprehensive income		
Actuarial (Gain) / Loss - Plan liabilities	-	-
Actuarial (Gain) / Loss - Return On Plan Assets	-	-
Net (Income)/ Expense For the period Recognized in OCI	-	-
Discount rate (per annum)	7.75%	8.25%
Salary escalation rate (per annum)	7.50%	7.50%

31 **Related party Disclosure:**
In accordance with the requirements of IND AS 24, on related party disclosures, name of the related party, related party relationship, transactions and outstanding balances including commitments where control exits and with whom transactions have taken place during reported periods, are:

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

	Name of the party	Relationship
1	Big Apple Real Estate Private Limited	Holding company
2	The Phoenix Mills Limited	Ultimate Holding company
3	Market City Resources Private Limited	Fellow subsidiary
4	Offbeat Developers Pvt Ltd	Fellow subsidiary
5	Palladium Constructions Pvt Ltd	Fellow subsidiary
6	Shobhit Saxsena	Key Managerial Person

BLACKWOOD DEVELOPERS PRIVATE LIMITED
Notes to Financial Statements for year ended 31st March, 2019

(Amount in ₹.)

Note No.	Particulars	2018-19	2017-18

b) Transactions during the year:

Sr No.	Nature of transactions	The Phoenix Mills Ltd.	Big Apple Real Estate Private Limited	Market City Resources Pvt Ltd	Offbeat Developers Pvt Ltd	Palladium Constructions Pvt Ltd	Key Managerial Person	Total
		Name of Related parties						
1	Unsecured Loan refunded	1,22,00,000 (4,68,95,061)	19,11,00,000 -	- -	- (80,15,37,638)	- -	- -	20,33,00,000 (84,84,32,699)
2	Interest on Unsecured Loan	1,66,356 (16,47,780)	- -	- -	- (45,90,082)	- -	- -	1,66,356 (62,37,862)
3	Issue of Optionally Convertible Debentures	4,11,00,000 -	- -	- -	- -	- -	- -	4,11,00,000 -
4	Application Money	- -	- (74,26,00,000)	- -	- -	- -	- -	- (74,26,00,000)
5	Legal & Professional charges (Business Support Services)	- -	- -	87,04,000 (97,00,000)	- -	1,20,00,000 (30,00,000)	- -	2,07,04,000 (1,27,00,000)
6	Remuneration paid	- -	- -	- -	- -	- -	7,27,400 (6,74,608)	7,27,400 (6,74,608)
7	Repayment of Optionally Convertible Debentures	5,86,00,000 (2,50,00,000)	- -	- -	- -	- -	- -	5,86,00,000 (2,50,00,000)
8	Unsecured Loan Received	72,00,000 (4,46,00,000)	- -	- -	- -	- -	- -	72,00,000 (4,46,00,000)

c) Closing Balance as on March 31, 2019:

	Particulars	The Phoenix Mills Ltd.	Big Apple Real Estate Private Limited	Total
		Name of Related parties		
1	Optionally Convertible Debentures	- (1,75,00,000)	11,20,00,000 (11,20,00,000)	11,20,00,000 (12,95,00,000)
2	Unsecured Loan	- (50,00,000)	39,19,715 (19,50,19,715)	39,19,715 (20,00,19,715)

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

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

2 Review of outstanding balances is undertaken each financial year through examining the financial position of the related party and the market in which related party operates. These balances are unsecured and their settlement occurs through Banking channel.

32 Segment reporting:

The Company is in the business of setting-up and opeartion of Mall. Considering the nature of the company's business and operations, there are no separate reportable segments (business and/or geographical) in accordance with the requirements of Indian Accounting Standard (IND AS)108 –'Segment Reporting'

Executive Director (the'Chief Operational Decision Maker as defined in INDAS108 – Operating Segments) monitors the operating results of the entity's business for the purpose of making decisions about resource allocation and performance assessment.

33 Earning per share:

Particulars	2018-19	2017-18
i) Net profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders	6,61,528	2,11,97,148
ii) Weighted Average number of equity shares used as denominator for calculating EPS	1,87,31,675	1,87,31,675
iii) Basic Earnings per share (₹)	0.04	1.13
iv) Diluted Earnings per share (₹)	0.02	0.67
v) Face value per equity share (₹)	10	10

34 Contingent Liabilities

a. Outstanding Guarantees given by bank: ₹. 5,00,000/- (P.Y. ₹. 5,00,000/-)
b. Disputed Service Tax liability amounting to ₹. Nil /- (P. Y. ₹. 38,73,372/-) as the matter is in appeal before the Commissioner (Central Excise), Lucknow
c. Liabilities against the company due to Pending Litigations: ₹. 4,04,590/- (P.Y. ₹. 4,04,590/-)
d. Estimated amount of contracts remaining to be executed on capital account and not provided for in the accounts is ₹.38,09,106/-

35 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

Particulars	As at March 31, 2019		As at March 31, 2018	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets designated at amortize cost				
Trade Receivables	5,46,46,607	5,46,46,607	6,18,23,049	6,18,23,049
Cash and Cash Equivalents	1,74,00,588	1,74,00,588	2,26,26,055	2,26,26,055
Other financial assets	4,34,09,328	4,34,09,328	4,27,89,970	4,27,89,970
Total	11,54,56,523	11,54,56,523	12,72,39,074	12,72,39,074
Financial liabilities designated at amortised cost				
Borrowings	96,68,40,661	96,68,40,661	1,03,64,34,203	1,03,64,34,203
Trade payables and others	1,16,55,780	1,16,55,780	2,24,15,024	2,24,15,024
Other financial liabilities	11,70,39,588	11,70,39,588	8,45,73,114	8,45,73,114
Total	1,09,55,36,028	1,09,55,36,028	1,14,34,22,341	1,14,34,22,341

Fair valuation techniques:

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

1 Fair value of financial assets and liabilities (except long term borrowings) are carried at amortised cost is not materially different from it's carrying cost due to short term maturities
2 Fair value of Long Term Borrowing is calculated on discounted cashflow

36 LEAVE AND LICENSE FEES - COMPANY AS LICENSOR

The Leave and License agreements are generally for a period of 1 to 5 years. The terms also provide for escalation of License fees on a periodical basis. Generally, the company has a right to terminate these agreements by giving advance notice as stipulated therein.

Future minimum License Fees receivable under Leave and License agreement for non-expired lock in period as at 31st March 2019 are as follows:

(Amount in ₹)

Particulars	Within one year	After one year but not more than five years	More than five years	Total
As on 31st March 2019	6,41,06,000	10,93,75,000	-	17,34,81,000
As on 31st March 2018	4,57,69,000	16,57,50,000	77,31,000	21,92,50,000

Contingent License Fees comprising of Revenue Share income (computed as a % of sales) charged to the Licensees during the year is 650.30 Lakhs (P.Y. 562.12 Lakhs)

Note No.	Particulars
37	**Financial risk Management:**

The Company's activities expose it to credit risk, liquidity risk and market risk. This note explains the sources of risks which the entity is exposed to and how it mitigates that risk.

• Market risk:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: currency rate risk, interest rate risk and other price risks, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings and investments in securities.

Foreign currency risk

The Company is exposed to insignificant foreign exchange risk as at the respective reporting dates.

Interest rate risk

Fluctuation in fair value or future cash flows of a financial instrument because of changes in market interest rates gives rise to interest rate risk. Almost 100% of the company's borrowings are linked to BR + 2.25% p.a. floating at Monthly rest including TP. With all other variables held constant, the following table demonstrates the impact of change in interest rate on borrowing cost on floating rate portion of loans.

Increase/ (decrease) in Interest cost of Long term borrowings for the year:

(Amount in ₹)

Change in Rate of Interest	**Effect on Profit/(Loss) before tax**	
	2018-19	**2017-18**
+1%/-1%	95,33,502	83,64,145

Commodity and Other price risk

The Company is not exposed to commodity and other price risk

• Credit Risk

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

Trade and other recivables:

The Company extends credit to customers in normal course of business. The Company considers factors such as credit track record in the market and past dealings for extension of credit to customers. To manage credit risk, the Company periodically assesses the financial reliability of the customer, taking into account the financial condition, current economic trends, and analysis of historical bad debts and aging of accounts receivables. Outstanding customer receivables are regularly monitored to make an assessment of recoverability. Receivables are provided as doubtful / written off, when there is no reasonable expectation of recovery. Where receivables have been provided / written off, the Company continues regular followup , engage with the customers, legal options / any other remedies available with the objective of recovering these outstandings.

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

Cash and cash equivalents and other investments

The Company is exposed to counter party risk relating to medium term deposits with banks and investment in mutual funds. The Company considers factors such as track record, size of the institution, market reputation and service standards to select the banks with which balances and deposits are maintained. Generally, the balances are maintained with the institutions with which the Company has also availed borrowings. The Company does not maintain significant cash and deposit balances other than those required for its day to day operations.

Exposure to credit risk

The gross carrying amount of financial assets, net of impairment losses recognised represents the maximum credit exposure. The maximum exposure to credit risk as at March 31.2019 and March 31. 2018 is as follows:

(Amount in ₹)

	As at 31/03/2019	**As at 31/03/2018**
Financial assets for which loss allowances is measured using 12 months Expected Credit Losses (ECL):		
Cash and cash equivalents	1,74,00,588	2,26,26,055
Other financial assets	4,34,09,328	4,27,89,970
Financial assets for which loss allowances is measured using Life time Expected Credit Losses (ECL):		
Trade receivables	5,46,46,607	6,18,23,049

Life time Expected credit loss for Trade receivables under simplified approch (Amount in ₹)

Aging of Trade Receivables	Past Due				Total
	0-90 days	90-180 days	180 - 360 days	over 360 days	
As at 31st March, 2019					
Gross Carrying Amount	3,57,11,389	36,35,578	57,28,686	2,96,86,707	7,47,62,360
Expected credit losses (Loss allowance provision)	8,37,142	2,69,417	4,79,746	1,85,29,448	2,01,15,753
Net Carrying Amount	**3,48,74,247**	**33,66,161**	**52,48,940**	**1,11,57,259**	**5,46,46,607**
As at 31st March, 2018					
Gross Carrying Amount	3,48,07,145	48,80,695	1,43,64,842	3,42,34,494	8,82,87,176
Expected credit losses (Loss allowance provision)	1,64,789	12,18,988	10,12,019	2,40,68,331	2,64,64,127
Net Carrying Amount	**3,46,42,356**	**36,61,707**	**1,33,52,823**	**1,01,66,163**	**6,18,23,049**

(Amount in ₹)

Reconciliation of Changes in the life time expected credit loss allowance:	2018-19	2017-18
Loss allowance on 1 April,	2,64,64,127	2,20,04,589
Provided during the year	10,06,361	1,18,97,267
Reversal during the year	(73,54,735)	(74,37,729)
Loss allowance on 31st March,	2,01,15,753	2,64,64,127

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

• Liquidity risk

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

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

(Amount in ₹)

Particulars	As at March 31, 2019					Total
	Carrying Amount	On Demand	Less than 1 Yr	1- 5 yrs	>5 years	
Borrowings	96,68,40,661	2,99,96,316	6,97,98,600	35,43,55,846	51,26,89,901	**96,68,40,661**
Other Financial Liabilities	11,70,39,588	8,91,38,546	-	2,79,01,042	-	**11,70,39,588**
Trade and other payables	1,16,55,780	-	1,16,55,780	-	-	**1,16,55,780**

Particulars	As at March 31, 2018					Total
	Carrying Amount	On Demand	Less than 1 Yr	1- 5 yrs	>5 years	
Borrowings	1,03,64,34,203	20,00,19,715	5,14,48,663	37,05,59,083	41,44,06,741	**1,03,64,34,203**
Other Financial Liabilities	8,45,73,114	7,11,00,772	-	1,34,72,342	-	**8,45,73,114**
Trade and other payables	2,24,15,024		2,24,15,024	-	-	**2,24,15,024**

38 **Capital management**

The primary objective of the Company's capital management is to maximize the shareholder value. The Company's primary objective when managing capital is to ensure that it maintains an efficient capital structure and healthy capital ratios and safeguard the Company's ability to continue as a going concern in order to support its business and provide maximum returns for shareholders. The Company also proposes to maintain an optimal capital structure to reduce the cost of capital. No changes were made in the objectives, policies or processes during the year ended March 31, 2019 and March 31, 2018.

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

Pariculars	As At 31-03-2019	As At 31-03-2018
Loans and Borrowings	96,68,40,661	1,03,64,34,203
Less: Cash and cash equivalents + Bank Deposits	1,74,00,588	6,39,26,055
Net Debt	94,94,40,074	97,25,08,148
Total Capital	41,35,59,858	43,05,38,042
Capital+Net Debt	1,36,29,99,932	1,40,30,46,190
Gearing Ratio	69.66%	69.31%

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

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

41 **Reclassification**: Based on the pronouncements/clarifications by the professional bodies/institutions and general accounting practice followed by Industry, the Company has during the year reclassified the following items of balance sheet.

Item of Balance Sheet	Amount as at 31st March 2018	Earlier Reclassifies as	Reclassified as
Security deposits for lease rentals - Non Current	1,34,72,342	Other Long Term Liabilities (₹. 5,74,12,234)	Other Financial Liabilities (Non-Current)
Security deposits for lease rentals - Current	6,60,92,356	Other Current Liabilities (₹. 2,21,52,464)	Other Financial Liabilities (Current)
Minimum Alternate Tax	62,13,616	Current Tax Assets (Net)	Deferred Tax Assets (Net)

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

For and on behalf of the Board of Directors

Prashant Khandelwal
Director
DIN. 08067106

Pawan Kakumanu
Director
DIN.07584653

Jignesh Mehta
Partner
(Membership No.:102749)

Place : Mumbai
Date : 13th May,2019

Shobit Saxena
Chief Financial Officer
PAN No. BMOPS0882H

BLACKWOOD DEVELOPERS PRIVATE LIMITED

Notes to Financial Statement for the year ended 31st March 2019

1. Corporate Information:

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

The Company is mainly engaged in real estate activities and construction of commercial premises. The principle place of business is located at Phoenix United Mall, Pilibhit By Pass Road, Biharman Nagla, Bareilly, Uttar Pradesh. For Company's principal shareholders, refer note no. 14.

These financial statements were approved and adopted by board of directors of the Company in their meeting dated May 13, 2019.

2. A) Basis of Preparation of Financial Statement:

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

The Financial statements provide comparative information in respect of previous year.

With effect from 1st April 2018, Ind AS 115 – "Revenue from Contracts with Customers" (Ind AS 115) supersedes Ind AS 18 – "Revenue", Ind AS 11 – "Construction Contracts" and related Appendices. The Company has adopted Ind AS 115 using the modified retrospective approach. The application of Ind AS 115 did not have any impact on recognition and measurement principles. However, it results in additional presentation and disclosure requirements for the Company

The significant accounting policies used in preparing financial statements are set out in Note 2 B) of the Notes on Financial Statements and are applied consistently to all the periods presented.

B) Summary of Significant Accounting Policies:

a) Functional and presentation of currency:

The financial statements are presented in Indian Rupees, which is the Company's functional currency and all amounts are rounded to the nearest rupees.

b) Basis of measurement:

The Financial Statements have been prepared on historical cost basis, except the following:

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

c) Use of Estimates :

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

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described in Notes No. 3. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

d) **Property, Plant and Equipment:**

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 borrowing costs for long-term construction projects if the recognition criteria are met.

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

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as specified by Schedule II to the Companies Act; 2013. 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.

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 profit or loss.

e) **Intangible asset:**

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

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

Amortisation methods and periods

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

f) Impairment of Non – Financial Asset:

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash 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.

g) Cash and cash equivalents:

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

h) Foreign currency transactions:

The transactions denominated in foreign currency are recorded at the exchange rate prevailing on the date of transaction. Monetary items denominated in foreign currency at the end of year are translated using the closing rate of exchange. Non- monetary items that are to be carried at historical cost are recorded using exchange rate prevailing on the date of transaction. Non-monetary items that are to be carried at fair value are recorded using exchange rate prevailing on the date of fair value measured. Any income or expenses on account of exchange difference either on settlement or on translation is recognised in the statement of profit and loss account.

i) 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 company 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 company's business model for managing the asset and the cash flow characteristics of the asset. For the purpose of subsequent recognition and measurement financial assets are classified in four categories:

- **Debt instrument at amortised cost:**

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

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

Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses and interest revenue which are recognised in 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 are initially measured at fair value. Any subsequent fair value gain /loss is recognised through profit or loss if such investments are held for trading purposes. The fair value gains or losses of all other equity securities are recognised in Other Comprehensive Income.

iii) De-recognition:

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

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

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

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

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

Financial Liabilities:

i) Initial recognition and measurement:

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

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

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

Gains or losses on liabilities held for trading are recognised in the statement of profit & 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) Financial Liabilities at amortised cost:

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

De - recognition:

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 de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

j) Impairment of Financial asset:

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

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

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

Trade receivables

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

The Company uses a provision matrix to determine impairment loss allowance on 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 recognise impairment loss allowance based on 12-month ECL.

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

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

k) <u>Classification of assets and liabilities as current and non – current:</u>

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

An asset is classified as current when it is:

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

All other assets are classified as non-current.

A liability is classified as current when:

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

All other liabilities are classified as non-current.

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

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

l) <u>Equity share capital:</u>

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.

m) <u>Revenue Recognition:</u>

The company' revenue from contracts with customers is mainly from License Fees and Other Services rendered to the customers in Malls.

a) Revenue from license fees and other operating servicesis 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.
b) 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.

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.

n) <u>Employees benefits:</u>

i) <u>Short-term Employee benefits:</u>

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) <u>Post-employment benefits</u>

a. Defined Contribution Plan

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

b. Defined benefit plan

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

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

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

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

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

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

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

o) Borrowing Cost:

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

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

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

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

p) **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.

q) **Income Taxes:**

Current Income Tax:

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

Deferred Tax:

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

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

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

Current and deferred tax is recognised in 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.

r) **Earnings per share:**

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

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

3. Critical accounting estimates, assumptions and judgements:

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

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

In the process of applying the Company's accounting policies, management has made the following estimates and judgements, which have significant effect on the amounts recognized in the financial statement:

(a) Depreciation and useful lives of Property, Plant and Equipment

Property, plant and equipment are depreciated over the estimated useful lives of the assets, after taking into account their estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation for future periods is adjusted if there are significant changes from previous estimates.

(b) Investment Property

Management has assessed applicability of Ind AS 40 Investment property to the property held to earn income from licensee fees. In assessing such applicability, management has considered the ownership of assets, terms of license agreement, various services provided to the licensee etc. The company considers these other services as significant in addition to the License fees charged. Based on such assessment, the management has considered the mall property as owner-occupied property and hence classified as Property, Plant & Equipment.

(c) Recoverability of trade receivable

Judgments are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. The Company uses a provision matrix to determine impairment loss allowance on 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 analyzed.

(d) Revenue Recognition on sale of property

The Company uses percentage of completion method for recognising revenue from sale of properties under construction. Percentage of completion is determined with reference to the project cost incurred on balance sheet date versus total estimated project cost. Total estimated project cost is based upon the estimates of management.

(e) Defined Benefit plans

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

(f) Provisions:

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

(g) Impairment of financial assets:

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

Estimates and judgements are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances. They are continually evaluated.

(h) Fair Value measurement:

The Company measures financial instrument such as certain investments, at fair value at each balance sheet date.

Fair value is the price 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 fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

- ▶ Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

4. Standards Issued but not Effective:

On March 30,2019, the Ministry of Corporate Affairs (MCA) has notified Ind AS 116 – Leases and certain amendment to existing Ind AS. These amendments shall be applicable to the Group from April 01, 2019.

A. ISSUE OF IND AS 116 - LEASES

Ind AS 116 will replace the existing leasing standard i.e. Ind AS 17 and related interpretations. Ind AS 116 introduces a single lessee accounting model and requires lessee to recognize assets and liabilities for all leases with non-cancellable period of more than twelve months except for low value assets. Ind AS 116 substantially carries forward the lessor accounting requirement in Ind AS 17.

B. AMENDMENT TO EXISTING STANDARD

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

i. Ind AS 101- First time adoption of Indian Accounting Standards
ii. Ind AS 103 – Business Combinations
iii. Ind AS 109 - Financial Instruments
iv. Ind AS 111 – Joint Arrangements
v. Ind AS 12 – Income Taxes
vi. Ind AS 19 – Employee Benefits
vii. Ind AS 23 – Borrowing Costs
viii. Ind AS 28 - Investment in Associates and Joint Ventures

Application of above standards are not expected to have any significant impact on the Group's financial statements.