

AUDITORS' REPORT

To the Members of The Phoenix Mills Limited Report on the Standalone Ind AS financial statements

We have audited the accompanying Standalone Ind AS financial statements of The **Phoenix Mills Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, and the Statement of Profit and Loss (including 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 "standalone Ind AS financial statements").

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 Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and fair presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone Ind

AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 31st March, 2017, its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

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 Companies 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 accounts 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 accounts.
 - d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with relevant rules issued thereunder.
 - e) On the basis of written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017, from being appointed as a director in terms of section 164(2) of the Act.

AUDITORS' REPORT

- 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".
- 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, 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 standalone Ind AS financial statements – Refer Note no. 34 (b) to (e) and Note no. 35 to the Ind AS financial statements.
 - ii) The Company did not have any material foreseeable losses on long-term contracts including derivative contracts that require provision under any law or accounting standards for which there were any material foreseeable losses.
- iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv) The Company has provided requisite disclosures in the Standalone Ind AS financial statements as regards to its holdings and dealings in Specified Bank Notes as defined in the Notification S.O. 3407 (E) dated 8th November, 2016 of the Ministry of Finance, during the period from 8th November, 2016 to 30th December, 2016. Based on the audit procedures performed and representations provided to us by the management, we report that the disclosures are in accordance with the books of accounts maintained by the Company and as produced to us by the management.

For **A. M. Ghelani & Company**
Chartered Accountants
Registration No : 103173W

For **Chaturvedi & Shah**
Chartered Accountants
Registration No : 101720W

Chintan A. Ghelani
Partner
Membership No.: 104391

Jignesh Mehta
Partner
Membership No.: 102749

Place: Mumbai
Date: 10th May, 2017

Place: Mumbai
Date: 10th May, 2017

AUDITORS' REPORT

"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 :
- The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
 - 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 and the nature of its assets. No material discrepancies were noticed on such physical verification.
 - In our opinion and according to the information and explanations given to us, the title deeds of immovable properties are held in the name of the 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 loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the Clause (iii) of paragraph 3 of the Order is not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of the grant of loans, making investments and providing guarantees and securities.
- (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) To the best of our knowledge and explanations given to us, the Central Government has not prescribed the maintenance of cost records under sub section (1) of Section 148 of the Act in respect of the activities undertaken by the Company.
- (vii) In respect of Statutory dues :
- According to the records of the Company, undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues have been regularly deposited with 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, 2017 for a period of more than six months from the date they became payable.
 - According to the records of the Company and the information and explanations given to us, the disputed statutory dues on account of income tax, service tax, amounting to ₹ 2,929.30 lakhs that have not been deposited before appropriate authorities are as under :

Name of Statute	Nature of Dues	Rupees in Lakhs	Period to which the amount relates	Forum where dispute is pending
Income Tax 1961	Income Tax	2,236.17	A.Y 2011-12 to A.Y 2013-14	CIT (Appeals)
Income Tax 1961	Income Tax	490.05	AY 2004-05 to AY 2008-09	ITAT
Service Tax (Finance Act 1994)	Service Tax	203.08	F.Y 2006-07	CESTAT
Total		2,929.30		

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loan or borrowing to a financial institution, bank, government or dues to debenture holders of the company.
- (ix) In our opinion and according to the information and explanations given to us, monies raised by way of the term loans during the year have been applied by the Company for the purposes for which they were raised. The company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year under report.
- (x) Based on the audit procedures performed for the purpose of reporting the true and fair view of the standalone Ind AS financial statements and as per the 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.

AUDITORS' REPORT

- (xi) In our opinion and according to the information and explanations given to us, managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion, company is not a nidhi company. Therefore, clause (xii) of paragraph 3 of the Order is not applicable to the company.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions with related parties are in compliance with sections 177 and 188 of the Act and details of related party transactions have been disclosed in the standalone 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 neither made any preferential allotment or private placement of shares or fully or partly convertible debenture during the year under review. Therefore, the clause (xii) of paragraph 3 of the Order is not applicable to the company.
- (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 them 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 **A. M. Ghelani & Company**
Chartered Accountants
Registration No : 103173W

For **Chaturvedi & Shah**
Chartered Accountants
Registration No : 101720W

Chintan A. Ghelani
Partner
Membership No.: 104391

Place: Mumbai
Date: 10th May, 2017

Jignesh Mehta
Partner
Membership No.: 102749

Place: Mumbai
Date: 10th May, 2017

AUDITORS' REPORT

"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.

We have audited the Internal Financial Controls over financial reporting of The Phoenix Mills Limited ("the company") as of 31st March, 2017 in conjunction with our audit of the standalone 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 standalone 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 reasonable assurance regarding the reliability of financial reporting and the preparation of standalone 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 standalone 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 standalone Ind AS financial statements.

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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.

For **A. M. Ghelani & Company**
Chartered Accountants
Registration No : 103173W

Chintan A. Ghelani
Partner
Membership No.: 104391

Place: Mumbai
Date: 10th May, 2017

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, 2017, 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**
Chartered Accountants
Registration No : 101720W

Jignesh Mehta
Partner
Membership No.: 102749

Place: Mumbai
Date: 10th May, 2017

BALANCE SHEET

AS AT 31ST MARCH 2017

(₹ in Lakhs)

Particulars	Note no.	As at 31st March 2017	As at 31st March 2016	As at 1st April 2015
ASSETS				
Non-current assets				
a) Property, plant and equipment	5	60,575.63	44,241.98	45,581.14
b) Capital work-in-progress	5	14,343.24	15,039.85	13,572.16
c) Other intangible assets	5	0.72	0.90	1.13
d) Financial assets				
i) Investments	6	228,260.47	166,061.31	123,437.61
ii) Loans	7	789.76	43,001.76	42,201.56
iii) Other Financial assets	8	3,860.71	3,188.54	3,188.54
e) Deferred tax assets (net)	9	900.38	417.57	214.42
f) Other non-current assets	10	10,753.12	18,730.54	17,376.04
(A)		319,484.03	290,682.45	245,572.60
Current assets				
a) Financial assets				
i) Trade receivables	11	1,922.10	2,419.97	2,122.29
ii) Cash and cash equivalents	12	683.34	7,127.10	2,043.19
iii) Bank Balance other than above	13	14.84	-	-
iv) Loans	7	12,608.32	30,037.54	25,931.74
v) Other Financial assets	8	1,462.39	1,465.20	1,461.74
b) Current Tax Assets (net)	14	1,542.72	325.47	469.41
c) Other current assets	10	875.81	908.21	1,126.71
(B)		19,109.52	42,283.49	33,155.08
TOTAL (A + B)		338,593.55	332,965.94	278,727.68
EQUITY AND LIABILITIES				
Equity				
a) Equity share capital	15	3,061.34	3,059.78	2,899.13
b) Other equity	16	240,147.08	227,326.23	192,054.19
(A)		243,208.42	230,386.01	194,953.32
Liabilities				
Non-current liabilities				
a) Financial liabilities				
i) Borrowings	17	57,507.05	52,354.60	53,190.00
b) Provisions	18	73.56	52.15	52.82
c) Other non-current liabilities	19	11,004.37	11,055.03	9,792.17
(B)		68,584.98	63,461.78	63,034.99
Current liabilities				
a) Financial liabilities				
i) Borrowings	20	10,257.24	24,464.46	7,882.50
ii) Trade payables	21	1,689.92	1,454.30	821.74
iii) Other financial liabilities	22	8,169.31	6,529.30	5,650.18
b) Provisions	18	6.76	23.03	43.16
c) Other liabilities	19	6,676.92	6,647.06	6,341.79
(C)		26,800.15	39,118.15	20,739.37
TOTAL (A+B+C)		338,593.55	332,965.94	278,727.68

Significant Accounting Policies and Notes on Financial Statements 1 to 55

The notes referred to above form an integral part of the Financial Statements

As per our report of even date

For A.M.Ghelani & Company

Chartered Accountants
FRN : 103173W

Chintan A. Ghelani

Partner
M. No.:104391

For Chaturvedi & Shah

Chartered Accountants
FRN : 101720W

Jignesh Mehta

Partner
M. No.:102749

For and on behalf of the Board of Directors

Ashokkumar Ruia

(Chairman & Managing Director)
DIN - 00086762

Atul Ruia

(Jt. Managing Director)
DIN - 00087396

Puja Tandon

(Company Secretary)
M.No.A21937

Shishir Shrivastava

(Jt. Managing Director)
DIN - 01266095

Pradumna Kanodia

(Director - Finance)
DIN - 01602690

Place : Mumbai
Date: 10th May, 2017

STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED 31ST MARCH, 2017

(₹ in Lakhs)

Particulars	Note no.	For the year ended 31st March 2017	For the year ended 31st March 2016
Revenue from operations	23	37,590.48	35,578.99
Other income	24	5,507.40	9,850.12
Total Income		43,097.88	45,429.11
Employee Benefits Expense	25	1,387.98	1,141.94
Finance costs	26	8,127.19	6,886.29
Depreciation and Amortization expense	27	3,006.60	2,931.49
Other expenses	28	10,822.59	10,522.60
Total Expenses		23,344.36	21,482.32
Profit before exceptional items and tax		19,753.52	23,946.79
Less: Exceptional Items	40	3,500.00	2,800.00
Profit before Tax		16,253.52	21,146.79
Tax expense:			
- Current Tax		3,381.56	6,390.00
- Deferred Tax		(482.81)	(203.15)
Profit for the year from continuing operations		13,354.77	14,959.94
Other comprehensive income			
A) Items that will not be reclassified to Statement of Profit & Loss			
i) Re-measurement gain of the net defined benefit plans		1.61	19.91
ii) Gain/(Loss) on Equity instruments at fair value through Other Comprehensive Income		(90.32)	79.94
B) Income Tax relating to the Items that will not be reclassified to Statement of Profit & Loss		(0.34)	(4.25)
Total Comprehensive Income		13,265.72	15,055.54
Earnings Per Share			
Basic EPS (Face Value ₹2)	33	8.73	9.93
Diluted EPS (Face Value ₹2)		8.71	9.93

Significant Accounting Policies and Notes on Financial Statements

1 to 55

The notes referred to above form an integral part of the Financial Statements

As per our report of even date

For A.M.Ghelani & Company

Chartered Accountants
FRN : 103173W

Chintan A. Ghelani

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For Chaturvedi & Shah

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Jignesh Mehta

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For and on behalf of the Board of Directors

Ashokkumar Ruia

(Chairman & Managing Director)
DIN - 00086762

Atul Ruia

(Jt. Managing Director)
DIN - 00087396

Puja Tandon

(Company Secretary)
M.No.A21937

Shishir Shrivastava

(Jt. Managing Director)
DIN - 01266095

Pradumna Kanodia

(Director - Finance)
DIN - 01602690

Place : Mumbai
Date: 10th May, 2017

CASH FLOW STATEMENT

FOR THE YEAR ENDED ON 31ST MARCH, 2017

(₹ in Lakhs)

	For the year ended 31st March 2017	For the year ended 31st March 2016
A Cash Flows from Operating Activities		
Net Profit before tax as per the Statement of Profit and Loss	16,253.52	21,146.79
Adjustments for :		
Depreciation	3,006.60	2,931.49
Exceptional Item	3,500.00	2,800.00
Profit on assignment of rights / transfer of property under development	(24.69)	-
Loss on Sale of PPE	0.46	-
Net gain arising on financial assets measured at FVTPL	(96.62)	52.53
Balances written back	(98.03)	(39.39)
Balances in Debtors/Advances written off	22.91	49.20
Provision for Doubtful Debts and Advances/(Reversal)	(111.39)	170.43
Interest Expenses	8,317.54	7,062.42
Interest Income	(4,622.38)	(9,649.42)
Dividend Income	(5.68)	(12.24)
Profit on sale of Investments	(186.82)	(174.50)
	9,701.90	3,190.52
Operating Cash flow before working capital changes	25,955.42	24,337.31
Adjustment for Working Capital changes :		
Trade and other Receivables	(2,946.27)	(1,653.33)
Trade and other Payables	306.79	(968.63)
	(2,639.48)	(2,621.96)
Cash generated from Operations	23,315.94	21,715.35
Direct Taxes Paid	(4,598.81)	(6,246.07)
Net Cash from Operating Activities	18,717.13	15,469.28
B Cash Flows from Investing Activities		
Purchases of Property, Plant & Equipments	(10,575.30)	(3,060.75)
Inter Corporate Deposits & Loans (placed)/refunded (Net)	59,641.23	(4,906.01)
Purchase of shares of Subsidiary/Associates	(56,098.11)	(44,619.63)
Sale of shares of Subsidiary/Associates	330.17	-
Sale of Short Term Investments	6,141.15	34,751.23
Purchase of short term Investments	(6,125.00)	(34,576.72)
Purchase of Investments others	(6,085.00)	1,995.93
Interest Received	4,625.19	9,645.96
Movement in Other Bank Balances [Net]	(687.01)	-
Dividend Received	5.68	12.24
Net Cash generated from/(used in) Investing Activities	(8,827.00)	(40,757.75)

(₹ in Lakhs)

	For the year ended 31st March 2017	For the year ended 31st March 2016
C Cash Flows from Financing Activities		
Proceed from long term borrowings	15,500.50	5,425.21
Repayment of long term borrowings	(7,554.76)	(5,300.80)
Short term loans availed / (repaid)(Net)	(15,000.00)	16,581.96
Proceeds from Issue of Shares (Net of Issue expenses)	215.69	27,595.69
Interest paid	(8,634.43)	(6,758.70)
Dividend paid (including tax on Dividend)	(860.88)	(7,170.96)
Net Cash generated from/(used in) Financing Activities	(16,333.89)	30,372.40
D Net Increase/(Decrease) in Cash and Cash Equivalents	(6,443.76)	5,083.90
Cash and Cash equivalents at the beginning of the year	7,127.10	2,043.19
Cash and Cash equivalents at the end of the year (Refer Note No.12)	683.34	7,127.10

The notes referred to above form an integral part of the Financial Statements

As per our report of even date

For A.M.Ghelani & Company

Chartered Accountants
FRN : 103173W

Chintan A. Ghelani

Partner
M. No.:104391

For Chaturvedi & Shah

Chartered Accountants
FRN : 101720W

Jignesh Mehta

Partner
M. No.:102749

For and on behalf of the Board of Directors

Ashokkumar Ruia

(Chairman & Managing Director)
DIN - 00086762

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(Jt. Managing Director)
DIN - 00087396

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(Company Secretary)
M.No.A21937

Shishir Shrivastava

(Jt. Managing Director)
DIN - 01266095

Pradumna Kanodia

(Director - Finance)
DIN - 01602690

Place : Mumbai
Date: 10th May, 2017

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31ST MARCH 2017

(a) Equity share capital

(₹ in Lakhs)

As at 1st April 2015	Changes in equity share capital during the year	As at 31st March 2016	Changes in equity share capital during the year	As at 31st March 2017
2,899.13	160.65	3,059.78	1.56	3,061.34

(b) Statement of changes in Other equity

(₹ in Lakhs)

Particulars	Retained Earnings	Capital Reserve	General Reserve	Securities Premium	Share Based Payment Reserve	Equity Instruments at FVOCI	Remeasurement of net defined benefit plans	Total Other Equity
Balance as at 1st April, 2015	61,782.23	184.14	22,917.65	106,890.78	0.58	278.81	-	192,054.19
Profit for the year	14,959.94							14,959.94
Remeasurements gains/(loss) on defined benefit plan	-	-	-	-	-	-	19.91	19.91
Change in fair value of Equity Instruments at FVOCI	-	-	-	-	-	79.94	-	79.94
Employee stock option expenses	-	-	-	-	41.98	-	-	41.98
Premium on issue of Shares during the year	-	-	-	28,207.42	-	-	-	28,207.42
Expense on issue of Shares	-	-	-	(772.37)	-	-	-	(772.37)
Transaction with shareholders								-
Interim Dividend	(2,673.70)	-	-	-	-	-	-	(2,673.70)
Final Dividend	(3,365.75)	-	-	-	-	-	-	(3,365.75)
Tax on Dividend	(1,225.31)	-	-	-	-	-	-	(1,225.31)
Balance as at 31st March, 2016	69,477.40	184.14	22,917.65	134,325.83	42.56	358.75	19.91	227,326.23
Profit for the year	13,354.77	-	-	-	-	-	-	13,354.77
Employee stock option expenses	-	-	-	-	169.25	-	-	169.25
Remeasurements gains/(loss) on defined benefit plan	-	-	-	-	-	-	1.61	1.61
Change in fair value of Equity Instruments at FVOCI	-	-	-	-	-	(90.32)	-	(90.32)
Premium on issue of Shares during the year	-	-	-	214.13	-	-	-	214.13
Transaction with shareholders								-
Final Dividend	(688.45)	-	-	-	-	-	-	(688.45)
Tax on Dividend	(140.15)	-	-	-	-	-	-	(140.15)
Balance as at 31st March 2017	82,003.57	184.14	22,917.65	134,539.96	211.81	268.43	21.52	240,147.08

The notes referred to above form an integral part of the Financial Statements

As per our report of even date

For A.M.Ghelani & Company

Chartered Accountants
FRN : 103173W

Chintan A. Ghelani

Partner
M. No.:104391

For Chaturvedi & Shah

Chartered Accountants
FRN : 101720W

Jignesh Mehta

Partner
M. No.:102749

For and on behalf of the Board of Directors

Ashokkumar Ruia

(Chairman & Managing Director)
DIN - 00086762

Atul Ruia

(Jt. Managing Director)
DIN - 00087396

Puja Tandon

(Company Secretary)
M.No.A21937

Shishir Shrivastava

(Jt. Managing Director)
DIN - 01266095

Pradumna Kanodia

(Director - Finance)
DIN - 01602690

Place : Mumbai
Date: 10th May, 2017

NOTES

ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

1) Corporate Information:

The Company is a public 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 462, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013.

The Company is engaged in the development & leasing of commercial and retail units and entertainment complex. The principal place of business is at High Street Phoenix, 462, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013.

These financial statements were approved and adopted by the Board of Directors of the Company in their meeting dated 10th May, 2017.

2) Basis of preparation of financial statements:

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 for all the periods upto and including the year ended 31st March, 2016 were prepared in accordance with the accounting standards notified under the section 133 of the Companies Act, 2013 read together with the paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

These Financial Statements for the year ended 31st March, 2017 are the first financial statements of the Company prepared in accordance with Ind AS. Refer Note no. 54 for an explanation how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

The Financial statements provide comparative information in respect of the previous year. In addition, the company presents Balance sheet as at the beginning of the previous year, which is the transition date of Ind AS.

The significant accounting policies used in preparing financial statements are set out in Note 3 of the Notes on Financial Statements and are applied consistently to all the periods presented.

3) Significant Accounting Policies:

a) Functional and presentation of currency:

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

b) Basis of measurement:

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

- Certain financial assets and liabilities are measured at fair value.

- Defined benefit plans – plan assets measured at fair value.

- Share Based Payments.

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

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the 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 Written down Value 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

NOTES

ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

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 assets:

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 Assets:

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) Financial Instruments:

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

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ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

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 investments are recognised in Other Comprehensive Income.

- Investment in Subsidiary and Associates:

The company has accounted for its Investment in subsidiaries and associates at cost.

- iii) Derecognition:

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.

- iv) Trade receivables:

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

Financial Liabilities:

- i) Initial recognition and measurement:

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

The 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 and loss

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

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

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

- iii) Loans and Borrowings:

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

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ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

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

iv) Trade and other payables:

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

v) Derecognition:

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

h) Impairment of Financial assets:

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

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

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

- Trade receivables or contract revenue receivables.
- 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 recognising impairment loss allowance based on 12-month ECL.

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

For assessing increase in credit risk and impairment loss, the 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.

i) Cash and cash equivalents:

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

j) Foreign currency transactions:

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

k) Classification of assets and liabilities as current and non-current:

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

An asset is classified as current when it is:

- a) Expected to be realised or intended to be sold or consumed in normal operating cycle,
- b) Held primarily for the purpose of trading,
- c) Expected to be realised within twelve months after the reporting period, or

NOTES

ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

- d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when:

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

All other liabilities are classified as non-current.

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

l) Equity share capital:

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

m) Revenue Recognition:

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

Revenue from license fees and other operating services

Revenue from license fees and other operating services are recognised on a straight line basis over the license terms, except where the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary operating cost increases.

Interest income

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

Dividends

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

n) Employees benefits:

(i) Short-term Employee benefits:

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

(ii) Post-employment benefits

a. Defined Contribution Plan

The defined contribution plan is post-employment benefit plan under which the 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.

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ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

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 finance cost.

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

(iii) Other long-term benefits

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

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

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

(iv) Share-based payments

Share-based compensation benefits are provided to employees via Employee Stock Option Plan to the subsidiary companies of The Phoenix Mills Limited.

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

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

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

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) Income Taxes:

Current Income Tax:

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

Deferred Tax:

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

Deferred Tax liabilities are recognised for all temporary differences. Deferred tax assets are recognised for all

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ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

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.

q) 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.

r) Earnings per share:

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

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

4. Use of significant accounting estimates, judgments and assumptions

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 recognised in the financial statements:

- (a) Depreciation and useful lives of Property, Plant and Equipment
Property, plant and equipment are depreciated over the estimated useful lives of the assets, after taking into account their estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation for future periods is adjusted if there are significant changes from previous estimates.
- (b) 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 receivables
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 analysed.
- (d) Defined Benefit plans
The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An

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ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

(e) Treatment of Security Deposit for Lease Rentals

In assessing the applicability of Ind AS 32-Financial Instruments to security deposits received, the management has considered the substance of the transactions, terms and conditions of agreement and historical experience to conclude whether such security deposits meet the criteria of a financial liability. These deposits are primarily intended to secure compliance of the licensees' obligations under the agreement and have no bearing on the license fees charged. Further, there is no contractual obligation to deliver cash or other financial asset to the said entity and can be adjusted against the dues, if any and therefore these have been treated as non- financial liability.

(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 judgment 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 judgments 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 continuously 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.

NOTE 5 PROPERTY, PLANT & EQUIPMENT

	Freehold Land	Right on Leasehold Land @	Building	Plant and Machinery	Vehicles	Office furniture and Equipment	Computer Softwares	Total	Capital Work In Progress
Gross Block									
As at 01.04.2015	106.70	697.61	56,058.39	3,178.15	338.24	5,005.26	2.82	65,387.19	-
Additions	-	-	742.34	277.54	98.68	473.76	-	1,592.32	-
Disposals/Transfer	-	-	-	-	-	-	-	-	-
As at 31.03.2016	106.70	697.61	56,800.73	3,455.69	436.92	5,479.03	2.82	66,979.51	-
Additions	-	-	18,433.87	269.77	135.27	522.80	-	19,361.70	-
Disposals/Transfer	-	-	-	-	-	11,449	-	11,449	-
As at 31.03.2017	106.70	697.61	75,234.60	3,725.46	572.19	5,887.33	2.82	86,226.72	-
Accumulated Depreciation									
As at 01.04.2015	-	49.03	14,084.15	1,737.01	233.60	3,700.56	1.69	19,806.04	-
Depreciation charge for the year	-	0.42	2,075.91	340.13	24.16	490.64	0.23	2,931.49	-
Disposals/Transfer	-	-	-	-	-	-	-	-	-
As at 31.03.2016	-	49.45	16,160.05	2,077.15	257.76	4,191.20	1.92	22,737.53	-
Depreciation charge for the year	-	-	2,100.99	308.84	74.85	521.74	0.18	3,006.60	-
Disposals/Transfer	-	-	-	-	-	93.04	-	93.04	-
As at 31.03.2017	-	49.45	18,261.04	2,385.98	332.60	4,619.90	2.10	25,651.09	-
Net Book Value									
As at 01.04.2015	106.70	648.58	41,974.25	1,441.13	104.65	1,304.70	1.13	45,581.14	13,572.16
As at 31.03.2016	106.70	648.16	40,640.68	1,378.54	179.16	1,287.83	0.90	44,241.98	15,039.85
As at 31.03.2017	106.70	648.16	56,973.55	1,339.48	239.59	1,267.43	0.72	60,575.63	14,343.24

5.1) Capital Work in progress includes pre operative expenses of ₹ 3,324.24 Lakhs (31st March 2016 ₹ 3048.39 Lakhs, 1st April, 2015, ₹2,395.61 Lakhs) refer note no 37.

5.2) Building includes 10 shares in Sukhsagar Premises Co-op. Society Ltd. of ₹50 each - ₹500.

NOTES

ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

(₹ in Lakhs)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
NOTE 6			
NON CURRENT INVESTMENTS			
A. TRADE INVESTMENTS			
UNQUOTED			
1. IN EQUITY INSTRUMENTS			
i. SUBSIDIARY COMPANIES (At Cost)			
(Equity Shares of face value of ₹ 10/- each fully paid-up unless otherwise stated)			
4,387,120 (31st March 2016: 4,387,120 , 1st April 2015: 4,387,120) - Bellona Hospitality Services Limited (Formerly Known as Bellona Finvest Limited)	440.15	438.71	438.71
25,585,930 (31st March 2016: 25,585,930 , 1st April 2015: 19,245,020) - Big Apple Real Estate Pvt. Ltd.	17,143.89	17,143.89	11,257.16
10,000 (31st March 2016: 10,000 , 1st April 2015: 10,000) - Enhance Holdings Pvt. Ltd. (Formerly known as Kalani Holdings Pvt. Ltd.)	3.85	3.85	3.85
100,000 (31st March 2016: 100,000 , 1st April 2015: 100,000) - Market City Management Pvt Ltd.	10.00	10.00	10.00
10,000 (31st March 2016: 10,000 , 1st April 2015: 10,000) - Market City Resources Pvt. Ltd.	121.55	29.87	1.43
967,000 (31st March 2016: 967,000 , 1st April 2015: Nil) Gangetic Hotels Pvt Ltd	630.20	630.20	-
109,168,803 (31st March 2016: 26,176,473 , 1st April 2015: 19,105,862) - Island Star Mall Developers Pvt. Ltd. @\$	27,022.84	26,492.67	14,561.88
9,280 (31st March 2016: 9,280 , 1st April 2015: 9,280) - Mugwort Land Holdings Pvt. Ltd	0.93	0.93	0.93
17,192,079 (31st March 2016: 17,192,079 , 1st April 2015: 15,836,664) - Palladium Constructions Pvt Ltd.	21,900.78	21,885.09	19,327.47
1,200,000 (31st March 2016: 1,200,000 , 1st April 2015: 1,200,000) - Pallazzio Hotels & Leisure Ltd. ₹100 each @	1,203.59	1,200.00	1,200.00
1,321,400 (31st March 2016: 1,321,400 , 1st April 2015: 1,321,400) Phoenix Hospitality Services Private Limited @	15,416.35	15,416.35	15,416.35
10,000 (31st March 2016: 10,000 , 1st April 2015: 10,000) - Pinnacle Real Estate Development Pvt. Ltd.	399.94	399.94	399.94
10,000 (31st March 2016: 10,000 , 1st April 2015: 10,000) - Plutocrate Asset & Capital Management Co. Pvt. Ltd.	350.00	350.00	350.00
1,250 (31st March 2016: 1,250 , 1st April 2015: 1,250) - Butala Farm Lands Pvt. Ltd. ₹ 100 each	2,500.00	2,500.00	2,500.00
26,398,456 (31st March 2016: 20,645,223 , 1st April 2015: 17,767,851) - Offbeat Developers Private Ltd @	37,708.48	26,635.71	20,645.60

NOTES

ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

(₹ in Lakhs)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
19,669,139 (31st March 2016: 19,669,139, 1st April 2015: 13,638,139)- Vamona Developers Pvt. Ltd. @	11,918.28	11,909.07	4,741.95
75,000 (31st March 2016: Nil, 1st April 2015: Nil)Alliance Spaces Pvt Ltd.	240.73	-	-
50,000 (31st March 2016: 50,000, 1st April 2015: 25,000) Savannah Phoenix Pvt Ltd (Associate upto 6th April 2015)	5.65	5.65	2.50
	137,017.20	125,051.93	90,857.75
ii. ASSOCIATES (At Cost)			
(Equity Shares of face value of ₹ 10/- each fully paid-up unless otherwise stated)			
3,709,416 (31st March 2016: 3,709,416, 1st April 2015: 3,709,416) - Classic Mall Development Pvt. Limited (Subsidiary up to 31/03/2017)@	8,161.46	8,154.36	8,154.36
5,208 (31st March 2016: 5,000, 1st April 2015: 5,000)- Classic Housing Projects Pvt. Ltd.	49.50	0.50	0.50
	8,210.96	8,154.86	8,154.86
2. INVESTMENT IN PREFERENCE SHARES			
i. SUBSIDIARY (At Cost)			
Redeemable Preference Shares of ₹ 10/- each fully paid-up unless otherwise stated			
784,000 (31st March 2016: 784,000, 1st April 2015: Nil) Savannah Phoenix Private Limited (Associate upto 6th April 2015)	78.40	78.40	-
0.0001% Compulsory Convertible Preference shares of ₹ 10 each (CCPS) fully paid up			
3,089,759 (31st March 2016: Nil, 1st April 2015: Nil) Series A CCPS Island Star Mall Developers Pvt. Ltd. (Received as bonus Shares)			
3. INVESTMENT IN DEBENTURES			
i. SUBSIDIARY (At Cost)			
Compulsorily Convertible Debentures of ₹ 100/- each fully paid-up			
847,365 (31st March 2016: 847,365, 1st April 2015: 847,365) Pallazzio Hotels and Leisure Ltd - Series C	6,277.79	6,277.79	6,277.79
303,180 (31st March 2016: 303,180, 1st April 2015: 303,180) Phoenix Hospitality Co. Pvt. Ltd.	303.18	303.18	303.18
449,664 (31st March 2016: 449,664, 1st April 2015: 449,664) Pallazzio Hotels and Leisure Ltd - Series G	6,349.26	6,349.26	6,349.26
615,184 (31st March 2016: 615,184, 1st April 2015: Nil) Pallazzio Hotels and Leisure Ltd - Series H	8,246.54	8,246.54	-
769,440 (31st March 2016: Nil, 1st April 2015: Nil) Pallazzio Hotels and Leisures Ltd.- CCD-B Series	5,120.00	-	-
397,616 (31st March 2016: 397,616, 1st April 2015: 224,000) Savannah Phoenix (P) Limited	287.50	287.50	224.00

NOTES

ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

	(₹ in Lakhs)		
	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Non Convertible Debenture of ₹ 230,000,000/- each fully paid-up			
1 (31st March 2016: 1 , 1st April 2015: 1) Pallazzio Hotels and Leisure Ltd - Series F	2,300.00	2,300.00	2,300.00
Optionally Fully Convertible Debentures of ₹ 100/- each fully paid-up unless otherwise stated			
2,890,000 (31st March 2016: Nil , 1st April 2015: Nil) Alliance Spaces Pvt Ltd.	2,890.00	-	-
3,648,900 (31st March 2016: 20,82,500 , 1st April 2015: Nil) Bellona Hospitality Services Limited	3,648.90	2,082.50	-
4,250,000 (31st March 2016: Nil , 1st April 2015: Nil) Blackwood Developers Pvt Ltd. (₹10/- each fully paid up)	425.00	-	-
87,000,000 (31st March 2016: Nil , 1st April 2015: Nil) Gangetic Hotels Pvt Ltd. (₹10/- each fully paid up)	8,700.00	-	-
7,000,000 (31st March 2016: Nil , 1st April 2015: Nil) Graceworks Realty & Leisure Pvt Ltd.	7,000.00	-	-
16,046,066 (31st March 2016: Nil , 1st April 2015: Nil) Pallazzio Hotels & Leisures Ltd	16,046.07	-	-
2,325,000 (31st March 2016: Nil , 1st April 2015: Nil) Phoenix Hospitality Company Pvt. Ltd.	2,325.00	-	-
93,290 (31st March 2016: 32,920 , 1st April 2015: Nil) Savannah Phoenix Private Limited	93.29	32.92	-
ii. ASSOCIATES (At Cost)			
Compulsorily Convertible Debentures of ₹ 100/- each fully paid-up			
1,383,999 (31st March 2016: 1,383,999 , 1st April 2015: 1,383,999) Star Board Hotels Pvt Ltd	1,384.00	1,384.00	1,384.00
Optionally Convertible Debentures of ₹ 100/- each fully paid-up			
420,000 (31st March 2016: 420,000 , 1st April 2015: 420,000) Classic Housing Projects Pvt. Ltd.	420.00	420.00	420.00
	71,816.53	27,683.69	17,258.23

NOTES

ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

							(₹ in Lakhs)	
		As at 31st March, 2017			As at 31st March, 2016			As at 1st April, 2015
B. NON TRADE INVESTMENTS								
i. At fair value through Profit & Loss								
QUOTED								
(Equity Shares of face value of ₹ 10/- each fully paid-up unless otherwise stated)								
36,325 (31st March 2016: 36,325 , 1st April 2015: 7,265) - I.C.I.C.I. Bank Limited - face value of ₹ 2 each (01 April 2015 ₹ 10 each)**	100.66		85.93		114.53			
20 (31st March 2016: 20 , 1st April 2015: 20)- Clariant Chemicals (India) Ltd.	0.14	100.80	0.12	86.05	0.16	114.70		
UNQUOTED								
ii. At fair value through Other Comprehensive Income								
QUOTED								
(Equity Shares of face value of ₹ 10/- each fully paid-up, unless otherwise stated)								
60,192 (31st March 2016: 60,192 , 1st April 2015: 60,192) - GKW Limited	304.91		395.23		315.29			
200,641 (31st March 2016: 200,641 , 1st April 2015: 200,641) - Graphite India Limited - face value of ₹ 2 each	225.12		143.26		167.13			
		530.03		538.49		482.42		
UNQUOTED								
(Equity Shares of face value of ₹ 10/- each fully paid-up unless otherwise stated)								
Nil (31st March 2016: 25,000 , 1st April 2015: 25,000) - Escort Developers Pvt. Ltd.	-		159.50		159.50			
5,000 (31st March 2016: 5,000 , 1st April 2015: 5,000) - Bartraya Mall Development Co. Pvt. Ltd	0.50		0.50		0.50			
20,593,192 (31st March 2016: 20,593,192 , 1st April 2015: 20,593,192) - EWDPL (India) Pvt. Ltd. (Refer Note 41)	4,501.25		4,501.25		4,501.25			
10 (31st March 2016: 10 , 1st April 2015: 10) - Treasure World Developers (India) Pvt. Ltd. (Refer Note 41)	0.09		0.09		0.09			
80 (31st March 2016: 80 , 1st April 2015: 80) ordinary shares of ₹ 25/- each -fully paid of Rashtriya Mazdoor Madhyavarti Sahakari Grahak Sangh (Maryadit)	0.02		0.02		0.02			

NOTES

ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

	(₹ in Lakhs)		
	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Compulsorily Convertible Debentures of ₹ 100/- each fully paid-up			
34,000 (31st March 2016: 34,000 , 1st April 2015: 34,000) Escort Developers Pvt Limited	34.00	34.00	34.00
66,500 (31st March 2016: 66500 , 1st April 2015:66500) Phoenix Retail Pvt. Limited	66.50	66.50	66.50
38,545 (31st March 2016: 38,545 , 1st April 2015: 38,545) Vigilant Developers Pvt. Limited	38.55	38.55	38.55
Compulsory Convertible Debentures of ₹ 10/- each fully paid-up			
100,000,000 (31st March 2016: 100,000,000, 1st April 2015: 100,000,000) Treasure World Developers Pvt. Ltd. (Refer Note No 41)	10,000.00	10,000.00	10,000.00
Optionally convertible debentures of Rs. 100/- Each fully paid up			
41,000,000 (31st March 2016: Nil , 1st April 2015: Nil) Insight Hotels & Leisure Pvt Ltd. (₹10/- each fully paid up)	4,100.00	-	-
21,000,000 (31st March 2016: Nil , 1st April 2015: Nil) Roomy Construction Company Pvt Ltd.(₹10/- each Fully paid up)	2,100.00	-	-
	20,840.90	14,800.40	14,800.40
C. INVESTMENT IN THE CAPITAL OF PARTNERSHIP FIRM (At Cost)			
Phoenix Construction Company	190.65	192.50	194.24
Total Investments	238,785.47	176,586.31	131,862.60
Less: Provision for diminution in the value of investments (Refer Note No 41)	10,525.00	10,525.00	8,425.00
	228,260.47	166,061.31	123,437.60

	(₹ in Lakhs)		
Particulars	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
1. Aggregate Value of Quoted Investment			
Book Value	630.83	624.53	597.12
Market Value	630.83	624.53	597.12
2. Aggregate Book Value of other Unquoted Investment	238,154.64	175,961.77	131,265.48

@ 51% shares of Island Star Mall Developers Private Limited held by the Company , 30% shares of Pallazzo Hotels & Leisure Limited , 29.50% shares of Phoenix Hospitality Company private Limited & 48.19% shares of Classic Mall Developments Private Limited are held subject to a non-disposal undertaking to the lender bank stating that it shall not dispose / transfer /pledge /encumber these shares owned/held in the company until the loans taken by these companies are fully repaid to the bank.

** Out of 36,325 shares, 9,975 shares are held by a Bank in their name as security
\$ Includes 80,492,330 bonus Shares received during the year

NOTES

ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

Investments in subsidiaries & Associates includes cost of ESOP granted to employees of respective subsidiaries & Associates as under :

(₹ in Lakhs)

Particulars	As at		As at	
	31st March, 2017	31st March, 2016	31st March, 2016	1st April, 2015
Marketcity Resources Pvt Ltd	91.68	28.44		0.39
Offbeat Developers Pvt Ltd	16.45	-		-
Palladium Construction Pvt Ltd	15.69	-		-
Island Star Mall Developers Pvt. Ltd.	10.53	-		-
Vamona Developers Pvt Ltd	9.21	-		-
Classic Mall Developers Company Pvt Ltd	7.10	-		-
Pallazzio Hotels & Leisures Ltd	3.59	-		-
Bellona Hospitality Services Ltd	1.44	-		-
	155.70	28.44		0.39

(₹ in Lakhs)

Category wise Non Current Investments	As at		As at	
	31st March, 2017	31st March, 2016	31st March, 2016	1st April, 2015
Financial Assets Measured at Cost	217,313.74	161,161.38		116,465.08
Financial Assets Measured at Fair value through Other Comprehensive Income	21,370.93	15,338.88		15,282.82
Financial Assets Measured at Fair value through Profit & Loss account	100.80	86.05		114.70
Total	238,785.47	176,586.31		131,862.60

(₹ in Lakhs)

	As at		As at		As at	
	31st March, 2017	31st March, 2016	31st March, 2016	31st March, 2016	1st April, 2015	1st April, 2015
	Current	Non Current	Current	Non Current	Current	Non Current
NOTE 7						
LOANS						
Inter Corporate Loans and Deposits (Unsecured)						
With Related Parties (Considered Good) #	9,475.69	259.51	28,122.55	42,471.51	24,035.13	41,486.31
With Others						
Considered Good	1,287.08	300.00	1,883.25	300.00	1,853.18	300.00
Considered Doubtful	757.25	-	757.25	-	57.25	-
	2,044.33	300.00	2,640.50	300.00	1,910.43	300.00
Less: Provision for Doubtful Receivables	(757.25)	-	(757.25)	-	(57.25)	-
	1,287.08	300.00	1,883.25	300.00	1,853.18	300.00
Other Loans	1,845.54	230.25	31.75	230.25	43.42	415.25
TOTAL	12,608.32	789.76	30,037.54	43,001.76	25,931.74	42,201.56

Refer Note 32

NOTES

ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

(₹ in Lakhs)

	As at		As at		As at	
	31st March, 2017		31st March, 2016		1st April, 2015	
	Current	Non Current	Current	Non Current	Current	Non Current
NOTE 8						
OTHER FINANCIAL ASSETS						
Interest Accrued on Fixed Deposits	29.88	-	32.69	-	29.23	-
Interest Accrued on Investments	1,432.51	-	1,432.51	-	1,432.51	-
Other Bank Balances *	-	3,860.71	-	3,188.54	-	3,188.54
	1,462.39	3,860.71	1,465.20	3,188.54	1,461.74	3,188.54

* Fixed Deposits of ₹ 3,818.17 Lakhs (31st March 2016: 3,146 Lakhs & 1st April 2015: 3,146 Lakhs) earmarked towards maintenance of DSRA as per loan agreement and Fixed deposits of ₹ 42.54 Lakhs (31st March 2016: 42.54 Lakhs & 1st April 2015: 42.54 Lakhs) is given as security for bank guarantee.

NOTE 9

DEFERRED TAX ASSETS (NET)

Deferred Tax is calculated, in full, on all temporary timing differences under the Balance sheet approach using prevailing tax rate. The movement on the deferred tax account is as follows:

(₹ in Lakhs)

Particulars	As at		As at		As at	
	31st March, 2017		31st March, 2016		1st April, 2015	
At start of year						
	417.57		214.42		-	
Charge/(credit) to profit or loss (Refer Note 51)	482.81		203.15		-	
At the end of the year						
	900.38		417.57		214.42	
Deferred Tax Liability						
Related to Property, plant and Equipment	-		-		(89.00)	
Deferred Tax Assets						
Related to Property, plant and Equipment	567.19		101.88		-	
Disallowances under Income Tax Act, 1961	333.19		315.69		303.42	
	900.38		417.57		214.42	

NOTE 10

OTHER ASSETS

(₹ in Lakhs)

	As at		As at		As at	
	31st March, 2017		31st March, 2016		1st April, 2015	
	Current	Non Current	Current	Non Current	Current	Non Current
Deposits (Unsecured, Consider Good)						
Deposits with Related Parties #	150.00	5,517.75	150.00	5,517.75	150.00	6,892.75
Other Deposits	-	379.86	-	311.84	-	402.99
Capital Advances						
Advance for Capital Items to Related Parties #	-	900.75	-	9,124.74	-	9,124.74
Others	-	681.56	-	500.01	-	873.35
Other Advances						
Related Parties #	-	3,200.00	-	3,200.00	-	-
Others	409.25	73.20	344.01	76.20	757.84	82.21
Balances with Central Excise Authorities	272.58	-	390.16	-	126.91	-
Unbilled Revenue	43.98	-	24.04	-	91.96	-
TOTAL	875.81	10,753.12	908.21	18,730.54	1,126.71	17,376.04

Refer Note No. 32

Loans & Advances include rent deposit of ₹ 5,537.75 Lakhs (31st March, 2016 ₹ 8,545.33 Lakhs 1st April, 2015 ₹ 4,142.45 Lakhs) to Private limited companies in which any director is a Director/Member

NOTES

ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE 11

TRADE RECEIVABLES

	(₹ in Lakhs)		
	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Unsecured			
Considered Good	1,922.10	2,419.97	2,122.29
Considered Doubtful	782.55	893.94	794.09
	2,704.65	3,313.91	2,916.38
Less: Provision for Doubtful Receivables	782.55	893.94	794.09
TOTAL	1,922.10	2,419.97	2,122.29

Trade Receivables include ₹ 11.74 Lakhs (31st March 2016: ₹ 11.74 Lakhs & 1st April 2015: ₹ 11.74 Lakhs) from private companies in which a director is a director / member

NOTE 12

CASH AND CASH EQUIVALENTS

	(₹ in Lakhs)		
	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Cash on hand	2.74	2.06	2.02
Balances with Banks:			
In Current Accounts	504.09	6,916.26	1,879.29
Dividend Accounts	176.51	208.78	161.88
TOTAL	683.34	7,127.10	2,043.19

NOTE 13

BANK BALANCE OTHER THAN ABOVE

	(₹ in Lakhs)		
	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Deposit with Bank (Maturity more than 3 months & less than 12 months)	14.84	-	-
	14.84	-	-

Refer Note No. 34(d)

NOTE 14

CURRENT TAX ASSETS (NET)

	(₹ in Lakhs)		
	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Advance Tax (Net of Provisions)	1,542.72	325.47	469.41
TOTAL	1,542.72	325.47	469.41

NOTES

ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE 15

(₹ in Lakhs)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Equity share capital			
Authorized capital			
225,000,000 Equity Shares (31st March 2016: 225,000,000, 1st April 2015: 225,000,000) of ₹ 2 each	4,500.00	4,500.00	4,500.00
Total	4,500.00	4,500.00	4,500.00

(₹ in Lakhs)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Issued, subscribed and paid-up capital			
Equity share capital			
153,066,907 Equity Shares (31st March 2016: 152,988,852, 1st April 2015: 144,956,695) of ₹ 2 each	3,061.34	3,059.78	2,899.13
Total	3,061.34	3,059.78	2,899.13

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Note 15.1 Reconciliation of Shares.			
Equity Shares outstanding at the beginning of the year	152,988,852	144,956,695	144,845,445
Add : Issued during the year on exercise of employee options	78,055	40,250	111,250
Add : Issued during the year under Qualified Institution Placement	-	7,991,907	-
Equity Shares outstanding at the end of the year	153,066,907	152,988,852	144,956,695

Note 15.2

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

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Note 15.3 Shares in the Company held by each shareholder holding more than 5 % Shares			
Ruia International Holding Company Private Limited	49,347,248	32.24	49,347,248
Senior Holdings Private Limited.	15,490,049	10.12	15,490,049
Radhakrishna Ramnarain Private Limited.	11,667,800	7.63	11,667,800
Ashok Apparels Private Limited.	9,670,665	6.32	9,670,665

Note 15.4

During the Financial year 2015-16, the Company undertook Private Placement, as authorised by the Board of Directors, for issuance of 7,991,907 Equity Shares of face value of ₹ 2/- each to Qualified Institutional Buyers at a price of ₹ 353.60/- per Equity Share, including share premium of ₹ 351.60/- per Equity Share, aggregating to ₹ 282.59/- crores in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2009 (SEBI ICDR Regulations) and Section 42 of the Companies Act, 2013 and the Rules made there under. The Private Placement issue was closed on 14/07/2015 and consequently, the said Equity Shares were allotted on 17/07/2015.

NOTES

ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE 16

Other Equity

	(₹ in Lakhs)		
	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Capital Reserve			
As per last Balance Sheet	184.14	184.14	184.14
General Reserve			
As per last Balance Sheet	22,917.65	22,917.65	22,917.65
Securities Premium			
As per last Balance Sheet	134,325.83	106,890.78	-
Add: On issue of shares	214.13	28,207.42	-
Less : Expenses on the issuance of Shares	-	772.37	-
	134,539.96	134,325.83	106,890.78
Share Based Payment Reserve			
As per last Balance Sheet	42.56	0.58	-
Add: ESOP Cost for the year	169.25	41.98	-
	211.81	42.56	0.58
Retained Earnings			
Profit & Loss Account			
As per last Balance Sheet	69,477.40	61,782.23	-
Add : Profit for the Current Year	13,354.77	14,959.94	-
	82,832.17	76,742.16	-
Less : Appropriations			
Transferred to General Reserve			
Interim Dividend (P.Y. ₹ 1.75/- Per share)	-	(2,673.70)	-
Final Dividend (₹ 0.45/- Per share) (P.Y. ₹2.20/-)	(688.45)	(3,365.75)	-
Tax on Dividend	(140.15)	(1,225.31)	-
	82,003.57	69,477.40	61,782.23
Other Comprehensive Income			
Equity Instruments at FVOCI			
As per last Balance Sheet	358.75	278.81	-
Add/(Less) Change in fair value of Equity Instruments at FVOCI	(90.32)	79.94	-
At the end of Year	268.43	358.75	278.81
Remeasurement of net defined benefit plans			
As per last Balance Sheet	19.91	-	-
Add/(Less) Remeasurements gains/(loss) on defined benefit plan	1.61	19.91	-
	21.52	19.91	-
At the end of Year	240,147.08	227,326.23	192,054.19

Nature & Purpose of Other Equity

- 1) Capital Reserve: Capital reserve represents reserve created pursuant to the business combinations upto year end.
- 2) Securities Premium Reserve: Securities premium reserve represents premium received on equity shares issued, which can be utilised only in accordance with the provisions of the Companies Act, 2013 for specified purposes.
- 3) Share Based Payment Reserve: Reserve relates to stock options granted by the Group to employees under an employee stock options plan.
- 4) General Reserve: General reserve is created from time to time by transferring profits from retained earnings and can be utilised for purposes such as dividend payout, bonus issue, etc.

NOTES

ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE 17 BORROWINGS

(₹ in Lakhs)						
	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Current	Non Current	Current	Non Current	Current	Non Current
SECURED						
Term Loans from Banks	7,301.30	57,507.05	5,300.80	52,354.60	4,341.00	53,190.00
(The term loans are secured by Equitable Mortgage of deposit of title deeds in respect of certain immovable properties situated at High Street Phoenix, Senapati Bapat Marg , Lower Parel, Mumbai and by hypothecation of rentals receivable from licencees as per pari passu basis.)						
Less: Amount disclosed under the head Other Current Liabilities	(7,301.30)		(5,300.80)		(4,341.00)	
TOTAL	-	57,507.05	-	52,354.60	-	53,190.00

Maturity Profile:

(₹ in Lakhs)					
	FY 2017-18		FY 2018-19		FY 2019-20
	7,301.30		8,191.45		9,184.50
	10,312.35		29,818.75		

NOTE 18 PROVISIONS

(₹ in Lakhs)						
	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Current	Non Current	Current	Non Current	Current	Non Current
Provision for Employee Benefits						
Gratuity	1.50	0.40	-	4.95	26.92	13.95
Leave Encashment	5.26	73.16	23.02	47.20	16.24	38.87
	6.76	73.56	23.02	52.15	43.16	52.82

NOTE 19 OTHER LIABILITIES

(₹ in Lakhs)						
	As at 31st March, 2017		As at 31st March, 2016		As at 1st April, 2015	
	Current	Non Current	Current	Non Current	Current	Non Current
Advance from Prospective Buyers	652.42	-	1,759.89	-	1,356.53	-
Income Received in Advance	19.19	-	78.38	-	63.38	68.03
Security Deposits from Occupants/Licencees	3,196.83	11,004.37	2,562.70	11,055.03	1,993.79	9,724.14
Statutory Dues	188.11	-	131.73	-	73.05	-
Others #	2,620.37	-	2,114.36	-	2,855.04	-
TOTAL	6,676.92	11,004.37	6,647.06	11,055.03	6,341.79	9,792.17

Others include Advance of ₹ 1,918.80 Lakhs (31st March 2016: 1,918.80 Lakhs , 1st April 2015: 1,918.80 Lakhs) Received against the Debentures of TWDL (Refer Note No.41)

NOTES

ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE 20 BORROWINGS

	(₹ in Lakhs)		
	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Secured			
Working Capital Loans	10,257.24	9,464.46	2,382.50
(Overdraft facility with HDFC Bank Limited for ₹ 2,968.22 Lakhs (31st March 2016: Nil, 1st April 2015: 1,399.22 Lakhs) and Kotak Mahindra Bank Limited for ₹7,289.02 Lakhs (31st March 2016: 9,464.46 Lakhs, 1st April 2015: 983.28 Lakhs) is secured by Equitable Mortgage of deposit of title deeds in respect of certain immovable properties situated at High Street Phoenix, Senapati Bapat Marg, Lower Parel, Mumbai and by hypothecation of rentals receivable from licencees on pari passu basis.)			
Unsecured			
From Related Party	-	15,000.00	-
Commercial Paper	-	-	5,500.00
	10,257.24	24,464.46	7,882.50

NOTE 21 TRADE PAYABLES

	(₹ in Lakhs)		
	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
TRADE PAYABLES			
Micro and Small Enterprises #	-	-	-
Others	1,689.92	1,454.30	821.74
	1,689.92	1,454.30	821.74

There are no Micro and Small Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days during the year or as at March 31, 2017. The above information, regarding Micro and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the Auditors.

The disclosure pursuant to the said Act is given as under:

	(₹ in Lakhs)		
	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
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	-	-	-

NOTES

ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE 22

OTHER FINANCIAL LIABILITIES

(₹ in Lakhs)

	As at 31st March, 2017	As at 31st March, 2016	As at 1st April, 2015
Current Maturities of Long Term Debts (Refer Note 17)	7,301.30	5,300.80	4,341.00
Interest Accrued but not due	385.60	702.50	398.78
Unpaid Dividends #	176.50	208.78	161.88
Creditors for Capital Items	305.91	317.22	748.52
TOTAL	8,169.31	6,529.30	5,650.18

These figures do not include any amounts, due and outstanding to be credited to Investor Education & Protection Fund

NOTE 23

REVENUE FROM OPERATIONS

(₹ in Lakhs)

	2016-17	2015-16
License Fees and Rental Income	28,370.73	26,009.93
Service Charges	4,291.38	4,560.42
Others	4,928.37	5,008.64
TOTAL	37,590.48	35,578.99

NOTE 24

OTHER INCOME

(₹ in Lakhs)

	2016-17	2015-16
Interest Income		
From Investments in Debt Instruments (Current Year ₹ 156 & Previous Year ₹32)	0.00	0.00
From Financial Instruments carried at amortised cost	4,622.38	9,649.42
From Income Tax Refund	263.52	-
	4,885.90	9,649.42
Dividend Income	5.68	12.24
Net gain / (loss) arising on financial assets measured at FVTPL	96.62	(52.53)
Other Non-operating Income		
Profit on sale of Investments	186.82	174.50
Miscellaneous Receipts	209.67	27.11
Profit on assignment of rights / transfer of property under development	24.69	-
Sundry Balances written back	98.02	39.38
TOTAL	5,507.40	9,850.12

NOTE 25

EMPLOYEE BENEFITS EXPENSE

(₹ in Lakhs)

	2016-17	2015-16
Salaries, Wages & Bonus	1,295.92	1,042.79
Contribution to Provident Fund & Other Funds	27.60	24.74
Gratuity and Leave encashment	18.98	24.79
Share based payments cost	27.28	-
Staff Welfare Expenses	18.20	49.62
TOTAL	1,387.98	1,141.94

NOTES

ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE 26

FINANCE COSTS

	(₹ in Lakhs)	
	2016-17	2015-16
Interest Expense	8,087.58	6,356.09
Other Borrowing Costs	39.61	530.20
	8,127.19	6,886.29

NOTE 27

DEPRECIATION AND AMORTISATION EXPENSE

	(₹ in Lakhs)	
	2016-17	2015-16
Depreciation and Amortisation	3,006.60	2,931.49
	3,006.60	2,931.49

NOTE 28

OTHER EXPENSES

	(₹ in Lakhs)	
	2016-17	2015-16
Electricity	4,132.56	4,141.62
Repairs and Maintenance:-		
Buildings	584.52	639.41
Plant & Machinery	336.27	332.09
Others	151.01	118.82
	1,071.80	1,090.32
Insurance	69.15	69.35
Rent	24.00	28.98
Rates & Taxes	792.40	751.75
Water Charges	257.04	353.29
Legal and Professional charges	984.42	779.02
Travelling Expenses	123.69	179.76
Auditors' Remuneration	60.00	56.76
Directors' sitting fees & Commission	18.85	23.80
Compensation	157.40	151.18
Donation	111.00	58.04
Loss on Sale of Property, Plant and Equipment	0.46	-
Advertisement & Sales Promotion	1,302.00	1,049.03
Bad debts & Sundry balances written off/(Written Back)(Net)	22.91	49.20
Provision for Doubtful Debts/(Reversal)	(111.39)	170.43
Rebates and settlement	81.17	50.14
Bank charges	3.98	11.93
Housekeeping and other services	866.82	798.44
Security Charges	490.36	355.72
Share of Loss from a Partnership Firm	1.85	1.74
Miscellaneous Expenses	362.12	352.08
TOTAL	10,822.59	10,522.60

NOTES

ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

29. Disclosure as per Ind As – 19 “Employee Benefits”

(A) Expenses recognised for Defined Contribution Plan :

Employer’s Contribution to Provident and Pension Fund ₹25.37 Lakhs (PY ₹ 22.87 Lakhs).

Employer’s Contribution to ESIC ₹ 0.44, Lakhs (PY ₹ 0.24 Lakhs)

The Company makes contributions towards provident fund and pension fund for qualifying employees to the Regional Provident Fund Commissioner.

(B) Expenses recognised Defined Benefit Plan:

The company provides gratuity benefit to its employees which is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is recognised in the same manner as gratuity.

i) Change in Defined Benefit Obligation during the year

Particulars	(₹ in Lakhs)	
	2016-17	2015-16
	Gratuity (Funded)	Gratuity (Funded)
Present value of the obligation at the beginning of the year	91.89	105.27
Current Service Cost	7.55	8.72
Interest Cost	7.47	7.79
Actuarial (Gain) / Loss on Obligation	(2.15)	(18.49)
Benefits Paid	(2.97)	(11.40)
Present value of the obligation at the end of the year	101.79	91.89

ii) Change in Fair Value of Assets and Obligations

Particulars	(₹ in Lakhs)	
	2016-17	2015-16
	Gratuity (Funded)	Gratuity (Funded)
Fair value of Plan Assets at the beginning of the year	86.95	64.40
Expected Return on plan assets	6.51	3.95
Contribution	9.94	28.58
Benefits paid during the year	(2.96)	(11.40)
Actuarial (gain)/loss on Plan Asset	(0.54)	1.42
Fair value of Plan Assets at the end of the year	99.89	86.95

iii) Amount to be recognized in Balance sheet

Particulars	(₹ in Lakhs)	
	2016-17	2015-16
	Gratuity (Funded)	Gratuity (Funded)
Present Value of Defined Benefit Obligation	101.79	91.89
Fair value of Plan Assets at the end of the year	99.89	86.95
Amount to be recognized in Balance sheet	1.90	4.94

iv) Current/Non-Current bifurcation

Particulars	(₹ in Lakhs)	
	2016-17	2015-16
	Gratuity (Funded)	Gratuity (Funded)
Current Benefit Obligation	1.50	-
Non - Current Benefit Obligation	0.40	4.94

NOTES

ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

v) Expense recognised in the statement of financial position for the year

Particulars	(₹ in Lakhs)	
	2016-17	2015-16
	Gratuity (Funded)	Gratuity (Funded)
Current Service Cost	7.55	8.72
Interest cost on Obligation	0.96	3.84
Net Actuarial (Gain) / Loss recognised in the year	-	-
Net Cost Included in Personnel Expenses	8.51	12.56

vi) Recognised in Other Comprehensive (Income)/Loss at Period-End

Particulars	(₹ in Lakhs)	
	2016-17	2015-16
	Gratuity (Funded)	Gratuity (Funded)
Amount recognized in OCI, Beginning of Period	(19.91)	-
Remeasurement due to :		
Effect of Change in financial assumptions	1.44	(8.93)
Effect of Change in demographic assumptions	-	(4.68)
Effect of experience adjustments	(3.59)	(4.88)
Actuarial (Gains)/Losses	(2.15)	(18.49)
Return on plan assets (excluding interest)	0.54	(1.42)
Total remeasurements recognized in OCI	(1.61)	(19.91)
Amount recognized in OCI, End of Period	(21.52)	(19.91)

vii) Maturity profile of defined benefit obligation

Particulars	(₹ in Lakhs)	
	2016-17	2015-16
Within the next 12 months	9.52	14.90
between 2 to 5 Years	47.39	35.83
between 5 to 10 Years	39.24	30.05

viii) Actuarial Assumptions used for estimating defined benefit obligations

Particulars	2016-17	2015-16
Discount Rate	7.70% P.A.	7.75% P.A.
Salary Escalation Rate	7.50% P.A.	10% P.A.
Expected Return on Plan Assets	8.50%	8.50%
Mortality Rate	IALM (2006-08)	IALM (2006-08)
Withdrawal Rate	5.00%	5.00%
The Weighted Average Duration of the Plan	10.89 years	10.89 years
No. of Employees	102	97
Average Age	39	39
Total Salary	47.09	43.14
Average Salary	0.46	0.44
Average Service	8	8
Accrued Benefit	125.09	109.87
Actuarial Liability	101.79	91.89

NOTES

ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

Notes:

- Salary escalation rate is arrived after taking into account regular increments, price inflation and promotion and other relevant factors such as supply and demand in employment market.
- Discount rate is based on prevailing market yields of Indian Government Securities as at balance sheet date for estimated term of obligations.
- Attrition rate/ withdrawal rate is based on Company's policy towards retention of employees, historical data and industry outlook.
- Expected contribution to defined benefit plans for financial year 2017-18 is ₹ 1.50/- Lakhs.
- The above information is certified by actuary.

ix) Sensitivity analysis:

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

(₹ in Lakhs)

Particulars	Change in assumption	Effect on Gratuity obligation	
		2016-17	2015-16
Discount rate	+1%	94.98	85.95
	-1%	109.59	98.67
Salary Escalation rate	+1%	104.74	94.66
	-1%	98.43	88.69
Withdrawal rate	+1%	103.54	93.26
	-1%	99.74	90.27

These gratuity plan typically expose 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.

C) Unfunded Schemes – Earned Leaves

(₹ in Lakhs)

Particulars	Year ended	Year ended
	March 31, 2017	March 31, 2016
Present value of unfunded obligations	78.42	70.22
Expenses recognised in the statement of profit and loss	10.22	17.07
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)	7.50%	7.70%
Salary escalation rate (per annum)	7.50%	7.50%

NOTES

ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

30. The Company is mainly engaged in real estate activities catering to Indian customers. Accordingly, the Company has only one identifiable segment reportable under Ind AS 108 - Operating Segments.

Managing Director (the 'Chief Operational Decision Maker' as defined in Ind AS 108) monitors the operating results of the company's business for the purpose of making decisions about resource allocation and performance assessment.

The revenues from transactions with a single customer does not exceed 10 per cent or more of the company's revenues.

31. The company provides units at its mall on License basis for which it charges license fee. The license agreements are generally for the period of 1 year to 5 years. The terms also provide for escalation of License fees and other charges on a periodical basis. Generally, the company has a right to terminate the license agreement by giving 6 months notice.
32. In view of the Ind As 24 "Related Parties Disclosures", the disclosure in respect of related party transactions for the year ended on 31st March 2017 is as under:

a) RELATIONSHIPS

Category I : Subsidiaries of the Company (Control Exists)

Alliance Spaces Private Limited
Alyssum Developers Private Limited (Subsidiary from 17/03/2017)
Blackwood Developers Private Limited
Bellona Hospitality Services Limited
Big Apple Real Estate Private Limited
Butala Farm Lands Private Limited
Gangetic Developers Private Limited
Gangetic Hotels Private Limited
Graceworks Realty & Leisure Private Limited
Island Star Mall Developers Private Limited
Enhance Holding Private Limited
Market City Management Private Limited
Marketcity Resources Private Limited
Mugwort Land Holdings Private Limited
Offbeat Developers Private Limited
Palladium Constructions Private Limited
Pallazzo Hotels and Leisure Limited
Pinnacle Real Estate Development Private Limited
Plutocrat Assets and Capital Management Private Limited
Phoenix Hospitality Company Private Limited
Sangam Infrabuild corporation Private Limited
Savannah Phoenix Private Limited
Upal Developers Private Limited
Vamona Developers Private Limited

Category II : Associates of the Company

Classic Housing Projects Private Limited
Classic Mall Development Company Pvt Ltd (Subsidiary upto 31/03/2017)
Escort Developers Private Limited (up to 31/03/2017)
Mirabel Entertainment Private Limited
Starboard Hotels Private Limited

Category III : Key Managerial Personnel

Key Person	Designation
Ashokkumar Ruia	Chairman & Managing Director
Atul Ruia	Jt. Managing Director
Shishir Shrivastava	Jt. Managing Director

NOTES

ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

Category IV : Enterprises over which Key Managerial Personnel are able to exercise significant control

Ashok Apparels Private Limited
R.R.Hosiery Private Limited
R.R. Hosiery
Padmashil Hospitality & Leisure Private Limited
Phoenix Retail Private Limited
Vigilant Developers Private Limited
Winston Hotel Private Limited
Phoenix Construction Company

Category V : Relatives of Key Managerial Personnel

Gayatri Ruia

b. Transactions during the year:

(₹ in Lakhs)

TRANSACTIONS	Category I	Category II	Category III	Category IV	Category V	Total
1 Rent, Compensation & Other recoveries	170.63	66.89	-	-	19.19	256.71
	(381.59)	(80.66)	-	-	(20.73)	(482.98)
2 Interest Received	3,428.55	580.48	-	-	-	4,009.03
	(8,844.62)	(355.18)	-	-	-	(9,199.80)
3 Administrative & other exp.	730.04	-	-	55.69	-	785.73
	(457.72)	-	-	(55.99)	-	(513.71)
4 Interest Paid	-	1,116.16	-	-	-	1,116.16
	-	(392.21)	-	-	-	(392.21)
5 Remuneration/Salaries/Other Expense	-	-	201.38	-	-	201.38
	-	-	(135.26)	-	-	(135.26)
6 Loss from Firm	-	-	-	(1.85)	-	(1.85)
	-	-	-	(1.74)	-	(1.74)
7 ICD Taken	-	100	-	-	-	100
	-	(1,500)	-	-	-	(1,500)
8 ICD Repaid	-	15,100	-	-	-	15,100
	-	-	-	-	-	-
8 ICD returned by parties	85,725.71	9,084.18	-	-	-	94,809.89
	(44,579.90)	(1,598.21)	-	-	-	(46,178.11)
9 ICD Given	31,787.35	2,600	-	-	-	34,387.35
	(42,011.16)	(6,305)	-	-	-	(48,316.16)
10 Investment in OFCD/CCD	44,132.84	-	-	-	-	44,132.84
	(10,361.96)	-	-	-	-	(10,361.96)
11 ICD Interest Written Off	3,500	-	-	-	-	3,500
	-	-	-	-	-	-
12 Advances Given	-	-	-	-	-	-
	(3,200)	-	-	-	-	(3,200)
13 Advances Returned by the Parties	-	-	-	-	-	-
	(14,061.82)	-	-	-	-	(14,061.82)
14 Deposit Given	100	-	-	-	-	100
	(1,250)	-	-	(725)	-	(1,975)
15 Deposit Returned by the Parties	16,457.54	-	-	-	-	16,457.54
	(3,450)	-	-	-	-	(3,450)

NOTES

ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

(₹ in Lakhs)

TRANSACTIONS	Category I	Category II	Category III	Category IV	Category V	Total
16 Investment in Shares / application money pending allotment	-	-	-	-	-	-
	(78.40)	-	-	-	-	(78.40)
17 Application money given	39,012.84	-	-	-	-	39,012.84
	(2,325)	-	-	-	-	(2,325)
18 Application money Refund Received/Converted	-	-	-	-	-	-
	(2,325)	-	-	-	-	(2,325)

c) The following balances were due from / to the related parties as on 31-03-2017

(₹ in Lakhs)

Sr. No.	TRANSACTIONS	Category I	Category II	Category III	Category IV	Category V	Total
1	Investment in Equity Shares / Pref shares	1,37,095.60	8,210.96	-	-	-	1,45,306.56
		(1,25,130.33)	(8,154.86)	-	-	-	(1,33,285.19)
2	Investment in OCD/CCD	70,012.53	1,804.00	-	105.05	-	71,921.58
		(25,879.69)	(1,804.00)	-	105.05	-	(27,788.74)
3	Investment in Capital of Partnership Firm	-	-	-	190.65	-	190.65
		-	-	-	(192.50)	-	(192.50)
4	Capital Advances	880.75	20.00	-	-	-	900.75
		(9,104.74)	(20.00)	-	-	-	(9,124.74)
5	ICD Taken	-	-	-	-	-	-
		-	(15,352.99)	-	-	-	(15,352.99)
6	Inter Corporate Deposits	9,735.21	-	-	-	-	9,735.21
		(64,632.31)	(5,961.75)	-	-	-	(70,594.06)
7	Advances Given	3,200.00	-	-	-	-	3,200.00
		(3,200.00)	-	-	-	-	(3,200.00)
8	Advances Received	1.50	-	-	1.50	-	3.00
		(1.50)	-	-	(1.50)	-	(3.00)
9	Trade Receivables	143.09	-	-	11.74	-	154.83
		(48.06)	-	-	(11.74)	-	(59.80)
10	Trade Payables	4.60	1.32	-	219.24	-	225.16
		-	(1.32)	-	(219.70)	-	(221.02)
11	Deposits Given	150.00	-	-	5,517.75	-	5,667.75
		(150.00)	-	-	(5,517.75)	-	(5,667.75)

Note : Figures in brackets indicates previous year figure.

- The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.
- 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.
- Administrative expenses paid to subsidiaries include ₹ 503.21 Lakhs (P.Y. ₹ 371.23 Lakhs) paid to Marketcity Resources Pvt Ltd towards the provision of personnel services including one of the key managerial personnel.

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ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

Compensation of Key management personnel:

The remuneration of director and other member of key management personnel during the year was as follows:

	(₹ in Lakhs)	
Particulars	2016-17	2015-16
Short-term benefits	201.38	135.26
Other long term benefits	53.50	51.72

33. EARNING PER SHARE (EPS)

Basic as well as Diluted EPS	2016-17	2015-16
Net Profit after Tax (₹ in Lakhs)	13,354.77	14,959.94
Weighted Average No. of Equity Shares for Basic EPS	15,30,49,774	15,05,58,554
Dilution due to ESOPs Granted	2,86,219	106,028
Weighted Average No. of Equity Shares for Diluted EPS	153,335,993	150,664,582
Nominal Value of Equity Shares (₹)	2	2
Basic Earning Per Share (₹)	8.73	9.93
Diluted Earning Per Share (₹)	8.71	9.93

34. CONTINGENT LIABILITIES NOT PROVIDED FOR IN RESPECT OF:-

- Estimated amount of contracts remaining to be executed on capital account and not provided for in the accounts is ₹ 2,987.26 Lakhs (P.Y. ₹ 10,863.56 Lakhs) net of advance paid.
- The Income tax assessments of the Company have been completed up to Assessment Year 2014-15. The disputed tax demand outstanding upto the said Assessment Year is ₹ 2,726.22 Lakhs. The Company as well as the Income Tax Department are in appeal before the Appellate Authorities. The impact thereof, if any, on the tax position can be ascertained only after the disposal of the appeals. Accordingly, the accounting entries arising there from will be passed in the year of the disposal of the said appeals.
- The Service Tax Department had issued a Demand Notice of ₹ 203.08 Lakhs (P.Y. ₹ 203.08 Lakhs) to the company, against which the company has filed an appeal with the Service Tax Tribunal.
- Demand notices received on account of arrears of Provident Fund dues aggregating to ₹ 24.72 Lakhs (P.Y. ₹ 24.72 Lakhs) are disputed by the Company. The Company has paid ₹ 10 Lakhs and has also furnished a Bank Guarantee for ₹ 14.71 Lakhs against the said P.F. demands to the P.F. authorities.
- Other Claims against the company not acknowledged as debts of ₹ 83.96/- Lakhs (P.Y ₹83.96/- Lakhs)
- Outstanding guarantees given by Banks of ₹27.70 Lakhs (P.Y. ₹ 27.70 Lakhs).

The above litigations are not expected to have any material adverse effect on the financial position of the company.

- Municipal Corporation of Greater Mumbai has raised demand of ₹ 1193.13 Lakhs towards property tax up to 31st March, 2017. As per the interim order of Bombay High Court 50% of the property tax demand has been paid by the company. The balance amount would be payable on the final outcome of the petition. Company has provided full amount of demand in the books on conservative basis.

36. The Auditors' Remuneration includes:

	(₹ in Lakhs)	
Particulars	2016-17	2015-16
Audit fees	53.50	50.25
Tax Audit fees	6.50	6.50
QIP Related Fees adjusted against Security Premium	-	70.00
Total	60.00	126.75

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ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

37. Project Development Expenditure

(In respect of Projects upto 31st March 2017, included under Capital Work-in-Progress)
Preoperative Income / Expenses transferred to capital work-in-progress:-

(₹ in Lakhs)		
Particulars	2016-17	2015-16
Opening Balance Expenditure	3,048.39	2,395.62
Interest & Finance Charges	229.95	706.33
Property Taxes Provision/ net of Reversal	45.90	(53.56)
Closing Balance	3,324.24	3048.39

38. Loans and Advances in the nature of Loans given to Subsidiaries and Associates:

(₹ in Lakhs)						
Sr. No.	Particulars	Relationship	As at 31st March 2017	Maximum balance during the year	As at 31st March 2016	Maximum balance during the year
1	Pinnacle Real Estate Developers Private Limited	Subsidiary	12.80	531.08	531.08	531.08
2	Enhance Holding Private Limited	Subsidiary	1,293.22	1,293.22	1,293.22	1,93.22
3	Butala Farm Lands Private Limited	Subsidiary	2.00	2.00	2.00	2.00
4	Vamona Developers Private Limited	Subsidiary	Nil	5,791.14	2,798.97	7,947.16
5	Marketcity Resources Private Limited	Subsidiary	Nil	Nil	Nil	652.51
6	Bellona Hospitality Services Limited	Subsidiary	4,873.21	4,873.21	4,873.21	6,419.36
7	Phoenix Hospitality Co. Private Limited	Subsidiary	316.73	2,505.70	2505.70	2505.70
8	Pallazio Hotels & Leisures Limited	Subsidiary	1,861.00	33,748.54	32,660.03	35,008,0.81
9	Graceworks Realty & Leisures Limited	Subsidiary	785.68	11,073.63	6,611.63	6,611.63
10	Upal Developers Private Limited	Subsidiary	Nil	1,819.79	928.85	928.85
11	Offbeat Developers Private Limited	Subsidiary	259.51	11,453.58	3,823.58	1,5060.02
12	Big Apple Real Estate Private Limited	Subsidiary	Nil	2,448.17	2,433.17	2,679.06
13	Gangetic Hotels Private Limited	Subsidiary	Nil	8,837.40	5,293.41	5,293.41
14	Blackwood Developers (P) Ltd	Subsidiary	65.86	1,266.30	851.32	851.32
15	Alliance Spaces Private Limited	Subsidiary	265.19	4,050.00	Nil	Nil
16	Starboard Hotels Private Limited	Associate	Nil	8,461.75	5,961.75	7,413.88

Notes :

- (i) Butala Farm Lands Private Limited is having investment in equity shares of subsidiary company - Vamona Developers Private Limited.
- (ii) Phoenix Hospitality Co. Private Limited is having investment in equity shares of Subsidiary - Gracework Realty & Lesiure Private Limited, Alliance Spaces Private Limited, Palladium Constructions Private Limited & Associates – Starboard Hotels Private Limited, Gangetic Hotels Private Limited.

39. The Company has created a charge, by way of mortgage, on 17,853 square meters of its land for the loan taken by its wholly owned subsidiary, Pallazio Hotels and Leisure Limited (PHLL) from the banks. The Company has developed a mixed use retail structure on the said land. The Company has transferred the rights of development of 2/3rd portion of 17,853 square meters of the said land to PHLL for the construction of a hotel, vide a Land Development Agreement dated 30th March 2007. The conveyance of the said portion of Land, in favour of PHLL, is pending.

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ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

40. Exceptional items for the year ended 31st March, 2017 pertains to reversal of interest accrued of ₹ 3,500 lakh upto previous financial year on loan advance to wholly owned subsidiary Pallazzio Hotels & Leisure Ltd. For the year ended 31st March, 2016 pertains to impairment provision of ₹ 2,100 Lakhs on Investment in Entertainment World Developers Ltd, Treasure World Developers Pvt Ltd and provision for doubtful loans & advances of ₹700 Lakhs. (Refer Note No. 41)
41. The Company carries, as at the year end, Investments of ₹. 4,501.25 lakhs in the equity shares of Entertainment World Developers Limited (EWDL), ₹ 10,000 lakhs in FCDs of Treasure world Developers Pvt. Ltd. (TWDPL), subsidiary of EWDL and interest accrued thereon, upto 31-03-2012, of ₹ 1,432.51 lakhs (net of TDS). The company had exercised the put option available as per the Share and Debenture Subscription Deed for the said FCDs in earlier year against which EWDL has paid a part amount of ₹ 1,918.80 Lakhs in November 2013. Pending receipt of the balance consideration, the amount received has not been adjusted against the investments/ accrued Interest and has been shown under other liability. The Networth of EWDL/TWDPL has been eroded as per latest available unaudited accounts as at 31-03-2015. The Company's Board has, out of abundant caution and as a prudent practice in line with the standard accounting practices, made an impairment provision of ₹ 2,100 Lakh in the year ended 31st March 2016 and ₹ 8,425 Lakh for the year ended 31st March 2015. While the Company would continue its efforts for the recovery of the dues against the put option exercised by it on the FCDs, in the opinion of the Board, considering the realisable value of assets of EWDL & its subsidiaries, the impairment provisions against these investments are adequate.
42. Capital work in progress includes ₹ 10,465.39 Lakhs (P.Y. ₹ 10,417.49 Lakhs) comprising mainly the cost incurred on acquiring long term tenancies on the plot of land admeasuring 7617.51 sq mtrs at High Street Phoenix. The Company is exploring various alternatives for the development of the said plot of land.
43. The balances in respect of Trade Receivables & Payables, loans and advances, as appearing in the books of accounts are subject to confirmations by the respective parties and adjustments/reconciliation arising there from, if any.
44. Additional information as required under Section 186 (4) of the Companies Act, 2013 :
- Investment made in Body Corporate are mentioned in Note 6.
 - No Guarantee is given by the Company.
 - Loans given by the company to Body Corporate or Person are as under:

(₹ in Lakhs)		
Particulars	As at 31s March, 2017	Purpose
Accuraform Pvt Ltd	72.60	General Corporate Purpose
Alpha Stich-Art Pvt.Ltd.	163.55	General Corporate Purpose
Anushikha Investments Pvt. Ltd.	278.90	General Corporate Purpose
Bartraya Mall Development Co. Pvt. Ltd	300.00	General Corporate Purpose
Bellona Hospitality Services Limited	4,873.21	General Corporate Purpose
Blackwood Developers Pvt Ltd	65.86	General Corporate Purpose
Butala Farm Lands Private Limited	2.00	General Corporate Purpose
CGS Apparel Pvt Ltd	49.86	General Corporate Purpose
Enhance Holding Private Limited	1,293.22	General Corporate Purpose
Graceworks Realty & Leisures Limited	785.68	General Corporate Purpose
GTN Textiles Limited	50.00	General Corporate Purpose
Kalani Industries Pvt Ltd	941.98	General Corporate Purpose
Mukand Limited	0.32	General Corporate Purpose
Offbeat Developers Private Limited	259.51	General Corporate Purpose
Pallazio Hotels & Leisures Limited	1,861	General Corporate Purpose
Phoenix Hospitality Co. Private Limited	316.74	General Corporate Purpose
Pinnacle Real Estate Developers Private Limited	12.80	General Corporate Purpose
Supreet Vyapaar Pvt.Ltd.	59.13	General Corporate Purpose
Swaran Financial Pvt Ltd	166.47	General Corporate Purpose
Treasure World Developers Pvt.Ltd.	57.25	General Corporate Purpose
York Financial Services Pvt. Ltd.	93.83	General Corporate Purpose
ERP Infrastructure Projects Pvt Ltd	110.44	General Corporate Purpose
Alliance Spaces Pvt Ltd	265.19	General Corporate Purpose
Shailaja Finance Limited	1302.82	General Corporate Purpose

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ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

(₹ in Lakhs)

Particulars	As at 31s March, 2017	Purpose
Ganjam Trading Company Pvt Ltd	265.87	General Corporate Purpose
Sona Promoters Pvt Ltd	52.90	General Corporate Purpose
Sunflag Commercial Enterprises Ltd	204.42	General Corporate Purpose
Dharani Developers Pvt Ltd	16.95	General Corporate Purpose
Sharyans Resources Ltd	2.56	General Corporate Purpose

45. The Company is a partner in a partnership firm M/s. Phoenix Construction Company. The accounts of the partnership firm have been finalised upto the financial year 2015-16. The details of the Capital Accounts of the Partners as per the latest Financial Statements of the firm are as under:-

(₹ in Lakhs)

Sr. No.	Name of the Partners	Profit Sharing Ratio	Total Capital on		
			31-03-2016	31-03-2015	31-03-2014
1	The Phoenix Mills Ltd	50%	192.50	194.24	195.23
2	Gold Seal Holding Pvt. Ltd.	50%	113.08	114.93	116.67

The Company has accounted for its share of loss amounting to ₹ 1.85 Lakhs (P.Y. ₹ 1.74 Lakhs) pertaining to the financial year 2015-16 in the year. The share of profit/loss for the current financial year will be accounted in the books of the Company on the finalisation of the accounts of the firm.

46. Event after Reporting date :

The Board of Directors have recommended dividend of ₹ 2.40 per fully paid up equity share of ₹ 2/- each, aggregating ₹ 4,421.18 lakhs, including ₹ 747.58 lakhs dividend distribution tax for the financial year 2016-17, which is based on relevant share capital as on March 31, 2017. The actual dividend amount will be dependent on the relevant share capital outstanding as on the record date / book closure.

47. Corporate Social Responsibility:

- CSR amount required to be spent as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof by the company during the year is ₹ 353.24 Lakhs (P.Y. ₹ 332.03 Lakhs).
- Expenditure related to Corporate Social Responsibility is ₹ 90.13/- Lakhs (Previous Year ₹ 36.27) Lakhs.

Details of Amount spent towards CSR given below:

(₹ in Lakhs)

Particulars	2016-17	2015-16
Construction of check dams	75.00	26.24
Promoting Employment enhancing vocation skills amongst differently – abled children	15.13	10.03
Total	90.13	36.27

48 Fair Value of Financial Assets and Liabilities:

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

(₹ in Lakhs)

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Carrying Value	Fair Value"	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets designated at fair value through Profit and Loss						
Investments						
- in Equity shares	100.80	100.80	86.05	86.05	114.70	114.70

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ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

(₹ in Lakhs)

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Carrying Value	Fair Value	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial assets designated at fair value through Other Comprehensive Income						
Investments						
- in Equity shares*	5,031.88	5,031.88	5,199.84	5,199.84	5,143.77	5,143.77
- Compulsorily Convertible Debentures	10,139.05	10,139.05	10,139.05	10,139.05	10,139.05	10,139.05
- Optionally Convertible Debentures	6,200.00	6,200.00	-	-	-	-
Financial assets designated at amortised cost						
Investments						
- Capital Investment in Partnership Firm	190.65	190.65	192.50	192.50	194.24	194.24
Trade Receivables	1,922.10	1,922.10	2,419.97	2,419.97	2,122.29	2,122.29
Cash and Cash Equivalents	683.34	683.34	7,127.10	7,127.10	2,043.19	2,043.19
Loans and Advances	13,398.08	13,398.08	73,039.31	73,039.31	68,133.30	68,133.30
Deposits with Banks	3,875.56	3,875.56	3,188.54	3,188.54	3,188.54	3,188.54
Other financial assets	1,462.39	1,462.39	1,465.20	1,465.20	1,461.74	1,461.74
Total	43,003.85	43,003.85	102,857.56	102,857.56	92,540.82	92,540.82
Financial liabilities designated at amortised cost						
Borrowings - Fixed rate						
	75,065.59	75,065.59	97,119.86	97,119.86	65,413.50	65,413.50
Trade payables and others	1,689.42	1,689.42	1,455.30	1,455.30	821.74	821.74
Other financial liabilities	868.01	868.01	1,228.49	1,228.49	1,309.18	1,309.18
Total	77,623.02	77,623.02	99,803.65	99,803.65	67,544.42	67,544.42

*In respect of Investment in equity shares of EWDL having carrying value of ₹ 4501.24 Lakhs and in CCD's of TWDPL having carrying value of ₹ 10,000 Lakhs, the financial information on the assets and liabilities position of these companies for determining the fair value for the current period is not available, same has been carried at cost.

Fair valuation techniques:

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

Fair Value hierarchy:

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

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

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

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

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ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

Particulars	(₹ in Lakhs)					
	As at March 31, 2017			As at March 31, 2016		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Assets /Liabilities measured at fair value						
Financial Assets:						
Investments						
- in Equity shares	630.83	-	4,501.86	624.53	-	4,661.35
- Compulsorily Convertible Debentures	-	-	6200.00	-	-	-
- Optionally Convertible Debenture	-	-	10,139.05	-	-	10,139.05

Particulars	(₹ in Lakhs)		
	As at 1st April, 2015		
	Level 1	Level 2	Level 3
Assets /Liabilities measured at fair value			
Financial Assets:			
Investments			
- in Equity shares			4,661.35
- Compulsorily Convertible Debentures			10,139.05
- Optionally Convertible Debenture			-

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

Particulars	(₹ in Lakhs)	
	Level 1	Level 2
Fair value as at 1st April, 2015		14,800.40
Purchase / Sale of financial instruments		-
Amount transferred to / from Level 3		-
Fair value as at 31st March, 2016		14,800.40
Purchase / Sale of financial instruments		6,040.51
Amount transferred to / from Level 3		-
Fair value as at 31st March, 2017		20,840.91

49 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

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk pertaining to funds borrowed at both fixed and floating interest rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings.

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ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

Commodity and Other price risk

The Company is not exposed to the 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, financial institutions and other financial instruments.

Trade and other receivables:

The Company extends credit to customers in normal course of business. The Company considers factors such as credit track record in the market and past dealings for extension of credit to customers. To manage credit risk, the Company periodically assesses the financial reliability of the customer, taking into account the financial condition, current economic trends, and analysis of historical bad debts and aging of accounts receivables. 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 spectrum. The Company also takes security deposits, advances, post dated cheques etc from its customers, which mitigate the credit risk to an extent.

Cash and cash equivalents and other investments

The Company is exposed to counter party risk relating to medium term deposits with banks.

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.

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, 2017 and March 31, 2016 is as follows:

	As at 31/03/2017	As at 31/03/2016
		(₹ in Lakhs)
Financial assets for which loss allowances are measured using 12 months Expected Credit Losses (ECL):		
Other Investments	309.43	309.43
Cash and cash equivalents	683.34	7,127.10
Bank Deposits	3,875.56	3,188.54
Loans	13,398.08	73,039.31
Other financial assets	1,462.39	1,465.20
Financial assets for which loss allowances are measured using Life time Expected Credit Losses (ECL):		
Trade receivables	1,922.10	2,419.97

Life time Expected credit loss for Trade receivables under simplified approach

Ageing of Trade Receivables	Past Due				Total
	0-90 days	90-180 days	180 - 360 days	over 360 days	
As at 31st March, 2017					
Gross Carrying Amount	1,303.14	145.44	105.57	1,150.50	2,704.65
Expected credit losses (Loss allowance provision)	11.12	2.72	20.74	747.97	782.55
Net Carrying Amount	1,292.01	142.73	84.83	402.53	1,922.10
As at 31st March, 2016					
Gross Carrying Amount	1,570.87	484.58	209.65	1,048.81	3,313.90

NOTES

ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

Ageing of Trade Receivables	Past Due				Total
	0-90 days	90-180 days	180 - 360 days	over 360 days	
Expected credit losses (Loss allowance provision)	12.77	8.86	20.34	851.96	893.94
Net Carrying Amount	1,558.09	475.72	189.30	196.85	2,419.97
As at 1st April, 2015					
Gross Carrying Amount	1,620.17	239.99	306.76	749.47	2,916.38
Expected credit losses (Loss allowance provision)	12.40	0.76	31.46	749.47	794.09
Net Carrying Amount	1,607.77	239.22	275.29	-	2,122.29

(₹ in Lakhs)

2016-17 **2015-16**

Reconciliation of Changes in the life time expected credit loss allowance:

Loss allowance on 1 April,	893.94	794.09
Provided during the year	-	170.43
Reversal of provision	(111.39)	(70.59)
Loss allowance on 31st March,	782.55	893.94

Cash and Cash equivalents, other Investments, Loans and other financial assets are neither past due nor impaired. Management is of the view that these financial assets are considered good and 12 months ECL is, accordingly, not provided.

- Liquidity risk**

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

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

The Company is required to maintain ratios (such as debt service coverage ratio and secured coverage ratio) as mentioned in the loan agreements at specified levels and also cash deposits with banks to mitigate the risk of default in repayments. In the event of any failure to meet these covenants, these loans become callable to the extent of failure at the option of lenders, except where exemption is provided by lender.

(₹ in Lakhs)

Particulars	As at March 31, 2017					
	Carrying Amount	On Demand	Less than 12 months	2- 5 years	>5 years	Total
Borrowings	75,065.59	10,257.24	7,301.30	39,228.60	18,278.45	75,065.59
Other Financial Liabilities	868.01	868.01	-	-	-	868.01
Trade and other payables	1,689.42	-	1,689.42	-	-	1,689.42

(₹ in Lakhs)

Particulars	As at March 31, 2016					
	Carrying Amount	On Demand	Less than 12 months	2- 5 years	>5 years	Total
Borrowings	97,119.86	24,464.46	5,300.80	34,989.60	32,365.00	97,119.86
Other Financial Liabilities	1,228.49	1,228.49	-	-	-	1,228.49
Trade and other payables	1,455.30	-	1,455.30	-	-	1,455.30

NOTES

ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

(₹ in Lakhs)

Particulars	As at March 31, 2015					Total
	Carrying Amount	On Demand	Less than 12 months	2- 5 years	>5 years	
Borrowings	65,413.50	7,882.50	4,341.00	23,301.00	29,889.00	65,413.50
Other Financial Liabilities	1,309.18	1,309.18	-	-	-	1,309.18
Trade and other payables	821.74	-	821.74	-	-	821.74

50 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, 2017 and March 31, 2016.

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

(₹ in Lakhs)

Particulars	As At 31-03-2017	As At 31-03-2016
Loans and Borrowings	75,065.59	97,119.86
Less: Cash and cash equivalents + Bank Deposits	4,558.89	10,315.64
Net Debt	70,506.70	86,804.22
Total Capital	243,208.42	229,557.40
Capital+Net Debt	313,715.12	316,361.62
Gearing Ratio	22%	27%

51 Taxation

Income tax related to items charged or credited to profit or loss during the year:

(₹ in Lakhs)

Particulars	2016-17	2015-16
A Statement of Profit or Loss		
1. Current Income Tax (Including Tax Adjustments of earlier years)	3,381.56	6,390.00
	3,381.56	6,390.00
2. Deferred Tax expenses/ (benefits):		
Relating to origination and reversal of temporary differences	(482.81)	(203.15)
	(482.81)	(203.15)
Total Income tax Expenses (1 to 2)	2,898.74	6,186.85
B Reconciliation of Current Tax expenses:		
Profit/(Loss) from Continuing operations	16,253.52	24,076.13
Applicable Tax Rate	34.608%	34.608%
Computed tax expenses	5,625.02	8,332.27
Additional allowances for tax purpose	(262.67)	(222.82)
Additional allowances for House Property Income	(2,996.13)	(2,662.46)
Income not allowed/exempt for tax purposes	(52.62)	(3.84)
Expenses not allowed for tax purposes	785.14	1,017.28
Other temporary (allowances)/Disallowances	130.22	(10.04)
Tax paid at lower rate	(5.90)	(60.39)
Additional Tax payable due to MAT provisions	158.50	-
	3,381.56	6,390.00
Effective Tax Rate	23.11%	25.16%

NOTES

ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

C Deferred Tax Recognised in statement of profit and Loss relates to the following:

Difference between book & tax depreciation	465.32	190.88
Expenses allowable on payment basis	17.50	12.27
Deferred Tax Asset	482.81	203.15

D Reconciliation of deferred tax asset / (liabilities):

Balance at the beginning of the year	417.57	214.42
Tax expenses / (income) during the period	482.81	203.15
Balance at the closing of the year	900.38	417.57

52. Details of Specified Bank Notes (SBN) held and transacted during the period 8/11/2016 to 30/12/2016:

Particulars	(₹ in Lakhs)		
	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	8.76	0.28	9.04
(+) Permitted receipts	-	55.06	55.06
(-) Permitted payments	-	15.80	15.80
(-) Amount deposited in Banks	8.76	37.03	45.79
Closing balance 30.12.2016	-	2.51	2.51

53. Share-based payment arrangements:

A. Description of share-based payment arrangements

- i. Share option programmes (equity-settled)

"The Company has granted stock options under the following employee stock option scheme:

ESOP 2007

Date of grant	Number of options (Gross)	Exercise Price	Date of vesting	Vesting period	Fair Value of Option
10-Jun-08	650,000	270.00	9-Jun-16	12	153.26
26-Mar-15	10,556	316.80	25-Mar-16	12	118.69
26-Mar-15	15,833	316.80	25-Mar-17	24	138.36
26-Mar-15	21,111	316.80	25-Mar-18	36	154.97
26-Mar-15	26,389	316.80	25-Mar-19	48	169.26
26-Mar-15	31,667	316.80	25-Mar-20	60	181.67
9-Jun-16	124,000	333.90	23-Oct-17	12	112.84
9-Jun-16	186,000	333.90	23-Oct-18	24	128.32
9-Jun-16	248,000	333.90	23-Oct-19	36	144.12
9-Jun-16	310,000	333.90	23-Oct-20	48	158.33
9-Jun-16	372,000	333.90	23-Oct-21	60	171.52

B. Measurement of fair value

- i. Equity-settled share-based payment arrangements

The fair value of the employee share options has been measured using the Black-Scholes formula. Service and non-market performance conditions attached to the arrangements were not taken into account in measuring fair value. The requirement that the employee has to save in order to purchase shares under the share purchase plan has been incorporated into the fair value at grant date by applying a discount to the valuation obtained. The discount has been determined by estimating the probability that the employee will stop saving based on historical behavior.

NOTES

ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

Grant Date	ESOP 2007		
	9-Jun-16	26-Mar-15	10-Jun-08
Vesting Period/ Expected Life	From grant date - 12 months to 60 months	From grant date - 12 months to 60 months	1 to 8 years
Fair value of option at grant date	112.84 - 171.52	118.69 - 181.67	153.26
Share price at grant date	371.00	353.05	274.07
Exercise price	333.90	316.80	270.00
Historical volatility	31.1% - 29.6%	35%	45%
Time to Maturity (Years)	2.50 years to 6.50 years	2.50 years to 6.50 years	1 years to 8 years
Dividend Yield	0.66%	0.80%	0.63%
Risk-free Rate	6.85%	8.23%	8.07%

Weighted average remaining contractual life of the options as at 31-Mar-17 - 2.34 (31-Mar-16 - 2.10) years

VALUATION METHODOLOGY, APPROACH & ANALYSIS:

Particulars	Description of the inputs used
Market Price of the optioned Stock	For ESOP weighted average market price as available from the website of BSE as on the date of grant. This price holds good for our Black Scholes Fair Valuation analysis for the grants made by the company on 21st October, 2016.
Exercise price	The exercise price as per the Employees Stock Option Scheme 2007 formulated by the Company per equity share is ₹ 333.90/-
Time to Maturity/ Expected Life of the Option	It is the period for which the Company expects the options to be alive. The minimum life of stock option is the minimum period before which the options cannot be exercised and the maximum life is the period after which the option cannot be exercised. As per the' scheme, options are vested to the employees over a period of five years as under:
	Vesting Date
	Maximum % of Option that shall vest
	12 Months from Grant Date
	10%
	24 Months from Grant Date
	15%
	36 Months from Grant Date
	20%
	48 Months from Grant Date
	25%
	60 Months from Grant Date
	30%

The following table lists the average inputs to the models used for the plans for the year ended 31 March 2017

Particulars	Description of the inputs used
Expected volatility (weighted-average)	Expected volatility of the option is based on historical volatility, during a period equivalent to the option life, of the observed market prices of the Company's publicly traded equity shares.
Expected dividends	Dividend yield of the options is based on recent dividend activity.
Risk-free interest rate (based on government bonds)	Risk-free interest rates are based on the government securities yield in effect at the time of the grant.
Option Exercise Period	Option can be Exercise anytime in three year from the Vesting date.

NOTES

ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

C. Reconciliation of outstanding share options

The number and weighted-average exercise prices of share options under the share option programmes were as follows.

	ESOP 2007			
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
	31 March, 2017	31 March, 2017	31 March, 2016	31 March, 2016
Options outstanding as at the beginning of the year	179,056	302.54	219,306	292.53
Add: Options granted during the year	1,240,000	333.90	-	-
Less: Options lapsed during the year	6,000	270.00	-	-
Less: Options exercised during the year	78,055	276.33	40,250	270.00
Options outstanding as at the year end	1,335,001	332.68	179,056	302.54

54 Disclosure as required by Ind AS 101 - First time adoption of Indian Accounting Standards

Exemptions Applied:

Ind AS 101 allows first time adopters certain exemptions from the retrospective application of certain Ind AS, effective for April 1, 2015 opening balance sheet.

The following exceptions to the retrospective application of other Ind AS as per Appendix D of Ind AS 101 are applied by the company :-

- 1 Deemed cost of Property, Plant and Equipment: (PPE)
The Company has opted to continue with the carrying value for all of its PPE as recognised in the financial statements as at the date of transition to Ind AS and measured as per previous GAAP and use that as its deemed cost as at the date of transition to Ind AS.
- 2 The Company has decided to disclose prospectively from the date of transition the following as required by Ind AS 19
 - i) The present value of the defined benefit obligation, the fair value of the plan assets and the surplus or deficit in the plan, and
 - ii) The experience adjustments arising on;
 - a) The plan liabilities expressed as either an amount or a percentage of the plan liabilities at the end of the reporting period; and
 - b) The plan assets expressed as either an amount or a percentage of the plan liabilities at the end of the reporting period.
- 3 Financial assets and liabilities:
The Company has financial receivables and payables that are non-derivative financial instruments. Under previous GAAP, these were carried at transactions cost less allowances for impairment, if any. Under Ind AS, these are financial assets and liabilities are initially recognised at fair value and subsequently measured at amortised cost, less allowance for impairment, if any. For transactions entered into on or after the date of transition to Ind AS, the requirement of initial recognition at fair value is applied prospectively.
- 4 Business Combination Exemption:
The Company has applied the exemption as provided in Ind AS 101 on non-application of Ind AS 103, "Business Combinations" to business combinations consummated prior to April 1, 2015 (the "Transition Date"), pursuant to which goodwill/capital reserve arising from a business combination has been stated at the carrying amount prior to the date of transition under Indian GAAP. The Company has also applied the exemption for past business combinations to acquisitions of investments in subsidiaries / associates / joint ventures consummated prior to the Transition Date.
- 5 Share-based payment transactions:
Ind AS 101 encourages, but does not require, first time adopters to apply Ind AS 102 Share based Payment to equity instruments that were vested before the date of transition to Ind AS. The Company has elected not to apply Ind AS 102 to options that vested prior to April 1, 2015.
- 6 Investments in subsidiaries and associates:
The Company has elected to measure investment in subsidiaries and associates at cost.

NOTES

ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

Impact of transition to Ind AS

The following is a summary of the effects of the differences between Ind AS and Indian GAAP on the Company's total equity shareholders' funds and profit and loss for the financial periods previously reported under Indian GAAP following the date of transition to Ind AS. There is no material impact of Ind AS transactions on the Cash flow statement.

Reconciliation of Balance sheet as on 1st April 2015 (i.e. date of transition to Ind AS)

(₹ In Lakhs)

Particulars	Notes	Indian GAAP	Adjustments	Ind AS
ASSETS				
Non-current assets				
a) Property, plant and equipment		45,581.14	-	45,581.14
b) Capital work-in-progress		13,572.16	-	13,572.16
c) Other intangible assets		1.13	-	1.13
d) Financial assets				
i) Investment	II	123,149.53	288.08	123,437.61
ii) Loans		42,201.56	-	42,201.56
iii) Other Financial assets		3,188.54	-	3,188.54
e) Deferred tax assets (Net)		214.42	-	214.42
f) Other non-current assets		17,376.04	-	17,376.04
(A)		245,284.53	288.08	245,572.60
Current assets				
a) Financial assets				
i) Trade receivables	I	2,192.87	(70.59)	2,122.29
ii) Cash and cash equivalents		2,043.19	-	2,043.19
iii) Other balances with bank		25,931.74	-	25,931.74
iv) Other financial assets		1,461.74	-	1,461.74
b) Current Tax Assets (net)		469.41	-	469.41
c) Other current assets		1,126.71	-	1,126.71
(B)		33,225.66	(70.59)	33,155.08
TOTAL (A + B)		278,510.18	217.49	278,727.67
EQUITY AND LIABILITIES				
Equity				
a) Equity Share capital		2,899.13	-	2,899.13
b) Other equity		187,998.43	4,055.75	192,054.19
(A)		190,897.57	4,055.75	194,953.32
Liabilities				
Non-current liabilities				
a) Financial liabilities				
i) Borrowings		53,190.00	-	53,190.00
b) Provisions		52.82	-	52.82
c) Other non-current liabilities		9,792.17	-	9,792.17
(B)		63,034.99	-	63,034.99
Current liabilities				
a) Financial liabilities				
i) Borrowings		7,882.50	-	7,882.50
ii) Trade Payables		821.74	-	821.74
iii) Other financial liabilities		5,650.18	-	5,650.18
b) Provisions	V	3,881.42	(3,838.26)	43.16
c) Other current liabilities		6,341.79	-	6,341.79

NOTES

ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

(₹ in Lakhs)

Particulars	Notes	Indian GAAP	Adjustments	Ind AS
(C)		24,577.62	(3,838.26)	20,739.37
TOTAL (A+B+C)		278,510.18	217.49	278,727.68

Reconciliation of Other Equity as at April 1, 2015

(₹ in Lakhs)

Particulars	Notes	Total
As at April 1, 2015 (IGAAP)		187,998.43
Fair valuation of Investment as per Ind AS	II	287.69
Share option outstanding	IV	0.39
Expected credit loss provision as per Ind AS	I	(70.59)
Proposed Dividend (Including tax thereon)	V	3,838.26
As at April 1, 2015 (Ind AS)		192,054.19

Reconciliation of Balance sheet as on 31st March 2016

(₹ in Lakhs)

Particulars	Notes	Indian GAAP	Adjustments	Ind AS
ASSETS				
Non-current assets				
a) Property, plant and equipment		44,241.98	-	44,241.98
b) Capital work-in-progress		15,039.85	-	15,039.85
c) Other intangible assets		0.90	-	0.90
d) Financial assets				
i) Investment	II	165,717.38	343.94	166,061.31
ii) Loans		43,001.76	-	43,001.76
iii) Other financial assets		3,188.54	-	3,188.54
e) Deferred tax assets (Net)		417.57	-	417.57
f) Other non-current assets		18,730.54	-	18,730.54
(A)		290,338.53	343.94	290,682.45
Current assets				
a) Financial assets				
i) Trade receivables	I	2,547.47	(127.50)	2,419.97
ii) Cash and cash equivalents		7,127.10	-	7,127.10
iii) Other balances with bank		-	-	-
iv) Loans		30,037.54	-	30,037.54
v) Other financial assets		1,465.20	-	1,465.20
b) Current Tax Assets (net)		325.47	-	325.47
c) Other current assets		908.21	-	908.21
(B)		42,410.99	(127.50)	42,283.49
TOTAL (A + B)		332,749.52	216.44	332,965.94
EQUITY AND LIABILITIES				
Equity				
a) Equity Share capital		3,059.78	-	3,059.78
b) Other equity		226,281.19	1,045.04	227,326.23
(A)		229,340.96	1,045.04	230,386.00

NOTES

ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

(₹ in Lakhs)

Particulars	Notes	Indian GAAP	Adjustments	Ind AS
Liabilities				
Non-current liabilities				
a) Financial liabilities		52,354.60	-	52,354.60
Borrowings				
b) Provisions		52.15	-	52.15
c) Other non-current liabilities		11,055.03	-	11,055.03
(B)		63,461.78	-	63,461.78
Current liabilities				
a) Financial liabilities				
i) Borrowings		24,464.46	-	24,464.46
ii) Trade Payables		1,454.30	-	1,454.30
iii) Other financial liabilities		6,529.30	-	6,529.30
b) Provisions	V	851.63	(828.60)	23.03
c) Other current liabilities		6,647.06	-	6,647.06
(C)		39,946.74	(828.60)	39,118.15
TOTAL (A+B+C)		332,750.48	216.44	332,966.91

Reconciliation of Other Equity as at March 31, 2016

(₹ In Lakhs)

Particulars	Notes	Total
As 31st March 2016 (IGAAP)		226,281.19
Fair valuation of Investment as per Ind AS	II	315.10
Expected credit loss provision as per Ind AS	I	(127.50)
Share option outstanding	IV	28.83
Remeasurement gain/ (loss) on defined benefit plans classified in Other Comprehensive Income	III	19.91
Other Comprehensive income	III	(19.91)
Proposed Dividend (Including Tax thereon)	V	828.60
As 31st March 2016 (Ind AS)		227,326.23

Reconciliation of Statement of profit and loss for the year ended 31st March 2016

(₹ in Lakhs)

Particulars		Indian GAAP	Adjustments	Ind AS
Revenue from operations		35,578.99	-	35,578.99
Other income	II	9,902.64	(52.52)	9,850.12
Total revenue		45,481.63	(52.52)	45,429.11
Employee Benefits Expense	III	1,129.82	12.12	1,141.94
Finance costs		6,878.50	7.79	6,886.29
Depreciation and Amortization expense		2,931.49	-	2,931.49
Other expenses	I	10,465.69	56.91	10,522.60
		21,405.50	76.82	21,482.32
Profit before exceptional items and tax		24,076.13	(129.34)	23,946.79
Less: Exceptional Items		2,800.00	-	2,800.00
Profit before Tax		21,276.13	(129.34)	21,146.79
Tax expense:				
- Current Tax		6,390.00	-	6,390.00

NOTES

ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2017

(₹ in Lakhs)				
Particulars	Notes	Indian GAAP	Adjustments	Ind AS
- Deferred Tax		(203.15)	-	(203.15)
Profit for the period from continuing operations		15,089.28	(129.34)	14,959.94
Other comprehensive income				
A) Item that will not be reclassified to Profit & Loss A/c				
i) Re-measurement gain of the net defined benefit plans	III	-	15.66	15.66
ii) Change in fair value of Investments	II	-	79.94	79.94
Total comprehensive Income for the period		15,089.28	(33.74)	15,055.54

(e) Footnotes to the reconciliation of equity as at 1st April 2015 and 31st March 2016 and Statement of profit and loss for the year ended 31st March 2016:

Notes:

- I Expected Credit Loss (ECL) Provision : The Company has provided ECL as per Ind AS. Impact of ECL as on date of transition is recognised in opening reserves and changes thereafter are recognised in Statement of Profit and Loss .
- II Fair Valuation of Financial Asset : The Company has valued Financial assets (other than investment in subsidiaries, associates which are accounted at cost) at fair value. Impact of fair value changes on the date of transition is recognised in opening reserve and changes thereafter are recognised in statement of Profit and Loss or Other Comprehensive Income as the case may be.
- III Remeasurement gain/ (loss) on defined benefit plans : Under Ind AS, such obligation is recognised in other comprehensive income. Under previous Indian GAAP it was recorded in Statement of Profit and Loss.
- IV Fair value of Employee Stock Option: Employee Stock Option has been accounted at fair value under Ind AS which were earlier accounted at intrinsic value under previous Indian GAAP.
- V Dividend and dividend distribution tax:-
Under Indian GAAP, proposed dividends were recognised as an adjusting event occurring after the balance sheet date however under the Ind AS proposed dividend are non adjusting events after the balance sheet date and hence recognised as and when approved by the Shareholders In the case of the Company, the declaration of dividend occurs after period end. Therefore, the liability for dividend for the year ended on 31st March, 2015 has been derecognised with corresponding impact in the retained earnings on 1st April, 2015

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

As per our report of even date

For A.M.Ghelani & Company

Chartered Accountants
FRN : 103173W

Chintan A. Ghelani

Partner
M. No.:104391

For Chaturvedi & Shah

Chartered Accountants
FRN : 101720W

Jignesh Mehta

Partner
M. No.:102749

For and on behalf of the Board of Directors

Ashokkumar Ruia

(Chairman & Managing Director)
DIN - 00086762

Atul Ruia

(Jt. Managing Director)
DIN - 00087396

Puja Tandon

(Company Secretary)
M.No.A21937

Shishir Shrivastava

(Jt. Managing Director)
DIN - 01266095

Pradumna Kanodia

(Director - Finance)
DIN - 01602690

Place : Mumbai
Date: 10th May, 2017