

## **AUDITORS' REPORT**

### **INDEPENDENT AUDITOR'S REPORT**

To the Members of **Kolte-Patil Redevelopment Private Limited** (formerly known as **PNP Retail Private Limited**) **Report on the Financial Statements**

#### **Opinion**

We have audited the accompanying financial statements of **Kolte-Patil Redevelopment Private Limited** (formerly known as **PNP Retail Private Limited**) ("the company"), which comprise the Balance Sheet as at 31 March 2020, the Statement of Profit and Loss, statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and profit/loss, and its cash flows for the year ended on that date.

#### **Basis for Opinion**

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

### ***Management's Responsibility for the Financial Statements***

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

## **Other Matter**

**NIL**

Our opinion is not modified in respect of these matters.

## **Emphasis of Matters**

We draw attention to the following matters in the notes to the financial statements:

**NIL**

Our opinion is not modified in respect of these matters.

## **Report on Other Legal and Regulatory Requirements**

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

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

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

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

c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of written representations received from the directors as on 31 March, 2020, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2020, from being appointed as a director in terms of Section 164(2) of the Act.

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

i. The Company does not have any pending litigations which would impact its financial position.

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

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

**SMITHA SAILESH**  
**Chartered Accountant**  
**M. No.: 104984**

**Place: Bangalore**  
**Date:10/06/2020**

## ***Annexure-A to Auditors Report***

Re: Kolte-Patil Redevelopment Private Limited (formerly known as PNP Retail Private Limited)

Referred to in paragraph 3 and 4 of our report of even date,

- (i) (a) The Company has maintained records showing particulars including quantitative details and situation of fixed assets and is to be updated.
- (b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the company and nature of assets. No material discrepancies were noticed on such verification.
- (c) The company did not have any immovable properties. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- (ii) a) The inventory has been physically verified during the year by the management at reasonable intervals
- b) The discrepancies noticed on verification between the physical stocks and the book records were material and were properly dealt with in books of accounts.
- (iii) According to information and explanations given to us, the company has not granted any loans secured or unsecured to / from companies, firms or other parties covered in the register maintained u/s 189 of the Companies Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public. Accordingly, Paragraph 3(v) of the order is not applicable to the Company.
- (vi) According to information and explanations given to us, the Central government has not prescribed for the maintenance of cost records under section 148(1) of the Companies Act, 2013.

- (vii) (a) According to information and explanations given to us, the company is generally regular in depositing with appropriate authorities undisputed statutory dues, including provident fund, employees' state insurance and GST. We are informed that the Customs duty and Excise duty are not applicable to the Company. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2020 for a period of more than six months from the date on when they become payable.
- (b) According to the information and explanations given to us, there are no dues of income tax, wealth tax, customs duty, sales tax, excise duty and cess, which have not been deposited on account of any dispute.
- (viii) According to the information and explanations given to us, the Company has not taken any loan either from financial institutions, banks or from the government and has not issued any debentures.
- (ix) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- (x) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management, the company has not paid or provided any managerial remuneration.
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- (xiii) In our opinion, all transactions with the related parties are in compliance with section 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- (xv) According to the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.

(xvi) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

**SMITHA SAILESH**  
**Chartered Accountant**  
**M. No.: 104984**

**Place: Bangalore**  
**Date: 10/06/2020**

**KOLTE PATIL REDEVELOPMENT PRIVATE LIMITED ( Formerly known as PNP RETAIL PVT LTD )**  
**Balance Sheet as on March 31, 2020**

		Amount in Rupees		
Particulars		Note No.	As on 31st Mar 2020	As on 31st March 2019
A	<b>ASSETS</b>			
1	<b>Non-current assets</b>			
	(a) Property, Plant and Equipment	1	42,16,712	56,86,303
	(b) Capital work-in-progress			
	(c) Goodwill			
	(d) Investment Property			
	(e) Other Intangible assets	1	-	-
	(f) Intangible assets under development			
	(g) Financial Assets			
	(i) Investments			
	(ii) Trade receivables			
	(iii) Loans			
	(iv) Others			
	(h) Deferred tax assets (net)	2	5,72,59,743	5,84,15,845
	(i) Income Tax Assets (Net)	3	-	1,16,305
	(j) Other non-current assets	4	13,30,000	12,24,740
	<b>Total Non - Current Assets</b>		<b>6,28,06,455</b>	<b>6,54,43,193</b>
2	<b>Current assets</b>			
	(a) Inventories	5	19,67,986	28,11,659
	(b) Financial Assets			
	(i) Investments	6	6,80,133	4,74,948
	(ii) Trade receivables	7	23,60,618	4,96,557
	(iii) Cash and cash equivalents			
	(iv) Loans	8	8,20,568	7,67,625
	(v) Others (to be specified)	9	22,51,009	23,44,088
	(d) Other current assets			
	<b>Total Current Assets</b>		<b>80,80,314</b>	<b>68,94,876</b>
	<b>Total Assets (1+2)</b>		<b>7,08,86,769</b>	<b>7,23,38,069</b>
B	<b>EQUITY AND LIABILITIES</b>			
1	<b>Equity</b>			
	(a) Equity Share capital	10	19,68,33,900	19,68,33,900
	(b) Other Equity	11	(20,25,66,356)	(18,28,17,425)
	Equity attributable to owners of the Company (I)		<b>(57,32,456)</b>	<b>1,40,16,475</b>
	Non-controlling interests (II)			
	<b>Total equity (I+II)</b>		<b>(57,32,456)</b>	<b>1,40,16,475</b>
2	<b>LIABILITIES</b>			
	<b>Non-current liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowings			
	(ii) Trade payables			
	(iii) Other financial liabilities (other than those specified in (b) below, to be specified)	12	-	35,000
	(b) Provisions	13	3,50,712	2,02,792
	(c) Deferred tax liabilities (Net)			
	(f) Other non-current liabilities			
	<b>Total Non - Current Liabilities</b>		<b>3,50,712</b>	<b>2,37,792</b>
3	<b>Current liabilities</b>			
	(a) Financial Liabilities			
	(i) Borrowings	14	7,31,38,201	5,63,03,382
	(ii) Trade payables	15	28,63,632	15,28,646
	(iii) Other financial liabilities (other than those specified in (b) below, to be specified)			
	(b) Provisions	16	28,910	14,166
	(c) Current Tax Liabilities (Net)			
	(d) Other current liabilities	17	2,37,770	2,37,608
	<b>Total Current Liabilities</b>		<b>7,62,68,513</b>	<b>5,80,83,802</b>
	Liabilities associated with assets held for sale			
	<b>Total Equity and Liabilities (1+2+3)</b>		<b>7,08,86,769</b>	<b>7,23,38,069</b>
	<b>See accompanying notes to the financial statements</b>			

In terms of our report of even date

For and on behalf of the Board of Directors

SMITHA SAILESH  
 CHARTERED ACCOUNTANT  
 Mem. No. 104984

Vandana Patil  
 Director  
 DIN: 588888

Naresh Patil  
 Director  
 DIN: 881077

Place Bangalore  
 Date :10.06.2020

**KOLTE PATIL REDEVELOPMENT PRIVATE LIMITED ( Formerly known as PNP RETAIL PVT LTD )**  
**Statement of Profit and Loss for Year Ended Mar 31, 2020**

		Amount in Rupees	
		Year Ended	Year Ended
Particulars	Note No.	31st Mar 2020	31st March 2019
Continuing Operations			
I	18	2,69,15,335	1,87,54,854
II	19	1,70,800	2,24,133
III		<b>2,70,86,135</b>	<b>1,89,78,987</b>
<b>IV EXPENSES</b>			
(a)	20A	2,54,47,866	1,88,25,070
(b)	20B	8,43,673	(1,70,285)
(c)	21	44,10,779	27,77,479
(d)	22	68,28,767	64,06,913
(e)	1	18,98,646	21,65,179
(f)	1	-	-
(g)	23	62,49,233	48,58,803
		<b>4,56,78,964</b>	<b>3,48,63,159</b>
<b>V Share of profit / (loss) of joint ventures and associates</b>			
(1)			
		<b>(1,85,92,829)</b>	<b>(1,58,84,172)</b>
VI			
<b>Profit/(loss) before tax (VII - VIII)</b>			
VII			
<b>Tax Expense</b>			
(1)			
(2)		11,56,102	(29,37,401)
(3)			
		<b>11,56,102</b>	<b>(29,37,401)</b>
VIII			
<b>Profit/(loss) after tax from continuing operations (IX - X)</b>			
		<b>(1,97,48,931)</b>	<b>(1,29,46,771)</b>
IX			
Discontinued Operations			
(1)			
(2)			
<b>Profit/(loss) after tax from discontinued operations</b>			
X			
<b>Profit/(loss) for the period (VIII + IX)</b>			
		<b>(1,97,48,931)</b>	<b>(1,29,46,771)</b>
XI			
<b>Other comprehensive income</b>			
A	(i)		
	(a)		
	(b)		
	(ii)		
B	(i)		
	(a)		
	(b)		
	(ii)		
XII			
<b>Total comprehensive income for the period (XV + XVIII)</b>			
		<b>(1,97,48,931)</b>	<b>(1,29,46,771)</b>
XIII			
<b>Earnings per equity share :</b>			
(1)		(1.00)	(0.66)
-2		(1.00)	(0.66)

In terms of our report of even date

For and on behalf of the Board of Directors

**SMITHA SAILESH**  
 CHARTERED ACCOUNTANT  
 Mem. No. 104984

**Vandana Patil**  
 Director  
 DIN: 588888

**Naresh Patil**  
 Director  
 DIN: 881077

Place Bangalore  
 Date :10.06.2020

KOLTE-PATIL REDEVELOPMENT PRIVATE LIMITED ( FORMERLY - PNP RETAIL PRIVATE LIMITED )

Cash Flow Statement

<b>Cash Flow Statement for the Year Ended 31st Mar 2020 &amp; 31st March 2019</b>		<b>For the year ended 31 Mar 2020</b>	<b>For the year ended 31 Mar 2019</b>
A	<b>Cash Flow from Operating Activities</b>		
	Net Profit Before Tax	(1,85,92,829)	(1,58,84,172)
	Adjustments for :		
	Depreciation and Amortization Expense	18,98,646	21,65,179
	Finance Costs		-
	Interest & Dividend received on Investments		
	Share of profit from Firms and LLP		
	Loss on sale of Fixed assets		-
	Expense on employee stock option scheme		
	Provision for non-current investments no longer required		
	Sundry Balances Written back		
	(Profit) / loss on sale of Current Investments	18,98,646	21,65,179
		(1,66,94,183)	(1,37,18,993)
	Operating Profit before working capital changes		
	(Increase)/Decrease in Inventories	8,43,673	(1,70,285)
	(Increase)/Decrease in Trade receivables	(2,05,185)	(3,38,281)
	(Increase)/Decrease in Financial assets - Loans	-	-
	(Increase)/Decrease in Financial assets - Others	(52,943)	(7,67,625)
	(Increase)/Decrease in Other current assets	93,079	4,71,048
	(Increase)/Decrease in Other non-current assets	11,045	(24,938)
	(Increase)/Decrease in Restricted Cash Balances (e.g. Dividend A/c)		
	Increase/(Decrease) in Long-term provisions	1,47,920	60,974
	Increase/(Decrease) in Trade payables	13,34,986	6,73,640
	Increase/(Decrease) in Other financial liabilities - Non current	(35,000)	(13,000)
	Increase/(Decrease) in Other non-current liabilities		
	Increase/(Decrease) in Other financial liabilities - Current		
	Increase/(Decrease) in Other current liabilities	162	(3,20,179)
	Increase/(Decrease) in Short-term provisions	14,744	(1,81,801)
	Cash Generated from Operations	(1,45,41,702)	(1,43,29,440)
	Income Tax Refund / (Paid) (net)		
	Net Cash Flow from / (used in) Operating Activities (A)	(1,45,41,702)	(1,43,29,440)
B	<b>Cash Flow from Investing Activities</b>		
	Purchase of Property, Plant and Equipment and Intangible Assets	(4,29,055)	(1,15,661)
	Proceeds from Sale of Property, Plant and Equipment	-	-
	Purchase of Current Investments		
	Sale of Current Investments		
	Dividend Income from Related Parties (refer note XX)		
	Investment in Associate and Subsidiaries (refer note XX)		
	Advance towards Investments		
	Inter Corporate Deposits given		
	Fixed Deposit / Margin Money Realized		
	Fixed Deposit / Margin Money Placed		
	Interest Received		
	Net Cash Flow from / (used in) Investing Activities (B)	(4,29,055)	(1,15,661)
C	<b>Cash Flow from Financing Activities</b>		

Repayment of long-term borrowings		
Proceed from long-term borrowings		
Net increase / (decrease) in working capital borrowings	1,68,34,819	1,46,41,915
Capital contribution/(withdrawal) by Minority		
Dividend & Tax on dividend paid		
Finance cost paid		
Net Cash Flow from / (used in) Financing Activities ( C )	1,68,34,819	1,46,41,915
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	18,64,062	1,96,814
Cash and Cash Equivalents (Opening balance)	4,96,557	2,99,742
Cash and Cash Equivalents (refer note XX) at the end of the year	23,60,618	4,96,557
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	18,64,062	1,96,814

We have verified the above Cash Flow Statement of Kolte -Patil Redevelopment private Limited (Form prepared by the company and certify that the statement has been derived from the accounts of the c

As Per Our Audit Report Even Date

For and on Behalf of the Board of Directors

SMITHA SAILESH  
CHARTERED ACCOUNTANT  
Mem. No. 104984

**Vandana Patil**  
**Director**  
**DIN: 588888**

**Naresh Patil**  
**Director**  
**DIN: 881077**

Place: Bangalore  
Date : 10.06.2020

# **Kolte -Patil Redevelopment Private Limited (Formerly - PNP Retail Private Limited)**

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

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### **1. CORPORATE INFORMATION**

Kolte - Patil Redevelopment Private Limited (Formerly – PNP retail Private Limited) (“the Company”) is a Company registered under the Companies Act, 1956. It was incorporated on 04.11.2009. The Company is primarily engaged in business of operating and maintaining Retail stores.

#### **1.1 SIGNIFICANT ACCOUNTING POLICIES**

##### **A. Statement of Compliance:**

The financial statements have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015.

##### **B. Basis of Preparation of Financial Statements:**

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the considerations given in exchange for goods and services.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

##### **C. Use of Estimates**

The preparation of financial statements requires the management of the company to make estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of financial statements, disclosure of contingent liabilities as at the date of the financial statements, and the reported amounts of income and expenses during the reported period. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

# **Kolte -Patil Redevelopment Private Limited (Formerly - PNP Retail Private Limited)**

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

### **D. Inventories:**

Inventories are valued at the lower of cost and the net realizable value after providing for obsolescence and other losses, if any. Cost includes all changes in bringing the goods to the point of sale.

### **E. Fixed Assets**

Fixed assets are stated at actual cost less accumulated depreciation and net of impairment. The actual cost capitalized includes material cost, freight, installation cost, duties and taxes, eligible borrowing costs and other incidental expenses incurred during the construction / installation stage.

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation / amortization on fixed asset is charged based on straight line method on an estimated useful life as prescribed in Schedule II to the Companies Act, 2013

The estimated useful lives and residual values of the fixed assets and Intangible assets are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

For transition to Ind AS, the Company has elected to continue with the carrying value of all the fixed asset recognised as of April 1, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

#### Capital Work - In –Progress:

Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

### **F. Miscellaneous Expenditure:**

Preliminary expenses have been written off in the year in which they were incurred.

### **G. Revenue Recognition :**

Sales of goods are recognized, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers.

# Kolte -Patil Redevelopment Private Limited (Formerly - PNP Retail Private Limited)

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

### H. Employee Benefits:

#### **Retirement benefit costs and termination benefits**

Payments to defined contribution retirement benefit are recognized as an expense when employees have rendered service entitling them to the contributions.

For defined retirement benefit plans, the cost of providing is determined using the projected unit credit method for which actuarial valuations are being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or a credit recognized in other comprehensive income in the period in which they occur. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognized in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Defined benefit costs are categorized as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Remeasurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions on future contributions to the plans.

A liability for a termination benefit is recognized either when the entity can no longer withdraw the offer of the termination benefit or when the entity recognizes any related restructuring costs, whichever is earlier.

#### **Short-term and other long-term employee benefits: -**

A liability is recognized for benefits accruing to employees in respect of wages and salaries and annual leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

# **Kolte -Patil Redevelopment Private Limited (Formerly - PNP Retail Private Limited)**

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

Liabilities recognized in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

### **I. Borrowing Cost**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

### **J. Earnings Per Share**

The Company reports basic and diluted earnings per share in accordance with Ind AS - 33 on 'Earnings per Share'. Basic earnings per share is computed by dividing the net profit or loss for the year by the weighted average number of Equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all diluted potential equity shares except where the results are anti-dilutive

### **K. Current and Deferred Taxes**

#### **Current Tax**

Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to / recovered from the tax authorities, based on estimated tax liability computed after taking credit for allowances and exemption in accordance with the local tax laws existing in the respective countries.

#### **Deferred Tax**

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount.

Deferred income tax asset are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

# **Kolte -Patil Redevelopment Private Limited (Formerly - PNP Retail Private Limited)**

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

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax liabilities and assets measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively by the end of the reporting period.

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

### **Current and deferred tax for the year:**

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively

### **L. Impairment:**

#### **(i) Financial assets (other than at fair value)**

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired.

Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

#### **(ii) Non-financial assets**

##### **Property, Plant & Equipment and Intangible assets (PPE&IA)**

At each Balance Sheet date, the Company reviews the carrying amounts of its PPE&IA to determine whether there is any indication that those assets suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. In assessing value in use, the estimated future

Cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market

# **Kolte -Patil Redevelopment Private Limited (Formerly - PNP Retail Private Limited)**

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

assessments of time value of money and the risks specific to the asset. Reversal of impairment loss is recognised as income in the Statement of Profit and Loss as and when they arise.

### **M. Provisions, Contingent Liabilities and Contingent Assets**

A provision is recognised when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which the reliable estimate can be made. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material) and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date adjusted to reflect the current best estimates. Contingent liabilities and Contingent assets are not recognised in the financial statements.

### **N. Operating Cycle**

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

### **O. Financial Instruments**

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised in profit or loss.

#### **Financial assets at amortised cost**

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

# **Kolte -Patil Redevelopment Private Limited (Formerly - PNP Retail Private Limited)**

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

### **Financial assets at fair value**

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognised in profit or loss

### **Financial liabilities and equity instruments**

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument

Financial liabilities are measured at amortised cost using the effective interest method. Financial liabilities at FVTPL are stated at fair value, with gains and losses arising on remeasurement recognized in profit and loss account.

### **1.2 Statement of Cash flows**

The statement of Cash Flows is prepared in accordance with Ind AS 7 (*Statement of Cash Flows*) notified the Companies (Indian Accounting Standards) (Amendment) Rules, 2017, amending Ind AS 7.

## Note-1

## KOLTEPATIL REDEVELOPMENT PRIVATE LIMITED FOR F Y - 2019 - 2020

Fixed Assets - Tangible													AS PER COMPANIES ACT-2013	
S. No	Particulars	Life of Asset considered (No. of. Years)	Gross Block				Depreciation				Net Block			
			Balance As on 01.04.2019	Additions 01.04.2019 to 31.03.2020	Deletions 01.04.2019 to 31.03.2020	Balance As on 31.03.2020	Balance As on 01.04.2019	Depreciation for the FY - 2019-20	Deletion of Assets	Impair of assets	Accumulated Depreciation as on 31.03.2020	As on 31.03.2020	As on 31.03.2019	
<b>TANGIBLE ASSETS</b>														
1	OFFICE EQUIPMENT	5	2,61,149	1,64,877	-	4,26,026	2,04,068	39,217	-	-	2,43,285	<b>1,82,741</b>	57,081	
2	ELECTRONIC EQUIPMENT	10	27,15,386	-	-	27,15,386	17,98,677	2,95,400	-	-	20,94,078	<b>6,21,308</b>	9,16,710	
3	AIR CONDITIONER	15	-	-	-	-	-	-	-	-	-	-	-	
4	FURNITURE	10	1,22,43,400	32,200	-	1,22,75,600	83,49,299	13,54,124	-	-	97,03,423	<b>25,72,177</b>	38,94,101	
5	VEHICLE	10	3,81,438	31,765	-	4,13,203	3,29,186	36,834	-	-	3,66,019	<b>47,184</b>	52,252	
6	COMPUTER	3	4,71,791	2,00,214	-	6,72,005	3,81,355	72,721	-	-	4,54,075	<b>2,17,929</b>	90,436	
7	NETWORK & COMPUTER	6	54,25,529	-	-	54,25,529	54,09,940	14,421	-	-	54,24,361	<b>1,168</b>	15,590	
8	GENERATOR	15	11,84,394	-	-	11,84,394	5,55,824	75,489	-	-	6,31,314	<b>5,53,080</b>	6,28,570	
9	HAND PALLET TRUCK	10	97,105	-	-	97,105	65,543	10,439	-	-	75,982	<b>21,123</b>	31,563	
<b>TOTAL</b>			<b>2,27,80,192</b>	<b>4,29,055</b>	<b>-</b>	<b>2,32,09,247</b>	<b>1,70,93,892</b>	<b>18,98,646</b>	<b>-</b>	<b>-</b>	<b>1,89,92,537</b>	<b>42,16,710</b>	<b>56,86,303</b>	
<b>INTANGIBLE ASSETS</b>														
10	LOGO	5	2,22,246	-	-	2,22,246	2,22,246	-	-	-	2,22,246	-	0	
<b>TOTAL</b>			<b>2,22,246</b>	<b>-</b>	<b>-</b>	<b>2,22,246</b>	<b>2,22,246</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,22,246</b>	<b>-</b>	<b>0</b>	
<b>GRAND TOTAL</b>			<b>2,30,02,438</b>	<b>4,29,055</b>	<b>-</b>	<b>2,34,31,493</b>	<b>1,73,16,138</b>	<b>18,98,646</b>	<b>-</b>	<b>-</b>	<b>1,92,14,783</b>	<b>42,16,710</b>	<b>56,86,303</b>	

**KOLTE PATIL REDEVELOPMENT PRIVATE LIMITED ( Formerly known as PNP RETAIL PVT LTD )**  
**Notes to the financial statements for the Year ended Mar 31, 2020**

**Note - 2 : Deferred Tax Assets (Net)**

Particulars	Amount in Rupees	
	As on 31st Mar 2020	As on 31st March 2019
<b>A. Tax effect of items constituting deferred tax liabilities</b>		
1) On difference between book balance and tax balance of fixed assets		
2) On expenditure deferred in the books but allowable for tax purposes		
3) Ind AS impact 1		
4) Ind AS impact 2		
5) Others.....		
6) Others.....		
Tax effect of items constituting deferred tax liabilities		-
<b>B. Tax effect of items constituting deferred tax assets</b>		
1) Provision for compensated absences, gratuity and other employee benefits		
2) Provision for doubtful debts / advances		
3) Disallowances under Section 40(a)(i), 43B of the Income Tax Act, 1961 (Including DTA on Provision for Leave Encashment & Gratuity)		
4) On difference between book balance and tax balance of fixed assets	13,19,781	11,01,015
5) Unabsorbed depreciation carried forward	38,38,545	35,29,107
6) Brought forward business losses	5,21,01,417	5,37,85,723
7) Ind AS impact 1		
8) Ind AS impact 2		
9) Others		
Tax effect of items constituting deferred tax assets	5,72,59,743	5,84,15,845
<b>C. Tax on Other Comprehensive Income</b>		
1) Revaluation of Property plant and Equipment		
2) Remeasurement of Defined Benefit Obligations		
3) Foreign Operations - Foreign Currency Differences		
4) Net Investment Hedge		
5) Cashflow Hedges		
6) FVTOCI Financial Assets		
7) Reclassification of Foreign Currency differences on loss of significant influence		
8) Equity Accounted investee's share of OCI		
Tax on Other Comprehensive Income	-	-
<b>Deferred tax (liabilities) / assets (net)</b>	<b>5,72,59,743</b>	<b>5,84,15,845</b>

KOLTE PATIL REDEVELOPMENT PRIVATE LIMITED ( Formerly known as PNP RETAIL PVT LTD )  
Notes to the financial statements for the Year ended Mar 31, 2020

Note - 3 : Income Tax

Particulars	Amount in Rupees	
	As on 31st Mar 2020	As on 31st March 2019
<b>Current Tax Asset:</b>		
Others	-	1,16,305
<b>Total</b>	-	<b>1,16,305</b>

KOLTE PATIL REDEVELOPMENT PRIVATE LIMITED ( Formerly known as PNP RETAIL PVT LTD )  
Notes to the financial statements for the Year ended Mar 31, 2020

**Note No.4 - Other non-current and current assets**

**Amount in Rupees**

Particulars	As on 31st Mar 2020	As on 31st Mar 2019
	Non- Current	Non- Current
<b>(a) Capital advances</b>		
(i) For Capital work in progress		
(ii) For intangible asset under development		
(iii) For Investment property under development		
(b) Advances to suppliers		
(c) Advances to employees & Others	-	-
(d) Balances with government authorities (other than income taxes)	-	-
(e) Prepayments		
(f) Unamortised expenses		
(i) Ancillary borrowing costs		
(ii) Discount on shares (where applicable)		
(g) Others		
(i) Rent Deposit	13,30,000	12,24,740
(ii) Receivables on sale of fixed assets		
(iii) Advances given for real estate development		
(iv) Balances held as margin money or security against borrowings, guarantees and other commitments		
(v) Others (specify nature)		-
<b>TOTAL</b>	<b>13,30,000</b>	<b>12,24,740</b>

**KOLTE PATIL REDEVELOPMENT PRIVATE LIMITED ( Formerly known as PNP RETAIL PVT LTD )**  
**Notes to the financial statements for the Year ended Mar 31, 2020**

**Note - 5 Inventories**

Particulars	Amount in Rupees	
	As on 31st Mar 2020	As on 31st March 2019
(a) Finished Goods	19,67,986	28,11,659
Total Inventories at the lower of cost and net realisable value	<b>19,67,986</b>	<b>28,11,659</b>
Included above, goods-in-transit:		
(i) Raw materials		
(ii) Finished and semi-finished goods		
(iii) Stock-in-trade of goods acquired for trading		
(iv) Stores and spares		
(v) Loose Tools		
(vi) Others		
<b>Total goods-in-transit</b>		

KOLTE PATIL REDEVELOPMENT PRIVATE LIMITED ( Formerly known as PNP RETAIL PVT LTD )

Notes to the financial statements for the Year ended Mar 31, 2020

**Note No. 6 - Trade receivables\***

<b>Particulars</b>	<b>As on 31st Mar 2020</b>	<b>As on 31st March 2019</b>
Trade receivables outstanding for a period of more than 6 months		
(a) Secured, considered good		
(b) Unsecured, considered good		
(c) Doubtful		
Less: Allowance for Credit Losses		
Other Trade receivables		
(a) Secured, considered good		
(b) Unsecured, considered good	6,80,133	4,74,948
(c) Doubtful		
Less: Allowance for Credit Losses		
<b>TOTAL</b>	<b>6,80,133</b>	<b>4,74,948</b>

KOLTE PATIL REDEVELOPMENT PRIVATE LIMITED ( Formerly known as PNP RETAIL PVT LTD )  
Notes to the financial statements for the Year ended Mar 31, 2020

**Note - 7: Cash and Bank Balances**

**Amount in Rupees**

<b>Particulars</b>	<b>As on 31st Mar 2020</b>	<b>As on 31st March 2019</b>
Current Cash and bank balances		
(a) Balances with banks		
- In current accounts	20,62,806	4,41,464
- In deposit accounts		
(b) Cheques, drafts on hand		
(c) Cash in hand	2,96,312	53,592
(d) Other Bank Balances		
1) Balances held as margin money or security against borrowings	1,500	1,500
2) Earmarked accounts - unpaid dividend accounts		
<b>Total Cash and cash equivalent</b>	<b>23,60,618</b>	<b>4,96,557</b>

KOLTE PATIL REDEVELOPMENT PRIVATE LIMITED (Formerly known as PNP RETAIL PVT LTD)  
Notes to the financial statements for the year ended 31st Mar 2020

Note - 8: Financial Assets - Others

Particulars	Amount in Rupees	
	As on 31st Mar 2020	As on 31st March 2019
a) Refundable Security Deposit	5,000	5,000
b) Security Deposit - ICICI	8,15,568	7,62,625
<b>Total</b>	<b>8,20,568</b>	<b>7,67,625</b>

KOLTE PATIL REDEVELOPMENT PRIVATE LIMITED ( Formerly known as PNP RETAIL PVT LTD )  
**Notes to the financial statements for the Year ended Mar 31, 2020**

**Note No.9- Other current assets**

Amount in Rupees

Particulars	As on 31st Mar 2020	As on 31st March 2019
	Current	Current
(a) Advances to suppliers		
(-) Provision for Doubtful Advances	-	-
Total	-	-
(b) Advances to suppliers - expenses		
(c) Advances to Other Parties		
(d) Advances to employees - Salary	-	10,095
(e) Balances with government authorities (other than income taxes)		
(e) Prepayments	12,432	6,949
(f) Unamortised expenses		
(i) Ancillary borrowing costs		
(ii) Discount on shares (where applicable)		
(g) Others		
(i) Insurance claims		
(ii) Receivables on sale of fixed assets	18,00,000	18,00,000
(iii) Advance given to India Advantage Fund III		
(iv) Electricity Deposit		
(v) Rent Deposit		
(vi) Advances for Expenses		
(vii) South India Floriculture association		
(viii) Balances with government authorities	4,23,577	4,80,223
(ix) Additional security Deposit - BESCOM		
(x) TTK Prestige Limited (Deposit)		
(xi) Telephone Deposit		
(xii) NSC	15,000	15,000
(xiii) Prepaid Expenses		-
(xiv) Receivable for EDC Machine Surrender	-	31,821
<b>TOTAL</b>	<b>22,51,009</b>	<b>23,44,088</b>

**KOLTE PATIL REDEVELOPMENT PRIVATE LIMITED ( Formerly known as PNP RETAIL PVT LTD )**  
**Notes to the financial statements for the Year ended Mar 31, 2020**

Note - 10: Equity Share Capital

Particulars	Amount in Rupees			
	As on 31st Mar 2020		As on 31st March 2019	
	No. of shares	Amount	No. of shares	Amount
<b>Authorised:</b>				
Equity shares of Rs. 10 each with voting rights	2,50,00,000	2,50,00,000	2,50,00,000	25,00,00,000
<b>Issued, Subscribed and Fully Paid:</b>				
Equity shares of Rs. 10 each with voting rights	1,96,83,390	19,68,33,900	1,96,83,390	19,68,33,900
<b>Total</b>	<b>1,96,83,390</b>	<b>19,68,33,900</b>	<b>1,96,83,390</b>	<b>19,68,33,900</b>

KOLTE PATIL REDEVELOPMENT PRIVATE LIMITED ( Formerly known as PNP RETAIL PVT LTD )  
Notes to the financial statements for the Year ended Mar 31, 2020

11. Other Equity

Particulars	Reserves and Surplus							Items of other comprehensive income										Total		
	Share application money pending allotment	Equity component of compound financial instruments	Capital reserve	Securities premium reserve	General reserve	Share Option outstanding account	Other reserve (Debenture Redemption Reserve)#	Retained earnings	Debt instrument through other comprehensive income	Equity instrument through other comprehensive income	Effective portion of cash flow hedge	Revaluation surplus	Exchange differences on translating the financial statements of a foreign operation	Actuarial Gain / (Loss)	Reserve for time value of options and forward elements of forward contracts in hedging	Other items of other comprehensive income (specify nature)	Money received against share warrants		Attributable to owners of the parent	Non-controlling interests
Balance at the beginning of the reporting period					(18,28,17,425)															(18,28,17,425)
Changes in accounting policy/ prior period errors																				-
Share issue costs																				-
Less: Depreciation on transition to Schedule II of the Companies Act, 2013 on tangible fixed assets with nil remaining life (Net of Deffered tax Rs. 45 lakhs) (Refer note 42)																				-
Restated balance at the beginning of the reporting period																				-
DRR Reserve created																				-
DRR Reserve																				-
Total Comprehensive income for the year																				-
Dividends																				-
Transfer to retained earnings																				-
IND AS Adjustment - reversal of proposed dividend and tax thereon.					(1,97,48,931)															(1,97,48,931)
<b>Balance at the end of the reporting period</b>	-	-	-	-	<b>(20,25,66,356)</b>	-	-	-	-	-	-	-	-	-	-	-	-	-	-	<b>(20,25,66,356)</b>

Note: Remeasurment of net defined benefit plans, fair value changes relating to own credit risk and share of Other

**KOLTE PATIL REDEVELOPMENT PRIVATE LIMITED ( Formerly known as PNP RETAIL PVT LTD )**  
Notes to the financial statements for the Year ended Mar 31, 2020

**Note No. 12- Other Non current Financial Liabilities**

Rs. In Rupees

Particulars*	As on 31st Mar 2020	As on 31st March 2019
<b>Measured at Amortised Cost</b>		
(a) Security Deposits	-	35,000
(b) Maintenance Deposits		
(c) Other long term liabilities		
<b>Measured at Fair value</b>		
(a) Others... please specify		
(b) Others... please specify		
	-	35,000

**KOLTE PATIL REDEVELOPMENT PRIVATE LIMITED ( Formerly known as PNP RETAIL PVT LTD )**  
Notes to the financial statements for the Year ended Mar 31, 2020

**Note - 14: Current Borrowings**

Amount in Rupees

<b>Particulars</b>	<b>As on 31st Mar 2020</b>	<b>As on 31st March 2019</b>
A. Secured Borrowings - at Amortised cost:		
(a) Loans repayable on demand		
-1 From Banks		
- Working Capital Demand Loans		
- Cash Credit / Packing Credits		
- Overdraft facility		
- Others		
-2 from other parties		
(b) Loans from related parties		
(c) Deposits		
(d) Other Loans		
- Commercial Papers		
- Inter-corporate Deposits		
- Other Loans		
<b>Total Secured Borrowings</b>	-	-
B. Unsecured Borrowings - at Amortised cost:		
(a) Loans repayable on demand		
-1 From Banks		
- Working Capital Demand Loans		
- Cash Credit / Packing Credits		
- Overdraft facility		
- Others		
-2 from other parties		
(b) Loans from related parties	7,31,38,201	5,63,03,382
(c) Deposits		
(d) Other Loans		
- Commercial Papers		
- Inter-corporate Deposits		
- Other Loans		
<b>Total Unsecured Borrowings</b>	<b>7,31,38,201</b>	<b>5,63,03,382</b>
<b>Total Current Borrowings</b>	<b>7,31,38,201</b>	<b>5,63,03,382</b>

**KOLTE PATIL REDEVELOPMENT PRIVATE LIMITED ( Formerly known as PNP RETAIL PVT LTD )**  
Notes to the financial statements for the Year ended Mar 31, 2020

**Note - 15: Current Trade Payables**

Particulars	As on 31st Mar 2020	As on 31st March 2019
	Current	Current
i) Creditors for supplies / services	15,17,933	8,08,540
ii) Creditors for Expenses	4,47,284	3,09,360
iii) Other Out standing Expenses	20,335	52,691
iv) Acceptances		
v) Professional Charges Payable	3,14,768	2,07,848
vi) Statutory & Tax Audit Fees Payable	3,15,987	1,50,207
vii) Salary Payable	2,47,325	-
<b>Total trade payables*</b>	<b>28,63,632</b>	<b>15,28,646</b>

**KOLTE PATIL REDEVELOPMENT PRIVATE LIMITED ( Formerly known as PNP RETAIL PVT LTD )**

Notes to the financial statements for the Year ended Mar 31, 2020

**Note - 13: Non Current Provisions**

Particulars		
	As on 31st Mar 2020	As on 31st March 2019
(a) Provision for employee benefits		
(i) Provision for compensated absences [Leave Encashment]	165164	84,764
(ii) Gratuity	185548	1,18,028
(b) Other Provisions		
(i) Warranty		
(ii) Onerous contracts		
(iii) Other Provisions		
<b>Total Provisions</b>	<b>3,50,712</b>	<b>2,02,792</b>

**KOLTE PATIL REDEVELOPMENT PRIVATE LIMITED ( Formerly known as PNP RETAIL PVT LTD )**  
Notes to the financial statements for the Year ended Mar 31, 2020

**Note - 16: Current Provisions**

Particulars	As on 31st Mar 2020	As on 31st March 2019
	Current	Current
(a) Provision for employee benefits		
(i) Leave Encashment & Gratuity & PF	28,910	14,166
(ii) Exgratia Payable		
(iii) Employee contribution to ESIC		
(iv) ESIC payable		
(v) Employee contribution to PF payable		
(vi) Salary payable		
(b) Other Provisions		
i) Warranty claims		
ii) Onerous contracts		
iii) Other Provisions		-
Provision for estimated losses on derivatives		
<b>Total Provisions</b>	<b>28,910</b>	<b>14,166</b>

**KOLTE PATIL REDEVELOPMENT PRIVATE LIMITED ( Formerly known as PNP RETAIL PVT LTD )**  
Notes to the financial statements for the Year ended Mar 31, 2020

**Note - 17: Other Liabilities**

Particulars	As on 31st Mar 2020		As on 31st March 2019	
	Current	Non- Current	Current	Non- Current
	a. Advances received from customers			
b. Defered Revenue				
- Deferred Revenue arising from Customer Loyalty program				
- Deferred Government grant related to assets				
- Other Deferred Revenues				
c. Others				
- Lease Incentives				
- Employee Recoveries and Employer Contributions				
- Statutory Dues (Excise duty, service tax, sales tax, TDS, Royalty etc.)	2,18,306		206729	
- Professional Tax Payable	1,600		1000	
- ESIC Payable	1,399		1,009	
- Employee Contribution to PF Payable	16,465		28,870	
<b>TOTAL OTHER LIABILITIES</b>	<b>2,37,770</b>	<b>-</b>	<b>2,37,608</b>	<b>-</b>

**KOLTE PATIL REDEVELOPMENT PRIVATE LIMITED ( Formerly known as PNP RE**  
Notes to the financial statements for the year ended 31st Mar 2020

**Note no -18 Revenue from Operations**

The following is an analysis of the company's revenue for the year from continuing operations.

Amount in Rupees

Particulars	As on 31st Mar 2020	31st March 2019
(a) Sale of Goods	2,66,05,335	1,83,97,854
(b) Sale of Land		
(c) Rental income		
(d) Project Management Fees		
(e) Other Operating Revenues -		
- Concessionaire Fees	3,10,000	3,57,000
- Profit from LLPs (Net)		
- Compensation for Surrender of Right		
- Modification & Extra Work Receipts		
- Sale of Services		
<b>Total Revenue from Operations</b>	<b>2,69,15,335</b>	<b>18754854</b>

**KOLTE PATIL REDEVELOPMENT PRIVATE LIMITED ( Formerly known as PNP RETAIL PVT LTD )**

**Notes to the financial statements for the year ended 31st Mar 2020**

**Note no -19 Other Income**

Particulars		As on 31st Mar 2020	31st March 2019
(a)	Interest Income		
	Interest income earned on financial assets that are not designated as at fair value through profit and loss:		
	-1 On Bank deposits (at amortised cost)	52,943	54,314
	-2 On Debenture		
	-3 Other Financial assets carried at amortised cost		
	-4 Interest on Income tax Ruffund	13,035	
(b)	Dividend Income from		
	-1 Current investment		
	-2 Equity investments		
(c)	Other non-operating income (net of expenses directly attributable to such income)		
	-1 Rental income:		
	(i) Finance lease contingent rental income		
	(ii) Operating lease rental income:		
	- Investment property		
	- Contingent rental income		
	- Royalties		
	- Others (aggregate of immaterial items)		
d)	Other gains and losses		
	-1 Gain/(loss) on disposal of property, plant and equipment		
	-2 Gain/(loss) on disposal of debt instruments at FVTOCI		
	-3 Cumulative gain/(loss) reclassified from equity on disposal of debt instruments at FVTOCI		
	-4 Net foreign exchange gain/(losses)		
	-5 Gain arising on effective settlement of legal claim		
	-6 Net gain/(loss) arising on financial assets designated as at FVTPL		
	-7 Net gain/(loss) arising on financial Liabilities designated as at FVTPL		
	-8 Net gain/(loss) arising on financial assets mandatorily measured at FVTPL		
	-9 Net gain/(loss) arising on held for trading financial liabilities		
	-10 Hedge ineffectiveness on cash flow hedges		
	-11 Hedge ineffectiveness on net investment hedges		
	-12 Gain recognised on disposal of interest in former associates		
	-13 Net gain/(loss) arising on derecognition of financial assets measured at amortised cost		
	-14 Sundry Balances Written Back	-	1,39,887
	-15 Guarentee premium income		
	-16 Miscellaneous Income	1,04,822	29,932
<b>Total Other Income</b>		<b>1,70,800</b>	<b>2,24,133</b>

Notes to the financial statements for the year ended 31st Mar 2020

**Note 20A. Purchase of Stock in Trade**

Particulars	As on 31st Mar 2020	As on 31st Dec 2019
<b>Cost incurred during the year</b>		
i) Purchase of Stock in Trade	2,54,47,866	1,88,25,070
<b>Total Purchase of Stock in Trade</b>	<b>2,54,47,866</b>	<b>1,88,25,070</b>

KOLTE PATIL REDEVELOPMENT PRIVATE LIMITED ( Formerly known as PNP RETAIL PVT LTD )

Notes to the financial statements for the year ended 31st Mar 2020

**Note 20B.Changes in Inventory**

Particulars			As on 31st Mar 2020	31st March 2019
(a) Opening stock			28,11,659	26,41,374
i) Stock in trade			28,11,659	26,41,374
		(A)	28,11,659	26,41,374
<b>(c) Less : Closing stock</b>			19,67,986	28,11,659
i) Stock in trade			19,67,986	28,11,659
		(B)	19,67,986	28,11,659
<b>Changes in Inventory</b>		(A-B)	8,43,673	(1,70,285)

**KOLTE PATIL REDEVELOPMENT PRIVATE LIMITED ( Formerly known as PNP RETAIL PVT LTD )**  
Notes to the financial statements for the year ended 31st Mar 2020

**Note No -21 Employee Benefits Expense**

<b>Particulars</b>	<b>As on 31st Mar 2020</b>	<b>As on 31st March 2019</b>
(a) Salaries and wages, including bonus	39,91,382	25,30,555
(b) Contribution to provident and other funds	256733	1,82,053
(c) Gratuity & Leave Encashment Expenses	162664	64,871
(d) Share based payment transactions expenses		
-1 Equity-settled share-based payments		
-2 Cash-settled share-based payments		
(e) Staff welfare expenses		
(f) Other Expenses - Insurance		
(g) Insurance Medical		
<b>Total Employee Benefit Expense</b>	<b>44,10,779</b>	<b>27,77,479</b>

**KOLTE PATIL REDEVELOPMENT PRIVATE LIMITED ( Formerly known as PNP RETAIL PVT LTD )**  
Notes to the financial statements for the year ended 31st Mar 2020

Amount in Rupees

Note no -22 Finance Cost

Particulars	31st Mar 2020	As on 31st March 2019
(a) Interest expense		
(i) Borrowings		
(ii) Trade payables		
(iii) Related parties - Interest on Intercompany	68,28,767	64,06,913
(iv) Interest on delayed / deferred payment of income tax		
(v) obligation under finance lease - Grand Maratha deposit		
(v) Others (give details) (e.g. Bill discounting charges)		
(b) Dividend on redeemable preference shares		
(c) Exchange differences regarded as an adjustment to borrowing costs		
(d) Other borrowing cost		
<b>Total finance costs</b>	<b>68,28,767</b>	<b>64,06,913</b>

KOLTE PATIL REDEVELOPMENT PRIVATE LIMITED ( Formerly known as PNP RETAIL PVT LTD )  
Notes to the financial statements for the year ended 31st Mar 2020

Note No -23 Other Expenses

Amount in Rupees

Particulars	Amount in Rupees	
	31st Mar 2020	As on 31st March 2019
(a) Commission - Card		
(b) Business Promotion	49,143	91,345
(c) Office Expenses		
(d) Repairs & Maintenance	2,94,044	31,233
(e) Telephone ,postage & couriers	79,938	89,378
(f) Travel & conveyance-DOMESTIC	60,081	63,478
(g) Insurance Charges	35,455	24,172
(h) Rates & Taxes		15,900
(i) Professional & Consultancy charges	2,86,470	3,51,650
(j) Electricity & Diesel	3,29,911	2,39,333
(k) Security Charges	4,33,367	3,02,712
(l) Manpower cost	33,538	1,36,778
(m) Miscallaneous Expenses	7,97,460	3,69,938
(n) Printing & stationery	1,49,243	97,145
(o) Repair & maintanance -Packing Machine		
(p) Transportation charges-Others	2,20,023	1,34,484
(q) Repair & maintanance -Water Distribution System		
(r) Auditors remuneration and out-of-pocket expenses		
(i) As Auditors	1,53,400	1,71,100
(ii) For Taxation matters		
(iii) For Company Law matters		
(iv) For Other services		66,080
(v) Auditors out-of-pocket expenses		
(s) Other expenses		
-1 Distribution Expenses (Diesel Van)		
-2 Brokerage & Commission		
-3 Shipment Charges		
-4 Sundry Debtors Written Off		
-5 Doubtful Advances - Adv to Creditors Written off		12,569
-6 Doubtful Advances - Other Adv Written off	31,821	-
-7 Packing Labour		
Office and Establishment Expenses	7,46,502	3,38,705
-8		
-9 Rates & Taxes	25,616	-
-10 Security Charges		
-11 Rent	25,18,203	23,19,821
-12 Bank charges	5,019	2,982
-13 Interest On TDS		
-14 Loss on sale of Assets		
-15 other Expenses (insurance charges)		
(ii) Less: Recoveries		
(t) Loss arising on derecognition of financial assets		
(u) Net gain/(loss) arising on financial Liabilities designated as at FVTPL		
(v) Net gain/(loss) arising on financial assets designated as at FVTPL		
(w) Net gain/(loss) arising on financial assets designated as at FVTOCI		
(x) Net gain/(loss) arising on financial assets carried at amortized cost		
(y) Net gain/(loss) arising on financial assets carried at cost		
(z) Net gain/(loss) arising on financial liabilities measured at amortised cost		
<b>Total Other Expenses</b>	<b>62,49,233</b>	<b>48,58,803</b>

## **KOLTE PATIL REDEVELOPMENT PRIVATE LIMITED**

The company had prepared these financial statements in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act 2013.

### **23. Auditors Remuneration (net of GST) towards**

Amount in Rupees

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Statutory Audit Fee	153400	171100
Other Services Fee	-	66080
<b>Total</b>	<b>153400</b>	<b>237180</b>

#### **NOTE – 23.1**

As per Indian Accounting Standard (IND AS)19, "Employee Benefits" notified in the Companies (Accounting Standard) Rules 2006 the disclosures of employee benefits as defined in the standard are given below:

#### **Defined Contribution Plan:**

The Company's contribution to provident fund and employee state insurance is considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Contribution to Define Contribution Plan, recognized are changed off/capitalized for the year are as under:

	Rs.	Rs.
	<b>2019-20</b>	<b>2018-19</b>
Employer's Contribution to Provident Fund	2,25,561	1,29,202
Employer's Contribution to Employee State Insurance Corporation (ESIC)	31,172	52,851

#### **Defined Benefit Plan:**

The present value of obligation is determined based on actuarial valuation, 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 Company operates postretirement benefit plans as follows:

**DISCLOSURES UNDER IND AS 19 IN RESPECT OF GRATUITY BENEFIT PLAN FOR  
THE PERIOD 01 04 2019 to 31 03 2020**

**KOLTE-PATIL REDVEELOPMENT PVT. LTD. ┆**

**ASSUMPTIONS:**

	As of 31 03 2020	As of 31 03 2019	As of 31 03 2019
<b>Mortality table</b>	IALM(2012-14) ult	IALM(2012-14) ult	IALM(2012-14) ult
<b>Discount rate</b>	6.90%	7.80%	7.80%
<b>Rate of increase in compensation levels</b>	6.00%	6.00%	6.00%
<b>Expected average remaining working lives of employees (in years)</b>	15.08 *	15.41 *	15.41 *
<b>Retirement Age</b>	60 years	58 years	58 years
<b>Withdrawal Rate</b>			
<b>Age upto 30 years</b>	5.00%	5.00%	5.00%
<b>Age 31 - 40 years</b>	5.00%	5.00%	5.00%
<b>Age 41 - 50 years</b>	5.00%	5.00%	5.00%
<b>Age above 50 years</b>	5.00%	5.00%	5.00%

\* It is actuarially calculated term of the liability using probabilities of death, withdrawal and retirement.

# Assumption has been revised by the Company based on their past experience and future expectations.

**II. TABLE SHOWING CHANGES IN PRESENT VALUE OF OBLIGATIONS :**

(All figures in Rupees)

<b>For the period</b>	<b>01 04 2019 to 31 03 2020</b>	<b>01 04 2018 to 31 03 2019</b>
<b>Present value of obligation as at the beginning of the period</b>	<b>122,098</b>	<b>83,262</b>
<b>Interest Expense</b>	<b>8,121</b>	<b>5,549</b>
<b>Current service cost</b>	<b>46,197</b>	<b>31,973</b>
<b>Benefits paid</b>	<b>(35,971)</b>	<b>(24,231)</b>
<b>Remeasurements on obligation - (Gain) / Loss</b>	<b>51,728</b>	<b>25,545</b>
<b>Present value of obligation as at the end of the period</b>	<b>192,173</b>	<b>122,098</b>

**III. BREAK UP OF SERVICE COST**

<b>For the period</b>	<b>01 04 2019 to 31 03 2020</b>	<b>01 04 2018 to 31 03 2019</b>
<b>Current Service Cost</b>	<b>46,197</b>	<b>31,973</b>

**IV. NET INTEREST ( INCOME)/EXPENSE :**

<b>For the period</b>	<b>01 04 2019 to 31 03 2020</b>	<b>01 04 2018 to 31 03 2019</b>
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<b>Interest (Income) / Expense – Obligation</b>	<b>8,121</b>	<b>5,549</b>
<b>Net interest (Income) / Expense for the year</b>	<b>8,121</b>	<b>5,549</b>

**V. REMEASUREMENTS FOR THE YEAR (ACTUARIAL (GAIN) / LOSS)**

<b>For the period</b>	<b>01 04 2019 to 31 03 2020</b>	<b>01 04 2018 to 31 03 2019</b>
<b>Experience (Gain) / Loss on plan liabilities</b>	<b>31,989</b>	<b>25,545</b>
<b>Demographic (Gain) / Loss on plan liabilities</b>	<b>(1,110)</b>	<b>0</b>
<b>Financial (Gain) / Loss on plan liabilities</b>	<b>20,849</b>	<b>0</b>

**VI. AMOUNTS RECOGNISED IN STATEMENT OF OTHER COMPREHENSIVE INCOME (OCI)**

<b>For the period</b>	<b>01 04 2019 to 31 03 2020</b>	<b>01 04 2018 to 31 03 2019</b>
<b>Opening amount recognised in OCI outside profit and loss account</b>	<b>(263,762)</b>	<b>(289,307)</b>
<b>Remeasurement for the year - obligation (Gain) / Loss</b>	<b>51,728</b>	<b>25,545</b>
<b>Total Remeasurements Cost / (Credit ) for the year recognised in OCI</b>	<b>51,728</b>	<b>25,545</b>
<b>Closing amount recognised in OCI outside profit and loss account</b>	<b>(212,034)</b>	<b>(263,762)</b>

**VII. THE AMOUNTS TO BE RECOGNISED IN THE BALANCE SHEET :**

<b>For the period</b>	<b>01 04 2019 to 31 03 2020</b>	<b>01 04 2018 to 31 03 2019</b>
<b>Present value of obligation at the end of period</b>	<b>192,173</b>	<b>122,098</b>
<b>Surplus / (Deficit)</b>	<b>(192,173)</b>	<b>(122,098)</b>
<b>Current liability</b>	<b>6,625</b>	<b>4,070</b>
<b>Non-current liability</b>	<b>185,548</b>	<b>118,028</b>
<b>Net asset / (liability) recognised in balance sheet</b>	<b>(192,173)</b>	<b>(122,098)</b>

**VIII. EXPENSE RECOGNISED IN THE STATEMENT OF PROFIT AND LOSS :**

<b>For the period</b>	<b>01 04 2019 to 31 03 2020</b>	<b>01 04 2018 to 31 03 2019</b>
<b>Service Cost</b>	<b>46,197</b>	<b>31,973</b>
<b>Net interest ( Income)/ Expense</b>	<b>8,121</b>	<b>5,549</b>
<b>Net periodic benefit cost recognised in the statement of profit &amp; loss at the end of period</b>	<b>54,318</b>	<b>37,522</b>

**IX. RECONCILIATION OF NET ASSET / (LIABILITY) RECOGNISED :**

<b>For the period</b>	<b>01 04 2019 to 31 03 2020</b>	<b>01 04 2018 to 31 03 2019</b>
<b>Net asset / (liability) recognised at the beginning of the period</b>	<b>(122,098)</b>	<b>(83,262)</b>
<b>Benefits directly paid by Company</b>	<b>35,971</b>	<b>24,231</b>
<b>Amount recognised outside profit &amp; loss for the year</b>	<b>(51,728)</b>	<b>(25,545)</b>
<b>Expense recognised at the end of period</b>	<b>(54,318)</b>	<b>(37,522)</b>
<b>Net asset / (liability) recognised at the end of the period</b>	<b>(192,173)</b>	<b>(122,098)</b>

**X. AVERAGE DURATION**

Weighted average duration of the plan (based on discounted cash flows using mortality, withdrawal rate and interest rate) is 19.8 years.

**XI. EXPECTED FUTURE BENEFIT PAYMENTS**

The following benefits payments, for each of the next five years and the aggregate five years thereafter, are expected to be paid:

<b>Year Ending March 31</b>	<b>Expected Benefit Payment rounded to nearest thousand ( in Rs.)</b>
<b>2021</b>	<b>7,000</b>
<b>2022</b>	<b>8,000</b>
<b>2023</b>	<b>9,000</b>
<b>2024</b>	<b>17,000</b>
<b>2025</b>	<b>23,000</b>
<b>2026 - 2030</b>	<b>212,000</b>

The above cashflows have been arrived at based on the demographic and financial assumptions as mentioned earlier in section 6

**XII. EXPECTED CONTRIBUTIONS FOR THE NEXT YEAR**

The plan is unfunded as on the valuation date.

**XIII. EXPECTED EXPENSE TO BE RECOGNIZED IN PROFIT AND LOSS ACCOUNT FOR NEXT YEAR :**

<b>For the period</b>	<b>01 04 2020 to 31 03 2021</b>
<b>Service Cost</b>	<b>71,279</b>
<b>Net Interest Cost</b>	<b>13,018</b>
<b>Expected Expense for next year</b>	<b>84,297</b>

#### **XIV. SENSITIVITY ANALYSIS**

Sensitivity analysis indicates the influence of a reasonable change in certain significant assumptions on the outcome of the Present value of obligation (PVO) and aids in understanding the uncertainty of reported amounts. Sensitivity analysis is done by varying one parameter at a time and studying its impact

**A) Impact of change in discount rate when base assumption is decreased/increased by 100 basis point**

Discount rate	31 03 2020
	Present value of obligation (in Rs.)
5.90%	220,272
7.90%	169,227

**B) Impact of change in salary increase rate when base assumption is decreased/increased by 100 basis point**

Salary increment rate	31 03 2020
	Present value of obligation (in Rs.)
5.00%	170,460
7.00%	218,186

**C) Impact of change in withdrawal rate when base assumption is decreased/increased by 100 basis point**

Withdrawal rate	31 03 2020
	Present value of obligation (in Rs.)
4.00%	189,432
6.00%	194,522

## **XV. RISK EXPOSURE AND ASSET LIABILITY MATCHING**

Provision of a defined benefit scheme poses certain risks, some of which are detailed hereunder, as companies take on uncertain long term obligations to make future benefit payments.

### **Liability Risks**

#### **a. Asset-Liability Mismatch Risk-**

Risk which arises if there is a mismatch in the duration of the assets relative to the liabilities. By matching duration with the defined benefit liabilities, the company is successfully able to neutralize valuation swings caused by interest rate movements. Hence companies are encouraged to adopt asset-liability management.

#### **b. Discount Rate Risk-**

Variations in the discount rate used to compute the present value of the liabilities may seem small, but in practise can have a significant impact on the defined benefit liabilities.

#### **c. Future Salary Escalation and Inflation Risk -**

Since price inflation and salary growth are linked economically, they are combined for disclosure purposes. Rising salaries will often result in higher future defined benefit payments resulting in a higher present value of liabilities especially unexpected salary increases provided at management's discretion may lead to uncertainties in estimating this increasing risk.

### **2) Unfunded Plan Risk**

This represents unmanaged risk and a growing liability. There is an inherent risk here that the company may default on paying the benefits in adverse circumstances. Funding the plan removes volatility in company's financials and also benefit risk through return on the funds made available for the plan.

**DISCLOSURES UNDER IND AS 19 IN RESPECT OF LEAVE ENCASHMENT PLAN  
FOR THE PERIOD 01 04 2019 to 31 03 2020**

**KOLTE-PATIL REDVEELOPMENT PVT. LTD.**

**I. ASSUMPTIONS :**

	<b>As of 31 03 2020</b>	<b>As of 31 03 2019</b>
<b>Mortality table</b>	IALM(2012-14) ult	IALM(2012-14) ult
<b>Discount rate</b>	6.90%	7.80%
<b>Rate of increase in compensation levels</b>	6.00%	6.00%
<b>Expected average remaining working lives of employees (in years)</b>	15.08 *	15.41 *
<b>Retirement Age</b>	60 years	58 years
<b>Withdrawal Rate</b>		
<b>Age upto 30 years</b>	5.00%	5.00%
<b>Age 31 - 40 years</b>	5.00%	5.00%
<b>Age 41 - 50 years</b>	5.00%	5.00%
<b>Age above 50 years</b>	5.00%	5.00%

\* It is actuarially calculated term of the liability using probabilities of death, withdrawal and retirement.

# Assumption has been revised by the Company based on their past experience and future expectations.

**II. TABLE SHOWING CHANGES IN PRESENT VALUE OF OBLIGATIONS :**

(All figures in Rupees)

<b>For the period</b>	<b>01 04 2019 to 31 03 2020</b>	<b>01 04 2018 to 31 03 2019</b>
<b>Present value of obligation as at the beginning of the period</b>	<b>94,860</b>	<b>68,825</b>
<b>Interest Expense</b>	<b>7,221</b>	<b>4,991</b>
<b>Current service cost</b>	<b>35,384</b>	<b>23,125</b>
<b>Benefits paid</b>	<b>(4,577)</b>	<b>(9,664)</b>
<b>Remeasurements on obligation - (Gain) / Loss</b>	<b>54,561</b>	<b>7,583</b>
<b>Present value of obligation as at the end of the period</b>	<b>187,449</b>	<b>94,860</b>

**III. BREAK UP OF SERVICE COST**

<b>For the period</b>	<b>01 04 2019 to 31 03 2020</b>	<b>01 04 2018 to 31 03 2019</b>
<b>Current Service Cost</b>	<b>35,384</b>	<b>23,125</b>

**IV. NET INTEREST ( INCOME)/EXPENSE :**

<b>For the period</b>	<b>01 04 2019 to 31 03 2020</b>	<b>01 04 2018 to 31 03 2019</b>
<b>Interest (Income) / Expense – Obligation</b>	<b>7,221</b>	<b>4,991</b>
<b>Net interest (Income) / Expense for the year</b>	<b>7,221</b>	<b>4,991</b>

**V. REMEASUREMENTS FOR THE YEAR (ACTUARIAL (GAIN) / LOSS):**

<b>For the period</b>	<b>01 04 2019 to 31 03 2020</b>	<b>01 04 2018 to 31 03 2019</b>
<b>Remeasurement for the year - Obligation (Gain) / Loss</b>	<b>54,561</b>	<b>7,583</b>
<b>Total Remeasurement Cost / (Credit ) for the year</b>	<b>54,561</b>	<b>7,583</b>

**VI. BREAKUP OF REMEASUREMENTS (ACTUARIAL (GAIN) / LOSS)**

<b>For the period</b>	<b>01 04 2019 to 31 03 2020</b>	<b>01 04 2018 to 31 03 2019</b>
<b>Experience (Gain) / Loss on plan liabilities</b>	<b>25,321</b>	<b>7,583</b>
<b>Demographic (Gain) / Loss on plan liabilities</b>	<b>16,323</b>	<b>0</b>
<b>Financial (Gain) / Loss on plan liabilities</b>	<b>12,917</b>	<b>0</b>

**VII. THE AMOUNTS TO BE RECOGNISED IN THE BALANCE SHEET :**

<b>For the period</b>	<b>01 04 2019 to 31 03 2020</b>	<b>01 04 2018 to 31 03 2019</b>
<b>Present value of obligation at the end of period</b>	<b>187,449</b>	<b>94,860</b>
<b>Surplus / (Deficit)</b>	<b>(187,449)</b>	<b>(94,860)</b>
<b>Current liability</b>	<b>22,285</b>	<b>10,096</b>
<b>Non-current liability</b>	<b>165,164</b>	<b>84,764</b>
<b>Net asset / (liability) recognised in balance sheet</b>	<b>(187,449)</b>	<b>(94,860)</b>

**VIII. EXPENSE RECOGNISED IN THE STATEMENT OF PROFIT AND LOSS :**

<b>For the period</b>	<b>01 04 2019 to 31 03 2020</b>	<b>01 04 2018 to 31 03 2019</b>
<b>Current service cost</b>	<b>35,384</b>	<b>23,125</b>
<b>Net interest ( Income)/ Expense</b>	<b>7,221</b>	<b>4,991</b>
<b>Remeasurements Cost / (Credit) for the year</b>	<b>54,561</b>	<b>7,583</b>
<b>Net periodic benefit cost recognised in the statement of profit &amp; loss at the end of period</b>	<b>97,166</b>	<b>35,699</b>

**IX. RECONCILIATION OF NET ASSET / (LIABILITY) RECOGNISED :**

<b>For the period</b>	<b>01 04 2019 to 31 03 2020</b>	<b>01 04 2018 to 31 03 2019</b>
<b>Net asset / (liability) recognised at the beginning of the period</b>	<b>(94,860)</b>	<b>(68,825)</b>
<b>Benefits directly paid by Company</b>	<b>4,577</b>	<b>9,664</b>
<b>Expense recognised at the end of period</b>	<b>(97,166)</b>	<b>(35,699)</b>
<b>Net asset / (liability) recognised at the end of the period</b>	<b>(187,449)</b>	<b>(94,860)</b>

**X. AVERAGE DURATION**

Weighted average duration of the plan (based on discounted cash flows using mortality, withdrawal rate, avilment rate and interest rate) is 13.18 years.

**XI. EXPECTED FUTURE BENEFIT PAYMENTS FOR ENCASHABLE LEAVES**

The following benefits payments, for each of the next five years and the aggregate five years thereafter, are expected to be paid:

<b>Year Ending March 31</b>	<b>Expected Benefit Payment rounded to nearest thousand ( in Rs.)</b>
<b>2021</b>	<b>8,000</b>
<b>2022</b>	<b>8,000</b>
<b>2023</b>	<b>9,000</b>
<b>2024</b>	<b>9,000</b>
<b>2025</b>	<b>9,000</b>
<b>2026 - 2030</b>	<b>44,000</b>

The above cashflows have been arrived at based on the demographic and financial assumptions (except avilment rate) as mentioned earlier in section 5 .

**XII. EXPECTED CONTRIBUTIONS FOR THE NEXT YEAR**

The plan is unfunded as on the valuation date

### XIII. SENSITIVITY ANALYSIS

Sensitivity analysis indicates the influence of a reasonable change in certain significant assumptions on the outcome of the Present value of obligation (PVO) and aids in understanding the uncertainty of reported amounts. Sensitivity analysis is done by varying one parameter at a time and studying its impact

**A) Impact of change in Discount rate when base assumption is decreased/increased by 100 basis point**

<b>Discount rate</b>	<b>31 03 2020 Present value of obligation (in Rs.)</b>
5.90%	203,962
7.90%	173,196

**B) Impact of change in Salary Increase rate when base assumption is decreased/increased by 100 basis point**

<b>Salary increment rate</b>	<b>31 03 2020 Present value of obligation (in Rs.)</b>
5.00%	174,604
7.00%	202,039

**C) Impact of change in Availment rate when base assumption is decreased/increased by 100 basis point**

<b>Availment rate</b>	<b>31 03 2020 Present value of obligation (in Rs.)</b>
Decreased by 1%	180,430
Increased by 1%	193,477

#### **XIV. RISK EXPOSURE AND ASSET LIABILITY MATCHING**

Provision of a defined benefit scheme poses certain risks, some of which are detailed hereunder, as companies take on uncertain long term obligations to make future benefit payments.

##### **1) Liability Risks**

###### **a. Asset-Liability Mismatch Risk-**

Risk which arises if there is a mismatch in the duration of the assets relative to the liabilities. By matching duration with the defined benefit liabilities, the company is successfully able to neutralize valuation swings caused by interest rate movements. Hence companies are encouraged to adopt asset-liability management.

###### **b. Discount Rate Risk-**

Variations in the discount rate used to compute the present value of the liabilities may seem small, but in practise can have a significant impact on the defined benefit liabilities.

###### **c. Future Salary Escalation and Inflation Risk -**

Since price inflation and salary growth are linked economically, they are combined for disclosure purposes. Rising salaries will often result in higher future defined benefit payments resulting in a higher present value of liabilities especially unexpected salary increases provided at management's discretion may lead to uncertainties in estimating this increasing risk.

##### **2) Unfunded Plan Risk**

This represents unmanaged risk and a growing liability. There is an inherent risk here that the company may default on paying the benefits in adverse circumstances. Funding the plan removes volatility in company's financials and also benefit risk through return on the funds made available for the plan.

**NOTE -23.2****Earnings Per Share:**

Basic earnings per share is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all diluted potential equity shares except where the results are anti-dilutive.

<b>Particulars</b>	<b>2019-20</b>	<b>2018-19</b>
	<b>(Rs.)</b>	<b>(Rs.)</b>
1. Loss after taxation considered for calculation		
Of basic/ diluted earnings per share	(1,97,48,931)	(1,29,46,771)
2. Weighted average number of equity shares		
Considered for calculation of basic earnings per share	1,96,83,390	1,96,83,390
3. Weighted average number of equity shares considered for calculation of diluted Earnings per share	1,96,83,390	1,96,83,390
4. Nominal value of equity share (Rs)	10/-	10/-
5. Basic & Diluted Earnings Per Share (Rs)	(1.00)	(0.66)

**NOTE :23.3****EARNINGS IN FOREIGN EXCHANGE****NIL****NIL**

**NOTE :23.4****RELATED PARTY DISCLOSURE:****i. List of related party :**

Kolte Patil Developers Ltd. Holding Company

**Key Management Personnel**

Naresh Anirudha Patil Director

**ii. Transactions with the related parties :**

The Company has the following transactions with the related parties:

	<b>(Rs.)</b>		<b>(Rs)</b>	
	<b>2019-20</b>		<b>2018-19</b>	
	Dr.	Cr.	Dr.	Cr.
1. Kolte Patil Developers Ltd.				
Loan Received	NIL	1,07,84,806	NIL	82,35,002
Interest paid/ payable	NIL	68,28,767	NIL	64,06,913
<b>Balance Payable</b>	<b>NIL</b>	<b>7,05,13,706</b>	<b>NIL</b>	<b>5,36,78,887</b>
2. Naresh Anirudha Patil				
Loan Received	NIL	NIL	NIL	NIL
<b>Balance Payable</b>	<b>NIL</b>	<b>26,24,495</b>	<b>NIL</b>	<b>26,24,495</b>

**NOTE -23.5**

Estimated amount of contracts remaining to be executed on Capital Account and not provided for Rs. Nil

Contingent Liabilities Rs. Nil

**NOTE – 23.6****Impairment of Assets**

In the view of Accounting Standard required by Ind AS- 36 "Impairment of Assets" issued by the ICAI, the Company has reviewed its fixed assets and does not expect any loss as on 31.03.2020 on account of impairment.

**NOTE – 23.7**

The spread of COVID-19 has severely impacted many local economies around the globe. The Company has determined that these events are non-adjusting subsequent events. Accordingly, the financial position and results of operations as of and for the year ended 31 March 2020 have not been adjusted to reflect their impact. The duration and impact of the COVID-19 pandemic remains unclear at this time. It is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of the Company for future periods.

**NOTE – 23.8**

The Company has no outstanding dues to Micro and Small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED).

**NOTE-23.9**

Previous year's figures have been regrouped, reclassified and rearranged wherever necessary.