

Statement of Audited Consolidated Financial Results for the quarter and year ended March 31, 2023

(Rs. in lakhs)

Particulars	Quarter Ended			Year Ended	
	31.3.2023	31.12.2022	31.03.2022	31.3.2023	31.03.2022
	(Audited) (Refer note 7)	(Unaudited)	(Audited) (Refer note 7)	(Audited)	(Audited)
1 Income					
(a) Revenue from operations					
Revenue from real estate projects (Outright sales)	2,910.06	3,631.43	795.67	7,064.45	2,443.23
Lease rental and related income (Leasing)	2,655.87	2,586.06	2,153.26	10,252.82	6,894.46
	5,565.93	6,217.49	2,948.93	17,317.27	9,337.69
(b) Other income	1,441.42	1,988.49	656.55	5,750.96	2,188.59
Total income	7,007.35	8,205.98	3,605.48	23,068.23	11,526.28
2 Expenses					
(a) Cost of material consumed	1,123.82	1,149.76	73.56	3,907.87	2,922.66
(b) Change in inventories of finished goods and construction work in progress	1,723.01	2,310.11	362.22	2,757.58	(1,199.52)
(c) Employee benefits expense	131.89	114.25	105.22	462.30	422.45
(d) Finance costs	1,107.17	997.43	992.75	4,106.80	4,014.34
(e) Depreciation and amortisation expenses	610.66	612.56	670.88	2,424.35	2,669.17
(f) Other expenses	1,165.12	1,403.25	1,023.88	4,638.55	3,289.72
Total expenses	5,861.67	6,667.36	3,228.51	18,297.45	12,118.82
3 Profit / (loss) from ordinary activities before tax and before share of profit / (loss) of joint venture	1,145.68	1,538.62	376.97	4,770.78	(592.54)
4 Share of profit / (loss) of joint venture (net of tax)	(3.75)	(0.74)	(3.28)	(4.16)	(1.56)
5 Profit / (loss) before tax for the period / year	1,141.93	1,537.88	373.69	4,766.62	(594.10)
6 Tax expense					
Current Tax (including earlier years)	262.76	334.98	13.77	875.23	137.75
Deferred Tax / (credit)	309.22	(79.29)	(143.28)	59.06	(583.47)
7 Net profit / (loss) for the period / year	569.95	1,282.19	503.20	3,832.33	(148.38)
8 Other comprehensive income					
Items that will not be reclassified to profit or loss					
Remeasurement gain on the defined benefit liability	2.32	0.25	(2.84)	3.07	1.00
Fair value gain/ (loss) on financial assets measured at FVOCI	(322.95)	0.75	(121.45)	(313.50)	965.77
Tax on above	467.30	(0.23)	28.50	464.95	(221.22)
9 Total comprehensive income / (loss) for the period / year	716.62	1,282.96	407.41	3,986.85	597.17
10 Net income/ (loss) attributable to					
- Owners	228.62	942.90	164.09	2,530.59	(350.94)
- Non Controlling Interest	341.33	339.29	339.11	1,301.74	202.56
11 Total comprehensive income / (loss) attributable to					
- Owners	167.23	944.63	(91.31)	2,333.46	162.88
- Non Controlling Interest	549.39	338.33	498.72	1,653.39	434.29
12 Paid-up equity share capital (face value per share of Rs. 2/-)	3,052.06	3,052.06	3,052.06	3,052.06	3,052.06
13 Other Equity				48,143.93	45,168.39
14 Earnings per share (Basic and Diluted) (Rs.) #	0.15	1.08	0.11	1.66	(0.23)

not annualized except for the year ended March 31, 2022 and March 31, 2023

Notes

- The above audited consolidated financial results for the quarter and year ended 31 March 2023 have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meeting held on 30 May 2023. The statutory auditors of the Company have expressed an unmodified opinion on the audited consolidated financial results for the year ended March 31, 2023.
- The audited consolidated financial results of the Company have been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards ("Ind AS") as prescribed under section 133 of the Companies Act 2013, as amended, read with relevant rules thereunder and in terms of the Regulation.



PROZONE REALTY LIMITED

(Formerly known as PROZONE INTU PROPERTIES LIMITED)

CIN : L45200MH2007PLC174147

Website: <https://prozoneintu.com> Email: info@prozoneintu.com Tel.: 022 - 68239000

Regd. Off: 105/106, Ground Floor, Dream Square, Dalia Industrial Estate, Off New Link Road, Andheri West, Mumbai- 400 053

- 3 Hagwood Commercial Developers Private Limited ('the Subsidiary company') had applied for aviation No Objection Certificate ('NOC') from Airport Authority of India, Nagpur ('AAIN') for 60 meters in the month of February 2012. After completion of all due diligence and internal checks, a NOC of 48 meters above ground level was granted on March 02, 2012 by AAIN, valid for 5 years. Based on the said NOC, the Subsidiary company constructed four towers out of five towers during the validity of the said NOC.

The Subsidiary company had applied for renewal of NOC with AAIN in February 2017. However, AAIN had arbitrarily cancelled its earlier NOC of maximum permissible height in August 2017.

Further, the Appellate Committee of Ministry of Civil Aviation (Appellate Committee), without due consideration of complete facts had rejected the appeal of the Subsidiary company in this matter and instructed the Airport operator, Mihan India Private Limited ('MIHAN') to initiate action as per The Aircraft (Demolition of Obstructions caused by Buildings and Trees, etc.) Rules, 1994.

The Subsidiary company gathered Information through the RTI from MIHAN and Airport Authority of India ('AAI') which also suggests that there are no complaints from the pilots / airlines with respect to the four towers of the Subsidiary company creating any obstruction to safe flight operations. In addition, the Subsidiary company conducted an independent aeronautical study through ex-AAI official and VHF Omni directional Radio Range (VOR) (an aircraft navigation system) analysis and assessment study from a reputed aviation consultant, the reports of which cleared the buildings from being a major obstacle to the flight path.

The Subsidiary company had filed a writ petition in the Honourable High Court of Bombay (Nagpur Bench) for revocation of demolition order of Appellate Committee and restoration of the aviation NOC. Based on the interim order, the Honourable High Court of Bombay (Nagpur Bench) had stayed the demolition order and further proceedings were in progress.

The Subsidiary company had withdrawn writ petition on June 22, 2021 with reference to the Order passed by Airport Authority of India dated April 13, 2021 granting relief in in another case (MM 268 of 2014), which had permitted the right to increase the height for construction of towers from existing 49.26 meters to 57.00 metres based on the study carried out in pursuance of the directions given by High Court of Kerala in its Judgment dated September 22, 2020.

The Nagpur Bench has allowed the Subsidiary company to withdraw the petition with liberty to file again if need arises. Since the facts and circumstances of the said case are similar to that of the Subsidiary company, the Subsidiary company has approached the competent Airport Authorities i.e. the Appellate Committee at New Delhi on October 4, 2021 requesting them to conduct aeronautical study and DVOR simulation study in order to seek a resolution outside Court to determine the permissible top elevation in respect of four towers in accordance to the rules prescribed in section 6.3.1.5 of Circular 5 of 2020 "Aeronautical Study Guidelines". The Subsidiary company has sent reminders to the authorities in December 2021 and January 2022. The decision/ reply of the Appellate Committee is awaited in this regard.

During the quarter ended September 30, 2022, the subsidiary company had received part occupancy certificate ('OC') from Nagpur Municipal Corporation ('NMC') upto 11 floors (206 flats) out of 14 floors (total 336 flats) for all four towers. While granting part OC, NMC has obtained bank guarantee of Rs. 396.00 Lakhs for Demolition and Rs. 330.84 Lakhs for rehabilitation rent being valid upto June 20, 2024 from the subsidiary company.

During the current year, 62 customers have taken possession and based on which, revenue and proportionate cost in respect such units has been recognised in the financial statement for the year ended March 31, 2023. Further, the Company has sent final demand letters and letter asking to take possession to remaining customers for which OC has been received during the quarter ended September 30, 2022 and for which the customers are expected to make the balance payment and take possession of their respective units.

Considering the delay in the revert from AAI, the Subsidiary company has submitted the representation vide letter dated April 29, 2023 to the Appellate Committee, Secretary Aviation, Chairman of AAI and Member Air Navigation Services requesting to conduct the Aeronautical studies, CNS simulation study and issue of aviation NOC may be kindly taken within 30 days, failing which the Subsidiary company shall be constrained to approach the Hon'ble High Court for redressal of the matter.

Based on finding from an independent aeronautical survey report obtained by the Subsidiary company, the obstacle limitation study conducted by Mihan India Private Limited and validated by AAI New Delhi, legal opinion obtained by the Subsidiary company highlighting the merits of the case in the favour of the Subsidiary company, and the receipt of part OC upto 11 floors (206 flats out of 336 flats) during the year ended March 31, 2023, the management believes that the chances of revalidation of NOC are high and accordingly, no adjustments have been made, in respect of any write down in the carrying value of inventory of four towers aggregating to Rs. 26,035.19 lakhs, and in respect of provision towards expected demolition cost and interest payable to customers on cancellation of bookings, in these audited consolidated financial results for year ended March 31, 2023.

- 4 The audited consolidated financial results have been prepared in accordance with Ind AS 110 on consolidated financial statements and Ind AS 28 on investments in associates and joint ventures.
- 5 The above audited consolidated financials results are available on the company's and stock exchanges websites (www.prozoneintu.com), BSE (www.bseindia.com) and NSE (www.nseindia.com), where the shares of the company are listed.
- 6 Previous periods/year figures have been re-grouped / re-classified wherever necessary, to conform to current periods/year classification.
- 7 The figures for the quarter ended March 31, 2023 and March 31, 2022 are the balancing figures between audited figures in respect of the full financial year and the published year to date reviewed figures upto third quarter of respective financial year.
- 8 Members of the Company vide their approval dated January 19, 2023 through postal ballot process have approved the change of name of the Company from 'Prozone Intu Properties Limited' to 'Prozone Realty Limited'. The Company has received certificate of incorporation pursuant to change of name dated May 26, 2023.

9 Standalone information:

(Rs. in lakhs)

Particulars	Quarter Ended			Year Ended	
	31.3.2023	31.12.2022	31.03.2022	31.3.2023	31.03.2022
	(Audited) (Refer note 7)	(Unaudited)	(Audited) (Refer note 7)	(Audited)	(Audited)
Income from Operations	346.94	250.48	283.36	1,083.99	986.53
Profit from ordinary activities before tax	261.37	192.53	230.36	851.12	702.57
Net Profit for the period / year end	191.75	144.42	178.41	634.76	528.34
Total comprehensive income for the period / year end	5,644.20	146.14	3,767.30	7,887.36	5,946.04
Earnings per share (Basic and Diluted) (Rs.) *	0.13	0.09	0.12	0.42	0.35

* not annualized except for the year ended March 31, 2022 and March 31, 2023



10 Segment information :

Particulars	Quarter Ended			(Rs. in lakhs)	
	31.3.2023	31.12.2022	31.03.2022	31.3.2023	31.03.2022
	(Audited) (Refer note 7)	(Unaudited)	(Audited) (Refer note 7)	(Audited)	(Audited)
1. Segment Revenue					
a. Leasing	2,655.87	2,586.06	2,153.26	10,252.82	6,894.46
b. Outright Sales	2,910.06	3,631.43	795.67	7,064.45	2,443.23
Total	5,565.93	6,217.49	2,948.93	17,317.27	9,337.69
2. Segment Results					
Profit before tax and interest for each segment					
a. Leasing	1,185.30	1,150.97	746.54	4,608.21	1,942.39
b. Outright Sales	(379.43)	(131.28)	175.65	(780.77)	22.61
Total	805.87	1,019.69	922.19	3,827.44	1,965.00
Less: i) Interest	1,107.17	997.43	992.75	4,106.80	4,014.34
ii) Un-allocable (income) (net)	(1,446.98)	(1,516.36)	(447.53)	(5,050.14)	(1,456.80)
Profit / (Loss) from ordinary activities before tax and before share of profit / (loss) of joint venture	1,145.68	1,538.62	376.97	4,770.77	(592.54)
Add: Share of (loss) / profit of joint venture (net)	(3.75)	(0.74)	(3.28)	(4.16)	(1.56)
Profit / (Loss) before tax	1,141.93	1,537.88	373.69	4,766.61	(594.10)
Less: Tax Expenses	571.98	255.69	(129.51)	934.29	(445.72)
Net profit / (loss)	569.95	1,282.19	503.20	3,832.32	(148.38)
3. Capital Employed					
<u>Segment Assets</u>					
a. Leasing	57,028.50	57,167.41	61,876.51	57,028.50	61,876.51
b. Outright Sales	52,641.35	54,690.61	56,272.56	52,641.35	56,272.56
c. Unallocated *	49,225.03	49,524.49	45,982.28	49,225.03	45,982.28
Total	1,58,894.88	1,61,382.51	1,64,131.35	1,58,894.88	1,64,131.35
<u>Segment Liabilities</u>					
a. Leasing	37,798.68	38,056.10	42,803.29	37,798.68	42,803.29
b. Outright Sales	30,961.73	34,789.98	35,316.97	30,961.73	35,316.97
c. Unallocated *	6,905.79	6,666.47	7,411.34	6,905.79	7,411.34
Total	75,666.20	79,512.55	85,531.60	75,666.20	85,531.60
<u>Capital Employed (Segment Assets - Segment Liabilities)</u>					
a. Leasing	19,229.82	19,111.31	19,073.22	19,229.82	19,073.22
b. Outright Sales	21,679.62	19,900.63	20,955.59	21,679.62	20,955.59
c. Unallocated *	42,319.24	42,858.02	38,570.94	42,319.24	38,570.94
Total	83,228.68	81,869.96	78,599.75	83,228.68	78,599.75

Business segments:

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the group. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Managing Director of the group. The group is engaged in the business of developing, owning and operating of Shopping Malls, Commercial and Residential Premises. Based on the business activities during the financial year, the group has identified the following business segments as its primary segment:-

- Leasing
- Outright Sales

The primary segment reporting format is determined to be business segment as the group's risks and rates of returns are affected predominantly by the nature of activities.

* Assets and liabilities, which specifically cannot be allocable to identified business segment are separately disclosed as 'Unallocated'. The Management believes that it is not practicable to provide segment disclosures relating to unallocated, since a meaningful segregation of the available data is onerous.

For and on behalf of the Board of Directors of Prozone Realty Limited

Nikhil Chaturvedi

Nikhil Chaturvedi
Managing Director
DIN : 00004983

Date : 30 May, 2023
Place : Mumbai



Audited Statement of Consolidated Assets and Liabilities as at March 31, 2023

Particulars	(Rs. in lakhs)	
	As at 31.03.2023 (Audited)	As at 31.03.2022 (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	397.09	254.71
Investment properties	56,640.87	58,712.75
Investment property under development	3,719.94	3,703.52
Right of use assets	-	-
Goodwill	9,113.18	9,113.18
Financial assets		
Investments	1,983.86	2,485.84
Loans	9,957.60	570.43
Other financial assets	4,982.36	3,668.14
Deferred tax assets (net)	10,120.75	9,930.81
Income tax assets (net)	638.63	791.23
Other non-current assets	1,614.87	2,037.76
Total Non-current assets	99,169.15	91,268.37
Current assets		
Inventories	44,859.57	47,073.70
Financial assets		
Investments	2,474.83	4,537.02
Trade receivables	1,330.27	2,929.09
Cash and cash equivalents	4,648.50	3,452.16
Bank balances other than Cash and cash equivalents	2,357.94	1,761.40
Loans	674.14	10,055.22
Other financial assets	2,543.00	2,699.22
Other current assets	837.48	355.17
Total current assets	59,725.73	72,862.98
TOTAL ASSETS	1,58,894.88	1,64,131.35
EQUITY AND LIABILITIES		
EQUITY		
Equity share capital	3,052.06	3,052.06
Other equity	48,143.93	45,168.39
Equity attributable to owners	51,195.99	48,220.45
Non controlling interest	32,032.69	30,379.30
Total equity	83,228.68	78,599.75
LIABILITIES		
Non-current liabilities		
Financial liabilities		
Borrowings	38,770.77	43,085.19
Other financial liabilities	2,704.21	3,538.56
Provisions	98.13	88.27
Other non-current liabilities	55.10	378.94
Total non-current liabilities	41,628.21	47,090.96
Current liabilities		
Financial liabilities		
Borrowings	3,267.85	3,970.73
Trade payables		
Due to micro enterprises and small enterprises	89.94	4.27
Due to other	2,236.66	2,053.19
Other financial liabilities	1,369.93	1,618.16
Provisions	76.73	75.86
Other current liabilities	26,931.82	30,717.89
Current tax liabilities (net)	65.06	0.54
Total current liabilities	34,037.99	38,440.64
Total liabilities	75,666.20	85,531.60
TOTAL EQUITY AND LIABILITIES	1,58,894.88	1,64,131.35

For and on behalf of the Board of Directors of Prozone Realty Limited

Nikhil Chaturvedi

Nikhil Chaturvedi
Managing Director
DIN : 00004983

Date : 30 May, 2023
Place : Mumbai



Audited Statement of Consolidated Cash Flows for the year ended March 31, 2023

(Rs. in lakhs)

Particulars	Year ended 31.03.2023 (Audited)	Year ended 31.03.2022 (Audited)
A. Cash flows from operating activities:		
Profit / (Loss) before tax	4,766.62	(594.10)
Adjustments for:		
Depreciation and amortisation expense	2,424.35	2,669.17
Provision for impairment in investment property	-	5.16
Share of (Profit) / loss of Joint Venture	4.16	1.56
Reversal of provision for diminution in value of current investments	(9.54)	(18.43)
Interest income (including financial assets carried at amortised cost)	(4,727.47)	(1,385.25)
NRV Loss of Residential Project	-	144.17
Foreign currency translation gain	21.83	(6.10)
Gain on modification of financial liabilities	(42.80)	-
Sundry balances written off	432.34	73.94
Sundry Balances Written back	(155.13)	(668.85)
Finance Costs (including financial liabilities carried at amortised cost)	4,106.80	4,014.34
Amortisation of deferred asset (ie present value of Trade receivable)	-	39.84
Profit on sale of current investments	(106.03)	(116.06)
Reversal of provision for expected credit loss	(550.00)	-
Provision for expected credit loss on Trade receivable	4.60	153.40
Operating profit before working capital changes	6,169.73	4,312.79
Adjustments for changes in working capital:		
Decrease in inventories	2,214.13	458.64
Decrease / (Increase) in trade receivables	1,594.22	(930.16)
Decrease / (Increase) in loans	543.91	(1,674.20)
Decrease in other financial assets	3,137.12	6,739.85
(Increase) in other assets	(59.41)	(160.69)
Increase in trade payables	269.14	87.76
(Decrease) in other financial liabilities	(927.43)	(1,639.29)
(Decrease) / Increase in other liabilities	(4,109.91)	1,641.44
Increase in provisions	13.80	4.56
Cash generated from operations	8,845.30	8,840.70
Direct taxes paid (net of refunds received)	(658.11)	249.84
Net cash flows generated from operating activities (A)	8,187.19	9,090.54
B. Cash flows from investing activities:		
Purchase of property, plant and equipment	(251.45)	(36.31)
Purchase of investment property (including expenditure on Investment property under construction)	(259.82)	(77.17)
Purchase of non-current investments (net)	(32.92)	(417.00)
Sales / (Purchase) of current investments (net)	2,177.76	(3,625.10)
Investment in Bank Deposits	(596.54)	(1,403.58)
Net cash flows generated from / (used in) investing activities (B)	1,037.03	(5,559.16)
C. Cash flows from financing activities:		
Repayment of long - term borrowings	(4,140.76)	(1,662.85)
Proceeds from long - term borrowings	95.08	2,000.00
Proceeds / (Repayment) of short - term borrowings	124.60	(1,729.50)
Finance cost paid	(4,106.80)	(3,300.14)
Net cash flows (used in) financing activities (C)	(8,027.88)	(4,692.49)
Net Increase / (Decrease) in cash and cash equivalents (A+B+C)	1,196.34	(1,161.11)
Cash and cash equivalents at the beginning of the year	3,452.16	4,613.27
Cash and Cash Equivalents at the end of the year	4,648.50	3,452.16

For and on behalf of the Board of Directors of Prozone Realty Limited

Nikhil Chaturvedi

Nikhil Chaturvedi
Managing Director
DIN: 00004983

Date : 30 May, 2023
Place : Mumbai

