

**PROZONE INTU PROPERTIES LIMITED**

CIN : L45200MH2007PLC174147

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

**Statement of Consolidated Unaudited Financial Results for the quarter and half year ended 30 September 2020**

(Rs. in lakhs)

Particulars	Quarter Ended			Half Year ended		Year Ended
	30.09.2020	30.06.2020	30.09.2019	30.09.2020	30.09.2019	31.03.2020
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>1 Income</b>						
(a) Revenue from operations						
Revenue from real estate projects	-	-	32.83	-	41.36	49.93
Lease rental and related income	322.14	15.44	2,185.13	337.58	4,412.34	8,453.95
	<b>322.14</b>	<b>15.44</b>	<b>2,217.96</b>	<b>337.58</b>	<b>4,453.70</b>	<b>8,503.88</b>
(b) Other income	407.06	294.42	499.59	701.48	868.41	2,014.17
<b>Total income</b>	<b>729.20</b>	<b>309.86</b>	<b>2,717.55</b>	<b>1,039.06</b>	<b>5,322.11</b>	<b>10,518.05</b>
<b>2 Expenses</b>						
(a) Cost of material consumed	440.28	260.18	1,304.87	700.46	2,368.13	5,314.50
(b) Change in inventories of finished goods and construction work in progress	(440.28)	(260.18)	(1,279.87)	(700.46)	(2,337.42)	(5,278.36)
(c) Employee benefits expense	73.45	78.70	114.14	152.15	219.44	422.11
(d) Finance costs	1,192.13	999.31	1,100.98	2,191.44	2,063.59	4,152.17
(e) Depreciation and amortisation expenses	752.51	744.28	841.24	1,496.79	1,650.45	3,340.47
(f) Other expenses	376.54	308.22	816.09	684.76	1,517.01	3,201.91
<b>Total expenses</b>	<b>2,394.63</b>	<b>2,130.51</b>	<b>2,897.45</b>	<b>4,525.14</b>	<b>5,481.20</b>	<b>11,152.80</b>
<b>3 Loss from ordinary activities before tax before share of profit of joint ventures</b>	<b>(1,665.43)</b>	<b>(1,820.65)</b>	<b>(179.90)</b>	<b>(3,486.08)</b>	<b>(159.09)</b>	<b>(634.75)</b>
<b>4 Share of profit of joint ventures (net of tax)</b>	<b>3.02</b>	<b>1.97</b>	<b>12.61</b>	<b>4.99</b>	<b>12.46</b>	<b>31.23</b>
<b>5 Loss before tax</b>	<b>(1,662.41)</b>	<b>(1,818.68)</b>	<b>(167.29)</b>	<b>(3,481.09)</b>	<b>(146.63)</b>	<b>(603.52)</b>
<b>6 Tax expense</b>						
Current Tax	(9.16)	44.84	22.25	35.68	69.88	138.78
Deferred Tax (credit) / charge	94.33	(95.81)	168.67	(1.48)	121.27	(322.64)
Tax of earlier years	-	-	-	-	-	(3.15)
<b>7 Net (loss) for the period / year</b>	<b>(1,747.58)</b>	<b>(1,767.71)</b>	<b>(358.21)</b>	<b>(3,515.29)</b>	<b>(337.78)</b>	<b>(416.51)</b>
<b>8 Other comprehensive income</b>						
Items that will not be reclassified to profit or loss						
Remeasurement gain/ (loss) of the defined benefit plan	0.30	0.35	(1.77)	0.65	(3.53)	(1.67)
Profit on remeasuring FVTOCI financial assets	(860.98)	71.25	-	(789.73)	-	24.00
Tax on above	196.91	(16.40)	0.49	180.50	0.98	(191.69)
<b>9 Total comprehensive (loss) for the period / year</b>	<b>(2,411.35)</b>	<b>(1,712.51)</b>	<b>(359.49)</b>	<b>(4,123.87)</b>	<b>(340.33)</b>	<b>(585.87)</b>
<b>Net loss attributable to</b>						
- Owners	(1,083.09)	(936.73)	(260.85)	(2,019.82)	(243.62)	(152.01)
- Non Controlling Interest	(664.49)	(830.98)	(97.36)	(1,495.47)	(94.16)	(264.49)
<b>Total comprehensive (loss) / income attributable to</b>						
- Owners	(1,097.77)	(881.97)	(363.18)	(1,979.74)	(347.76)	(73.28)
- Non Controlling Interest	(1,313.58)	(830.54)	3.69	(2,144.12)	7.43	(512.59)
<b>10 Paid-up equity share capital (face value per share of Rs. 2/-)</b>	<b>3,052.06</b>	<b>3,052.06</b>	<b>3,052.06</b>	<b>3,052.06</b>	<b>3,052.06</b>	<b>3,052.06</b>
<b>11 Other Equity</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>46,599.66</b>
<b>12 Earnings per share (Basic and Diluted) (Rs.)</b>	<b>(0.71) *</b>	<b>(0.61) *</b>	<b>(0.17) *</b>	<b>(1.32) *</b>	<b>(0.16) *</b>	<b>(0.10)</b>
<b>* (Not annualised)</b>						





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**Notes :**

1 The above unaudited consolidated financial results which are published in accordance with Regulation 33 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended, have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 12 November 2020. The financial results are in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013, read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment Rules), 2016. These results have been subject to limited review by the Statutory Auditors of the Holding company.

2 Airport Authority of India, Nagpur ('AAIN') had arbitrarily cancelled maximum permissible height No Objection certificate ('NOC') issued to the subsidiary company for its residential project in Nagpur in August 2017. The subsidiary company had followed due process as per rules and regulations and obtained the NOC in February 2012. The subsidiary company is contesting the case against AAIN for cancellation order issued by AAIN and revalidation of the NOC.

Further, the Appellate Committee of Ministry of Civil Aviation, 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 to initiate action as per Aircraft (Demolition of Obstructions caused by buildings and tree, etc.) Rule, 1994.

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) has stayed the demolition order and further proceedings are in progress.

Based on independent aeronautical survey report obtained by the subsidiary company, the obstacle limitation study report conducted by AAIN, legal opinion obtained by the subsidiary company and merits of the case, management believes 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 inventories aggregating to Rs 25,143.73 lakhs, and provision towards expected demolition cost and interest payable to customers on cancellation of bookings, in the unaudited consolidated financial results as at 30 September 2020.

3 A subsidiary company had provided the facility amount of Rs. 4,000 lakhs (Rs. 7,518.02 lakhs including interest) for various real estate projects with fixed and variable returns to a party. The said amount is fully secured. Investee has failed to perform on agreed obligations, hence the subsidiary company had filed petition in the Hon'ble High Court at Bombay, seeking performance of contract, status quo on the projects and security given. As per the interim order passed on 17 July 2018, the Hon'ble High court has directed investee to maintain status quo and not to create any third party right on the respective projects etc till further order. Further, as per the legal opinion, the subsidiary company would get an award / decree in its favour at least for recovering money together with the interest from the investee. Accordingly, the subsidiary company has considered the said facility amount including interest of Rs 7,518.02 lakhs, as good and recoverable. However, since the matter is pending since long time, the management has discontinued to accrue interest thereon from 1 April 2020 till the outcome of the said litigation.

4 The Group's operations were impacted by the Covid 19 pandemic. In preparation of these unaudited consolidated financial results, the Group has taken into account internal and external sources of information to assess possible impacts of the pandemic, including but not limited to assessment of liquidity and going concern, recoverable values of its financial and non-financial assets, impact on revenues and costs to complete ongoing projects. Based on current indicators of future economic conditions, the Group has sufficient liquidity and expects to fully recover the carrying amount of its assets. Mall operations of the subsidiaries of Company were severely impacted and mall remain closed for entire 1st quarter and opened in end of 2nd quarter. During the quarter, Revenue is recognized on the basis of certainty of receipt of same.

Considering the evolving nature of the pandemic, its actual impact in future could be different from that estimated as at the date of approval of these unaudited consolidated financial results. The Group will continue to monitor any material changes to future economic conditions.

5 The Group has applied for resolution as per Resolution Framework for COVID-19-related Stress for construction as well as lease rental discounting (LRD) loan as per Reserve bank of India (RBI) circular dated 6 August 2020 and 7 September 2020. The same is under consideration at respective Bank/Financial Institution.

6 The 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.

7 The Parent Company has approved the Scheme of Amalgamation of its wholly owned subsidiaries ie Royal Mall Private Limited ('Amalgamating Company') with Prozone Developers & Realtors Private Limited ('Amalgamated Company') under Sections 230 to 232 and other relevant provisions of the Companies Act, 2013. Both these Companies are wholly owned subsidiaries of the Parent Company and have approved the Scheme in their respective Board Meetings. The appointed date of the Scheme is 1 January 2020. The scheme of Amalgamation is already filed with National Company Law Tribunal on 20 August 2020. Since the proposed amalgamation is between two wholly-owned subsidiaries, right of the Company and its stakeholders are not going to be affected by the virtue of this Scheme.

8 During the previous quarter ended 30 June 2020, the Parent Company has acquired 25.37 lakhs shares (FV Rs 10 fully paid up) and 46.34 lakhs shares (FV of Rs. 10 partly paid up) at par in "Calendula Commerce Private Limited". "Calendula Commerce Private Limited" has become joint venture company of Parent Company with effect from 4 May 2020 on account of said acquisition of shares.

9 The Group has opted to furnish consolidated results, pursuant to option made available as per Regulation 33 of the SEBI (Listing and Other Disclosure Requirements) Regulation, 2015. The consolidated financial results are available on the Company's website ([www.prozoneintu.com](http://www.prozoneintu.com)), BSE ([www.bseindia.com](http://www.bseindia.com)) and NSE ([www.nseindia.com](http://www.nseindia.com)).

10 The statutory auditors of the Parent Company have expressed an unqualified opinion on the unaudited consolidated financial results for the quarter and half year ended 30 September 2020

**11 Standalone information:**

Particulars	Quarter Ended			Year Ended		
	30.09.2020	30.06.2020	30.09.2019	30.09.2020	30.09.2019	31.03.2020
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Income from operations	120.78	134.64	237.29	255.42	474.43	951.44
(Loss)/profit from ordinary activities before tax	(58.38)	129.97	145.08	71.59	295.08	586.53
(Net loss)/Net Profit for the period / year	(46.10)	94.06	129.38	47.96	263.49	516.57
Total comprehensive (loss) /income for the period / year	(17,180.56)	365.11	(908.32)	(16,815.45)	(776.81)	(19,799.22)
Earnings per share (Rs.) (Basic / Diluted)	(0.03)*	0.06*	0.08*	0.03	0.17*	0.34

\*(Not annualised)





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**12 Segment information :**

Particulars		Quarter Ended			Year Ended		Year Ended
		30.09.2020	30.06.2020	30.09.2019	30.09.2020	30.09.2019	31.03.2020
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
<b>1 Segment Revenue</b>							
a. Leasing		322.14	15.44	2,185.13	337.58	4,412.34	8,453.95
b. Outright Sales		-	-	32.83	-	41.36	49.93
<b>Total</b>		<b>322.14</b>	<b>15.44</b>	<b>2,217.96</b>	<b>337.58</b>	<b>4,453.70</b>	<b>8,503.88</b>
<b>2 Segment Results</b>							
Profit before tax and interest for each segment							
a. Leasing		(733.27)	(868.71)	527.36	(1,601.98)	1,458.91	2,715.16
b. Outright Sales		(105.56)	(143.28)	(54.91)	(248.84)	(106.66)	(570.01)
<b>Total</b>		<b>(838.83)</b>	<b>(1,011.99)</b>	<b>472.45</b>	<b>(1,850.82)</b>	<b>1,352.25</b>	<b>2,145.15</b>
Less: i) Interest		1,192.13	999.31	1,100.98	2,191.44	2,063.59	4,152.17
ii) Un-allocable expenses / (income) (net)		(365.53)	(190.65)	(448.63)	(556.18)	(552.25)	(1,372.27)
(Loss) / Profit from ordinary activities before tax before share of (loss) / profit of joint ventures		(1,665.43)	(1,820.65)	(179.90)	(3,486.08)	(159.09)	(634.75)
Add: Share of profit / (loss) of joint ventures (net)		3.02	1.97	12.61	4.99	12.46	31.23
<b>(Loss) / profit before tax</b>		<b>(1,662.41)</b>	<b>(1,818.68)</b>	<b>(167.29)</b>	<b>(3,481.09)</b>	<b>(146.63)</b>	<b>(603.52)</b>
Less: Tax Expenses		85.17	(50.97)	190.92	34.20	191.15	(187.01)
<b>Net (loss) / profit</b>		<b>(1,747.58)</b>	<b>(1,767.71)</b>	<b>(358.21)</b>	<b>(3,515.29)</b>	<b>(337.78)</b>	<b>(416.51)</b>
<b>3 Capital Employed</b>							
<b>Segment Assets</b>							
a. Leasing		63,331.38	64,178.37	55,107.31	63,331.38	55,107.31	64,335.40
b. Outright Sales		46,944.98	46,073.27	41,890.25	46,944.98	41,890.25	45,113.44
c. Unallocated		49,410.39	50,948.59	60,913.00	49,410.39	60,913.00	51,624.52
<b>Total</b>		<b>1,59,686.75</b>	<b>1,61,200.23</b>	<b>1,57,910.56</b>	<b>1,59,686.75</b>	<b>1,57,910.56</b>	<b>1,61,073.36</b>
<b>Segment Liabilities</b>							
a. Leasing		41,981.25	41,008.63	41,891.07	41,981.25	41,891.07	40,036.91
b. Outright Sales		30,313.18	29,420.35	24,953.27	30,313.18	24,953.27	28,602.88
c. Unallocated		9,363.62	10,331.24	8,668.13	9,363.62	8,668.13	10,281.01
<b>Total</b>		<b>81,658.05</b>	<b>80,760.22</b>	<b>75,512.47</b>	<b>81,658.05</b>	<b>75,512.47</b>	<b>78,920.80</b>
(Segment Assets - Segment Liabilities)							
a. Leasing		21,350.13	23,169.74	13,216.24	21,350.13	13,216.24	24,298.49
b. Outright Sales		16,631.80	16,652.92	16,936.98	16,631.80	16,936.98	16,510.56
Unallocated Capital Employed		40,046.77	40,617.35	52,244.87	40,046.77	52,244.87	41,343.51
<b>Total</b>		<b>78,028.70</b>	<b>80,440.01</b>	<b>82,398.09</b>	<b>78,028.70</b>	<b>82,398.09</b>	<b>82,152.56</b>

For and on behalf of the Board

 Nikhil Chaturvedi  
 Managing Director  
 DIN : 00004983

 Date : 12 November 2020  
 Place : Mumbai


## 13 Consolidated unaudited Balance Sheet

Particulars	(Rs. in lakhs)	
	As at 30.09.2020 (Unaudited)	As at 31.03.2020 (Audited)
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	441.94	520.70
Investment properties	62,604.76	63,999.95
Investment property under construction	3,654.06	3,595.20
Right of use assets	2.33	16.34
Goodwill	9,144.91	9,144.91
<b>Financial assets</b>		
Non-current investments	874.49	4,661.71
Loans	653.97	653.97
Other financial assets	10,220.47	10,148.75
Deferred tax assets (net)	9,736.90	9,554.92
Income tax assets (net)	866.93	1,461.28
Other non-current assets	1,979.27	2,006.48
	<b>1,00,180.03</b>	<b>1,05,764.21</b>
<b>Current assets</b>		
Inventories	41,899.22	40,329.07
<b>Financial assets</b>		
Current investments	3,790.48	1,953.39
Trade receivables	1,638.08	1,942.84
Cash and cash equivalents	779.21	799.01
Bank balances other than Cash and cash equivalents	946.54	926.62
Loans	9,250.82	8,237.73
Other financial assets	988.90	909.25
Other current assets	213.47	211.24
	<b>59,506.72</b>	<b>55,309.15</b>
<b>TOTAL ASSETS</b>	<b>1,59,686.75</b>	<b>1,61,073.36</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Equity share capital	3,052.06	3,052.06
Other equity	44,619.92	46,599.66
<b>Equity attributable to owners</b>	<b>47,671.98</b>	<b>49,651.72</b>
Non controlling interest	30,356.71	32,500.84
<b>Total equity</b>	<b>78,028.69</b>	<b>82,152.56</b>
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
<b>Financial liabilities</b>		
Non-current borrowings	41,646.99	36,677.16
Other financial liabilities	4,481.72	4,471.31
Provisions	73.57	73.57
Other non-current liabilities	501.07	191.24
	<b>46,703.35</b>	<b>41,413.28</b>
<b>Current liabilities</b>		
<b>Financial liabilities</b>		
Borrowings	2,223.48	1,503.62
Trade payables		
- total outstanding dues of micro enterprise and small enterprise	7.66	13.58
- total outstanding dues of creditors other than micro enterprises and small enterprises	1,500.85	6,588.27
Other financial liabilities	5,165.56	4,940.68
Other current liabilities	25,913.64	24,371.42
Provisions	86.26	75.33
Current tax liabilities (net)	57.26	14.62
	<b>34,954.71</b>	<b>37,507.52</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,59,686.75</b>	<b>1,61,073.36</b>





## 14. Consolidated unaudited statement of cash flows

(Rs. in lakhs)

Particulars	For the period ended 30.09.2020 (Unaudited)	For the period ended 30.09.2019 (Unaudited)
<b>A. Cash flow from operating activities:</b>		
(Loss) before tax	(3,481.09)	(146.63)
Adjustments for:		
Depreciation and amortisation expenses	1,496.79	1,650.45
Share of profit of joint ventures	(4.99)	(12.46)
Reversal of provision for diminution in value of current investments	(14.01)	(21.75)
Interest income (including financial assets carried at amortised cost)	(672.52)	(650.34)
Dividend income	-	(5.31)
Sundry balances written off	(5.18)	-
Sundry balances written back	(1.75)	(103.04)
Finance costs (including financial liabilities carried at amortised cost)	2,191.44	2,063.59
Profit on sale of current investments	(13.20)	(123.97)
<b>Operating profit before working capital changes</b>	<b>(504.51)</b>	<b>2,650.54</b>
Adjustments for changes in working capital:		
(Increase) in inventories	(700.46)	(8,946.31)
Decrease in trade receivables	309.94	685.26
(Increase) / decrease in loans	(663.41)	306.95
(Increase) in other financial assets	(104.45)	(1,303.18)
Decrease / (increase) in other assets	24.98	(149.80)
(Decrease) in trade payables	(5,109.59)	(1,039.47)
Increase in other financial liabilities	238.80	614.44
Increase in other liabilities	1,219.20	6,964.89
Increase in provisions	11.58	15.94
<b>Cash (used in) operations</b>	<b>(5,277.92)</b>	<b>(200.74)</b>
Direct taxes paid (net of refunds received)	634.09	(282.96)
<b>Net cash (used in) operating activities (A)</b>	<b>(4,643.83)</b>	<b>(483.70)</b>
<b>B. Cash flows from investing activities:</b>		
(Purchase) of property, plant and equipment	(6.46)	(11.27)
(Purchase) / Sales of investment property including expenditure on investment property under construction	(61.26)	329.82
(Purchase) of non-current investments (net)	(300.00)	(1,260.90)
Sales / (Purchase) of current investments (net)	1,492.59	(4,772.04)
Dividend income	-	5.31
Purchase of bank deposits (having original maturity of more than 3 months)	(19.92)	(4.85)
<b>Net cash (used in) / generated from investing activities (B)</b>	<b>1,104.95</b>	<b>(5,713.93)</b>
<b>C. Cash flows from financing activities:</b>		
Repayment of long - term borrowings	-	(458.68)
Proceeds from long - term borrowings	6,362.25	8,800.00
Repayment of short - term borrowings	(1,009.63)	-
Finance cost	(1,833.54)	(1,956.16)
<b>Net cash generated from financing activities (C)</b>	<b>3,519.08</b>	<b>6,385.16</b>
<b>Net (decrease)/ increase in cash and cash equivalents (A+B+C)</b>	<b>(19.80)</b>	<b>187.53</b>
Cash and cash equivalents at the beginning of the year	799.01	198.77
<b>Cash and Cash Equivalents at the year ended</b>	<b>779.21</b>	<b>386.30</b>

The Statement of cash flow has been prepared under the indirect method as set out in Indian Accounting Standard - 7 ('Ind AS 7') on statement of cash flows prescribed in Companies (Indian Accounting Standard) Rules, 2015, notified under section 133 of the Companies Act, 2013.

## Components of cash and cash equivalents considered only for the purpose of statement of cash flows

Particulars	As at 30.09.2020 (Unaudited)	As at 30.09.2019 (Unaudited)
In bank current accounts	758.77	362.45
Cash on hand	20.44	21.85
Cheque on Hand	-	2.00
	<b>779.21</b>	<b>386.30</b>

## Reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities:

Particulars	31 March 2020 (Audited)	Cash flows	Fair value changes (Non-cash changes)	Current / Non Current Classification	30 September 2020 (Unaudited)
Non-current borrowings	36,677.16	6,362.25	196.97	(1,589.38)	41,646.99
Current borrowings	1,503.62	(1,009.63)	-	1,729.49	2,223.48
Other financial liabilities	3,184.15	-	-	(140.11)	3,044.04
<b>Total liabilities from financing activities</b>	<b>41,364.93</b>	<b>5,352.62</b>	<b>196.97</b>	<b>-</b>	<b>46,914.52</b>

For and on behalf of the Board

Nikhil Chaturvedi  
Managing Director  
DIN : 00004983



Date : 12 November 2020  
Place : Mumbai

